

REPORT
on the
joint spin-off audit in accordance with
Section 17 in conjunction with Section 5 of the Spin-off Act
of
IMMOFINANZ AG, Vienna
and
BUWOG AG, Vienna

Vienna, 30/01/2014

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1. Mandate and performance

By a decision of the Commercial Court of Vienna dated 16 October 2013, we were appointed as joint spin-off auditor (*gemeinsamer Spaltungsprüfer*) with a mandate to conduct an audit of the spin-off by absorption of a share in GENA SECHS Immobilienholding GmbH from

IMMOFINANZ AG, FN 114425 y
Wienerbergstrasse 11, 1100 Vienna

("transferring company")

to

BUWOG AG, FN 349794 d
Wienerbergstrasse 11, 1100 Vienna

("acquiring company")

and of the issuance of shares in BUWOG AG to the shareholders of IMMOFINANZ AG, as required under Section 17 in conjunction with Section 5 of the Spin-off Act (*Spaltungsgesetz*).

In accordance with Section 17 no. 1 of the Spin-off Act, the management boards of the aforementioned companies prepared a draft of the Spin-off and Takeover Contract (*Spaltungs- und Übernahmevertrag*) on 30 January 2014 in which the entire course of the spin-off and all facts and decisions relevant to performing the spin-off are explained.

This spin-off is deemed to be a spin-off by absorption (*Abspaltung zur Aufnahme*) as defined in Section 17 in conjunction with Section 1 para. 2 no. 2 of the Spin-off Act. Under Section 17 no. 1 in conjunction with Section 5 para. 1 of the Spin-off Act, the Spin-off and Takeover Contract must be audited by a spin-off auditor (*Spaltungsprüfer*). The audit should include an assessment of whether the information provided in the Spin-off and Takeover Contract is correct and complete and whether the individual steps for implementing the spin-off meet the legal requirements. As, pursuant to Section 17 no. 5 of the Spin-off Act, the rules governing mergers by absorption (Sections 220 to 232 of the Stock Corporation Act (*Aktiengesetz*)) have to be applied *mutatis mutandis* with respect to the acquiring company in the case of a spin-off by absorption, we were appointed under Section 220b para. 2 of the Stock Corporation Act as joint spin-off auditor of IMMOFINANZ AG and BUWOG AG.

In accordance with Section 17 no. 1 and Section 5 para. 1 of the Spin-off Act in conjunction with 220b of the Stock Corporation Act, the scope of our audit relates to the completeness and lawfulness of the draft Spin-off and Takeover Contract attached as Annex 1. As such, assessing the appropriateness of the exchange ratio for the shares and, if applicable, the amount of additional cash payments forms an essential part of the spin-off audit. The audit report must be concluded

with a declaration stating whether the proposed exchange ratio for the shares and, if applicable, the amount of additional cash payments are deemed appropriate.

In accordance with Section 3 para. 4 of the Spin-off Act, an audit must be carried out to establish whether the actual value of the remaining net assets of the transferring company at least corresponds to the size of the nominal capital plus appropriated reserves following implementation of the spin-off. By a decision of the Commercial Court of Vienna dated 16 October 2013, we were also appointed as the remaining assets auditor of the transferring company. A separate report will be produced on the audit of the remaining net assets of the transferring company.

In the case of the acquiring company, a contribution in kind audit (*Sacheinlageprüfung*) must be performed in accordance with Section 17 no. 3a of the Spin-off Act in conjunction with Section 25 para. 3 of the Stock Corporation Act as the assets being spun off are being transferred to an existing company which will increase its share capital. The audit will establish, among other things, whether the value of the spin-off assets covers the issue value of the shares issued from the ordinary capital increase and from the conditional capital increase performed by BUWOG AG. By a decision of the Commercial Court of Vienna dated 15 January 2014, we were also appointed as the contribution in kind auditor of BUWOG AG. A separate report will likewise be produced on the result of our audit.

Mag Peter Bartos, auditor, is responsible for ensuring the proper execution of the mandate by our company.

We conducted our audit between November 2013 to January 2014.

2. Documents

In executing our mandate, the following documents were made available to us and formed the basis of our audit:

- Draft of the Spin-off and Takeover Contract dated 30 January 2014 in accordance with Section 17 no. 1 of the Spin-off Act, including annexes;
- Joint spin-off report prepared by the management boards of IMMOFINANZ AG and BUWOG AG with regard to the spin-off by absorption of a share in GENA SECHS Immobilienholding GmbH and the issuance of shares in BUWOG AG to the shareholders of IMMOFINANZ AG, dated 30 January 2014;
- Closing balance sheet (*Schlussbilanz*) as at 31 October 2013 of the transferring company including the notes and audit opinion;
- Transfer balance sheet (*Übertragungsbilanz*) as at 1 November 2013 of the acquiring company;
- Spin-off balance sheet (*Spaltungsbilanz*) as at 1 November 2013 regarding the remaining assets retained by the transferring company.

In a written statement of completeness signed and dated 30 January 2014, the members of the management board of IMMOFINANZ AG and BUWOG AG confirmed to us that all assets, untaxed reserves, provisions for liabilities and charges, liabilities, accruals and deferred income, and guarantees and other commitments that can be recorded in the closing balance sheet as at 31 October 2013 and in the spin-off and transfer balance sheet as at 1 November 2013 are shown therein, that all details and particulars required under Section 17 in conjunction with Section 2 para. 1 of the Spin-off Act are complete and correct and that the explanations contained therein correspond to the factual circumstances, and that all information and documents relevant to our spin-off audit under Section 17 in conjunction with Section 5 para. 1 of the Spin-off Act have been made available to us and that we have also been informed of all events and/or findings which occurred or came to light until our activities concluded.

Furthermore, it was also confirmed to us that in connection with the spin-off, no special benefits as defined in Section 2 para. 1 no. 9 of the Spin-off Act have been granted or promised either to a member of the management or supervisory boards of the companies participating in the spin-off or to an auditor (*Abschlussprüfer*), company foundation auditor (*Gründungsprüfer*), contribution in kind auditor (*Sacheinlageprüfer*) or a spin-off auditor (*Spaltungsprüfer*), with the exception of those facts disclosed in the draft Spin-off and Takeover Contract.

3. Legal environment

3.1. Transferring company

The transferring company is IMMOFINANZ AG with its registered office in Vienna and its business address at Wienerbergstraße 11, 1100 Vienna, registered in the commercial register maintained by the Commercial Court of Vienna under FN 114425 y.

Its financial year begins on 1 May of each year and ends on 30 April of each year.

At the time of the preparation of the draft Spin-off and Takeover Contract, the share capital amounted to EUR 1,172,059,877.27 and was divided into 1,128,952,687 bearer shares.

3.2. Acquiring company

The acquiring company is BUWOG AG with its registered office in Vienna and its business address at Wienerbergstraße 11, 1100 Vienna, registered in the commercial register maintained by the Commercial Court of Vienna under FN 349794 d.

Its financial year begins on 1 May of each year and ends on 30 April of each year.

At the time of the preparation of the draft Spin-off and Takeover Contract, the share capital of the company recorded in the commercial register amounted to EUR 70,000 and was divided into 70,000 bearer shares. With regard to the resolution adopted at the shareholders' meeting of BUWOG AG on 30 January 2014 authorising a capital increase from EUR 70,000 by EUR 43,095,844 to EUR 43,165,844 through the issuance of 43,095,844 new bearer shares, we refer to the explanatory notes in section 3.3 of our report which contain a summarised description of the reorganisation steps which precede this spin-off.

The sole shareholder of the acquiring company is the transferring company, namely IMMOFINANZ AG. Therefore, the transferring company directly holds 100% of the shares in the acquiring company. This shareholding ratio will change when shares in the acquiring company are transferred to the owners of the transferring company (for more information on this, see section 3.3. below).

3.3. Brief description of the reorganisation measures to be taken by IMMOFINANZ AG

Prior to execution of the transaction described below, BUWOG AG only has minor assets.

The current spin-off is part of several reorganisation steps aimed at transferring the 100% interest in BUWOG-Bauen und Wohnen Gesellschaft mbH, FN 123812 b, which is currently indirectly held by IMMOFINANZ AG, to BUWOG AG as the new holding company. By issuing shares in BUWOG AG to the shareholders of IMMOFINANZ AG for the purpose of implementing the spin-off, IMMOFINANZ AG will surrender the majority of its shares in BUWOG AG and BUWOG AG will become independent and be listed on the stock exchange.

IMMOFINANZ AG, Vienna and BUWOG AG, Vienna
*Audit report on the spin-off by absorption
required under Section 17 in conjunction with Section 5 of the Spin-off Act*

For the purpose of implementation, the indirect interest held by IMMOFINANZ AG in BUWOG GmbH will be transferred in its entirety to BUWOG AG in two preparatory reorganization steps and by means of the current spin-off by absorption involving IMMOFINANZ AG and BUWOG AG as follows:

The first step involves IMMOFINANZ AG transferring its 100% interest in Parthica Immobilien GmbH, FN 349791 z, to BUWOG AG as a contribution in kind. Parthica Immobilien GmbH indirectly holds an interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 5.1% via its interest in GENA ZWEI Immobilienholding GmbH, FN 370882 s. In exchange for the contribution in kind, IMMOFINANZ AG will receive 43,095,844 shares in BUWOG AG which will perform a capital increase in the same amount. The capital increase in kind (*Sachkapitalerhöhung*) from EUR 70,000 to EUR 43,165,844 will be performed before the share in GENA SECHS Immobilien Holding GmbH, FN 370877 h, is spun off to BUWOG AG.

According to the Spin-off and Takeover Contract dated 22 January 2014, the remaining interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 94.9% was transferred from IMMOEAST Immobilien GmbH, FN 334103 d, to GENA SECHS Immobilienholding GmbH by means of a spin-off by absorption. IMMOFINANZ AG holds 59.71% of the shares in GENA SECHS Immobilienholding GmbH and BUWOG AG holds 40.29% of the shares.

The validity of the current spin-off is conditional upon execution of both of these reorganisation steps and registration in the commercial register.

After the interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 94.9% has been spun-off, the interest of 40.29% in GENA SECHS Immobilienholding GmbH held by BUWOG AG will correspond to an indirect interest of approximately 38.23% in BUWOG-Bauen und Wohnen Gesellschaft mbH (40.29% of 94.90%) and the spin-off share in GENA SECHS Immobilienholding GmbH held by IMMOFINANZ AG will correspond to an indirect interest of 56.67% in BUWOG-Bauen und Wohnen Gesellschaft mbH (59.71% of 94.90%).

Spinning off the 59.71% share in GENA SECHS Immobilienholding GmbH from IMMOFINANZ AG as the transferring company to BUWOG AG as the acquiring company by means of the spin-off by absorption, which is the subject of our audit, represents the final step. Upon this spin-off becoming effective, BUWOG AG will indirectly hold all shares in BUWOG-Bauen und Wohnen Gesellschaft mbH. In return for transferring the spin-off assets to BUWOG AG, the shareholders of IMMOFINANZ AG will - in proportion to their equity stake in IMMOFINANZ AG - be allocated one share in BUWOG AG (BUWOG spin-off Share) for every twenty shares they hold in IMMOFINANZ AG. The share capital of BUWOG AG will be increased by a further EUR 56,447,635 to EUR 99.613.479 in order to issue the BUWOG spin-off shares. The BUWOG spin-off shares created as a result of the capital increase will be issued without fixing a share premium, representing a *pro-rata* share in the capital of the company (Section 8 para. 3 clause 3 of the Stock Corporation Act) of EUR 1 per share. Under the capital increase, the spin-off assets constitute a contribution in kind.

BUWOG spin-off shares will also be allocated in respect of the 11,289,521 IMMOFINANZ shares currently held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH, FN 337411 v. IMBEA IMMOEAST Beteiligungsverwaltung GmbH is a wholly-owned subsidiary of IMMOFINANZ AG. Consequently, IMBEA will hold approximately 0.57% of the shares in BUWOG AG following the spin-off. Together with the 43,165,844 BUWOG shares held by IMMOFINANZ AG prior to the spin-off, IMMOFINANZ AG

will initially hold, directly or indirectly, 43.9% of the shares in BUWOG AG following the spin-off under civil law.

5,080,287 of the BUWOG spin-off shares, corresponding to an interest in BUWOG AG of approximately 5.1%, will be allocated for those IMMOFINANZ shares sold by IMMOFINANZ AG in January 2013 for financing purposes to two credit institutions and whose repurchase was agreed subject to repayment of the financing. In connection with the spin-off, the financing agreements will be amended so that the BUWOG spin-off shares that are issued are included - in addition to the IMMOFINANZ shares - under the financing transactions, which means that these 5,080,287 BUWOG spin-off shares will also be acquired by IMMOFINANZ AG upon repayment of the financing together with the repurchase of the IMMOFINANZ shares.

Thus, IMMOFINANZ AG will retain a beneficial interest in BUWOG AG of 49% in total following the spin-off (together with IMBEA IMMOEAST Beteiligungsverwaltung GmbH, there will exist a joint direct interest of 43.9%, plus beneficial ownership of 5.1%).

4. The course of the spin-off

4.1. Spin-off and Takeover Contract, as required under Section 17 no. 1 in conjunction with Section 2 of the Spin-off Act

In accordance with Section 17 no. 1 of the Spin-off Act, the management boards of the transferring and acquiring companies prepared a draft Spin-off and Takeover Contract on 30 January 2014. This draft is the subject of our audit.

The current draft was prepared correctly and covers the points listed in Section 17 no. 1 in conjunction with Section 2 para. 1 nos. 1 to 13 of the Spin-off Act, thereby complying with the relevant legislation.

The draft Spin-off and Takeover Contract was audited by us and the information and details contained therein were found to be correct, complete and in line with the statutory requirements.

The draft Spin-off and Takeover Contract between IMMOFINANZ AG and BUWOG AG provides for the transfer of the defined spin-off assets to BUWOG AG by means of a spin-off by absorption in accordance with Section 1 para. 2 nos. 2 and 17 of the Spin-off Act in application of Article VI of the Reorganisation Tax Act (*Umgründungssteuergesetz*) in exchange for the granting of shares in BUWOG AG to the shareholders of IMMOFINANZ AG. The spin-off assets which are earmarked to be transferred consist of the 59.71% share in GENA SECHS Immobilienholding GmbH which belongs to IMMOFINANZ AG.

The validity of the agreement is conditional upon the satisfaction of the following events:

- Registration in the commercial register of the spin-off, as specified in the Spin-off and Takeover Contract between IMMOFINANZ AG and GENA SECHS Immobilienholding GmbH;
- Registration in the commercial register of the capital increase performed by BUWOG AG against a contribution in kind in the form of shares in Parthica Immobilien GmbH, as specified in the contribution in kind and contribution agreement (*Sacheinlage- und Einbringungs-vertrag*) between IMMOFINANZ AG and BUWOG AG, entered into on 30 January 2014, and in respect of which a resolution was adopted at the shareholders' meeting of BUWOG AG;
- Approval of the Spin-off and Takeover Contract by the shareholders' meetings of IMMOFINANZ AG and BUWOG AG.

4.2. Information audit pursuant to Section 2 para. 1 of the Spin-off Act

The draft Spin-off and Takeover Contract contains all required information and declarations.

The information stipulated in Section 2 para. 1 no. 1 of the Spin-off Act regarding the company name and registered office of the transferring company is provided in the preamble of the draft contract. The articles of association of the transferring and acquiring companies are attached to the draft of the Spin-off and Takeover Contract as Annex 2.1.3a and Annex 2.1.3b.

The declaration required under Section 2 para. 1 no. 2 of the Spin-off Act is given regarding the transfer of the assets of the transferring company by way of universal succession in exchange for the granting of shares in the acquiring company. The spin-off assets are defined in section 2.10.1 of the draft Spin-off and Takeover Contract as being the 59.71% share (corresponding to a principal amount of EUR 20,899.19) in GENA SECHS Immobilienholding GmbH. As consideration, the shareholders of IMMOFINANZ AG receive shares in BUWOG AG.

In connection with the spin-off, no additional payments or cash settlements will be made by third parties as defined in Section 17 in conjunction with Section 2 para. 1 no. 3 and no. 13 of the Spin-off Act. The existing ownership structure will remain the same following the spin-off because the BUWOG spin-off shares will be allocated to the shareholders of IMMOFINANZ AG as the transferring company in proportion to their equity stake in IMMOFINANZ AG as the transferring company. Furthermore, the spin-off does not relate to different corporate forms. Consequently, no cash settlement will be offered to the shareholders of IMMOFINANZ AG. With regard to calculating the allocation ratio, we refer to our explanations in section 4.3. of the report.

As the spin-off does not result in a reduction of the nominal capital of the transferring company, the explanatory notes required under Section 2 para. 1 no. 4 of the Spin-off Act are omitted. The spin-off loss incurred by IMMOFINANZ AG will be offset against the appropriated capital reserves. Insofar as the book value of the spin-off assets under corporate law exceeds the amount of the ordinary capital increase and the share capital increase from conditional capital performed by BUWOG AG, this amount will be transferred to the appropriated capital reserves of BUWOG AG pursuant to Section 229 para. 2 no. 1 of the Commercial Code (*Unternehmensgesetzbuch*).

Details regarding the granting of shares, as required under Section 2 para. 1 no. 5 of the Spin-off Act, are provided in sections 2.3. and 2.5. of the Spin-off and Takeover Contract. Upon registration of the spin-off in the commercial register, the shareholders of IMMOFINANZ AG will, in exchange for transferring the spin-off assets to BUWOG AG, receive one share in BUWOG AG for every 20 shares they hold IMMOFINANZ AG in proportion to their equity stake in IMMOFINANZ AG. Furthermore, the draft Spin-off and Takeover Contract contains provisions on the issuance of further shares by BUWOG AG in the event of the exercise of conversion rights from the convertible bonds issued by IMMOFINANZ AG prior to the spin-off. Provision is made in the draft Spin-off and Takeover Contract for the settlement of fractional amounts in the event that shareholders of IMMOFINANZ AG hold a number of shares which cannot be evenly divided by twenty without remainder.

For the BUWOG spin-off shares to be granted to the shareholders of IMMOFINANZ AG, the date on which entitlement to profit participation commences in accordance with Section 2 para. 1 no. 6 of the Spin-off Act is fixed as the beginning of the financial year of BUWOG AG in which they are issued.

The effective date of the spin-off within the meaning of Section 2 para. 1 no. 7 of the Spin-off Act is 31 October 2013. As of 1 November 2013, all acts undertaken by IMMOFINANZ AG with regard to the spin-off assets are deemed as having been carried out by BUWOG AG.

Special rights as defined in Section 2 para. 1 no. 8 of the Spin-off Act are provided as specified in the terms and conditions for creditors of the IMMOFINANZ convertible bonds issued by IMMOFINANZ AG (ISIN XS0332046043 and ISIN XS0592528870), which are due 2017 and 2018. In the event of conversion, the creditors are also entitled to subscribe for BUWOG shares. When exercising the conversion right (in addition to being entitled to receive IMMOFINANZ shares based on the exercise of the conversion right), a convertible bond creditor will be entitled, on a *pro-rata* basis, to delivery of 0.05 BUWOG shares for each settlement share delivered in accordance with the conversion price applicable as at the day of the registration of the spin-off in the commercial register. In the event that conversion rights are exercised, IMMOFINANZ AG will use its own holdings or make purchases on the market in order to deliver BUWOG shares or where necessary make use of the right granted to it under the terms of the convertible bonds to pay a (partial) cash settlement under certain conditions. Furthermore, the management board of BUWOG AG will, pursuant to Section 174 para. 2 of the Stock Corporation Act, be authorised by a resolution of the shareholders' meeting yet to be adopted to issue convertible bonds in the aggregate principal amount of up to EUR 310,000,000. It is intended that these convertible bonds of BUWOG AG will be issued prior to the spin-off becoming effective and that they will be subscribed in full by IMMOFINANZ AG. To provide partial securitisation of the conversion rights from these convertible bonds which are convertible into shares in BUWOG AG, a resolution will subsequently be adopted on a conditional capital increase and on authorisation for the management board to increase the capital of the company (authorised capital).

Section 2.9 of the Spin-off and Takeover Contract lists the dual positions held by the board members of IMMOFINANZ AG as special benefits, as defined in Section 2 para. 1 no. 9 of the Spin-off Act: Mag. Daniel Joachim Riedl is a member of the management boards of IMMOFINANZ AG and BUWOG AG; Mag. Birgit Noggler and Dr. Eduard Zehetner are members of the management board of IMMOFINANZ AG and the supervisory board of BUWOG AG; Mag. Vitus Eckert is a member of the supervisory boards of IMMOFINANZ AG and BUWOG AG. A long-term incentive program is planned for the members of the management board of BUWOG AG, the conditions of which will be determined by the supervisory board of BUWOG AG at some point after the spin-off becomes effective. Furthermore, no special benefits have been granted to the members of the management boards and supervisory boards of the companies participating in the spin-off. The same applies to the auditor (*Abschlussprüfer*), remaining assets auditor (*Restvermögensprüfer*), spin-off auditor (*Spaltungsprüfer*), contribution in kind auditor (*Sacheinlageprüfer*) and any other auditor.

Furthermore, the draft Spin-off and Takeover Contract contains the exact description required by Section 2 para. 1 no. 10 of the Spin-off Act and details regarding the allocation of the assets being transferred to the acquiring company and those assets being retained by the transferring company. The spin-off assets are comprised of the entire share in GENA SECHS Immobilienholding GmbH held by IMMOFINANZ AG in the principal amount of EUR 20,899.19 which is to be spun off and which represents an interest in the company of approximately 59.71%. At the time of the spin-off, the sole relevant asset held by GENA SECHS Immobilienholding GmbH is the interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 94.9%. Consequently, the spin-off assets correspond to an indirect interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 56.67%. The remaining assets of IMMOFINANZ AG will be unaffected by the spin-off and will be retained by IMMOFINANZ AG (the "catch-all rule" specified in Section 2 para. 1 no. 11 of the Spin-off Act). In particular, the shares in BUWOG AG held by IMMOFINANZ AG will not be

transferred under the spin-off and therefore will not be issued to the shareholders of IMMOFINANZ AG (no passing-through of shares as defined in Section 17 no. 5 of the Spin-off Act in conjunction with Section 224 para. 3 of the Stock Corporation Act). With these shares, IMMOFINANZ AG will retain an interest in BUWOG AG following the spin-off. In accordance with Section 14 para. 2 no. 1 of the Spin-off Act, the spin-off assets of IMMOFINANZ AG will be transferred to BUWOG AG by way of universal succession at the time of the registration of the spin-off in the commercial register. BUWOG AG as the acquiring company will be entitled to all dividends paid by GENA SECHS from the effective date of the spin-off. In the interests of clarity, it should be noted that no dividends will be paid by GENA SECHS during the retroactive period.

Only the spin-off assets mentioned in section 2.10.1 of the Spin-off and Takeover Contract will be transferred. According to sections 2.10.2 and 2.11 of the Spin-off and Takeover Contract, all other assets form part of the remaining assets and consequently will be retained by IMMOFINANZ AG following the spin-off.

The balance sheets required under Section 2 para. 1 no. 12 of the Spin-off Act are attached to the draft Spin-off and Takeover Contract. A closing balance sheet including appendix pursuant to Section 17 in conjunction with Section 2 para. 2 of the Spin-off Act was prepared by the transferring company on the effective date of the spin-off and was audited by Deloitte Audit Wirtschaftsprüfungs GmbH, in respect of which it issued an unqualified audit opinion. The spin-off balance and the transfer balance sheet both as at 1 November 2013 were verifiably derived from the closing balance sheet.

The information required under Section 2 para. 1 no. 13 of the Spin-off Act can be omitted as in the case of the intended spin-off, the existing shareholding structure will be maintained and it does not pertain to different corporate forms. Consequently, no cash settlement will be offered to the shareholders of IMMOFINANZ AG.

4.3. Audit of the exchange ratio (Section 17 no. 5 in conjunction with Section 5 of the Spin-off Act in conjunction with Section 220b para. 4 of the Stock Corporation Act)

At the time of the current spin-off, the contribution in kind consisting of the shares in Parthica Immobilien GmbH (and the related beneficial interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of 5.1%) was transferred to BUWOG AG and the share capital of BUWOG AG was increased from EUR 70,000 to EUR 43,165,844. The validity of the Spin-off and Takeover Contract is conditional upon registration of this contribution in kind and the related capital increase by BUWOG AG in the commercial register.

Furthermore, the 94.9% interest in BUWOG-Bauen und Wohnen Gesellschaft mbH has been spun off from IMMOEAST Immobilien GmbH to GENA SECHS Immobilienholding GmbH. The validity of the Spin-off and Takeover Contract is likewise conditional upon registration of this spin-off in the commercial register.

Thus, prior to implementation of the current spin-off, BUWOG AG indirectly holds 43.33% of the shares in BUWOG-Bauen und Wohnen Gesellschaft mbH (38.23% via its 100% interest in GENA Sechs Immobilienholding GmbH and 5.1% via its 100% interest in Parthica Immobilien GmbH).

GENA SECHS Immobilienholding GmbH indirectly holds 56.67% of the shares in BUWOG-Bauen und Wohnen Gesellschaft mbH.

Prior to the spin-off, IMMOFINANZ AG is the sole owner of the 43,165,844 BUWOG shares and also directly holds 59.71% of the shares in GENA SECHS Immobilienholding GmbH. Consequently, BUWOG-Bauen und Wohnen Gesellschaft mbH is wholly-owned by IMMOFINANZ AG (and therefore by the shareholders via their IMMOFINANZ shares) from an economic perspective prior to the spin-off.

The transfer of the spin-off assets (an indirect interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 56.67%) from IMMOFINANZ AG to BUWOG AG by way of a spin-off by absorption will be made in exchange for the granting of shares in BUWOG AG to the shareholders of IMMOFINANZ AG. The draft Spin-off and Takeover Contract stipulates that the shareholders of IMMOFINANZ AG will receive one (1) share in BUWOG AG for every twenty (20) IMMOFINANZ shares they hold, in proportion to their equity stake in IMMOFINANZ AG. Provision is made for the settlement of fractional amounts. No additional cash payments will be made.

As shares are not being exchanged in the present case, but instead newly created shares in BUWOG AG are being issued to the shareholders of IMMOFINANZ AG, the term "allocation ratio" (*Zuteilungsverhältnis*) will be used in the draft Spin-off and Takeover Contract and in our report instead of the term "exchange ratio" (*Umtauschverhältnis*).

Section 8 of the joint spin-off report prepared by the management boards of IMMOFINANZ AG and BUWOG AG dated 30 January 2014 explains as follows the considerations which formed the basis for calculating the allocation ratio:

- Determining the future size of the share capital of BUWOG AG and the number of shares in BUWOG AG;
- Taking into consideration the expected market capitalisation of BUWOG AG in such a way that the future price of shares in BUWOG AG should lie within an attractive range from the present perspective of private and institutional investors.
- Taking into consideration that the number of fractions of a share created from issuing BUWOG spin-off shares should be kept as low as possible. The allocation ratio of 20:1, into which shares can be evenly divided, should make it possible to issue one BUWOG spin-off share or a number of BUWOG spin-off shares for a large proportion of the shares held by the shareholders of IMMOFINANZ AG without causing fractions of a share to be created.

When assessing the appropriateness of the allocation ratio, a number of specific details have to be taken into consideration in the case of the present spin-off, which results in it not being necessary to carry out a comparative company valuation to determine the calculated ratio between the spin-off assets on the one hand and the existing assets (= value of BUWOG AG as the

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acquiring company prior to the spin-off) on the other. From an economic point of view, the valuation objects are identical, as the following explanations illustrate.

The spin-off assets consist solely of the 59.71% share held by IMMOFINANZ AG in GENA SECHS Immobilienholding GmbH. The sole relevant asset held by GENA SECHS Immobilienholding GmbH is its share in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 94.9%. From an economic point of view, the spin-off assets thus correspond to an (indirect) interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 56.67%.

The existing assets held by BUWOG AG prior to the spin-off consist almost exclusively of its share in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 43.33%. Prior to the spin-off, BUWOG AG does not have any other assets of any economic relevance. At the present time, there are no relevant liabilities.

From an economic point of view, the valuation objects are identical. Thus, the allocation ratio is calculated on the basis of the share ratios in BUWOG GmbH prior to the spin-off. Therefore, it is not necessary to carry out a comparative company valuation.

The spin-off assets acquired by BUWOG AG under the spin-off correspond to an indirect interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 56.67%. Likewise, the number of BUWOG spin-off shares issued by BUWOG AG as consideration to the IMMOFINANZ shareholders, which was determined on the basis of the number of IMMOFINANZ shares issued at the time of the preparation of the draft Spin-off and Takeover Contract, corresponds to an interest in BUWOG AG of approximately 56.67% and consequently - just as is the case with the spin-off assets - also to an indirect interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 56.67%.

On the basis of the beneficial interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of 43.33% and/or 56.67%, which is connected in each case with the existing assets and/or spin-off assets, it is clear - based on the 43,165,844 BUWOG shares already issued prior to the spin-off - that 56,447,635 BUWOG shares (= the BUWOG spin-off shares) will have to be issued in respect of the spin-off assets in order to perform a spin-off which maintains the existing shareholding structure. Following the spin-off, the number of BUWOG shares and the related beneficial interest in BUWOG-Bauen und Wohnen Gesellschaft mbH will be as follows:

	No. of shares in BUWOG AG	Beneficial interest in BUWOG GmbH
Existing assets	43,165,844	43.33%
Spin-off assets (= BUWOG spin-off shares)	56,447,635	56.67%
	99,613,479	100.00%

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The following allocation ratio is calculated based on the shares issued by IMMOFINANZ AG at the time of the preparation of the draft Spin-off and Takeover Contract in proportion to the spin-off shares to be issued by BUWOG AG in order to perform a spin-off which maintains the existing shareholding structure:

	No. of shares	Allocation ratio
IMMOFINANZ shares	1,128,952,687	20
BUWOG spin-off shares	56,447,635	1

In our opinion, the allocation ratio established using this method in the draft Spin-off and Takeover Contract of 20:1 is appropriate. The number of BUWOG spin-off shares to be issued to perform the spin-off will guarantee that the shareholding ratio in BUWOG AG will exactly correspond to the value ratio between the assets to be spun off and the acquiring legal entity. Shares in BUWOG AG will be issued to the shareholders of IMMOFINANZ AG by maintaining the existing ownership structure; that is, from the 56,447,635 new shares created to perform the spin-off, the shareholders of IMMOFINANZ AG will receive one BUWOG spin-off share for every twenty IMMOFINANZ shares they hold in proportion to their equity stake in IMMOFINANZ AG or fractional amounts will be settled, respectively. This ensures that the shareholders of IMMOFINANZ AG do not have to accept any change in assets before and after the spin-off.

This assessment is based on the following considerations also by taking into consideration the intended issuance of convertible bonds by BUWOG AG in the period between the preparation of the draft Spin-off and Takeover Contract and the time at which the spin-off becomes effective. These convertible bonds will solely be subscribed by IMMOFINANZ AG (see the detailed information provided in Annex 2.8.3. of the draft Spin-off and Takeover Contract). The funds generated from these convertible bonds will be provided by BUWOG AG as a loan to BUWOG-Bauen und Wohnen Gesellschaft mbH for the purpose of financing the purchase of a real estate portfolio in Germany.

The assets that largely determine the enterprise value of BUWOG AG consist, prior to the spin-off, of the indirect interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of approximately 43.33%. If the terms and conditions of the convertible bonds are prepared on an arm's length basis, this will not lead to any change in the enterprise value of BUWOG AG as the funds generated are also contrasted with corresponding liabilities in the same amount. To assess whether the terms and conditions of the convertible bonds were prepared on an arm's length basis, the management boards of IMMOFINANZ AG and BUWOG AG provided us with the assessment conducted by Barclays PLC (an international investment bank) which confirms in writing that the conditions and the pricing for the convertible bonds are in line with the market and that they correspond, by and large, to similar instruments available on the international capital market. Likewise, the transfer to BUWOG-Bauen und Wohnen Gesellschaft mbH will be made at arm's length financing conditions, meaning that the transfer will also not affect the enterprise value in any way.

According to the supporting documents provided to us, an issuance of these convertible bonds by BUWOG AG and subscription by IMMOFINANZ AG under the conditions set out in the draft Spin-off and Takeover Contract will not alter the enterprise value of BUWOG AG (corresponding to an

indirect interest in BUWOG-Bauen und Wohnen Gesellschaft mbH of 43.33%) which forms the basis upon which the allocation ratio is calculated. Thus, the allocation ratio is also unaffected.

Finally, when assessing how appropriate the allocation ratio is, it is also necessary to factor in the possible effects of the exercise of conversion rights from the convertible bonds issued by IMMOFINANZ AG (ISIN XS0332046043 and ISIN XS0592528870).

The number of qualifying IMMOFINANZ shares may increase as a result of the exercise of conversion rights from IMMOFINANZ convertible bonds and a related issuance of new shares in IMMOFINANZ AG from conditional capital in the period between the preparation of the draft Spin-off and Takeover Contract and the spin-off becoming effective. In such a case, additional BUWOG spin-off shares will be issued in order to guarantee the allocation of BUWOG spin-off shares to IMMOFINANZ shareholders based on the allocation ratio of 20:1. In order to issue additional BUWOG spin-off shares on the basis of the allocation ratio, BUWOG AG will conditionally increase the share capital of the company by up to EUR 7,364,646.00 through the issuance of up to 7,364,646 new bearer shares in BUWOG AG. Issuing additional BUWOG spin-off shares will guarantee that newly issued shares in IMMOFINANZ AG from conditional capital - following the preparation of the draft Spin-off and Takeover Contract - are treated equally to the IMMOFINANZ shares which had already been issued. Both the possible issuance of new IMMOFINANZ shares on the basis of the exercise of conversion rights as well as the related issuance of additional BUWOG spin-off shares (for these new IMMOFINANZ shares) pertain to the same group of shareholders, namely the shareholders of IMMOFINANZ AG, and therefore this does not affect the allocation ratio.

At the time the spin-off becomes effective and the spin-off assets are transferred (registration in the commercial register), the same shareholders hold (indirect) interests in IMMOFINANZ AG and BUWOG AG. From an economic perspective, both IMMOFINANZ AG and BUWOG AG will continue to be wholly-owned by the IMMOFINANZ shareholders at the time the spin-off becomes effective; namely, BUWOG AG following the spin-off (through the BUWOG spin-off shares issued to IMMOFINANZ shareholders) in part directly and also indirectly via their existing interest in IMMOFINANZ AG (with regard to the interest in BUWOG AG retained by the IMMOFINANZ Group following the spin-off). Given that the group of IMMOFINANZ shareholders remains the same, the appropriateness of the allocation ratio is in any case guaranteed as the spin-off and issuance of BUWOG spin-off shares to IMMOFINANZ shareholders cannot result in a transfer of property among IMMOFINANZ shareholders, taking into account the proposed settlement of fractional amounts.

4.4. Capital maintenance

In accordance with Section 3 para. 1 of the Spin-off Act, the total of the nominal capitals of the companies participating in the spin-off must at least equal the size of the nominal capital of the transferring company prior to the spin-off, and the total of the appropriated reserves of the companies participating in the spin-off must at least equal the size of the appropriated reserves of the transferring company prior to the spin-off. Appropriated reserves may be transferred.

In its audited closing balance sheet as at 31 October 2013, IMMOFINANZ AG has appropriated capital amounting to EUR 5,189,839,534.03. This appropriated capital is as follows:

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	IMMOFINANZ AG Closing balance sheet 31/10/2013 [EUR]
Share capital	1,172,059,877.28
Appropriated capital reserves	4,017,779,656.75
Appropriated capital	5,189,839,534.03

Due to spinning off the interest in GENA SECHS Immobilienholding GmbH, IMMOFINANZ AG will incur a spin-off loss in the amount of the assets transferred to BUWOG AG totalling EUR 891,298,292.00. This spin-off loss will be offset against the appropriated reserves on the spin-off balance sheet of IMMOFINANZ AG as at 1 November 2013. No reduction in share capital will be made. Following the spin-off, the appropriated capital of IMMOFINANZ AG will reduce to EUR 4,298,541,242.03.

BUWOG AG will create appropriated capital equalling the spin-off loss incurred by IMMOFINANZ of EUR 891,298,292.00 by performing a share capital increase and by forming capital reserves. The appropriated capital created by BUWOG during the course of the spin-off is as follows:¹

	BUWOG AG Transfer 1/11/2013 [EUR]
Share capital	56,477,635.00
Appropriated capital reserves	834,820,657.00
Appropriated capital	891,298,292.00

Following implementation of the spin-off, the appropriated capital of IMMOFINANZ AG and BUWOG AG will be as follows:

	IMMOFINANZ AG spin-off balance sheet 1/11/2013 [EUR]	BUWOG AG Transfer 1/11/2013 [EUR]	Total following the spin-off 1/11/2013 [EUR]
Share capital	1,172,059,877.28	56,477,635.00	1,228,537,512.28
Appropriated capital reserves	3,126,481,364.75	834,820,657.00	3,961,302,021.75
Appropriated capital	4,298,541,242.03	891,298,292.00	5,189,839,534.03

As a result, the total nominal capitals and appropriated reserves of IMMOFINANZ AG and BUWOG AG following the spin-off equal the appropriated capital of IMMOFINANZ AG of EUR 5,189,839,534.03 prior to the spin-off.

¹ Without taking into consideration any additional share capital increase from conditional capital performed by BUWOG AG which would lead to a reduction of the appropriated capital reserves in the same amount. There will be no effect on the total appropriated capital of BUWOG AG.

5. Summary of the audit result

Based on our appointment by the Commercial Court of Vienna on 16 October 2013, we have conducted an audit of the draft Spin-off and Takeover Contract prepared by the management boards of IMMOFINANZ AG and BUWOG AG on 30 January 2014 regarding the spin-off by absorption of a 59.71% share in GENA SECHS Immobilienholding GmbH and the issuance of shares in BUWOG AG to the shareholders of IMMOFINANZ AG.

The draft Spin-off and Takeover Contract covers the points listed in Section 17 no. 1 in conjunction with Section 2 para. 1 nos. 1 to 13 of the Spin-off Act, thereby complying with the relevant legislation.

As described in our report, there is no need - due to the economic identity of the valuation objects - to assess the transferred assets and the acquiring legal entity to establish the exchange ratio (here allocation ratio) and to assess the details in the audit report regarding the methods used when conducting the assessment, to what extent they are appropriate and whether any difficulties were encountered when conducting the assessment.

With respect to the consideration to be granted to the shareholders of IMMOFINANZ AG in proportion to their equity stake in IMMOFINANZ AG and with respect to the value relation between the assets to be spun off and the acquiring legal entity, the method chosen for establishing the allocation ratio for BUWOG shares maintains in each case the existing shareholding structure. This ensures that the shareholders of IMMOFINANZ AG do not have to accept any change in assets before and after the spin-off.

Having regard to the final result of the audit conducted by us in accordance with our duties as spin-off auditor pursuant to Section 17 in conjunction with Section 5 para. 4 of the Spin-off Act, we hereby confirm - on the basis of the documents and materials submitted to us and the explanations and evidence provided to us - that the information and details contained in the draft Spin-off and Takeover Contract prepared by the management boards of IMMOFINANZ AG and BUWOG AG were found to be correct, complete and in line with the statutory requirements.

The proposed allocation ratio (exchange ratio), according to which the shareholders of IMMOFINANZ AG will receive one BUWOG share for every 20 IMMOFINANZ shares they hold, is appropriate taking into consideration the proposed settlement of fractional amounts. No additional cash payments will be made.

Vienna, 30/01/2014

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Mag Peter Bartos
Auditor

by procuration: Mag Gerhard Posautz
Auditor

DRAFT
of the
SPIN-OFF AND TAKEOVER CONTRACT

between

IMMOFINANZ AG
Wienerbergstraße 11, 1100 Vienna
(FN 114425 y)

as the transferring company

and

BUWOG AG
Wienerbergstraße 11, 1100 Vienna
(FN 349794 d)

as the acquiring company

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Preamble

- A. IMMOFINANZ AG, FN 114425 y, with its registered office in Vienna and its business address at Wienerbergstraße 11, 1100 Vienna (hereinafter "**IMMOFINANZ AG**"), is a stock corporation established under Austrian law.
- B. As at 30 January 2014, the share capital of IMMOFINANZ AG is EUR 1,172,059,877.27, divided into 1,128,952,687 bearer shares ("**IMMOFINANZ Shares**"). There is the possibility that the share capital and the number of shares in IMMOFINANZ AG may still increase by the time the spin-off becomes effective as a result of the exercise of conversion rights from the convertible bonds issued by IMMOFINANZ AG and described in greater detail in parts J and K of the Preamble, and also as a result of the issuance of IMMOFINANZ Shares from conditional capital. The subsidiaries of IMMOFINANZ AG (within the meaning of Section 228 para. 3 of the Commercial Code (*Unternehmensgesetzbuch*)) hold 11,289,527 IMMOFINANZ Shares as at 30 January 2014. IMMOFINANZ AG does not directly hold any treasury shares and it is also unlikely that it will hold any treasury shares at the time of the registration of the spin-off in the commercial register. Under financing transactions in treasury shares, IMMOFINANZ AG sold a total of 101,605,741 treasury shares to banks for financing purposes and in so doing it agreed to repurchase these IMMOFINANZ Shares upon repayment of the financing. BUWOG Spin-off Shares (as defined below) shall also be allocated to the banks which hold these IMMOFINANZ Shares. In connection with the spin-off, the financing agreements shall be amended so that the BUWOG Spin-off Shares that are issued are also included – in addition to the IMMOFINANZ Shares – under the terms of the financing transactions, which means that the allocated BUWOG Spin-off Shares shall also be acquired by IMMOFINANZ AG upon repayment of the financing together with the repurchase of the IMMOFINANZ Shares.
- C. BUWOG AG, FN 349794 d, with its registered office in Vienna and its business address at Wienerbergstraße 11, 1100 Vienna (hereinafter "**BUWOG AG**"), is a stock corporation established under Austrian law, which has a share capital of EUR 70,000.00 as at 30 January 2014, divided into 70,000 bearer shares. According to Article 5 (1) of the articles of association of BUWOG AG, the shares of BUWOG AG shall be admitted to trading on one or more stock exchanges as defined in Section 2 no. 32 of the Banking Act (*Bankwesengesetz*). IMMOFINANZ AG holds all shares in BUWOG AG.
- D. The 100% indirect interest held by IMMOFINANZ AG in BUWOG – Bauen und Wohnen Gesellschaft mbH, FN 123812 b, with its registered office in Vienna and its business address at Hietzinger Kai 131, 1130 Vienna (hereinafter "**BUWOG GmbH**"), shall be transferred in its entirety to BUWOG AG as the new holding company (i) by undertaking the two preparatory reorganisation steps set out in parts E and F of the Preamble, and (ii) by performing as the final step the spin-off by absorption described in this Spin-off

and Takeover Contract. By issuing shares in BUWOG AG to the shareholders of IMMOFINANZ AG for the purpose of implementing the current spin-off, IMMOFINANZ AG shall surrender the majority of its shares in BUWOG AG, and BUWOG AG shall become independent and be brought on the stock market.

- E. Under a contribution in kind and contribution agreement (*Sacheinlage- und Einbringungsvertrag*) dated 30 January 2014 between IMMOFINANZ AG and BUWOG AG, IMMOFINANZ AG transferred all of its shares in Parthica Immobilien GmbH, FN 349791 z, to BUWOG AG as a contribution in kind. Parthica Immobilien GmbH indirectly via its 100% interest in GENA ZWEI Immobilienholding GmbH, FN 370882 s holds a share in BUWOG GmbH in the principal amount of EUR 963,641.79, representing an interest in BUWOG GmbH of approximately 5.1%. To issue 43,095,844 new bearer shares in BUWOG AG to IMMOFINANZ AG as consideration for this contribution in kind, a capital increase shall be performed prior to the current spin-off becoming effective with a view to increasing the capital by EUR 43,095,844, thus rising from EUR 70,000 to EUR 43,165,844. Following registration of this capital increase in the commercial register, the share capital of BUWOG AG shall amount to EUR 43,165,844, divided into 43,165,844 bearer shares. The 100% interest in Parthica Immobilien GmbH acquired by BUWOG AG by means of the contribution in kind specified in this part E represents an indirect interest in BUWOG AG of approximately 5.1%.
- F. Under the spin-off and takeover contract (*Spaltungs- und Übernahmevertrag*) dated 22 January 2014 between IMMOEAST Immobilien GmbH, FN 334103 d, with its registered office in Vienna and its business address at Wienerbergstraße 11, 1100 Vienna (hereinafter "**IMMOEAST**"), and GENA SECHS Immobilienholding GmbH, FN 370877 h, with its registered office in Vienna and its business address at Wienerbergstraße 11, 1100 Vienna (hereinafter "**GENA SECHS**"), a share in BUWOG GmbH in the principal amount of EUR 17,931,295.09, representing an interest in BUWOG GmbH of approximately 94.9%, shall be transferred from IMMOEAST to GENA SECHS by means of a spin-off by absorption (*Abspaltung zur Aufnahme*) in accordance with Section 1 para. 2 no. 2 and Section 17 of the Spin-off Act (*Spaltungsgesetz*) prior to the current spin-off becoming effective.
- G. The registered capital of GENA SECHS is EUR 35,000.00. Prior to the current spin-off becoming effective, (i) BUWOG AG holds a share in GENA SECHS in the principal amount of EUR 14,100.81, representing an interest of approximately 40.29%, and (ii) IMMOFINANZ AG holds a share in GENA SECHS in the principal amount of EUR 20,899.19, representing an interest of approximately 59.71% (the entire share held by IMMOFINANZ AG in GENA SECHS shall hereinafter be referred to as the "**Spin-off Share in GENA SECHS**"). Upon registration of the spin-off agreed under the terms of the spin-off and takeover contract between IMMOEAST and GENA SECHS (part F of the Preamble) in the commercial register, GENA SECHS shall acquire an interest in BUWOG GmbH of approximately 94.9%. No shares shall be granted by GENA SECHS

as the acquiring company because the indirect ownership structure remains the same (Section 17 no. 5 of the Spin-off Act in conjunction with Section 224 para. 2 no. 1 of the Stock Corporation Act (*Aktiengesetz*)). This means that upon the spin-off becoming effective (i) the interest held by BUWOG AG in GENA SECHS of approximately 40.29% shall represent an indirect interest in BUWOG GmbH of approximately 38.23% and (ii) the Spin-off Share in GENA SECHS held by IMMOFINANZ AG shall represent an indirect interest in BUWOG GmbH of approximately 56.67%.

- H. Under the terms of this Spin-off and Takeover Contract, the entire Spin-off Share in GENA SECHS held by IMMOFINANZ AG shall be transferred to BUWOG AG as the acquiring company by means of a spin-off by absorption in accordance with Section 1 para. 2 no. 2 and Section 17 of the Spin-off Act and in application of Article VI of the Reorganisation Tax Act (*Umgründungssteuergesetz*), meaning that BUWOG AG shall indirectly hold all shares in BUWOG GmbH upon the current spin-off becoming effective, namely (i) approximately 94.9% via its 100% interest in GENA SECHS after the spin-off becomes effective, and (ii) the remaining approximately 5.1% indirectly via the 100% interest in Parthica Immobilien GmbH (part E of the Preamble).
- I. In exchange for transferring the Spin-off Share in GENA SECHS, the shareholders of IMMOFINANZ AG shall be granted shares in BUWOG AG in proportion to their equity stake in IMMOFINANZ AG in accordance with the terms of this Spin-off and Takeover Contract (a spin-off where the existing ownership structure is maintained (*verhältnismwahrende Spaltung*)).
- J. At the time of the preparation of the draft of this Spin-off and Takeover Contract (30 January 2014), the 2011-2018 convertible bonds (ISIN XS0332046043) issued by IMMOFINANZ AG (hereinafter the "**IMMOFINANZ Convertible Bonds due 2018**") are still outstanding in the aggregate principal amount of EUR 508,684,500.00. IMMOFINANZ AG holds repurchased IMMOFINANZ Convertible Bonds due 2018 in the aggregate principal amount of EUR 6,435,400 which have not yet been cancelled. In line with the applicable conversion price of EUR 3.56 (last amended in October 2013 owing to a dividend payment for the 2012/2013 financial year), the IMMOFINANZ Convertible Bonds due 2018 outstanding in the principal amount of EUR 508,684,500.00 entitle their holders to submit them for conversion into a total of 142,888,904 IMMOFINANZ Shares. Conditional capital (as defined in Section 159 para. 2 no. 1 of the Stock Corporation Act) is available to satisfy the conversion rights from the IMMOFINANZ Convertible Bonds due 2018 in accordance with the resolution adopted by the shareholders' meeting of IMMOFINANZ AG on 28 September 2011 (hereinafter the "**Conditional Capital for the Convertible Bonds due 2018**").
- K. At the time of the preparation of the draft of this Spin-off and Takeover Contract (30 January 2014), the 2007-2017 convertible bonds (ISIN XS0332046043) issued by IMMOFINANZ AG (hereinafter the "**IMMOFINANZ Convertible Bonds due 2017**") are outstanding in the aggregate principal amount of EUR 35,100,000.00. IMMOFINANZ

AG holds repurchased IMMOFINANZ Convertible Bonds due 2017 in the aggregate principal amount of EUR 22,400,000 which have not yet been cancelled. In line with the applicable conversion price of EUR 7.97 (last amended in October 2013 owing to a dividend payment for the 2012/2013 financial year), the IMMOFINANZ Convertible Bonds due 2017 outstanding in the principal amount of EUR 35,100,000.00 entitle their holders to submit them for conversion into a total of 4,404,015 IMMOFINANZ Shares. Conditional capital (as defined in Section 159 para. 2 no. 1 of the Stock Corporation Act) is available to satisfy the conversion rights from the IMMOFINANZ Convertible Bonds due 2017 in accordance with the resolutions adopted by the shareholders' meeting of IMMOFINANZ AG on 28 September 2006, 27 September 2007 and 2 October 2009 (hereinafter the "**Conditional Capital for the Convertible Bonds due 2017**").

- L. Following the spin-off under the terms of this Spin-off and Takeover Contract and following the issuance of BUWOG shares to the shareholders of IMMOFINANZ AG, all shares of BUWOG AG shall be admitted to trading on the Regulated Market of the Frankfurt Stock Exchange, the Official Market of the Vienna Stock Exchange, and the Main Market (*Rynek podstawowy*) of the Warsaw Stock Exchange.

1. Subject of this agreement

Pursuant to the provisions of this Spin-off and Takeover Contract, IMMOFINANZ AG shall transfer the Spin-off Assets defined in section 2.10.1 to BUWOG AG with its registered office in Vienna by means of a spin-off by absorption in accordance with Section 1 para. 2 no. 2 and Section 17 of the Spin-off Act and in application of Article VI of the Reorganisation Tax Act in exchange for the granting of shares in BUWOG AG to the shareholders of IMMOFINANZ AG. The remaining assets of IMMOFINANZ AG defined in section 2.10.2 shall not be transferred.

2. Mandatory content of this agreement

2.1 The transferring and acquiring companies (Section 2 para. 1 no. 1 of the Spin-off Act)

2.1.1 The transferring company is IMMOFINANZ AG with its registered office in Vienna. It shall continue to exist after implementation of the spin-off.

2.1.2 The acquiring company is BUWOG AG with its registered office in Vienna.

2.1.3 The articles of association of IMMOFINANZ AG and the articles of association of BUWOG AG, as amended following implementation of this spin-off, are attached to this agreement as Annex ./2.1.3a and Annex ./2.1.3b respectively. As sole shareholder of BUWOG AG prior to the spin-off becoming effective, IMMOFINANZ AG shall adopt the necessary amendments to the articles of association of BUWOG AG.

2.2 Transfer agreement (Section 2 para. 1 no. 2 of the Spin-off Act)

- 2.2.1 IMMOFINANZ AG and BUWOG AG agree that the Spin-off Assets of IMMOFINANZ AG defined in section 2.10.1 shall be transferred to BUWOG AG by way of universal succession in exchange for the granting of shares in BUWOG AG to the shareholders of IMMOFINANZ AG in accordance with section 2.3.
- 2.2.2 The Spin-off Assets constitute assets within the meaning of Section 32 para. 2 in conjunction with Section 12 para. 2 no. 3 of the Reorganisation Tax Act.

2.3 The exchange ratio (allocation ratio) for the shares and their distribution to shareholders (Section 2 para. 1 no. 3 of the Spin-off Act)

- 2.3.1 In exchange for transferring the Spin-off Assets to BUWOG AG, the shareholders of IMMOFINANZ AG shall – in proportion to their equity stake in IMMOFINANZ AG – be allocated one (1) bearer share in BUWOG AG for every twenty (20) bearer shares they hold in IMMOFINANZ AG (thereby maintaining the existing ownership structure; hereinafter the "**BUWOG Spin-off Shares**") with effect from registration of the spin-off in the commercial register.
- 2.3.2 At the time of the preparation of the draft of this Spin-off and Takeover Contract (30 January 2014), the share capital of IMMOFINANZ AG amounted to EUR 1,172,059,877.27, divided into 1,128,952,687 bearer shares. For the purpose of implementing the spin-off, BUWOG AG shall increase its share capital accordingly (section 2.5.1) in order to issue a total of 56,447,635 BUWOG Spin-off Shares which are allocated based on the allocation ratio of one (1) share in BUWOG AG for every twenty (20) shares in IMMOFINANZ AG (section 2.3.1) in respect of these 1,128,952,687 shares in IMMOFINANZ AG.
- 2.3.3 The exercise of conversion rights from the IMMOFINANZ Convertible Bonds due 2018 and the IMMOFINANZ Convertible Bonds due 2017
- a) The share capital of IMMOFINANZ AG may, having regard to the conversion price of EUR 3.56 applicable at the time of the preparation of the draft of this Spin-off and Takeover Contract, increase due to the issuance of up to 142,888,904 IMMOFINANZ Shares as a result of the exercise of conversion rights from the convertible bonds due 2018 issued by IMMOFINANZ AG by the time the spin-off becomes effective and as a result of a related issuance of shares in IMMOFINANZ AG (subscription shares) from the Conditional Capital for the Convertible Bonds due 2018 (Section 159 para. 2 no. 1 of the Stock Corporation Act).
 - b) The share capital of IMMOFINANZ AG may, having regard to the conversion price of EUR 7.97 applicable at the time of the preparation of the draft of this Spin-off and Takeover Contract, increase due to the issuance of up to 4,404,015

IMMOFINANZ Shares as a result of the exercise of conversion rights from the convertible bonds due 2017 issued by IMMOFINANZ AG by the time the spin-off becomes effective and as a result of a related issuance of shares in IMMOFINANZ AG (subscription shares) from the Conditional Capital for the Convertible Bonds due 2017 (Section 159 para. 2 no. 1 of the Stock Corporation Act).

In order to issue BUWOG Spin-off Shares in accordance with the allocation ratio (section 2.3.1) in respect of those IMMOFINANZ shares which are issued due to the exercise of conversion rights from IMMOFINANZ Convertible Bonds due 2018 or IMMOFINANZ Convertible Bonds due 2017 by the time the spin-off becomes effective, BUWOG AG shall conditionally increase its share capital (Section 159 para. 2 no. 2 of the Stock Corporation Act) (section 2.5.2).

2.3.4 The subsidiaries of IMMOFINANZ AG shall be granted BUWOG Spin-off Shares in accordance with the allocation ratio (section 2.3.1) in respect of the IMMOFINANZ Shares held by them at the time of the registration of the spin-off in the commercial register. Likewise, IMMOFINANZ AG shall be granted BUWOG Spin-off Shares in accordance with the allocation ratio (section 2.3.1) in respect of any IMMOFINANZ treasury shares directly held by it at the time of the registration of the spin-off in the commercial register.

2.4 No reduction in share capital (Section 2 para. 1 no. 4 of the Spin-off Act)

2.4.1 A spin-off loss (*Spaltungsverlust*) shall be incurred in the amount of the book value of the Spin-off Assets leaving IMMOFINANZ AG as a result of the transfer of the Spin-off Assets from IMMOFINANZ AG to BUWOG AG. The loss incurred by IMMOFINANZ AG from spinning off the assets shall be offset against the appropriated capital reserves of IMMOFINANZ AG. Therefore, there shall be no reduction in the share capital of IMMOFINANZ AG. Information relating thereto has therefore been omitted.

2.4.2 Insofar as the value of the contribution in kind made by IMMOFINANZ AG to BUWOG AG exceeds the value of the ordinary share capital increase of BUWOG AG (section 2.5.1) and a share capital increase of BUWOG AG from conditional capital (section 2.5.2), this amount shall – pursuant to Section 229 para. 2 no. 1 of the Commercial Code – be transferred to the according to Section 229 para. 5 of the Commercial Code appropriated capital reserves of BUWOG AG.

2.5 Detailed information on the granting of shares (Section 2 para. 1 no. 5 of the Spin-off Act)

2.5.1 Ordinary capital increase

For the purposes of implementing the spin-off, BUWOG AG shall increase its share capital from EUR 43,165,844.00 by EUR 56,447,635.00 to EUR 99,613,479.00 through

the issuance of 56,447,635 bearer shares. Under the capital increase, the Spin-off Assets constitute a contribution in kind. The BUWOG Spin-off Shares created as a result of the capital increase shall be issued without fixing a share premium, representing a *pro-rata* share in the capital of the company (Section 8 para. 3 clause 3 of the Stock Corporation Act) of EUR 1.00 per share.

2.5.2 Conditional capital (Section 159 para. 2 no. 2 of the Stock Corporation Act)

- a) For the purposes of implementing the spin-off, the share capital of BUWOG AG shall, in accordance with Section 159 para. 2 no. 2 of the Stock Corporation Act, be increased by up to EUR 7,364,646.00 through the issuance of up to 7,364,646 new bearer shares in BUWOG AG. The purpose of the conditional capital increase according to Section 159 para. 2 no. 2 of the Stock Corporation Act is to prepare the merger of several businesses by transferring the Spin-off Share in GENA SECHS and by securing entitlement to the allocation of BUWOG Spin-off Shares in accordance with the allocation ratio (section 2.3.1) in respect of IMMOFINANZ Shares which are issued due to the exercise of conversion rights from (i) the IMMOFINANZ Convertible Bonds due 2018 or (ii) the IMMOFINANZ Convertible Bonds due 2017, in each case in the period between the preparation of the draft of this Spin-off and Takeover Contract up until the effective date of the spin-off.
- b) The conditional capital increase (Section 159 para. 2 no. 2 of the Stock Corporation Act) of BUWOG AG shall be performed in accordance with the allocation ratio of one (1) BUWOG Spin-off Share for every twenty (20) shares held in IMMOFINANZ AG and only insofar as the holders of the IMMOFINANZ Convertible Bonds due 2018 or the IMMOFINANZ Convertible Bonds due 2017 exercise their conversion rights in the period from the beginning of the day (00:00) on which the draft of this Spin-off and Takeover Contract is prepared up until the effective date of the spin-off and in exchange for which new shares are issued by IMMOFINANZ AG from the Conditional Capital for the Convertible Bonds due 2018 or from the Conditional Capital for the Convertible Bonds due 2017.
- c) Under the conditional capital increase, the Spin-off Assets constitute a contribution in kind. The BUWOG Spin-off Shares created as a result of the conditional capital increase shall be issued without fixing a share premium, representing a *pro-rata* share in the capital of the company (Section 8 para. 3 clause 3 of the Stock Corporation Act) of EUR 1.00 per share.

The resolution on the conditional capital increase specified in this section 2.5.2 shall be adopted at the shareholders' meeting of BUWOG AG at a point in time after the capital increase in kind has been entered in the commercial register (part E of the Preamble).

2.5.3 Issuance of BUWOG Spin-off Shares to the shareholders of IMMOFINANZ

- a) Erste Group Bank AG has been appointed as the trustee for taking receipt of the BUWOG Spin-off Shares to be granted (Section 17 para. 5 of the Spin-off Act in conjunction with Section 225a para. 2 of the Stock Corporation Act).
- b) Following registration of the spin-off in the commercial register, the BUWOG Spin-off Shares shall – on the instructions of the trustee – be transferred to the securities accounts of IMMOFINANZ shareholders via the Clearing System of Österreichische Kontrollbank Aktiengesellschaft (hereinafter "**OeKB**") as the central securities depository (or in the case of IMMOFINANZ Shares held in securities accounts with Polish depository banks, by using the Polish National Depository for Securities ("**NDS**")) and the depository banks. For the shareholders of IMMOFINANZ AG, the granting of BUWOG Spin-off Shares shall be made free of charge.

2.5.4 Settlement of fractional amounts

- a) Based on the allocation ratio of one (1) BUWOG Spin-off Share for every twenty (20) IMMOFINANZ Shares, (i) shareholders who hold a number of IMMOFINANZ Shares in their respective securities accounts that cannot be evenly divided by twenty without remainder shall be entitled to a BUWOG Spin-off Share on a *pro-rata* basis or (ii) corresponding entitlement to delivery of one (1) BUWOG Spin-off Share on a *pro-rata* basis may arise in respect of stock exchange transactions for a number of IMMOFINANZ Shares that cannot be evenly divided by twenty without remainder which are not settled as of the day on which the spin-off becomes effective ("**Fractions of a Share**"). Shareholder rights cannot be asserted with respect to Fractions of a Share.
- b) BUWOG Spin-off Shares allocated to Fractions of a Share which arise at the individual depository banks shall be transferred by the depository banks to the trustee via the Clearing System of OeKB (or in the case of Polish depository banks, by using the NDS) who shall sell these BUWOG Spin-off Shares on the stock exchange. The proceeds from the sale shall be credited to the shareholders of IMMOFINANZ AG in accordance with the Fractions of a Share attributable to them (Section 179 para. 3 of the Stock Corporation Act).

2.6 Date on which entitlement to profit participation commences (Section 2 para. 1 no. 6 of the Spin-off Act)

The shareholders of IMMOFINANZ AG to whom BUWOG Spin-off Shares are granted shall be entitled to payment of a dividend from the beginning of the financial year of BUWOG AG in which they are issued.

2.7 Effective date of the spin-off and retroactive effect (Section 2 para. 1 no. 7 of the Spin-off Act)

Notwithstanding the validity under civil law of the transfer of the Spin-off Assets to BUWOG AG at the time of the registration of the spin-off in the commercial register, the effective date of the spin-off within the meaning of Section 2 para. 1 no. 7 of the Spin-off Act and Section 33 para. 6 of the Reorganisation Tax Act is 31 October 2013 (thirty-first of October two thousand and thirteen). This corresponds to the record date of the closing balance sheet of IMMOFINANZ AG attached to this agreement as Annex ./2.7. As of 1 November 2013 (first of November two thousand and thirteen), all acts undertaken by IMMOFINANZ AG with regard to the Spin-off Assets shall be deemed as having been carried out by and for the account of BUWOG AG.

2.8 Special rights (Section 2 para. 1 no. 8 of the Spin-off Act)

- 2.8.1 The rights of creditors arising from the IMMOFINANZ Convertible Bonds due 2018 issued by IMMOFINANZ AG shall be amended upon the spin-off becoming effective in accordance with the rules governing the terms and conditions for convertible bonds, as described in more detail in Annex ./2.8.1.
- 2.8.2 The rights of creditors arising from the IMMOFINANZ Convertible Bonds due 2017 issued by IMMOFINANZ AG shall be amended upon the spin-off becoming effective in accordance with the rules governing the terms and conditions for convertible bonds, as described in more detail in Annex ./2.8.2.
- 2.8.3 At a shareholders' meeting of BUWOG AG, IMMOFINANZ AG as the sole shareholder shall authorise the management board of BUWOG AG in accordance with Section 174 para. 2 of the Stock Corporation Act to issue convertible bonds in the aggregate principal amount of up to EUR 310 million under the terms and conditions attached as Annex ./2.8.3 and it is intended that these convertible bonds of BUWOG AG shall be issued prior to the spin-off becoming effective and that they shall be subscribed in full by IMMOFINANZ AG.
- a) This Spin-off and Takeover Contract does not constitute an obligation on the part of IMMOFINANZ AG to subscribe for convertible bonds.
 - b) The rights of creditors from convertible bonds issued by BUWOG AG according to this section 2.8.3 shall remain unaffected by the spin-off.
 - c) To provide partial securitisation of the conversion rights from these convertible bonds which are convertible into shares in BUWOG AG, a shareholders' meeting of BUWOG AG shall adopt a resolution on a conditional capital increase (Section 159 para. 2 no. 1 of the Stock Corporation Act) by up to EUR 14,218,275 by issuing up to 14,218,275 BUWOG Shares. To provide further securitisation of the conversion

rights, the shareholders' meeting of BUWOG AG shall adopt a resolution authorising the management board to increase the capital of the company in accordance with Section 169 of the Stock Corporation Act (authorised capital) by up to EUR 21,582,922.00, combined with an authorisation to exclude subscription rights. The resolutions on the conditional capital increase and the authorised capital shall be adopted at a time after the capital increase in kind described in part E of the Preamble has been entered in the commercial register and before the spin-off covered by this contract becomes effective. To provide complete securitisation of the conversion rights from these convertible bonds which are convertible into shares in BUWOG AG, the adoption of a resolution on a conditional capital increase (Section 159 para. 2 no. 1 of the Stock Corporation Act) shall be proposed to the shareholders' meeting of BUWOG AG after the spin-off covered by this contract becomes effective.

2.8.4 Furthermore, special rights or other rights within the meaning of Section 2 para. 1 no. 8 of the Spin-off Act shall be granted neither to the shareholders of IMMOFINANZ AG nor IMMOFINANZ AG as the sole shareholder of BUWOG AG nor any other person. No other measures within the meaning of Section 2 para. 1 no. 8 of the Spin-off Act shall be taken.

2.9 Special benefits (Section 2 para. 1 no. 9 of the Spin-off Act)

2.9.1 Dual positions held by board members of IMMOFINANZ AG

- a) Mag. Daniel Joachim Riedl, a member of the management board of IMMOFINANZ AG, has also been appointed as a member of the management board of BUWOG AG. Mag. Daniel Joachim Riedl shall step down as a member of the management board of IMMOFINANZ AG upon the spin-off becoming effective.
- b) Mag. Birgit Noggler and Dr. Eduard Zehetner, both of whom are members of the management board of IMMOFINANZ AG, have each been appointed members of the supervisory board of BUWOG AG.
- c) Mag. Vitus Eckert, a member of the supervisory board of IMMOFINANZ AG, has been appointed as the chairman of the supervisory board of BUWOG AG. Mag. Vitus Eckert intends to step down as a member of the supervisory board of IMMOFINANZ AG upon the spin-off becoming effective.

2.9.2 A long-term incentive program is planned for the members of the management board of BUWOG AG, the conditions of which shall be determined by the supervisory board of BUWOG AG at some point after the spin-off covered by this contract becomes effective.

2.9.3 No other special benefits

Furthermore, no special benefits shall be granted to the members of the management boards and supervisory boards of the companies participating in the spin-off. The same shall apply to the auditor (*Abschlussprüfer*), remaining assets auditor (*Restvermögensprüfer*), spin-off auditor (*Spaltungsprüfer*), contribution in kind auditor (*Sacheinlageprüfer*) or any other auditor.

2.10 Description and assignment of assets (Section 2 para. 1 no. 10 of the Spin-off Act)

2.10.1 Spin-off Assets

IMMOFINANZ AG shall solely transfer to BUWOG AG the Spin-off Share in GENA SECHS including all related rights and obligations. The Spin-off Share in GENA SECHS shall also be referred to in this Spin-off and Takeover Contract as the "**Spin-off Assets**". The Spin-off Assets are deemed to be an equity interest within the meaning of Section 12 para. 2 no. 3 of the Reorganisation Tax Act. There are no liabilities relating directly to a contribution made to GENA SECHS within the past two years as defined in Section 8 para. 1 of the Capital Gains Tax Act (*Körperschaftsteuergesetz*).

2.10.2 Description of the remaining assets

The remaining assets of IMMOFINANZ AG shall be unaffected by this spin-off and shall be retained by IMMOFINANZ AG ("**Remaining Assets**"). In particular, this shall include the shares held by IMMOFINANZ AG in BUWOG AG and all of those assets and liabilities shown in the spin-off balance sheet (*Spaltungsbilanz*) of IMMOFINANZ AG as at 1 November 2013, which is attached to this agreement as Annex ./2.10.2, having regard however to the changes which have occurred in the period from 1 November 2013 to the time at which the spin-off takes effect upon its registration in the commercial register, as shown in the other accounting records belonging to the accounts department, such as a register of assets and a list of creditors and debtors. In the interests of clarity, it should be noted that the shares in BUWOG AG held by IMMOFINANZ AG shall not be transferred under the spin-off and therefore shall also not be issued to the shareholders of IMMOFINANZ AG (no passing-through of shares (*Anteilsdurchschleusung*) as defined in Section 17 no. 5 of the Spin-off Act in conjunction with Section 224 para. 3 of the Stock Corporation Act).

2.11 Standard rules for the assignment of assets (Section 2 para. 1 no. 11 of the Spin-off Act)

Only the Spin-off Assets specified in section 2.10.1 shall be transferred. All other assets form part of the Remaining Assets and consequently shall be retained by IMMOFINANZ AG following the spin-off.

2.12 Balance sheets (Section 2 para. 1 no. 12 of the Spin-off Act)

Attached to this agreement are:

- a) the closing balance sheet of IMMOFINANZ AG as at 31 October 2013 (thirty-first of October two thousand and thirteen), together with an unqualified audit opinion, including appendices, as Annex ./2.7;
- b) the spin-off balance sheet of IMMOFINANZ AG as at 1 November 2013 (first of November two thousand and thirteen) as Annex ./2.10.2;
- c) the transfer balance sheet as at 1 November 2013 (first of November two thousand and thirteen) as Annex ./2.12.

2.13 No cash settlement (Section 2 para. 1 no. 13 of the Spin-off Act)

The existing ownership structure shall remain the same following the spin-off because the BUWOG Spin-off Shares shall be allocated to the shareholders of IMMOFINANZ AG as the transferring company in proportion to their equity stake in IMMOFINANZ AG as the transferring company. Provision is made for the settlement of fractional amounts (section 2.5.4). Furthermore, the spin-off does not relate to different corporate forms. Consequently, no cash settlement shall be offered to the shareholders of IMMOFINANZ AG.

3. Internal recourse

- 3.1 If and to the extent IMMOFINANZ AG has an action brought against it under the provisions of Section 15 of the Spin-off Act by creditors in respect of liabilities, obligations, guarantees or other commitments that are allocated to BUWOG AG under the terms of this Spin-off and Takeover Contract, BUWOG AG shall be required to inform IMMOFINANZ AG without undue delay and hold it completely free and harmless with regard to the liability, obligation, guarantee or other commitment in question. The same shall apply in the event that IMMOFINANZ AG has an action brought against it by such creditors with regard to the provision of security.
- 3.2 If and to the extent BUWOG AG has an action brought against it under the provisions of Section 15 of the Spin-off Act by creditors in respect of liabilities, obligations, guarantees or other commitments that are allocated to IMMOFINANZ AG under the terms of this Spin-off and Takeover Contract, IMMOFINANZ AG shall be required to inform BUWOG AG without undue delay and hold it completely free and harmless with regard to the liability, obligation, guarantee or other commitment in question. The same shall apply in the event that BUWOG AG has an action brought against it by such creditors with regard to the provision of security.

4. Transfer of the Spin-off Assets

- 4.1 In accordance with Section 14 para. 2 no. 1 of the Spin-off Act, the Spin-off Assets of IMMOFINANZ AG shall be transferred to BUWOG AG by way of universal succession at the time of the registration of the spin-off in the commercial register.
- 4.2 BUWOG AG as the acquiring company shall be entitled to all dividends paid by GENA SECHS from the effective date of the spin-off. In the interests of clarity, it should be noted that no dividends shall be paid by GENA SECHS during the retroactive period.

5. Stock exchange listing of the shares of BUWOG AG

BUWOG AG shall apply for all shares of BUWOG AG to be admitted to trading on the Regulated Market of the Frankfurt Stock Exchange, the Official Market of the Vienna Stock Exchange, and the Main Market (*Rynek podstawowy*) of the Warsaw Stock Exchange after the spin-off covered by this contract becomes effective.

6. Approval by the shareholders' meetings and conditions precedent

6.1 Conditions precedent

The validity of this agreement shall be conditional upon the satisfaction of the following events:

- a) registration in the commercial register of the spin-off as specified in the Spin-off and Takeover Contract between IMMOEAST Immobilien GmbH and GENA SECHS (part F of the Preamble);
- b) registration in the commercial register of the capital increase in kind performed by BUWOG AG as specified in the contribution in kind and contribution agreement between IMMOFINANZ AG and BUWOG AG dated 30 January 2014 and in the resolution of the shareholders' meeting of BUWOG AG dated 30 January 2014 (part E of the Preamble); and
- c) approval of this Spin-off and Takeover Contract by the shareholders' meetings of IMMOFINANZ AG and BUWOG AG.

6.2 Delay in registration of the spin-off in the commercial register

IMMOFINANZ AG and BUWOG AG shall each be entitled to withdraw from this Spin-off and Takeover Contract if the spin-off has not been entered in the commercial register by 31 December 2014 as required under this Spin-off and Takeover Contract. The right of withdrawal shall expire upon registration of the spin-off in the commercial register.

7. Duties and costs

- 7.1 The assets of GENA SECHS do not include any real estate within the meaning of Section 2 of the Property Transfer Tax Act (*Gründerwerbsteuergesetz*). Furthermore, the spin-off shall not result in the transfer of 100% interests in companies owning real estate or in a consolidation of shares (*Anteilsvereinigung*) in such companies. Thus, no property transfer tax and land register entry fees shall be payable.
- 7.2 Pursuant to Article 4 1(b) of Council Directive 2008/7/EC of 12 February 2008 concerning indirect taxes on the raising of capital (the EU Capital Accumulation Directive), a restructuring does not qualify as an injection of new capital for the purposes of the EU Capital Accumulation Directive and is therefore exempt from capital duty if shares representing a majority of the voting shares of another stock corporation are acquired by a stock corporation which is established or which already exists insofar as securities representing the capital of the acquiring company are granted at least in part for the shares which are acquired. In the case of the current spin-off, these requirements are met as (i) the Spin-off Share in GENA SECHS acquired by BUWOG AG under the terms of the spin-off shall correspond to a share in the voting rights of GENA SECHS of approximately 56.67% and BUWOG AG consequently shall acquire a share in the company representing the majority of voting rights in GENA SECHS as the corporation and (ii) BUWOG AG shall grant shares in BUWOG AG in exchange for the transfer of the Spin-off Share in GENA SECHS. In spite of not having been transposed into Austrian law, Article 4 1(b) of the EU Capital Accumulation Directive is directly applicable. Thus, no capital duty is payable in connection with the spin-off.
- 7.3 Nevertheless, should transaction taxes be incurred in connection with this Spin-off and Takeover Contract, they shall be borne by BUWOG AG.
- 7.4 Unless otherwise agreed in this Spin-off and Takeover Contract, IMMOFINANZ AG shall bear the costs incurred in connection with the conclusion of this Spin-off and Takeover Contract and its implementation up until the spin-off becomes effective (including the costs of the respective shareholders' meetings and the costs for applications made to and entries made in the commercial register, the costs for preparing the joint spin-off report, the costs of the spin-off and remaining assets audit, the audits conducted in connection with the capital increase in kind performed by BUWOG AG and the planned admission to trading of the shares of BUWOG AG and the costs for advisors and banks in connection therewith).

8. Final provisions

- 8.1 IMMOFINANZ AG and BUWOG AG undertake to sign all documents which are necessary and/or expedient to implement the spin-off and to issue declarations including any declarations in the form of a notarial deed.

- 8.2 The annexes to this Spin-off and Takeover Contract form integral parts of this agreement.
- 8.3 Changes, amendments and additions to this agreement, including this section, shall be made in the form of a notarial deed for such changes, amendments and additions to take effect.
- 8.4 Should individual provisions of this agreement be or become invalid or unenforceable, this shall be without prejudice to the validity of the remaining provisions. In such a case, a provision shall be deemed to have been agreed which corresponds to the aims pursued by the invalid or unenforceable provision or which comes as close as possible thereto. The same shall apply to any omissions in this agreement.
- 8.5 Any number of official copies of this agreement can, by unilateral request, be distributed to all contracting parties, including the present or future members of the management board and any liquidators.

This agreement was recorded in the form of a notarial deed, the entire contents of which were read aloud to those appearing before me, a notary public, all of whom approved that said contents are in accordance with their wishes and signed this document in my presence.

Vienna, _____

IMMOFINANZ AG

BUWOG AG

Annexes:

<u>Annex ./2.1.3a</u>	Articles of association of IMMOFINANZ AG
<u>Annex ./2.1.3b</u>	Articles of association of BUWOG AG
<u>Annex ./2.7</u>	Closing balance sheet of IMMOFINANZ AG as at 31 October 2013 including appendix and audit opinion
<u>Annex ./2.8.1</u>	Treatment of the IMMOFINANZ Convertible Bonds due 2018
<u>Annex ./2.8.2</u>	Treatment of the IMMOFINANZ Convertible Bonds due 2017
<u>Annex ./2.8.3</u>	Terms and conditions of the BUWOG AG convertible bonds
<u>Annex ./2.10.2</u>	Spin-off balance sheet of IMMOFINANZ AG as at 1 November 2013
<u>Annex ./2.12</u>	Transfer balance sheet as at 1 November 2013

Translation from German

ARTICLES OF ASSOCIATION

OF

IMMOFINANZ AG

I. GENERAL PROVISIONS

Article 1

- (1) The name of the joint-stock company shall be IMMOFINANZ AG.
- (2) The registered office of the Company shall be in Vienna.
- (3) The duration of the Company shall not be limited to a definite period of time.

Article 2

- (1) The business purpose of the Company in Austria and abroad shall be:
 - a) Purchase, development, management, renting (leasing) and realisation 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 centres and other properties;

- d) Conduct the business (Gewerbe) as real estate trustee (estate agent, property management, property developer);
 - 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).
- (2) The Company shall be 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) shall be excluded from the Company's operations."

Article 3

To the extent that and as long as it is compulsory by law, publications of the Company shall be made in the official gazette of "Wiener Zeitung". For the rest, publications of the Company shall be made in compliance with the statutory provisions applicable from time to time.

II. REGISTERED CAPITAL AND SHARES

Article 4

- (1) The registered capital of the Company amounts to EUR 1,172,059,877.27.
Thereof
- (a) EUR 489,104,725.71 have been paid up in cash;
 - (b) a share equivalent to a fully paid up capital contribution in the nominal amount of ATS 12,500,000 in "Wienerberger City" Errichtungsges.m.b.H. has been contributed as a contribution in kind by Wienerberger Immobilien GmbH, Vienna, in accordance with the

provisions of the Austrian Re-Organisation Tax Act (*Umgründungssteuergesetz*) under an agreement on a contribution in kind dated 23 September 1998; as consideration for the said contribution in kind Wienerberger Immobilien GmbH received shares in the nominal amount of ATS 81,959,000;

- (c) pursuant to the merger agreement dated 21 January 2010 between IMMOEAST AG and IMMOFINANZ AG the assets and liabilities of IMMOEAST AG attributable to the shares of IMMOEAST AG, which are not held by IMMOFINANZ AG, has been contributed as a contribution in kind for the share capital increase in the course of the merger; the shareholders of IMMOEAST AG have received shares in the nominal amount of EUR 589,027,546.14 in return.
- (2) The registered capital is divided into 1,128,952,687 non-par value bearer shares. The right to certification of individual shares shall be excluded.
 - (3) Rescinded by supervisory board resolution of 3 September 2008.
 - (4) The Executive Board is 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 (*Aktiengesetz*), with the consent of the Supervisory Board, to increase the registered capital by up to EUR 238,289,496,40 by issuance of up to 229,525,447 new ordinary bearer shares in return for contributions in cash or in kind, in particular in return for contribution in kind of claims of holders of convertible bonds, also in several tranches and to specify the issuing price, which must not be below the pro-rata amount of the registered capital, the terms of the issuance and further details of the execution of the capital increase in agreement with the Supervisory Board. The Executive Board shall be authorised, with the consent of the Supervisory Board, to fully or partially exclude shareholders' subscription rights, if the capital increase is effected (i) in return for contributions in kind or (ii) to provide for an overallotment option (Greenshoe)

or (iii) to make up for fractional amounts. 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.

- (5) The registered capital is increased conditionally in accordance with section 159 para 2 item 1 Austrian Stock Corporation Act (*Aktiengesetz*) by up to EUR 156,828,594.90 by issuance of up to 151,060,596 new bearer shares. The conditional increase in the registered capital is effected only insofar as the conditional capital increase is effected to the extent that (i) holders of convertible bonds issued on the basis of the resolution of the shareholders' meeting of 28 September 2006 exercise their conversion and/or subscription rights and (ii) the conditional capital is not required to secure or fulfil conversion and/or subscription rights of holders of convertible bonds issued on the basis of the resolution of the shareholders' meeting of 27 September 2007. The issuing price and the conversion and/or subscription ratio shall be calculated in accordance with accepted principles of financial mathematics and according to the share price of the ordinary shares of the Company in the course of a recognised pricing procedure (basis of the calculation of the issuing price); the issuing price must not be below the pro-rata amount of the registered capital. The Executive Board shall be authorised, with the consent of the Supervisory Board, to specify further details of the execution of the conditional capital increase (especially issuing price, rights attached to the shares, date of entitlement to dividends). The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the issuance of shares on the basis of the conditional capital.
- (6) The registered capital is increased conditionally in accordance with section 159 para 2 item 1 Austrian Stock Corporation Act (*Aktiengesetz*) by up to EUR 58,076,106.11 by issuance of up to 55,940,125 new bearer shares. The conditional increase in the registered capital is effected only insofar as the conditional capital increase is effected to the extent that (i) holders of convertible bonds issued on the basis of the resolution of the shareholders' meeting of 28 September 2006 exercise their conversion and/or subscription

rights and (ii) the conditional capital is not required to secure or fulfil conversion and/or subscription rights of holders of convertible bonds issued on the basis of the resolution of the shareholders' meeting of 27 September 2007. The issuing price and the conversion and/or subscription ratio shall be calculated in accordance with accepted principles of financial mathematics and according to the share price of the ordinary shares of the Company in the course of a recognised pricing procedure (basis of the calculation of the issuing price); the issuing price must not be below the pro-rata amount of the registered capital. The Executive Board shall be authorised, with the consent of the Supervisory Board, to specify further details of the execution of the conditional capital increase (especially issuing price, rights attached to the shares, date of entitlement to dividends). The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the issuance of shares on the basis of the conditional capital.

- (7) The registered capital is increased conditionally in accordance with section 159 para 2 item 1 Austrian Stock Corporation Act (*Aktiengesetz*) by up to EUR 23,384,795.39 by issuance of up to 22,524,726 new bearer shares. The conditional increase in the registered capital is effected only insofar as the conversion and/or subscription rights of holders of convertible bonds issued on the basis of the resolution of the shareholders' meeting of 28 September 2006 and/or of the resolution of the shareholders' meeting of 27 September 2007 are fulfilled. The issuing price and the conversion and/or subscription ratio shall be calculated in accordance with accepted principles of financial mathematics and according to the share price of the ordinary shares of the Company in the course of a recognised pricing procedure (basis of the calculation of the issuing price); the issuing price must not be below the pro-rata amount of the registered capital. The Executive Board shall be authorised, with the consent of the Supervisory Board, to specify further details of the execution of the conditional capital increase (especially issuing price, rights attached to the shares, date of entitlement to dividends). The Supervisory Board shall be authorised to resolve upon amendments of the

Articles of Association resulting from the issuance of shares on the basis of the conditional capital.

- (8) The share capital of the company is conditionally increased in accordance with Section 159 para 2 item 1 AktG by up to EUR 132,151,000.66 by issuance of up to 127,290,619 ordinary voting new bearer shares. The conditional capital increase shall only be effected to the extent that conversion rights of holders of the 4.25% convertible bonds 2011-2018 (ISIN XS0592528870) („CB 2018“) issued by the company in accordance with the resolution of the shareholders' meeting of 28 September 2011 according to section 174 para 1 AktG and the terms and conditions of the CB 2018 are fulfilled. New shares will be issued solely to holders of CB 2018 who exercise their conversion right, whereby such issuance of the new shares is to be effected based on the conversion price to be determined according to the terms and conditions of the CB 2018. At the time of issuance of the CB 2018 the initial conversion price of the CB 2018 and consequently the initial issuing price of the shares has been determined with EUR 4.12. The conversion price and thus the issuing price of the shares is subject to adjustments according to the terms and conditions of the CB 2018. The issuing price must not be below the pro-rata amount of the share capital. The new shares shall have the same dividend entitlements as the shares outstanding at the time of issuance of the new shares. 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. The supervisory board shall be authorised to resolve upon amendments of the Articles of Association resulting from the issuance of shares from conditional capital.
- (9) The share capital is conditionally increased in accordance with Section 159 para 2 item 1 AktG by up to EUR 220,930,312.99 by issuance of up to 212,804,717 new bearer shares. The conditional increase in the share capital shall only be effected to the extent that conversion and/or subscription rights of holders of convertible bonds issued by the company are fulfilled. The

issuing 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 issuing price); the issuing 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 issuing 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.

Article 5

- (1) The shares are bearer shares.
- (2) If in the case of a capital increase the resolution on such increase contains no provision on whether the shares shall be registered shares or bearer shares, then those shares shall also be bearer shares.

Article 6

The form and contents of share certificates shall be determined by the executive board. The same shall apply to debentures, interest coupons, renewal coupons and warrants.

III. EXECUTIVE BOARD

Article 7

- (1) The executive board shall consist of one, two, three, four or five person(s).

- (2) The supervisory board shall allocate the tasks to be fulfilled by the executive board and define the transactions for which – in addition to the cases prescribed by law (Section 95 para 5 Austrian Stock Corporation Act (*Aktiengesetz*)) – the supervisory board's approval shall be required. To the extent provided for by law (Section 95 para 5 items 1, 2, 4, 5 and 6 Austrian Stock Corporation Act (*Aktiengesetz*)) the supervisory board shall also determine limits up to which no approval from the supervisory board shall be required. The supervisory board shall issue internal rules of procedure for the executive board.

Article 8

- (1) The supervisory board may resolve on the appointment of a chairman of the executive board.
- (2) If only one member of the executive board has been appointed, she/he shall sign solely on behalf of the Company. If two or more executive board members are appointed the Company shall be represented by two executive board members jointly or by one executive board member together with an authorised officer of the Company (*Prokurist*).

Article 9

- (1) Resolutions of the executive board shall be passed by simple majority.
- (2) If an executive board member has been appointed chairman of the executive board, his vote shall be the casting vote.

IV. SUPERVISORY BOARD

Article 10

- (1) The supervisory board shall consist of at least three but not more than eighteen members.
- (2) The members shall be elected by the shareholder's meeting.
- (3) Supervisory board members shall be elected for a term that ends upon the end of the shareholders' meeting that resolves on the discharge of the supervisory board members in the fourth business year after the election unless they are elected for a shorter term of office. The business year of the election shall not be counted; re-election shall be permitted.
- (4) If a member retires before the end of his/her term of office, a by-election need not be held earlier than at the next ordinary shareholders' meeting. However, in case the number of supervisory board members drops below three a by-election shall be held immediately at an extraordinary shareholders' meeting.
- (5) By-elections shall be for the residual term of office of the retired member. If a member of the supervisory board is elected by an extraordinary shareholders' meeting, his/her first year in office shall end upon the end of the next ordinary shareholders' meeting.
- (6) Each member of the supervisory board may resign from office, even without an important reason, by giving four weeks' notice to the executive board or the chairman of the supervisory board and in case the latter should not be available to a deputy chairman of the supervisory board.
- (7) The supervisory board shall hold at least four meetings per business year, which shall be convened at equal intervals, to the extent possible.

- (1) Once a year the supervisory board shall elect a chairman and one or two deputy chairmen from among its members at a meeting to be held subsequently to an ordinary shareholders' meeting, and no separate invitation shall be necessary for such meeting. A by-election shall be held immediately, if the chairman or all deputy chairmen retire from office.
- (2) If during an election no candidate should receive absolute majority, a decisive ballot shall be held between the two candidates who were given most of the votes.

Article 12

- (1) The supervisory board shall issue its own internal rules of procedure.
- (2) The supervisory board may resolve that specific types of transactions may only be carried out with its approval.
- (3) Meetings of the supervisory board shall be convened in writing, by fax, by e-mail or by phone by the chairman or, in case she/he is unable to do so, by a deputy, to the address most recently advised.
- (4) The supervisory board shall constitute a quorum if at least three members are present, which shall include the chairman or a deputy. The meeting shall be chaired by the chairman or his/her deputy in case the chairman is unable to attend. The chairman of the meeting shall determine the mode of voting.
- (5) Resolutions shall be passed by simple majority of the votes cast. In case of a tie, also in case of elections, the person chairing the meeting shall have the casting vote.
- (6) A supervisory board member may entrust another supervisory board member with his/her representation at a specific meeting in writing; the supervisory

board member represented shall not be counted when determining whether the meeting constitutes a quorum or not (paragraph 4). The right to chair a meeting cannot be transferred.

- (7) Minutes shall be kept on deliberations and resolutions of the supervisory board, which shall be signed by the chairman of the meeting.
- (8) Resolutions may also be passed in writing, via fax, phone or in any other comparable form of passing of resolutions if no member of the supervisory board expressly objects to such procedure. The provisions of paragraph 5 shall apply *mutatis mutandis*. Representation according to paragraph 6 shall not be permitted for written resolutions by circulation.

Article 13

- (1) The supervisory board shall be entitled to establish committees from among its members. The supervisory board shall determine their tasks and powers as well as their internal rules of procedure, if any. The committees may also be given decisionmaking power.
- (2) The provisions of Article 12 paras 3 to 8 shall apply *mutatis mutandis* to the committees of the supervisory board unless otherwise provided for in Article 13.
- (3) Committees shall have at least three members.

Article 14

Declarations of will of the supervisory board and its committees shall be made by the chairman of the supervisory board or, in the case of his/her inability to do so, by one of his deputies.

Article 15

- (1) Apart from reimbursement of his/her cash expenses and an attendance fee for each meeting every supervisory board member shall be paid an annual allowance. The amount of the attendance fee and of the allowance shall be fixed by the shareholders' meeting by resolution.
- (2) If members of the supervisory board in that capacity assume a special task in the Company's interest, a special remuneration may be granted therefor by resolution of the shareholders' meeting.
- (3) The Company shall bear special taxes for remuneration paid to supervisory board members.

Article 16

The supervisory board may resolve on amendments to the Articles of Association which only concern the form of the same.

V. SHAREHOLDERS' MEETING

Article 17

- (1) Shareholders' meetings shall be convened by the executive board or by the supervisory board.
- (2) Shareholders' meetings shall be held at the registered office of the Company or at any of its branches in Austria or in a capital of an Austrian province.

- (3) Invitations to shareholders' meetings shall be published on the 28th day prior to the date of an ordinary shareholders' meeting at the latest, otherwise on the 21st day prior of the date of the shareholders' meeting at the latest.
- (4) The Company shall be entitled to record and transmit shareholders' meetings in sound and/or picture. The chairman of the shareholders' meeting shall determine whether and in what form the shareholders' meeting shall be transmitted.

Article 18

- (1) For the right to participate in the shareholders' meeting and to exercise the shareholders rights to be asserted in the shareholders' meeting in case of bearer shares the holding of shares in the Company and in case of registered shares registration in the share register, each at the end of the tenth day prior to the shareholders' meeting (record date) is required.
- (2) In the case of bearer shares held on custody accounts a custody account confirmation in accordance with Section 10a Austrian Stock Corporation Act (*Aktiengesetz*), which must be received by the Company at the address as stated in the invitation on the third business day prior to the date of the shareholders' meeting at the latest is sufficient for the confirmation of the shareholder status on the record date if the invitation does not specify a later date.

Article 19

- (1) Each non-par value share shall grant one vote.
- (2) If shares have not been fully paid up, the minimum contribution paid shall be deemed one vote. In case of contributions above the minimum contribution the voting rights shall be proportional to the amount of the contribution paid;

fractions shall only be considered insofar as adding up of the same results in a full vote for the shareholder who is entitled to vote.

- (3) Voting rights may be exercised by proxies only if a proxy in text form has been issued, which shall be retained by the Company.

Article 20

- (1) The chairman of the supervisory board or one of his deputies shall chair the shareholders' meeting. If none of them has appeared or is willing to chair the meeting, the public notary who has been called in for recording purposes shall chair the meeting up to election of a chairman.
- (2) The chairman of the shareholders' meeting shall conduct the discussions and determine the order of the items on the agenda and the mode of voting.

Article 21

Unless the law mandatorily provides for a different majority, the shareholders' meeting shall pass its resolutions by simple majority of votes cast, resolutions requiring the capital majority are passed by simple majority of the share capital represented at the time the resolution is passed.

Article 22

If in the case of an election of members of the supervisory board no simple majority is reached during the first ballot, a second ballot shall be held between those two candidates who were given most of the votes. In case of a tie the chairman of the meeting shall decide.

VI. ANNUAL FINANCIAL STATEMENTS AND DISTRIBUTION OF PROFIT

Article 23

Every business year shall commence on 1 (first) May and shall end on 30 (thirtieth) April of the subsequent year.

Article 24

- (1) During the first four months of each business year the executive board shall prepare the annual financial statements and the consolidated financial statements for the previous business year and present them as well as a proposal for appropriation of the net profit to the supervisory board after they have been audited by the auditor.
- (2) The supervisory board shall examine the annual financial statements and the consolidated financial statements and make a statement thereon vis-à-vis the executive board within two months of presentation of the same.
- (3) Every year during the first eight months of a business year the shareholders' meeting shall resolve on appropriation of the net profit, approval of the actions of the members of the executive board and of the supervisory board, election of the auditor, and in the cases provided for by law, on adoption of the annual financial statements (ordinary shareholders' meeting).

Article 25

The shareholders' meeting shall decide on appropriation of the net profit. The shareholders' meeting can resolve upon to wholly or partially exclude the net profit from distribution.

Article 26

- (1) The profit shares of the shareholders shall be distributed in proportion to the contributions made; contributions made during the business year shall be considered proportional to the time that has elapsed since payment.
- (2) In the case of issuance of new shares a different entitlement to profit may be determined.

Article 27

- (1) Unless otherwise resolved by the shareholders' meeting, the profit shares shall be due for payment ten days after the shareholders' meeting.
- (2) Profit shares of shareholders which have not been collected within three years as of the due date shall forfeit for the benefit of the Company's unappropriated reserves.

ARTICLES OF ASSOCIATION

OF

BUWOG AG

I. GENERAL PROVISIONS

Article 1

- (1) The name of the joint-stock company shall be BUWOG AG.
- (2) The registered office of the Company shall be in Vienna.
- (3) The duration of the Company shall not be limited to a definite period of time.

Article 2

- (1) The business purpose of the Company in Austria and abroad shall be:
 - a) Purchase, development, management, renting (leasing) and realisation 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 properties, in particular residential properties, retail properties, office properties and other properties;

- d) Provision of services of any kind including operating the therefore required facilities; in particular provision of services relating to properties, as the conduct of the business (*Gewerbe*) as real estate trustee (estate agent, property management, property developer) and the construction business.
 - e) Insurance and financing brokerage.
 - f) 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).
- (2) The Company shall be 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. The Company is entitled to conduct its business purpose through branches and subsidiaries in Austria and abroad. Banking business according to the Austrian Banking Act (*Bankwesengesetz*) shall be excluded from the Company's operations.

Article 3

To the extent that and as long as it is compulsory by law, publications of the Company shall be made in the official gazette of "Wiener Zeitung". For the rest, publications of the Company shall be made in compliance with the statutory provisions applicable from time to time.

II. REGISTERED CAPITAL AND SHARES

Article 4

- (1) The registered capital of the Company amounts to EUR 99,613,479.00.

- (2) The registered capital is divided into 99,613,479 non-par value bearer shares.
- (3) The right of the shareholders to request the issuance of individual share certificates shall be excluded.
- (4) The executive board is authorised for five years after the registration of this amendment to the Articles of Association with the Commercial Register pursuant to section 169 Austrian Stock Corporation Act (*Aktiengesetz*), with the consent of the supervisory board, to increase the registered capital by up to EUR 21,582,922.00 by issuance of up to 21,582,922.00 new ordinary bearer shares in return for contributions in cash 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. 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 10% (ten percent) of the share capital of the Company at the time of the exercise of the authorisation, (ii) if the capital increase is effected in return for contributions in kind, (iii) to provide for an over-allotment option (Greenshoe) or (iv) to make up for fractional amounts. 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.
- (5) The registered capital is increased conditionally in accordance with section 159 para 2 item 1 Austrian Stock Corporation Act (*Aktiengesetz*) by up to EUR 14,218,275.00 by issuance of up to 14,218,275 new ordinary bearer shares. The conditional capital increase shall only be effected to the extent that conversion rights of holders of convertible bonds issued by the Company in accordance with the resolution of the shareholders' meeting of [•] and the

terms and conditions of the [3.5%] convertible bonds 2014-2019 ("CB 2019") are fulfilled. New shares will be issued only to holders of CB 2019 who exercise their conversion rights at the conversion price to be determined under to the terms and conditions of the CB 2019. The initial conversion price of the CB 2019 and consequently the initial issue price of the shares corresponds to (i) the arithmetic average of the daily closing prices of the share in the XETRA System of the Frankfurt Stock Exchange on each of the five consecutive trading days from and including the listing commencement date increased by (ii) the conversion premium of 40%.

The conversion price and thus the issue price of the shares are subject to adjustments under the terms and conditions of the CB 2019. The issue price must not be below the notional par value per share in the Company's share capital. The new shares shall have the same rights to dividends attached as the rights to dividends attached to the shares outstanding at the time of issuance of the new shares. The Executive Board shall be authorised, with the consent of the Supervisory Board, to specify further details of the execution of the conditional capital increase. The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the issuance of shares from conditional capital.

Article 5

- (1) The shares of the Company shall be admitted for trading to one or several stock exchanges qualifying under Section 2 item 32 Austrian Banking Act (*Bankwesengesetz*).
- (2) The shares are bearer shares.
- (3) If in the case of a capital increase the resolution on such increase does not specify whether the shares shall be registered shares or bearer shares, then those shares shall also be bearer shares.

Article 6

The bearer shares shall be securitised in one or several global certificates and shall be deposited at a central depository for securities according to Section 1 para 3 Austrian Securities Deposit Act (DepotG) or an equivalent foreign institution. The form and content of the global certificates shall be determined by the executive board.

III. EXECUTIVE BOARD

Article 7

- (1) The executive board shall consist of one, two, three, four or five person(s).
- (2) The supervisory board shall allocate the tasks to be provided by the executive board and determine the transactions for which – in addition to the cases prescribed by law (Section 95 para 5 Austrian Stock Corporation Act (*Aktiengesetz*)) – the supervisory board's approval shall be required. To the extent provided by law (Section 95 para 5 items 1, 2, 4, 5 and 6 Austrian Stock Corporation Act (*Aktiengesetz*)) the supervisory board shall also determine limits up to which no approval from the supervisory board shall be required. The supervisory board shall issue internal rules of procedure for the executive board.

Article 8

- (1) The supervisory board may resolve on the appointment of a chairman of the executive board.
- (2) If only one member of the executive board has been appointed, she/he shall sign solely on behalf of the Company. If two or more executive board members are appointed the Company shall be represented by two executive

board members jointly or by one executive board member together with an authorised officer of the Company (*Prokurist*).

Article 9

- (1) Resolutions of the executive board shall be passed by simple majority.
- (2) If an executive board member has been appointed chairman of the executive board, his vote shall be the casting vote.

IV. SUPERVISORY BOARD

Article 10

- (1) The supervisory board shall consist of at least three but not more than ten members.
- (2) The members shall be elected by the shareholders' meeting.
- (3) Supervisory board members shall be elected for a term that ends upon the end of the shareholders' meeting that resolves on the discharge of the supervisory board members in the fourth business year after the election unless they are elected for a shorter term of office. The business year of the election shall not be counted; re-election shall be permitted.
- (4) If a member retires before the end of his/her term of office, a by-election need not be held earlier than at the next ordinary shareholders' meeting. However, in case the number of supervisory board members drops below three a by-election shall be held immediately at an extraordinary shareholders' meeting.
- (5) By-elections shall be for the residual term of office of the retired member.

- (6) Each member of the supervisory board may resign from office, also without cause, by giving four weeks' notice to the executive board or the chairman of the supervisory board and in case the latter should not be available to a deputy chairman of the supervisory board.
- (7) The supervisory board shall hold at least four meetings per business year, which shall be convened as far as possible at equal intervals.

Article 11

- (1) The supervisory board shall elect a chairman and one or two deputy chairmen from among its members. A by-election shall be held immediately, if the chairman or all deputy chairmen retire from office.
- (2) If during an election no candidate should receive absolute majority, a decisive ballot shall be held between the two candidates who were given most of the votes.

Article 12

- (1) The supervisory board shall issue its own internal rules of procedure.
- (2) Meetings of the supervisory board shall be convened in writing, by fax, by e-mail or by an other comparable form by the chairman or, in case she/he is unable to do so, by a deputy, to the address most recently advised.
- (3) The supervisory board shall constitute a quorum if at least three members elected by the shareholders' meetings are present, which shall include the chairman or a deputy. The meeting shall be chaired by the chairman or his/her deputy in case the chairman is unable to attend. The chairman of the meeting shall determine the mode of voting.

- (4) Resolutions shall be passed by simple majority of the votes cast. In case of a tie, also in case of elections, the person chairing the meeting shall have the casting vote.
- (5) A supervisory board member may grant power of the attorney to another supervisory board member for representation at a specific meeting in writing; the supervisory board member represented shall not be counted when determining whether the meeting constitutes a quorum or not (paragraph 3). The right to chair a meeting cannot be transferred.
- (6) Minutes shall be kept on deliberations and resolutions of the supervisory board, which shall be signed by the chairman of the meeting.
- (7) Resolutions may also be passed in writing, via fax, phone or in any other comparable form of passing of resolutions if no member of the supervisory board expressly objects to such procedure. The provisions of paragraph 4 shall apply *mutatis mutandis*. Representation according to paragraph 5 shall not be permitted for written resolutions by circulation.

Article 13

- (1) The supervisory board shall be entitled to establish committees from among its Members permanently or for individual tasks. The supervisory board shall determine their tasks and powers as well as their internal rules of procedure, if any. The committees may also be given decisionmaking power.
- (2) The provisions of Article 12 paras 2 to 7 shall apply *mutatis mutandis* to the committees of the supervisory board unless otherwise provided for in Article 13.
- (3) Committees shall have at least three members.

Article 14

Declarations of will of the supervisory board and its committees shall be made by the chairman of the supervisory board or, in the case of his/her inability to do so, by one of his deputies.

Article 15

- (1) The members of the supervisory board elected by the shareholders' meeting are entitled to receive reimbursement of his/her cash expenses and an appropriate remuneration, which shall be fixed by the shareholders' meeting every year.
- (2) If members of the supervisory board in that capacity assume a special task in the Company's interest, a special remuneration may be granted therefor by resolution of the shareholders' meeting.
- (3) The Company shall bear special taxes for remuneration paid to supervisory board members.

Article 16

The supervisory board may resolve on amendments to the Articles of Association which only concern the form of the same.

V. SHAREHOLDERS' MEETING

Article 17

- (1) Shareholders' meetings shall be convened by the executive board or by the supervisory board.

- (2) Shareholders' meetings shall be held at the registered office of the Company or at any of its branches in Austria or in a capital of an Austrian province.
- (3) Invitations to shareholders' meetings shall be published announced on the 28th day prior to the date of an ordinary shareholders' meeting at the latest, otherwise on the 21st day prior of the date of the shareholders' meeting at the latest.
- (4) The executive board shall be authorised, with the consent of the supervisory board, to record the shareholders' meeting and to provide for a transmission in sound and/or picture of all or specific parts of the shareholders' meeting to the shareholders, who are not present. If the shares of the Company are listed on the stock exchange, a public transmission may be provided.
- (5) The executive board shall be authorised, with the consent of the supervisory board, to provide that shareholders may attend a meeting that takes place at the same time of the shareholders' meeting at a different place in Austria or abroad, that is convened and performed in accordance with the provisions of shareholders' meeting and is connected in real time for the entire time of the shareholders' meeting with the shareholders' meeting by an optical and acoustic two-way communication line (satellite meeting according to section 102 para 3 item 1 Austrian Stock Corporation Act).
- (6) The executive board shall be authorised, with the consent of the supervisory board, to provide that shareholders may attend the shareholders' meeting during its entire time from any place by an acoustic two-way communication line or by an optical two-way communication line in real time, which enables the shareholders to follow the course of the negotiations and, if the chairman gives floor to speak, to address the shareholders' meeting (remote participation according to section 102 para 3 item 2 Austrian Stock Corporation Act).

- (7) The executive board shall be authorised, with the consent of the supervisory board, to provide that shareholders may exercise their voting right from any place by electronic means before and during a shareholders' meeting (electronic voting according to section 126 Austrian Stock Corporation Act). In this case the executive board shall determine the manner in which the shareholders may raise objections to shareholders' resolutions.

Article 18

- (1) For the right to participate in the shareholders' meeting and to exercise the shareholders rights to be asserted in the shareholders' meeting in case of bearer shares the holding of shares in the Company and in case of registered shares registration in the share register, each at the end of the tenth day prior to the shareholders' meeting (record date) is required.
- (2) In the case of bearer shares held on custody accounts a custody account confirmation in accordance with Section 10a Austrian Stock Corporation Act (*Aktiengesetz*), which must be received by the Company at the address as stated in the invitation on the third business day prior to the date of the shareholders' meeting at the latest is sufficient for the confirmation of the shareholder status on the record date if the invitation does not specify a later date.

Article 19

- (1) Each non-par value share shall grant one vote.
- (2) Each shareholder who is entitled to participate in the shareholders' meeting has the right to appoint a natural person or a legal entity as a proxy. The proxy must be issued to a particular person in written or in text form. The proxy shall be dispatched to the Company that has to file or record such proxy.

Article 20

- (1) The chairman of the supervisory board or one of his deputies shall chair the shareholders' meeting. If none of them has appeared or is willing to chair the meeting, the public notary who has been called in for recording purposes shall chair the meeting up to election of a chairman.
- (2) The chairman of the shareholders' meeting shall conduct the discussions and determine the order of the items on the agenda and the mode of voting.
- (3) The members of the executive board and the supervisory board may be connected to the shareholders' meeting via optical and acoustic two-way communication line.

Article 21

Unless the law mandatorily provides for a different majority, the shareholders' meeting shall pass its resolutions by simple majority of votes cast, resolutions requiring the capital majority are passed by simple majority of the share capital represented at the time the resolution is passed.

Article 22

If in the case of an election of members of the supervisory board no simple majority is reached during the first ballot, a second ballot shall be held between those two candidates who were given most of the votes. In case of a tie the chairman of the meeting shall decide.

VI. ANNUAL FINANCIAL STATEMENTS AND DISTRIBUTION OF PROFIT

Article 23

Every business year shall commence on 1 (first) May and shall end on 30 (thirtieth) April of the subsequent year.

Article 24

- (1) During the first four months of each business year the executive board shall prepare the annual financial statements, the management report, the corporate governance-report, the consolidated financial statements and the consolidated management report and present them as well as a proposal for appropriation of profits to the supervisory board.
- (2) The supervisory board shall examine the documents submitted according to para 1 and make a statement thereon vis-à-vis the executive board within two months of presentation of the same.
- (3) Every year during the first eight months of a business year the shareholders' meeting shall resolve on appropriation of the net profit, approval of the actions of the members of the executive board and of the supervisory board, election of the auditor, and in the cases provided for by law, on adoption of the annual financial statements (ordinary shareholders' meeting).

Article 25

The shareholders' meeting shall decide on appropriation of the net profit. The shareholders' meeting can resolve upon to wholly or partially exclude the net profit from distribution.

Article 26

- (1) The profit shares of the shareholders shall be distributed in proportion to the contributions made; contributions made during the business year shall be considered proportional to the time that has elapsed since payment.
- (2) In the case of issuance of new shares a different entitlement to profit may be determined.

Article 27

- (1) Unless otherwise resolved by the shareholders' meeting, the profit shares shall be due for payment ten days after the shareholders' meeting.
- (2) Profit shares of shareholders which have not been collected within three years as of the due date shall forfeit for the benefit of the Company's unappropriated reserves.

VII. CONVERSION COSTS

The costs, fees and other charges regarding the conversion of the Company into a joint-stock company shall be beard by the Company up to the maximum amount of EUR 7,000.00 (Euro seven thousand) and shall be reflected in the next annual financial statement as expenditure in the amount of the actually spent amount.

Annex 2.7 to the
Spin-off and Takeover Contract

**Closing balance sheet of IMMOFINANZ AG as at 31 October 2013 including appendix
and audit opinion**

IMMOFINANZ AG

Closing Balance Sheet including Notes as of
31 October 2013

CLOSING BALANCE SHEET as of 31 October 2013

(All amounts in Euro)

ASSETS		EQUITY AND LIABILITIES	
	30.04.2013 TEUR		30.04.2013 TEUR
A. Non-current assets		A. Equity	
I. <u>Intangible assets</u>		I. <u>Share capital</u>	1.172.060
1. Trademarks and software	646.030,41		
II. <u>Property, plant and equipment</u>		II. <u>Capital reserves</u>	4.017.780
1. Buildings on land owned by third parties	1.343.628,71	1. Appropriated	
2. Furniture, fixtures and office equipment	550.978,07	III. <u>Revenue reserves</u>	
	1.894.606,78	1. Other reserves (voluntary)	20.056.196,51
III. <u>Financial assets</u>		2. Reserve for treasury shares	137.730.057,09
1. Investments in subsidiaries	6.545.532.330,00	IV. <u>Profit (loss) account</u>	
2. Investments in associated companies	850.000,00	Thereof profit carried forward EUR 10,542,807.46 (prior year: TEUR 11,267)	0,00
3. Treasury shares	137.730.057,09		173.206
4. Non-current securities (rights)	8.129.033,31		5.653.227
	6.692.241.420,40		
	6.694.782.057,59	B. Provisions	
B. Current assets		1. Provisions for termination benefits	238.600,52
I. <u>Receivables</u>		2. Provisions for taxes	16.111.620,17
1. Trade receivables	4.391,35	3. Other provisions	27.806.704,31
2. Receivables from subsidiaries	445.057.017,41		20.956
3. Receivables from associated or jointly controlled companies	19.307.912,32	C. Liabilities	
4. Other receivables	12.456.049,15	1. Bonds	812.113.731,16
	476.825.370,23	2. Liabilities with financial institutions	186.505.688,10
II. <u>Current marketable securities</u>		3. Trade liabilities	2.332.374,62
1. Miscellaneous securities and shares	126.358.054,66	4. Liabilities with subsidiaries	953.428.117,31
	126.358.054,66	5. Other liabilities	802.096,28
III. <u>Cash in bank</u>		From taxes: EUR 367,446.87 (prior year: TEUR 504)	
	48.019.508,28	From social security: EUR 386,885.75	
		(prior year: TEUR 408)	
	651.202.933,17		2.089.530
C. Prepaid expenses and deferred charges			
	979.729,34		
	7.346.964.720,10		7.346.964.720,10
	7.763.713		7.763.713
		Contingent liabilities	249.723
			85.470.214,78

NOTES

1. General Information

The closing balance sheet of IMMOFINANZ AG as of 31 October 2013 was prepared in accordance with the provisions of the Austrian Commercial Code (*Unternehmensgesetzbuch, UGB*) in the current version. The principles of correct bookkeeping as well as the general objective of providing a true and fair view of the asset, financial and earnings position were observed.

This six-month reporting period for IMMOFINANZ AG cover the months from 1 May 2013 to 31 October 2013.

In accordance with § 223 (2) UGB, the comparable prior year data are presented in EUR 1,000.

The Company elected to utilise the option provided by § 223 (4) of the Austrian Commercial Code, which permits the inclusion of additional positions when their content is not covered by a required position.

Valuation was based on the going concern principle.

2. Accounting and Valuation Principles

Intangible assets are carried at acquisition cost, less scheduled straight-line amortisation that is based on the expected useful life of the respective asset. All intangible assets held by the company were purchased.

Property, plant and equipment are carried at acquisition cost, less scheduled straight-line depreciation.

Depreciation and amortisation for the various asset additions and disposals during the reporting period are calculated beginning with the month of acquisition, respectively terminated in the month of disposal.

Financial assets are carried at cost less any necessary impairment losses. Impairment is determined by comparing the carrying amount of the asset with the equity owned plus any undisclosed reserves. Each subsidiary is responsible for valuing its own assets, whereby the combined results are included in the consolidated financial statements of the Group parent company IMMOFINANZ AG. If the value of an asset increases in subsequent financial years, the previously recognised impairment loss is reversed. This process involves a write-up equal to the amount of the impairment loss, whereby the value of the asset is not increased above historical cost. Treasury shares are carried at acquisition cost, whereby the carrying amount is reduced through an impairment loss if there is a lasting decline in value. The investment in IMBEA IMMOEAST Beteiligungsverwaltung GmbH was valued as of the above balance sheet date based on an external appraisal and in accordance with the discounted cash flow method.

Receivables are carried at their nominal amount less any necessary impairment losses. The calculation of impairment losses to Group receivables is based on the fair value of equity in the financed company. If the financial statements of a borrower show negative equity (at fair value), an appropriate impairment loss is recognised. In accordance with the option provided by § 208 (2) UGB, potential write-ups are not recognised.

The **miscellaneous securities and shares** reported under current assets are carried at cost, which is reduced by any necessary impairment losses as required by § 207 UGB.

Provisions are recorded at the amount of the expected use, in accordance with the principle of prudent business judgment.

Liabilities are carried at their repayment amount in keeping with the principle of conservatism.

All **foreign currency transactions** are translated at the average exchange rate in effect on the date of the transaction. The measurement of foreign currency receivables and liabilities as of the balance sheet date is based on the applicable average exchange rate in effect on that date in keeping with the principle of conservatism. Any resulting exchange rate gains or losses are recognised to profit or loss for the financial year.

Derivative financial instruments are measured at market value. In accordance with the principle allowing for the application of different methods to the realisation of income and expenses, positive changes in market value are not recognised as income but losses are accounted for through provisions.

3. Notes to the Balance Sheet

ASSETS

Non-current assets

The development of **non-current assets** is shown on the attached schedule.

The following useful lives are used to calculate scheduled straight-line depreciation and amortisation for non-current assets:

	Useful life in years
Other intangible assets	3 – 10
Property, plant and equipment	2 – 10

The change to **investments in subsidiaries** resulted from an impairment charge of EUR 174,890,909.49 (prior year: TEUR 0) to the investment in IMBEA IMMOEAST Beteiligungsverwaltung GmbH. This investment was valued as of the above balance sheet date based on an external appraisal and in accordance with the discounted cash flow method. Other changes involve an indirect contribution of EUR 80,223,000.00 to GENA ZWEI Immobilienholding GmbH and the acquisition of three investments, GENA SECHS Immobilienholding GmbH, BUWOG AG and Parthica Immobilien GmbH.

Non-current securities consist primarily of shares in the Vienna Stock Exchange with a value of EUR 1,000,699.26 (2011/12: TEUR 1,001) as well as participation rights of EUR 7,078,334.05 (prior year: TEUR 7.078) in RentCon Handels- u. Leasing GmbH.

As of 31 October 2013 the company held **treasury shares** with a carrying amount of EUR 137,730,057.09 (prior year: TEUR 172,645). These treasury shares had a market value of TEUR 143,623 as of 31 October 2013. On 2 August 2013, 11,289,521 treasury shares with a value of EUR 34,914,794.95 were sold to IMBEA IMMOEAST Beteiligungsverwaltung GmbH for EUR 35,449,095.94.

IMMOFINANZ AG held 44,534,312 treasury shares as of 31 October 2013. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 68,360,950 shares of IMMOFINANZ AG as of this same date. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, held six shares. In total, member companies of IMMOFINANZ Group held slightly less than 10% (prior year: 10%) of the share capital of IMMOFINANZ AG as of 31 October 2013.

The annual general meeting of IMMOFINANZ AG on 5 October 2012 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 para. 1 no. 8 and para. 1b of the Austrian Stock Corporation Act (*Aktiengesetz, AktG*) at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months beginning on the date the resolution was passed. The shares may be purchased in one or more transactions over the stock exchange or over the counter with repeated utilisation of the 10% limit, also with the exclusion of the proportional subscription rights of shareholders.

The annual general meeting of IMMOFINANZ AG on 5 October 2012 authorised the Executive Board, with the consent of the Supervisory Board, to sell treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 para. 1b AktG. These shares may be sold or used for any legal purpose, whereby the proportional purchase rights of shareholders are excluded (exclusion of subscription rights). This authorisation is valid for a period of five years beginning on the date the resolution was passed.

As of 31 October 2013 44,534,312 treasury shares with a carrying amount of EUR 137,730,057.09 held by IMMOFINANZ AG and 57,071,429 shares with a carrying amount of EUR 156,859,656.91 held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, were used as collateral for financing. Additional information on this financing is provided under the section on liabilities.

In accordance with § 240 para. 3 UGB, treasury shares held directly by the company or by an entity controlled by the company are as follows:

Date of purchase	Number of shares	Shareholding company	Circumstances and authorisation	Proportional share of share capital on 31.10.2013 (in EUR)	Proportional share of share capital on 31.10.2013 (in %)	Purchase price (in EUR)
Aug 2010	55,005,409	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 para. 1 no. 1 AktG)	57,105,699.52	4.87	151,264,874.75
Sep 2010	2,066,020	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Settlement of Aviso Zeta banking business (§ 65 para. 1 no. 1 AktG)	2,144,907.56	0.18	5,594,782.16
Dec 2010	6	Aviso Zeta AG	Acquisition of Aviso Zeta (§ 65 para. 1 no. 1 AktG)	6.23	0.00	16.85
Nov 2010 - Mar 2011	47,350,248	IMMOFINANZ AG	Share buyback programme 2010 – 2011 (§65 para. 1 no. 8 AktG)	49,158,238.87	4.19	145,755,598.51
Oct.12	-11,526,415	IMMOFINANZ AG	Withdrawal of treasury shares (§65 para. 1 no. 8 sent. 3 AktG)	-11,966,532.08	-1.02	-35,472,189.92
Oct 2012 - Feb 2013	20.000.000	IMMOFINANZ AG	Share buyback programme 2012 - 2013 (§ 65 para. 1 no. 8 AktG)	20,763,666.91	1.77	62,361,443.45
Total	112,895,268			117,205,987.01	10.00	329,504,525.80
Thereof used as collateral for financing						
Jan.13	-44,534,312	IMMOFINANZ AG	Sale for financing with treasury shares (§ 65 para. 1b AktG)	-46,234,781.01	-3.94	
Jan.13	-57,071,429	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Sale for financing with treasury shares (§ 65 para. 1b AktG)	-59,250,607.08	-5.06	
	-101,605,741		Sale for financing with treasury shares (§ 65 para. 1b AktG)	-105,485,388.09	-9.00	

Information on the use of treasury shares as collateral for financing is provided in the notes under the section on liabilities.

Current assets

Receivables

The following table shows the classification of receivables by remaining term:

All amounts in EUR	31 October 2013	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade receivables	4,391.35	4,391.35	0.00	0.00
Receivables from subsidiaries	445,057,017.41	445,057,017.41	0.00	0.00
Receivables from associated or jointly controlled companies	19,307,912.32	19,307,912.32	0.00	0.00
Other receivables and assets	12,456,049.15	12,456,049.15	0.00	0.00
Total	476,825,370.23	476,825,370.23	0.00	0.00

All amounts in EUR	30 April 2013	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade receivables	237,274.59	237,274.59	0.00	0.00
Receivables from subsidiaries	680,988,387.16	680,988,387.16	0.00	0.00
Receivables from associated or jointly controlled companies	11,758,923.59	11,758,923.59	0.00	0.00
Other receivables and assets	9,044,132.35	9,044,132.35	0.00	0.00
Total	702,028,717.69	702,028,717.69	0.00	0.00

Receivables from subsidiaries and receivables from associated or jointly controlled entities are classified as current in cases where a specific payment term was not defined. However, these receivables are only collected if permitted by the liquidity situation of the respective creditor.

Receivables from subsidiaries include EUR 28,260,621.69 (prior year: TEUR 53,432) of receivables from the provision of goods and services and receivables of EUR 183,175.36 (prior year: TEUR 363) related to accrued interest for the participation rights in RentCon Handels- und Leasing GmbH. This position also includes other receivables of EUR 12,744,403.64 (prior year: TEUR 27,588), dividends receivable of EUR 50,137,331.34 (prior year: TEUR 240,014) and loans receivable of EUR 428,128,218.95 (prior year: TEUR 432,298). Impairment losses of EUR 74,396,733.57 (prior year: TEUR 72,707) were recognised to these loans receivable. The method used to assess impairment is explained in the section on accounting and valuation principles.

The value of selected properties held by subsidiaries of IMMOFINANZ AG increased during the reporting year and earlier years and could have resulted in write-ups of EUR 14,471,835.59 (2011/12: TEUR 16,864) to receivables that were previously reduced through impairment losses. These write-ups would have led to an increase in income taxes, but were not recorded because Austrian tax law does not require the recognition of these value increases.

Other receivables consist primarily of EUR 6,386,629.03 (prior year: TEUR 6,548) due from tax authorities.

Miscellaneous securities and shares

This position comprises 962 shares of the 2014 convertible bond with a nominal value of EUR 96,200,000.00 (prior year: TEUR 96,200), 224 shares of the 2017 convertible bond with a nominal value of EUR 22,400,000.00 (prior year: TEUR 22.400) and 1,562,000 shares of the 2018 convertible bond with a nominal value of EUR 6,435,440.00 (prior year: TEUR 6,435). There were no changes to miscellaneous shares and securities during the reporting period from 1 May 2013 to 31 October 2013.

Cash in bank

This item consists chiefly of deposits with UniCredit Bank Austria AG, Vienna, RAIFFEISEN BANK INTERNATIONAL AG, Vienna, ERSTE GROUP BANK AG, Vienna, Deutsche Bank Aktiengesellschaft, Frankfurt, Raiffeisenlandesbank Niederösterreich- Wien, Vienna, BACBG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft, Vienna, LGT Bank AG, Vienna, and Landesbank Hessen-Thüringen, Frankfurt.

Prepaid expenses

This position includes miscellaneous fees paid during the reporting year that relate to the following financial year, e.g. amounts due to the Austrian Financial Market Authority, insurance, flights, maintenance and licenses.

EQUITY AND LIABILITIES

Equity

Share capital totals EUR 1,172,059,877.28 (prior year: TEUR 1,172,060) and is classified as follows:

	Number of shares 31.10.2013	Share capital in EUR 31.10.2013	Number of shares 30.04.2013	Share capital in EUR 30.04.2013
Bearer shares	1,128,952.687	1,172,059,877.28	1,128,952,687	1,172,059,877.28
Total	1,128,952.687	1,172,059,877.28	1,128,952,687	1,172,059,877.28

Equity as of 31 October 2013 comprised the following:

<i>All amounts in EUR</i>	31.10.2013	30.04.2013
Share capital	1,172,059,877.28	1,172,059,877.28
Capital reserves		
1) Appropriated	4,017,779,656.75	4,017,779,656.75
Revenue reserves		
1) Other reserves (voluntary)	20,056,196.51	117,536,790.24
2) Reserve for treasury shares	137,730,057.09	172,644,852.04
Profit (loss) account	0.00	173,205,563.71
Equity	5,347,625,787.63	5,653,226,740.02

Capital and revenue reserves

The reserves in the separate financial statements of IMMOFINANZ AG, which were prepared in accordance with the Austrian Commercial Code, comprise the following: appropriated capital reserves from capital increases pursuant to § 229 para. 2 no. 1 UGB and from the merger of IMMOEAST AG with IMMOFINANZ AG; a reserve for treasury shares pursuant to §225 para. 5 UGB; and a voluntary revenue reserve. The change in the revenue reserves resulted from the sale of treasury shares to the wholly owned subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH during the reporting period. In addition, EUR 97,480,593.73 was released from the revenue reserves to cover the balance sheet loss that would otherwise have resulted.

Provisions

The provision for termination benefits (EUR 238,600.52 prior year: TEUR 239) was calculated in accordance with actuarial principles, whereby the parameters included a discount rate of 3.5% and a retirement age of 60 years for men.

The provisions for taxes consist primarily of the final tax settlement with BUWOG – Bauen und Wohnen Gesellschaft mbH and its subsidiaries (EUR 7,827,383.00) and a provision for negative taxable results generated and used by members of the IMMOFINANZ tax group (EUR 6,794,388.07). Additional information is provided under the section on group taxation pursuant to § 9 of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*, KStG).

Other provisions consist primarily of accruals for legal and auditing expenses, legal proceedings, expert opinions, employees and derivatives.

Liabilities

Convertible bond 2007 – 2014, ISIN XS0283649977 (CB 2014)

Based on an authorisation of the annual general meeting on 28 September 2006 and with the consent of the Supervisory Board, IMMOFINANZ AG issued 7,500 convertible bond certificates on 19 January 2007. These certificates have a nominal value of EUR 100,000- each and carry an interest rate of 2.75%. The bondholders as well as the company were accorded certain premature cancellation rights. The CB 2014 has a term ending on 20 January 2014.

The put period for the premature redemption of the 2.75% CB 2014 issued by IMMOFINANZ AG ended on 9 January 2012. These notices took effect on 19 January 2012. Bondholders registered 776 CB 2014 certificates for redemption. The amount due for principal and interest totalled EUR 77.6 million and was financed from available liquid funds.

The outstanding nominal value of the CB 2014 amounted to EUR 25.7 million as of 31 October 2013 (2013: EUR 25.7 million). It will be redeemed on 20 January 2014 (maturity date).

Convertible bond 2007 – 2017, ISIN XS0332046043 (CB 2017)

Based on an authorisation of the annual general meeting on 27 September 2007, IMMOFINANZ AG issued 7,500 convertible bond certificates on 19 November 2007. These certificates have a nominal value of EUR 100,000- each and carry an interest rate of 1.25%. The bondholders as well as the company were accorded certain premature cancellation rights. The CB 2014 has a term ending on 19 November 2014.

A total of 156 CB 2017 convertible bond certificates with a nominal value of EUR 15.6 million were repurchased during the 2012/13 financial year.

The put period for the premature redemption of the 1.25% CB 2017 issued by IMMOFINANZ AG ended on 9 November 2012. Bondholders registered 1,443 CB 2017 certificates (nominal value: EUR 100,000 per convertible bond certificate) for redemption. The nominal amount outstanding as of 31 October 2013 totalled EUR 35.1 million (2013: 35.1 million).

The convertible bondholders have a further opportunity to put their bonds prematurely as of 19 November 2014.

Convertible bond 2011–2018, ISIN XS0592528870 (CB 2018)

On 14 February 2011 the Executive Board of IMMOFINANZ AG announced its intention, with the approval of the Supervisory Board on the same date, to issue up to 125,029,692 convertible bonds with a term ending in 2018. Based on a bookbuilding procedure, the interest rate was set at 4.25% per year, payable semi-annually in arrears on 8 March and 8 September of each year beginning on 8 September 2011. A conversion premium was also defined, which equalled 32.50% over the average volume-weighted price of the company's share on the Vienna Stock Exchange from the start of trading up to the price setting at EUR 3.1069. The subscription price for the convertible bond was set at EUR 4.12 and represents the nominal value, the issue amount, the initial conversion price and the repayment price per convertible bond.

On 8 March 2011, IMMOFINANZ AG issued 125,029,692 certificates within the framework of the 2011–2018 convertible bond with a nominal value of EUR 4.12 each and an interest rate of 4.25%. The term of this instrument ends on 8 March 2018. The bondholders as well as the company were accorded certain premature cancellation rights.

The nominal amount outstanding as of 31 October 2013 was EUR 508.7 million (2013: EUR 508.7 million).

Conversions and repurchases

No conversions were exercised during the reporting period.

Authorisation to issue new convertible bonds

The annual general meeting of the company on 28 September 2011 authorised the Executive Board to issue convertible bonds with a total nominal amount of up to EUR 1.2 billion. These bonds may carry exchange and/or subscription rights for to up to 212,804,717 bearer shares in the company with a proportional share of up to EUR 220,930,312.99 in share capital, and may be issued with or without the exclusion of subscription rights and in one or more tranches. This annual general meeting also approved a conditional capital increase of EUR 220,930,312.99 in accordance with § 159 AktG to service the exchange or subscription rights of the holders of convertible bonds that were or will be issued or equipped with exchange rights for new shares (i) based on a resolution of the annual general meeting on 28 September 2011 and/or (ii) the annual general meeting on 27 September 2007.

The following table shows the classification of liabilities by remaining term:

All amounts in EUR	31 October 2013	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	812,113,731.16	130,110,990.28	682,002,740.88	0.00
Liabilities with financial institutions	186,505,688.10	788,782.93	152,400,000.00	33,316,905.17
Trade liabilities	2,332,374.62	2,332,374.62	0.00	0.00
Liabilities with subsidiaries	953,428,117.31	953,428,117.31	0.00	0.00
Other liabilities	802,096.28	802,096.28	0.00	0.00
Total	1,955,182,007.47	1,087,462,361.42	834,402,740.88	33,316,905.17

All amounts in EUR	30 April 2013	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	811,724,964.33	130,602,205.09	681,122,759.24	0.00
Liabilities with financial institutions	186,526,093.39	609,188.21	152,200,000.00	33,716,905.18
Trade liabilities	3,064,971.64	3,064,971.64	0.00	0.00
Liabilities with subsidiaries	1,087,229,061.49	1,087,229,061.49	0.00	0.00
Other liabilities	984,916.57	984,916.57	0.00	0.00
Total	2,089,530,007.42	1,222,490,343.00	833,322,759.24	33,716,905.18

Liabilities with subsidiaries are classified as current in cases where a specific payment term was not defined.

In the 2012/13 financial year, IMMOFINANZ AG issued a corporate bond with a total nominal value of EUR 100 million and an interest rate of 5.25%. The bond has a five-year term and a denomination of EUR 1,000.00.

Financing with treasury shares

Based on a resolution of the annual general meeting on 5 October 2012 to sell treasury shares in accordance with § 65 para. 1b AktG and to purchase treasury shares in accordance with § 65 para. 1 no. 8 and para. 1b AktG, IMMOFINANZ AG sold and transferred 101,605,741 treasury shares to financial institutions on 10 January 2013 for financing purposes. In exchange, IMMOFINANZ AG received financing of EUR 150 million for a term of up to three years. These 101,605,741 shares represented a proportional amount of EUR 105,485,388.09, or 9.00% of share capital as of 31 October 2013.

In this connection, the 57,071,429 IMMOFINANZ shares held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) were also sold to IMMOFINANZ AG in January 2013 in exchange for a proportional share of the financing. This transfer of financing between IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH generally reflects the same conditions for the sale, financing and repurchase of the IMMOFINANZ shares as defined in the contract between IMMOFINANZ AG and the financing financial institutions.

The company is entitled to repurchase the 101,605,741 shares in exchange for repayment of the financing (EUR 150 million) at any time during the term. At the end of the term, the company is required to repay the financing and repurchase the shares. The interest payments during the term of the financing are linked to the EURIBOR. Dividends paid by IMMOFINANZ AG during the term will be returned to the company. The agreed repurchase price for the shares equals the sale price, i.e. the market risk and opportunities associated with the shares remain with the company. From an economic standpoint, this transaction represents credit financing with collateral in the form of treasury shares; the financing is therefore reported under liabilities to financial institutions.

Liabilities with subsidiaries consist entirely of other liabilities, above all loans of EUR 350,771,414.13 (prior year: TEUR 568,110) granted to subsidiaries, other liabilities of EUR 522,331,257.05 (prior year: TEUR 515) due to IMMOEAST Beteiligungs GmbH and EUR 80,223,000.00 (prior year: TEUR 0) due to Parthica Immobilien GmbH as well as other settlement items. Additional information is provided in the section on investments in subsidiaries.

Guarantees

IMMOFINANZ AG has issued comfort letters on behalf of individual subsidiaries to guarantee their solvency. These comfort letters confirm that the involved companies will be able to meet their payment obligations at any time and oblige IMMOFINANZ AG to ensure that sufficient funds will be available to meet all liabilities at maturity. Furthermore, IMMOFINANZ AG is obliged to undertake all other necessary measures required by the applicable insolvency laws. IMMOFINANZ AG is also required to subordinate all liabilities that represent debt from the viewpoint of the involved company and must take a secondary position to all other creditors who are not shareholders of the involved companies or are subordinated in another manner.

Moreover, the company has provided guarantees or pledges of EUR 85,470,214.78 (prior year: TEUR 249,723) on behalf of subsidiaries. The outstanding balance of the loan granted by Landesbank Hessen-Thüringen, for which IMMOFINANZ AG issued a guarantee in connection

with a revolving credit facility, was repaid on 15 May 2013. The guarantee of EUR 173,493,975.90 also expired with this repayment.

Financial instruments

The company has concluded contracts for the following derivative financial instruments:

Type	Contract partner	Currency	Nominal value	Term	Net present value 31.10.2013
FX FOR CBRD TRANSACTION	Raiffeisen Bank International AG	USD	50,000,000.00	27.9.2013 - 31.1.2014	-381,132.37
SCBP	Deutsche Bank AG	EUR	163,588,739.88	31.7.2013 - 6.10.2016	-7,677,772.03
SCBP	Deutsche Bank AG	EUR	40,308,898.72	31.7.2013 - 6.10.2016	-1,013,356.03
Included under other provisions					-9,072,260.43

The derivatives are valued at the average interbank rates using generally accepted financial models.

4. Other Information

Information on size pursuant to § 221 of the Austrian Commercial Code:

The company is classified as a large corporation based on the criteria defined in § 221 para. 1 of the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB).

Information on group taxation pursuant to § 9 of the Austrian Corporate Income Tax Act

In accordance with a group application filed on 29 April 2005, the company has served as the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*, KStG) since the 2005 tax assessment year. This corporate group has been expanded several times.

The company is the head of a corporate group as defined in § 9 KStG. The company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. In accordance with the amended agreement, each member of the group with positive results must pay a tax charge equal to 25% of the assessment base to the head of the group. Any losses by members of the group are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Consequently, there are no payments by the head of the group to members.

A provision of EUR 6,794,388.07 was recognised during the reporting period for negative taxable results generated and used by members of the IMMOFINANZ tax group.

A provision of EUR 5.32 million was not recognised for negative taxable results generated and used by members of the IMMOFINANZ tax group because IMMOFINANZ does not expect any related tax liability in the future.

Prior to the 2011/12 financial year, members of the group were required to pay a tax charge to the head of the group when taxable results were positive. A taxable loss by a group member resulted in the payment of a tax credit by the head of the group to the member, whereby a corporate income tax rate of 12.5% was applied in both cases.

Related party transactions in the sense of § 237 no. 8b of the Austrian Commercial Code

All transactions with related companies and persons during the reporting year took place at arm's length.

Risk report

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of risks. A systematic risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) was further optimised to support the early identification and monitoring of risk. Auditors evaluate the efficiency and effectiveness of the ICS each year, to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company.

The most significant risk factors can be summarised under financial risks and market/property-specific risks.

Market-and property-specific risks arise from micro- and macroeconomic events in individual countries and developments at the property level. Included here are the market price risk as well as the competitive situation and transaction risk.

The primary objective of risk management is to identify risks at an early point in time and thereby support the rapid implementation of appropriate countermeasures.

Financial risks

Default/credit risk

Default and credit risks arise when a contract partner of IMMOFINANZ Group is unable to meet his or her obligations, and this situation leads to financial damage for IMMOFINANZ Group. The maximum credit risk represents the amounts reported under assets on the balance sheet and the amounts attributable to these risks. Default risk is reflected in appropriate valuation adjustments.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. The risk of default on receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. Despite the high-quality of its financing partners, IMMOFINANZ Group will increase its monitoring of their credit standing in the future. This approach reflects the significant volumes of funds repeatedly invested with banks owing to the Group's business model as well as the regulatory changes planned for the banking sector in the EU.

Capital market and financing risk

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to eliminate the risks associated with the failure to meet capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to ensure the fulfilment of all capital market regulations and, above all, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimization potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement

under certain circumstances. At the present time IMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro.

Interest rate risk

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Rising interest rates can influence earnings because they increase the interest expense on the Group's floating rate financing.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps). These derivative financial instruments are recorded as independent transactions and not as hedges.

Liquidity risk

Liquidity risks are minimised by the preparation of a medium-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the individual properties (interest coverage ratio and/or debt service coverage ratio) as well as their market value (loan-to-value ratio).

In order to prevent cost overruns and the resulting excess outflow of liquidity, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. A list of the major legal proceedings in which the Group is involved is provided in the section on legal disputes.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

Market risk and property-specific risks

The development of property markets is heavily dependent on economic growth and macroeconomic trends.

The related risks are based on the micro- and macroeconomic trends in the countries where IMMOFINANZ Group is active as well as developments on the global financial and investment markets. The resulting effects on market prices, market rents and yields also play an important role.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. The acquisition process in IMMOFINANZ Group includes extensive due diligence audits together with independent experts that are intended to identify any such risks in advance and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and on-

going investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In some cases, these transactions are also subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflationary risk by including index clauses in its standard leases.

The business model defined by IMMOFINANZ Group includes the acquisition of properties and real estate development projects at attractive conditions and the profitable sale of individual assets. The risk associated with these transactions is addressed, above all, through the diversification of the property portfolio. This broad-based portfolio which covers four asset classes in eight core countries has allowed for the repeated sale of properties in excess of fair value. Permanent market screening and wide-ranging business relationships as well as extensive knowledge of the relevant markets makes it possible for IMMOFINANZ Group to identify investment opportunities at an early point in time and to utilise these opportunities for new development projects.

Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of the property portfolio and the realisation of larger real estate projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group. IMMOFINANZ Group has a very well balanced and diversified tenant mix no single tenant is responsible for more than 2% of total rental income.

The Russian market is associated with a number of specific concentration risks. On the one hand, IMMOFINANZ Group has a single investment in Moscow, the Golden Babylon Rostokino shopping center which represents more than 10% of the standing investment portfolio based on fair value. On the other hand, the investments in Russia are concentrated in the Moscow retail market.

Risks arising from legal proceedings

This section explains the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG).

Legal proceeding by shareholders against IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG (in short: IFAG) and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between 10 and 908 plaintiffs who have filed claims against IMMOFINANZ AG.

By the end of October 2013 a total of 810 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also named in some of the cases) and 78 lawsuits only against IMMOEAST AG/IMBEA with a value in dispute totalling approx. EUR 253 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by Advo-Fin, a company that finances such proceedings. The status of the pending proceedings is different, whereby most are still in the early stages. In many of the cases the plaintiffs have already been heard, and a more extensive hearing of evidence has only taken place in a few cases. In 60 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A decision in six further cases is expected during the coming months. In one case the claim was upheld; IMMOFINANZ AG has appealed this ruling, and a decision by the Regional Appeals Court in Vienna is expected during the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In 19 of these proceedings, the plaintiffs withdrew their lawsuits. Ninety-four of the proceedings have been completed to date (29 legally binding judgments rejecting the lawsuits, 19 withdrawals of lawsuits and 46 agreements for withdrawal of the lawsuit under the waiver of claims).

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
IFAG	362	24,8
IMBEA	59	7,5
IFAG und IMBEA	373	217,7

Legal proceedings by shareholders against investment consultants and Aviso Zeta AG and third party notices against IMMOFINANZ AG/IMBEA

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now: IMBEA) filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH (now: Swiss Life Select Österreich

GmbH), through which they had purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege, in particular, incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information was withheld on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses. The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG and IMBEA are involved as intervening parties in some of the cases against Aviso Zeta AG or Swiss Life Select Österreich GmbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons or entities. The reason behind this type of intervention is that the defendant can file a recourse claim against IMMOFINANZ AG/IMBEA if the case is lost and is therefore taking action against IMMOFINANZ AG/IMBEA. If IMMOFINANZ AG/IMBEA did not join in these proceedings, IMMOFINANZ AG/IMBEA would not be able to raise the points addressed during the preliminary proceedings in any subsequent regress proceedings. The defendants' main argument against IMMOFINANZ AG/IMBEA is that the damages incurred by the plaintiffs were caused by actions on the part of IMMOFINANZ AG and IMMOEAST AG, which are currently under investigation by the Vienna public prosecutor in connection with criminal proceedings.

By the end of October 2013, Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA, in most cases both companies, with third party notices in 376 cases. Swiss Life Select Österreich GmbH has also served IMMOFINANZ AG and/or IMBEA with third party notices in 230 cases, also in class action suits that were filed against Swiss Life Select Österreich GmbH. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 43 lawsuits against Swiss Life Select Österreich GmbH and Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither Swiss Life Select Österreich GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA. Most of the proceedings against Swiss Life Select Österreich GmbH have been closed.

Third party notices to IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	376	40.1
AWD (now: Swiss Life Select Österreich GmbH)	230	32.3
Total	606	72.4

Proceedings to review the exchange ratio applied to the merger of IMMOEAST AG and IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with

the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff AktG. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions. In accordance with legal regulations (§ 225g AktG), the commercial court of Vienna has ordered an expert opinion on the exchange ratio.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (28 April 2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

At the present time it is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or what the amount of these payments might be.

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. These criminal proceedings resulted in the (not yet legally binding) first-instance conviction, among others, of two of the three defendants. IMBEA was also awarded approx. EUR 7 million by this first-instance decision (not yet legally binding). In addition, Aviso Zeta was awarded approx. EUR 4 million.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. The collection of evidence in this case has started after the repeal of the postponement authorised by the first-instance court.

In October 2013 IMMOFINANZ AG filed a lawsuit against a former member of the Executive Board, claiming a violation of due diligence by this person during 2007 and 2008.

In August 2011 a former member of the Executive Board filed a lawsuit against IMMOFINANZ AG to claim payment of remuneration for his duties on the Executive Board for a period of roughly three months. These proceedings are currently suspended until a decision is issued on a parallel case, which represents separate proceedings against IMBEA. The separate proceedings involve a claim by the same former Executive Board member for payment of remuneration for his duties on the Executive Board for the same period of roughly three months.

The above-mentioned values in dispute cover, in part, identical content. Based on estimates for the expected outcome of these proceedings, IMMOFINANZ Group has recognised an

appropriate amount of provisions for legal disputes and provisions for legal proceedings in the consolidated financial statements.

Investments in subsidiaries and associated companies

Shares in subsidiaries and associated companies comprise the following:

<u>Company</u>	<u>Balance sheet date</u>	<u>Share owned</u>	<u>Equity as of balance sheet date</u>	<u>Profit / (loss) for the year</u>
IMBEA IMMOEAST Beteiligungsverwaltung GmbH, Vienna	30.04.2013	100%	4,579,601,647.01 EUR	-27,496,283.53 EUR
IMMOWEST Immobilien Anlagen GmbH, Vienna	30.04.2013	100%	200,814,281.15 EUR	10,449,222.13 EUR
GENA SECHS Immobilienholding GmbH, Vienna	30.04.2013	100%	12,318.38 EUR	-2,876.68 EUR
BUWOG AG, Vienna	30.04.2013	100%	-6,085.79 EUR	-3,621.74 EUR
Parthica Immobilien GmbH, Vienna	30.04.2013	100%	10,999.27 EUR	-2,653.96 EUR
EHL Immobilien GmbH, Vienna	31.12.2012	49%	4,037,832.78 EUR	3,916,832.78 EUR

Average number of employees

	<u>Balance on 31.10.2013</u>	<u>Balance on 30.04.2013</u>
Salaried employees	270	271
Total	270	271

Obligations arising from the use of tangible assets not shown on the balance sheet

	<u>31.10.2013</u>	<u>30.04.2013</u>
	<u>EUR</u>	<u>TEUR</u>
Obligations for the next financial year	1,259,004.14	2,355
Obligations for the next five financial years	6,089,522.95	7,012

Information on corporate bodies

The corporate bodies of IMMOFINANZ AG are:

Executive Board:

Eduard Zehetner (Chief Executive Officer)

Daniel Riedl

Birgit Noggler

The members of the Executive Board received remuneration totalling EUR 2.4 million during the reporting period (2012/13: EUR 5.5 million). Contributions of TEUR 22.7 (2012/13: TEUR 117.2) were made to the employee severance compensation fund and TEUR 70.5 (2012/13: TEUR 188.6) to the pension fund.

The remuneration for the members of the Supervisory Board is approved and distributed during the current financial year for the previous year. The members of the Supervisory Board received remuneration of EUR 300,300.00 for the 2012/13 financial year (prior year: TEUR 300).

Supervisory Board:

Michael Knap – Chairman (since 2 October 2013)

(Michael Knap – Vice-Chairman up to 2 October 2013)

Rudolf Fries – Vice-Chairman (since 2 October 2013)

(Rudolf Fries – Member up to 2 October 2013)

Herbert Kofler (since 2 October 2013)

(Herbert Kofler – Chairman up to 2 October 2013)

Vitus Eckert

Nick van Ommen

Klaus Hübner

Christian Böhm

Siegfried Burger-Schattauer (delegated by the Works Council since 2 October 2013)

Mark Anthony Held (delegated by the Works Council since 2 October 2013)

Nikolaus Obermair (delegated by the Works Council since 2 October 2013)

Philipp Amadeus Obermair (delegated by the Works Council since 2 October 2013)

Authorised signatories:

Gerold Hellmich (since 21 August 2013)

Wolfgang Idl

Josef Mayer

Alfons Mähr (from 17 January 2013 to 31 August 2013)

Dietmar Reindl

Mario Josef Schmalzl

Martina Wimmer

Vienna, 27 January 2014

THE EXECUTIVE BOARD

Eduard Zehetner m.p.

Chief Executive Officer

Daniel Riedl m.p.

Birgit Nogglner m.p.

Development of Non-Current Assets in acc. with § 226 (1) of the Austrian Commercial Code

All amounts in EUR	Balance on 1 May 2013	Acquisition or Production Cost			Reclassifi- cations	Balance on 31 October 2013	Accumulated depreciation	Carrying amount 31 October 2013	30 April 2013	Depr./amort./impairment current year	Revaluations current year
		Additions	Disposals	Disposals							
1. Trademarks and software	1,108,776.70	71,852.03	0.00	0.00	0.00	1,180,628.73	534,598.32	646,030.41	711,395.80	137,217.42	0.00
Intangible assets	1,108,776.70	71,852.03	0.00	0.00	0.00	1,180,628.73	534,598.32	646,030.41	711,395.80	137,217.42	0.00
Buildings on land owned by third parties	1,762,050.50	0.00	0.00	0.00	0.00	1,762,050.50	418,421.79	1,343,628.71	1,434,210.41	90,581.70	0.00
2. Furniture, fixtures and office equipment	1,238,232.66	37,570.98	0.00	0.00	0.00	1,275,803.64	724,825.57	550,978.07	673,270.56	159,863.47	0.00
Property, plant and equipment	3,000,283.16	37,570.98	0.00	0.00	0.00	3,037,854.14	1,143,247.36	1,894,606.78	2,107,480.97	250,445.17	0.00
1. Investments in subsidiaries	7,022,158,118.58	80,348,500.00	0.00	0.00	0.00	7,102,506,618.58	556,974,288.58	6,545,532,330.00	6,640,074,739.49	174,890,909.49	0.00
Investments in associated companies	850,000.00	0.00	0.00	0.00	0.00	850,000.00	0.00	850,000.00	850,000.00	0.00	0.00
3. Non-current securities (rights)	8,129,033.31	0.00	0.00	0.00	0.00	8,129,033.31	0.00	8,129,033.31	8,129,033.31	0.00	0.00
Thereof subsidiaries	7,078,334.05	0.00	0.00	0.00	0.00	7,078,334.05	0.00	7,078,334.05	7,078,334.05	0.00	0.00
4. Treasury shares	172,644,852.04	0.00	34,914,794.95	0.00	0.00	137,730,057.09	0.00	137,730,057.09	172,644,852.04	0.00	0.00
Financial assets	7,203,782,003.93	80,348,500.00	34,914,794.95	0.00	0.00	7,249,215,708.98	556,974,288.58	6,692,241,420.40	6,821,698,624.84	174,890,909.49	0.00
Total non-current assets	7,207,891,063.79	80,487,923.01	34,914,794.95	0.00	0.00	7,253,434,191.85	558,652,134.26	6,694,782,057.59	6,824,517,501.61	175,278,572.08	0.00

Auditor's report

Report about closing balance sheet and appendix

We have audited the enclosed closing balance sheet including the accounting system of IMMOFINANZ AG, Vienna, as of 31.10.2013.

Management's Responsibility for the closing balance sheet and the Accounting System

The company's management is responsible for the accounting system and for the preparation and fair presentation of this closing balance in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on this closing balance sheet based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the closing balance sheet. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the closing balance sheet, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the closing balance sheet in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the closing balance sheet.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the closing balance sheet complies with legal requirements and gives a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 31 October 2013 in accordance with Austrian Generally Accepted Accounting Principles.

Vienna, 27 January 2014

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Marieluise Krimmel
Wirtschaftsprüfer

Mag. Dr. Claudia Fritscher-Notthaft
Wirtschaftsprüfer

Treatment of the IMMOFINANZ-Convertible Bonds due 2018
(ISIN XS0592528870)

In the event of a spin-off, § 11(g) of the Terms and Conditions of the IMMOFINANZ-Convertible Bonds due 2018 provides as follows:

“(g) If prior to the last day of the Conversion Period or any earlier date fixed for redemption a split-up of the Company (*Aufspaltung*), or a spin-off (*Abspaltung*), or if any other event which in the opinion of the Calculation Agent has the same effect as a split-up or a spin-off, occurs, such adjustment of the terms of the Conversion Right and the Conversion Price shall be made on the basis of the Austrian law on corporations (which may include a cash payment) as the Calculation Agent shall consider appropriate to take account of such event. If shares in other legal entities are distributed to the shareholders of the Company in case of such split-up, spin-off or a similar event, such adjustment, in case of a conversion, will consist of a proportionate allocation of such shares or an equivalent compensation.”

Based on this provision the following adjustment of the provisions of the Conversion Right and the Conversion Price pursuant to the spin-off will be made by the Calculation Agent, Deutsche Bank Aktiengesellschaft, London Branch, and will become effective pursuant to § 11(j) of the Terms and Conditions with the beginning of the day the spin-off is registered with the company's register (Firmenbuch).

Upon exercise of the Conversion Right a Holder shall be entitled with respect to Bonds delivered for conversion to receive (i) the Settlement Shares (shares of IMMOFINANZ AG pursuant to § 9(a) of the Terms and Conditions) to be delivered pursuant to § 8 of the Terms and Conditions subject to the Conversion Price applicable on the Record Date (defined in § 11(m) of the Terms and Conditions) and in addition (ii) to a proportional number of shares of BUWOG AG per each Settlement Share corresponding to such number of shares in BUWOG AG, to which according to the Exchange Ratio of the spin-off a shareholder of IMMOFINANZ AG is entitled with respect to one share of IMMOFINANZ AG. The Exchange Ratio of the spin-off is 1 (BUWOG-share) : 20 (IMMOFINANZ-shares) so that pursuant to an exercise of the Conversion Right after this adjustment per each Settlement Share to be delivered, a Holder shall be entitled to a proportional delivery of 0.05 shares of BUWOG AG. The provisions on compensation for Fractions of Settlement Shares pursuant to § 8 (c)(ii)-(iii) of the Terms and Conditions apply analogously for the delivery of shares of BUWOG AG. Pursuant to this adjustment the Terms and Conditions shall apply analogously to the shares of BUWOG AG, as if they were Settlement Shares.

The Conversion Price on the Record Day (defined in § 11(m) of the Terms and Conditions) pursuant to this adjustment applies as calculated Conversion Price with respect to the Settlement Shares and the shares of BUWOG AG to be delivered upon exercise of Conversion Rights and is subject to adjustments with regard to the Settlement Shares and the shares of BUWOG AG to be delivered after this adjustment during the remaining term of the Bonds, which are provided in the Terms and Conditions concerning the Settlement Shares and (applying analogously after this adjustment) to the shares of BUWOG AG.

This adjustment does not take place with regard to Bonds, for which Conversion Rights have already been exercised prior to the spin-off taking effect.

Further explanations:

This adjustment leads to the following treatment of Holders pursuant to the spin-off: Upon exercise of the Conversion Right a Holder is (in addition to the right to receive shares of IMMOFINANZ AG pursuant to the exercise of the Conversion Right) entitled to a proportionate delivery of 0.05 shares in BUWOG AG per Settlement Share based on the Conversion Price applicable on the Record Date (day of registration of the spin-off with the company's register).

The number of additional BUWOG-shares to be delivered per Bond after this adjustment takes effect is calculated exemplarily as follows:

EUR 4.12 (Principal Amount of the Bonds) divided by the calculated Conversion Price on the Record Date multiplied with the number of BUWOG-shares, a shareholder of IMMOFINANZ AG is entitled to receive pursuant to the Exchange Ratio of the spin-off with respect to one IMMOFINANZ-share. Based on the current Conversion Price of EUR 3.56 at the time of the draft of the Spin-off and Transfer Agreement this results in: $4.12 / 3.56 \times 0.05 = 0.0579$ BUWOG-shares.

Treatment of the IMMOFINANZ-Convertible Bonds due 2017
(ISIN XS0332046043)

In the event of a spin-off, § 10(g) of the Terms and Conditions of the IMMOFINANZ-Convertible Bonds due 2017 provides as follows:

“(g) If prior to the last day of the Conversion Period or any earlier date fixed for redemption a split-up of the Company (*Aufspaltung*), or a spin-off (*Abspaltung*), or if any other event which in the opinion of the Calculation Agent has the same effect as a split-up or a spin-off, occurs, such adjustment of the terms of the Conversion Right and the Conversion Price shall be made on the basis of the Austrian law on corporations (which may include a cash payment) as the Calculation Agent shall consider appropriate to take account of such event. If shares in other legal entities are distributed to the shareholders of the Company in case of such split-up, spin-off or a similar event, such adjustment, in case of a conversion, will consist of a proportionate allocation of such shares or an equivalent compensation.”

Based on this provision the following adjustment of the provisions of the Conversion Right and the Conversion Price pursuant to the spin-off will be made by the Calculation Agent, J.P. Morgan Securities Ltd., and will become effective pursuant to § 10(j) of the Terms and Conditions with the beginning of the day the spin-off is registered with the company's register (Firmenbuch).

Upon exercise of the Conversion Right a Holder shall be entitled with respect to Bonds delivered for conversion to receive (i) the Settlement Shares (shares of IMMOFINANZ AG pursuant to § 9(a) of the Terms and Conditions) to be delivered pursuant to § 8 of the Terms and Conditions subject to the Conversion Price applicable on the Record Date (defined in § 10(m) of the Terms and Conditions) and in addition (ii) to a proportional number of shares of BUWOG AG per each Settlement Share corresponding to such number of shares in BUWOG AG, to which according to the Exchange Ratio of the spin-off a shareholder of IMMOFINANZ AG is entitled with respect to one share of IMMOFINANZ AG. The Exchange Ratio of the spin-off is 1 (BUWOG-share) : 20 (IMMOFINANZ-shares) so that pursuant to an exercise of the Conversion Right after this adjustment per each Settlement Share to be delivered, a Holder shall be entitled to a proportional delivery of 0.05 shares of BUWOG AG. The provisions on compensation for Fractions of Settlement Shares pursuant to § 8 (c)(ii)-(iii) of the Terms and Conditions apply analogously for the delivery of shares of BUWOG AG. Pursuant to this adjustment the Terms and Conditions shall apply analogously to the shares of BUWOG AG, as if they were Settlement Shares.

The Conversion Price on the Record Day (defined in § 10(m) of the Terms and Conditions) pursuant to this adjustment applies as calculated Conversion Price with respect to the Settlement Shares and the shares of BUWOG AG to be delivered upon exercise of Conversion Rights and is subject to adjustments with regard to the Settlement Shares and the shares of BUWOG AG to be delivered after this adjustment during the remaining term of the Bonds, which are provided in the Terms and Conditions concerning the Settlement Shares and (applying analogously after this adjustment) to the shares of BUWOG AG.

This adjustment does not take place with regard to Bonds, for which Conversion Rights have already been exercised prior to the spin-off taking effect.

Further explanations:

This adjustment leads to the following treatment of Holders pursuant to the spin-off: Upon exercise of the Conversion Right a Holder is (in addition to the right to receive shares of IMMOFINANZ AG pursuant to the exercise of the Conversion Right) entitled to a proportionate delivery of 0.05 shares in BUWOG AG per Settlement Share based on the Conversion Price applicable on the Record Date (day of registration of the spin-off with the company's register).

The number of additional BUWOG-shares to be delivered per Bond after this adjustment takes effect is calculated exemplarily as follows:

EUR 100.000,00 (Principal Amount of the Bonds) divided by the calculated Conversion Price on the Record Date multiplied with the number of BUWOG-shares, a shareholder of IMMOFINANZ AG is entitled to receive pursuant to the Exchange Ratio of the spin-off with respect to one IMMOFINANZ-share. Based on the current Conversion Price of EUR 7.97 at the time of the draft of the Spin-off and Transfer Agreement this results in: $100.000,00 / 7.97 \times 0.05 = 627,3526$ BUWOG-shares.

Emissionsbedingungen der BUWOG AG-Wandelschuldverschreibungen

Emissionsbedingungen

[bis zu] EUR [260-310].000.000

**[3,50] % Schuldverschreibungen fällig 2019 mit
Wandlungsrecht in auf den Inhaber lautende
Stammaktien ohne Nennbetrag der
BUWOG AG**

**Bedingungen der Wandelschuldverschreibungen
(die "Emissionsbedingungen")**

*Der deutsche Text dieser Emissionsbedingungen ist
bindend. Die englische Übersetzung dient nur zu
Informationszwecken.*

§ 1

Definitionen

In diesen Emissionsbedingungen haben die folgenden
Begriffe die ihnen nachfolgend zugewiesene Bedeu-
tung:

"**Angemessener Marktwert**" hat die in § 11(m) fest-
gelegte Bedeutung.

"**Aktie**" bezeichnet die auf den Inhaber lautende
Stammaktie ohne Nennbetrag der Gesellschaft mit
einem errechneten Nennbetrag am Grundkapital der
Gesellschaft von EUR 1,00 je Aktie (am Tag der
Begebung der Schuldverschreibungen).

"**Aktienkurs**" bezeichnet an jedem Handelstag den
volumengewichteten durchschnittlichen Kurs für die
Aktie an der WB an dem jeweiligen Handelstag, wie
er auf der Seite HP (Einstellung 'Weighted Average')
auf dem Bloomberg Bildschirm (oder auf einer Nach-
folgerin dieser Bildschirmseite) angezeigt wird, oder,
wenn kein volumengewichteter durchschnittlicher
Kurs festgestellt wird, den Schlusskurs für die Aktie
an der WB an dem jeweiligen Handelstag, oder, falls
kein solcher Schlusskurs festgestellt wird, der letzte
veröffentlichte Verkaufspreis je Aktie an diesem Tag

Terms and Conditions

[up to] EUR [260-310,000,000]

**[3.50] per cent. Convertible Bonds due 2019
Convertible into Ordinary Bearer Shares
With No Par Value of
BUWOG AG**

**Terms and Conditions of the Convertible Bonds
(the "Terms and Conditions")**

*The German text of these Terms and Conditions is
binding. The English translation is for information
purposes only.*

§ 1

Definitions

In these Terms and Conditions the following terms
will have the following meaning:

"**Fair Market Value**" has the meaning set out in
§ 11(m).

"**Share**" means the ordinary bearer share with no par
value of the Company with a calculated notional
amount in the Company's share capital of EUR 1.00
per Share (on the date of issue of the Bonds).

"**Share Price**" means on any Trading Day the volume
weighted average price of the Share on the VSE on
the relevant Trading Day appearing on or derived
from screen page HP (setting Weighted Average) on
the Bloomberg screen (or any successor screen page)
or, if no volume-weighted average price is reported,
the closing price of the Share on the VSE on the rele-
vant Trading Day or, if no such closing price is
reported, the last reported per share sale price on such
day of the Share on the VSE or, if no sale price is
reported, the average of the last bid and ask prices on

für die Aktie an der WB oder, für den Fall, dass kein Verkaufspreis veröffentlicht wird, das Mittel zwischen dem letzten Brief- und Geldkurs an diesem Tag. Für den Fall, dass die Aktie nicht an der WB notiert ist oder Brief- und Geldkurs nicht zu erhalten sind, sind die entsprechenden Kurse oder Preise an der wichtigsten europäischen Börse, an der die Aktie oder die Aktie verbriefende Zertifikate notiert sind, maßgeblich. Für den Fall, dass eine Notierung oder mehrere Notierungen der Aktie an einer europäischen Börse nicht bestehen, sind die entsprechenden Kurse oder Preise an der wichtigsten außereuropäischen Börse, an der die Aktie oder die Aktie verbriefende Zertifikate notiert sind, maßgeblich. Für den Fall, dass auch eine oder mehrere solcher Notierungen nicht bestehen, wird die Berechnungsstelle den Aktienkurs auf der Basis solcher Notierungen oder anderer marktgenerierter Informationen, die sie für maßgeblich hält, bestimmen; diese Bestimmung ist endgültig und verbindlich. Eine Bezugnahme auf den Aktienkurs in diesen Emissionsbedingungen umfasst, falls die Feststellung des Aktienkurses aufgegeben wird, die Bezugnahme auf einen Kurs, der den Aktienkurs (i) kraft Gesetzes oder (ii) aufgrund einer allgemein akzeptierten Marktpraxis ersetzt.

"Ausschlusszeitraum" hat die in § 8(a)(v) festgelegte Bedeutung.

"Barausgleichbetrag" hat die in § 10(a) festgelegte Bedeutung.

"Bardividende" hat die in § 11(m) festgelegte Bedeutung.

"Benachrichtigungstag" hat die in § 10(b) festgelegte Bedeutung.

"Berechnungsstelle" hat die in § 14(a) festgelegte Bedeutung.

"Berechnungszeitraum" hat die in § 10(c) festgelegte Bedeutung.

"Bezugsrechtswert" hat die in § 11(m) festgelegte Bedeutung.

"Clearingsystem" hat die in § 2(b) festgelegte Bedeutung.

"Clearstream, Luxemburg" bezeichnet Clearstream

such day. If the Share is not listed on the VSE, or no bid and ask prices are available, the respective quotations or prices on the principal European securities exchange on which the Share or certificates representing the Share are listed are decisive. In the absence of one listing or more such listings on a European stock exchange, the respective quotations or prices on the principal securities exchange outside Europe on which the Share or certificates representing the Share are listed are decisive. In the absence of one or more such listings, the Calculation Agent will determine the Share Price on the basis of such quotations or other market generated information as it considers appropriate; any such determination will be final and binding. Any reference in these Terms and Conditions to the Share Price will include, if the Share Price is discontinued, a reference to a quotation which replaces the Share Price (i) by virtue of law or (ii) on the basis of generally accepted market practice.

"Excluded Period" has the meaning set out in § 8(a)(v).

"Cash Payment" has the meaning set out in § 10(a).

"Cash Dividend" has the meaning set out in § 11(m).

"Notification Day" has the meaning set out in § 10(b).

"Calculation Agent" has the meaning set out in § 14(a).

"Calculation Period" has the meaning set out in § 10(c).

"Subscription Value" has the meaning set out in § 11(m).

"Clearing System" has the meaning set out in § 2(b).

"Clearstream, Luxembourg" means Clearstream

Banking, société anonyme.

"Depotbank" bezeichnet jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Inhaber ein Depot für die Schuldverschreibungen unterhält, einschließlich des Clearingsystems.

"Durchschnittlicher Marktpreis" hat die in § 11(m) festgelegte Bedeutung.

"Erwerberaktien" hat die in § 11(f) festgelegte Bedeutung.

"Euroclear" bezeichnet Euroclear Bank SA/NV.

"Ex-Tag" hat die in § 11(m) festgelegte Bedeutung.

"Fälligkeitstag" ist der [31. Januar 2019].

"Geschäftsjahr" bezeichnet das satzungsmäßige Geschäftsjahr der Gesellschaft.

"Geschäftstag" ist jeder Tag (außer einem Samstag oder Sonntag), an dem (i) das Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) System und das Clearingsystem Zahlungen abwickeln und (ii) Geschäftsbanken in Wien für den allgemeinen Geschäftsverkehr geöffnet sind und Zahlungen in Euro abwickeln.

"Gesellschaft" ist die BUWOG AG, Österreich.

"Globalurkunde" hat die in § 2(b) festgelegte Bedeutung.

"Handelstag" bezeichnet jeden Tag, an dem die WB oder eine andere Wertpapierbörse, an der die Aktie dann hauptsächlich gehandelt wird, für den Handel geöffnet ist und/oder Aktienkurse ermittelt werden.

"Hauptwandlungsstelle" hat die in § 14(a) festgelegte Bedeutung.

"Hauptzahlstelle" hat die in § 14(a) festgelegte Bedeutung.

"Inhaber" bezeichnet den Inhaber eines Miteigentumsanteils oder Rechts an der Globalurkunde.

"Kapitalmarktverbindlichkeit" hat die in § 3(b) festgelegte Bedeutung.

"Kontrollstichtag" hat die in § 12(e) festgelegte

Banking, société anonyme.

"Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of any Bonds and includes the Clearing System.

"Average Market Price" has the meaning set out in § 11(m).

"Transferee Shares" has the meaning set out in § 11(f).

"Euroclear" means Euroclear Bank SA/NV.

"Ex Date" has the meaning set out in § 11(m).

"Maturity Date" means [31 January 2019].

"Financial Year" means the financial year as set out in the Company's articles of association.

"Business Day" means a day (other than a Saturday or Sunday) on which (i) the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) System is open and the Clearing System settle payments and (ii) commercial banks in Vienna are open for business and settle payments in Euro.

"Company" means BUWOG AG, Austria.

"Global Bond" has the meaning set out in § 2(b).

"Trading Day" means each day on which the VSE or such other stock exchange where the Share is mainly traded from time to time is open for business and/or Share Prices are determined.

"Principal Conversion Agent" has the meaning set out in § 14(a).

"Principal Paying Agent" has the meaning set out in § 14(a).

"Holder" means any Person who has a co-ownership participation or right in the Global Bond.

"Capital Market Indebtedness" has the meaning set out in § 3(b).

"Control Record Date" has the meaning set out in

Bedeutung.

"**Kontrollwechsel**" hat die in § 12(e) festgelegte Bedeutung.

"**Kündigungsgrund**" hat die in § 13(a) festgelegte Bedeutung.

"**Lieferaktien**" bezeichnet die in § 9(a) beschriebenen, auf den Inhaber lautenden Stammaktien der Gesellschaft.

"**Nennbetrag**" hat die in § 2(a) festgelegte Bedeutung.

"**Optionsbedingungen**" bezeichnet die "Bedingungen für den Handel mit Optionen und Finanzterminkontrakten an der Wiener Börse (Terminmarktbedingungen)" vom 23.04.2010 in der jeweils geltenden Fassung samt Ausführungsbestimmungen.

"**Person**" bezeichnet jede natürliche Person, Gesellschaft, Vereinigung, Firma, Partnerschaft, Joint Venture, Unternehmung, Zusammenschluss, Organisation, Fonds, Staat oder staatliche Einheit, unabhängig davon, ob es sich um eine selbstständige Person handelt oder nicht.

"**Referenz-Aktienkurs**" bedeutet das arithmetische Mittel der täglichen Schlusskurse der Aktie an den [fünf] aufeinander folgenden Handelstagen, die an dem Tag der Notierungsaufnahme (einschließlich) beginnen, im XETRA-System der Frankfurter Börse, gerundet auf den nächsten vollen Cent, wobei EUR 0,005 aufgerundet wird.

"**Sachauschüttung**" hat die in § 11(d) festgelegte Bedeutung.

"**Schuldverschreibungen**" hat die in § 2(a) festgelegte Bedeutung.

"**Sicherungsrecht**" bezeichnet alle gegenwärtigen oder zukünftigen Hypotheken, Belastungen, Pfandrechte, Zurückhaltungsrechte oder andere Sicherungsrechte.

"**Sonstige Wertpapiere**" hat die in § 11(c) festgelegte Bedeutung.

"**Spin-off**" bezeichnet die Abspaltung einer indirekten [59,71]% Beteiligung an der BUWOG – Bauen und Wohnen Gesellschaft mbH im Wege eine

§ 12(e).

"**Change of Control**" has the meaning set out in § 12(e).

"**Event of Default**" has the meaning set out in § 13(a).

"**Settlement Shares**" means ordinary bearer shares of the Company as described in § 9(a).

"**Principal Amount**" has the meaning set out in § 2(a).

"**Option Rules**" means the "Rules for the Trading of Options and Financial Futures Contracts of the Vienna Stock Exchange (Derivative Market Rules)" of 23 April 2010, as amended from time to time, including the implementing regulations.

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state, in each case whether or not being a separate entity.

"**Reference Share Price**" means the arithmetic average of the daily closing prices of the Share in the XETRA System of the Frankfurt Stock Exchange on each of the [five] consecutive Trading Days from and including the Listing Commencement Date, rounded to the nearest full cent with EUR 0.005 being rounded upwards.

"**Distribution in Kind**" has the meaning set out in § 11(d).

"**Bonds**" has the meaning set out in § 2(a).

"**Lien**" means any mortgage, encumbrance, hypothecation, lien, right of retention or other security, present or future.

"**Other Securities**" has the meaning set out in § 11(c).

"**Spin-off**" means the spin-off of an indirect [59.71] per cent. participation in BUWOG – Bauen und Wohnen Gesellschaft mbH by means of a transfer of a

Übertragung einer [59,71]% Beteiligung an der GENA SECHS Immobilienholding GmbH von der IMMOFINANZ AG auf die Gesellschaft.

"**Stichtag**" hat die in § 11(m) festgelegte Bedeutung.

"**Tag der Notierungsaufnahme**" bezeichnet den ersten Tag an dem Aktien der Gesellschaft an regulierten Märkten in Frankfurt und Wien gehandelt werden.

"**Tochtergesellschaft**" bezeichnet eine andere Gesellschaft, bei der die Gesellschaft direkt oder indirekt berechtigt ist, der Geschäftsführung Weisungen zu erteilen und Grundsatzentscheidungen zu treffen (einschließlich, jedoch nicht beschränkt auf das Recht, die Mehrheit des Vorstands (oder eines äquivalenten Gremiums) zu ernennen), sei es aufgrund von Stimmrechten, Verträgen oder allgemeinem Recht oder aus irgendeinem anderen Grund.

"**Verkaufsoptionswert**" hat die in § 11(m) festgelegte Bedeutung.

"**Verwaltungsstelle**" hat die in § 14(a) festgelegte Bedeutung.

"**Wahl-Rückzahlungstag**" bezeichnet den von der Gesellschaft gemäß § 5(b), (c) oder (d) für die Rückzahlung festgelegten Tag.

"**Wandlungserklärung**" hat die in § 8(b)(i) festgelegte Bedeutung.

"**Wandlungsprämie**" entspricht [40]%.

"**Wandlungspreis**" hat die in § 8(a)(ii) festgelegte Bedeutung.

"**Wandlungsrecht**" hat die in § 8(a)(i) festgelegte Bedeutung.

"**Wandlungsstelle**" hat die in § 14(a) festgelegte Bedeutung.

"**Wandlungstag**" hat die in § 8(b)(iv) festgelegte Bedeutung.

"**Wandlungszeitraum**" hat die in § 8(a)(iv) festgelegte Bedeutung.

"**WB**" bezeichnet die Wiener Börse als Wertpapierbörse.

[59.71] per cent. participation in GENA SECHS Immobilienholding GmbH from IMMOFINANZ AG to the Company.

"**Record Date**" has the meaning set out in § 11(m).

"**Listing Commencement Date**" means the first day of trading of Shares of the Company on the regulated markets in Frankfurt and Vienna.

"**Subsidiary**" means a company in relation to which the Company, directly or indirectly, has the right to give directions to the management of such company and to take decisions on matters of principle (including, but not limited to, the right to appoint the management board (or an equivalent body) of the company), whether by way of voting rights, contract or general law or for any other reason.

"**Put Option Value**" has the meaning set out in § 11(m).

"**Agent**" has the meaning set out in § 14(a).

"**Call Redemption Date**" means the date fixed for redemption by the Company pursuant to § 5(b), (c) or (d).

"**Conversion Notice**" has the meaning set out in § 8(b)(i).

"**Conversion Premium**" is equal to [40] per cent.

"**Conversion Price**" has the meaning set out in § 8(a)(ii).

"**Conversion Right**" has the meaning set out in § 8(a)(i).

"**Conversion Agent**" has the meaning set out in § 14(a).

"**Conversion Date**" has the meaning set out in § 8(b)(iv).

"**Conversion Period**" has the meaning set out in § 8(a)(iv).

"**VSE**" means the Vienna Stock Exchange in its function as a securities exchange.

"Wesentliche Tochtergesellschaft"

- bezeichnet eine Tochtergesellschaft, die
- (i) über Immobilienvermögen mit einem Adjustierten Bruttoimmobilienvermögenswert von mehr als EUR 100 Millionen verfügt, oder
 - (ii) über Immobilienvermögen mit einem Adjustierten Bruttoimmobilienvermögenswert verfügt, der gemeinsam mit der Summe der Adjustierten Bruttoimmobilienvermögenswerte aller Tochtergesellschaften, bei denen einer der in § 13(a)(iii)(A)-(D) beschriebenen Umstände eingetreten ist, aufgrund dessen der Inhaber, wenn die betreffende Tochtergesellschaft eine Wesentliche Tochtergesellschaft wäre, berechtigt wäre, jede seiner Schuldverschreibungen gemäß § 13(a) zu kündigen und deren sofortige Rückzahlung zu verlangen, mehr als EUR 200 Millionen beträgt,

wobei der Begriff "**Adjustiertes Bruttoimmobilienvermögenswert**" den Bruttoimmobilienvermögenswert der betreffenden Tochtergesellschaft abzüglich der Summe ihrer Non-Recourse Verbindlichkeiten bezeichnet, wobei der Bruttoimmobilienvermögenswert unter Bezugnahme auf den jeweiligen letzten geprüften Jahresabschluss berechnet wird,

und der Begriff "**Non-Recourse Verbindlichkeiten**" bezeichnet, alle gegenwärtige oder zukünftige Zahlungsverpflichtungen im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme einer Tochtergesellschaft, für die keine vertragliche Haftungsübernahme der Gesellschaft oder einer anderen Tochtergesellschaft bestehen, mit Ausnahme von Haftungsübernahmen in der Form von (i) der Einräumung von Sicherungsrechten hinsichtlich der Gesellschaftsanteile an der jeweiligen Tochtergesellschaft sowie (ii) Haftungsübernahmen von Gesellschaften die von der jeweiligen Tochtergesellschaft im Sinne der Definition der "Tochtergesellschaft" (§ 1) kontrolliert werden.

"**Wesentliche Zahlungsverpflichtung**" hat die in § 13(iii) festgelegte Bedeutung.

"**Zahlstelle**" hat die in § 14(a) festgelegte Bedeutung.

"Material Subsidiary" means a Subsidiary that

- (i) owns real estate properties the Adjusted Gross Asset Value of which exceeds EUR 100 million or
- (ii) owns real estate properties the Adjusted Gross Asset Value of which, together with the sum of the Adjusted Gross Asset Values of real estate properties owned by all Subsidiaries in relation to which any of the events described in § 13(a)(iii)(A)-(D) has occurred that would entitle the Holder, if the Subsidiary were a Material Subsidiary, to declare its Bonds due and demand immediate redemption thereof pursuant to § 13(a), exceeds EUR 200 million,

where "**Adjusted Gross Asset Value**" means the gross asset value of the real estate properties of the relevant Subsidiary less its aggregate Non-Recourse Indebtedness, as determined in respect of the Adjusted Gross Asset Value by reference to the then latest audited financial statements,

and "**Non-Recourse Indebtedness**" means any present or future indebtedness for or in respect of monies borrowed or raised of any Subsidiary with respect to which there is no contractual recourse to the Company or any other Subsidiary, with the exception of such contractual recourses (i) in the from of Liens with respect to the shares in such Subsidiary and (ii) to companies, which are controlled in the sense of the definition of "Subsidiaries" (§ 1) by such Subsidiary.

"**Material Payment Obligation**" has the meaning set out in § 13(iii).

"**Paying Agent**" has the meaning set out in § 14(a).

"Zinslaufbeginn" ist der [31. Januar 2014].

"Zinszahlungstag" bezeichnet den 31. Juli und den 31. Januar eines jeden Jahres, beginnend am 31. Juli 2014. Der letzte Zinszahlungstag ist der Fälligkeitstag.

§ 2

Form, Nennbetrag und Registrierung

- (a) Die Emission der Gesellschaft von Wandelschuldverschreibungen im Gesamtnennbetrag von

[bis zu] EUR [260-310].000.000

(in Worten: [bis zu] Euro [●] Millionen),

ist in untereinander gleichberechtigte, auf den Inhaber lautende Schuldverschreibungen (die "**Schuldverschreibungen**" und jeweils eine "**Schuldverschreibung**") im Nennbetrag von je EUR 100.000 (in Worten: einhunderttausend) (der "**Nennbetrag**") eingeteilt.

- (b) Die Schuldverschreibungen sind in einer Inhaber-Globalurkunde (die "**Globalurkunde**") ohne Zinsscheine verbrieft, die bei einer gemeinsamen Verwahrstelle für Clearstream, Luxemburg und Euroclear (zusammen das "**Clearingsystem**") hinterlegt ist. Einzelurkunden und Zinsscheine werden nicht ausgegeben. Kopien der Globalurkunde können von jedem Inhaber in elektronischer Form bei der Hauptzahlstelle bezogen werden.
- (c) Die Globalurkunde wird solange vom oder im Namen des Clearingsystems verwahrt und darf vom Clearingsystem nicht übertragen werden, bis sämtliche Verbindlichkeiten der Gesellschaft aus den Schuldverschreibungen erfüllt sind.

§ 3

Status der Schuldverschreibungen, Verpflichtungen der Gesellschaft

- (a) Status
- Die Verpflichtungen aus den Schuldverschreibungen sind unmittelbare, unbedingte

"Interest Commencement Date" means [31 January 2014].

"Interest Payment Date" means 31 July and 31 January of each year, commencing on 31 July 2014. The last Interest Payment Date will be the Maturity Date.

§ 2

Form, Denomination and Registration

- (a) The issue by the Company of Convertible Bonds in the aggregate principal amount of

[up to] EUR [260-310],000,000

(in words: [up to] euro [●] million)

is divided into bonds in bearer form with a principal amount of EUR 100,000 (in words: one hundred thousand) (the "**Principal Amount**") each, which rank *pari passu* among themselves (the "**Bonds**" and each a "**Bond**").

- (b) The Bonds are represented by a global bearer bond (the "**Global Bond**") without coupons which is deposited with a common depository to Clearstream, Luxembourg and Euroclear (together the "**Clearing System**"). Definitive Bonds and interest coupons will not be issued. Copies of the Global Bond are available for each Holder at the Principal Paying Agent in electronic form.
- (c) The Global Bond will be kept in custody by or on behalf of the Clearing System and may not be transferred by the Clearing System until all obligations of the Company under the Bonds have been satisfied.

§ 3

Status of the Bonds, Covenants of the Company

- (a) Status
- The obligations under the Bonds constitute direct, unconditional and unsecured obligations

und unbesicherte Verbindlichkeiten der Gesellschaft und gleichrangig mit allen anderen unbesicherten und nicht nachrangigen Verbindlichkeiten der Gesellschaft (vorbehaltlich der gegebenenfalls unter anwendbarem Recht bestehenden zwingenden Ausnahmen).

(b) Negativverpflichtung der Gesellschaft

Die Gesellschaft verpflichtet sich, während der Laufzeit der Schuldverschreibungen, jedoch nicht länger als bis zu dem Zeitpunkt, an dem die Zinsen und die Beträge für die Rückzahlung der Schuldverschreibungen dem Clearingsystem vollständig zur Verfügung gestellt worden sind:

- (i) kein Sicherungsrecht bezüglich ihrer gegenwärtigen oder zukünftigen Forderungen, Vermögenswerte oder Einkünfte (einschließlich nicht eingezahltem Kapital) zur Sicherung einer bestehenden oder zukünftigen Verpflichtung, die aus einer Kapitalmarktverbindlichkeit entstanden ist oder einer Verpflichtung, die unter einer von der Gesellschaft gegebenen Garantie oder Haftungsvereinbarung für Kapitalmarktverbindlichkeiten entstanden ist, zu gewähren oder bestehen zu lassen; und
- (ii) ihren Einfluss auf ihre Wesentlichen Tochtergesellschaften dahingehend auszuüben, dass diese keine Sicherungsrechte bezüglich ihrer jeweiligen gegenwärtigen oder zukünftigen Forderungen, Vermögenswerte oder Einkünfte (einschließlich nicht eingezahltem Kapital) zur Sicherung einer bestehenden oder zukünftigen Verpflichtung, die aus einer Kapitalmarktverbindlichkeit entstanden ist oder einer Verpflichtung, die unter einer von der jeweiligen Wesentlichen Tochtergesellschaft gegebenen Garantie oder Haftungsvereinbarung für Kapitalmarktverbindlichkeiten entstanden ist,

of the Company, ranking *pari passu* with all other unsecured and unsubordinated obligations of the Company (subject to any mandatory exceptions under applicable law).

(b) Negative Pledge of the Company

The Company undertakes, for as long as the Bonds remain outstanding, but no longer than until the time at which all amounts in respect of interest and principal on the Bonds have been provided to the Clearing System in full:

- (i) not to provide or permit to subsist any Lien on its existing or future claims and receivables, assets or revenues (including capital not yet paid in) to secure any existing or future obligation resulting from a Capital Market Indebtedness or an obligation resulting from a guarantee or indemnity given by the Company in respect of any Capital Market Indebtedness; and
- (ii) to procure that its Material Subsidiaries will not provide or permit to subsist any Lien on their respective existing or future claims and receivables, assets or revenues (including capital not yet paid in) to secure any existing or future Obligation resulting from a Capital Market Indebtedness or an obligation resulting from a guarantee or indemnity given by the respective Material Subsidiary in respect of any Capital Market Indebtedness,

zu gewähren oder bestehen zu lassen,

ohne zur gleichen Zeit unverzüglich alle notwendigen Maßnahmen zu treffen, um sicherzustellen, dass alle von ihr unter den Schuldverschreibungen zahlbaren Beträge im gleichen Maße und im gleichen Rang wie eine solche Kapitalmarktverbindlichkeit oder Garantie oder andere Haftungsvereinbarung für eine Kapitalmarktverbindlichkeit durch das Sicherungsrecht besichert sind. Davon ausgenommen sind Sicherungsrechte, die im Rahmen von Asset Backed Securitisation Modellen oder ähnlichen Forderungsübertragungsstrukturen mit Besicherung bestellt werden.

["**Kapitalmarktverbindlichkeit**" bezeichnet eine gegenwärtige oder zukünftige Verpflichtung zur Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen) aus Anleihen, Schuldverschreibungen oder anderen ähnlichen Instrumenten, soweit sie an einer Wertpapierbörse bzw. an einem geregelten oder ungeregelten 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.]

§ 4

Verzinsung

- (a) Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag ab dem Zinslaufbeginn (einschließlich) mit [3,50] % per annum verzinst. Die Zinsen sind halbjährlich nachträglich jeweils am Zinszahlungstag zahlbar.
- (b) Der Zinslauf einer Schuldverschreibung endet wie folgt:
 - (i) Wenn ein Inhaber das Wandlungsrecht für eine Schuldverschreibung ausübt, endet der Zinslauf dieser Schuld-

without at the same time promptly taking all necessary measures to ensure that all amounts payable by the Company under the Bonds are secured by such Lien in the same manner and rank as such Capital Market Indebtedness or guarantee or other indemnity in respect of such Capital Market Indebtedness. This shall not apply to any Lien which is granted in relation to asset backed securitisation models or similar collateralised receivables transfer structures.

["**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 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.]

§ 4

Interest

- (a) The Bonds will bear interest on their Principal Amount at a rate of [3.50] per cent. per annum from and including the Interest Commencement Date. Interest is payable semi-annually in arrear on each Interest Payment Date.
- (b) Each Bond will cease to bear interest as follows:
 - (i) Where the Conversion Right shall have been exercised by a Holder in respect of a Bond, such Bond will cease to bear

verschreibung an dem Zinszahlungstag, der dem Wandlungstag unmittelbar vorangeht, oder, falls der Wandlungstag vor oder an dem ersten Zinszahlungstag liegt, an dem Zinslaufbeginn.

- (ii) Sofern eine Schuldverschreibung zurückgezahlt wird, endet der Zinslauf dieser Schuldverschreibung mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig wird.
- (c) Sofern es die Gesellschaft aus irgendeinem Grund unterlässt, die fälligen Schuldverschreibungen rechtzeitig und in voller Höhe einzulösen, läuft die Zinsverpflichtung auf den offenen Kapitalbetrag dieser Schuldverschreibungen so lange, bis dieser Kapitalbetrag gezahlt ist, jedoch keinesfalls über den Tag hinaus, an dem die erforderlichen Beträge dem Clearingsystem zur Verfügung gestellt worden sind.
- (d) Sofern Zinsen in Bezug auf eine Zinsperiode oder einen Teil davon zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).

"Zinsperiode" bezeichnet jeden Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und nachfolgend ab jedem Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Zinszahlungstag (ausschließlich).

"Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Betrages von Zinsen auf die Schuldverschreibungen für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten ersten Tag dieses Zeitraums (ausschließlich)) (der **"Zinsberechnungszeitraum"**)

- (i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem

interest with the Interest Payment Date immediately preceding the relevant Conversion Date, or, if the Conversion Date falls before or at the first Interest Payment Date, with the Interest Commencement Date.

- (ii) Where a Bond is redeemed, such Bond will cease to bear interest with the end of the day preceding the due date for redemption.
- (c) If the Company shall fail for any reason to redeem the full Principal Amount of the Bonds when due, interest shall continue to accrue on the outstanding Principal Amount until the Principal Amount is paid in full, but not beyond the day after which the required funds have been provided to the Clearing System.
- (c) If interest is required to be calculated for any Interest Period or part thereof, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

"Interest Period" means each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and thereafter from and including each Interest Payment Date to but excluding the next following Interest Payment Date.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on the Notes for any period of time (from and including the first day of such period to but excluding the last day of such period) (the **"Calculation Period"**)

- (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided

Zinsberechnungszeitraum dividiert durch das Produkt aus (A) der Anzahl von Tagen in der betreffenden Feststellungsperiode und (B) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden; und

(ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus

(A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der sie beginnt, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode; und

(B) die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode.

"Feststellungstermin" bezeichnet jeden 31. Januar bzw. 31. Juli.

"Feststellungsperiode" bezeichnet den Zeitraum ab einem Feststellungstermin (einschließlich) bis zum nächsten Feststellungstermin (ausschließlich).

§ 5

Fälligkeit, Rückzahlung und Rückkauf

- (a) Die Schuldverschreibungen werden am Fälligkeitstag zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen zurückgezahlt, soweit sie nicht vorher zurückgezahlt, gewandelt, oder zurückgekauft und entwertet worden sind.
- (b) Die Gesellschaft ist berechtigt, die Schuldverschreibungen ab dem Tag der Notierungsaufnahme (einschließlich) bis zu dem neun Monate darauffolgenden Tag (ausschließlich) insgesamt, nicht jedoch teilweise, jederzeit mit einer Frist von mindestens [30] und höchstens [90] Tagen

by the product of (A) the number of days in such Determination Period and (B) the number of Determination Periods normally ending in any year; and

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(A) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the number of days in such Determination Period; and

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

"Determination Date" means each 31 January and 31 July.

"Determination Period" means the period from and including any Determination Date in any year to but excluding the next Determination Date.

§ 5

Maturity, Redemption and Purchase

- (a) To the extent they have not previously been redeemed, converted, or repurchased and cancelled, the Bonds will be redeemed at their Principal Amount plus accrued interest on the Maturity Date.
- (b) From and including the Listing Commencement Date to but excluding the day falling nine months thereafter, upon giving not less than [30] nor more than [90] days' notice in accordance with § 15, the Company may at any time redeem the Bonds in whole but not in part at 101 per cent. of their Principal Amount

durch eine Bekanntmachung gemäß § 15 zu kündigen und die Schuldverschreibungen zu 101% ihres Nennbetrags zuzüglich aufgelaufener Zinsen zurückzuzahlen. Diese Bekanntmachung ist unwiderruflich und hat den Wahl-Rückzahlungstag anzugeben.

(c) Die Gesellschaft ist berechtigt, die Schuldverschreibungen ab dem [Tag, der 3 Jahre und 21 Tagen Tag der Notierungsaufnahme liegt, einfügen] insgesamt, jedoch nicht teilweise, jederzeit mit einer Frist von nicht weniger als 30 und nicht mehr als 90 Tagen durch eine Bekanntmachung gemäß § 15 zu kündigen und die Schuldverschreibungen zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen, wenn der Aktienkurs an mindestens 20 Handelstagen innerhalb eines Zeitraums von mindestens 30 aufeinanderfolgenden Handelstagen, der nicht früher als fünfzehn Handelstage vor der Bekanntmachung der Kündigung endet, mindestens [130] % des an diesen Handelstagen jeweils geltenden Wandlungspreises beträgt. Diese Bekanntmachung ist unwiderruflich und hat die folgenden Informationen anzugeben: (i) den Wahl-Rückzahlungstag und (ii) den letzten Tag, an dem die Wandlungsrechte von den Inhabern gemäß § 8(a) ausgeübt werden dürfen. Der Wahl-Rückzahlungstag darf nicht später als vier Geschäftstage nach dem letzten Tag des Wandlungszeitraums liegen.

(d) Wenn zu irgendeinem Zeitpunkt der gesamte Nennbetrag der ausstehenden Schuldverschreibungen auf 20% oder weniger des Gesamtnennbetrags der Schuldverschreibungen, die ursprünglich ausgegeben wurden, fällt, ist die Gesellschaft berechtigt, die verbliebenen Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Frist von nicht weniger als 30 und nicht mehr als 90 Tagen durch eine Bekanntmachung gemäß § 15 zu kündigen, und die Schuldverschreibungen zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen zurückzu-

plus accrued interest. Any such notice shall be irrevocable and specify the Call Redemption Date.

(c) After [insert date falling 3 years and 21 days from the Listing Commencement Date], upon giving not less than 30 nor more than 90 days' notice in accordance with § 15, the Company may at any time redeem the Bonds in whole but not in part at their Principal Amount plus accrued interest, if the Share Price on at least 20 Trading Days over a period of not less than 30 consecutive Trading Days ending no earlier than fifteen Trading Days prior to the publication of the redemption notice is equal to or exceeds [130] per cent. of the then applicable Conversion Price as at each such Trading Day. Any such notice shall be irrevocable and specify (i) the Call Redemption Date and (ii) the last day on which Conversion Rights may be exercised by Holders pursuant to § 8(a). The Call Redemption Date will not occur later than four Business Days following the last day of the Conversion Period.

(d) If at any time the aggregate Principal Amount of the Bonds outstanding is equal to or less than 20 per cent. of the aggregate Principal Amount of the Bonds originally issued, the Company may, by giving not less than 30 nor more than 90 days' notice pursuant to § 15, redeem in whole, but not in part, the remaining Bonds at their Principal Amount plus accrued interest. Any such notice shall be irrevocable and specify (i) the date on which the redemption will take place and (ii) the last day on which Conversion Rights may be exercised by Holders pursuant to § 8(a).

zahlen. Diese Bekanntmachung ist unwiderruflich und hat die folgenden Informationen anzugeben: (i) den Wahl-Rückzahlungstag und (ii) den letzten Tag, an dem die Wandlungsrechte von den Inhabern gemäß § 8(a) ausgeübt werden dürfen.

- (e) Die Inhaber der Schuldverschreibungen sind nicht berechtigt, die Schuldverschreibungen vor dem Fälligkeitstag ordentlich zu kündigen.
- (f) Die Gesellschaft kann jederzeit im Markt oder auf andere Weise Schuldverschreibungen kaufen. Von der Gesellschaft erworbene Schuldverschreibungen können nach Wahl der Gesellschaft von ihr gehalten, weiterverkauft oder der Hauptzahlstelle zur Entwertung übergeben werden. Entwertete Schuldverschreibungen werden nicht erneut ausgegeben oder verkauft.

§ 6 Zahlungen

- (a) Zahlungen auf Kapital und Zinsen in Bezug auf die Schuldverschreibungen sowie alle sonstigen Zahlungen auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen erfolgen an das Clearingsystem oder eine von diesem namhaft gemachte Person zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems außerhalb der Vereinigten Staaten von Amerika oder ihrer Besitzungen.
- (b) Zahlungen der Gesellschaft an das Clearingsystem oder an dessen Order befreien die Gesellschaft in Höhe der geleisteten Zahlungen von ihren Verbindlichkeiten aus den Schuldverschreibungen.
- (c) Falls eine Zahlung in Bezug auf die Schuldverschreibungen an einem Tag fällig wird, der kein Geschäftstag ist, so hat der Inhaber keinen Anspruch auf Zahlung vor dem nachfolgenden Geschäftstag. In diesem Fall stehen den Inhabern keine Ansprüche auf zusätzliche Zinsen oder eine andere Ersatzleistung wegen dieser Verzögerung zu.

- (e) The Holders will not be entitled to an ordinary termination of the Bonds prior to the Maturity Date.
- (f) The Company may at any time purchase Bonds in the open market or otherwise. Bonds purchased by the Company may, at the option of the Company, be held by it, sold or transferred to the Principal Paying Agent for cancellation. Cancelled Bonds may not be reissued or sold.

§ 6 Payments

- (a) Payment of principal in respect of, and interest on, the Bonds, and all other payments on the Bonds pursuant to the Terms and Conditions, shall be made to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System outside the United States of America or its possessions.
- (b) Payments made by the Company to the Clearing System or to its order shall discharge the liability of the Company under the Bonds to the extent of the sums so paid.
- (c) If the due date for payment of any amount in respect to the Bonds is not a Business Day, then the Holder will not be entitled to payment until the next day which is a Business Day. In such case the Holders shall not be entitled to further interest or to any other compensation on account of such delay.

§ 7
Steuern

Alle Zahlungen der Gesellschaft auf die Schuldverschreibungen werden ohne Abzug oder Einbehalt gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art gezahlt, die von oder in der Republik Österreich oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde durch Abzug oder Einbehalt an der Quelle auferlegt, erhoben oder eingezogen werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben.

Im Falle eines von Gesetzes wegen erforderlichen Abzuges oder Einbehalts gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art in Bezug auf Zahlungen von Zinsen oder Kapital auf die Schuldverschreibungen ist die Gesellschaft nicht zur Zahlung zusätzlicher Beträge an die Inhaber im Hinblick auf einen solchen Abzug oder Einbehalt verpflichtet.

§ 8
Wandlung

- (a) Wandlungsrecht
- (i) Jeder Inhaber hat das Recht (das "**Wandlungsrecht**"), gemäß den Bestimmungen dieses § 8 an jedem Geschäftstag während des Wandlungszeitraums jede Schuldverschreibung ganz, nicht jedoch teilweise, zum Wandlungspreis in Lieferaktien umzutauschen.
 - (ii) Der anfängliche Ausübungspreis je Lieferaktie entspricht dem Referenz-Aktienkurs erhöht um die Wandlungsprämie und unterliegt gegebenenfalls Anpassungen nach Maßgabe dieser Emissionsbedingungen (der gegebenenfalls angepasste Ausübungspreis nachstehend der "**Wandlungspreis**").
 - (iii) Die Hauptwandlungsstelle errechnet die

§ 7
Taxes

All payments by the Company on the Bonds will be made without deduction or withholding of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by way of deduction or withholding at source by, in or on behalf of the Republic of Austria or by or on behalf of any political subdivision or authority thereof or therein having power to tax, unless such deduction or withholding is required by law.

If any deduction or withholding of any present or future taxes, duties or governmental charges of any nature whatsoever is required by law in respect of any payments of interest or principal the Company shall not be required to make any additional payments to the Holders in respect of such deduction or withholding.

§ 8
Conversion

- (a) Conversion Right
- (i) Each Holder has the right (the "**Conversion Right**") to convert each Bond in whole, but not in part, at the Conversion Price into Settlement Shares in accordance with this § 8 on any Business Day during the Conversion Period.
 - (ii) The initial exercise price per Settlement Share is equal to the Reference Share Price increased by the Conversion Premium and is subject to adjustments in accordance with these Terms and Conditions (the exercise price adjusted from time to time, the "**Conversion Price**").
 - (iii) The Principal Conversion Agent will

Anzahl der bei einer Wandlung zu liefernden Lieferaktien durch Division des Gesamtnennbetrages der von einem Inhaber zur Wandlung eingereichten Schuldverschreibungen durch den am Wandlungstag maßgeblichen Wandlungspreis.

- (iv) Das Wandlungsrecht kann durch einen Inhaber ab dem [Tag, der neun Monate nach dem [Tag der Notierungsaufnahme liegt einfügen] bis um 16.00 Uhr (MEZ) am 31. Januar 2019 (beide Tage [einschließlich]) (der "**Wandlungszeitraum**") ausgeübt werden. Wenn der letzte Tag des Wandlungszeitraums auf einen Tag fällt, der kein Geschäftstag ist, endet der Wandlungszeitraum an dem Geschäftstag, der unmittelbar vor diesem Tag liegt. Wenn der letzte Tag des Wandlungszeitraums in einen Ausschlusszeitraum fällt, endet der Wandlungszeitraum am letzten Geschäftstag vor dem Beginn eines solchen Ausschlusszeitraums.
- (v) Die Ausübung des Wandlungsrechts ist während der nachfolgenden Zeiträume (jeweils ein "**Ausschlusszeitraum**") ausgeschlossen:
- (A) anlässlich von Hauptversammlungen der Gesellschaft während des Zeitraums, der am Nachweisstichtag der betreffenden Hauptversammlung beginnt und am dritten Geschäftstag nach der Hauptversammlung (jeweils ausschließlich) endet;
 - (B) während eines Zeitraums von 14 Tagen, der mit dem Ende des Geschäftsjahres der Gesellschaft endet;
 - (C) während des Zeitraums ab dem Tag, an dem die Gesellschaft ein Bezugsangebot an ihre Aktionäre zum Bezug von Aktien,

determine the number of Settlement Shares to be delivered on conversion by dividing the aggregate Principal Amount of Bonds delivered by a Holder for conversion by the Conversion Price in existence on the Conversion Date.

- (iv) The Conversion Right may be exercised by a Holder during the period commencing [insert date falling nine months after the Listing Commencement Date] and ending at 4.00 pm (CET) on 31 January 2019 (both dates [inclusive]) (the "**Conversion Period**"). If the end of the Conversion Period falls on a day which is not a Business Day, the Conversion Period will terminate on the Business Day immediately preceding such day. If the last day of the Conversion Period falls in an Excluded Period, the Conversion Period shall terminate on the last Business Day prior to the commencement of such Excluded Period.
- (v) The exercise of the Conversion Right shall be excluded during any of the following periods (each an "**Excluded Period**"):
- (A) in connection with any shareholders' meeting of the Company, a period commencing on the record date for such shareholders' meeting and ending on the third Business Day following such shareholders' meeting (both dates exclusive);
 - (B) a period of 14 days ending on the last day of the Financial Year of the Company;
 - (C) a period commencing on the date on which an offer by the Company to its shareholders by way of a rights offering to

Optionsrechten auf eigene Aktien oder Schuldverschreibungen mit Options- oder Wandlungsrechten oder -pflichten, Gewinnschuldverschreibungen oder Genussrechte oder ein ähnliches Angebot erstmalig im *Amtsblatt zur Wiener Zeitung* oder in der dann gemäß anwendbarem Recht erforderlichen Weise veröffentlicht, bis zu dem Tag, an dem die im Rahmen des Bezugsangebots bezogenen Wertpapiere geliefert werden (jeweils einschließlich); und

(D) während eines Zeitraums von sieben Tagen vor und sieben Tagen nach dem Ende des Kalenderjahres.

(vi) Für den Fall, dass die Schuldverschreibungen durch die Gesellschaft gemäß § 5(c) zur Rückzahlung fällig gestellt werden, endet der Wandlungszeitraum für die Schuldverschreibungen mit Ablauf des vierten Geschäftstages, der dem Wahl-Rückzahlungstag vorangeht, es sei denn, die Gesellschaft ist mit der Erfüllung ihrer Rückzahlungsverpflichtungen über sieben Tage im Verzug. In diesem Fall beginnt der Wandlungszeitraum erneut an dem Geschäftstag, der diesem siebenten Tag unmittelbar folgt und endet an dem Geschäftstag, der dem Tag, an dem die Gesellschaft ihre Rückzahlungsverpflichtung durch Leistung der Zahlung an das Clearingsystem erfüllt, unmittelbar vorausgeht.

(vii) Werden die Schuldverschreibungen durch die Inhaber gemäß § 12 oder § 13 zur vorzeitigen Rückzahlung fällig gestellt, können die Wandlungsrechte hinsichtlich der so fällig gestellten Schuldverschreibungen nach dem Eingang der Rückzahlungserklärung bei einer Zahl- und Wandlungsstelle gemäß

subscribe to shares, warrants on own shares or bonds with option or conversion rights or obligations, profit-linked bonds or profit participation rights or any similar offer is published in the *Amtsblatt zur Wiener Zeitung* or in such other way then required by applicable law for the first time and ending on the date on which the securities subscribed in the subscription offer are delivered (both dates inclusive); and

(D) a period of seven days before and seven days after the end of any calendar year.

(vi) In the event the Bonds are declared by the Company due for redemption pursuant to §5(c), the Conversion Period for the Bonds will terminate at the end of the fourth Business Day prior to the Call Redemption Date unless the Company is in delay with its redemption payment for more than seven days. In such case, the Conversion Period will commence again starting on the Business Day immediately following such seventh day and ending on the Business Day immediately preceding the day on which the Company pays the redemption payment to the Clearing System.

(vii) If the Bonds are declared due for early redemption by the Holders pursuant to § 12 or § 13, the Conversion Rights with respect to the Bonds so declared due may no longer be exercised after receipt of the redemption notice by a Paying and Conversion Agent pursuant

§ 12(b) oder § 13(b) nicht mehr ausgeübt werden.

(b) Ausübung des Wandlungsrechts

(i) Zur Ausübung des Wandlungsrechts muss der Inhaber nicht später als am letzten Tag des Wandlungszeitraums, 16.00 Uhr MEZ, auf eigene Kosten zu den üblichen Geschäftszeiten bei einer Wandlungsstelle eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung (die "**Wandlungserklärung**") unter Verwendung eines dann gültigen Vordrucks, der bei den Wandlungsstellen erhältlich ist, einreichen. Die Wandlungserklärung ist unwiderruflich und hat die folgenden Angaben zu enthalten:

- (A) Name oder Firma und Adresse des ausübenden Inhabers;
- (B) die Anzahl der Schuldverschreibungen, für die das Wandlungsrecht ausgeübt werden soll;
- (C) das Wertpapierdepot des Inhabers oder der von ihm zu diesem Zweck benannten Person bei einem Teilnehmer des Clearingsystems oder bei einem Depotinhaber des Clearingsystems, auf das die Lieferaktien außerhalb der Vereinigten Staaten von Amerika oder ihrer Besitzungen übertragen werden sollen;
- (D) Anweisungen an die Wandlungsstelle bezüglich der Zahlung von Barbeträgen, die der Inhaber nach diesen Emissionsbedingungen zu erhalten berechtigt ist und die auf ein vom Zahlungsempfänger unterhaltenes, auf Euro lautendes Konto bei einer Bank in der Europäischen Union zu überweisen sind;

to § 12(b) or § 13(b).

(b) Exercise of Conversion Right

(i) To exercise the Conversion Right, the Holder must deliver at his own expense, not later than on the last day of the Conversion Period, 4.00 pm (CET), and during normal business hours to any Conversion Agent a duly completed and executed exercise notice (the "**Conversion Notice**") using a form (from time to time current) obtainable from any Conversion Agent. The Conversion Notice is irrevocable and will among other things:

- (A) state the name and address of the exercising Holder;
- (B) specify the number of Bonds with respect to which the Conversion Right will be exercised;
- (C) designate the securities account of the Holder or his nominee at a participant in, or securities account holder of, the Clearing System to which the Settlement Shares are to be delivered in each case outside of the United States of America or its possessions;
- (D) contain instructions to the Conversion Agent for the payment of any cash amount which the Holder is entitled to receive pursuant to these Terms and Conditions and which are to be paid by way of transfer to a Euro account of the payee maintained with a bank in the European Union;

(E) in dem Vordruck der Wandlungserklärung geforderte Bestätigungen und Verpflichtungserklärungen über bestimmte rechtliche Beschränkungen bezüglich des Eigentums der Schuldverschreibungen und/oder der Lieferaktien.

Sofern der Inhaber die vorstehend genannten Bestätigungen und Verpflichtungserklärungen nicht vorlegt, muss die Gesellschaft in Bezug auf eine solche Wandlungserklärung keine Lieferaktien liefern oder Zahlungen leisten.

- (ii) Die Ausübung des Wandlungsrechts setzt außerdem voraus, dass der Inhaber seine Depotbank anweist, die Schuldverschreibungen von seinem Wertpapierdepot abzubuchen, und das Eigentum an den Schuldverschreibungen über das Clearingsystem auf die Gesellschaft zum Zwecke der Entwertung dieser Schuldverschreibungen überträgt. Die Hauptwandlungsstelle ist ermächtigt, die Bezugserklärung gemäß § 165 AktG für die Inhaber abzugeben.
- (iii) Nach Erfüllung sämtlicher in § 8(b)(i) und (ii) genannten Voraussetzungen für die Ausübung des Wandlungsrechts prüft die Hauptwandlungsstelle, ob die Gesamtzahl der an die betreffende Wandlungsstelle gelieferten Schuldverschreibungen die in der Wandlungserklärung angegebene Gesamtzahl an Schuldverschreibungen über- oder unterschreitet. Soweit die in der Wandlungserklärung angegebene Zahl an Schuldverschreibungen die Zahl der tatsächlich gelieferten Schuldverschreibungen über- oder unterschreitet, wird die Hauptwandlungsstelle veranlassen, dass entweder (A) diejenige Gesamtzahl von Lieferaktien, die sich aufgrund der in der Wandlungserklärung angegebenen

(E) contain the certifications and undertakings set out in the form of the Conversion Notice relating to certain legal restrictions on the ownership of the Bonds and/or the Settlement Shares.

If the Holder fails to deliver the above-mentioned certifications and undertakings, the Company does not have to deliver any Settlement Shares or pay any amount of cash in respect of the Conversion Notice.

- (ii) The exercise of the Conversion Right will further require that the Holder instructs its custodian bank to debit the Bonds from its security account and transfers title of the Bonds to the Company via the Clearing System for cancellation of such Bonds. The Principal Conversion Agent is authorised to deliver the subscription certificate pursuant to § 165 of the Austrian Stock Corporation Act on behalf of the Holders.
- (iii) Upon fulfilment of all requirements specified in § 8(b)(i) and (ii) for the exercise of the Conversion Right, the Principal Conversion Agent will verify whether the number of Bonds delivered to the relevant Conversion Agent exceeds or falls short of the number of Bonds specified in the Conversion Notice. In the event of any such excess or shortfall, the Principal Conversion Agent will arrange to deliver to the Holder the lower of (A) such total number of Settlement Shares which results from the number of Bonds set forth in the Conversion Notice, or (B) such total number of Settlement Shares which results from the number of Bonds in fact delivered. Any Bonds delivered in excess of the number of

Zahl von Schuldverschreibungen ergibt, oder (B) diejenige Gesamtzahl von Lieferaktien, die sich aufgrund der Anzahl der tatsächlich gelieferten Schuldverschreibungen ergibt, (maßgebend ist die niedrigere Gesamtzahl) an den Inhaber geliefert wird. Eventuell gegenüber der in der Wandlungserklärung angegebenen Anzahl von Schuldverschreibungen überzählige Schuldverschreibungen werden an den Inhaber zurückgeliefert.

- (iv) Das Wandlungsrecht ist an dem Geschäftstag wirksam ausgeübt, an dem die letzte der in § 8(b)(i) und (ii) genannten Voraussetzungen für die Ausübung des Wandlungsrechts durch einen Inhaber erfüllt ist (der "**Wandlungstag**"). Für den Fall jedoch, dass die in § 8(b)(i) und (ii) genannten Voraussetzungen an einem Tag erfüllt sind, der in einen Ausschlusszeitraum fällt, ist der Wandlungstag, vorbehaltlich § 8(a)(iv), der erste Geschäftstag nach dem Ende dieses Ausschlusszeitraums, sofern auch dieser Tag noch in den Wandlungszeitraum fällt; anderenfalls ist das Wandlungsrecht nicht wirksam ausgeübt. Das Recht des das Wandlungsrecht ausübenden Inhabers auf Rückzahlung einer Schuldverschreibung endet mit der rechtswirksamen Ausübung des Wandlungsrechts; stattdessen ist die Gesellschaft zur Lieferung von Lieferaktien gemäß § 8(c) sowie hinsichtlich jener Lieferaktien zu deren Lieferung die Gesellschaft rechtlich oder tatsächlich nicht in der Lage ist, zur Zahlung des Barausgleichsbetrags gemäß § 10 verpflichtet.

- (c) Lieferung der Lieferaktien; Ausgleich von Bruchteilen von Lieferaktien

- (i) Nach einer Ausübung des Wandlungsrechts werden die zu liefernden Lieferaktien spätestens am fünfzehnten

Bonds specified in the Conversion Notice will be redelivered to the Holder.

- (iv) The Conversion Right will be validly exercised on the Business Day on which the last of the prerequisites specified in § 8(b)(i) and (ii) for the exercise of the Conversion Right at the option of a Holder have been fulfilled (the "**Conversion Date**"). In the event that the prerequisites specified in § 8(b)(i) and (ii) are fulfilled on a day which falls within an Excluded Period, then the Conversion Date shall, subject to § 8(a)(iv), be the first Business Day after the end of such Excluded Period, if this still is within the Conversion Period; otherwise, the Conversion Right shall not have been validly exercised. The right of the Holder exercising the Conversion Right to redemption of a Bond will terminate upon the valid exercise of the Conversion Right; instead, the Company will be obliged to deliver Settlement Shares pursuant to § 8(c) as well as to pay the Cash Payment pursuant to § 10 in lieu of such number of Settlement Shares which the Company is unable to deliver due to legal or factual reasons.

- (c) Delivery of Settlement Shares; Compensation for Fractions of Settlement Shares

- (i) Upon any exercise of the Conversion Right the Settlement Shares to be delivered will be transferred no later

Geschäftstag nach dem Wandlungstag auf das in der Wandlungserklärung angegebene Wertpapierdepot des Inhabers übertragen.

- (ii) Gemäß § 8(a)(iii) verbleibende Bruchteile von Lieferaktien werden nicht geliefert, sondern werden in Geld ausgeglichen, wobei ein entsprechender Bruchteil des einfachen rechnerischen Durchschnitts der Aktienkurse an jedem der 10 aufeinanderfolgenden Handelstage unmittelbar vor dem Wandlungstag (gerundet auf den nächsten Cent, wobei EUR 0,005 aufgerundet werden) gezahlt wird.
- (iii) Die Gesellschaft hat einen etwaigen Ausgleich in Geld für Bruchteile von Lieferaktien gemäß § 8(c)(ii) so bald wie möglich nach dem Wandlungstag auf das in der Wandlungserklärung bestimmte Konto des Inhabers zu zahlen.
- (d) Die Gesellschaft wird bis zum letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag sicherstellen, dass die Lieferaktien, die bei der Wandlung der Schuldverschreibungen ausgegeben werden, zum Handel am geregelten Markt einer Wertpapierbörse zugelassen werden. Die Gesellschaft wird die Ausgabe von Lieferaktien, die bei der Wandlung der Schuldverschreibungen aus bedingtem Kapital ausgegeben werden, gemäß § 168 Aktiengesetz im Firmenbuch eintragen lassen.

§ 9

Bereitstellung von Lieferaktien

- (a) Die nach Durchführung der Wandlung zu liefernden Aktien (die "**Lieferaktien**") werden im freien Ermessen der Emittentin
 - (i) entweder aus einem genehmigten oder bedingten Kapital der Emittentin stammen und mit jener Dividendenberechtigung ausgestattet sein, welche die zu diesem Zeitpunkt ausstehenden

than on the fifteenth Business Day after the Conversion Date to a securities account of the Holder designated in the Conversion Notice.

- (ii) Fractions of Settlement Shares remaining pursuant to § 8(a)(iii) will not be delivered and will be compensated in cash proportional to the relevant fraction of the simple arithmetic average of the Share Price on each of the 10 consecutive Trading Days immediately preceding the Conversion Date (rounded to the nearest full Cent with EUR 0.005 being rounded upwards).
- (iii) The Company is required to pay any compensation in cash for fractions of Settlement Shares pursuant to § 8(c)(ii) as soon as practicable after the Conversion Date to the account of the Holder specified in the Conversion Notice.
- (d) The Company will ensure, until the last day of the Conversion Period or any earlier date fixed for redemption, that the Settlement Shares deliverable upon conversion of the Bonds will be admitted to trading on the regulated market of a stock exchange. The Company will have registered the issuance of the Settlement Shares deliverable upon conversion of the Bonds out of conditional capital with the company's register (*Firmenbuch*) pursuant to § 168 of the Austrian Stock Corporation Act (*Aktiengesetz*).

§ 9

Procurement of Settlement Shares

- (a) The shares to be delivered upon execution of the conversion (the "**Settlement Shares**") will be, at the sole discretion of the Issuer,
 - (i) either derive from an authorized or conditional capital of the Issuer, the rights to dividends attached thereto shall be the same as the rights to dividends attached to the Shares

Aktien haben, oder

- (ii) bereits existierende Aktien sein, die derselben Gattung angehören müssen, wie die Aktien, die anderenfalls aus einem bedingten Kapital zu liefern wären,

wobei die Emittentin alle Inhaber, die ihre Schuldverschreibungen zum gleichen Wandlungstag wandeln, gleich behandeln wird.

- (b) Die Gesellschaft wird die Lieferaktien über die Hauptwandlungsstelle bereitstellen.

§ 10

Barzahlung anstelle der Lieferung von Lieferaktien im Ausnahmefall

- (a) Falls die Gesellschaft rechtlich oder tatsächlich nicht in der Lage ist, Lieferaktien bei Ausübung des Wandlungsrechts durch einen Inhaber zu liefern, ist die Gesellschaft verpflichtet, an den Inhaber anstelle der Lieferung jener Anzahl an Lieferaktien, auf die der Inhaber ansonsten einen Anspruch hätte, aber zu deren Lieferung die Gesellschaft rechtlich oder tatsächlich nicht in der Lage ist, einen Geldbetrag an den jeweiligen Inhaber entsprechend diesem § 10 zu zahlen (der jeweilige Geldbetrag der "**Barausgleichsbetrag**"). Der Barausgleichsbetrag ist hinsichtlich der Zahl von Lieferaktien, die aufgrund der Ausübung des Wandlungsrechts zu liefern wären, aber von der Gesellschaft nicht geliefert werden können oder dürfen, nach § 10(c) zu berechnen, wobei die Gesamtzahl von Lieferaktien gemäß den Bestimmungen des § 8(a)(iii) errechnet wird (einschließlich Bruchteilen von Lieferaktien).
- (b) Die Gesellschaft wird den Inhaber, der eine Wandlungserklärung abgegeben hat, nicht später als am siebenten Geschäftstag nach dem Wandlungstag (die rechtzeitige Absendung ist zur Fristwahrung ausreichend) durch Übersendung einer Mitteilung an das Clearing-system zur Weiterleitung an den Inhaber,

outstanding at that time, or

- (ii) existing Shares of the same class as the new shares otherwise to be delivered out of a conditional capital,

provided that the Issuer will treat all Holders converting their Bonds on the same Conversion Date equally.

- (b) The Company will procure delivery of the Settlement Shares through the Principal Conversion Agent.

§ 10

Cash Payment in Lieu of Delivery of Settlement Shares in Exceptional Circumstances

- (a) If due to legal or factual reasons the Company is unable to deliver Settlement Shares upon the exercise of a Conversion Right by a Holder, the Company will pay to the relevant Holder a cash amount in euro in lieu of the delivery of such number of Settlement Shares to which the Holder is otherwise entitled, but which the Company is unable to deliver due to legal or factual reasons (the "**Cash Payment**") in accordance with this § 10. The Cash Payment shall be calculated in accordance with § 10(c) with respect to such number of Settlement Shares, which would otherwise have to be delivered upon the exercise of the Conversion Right, but which the Company is legally or factually not able to deliver, whereas the total number of Settlement Shares shall be calculated in accordance with the provisions of § 8(a)(iii) (including fractions of Settlement Shares).
- (b) The Company shall notify the Holder who has delivered a Conversion Notice not later than on the seventh Business Day after the Conversion Date (the time of dispatch shall be sufficient to meet the deadline) by sending a notice to the Clearing System for communication to the Holder whether and to what extent the Com-

benachrichtigen, ob und in welchem Umfang die Gesellschaft eine Barzahlung zu leisten hat, und zugleich die Tatsachen angeben, die die Verpflichtung der Gesellschaft auf Leistung des Barausgleichsbetrages begründen (der Tag, an dem das Clearingsystem eine solche Nachricht erhält, wird nachfolgend als "**Benachrichtigungstag**" bezeichnet).

- (c) Der Barausgleichsbetrag ist das Produkt aus (x) dem Aktuellen Marktwert und (y) der entsprechend § 8(a) errechneten Zahl von Lieferaktien (ohne Rundung, einschließlich Bruchteilen), die die Gesellschaft nach Ausübung des Wandlungsrechts zu liefern verpflichtet wäre, aber die sie nicht liefern darf oder kann. § 8(c)(ii) ist nicht anwendbar.

"**Aktueller Marktwert**" bezeichnet, bezogen auf eine Lieferaktie, den Wert der Lieferaktie, ermittelt auf Grundlage des einfachen rechnerischen Durchschnitts der Aktienkurse innerhalb eines Zeitraums von 15 aufeinander folgenden Handelstagen beginnend an dem zweiten auf den Benachrichtigungstag folgenden Handelstag (der "**Berechnungszeitraum**"), gerundet auf zwei Dezimalstellen, wobei EUR 0,005 aufgerundet wird.

- (d) Die Zahlung des Barausgleichsbetrages wird nicht später als sieben Geschäftstage nach dem Ende des Berechnungszeitraumes durch Übertragung auf das in der Wandlungserklärung angegebene Euro-Konto des Inhabers erfolgen.

§ 11

Verwässerungsschutz

- (a)
- (i) Wenn die Gesellschaft vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag ihr Grundkapital durch Umwandlung von Kapitalrücklagen oder von Gewinnrücklagen oder eines Bilanzgewinns oder eines Gewinnvortrags

pany has to effect a Cash Payment stating the facts which establish the obligation of the Company to effect a Cash Payment (the day on which any such notification is received by the Clearing System is hereafter referred to as the "**Notification Day**").

- (c) The Cash Payment is the product of (x) the Current Market Value and (y) such number of Settlement Shares (without rounding, including fractions), which the Company would otherwise be obliged to deliver upon the exercise of the Conversion Right but is legally or factually unable to deliver. § 8(c)(ii) shall not apply.

"**Current Market Value**" means in respect of one Settlement Share the value of such Settlement Share, determined on the basis of the simple arithmetic average of the Share Prices during a period of 15 consecutive Trading Days beginning on the second Trading Day following the Notification Day (the "**Calculation Period**"), rounded to two decimal places with EUR 0.005 being rounded upwards.

- (d) Payment of the Cash Payment shall be effected not later than seven Business Days following the end of the Calculation Period by transfer to a Euro-account of the Holder designated in the Conversion Notice.

§ 11

Dilution Adjustment

- (a)
- (i) In the event that prior to the last day of the Conversion Period or any earlier date fixed for redemption the Company increases its share capital out of capital reserves or retained earnings or earnings or an earnings carry forward, the Conversion Price will be adjusted in accordance with the following formula

erhöht, wird der Wandlungspreis gemäß der nachstehenden Formel angepasst (eine allfällige Rückwirkung der Kapitalerhöhung bleibt außer Betracht):

$$CP_a = CP \times \frac{N_o}{N_n}$$

Dabei gilt folgendes:

CP_a = der angepasste Wandlungspreis;

CP = der Wandlungspreis am Stichtag;

N_n = die Anzahl von ausstehenden Aktien nach der Kapitalerhöhung; und

N_o = die Anzahl von ausstehenden Aktien vor der Kapitalerhöhung.

Wenn die Kapitalerhöhung durch Umwandlung von Kapitalrücklagen oder von Gewinnrücklagen oder eines Bilanzgewinns oder eines Gewinnvortrags nicht durch die Ausgabe neuer Aktien sondern mittels einer Erhöhung des jeweiligen auf die einzelne Aktie entfallenden anteiligen Betrags des Grundkapitals bewirkt wird, so bleibt der Wandlungspreis bei Ausübung des Wandlungsrechts unverändert. In diesem Fall sind die betreffenden Lieferaktien jedoch mit ihrem entsprechend erhöhten anteiligen Betrag des Grundkapitals zu liefern.

(ii) Wenn die Gesellschaft vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag:

(A) die Zahl der ausstehenden Aktien durch Herabsetzung des auf die einzelne Aktie entfallenden anteiligen Betrags des Grundkapitals erhöht (Aktiensplit) oder die Anzahl der ausstehenden Aktien reduziert, indem der auf die einzelne Aktie

(irrespective of any retroactive effect of the capital increase):

$$CP_a = CP \times \frac{N_o}{N_n}$$

where:

CP_a = the adjusted Conversion Price;

CP = the Conversion Price on the Record Date;

N_n = the number of Shares outstanding after the share capital increase; and

N_o = the number of Shares outstanding before the share capital increase.

If the share capital increase out of capital reserves or retained earnings or balance sheet profits or profit carry forwards is not effected by means of the issuance of new shares but by means of an increase in the portion of the share capital allotted to each Share, the Conversion Price will remain unchanged upon exercise of the Conversion Right. In such case the relevant Settlement Shares will, however, be delivered with the increased portion of the share capital allotted to them.

(ii) In the event that prior to the last day of the Conversion Period or any earlier date fixed for redemption the Company:

(A) increases the number of outstanding Shares by reduction of the interest in the share capital represented by each Share (share split) or reduces the number of outstanding Shares by increasing the interest in the share capital represented by each Share

entfallende anteilige Betrag des Grundkapitals erhöht wird, ohne das Grundkapital herabzusetzen (umgekehrter Aktiensplit); oder

- (B) ihr Grundkapital durch Zusammenlegung ihrer Aktien herabsetzt,

wird der Wandlungspreis unter Anwendung von § 11(a)(i) angepasst, soweit sich aus den nachstehenden Regelungen nichts anderes ergibt.

- (iii) Im Falle einer Herabsetzung des Grundkapitals der Gesellschaft vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag allein durch Herabsetzung des auf die einzelne Aktie entfallenden anteiligen Betrags des Grundkapitals bleibt (vorbehaltlich § 11(d)(i)) der Wandlungspreis bei Ausübung des Wandlungsrechts unverändert. In diesem Fall sind die betreffenden Lieferaktien jedoch mit ihrem jeweiligen neuen, auf die einzelne Aktie entfallenden anteiligen Betrag des Grundkapitals zu liefern.

- (b) Wenn die Gesellschaft vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag unter Einräumung eines Bezugsrechts an ihre Aktionäre ihr Grundkapital mittels der Ausgabe neuer Aktien gegen Einlagen erhöht, wird der Wandlungspreis wie folgt angepasst:

$$CP_a = CP \times \left[\frac{N_o}{N_n} \times \left(1 - \frac{I+D}{M} \right) + \frac{I+D}{M} \right]$$

Dabei gilt folgendes:

CP_a = der angepasste Wandlungspreis;

CP = der Wandlungspreis am Stichtag;

N_o = die Anzahl der ausstehenden Aktien

without reducing the share capital (reverse share split); or

- (B) reduces its share capital by combining its Shares,

the Conversion Price will be adjusted in accordance with § 11(a)(i) to the extent not otherwise provided for in the following provisions.

- (iii) In the event of a decrease in the share capital of the Company prior to the last day of the Conversion Period or any earlier date fixed for redemption which is solely the result of a reduction of the interest in the share capital represented by each Share, the Conversion Price will remain unchanged upon exercise of the Conversion Right (subject to § 11(d)(i)). In such case, the relevant Shares will, however, be delivered with their respective new portion of the share capital allotted to them.

- (b) In the event that prior to the last day of the Conversion Period or any earlier date fixed for redemption, the Company increases its share capital through the issuance of new shares against contributions while granting its shareholders a subscription right, the Conversion Price will be adjusted in accordance with the following formula:

$$CP_a = CP \times \left[\frac{N_o}{N_n} \times \left(1 - \frac{I+D}{M} \right) + \frac{I+D}{M} \right]$$

where:

CP_a = the adjusted Conversion Price;

CP = the Conversion Price on the Record Date;

N_o = the number of Shares outstanding before the share

vor der Kapitalerhöhung;

Nn = die Anzahl der ausstehenden Aktien nach der Kapitalerhöhung;

I = der Ausgabepreis der neuen Aktien;

D = der Dividendennachteil der neuen Aktien (nicht diskontiert) gegenüber Altaktien, wie er von der WB gemäß der Optionsbedingungen bestimmt wurde, oder falls (weil Optionen auf die Aktie an der WB nicht gehandelt werden oder aus sonstigen Gründen) dort nicht bis zu dem Stichtag erhältlich, von der Berechnungsstelle geschätzt wird; und

M = der Durchschnittliche Marktpreis.

Eine Anpassung des Wandlungspreises findet nicht statt, wenn bei Anwendung der obigen Formel CP_a größer als CP wäre.

- (c) Wenn die Gesellschaft ihren Aktionären vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag (i) Bezugsrechte auf eigene Aktien gewährt, die nicht mit einer Erhöhung des Grundkapitals gemäß § 11(b) zusammenhängen, oder (ii) Bezugsrechte auf Wertpapiere mit Bezugs-, Options- oder Wandlungsrechten auf Aktien zum Bezug anbietet (mit Ausnahme der Einräumung von Bezugsrechten im Rahmen von Kapitalerhöhungen nach § 11(b)), oder (iii) Bezugsrechte auf andere Schuldverschreibungen, Genussscheine oder sonstige Wertpapiere der Gesellschaft ("**Sonstige Wertpapiere**") gewährt, wird der Wandlungspreis gemäß der nachstehenden Formel angepasst:

$$CP_a = CP \times \frac{M - B}{M}$$

capital increase;

Nn = the number of Shares outstanding after the share capital increase;

I = the issue price of the new shares;

D = the disadvantage (not discounted) for dividends to which the new shares are not entitled in relation to old shares as determined by the VSE in accordance with the Option Rules or, if not available through the VSE until the Record Date (because options on the Shares are not traded on the VSE or for any other reason), as estimated by the Calculation Agent; and

M = the Average Market Price.

There will be no adjustment of the Conversion Price if CP_a would by applying the above formula be greater than CP.

- (c) In the event that prior to the last day of the Conversion Period or any earlier date fixed for redemption the Company grants to its shareholders (i) subscription rights in respect of own Shares other than in the course of share capital increases pursuant to § 11(b), (ii) subscription rights in respect of securities with subscription or option or conversion rights in relation to Shares (but excluding the granting of subscription rights in the course of share capital increases pursuant to § 11(b)), or (iii) subscription rights in respect to other debt securities, participation rights or other securities of the Company ("**Other Securities**"), the Conversion Price will be adjusted in accordance with the following formula:

$$CP_a = CP \times \frac{M - B}{M}$$

Dabei gilt folgendes:

- CP_a = der angepasste Wandlungspreis;
 CP = der Wandlungspreis am Stichtag;
- M = der Durchschnittliche Marktpreis;
und
- B = der Bezugsrechtswert, wenn $B \geq 0$
ist.

Eine Anpassung des Wandlungspreises findet nicht statt, wenn bei Anwendung der obigen Formel CP_a größer als CP wäre.

- (d) Wenn die Gesellschaft vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag an ihre Aktionäre:
- (i) Vermögen (ob in der Form von Sachdividenden oder in der Form einer Kapitalherabsetzung zwecks Rückzahlung von Teilen des Grundkapitals (im letzteren Fall stellt die Rückzahlung Vermögen für Zwecke dieses § 11(d)(i) dar) aber mit Ausnahme einer etwaigen Bardividende) oder Schuldverschreibungen, Options- oder Umtauschrechte (mit Ausnahme der oben in § 11(c) genannten Rechte) ausschüttet, gewährt oder verteilt; oder
- (ii) in Bezug auf die Aktien Verkaufsoptionen gewährt oder allen ihren Aktionären einen Aktienrückkauf im Rahmen eines öffentlichen Angebots gemäß dem Übernahmegesetz anbietet, und zwar jeweils zu einem Durchschnittspreis der Aktien (vor Auslagen) in Bezug auf die Verkaufsoptionen oder den Aktienrückkauf, der je Aktie den Börsenkurs (x) am Tag der Gewährung der Verkaufsoption oder der Durchführung eines Aktienrückkaufs, oder (y) falls eine Rückkaufsabsicht für einen zukünftigen Tag zu einem festgesetzten Preis bekannt gegeben wurde, am Tag unmittelbar vor

where:

- CP_a = the adjusted Conversion Price;
 CP = the Conversion Price on the Record Date;
- M = the Average Market Price; and
- B = the Subscription Value, where $B \geq 0$.

There will be no adjustment of the Conversion Price if CP_a would by applying the above formula be greater than CP .

- (d) In the event that prior to the last day of the Conversion Period or any earlier date fixed for redemption the Company distributes, allots or grants to its shareholders:
- (i) assets (whether in the form of a dividend in kind or in the form of a capital decrease for the purpose of repaying parts of the share capital (in which case the repayment will constitute assets for the purposes of § 11(d)(i)) but excluding any Cash Dividend) or debt securities or warrants or Conversion rights (with the exclusion of the rights mentioned above in § 11(c)); or
- (ii) put options with regard to the Shares or otherwise offers a share repurchase available to all shareholders by means of a public bid pursuant to the Austrian Takeover Act (Übernahmegesetz), in each case at an average share price (before expenses) in respect of such put options or repurchase which exceeds on a per Share basis by more than 5 per cent. the Share Price, either (x) on any day on which a put option is exercised or repurchase is made, or (y) where an announcement has been made of the intention to repurchase Shares as contemplated above at some future date at a specified price, on the day

dem Tag der Bekanntgabe, und, falls die maßgeblichen Tage in (x) oder (y) keine Handelstage sind, am unmittelbar vorangehenden Handelstag, um mehr als 5% übersteigt,

(jeweils eine "Sachausschüttung"), wird der Wandlungspreis gemäß der nachstehenden Formel angepasst:

$$CP_a = CP \times \frac{M - F}{M}$$

Dabei gilt folgendes:

CP_a = der angepasste Wandlungspreis;

CP = der Wandlungspreis am Stichtag;

M = der Durchschnittliche Marktpreis;

F = der Angemessene Marktwert berechnet je Aktie, wobei im Falle (ii), sofern die Gesellschaft ihren Aktionären Verkaufsoptionen gewährt, "F" der Verkaufsoptionswert ist.

Eine Anpassung des Wandlungspreises findet nicht statt, wenn bei Anwendung der obigen Formel CP_a größer als CP wäre.

- (e) Für den Fall, dass die Gesellschaft eine Bardividende ausschüttet, wird der Wandlungspreis wie folgt angepasst:

$$CP_a = CP \times \frac{M - V}{M}$$

Dabei gilt folgendes:

CP_a = der angepasste Wandlungspreis;

CP = der Wandlungspreis am Stichtag;

M = der Durchschnittliche Marktpreis;

V = Wert der Bardividende;

- (f) Im Fall einer Verschmelzung der Gesellschaft als übertragender Rechtsträger im Sinne des Aktiengesetzes vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag hat ein

immediately preceding the date of such announcement, and, if in the case of either (x) or (y), the relevant day is not a Trading Day, the immediately preceding Trading Day,

(each a "Distribution in Kind"), the Conversion Price will be adjusted in accordance with the following formula:

$$CP_a = CP \times \frac{M - F}{M}$$

where:

CP_a = the adjusted Conversion Price;

CP = the Conversion Price on the Record Date;

M = the Average Market Price;

F = the Fair Market Value on a per Share basis, provided that in the case of (ii), only where the Company grants to its shareholders put options, "F" will be the Put Option Value.

There will be no adjustment of the Conversion Price if CP_a would by applying the above formula be greater than CP .

- (e) In the event the Company distributes an Cash Dividend, the Conversion Price will be adjusted as follows:

$$CP_a = CP \times \frac{M - V}{M}$$

where:

CP_a = the adjusted Conversion Price;

CP = the Conversion Price on the Record Date;

M = the Average Market Price;

V = Value of Cash Dividend;

- (f) In the event of a merger of the Company as transferor entity within the meaning of the Austrian Stock Corporation Act (Aktiengesetz) prior to the last day of the Conversion Period or any earlier date fixed for redemption and

Inhaber, sofern die Rechte der Inhaber nicht gemäß § 226 Abs. 3 AktG angemessen abgegolten werden, bei Ausübung seines Wandlungsrechts Anspruch auf die Anzahl von Aktien des oder der übernehmenden Rechtsträger (die "**Erwerberaktien**"), die sich aus der Division des gesamten Nennbetrages der von einem Inhaber zur Wandlung eingereichten Schuldverschreibungen durch den am Wandlungstag maßgeblichen, gemäß der nachstehenden Formel angepassten Wandlungspreis ergibt, und danach beziehen sich diese Emissionsbedingungen auf die Erwerberaktien, als handelte es sich um Lieferaktien:

$$CP_{TS} = CP \times \frac{1}{TS}$$

Dabei gilt folgendes:

CP_{TS} = der Wandlungspreis in Bezug auf die Erwerberaktien;

CP = der Wandlungspreis am Stichtag; und

TS = die Anzahl der Erwerberaktien, zu der ein Aktionär der Gesellschaft in Bezug auf eine Aktie berechtigt ist.

- (g) Wenn vor dem letzten Tag des Wandlungszeitraums oder einem früheren für die Rückzahlung festgesetzten Tag eine Aufspaltung, eine Abspaltung oder ein sonstiges Ereignis bei der Gesellschaft, das nach Ansicht der Berechnungsstelle Auswirkungen hat, die mit einer Aufspaltung oder Abspaltung vergleichbar sind, eintritt, wird der Wandlungspreis gemäß der nachstehenden Formel angepasst:

$$CP_a = CP \times \frac{M - F}{M}$$

Dabei gilt folgendes:

CP_a = der angepasste Wandlungspreis;

CP = der Wandlungspreis am Stichtag;

M = der Durchschnittliche Marktpreis;

F = der Angemessene Marktwert der

unless the rights of the Holders are not adequately compensated pursuant to § 226 subpara. 3 Austrian Stock Corporation Act, a Holder, upon exercise of his Conversion Right is entitled to such number of shares in the transferee entity or entities (the "**Transferee Shares**") as is calculated by dividing the aggregate Principal Amount of Bonds delivered by a Holder for conversion by the Conversion Price in existence on the Conversion Date as adjusted pursuant to the following formula and thereafter the provisions of these Terms and Conditions shall apply to the Transferee Shares as if they were Settlement Shares:

$$CP_{TS} = CP \times \frac{1}{TS}$$

where:

CP_{TS} = the Conversion Price with respect to the Transferee Shares;

CP = the Conversion Price on the Record Date; and

TS = the number of Transferee Shares to which a shareholder is entitled to with respect to one Share.

- (g) If prior to the last day of the Conversion Period or any earlier date fixed for redemption a split-up of the Company (*Aufspaltung*), or a spin-off (*Abspaltung*), or if any other event which in the opinion of the Calculation Agent has the same effect as a split-up or a spin-off, occurs, the Conversion Price will be adjusted in accordance with the following formula:

$$CP_a = CP \times \frac{M - F}{M}$$

where:

CP_a = the adjusted Conversion Price;

CP = the Conversion Price on the Record Date;

M = the Average Market Price;

F = the Fair Market Value of the number

Anzahl der Aktien an dem übernehmenden Rechtsträger bzw. an den übernehmenden Rechtsträgern, zu der ein Aktionär der Emittentin je Aktie berechtigt ist.

of shares in the acquiring entity or acquiring entities to which a shareholder of the Issuer is entitled to per share.

Eine Anpassung des Wandlungspreises findet nicht statt, wenn bei Anwendung der obigen Formel CP_a größer als CP wäre.

There will be no adjustment of the Conversion Price if CP_a would by applying the above formula be greater than CP.

(h) Sofern Anpassungen des Wandlungspreises nach mehr als einer der Vorschriften von § 11(a), (b), (c), (d), (e), (f) und/oder (g) durchzuführen sind und der Stichtag für diese Anpassungen auf denselben Tag fällt, oder sofern die Berechnung einer Anpassung nach einer dieser Vorschriften auf der Grundlage von Marktwerten erfolgt, die aufgrund einer anderen dieser Vorschriften zuvor anzupassen sind:

(h) If adjustments of the Conversion Price are required under more than one of § 11(a), (b), (c), (d), (e), (f) and/or (g), and the Record Date for such adjustments will occur on the same date, or if the calculation of an adjustment under one of these provisions is based on market values which are required to be adjusted under another of these provisions beforehand, then such adjustment will be made:

(i) wird zuerst eine Anpassung nach den Vorschriften von § 11(a)(ii), zweitens nach den Vorschriften von § 11(d), drittens, nach den Vorschriften von § 11(e), viertens nach den Vorschriften von § 11(a)(i), fünftens nach den Vorschriften von § 11(b), sechstens, nach den Vorschriften von § 11(c), siebentens, nach den Vorschriften von § 11(f), und schließlich nach den Vorschriften von § 11(g) durchgeführt, aber nur soweit diese Vorschriften nach ihren jeweiligen Voraussetzungen anwendbar sind; und

(i) in the case of adjustments with the same Record Date by applying, first, the provisions of § 11(a)(ii), second, the provisions of § 11(d), third, the provisions of § 11(e); fourth, the provisions of § 11(a)(i), fifth, the provisions of § 11(b), sixth, the provisions of § 11(c), seventh, the provisions of § 11(f) and finally the provisions of § 11(g), but only to the extent each such provision is applicable in accordance with its terms; and

(ii) werden in anderen Fällen die maßgeblichen Ziffern gemäß der Folge ihrer Stichtage angewendet.

(ii) in other cases by applying the relevant subsections in the sequence in which their Record Dates occur.

Wenn in einem der in diesem § 11(h) beschriebenen Fälle die Berechnung der Anpassung gemäß einem hier genannten Unterabschnitt der Anwendung eines anderen Unterabschnitts nachfolgt, und die Berechnung der zweiten Anpassung oder einer folgenden Anpassung sich auf einen Marktpreis oder auf die Aktienkurse in einem Zeitraum vor dem Ex-Tag für eine Maßnahme bezieht, die nach

If in any of the cases referred to in this § 11(h) the calculation of the adjustment under one of the subsections aforementioned is made subsequent to the application of any of the other subsections, and the calculation of the second or any subsequent adjustment refers to a market price or share price in a period prior to the Ex Date for the measure requiring adjustment pursuant to the subsection which is

dem zuerst anzuwendenden Unterabschnitt zu einer Anpassung führt, so wird dieser Marktpreis oder der Aktienkurs dieser Zeiträume zu dem Zwecke der Berechnung nachfolgender Anpassungen mit dem Faktor multipliziert, der bei der Multiplikation der vorangehenden Anpassung angewendet wurde. Wenn der Bezugsrechtswert, der Wert einer Sachausschüttung, der Verkaufsoptionswert oder der Angemessene Marktwert gemäß § 11(c) oder (d) bezogen auf den Marktwert der Aktie während dieses Zeitraums berechnet wird, so setzt die Berechnungsstelle gegebenenfalls den Bezugsrechtswert, den Wert einer Sachausschüttung, den Verkaufsoptionswert oder den Angemessenen Marktwert auf Basis der entsprechend angepassten Marktwerte fest.

- (i) Wenn die Gesellschaft feststellt, dass Umstände eingetreten sind, die außerhalb der Vorgaben von § 11(a) bis (g) eine Anpassung notwendig machen (selbst wenn die maßgeblichen Umstände ausdrücklich von der Anwendung der § 11(a) bis (g) ausgeschlossen wurden), so wird sie, nach billigem Ermessen und auf eigene Kosten die Berechnungsstelle um eine umgehende Feststellung ersuchen, welche weitere Anpassung gegebenenfalls den Umständen entsprechend billig und angemessen ist und an welchem Tag diese Anpassung gegebenenfalls wirksam werden soll. An diesem Tag wird die Anpassung gegebenenfalls vorgenommen und wird gemäß der Feststellung durch die Berechnungsstelle wirksam; jedoch erfolgt eine Anpassung gemäß diesem § 11(i) nur, wenn die Berechnungsstelle schriftlich nicht später als 21 Tage nach Eintritt des maßgeblichen Umstandes um diese Feststellung ersucht wurde.
- (j) Anpassungen nach Maßgabe von § 11(b) bis (e) werden zu Beginn des Ex-Tags wirksam und Anpassungen nach Maßgabe von § 11(a), (f) und (g) werden zu Beginn des Tages wirksam, an dem die Kapitalerhöhung bzw. Kapitalherabsetzung, die Verschmelzung bzw.

to be applied first, the market price or share price for those periods, for purposes of the calculation of the subsequent adjustment, will be multiplied by the factor used for making the multiplication in the calculation of the preceding adjustment. To the extent that pursuant to § 11(c) or (d) the Subscription Value, the value of a Distribution in Kind, the Put Option Value or the Fair Market Value is calculated by reference to the market value of the Share during such period, the Calculation Agent will calculate the Subscription Value, the value of a Distribution in Kind, the Put Option Value or the Fair Market Value, where applicable, on the basis of the market values so adjusted.

- (i) If the Company determines that another adjustment should be made as a result of one or more events or circumstances not referred to above in § 11(a) to (g) (even if the relevant event is or circumstances are specifically excluded from the operation of § 11(a) to (g)), the Company shall, at its reasonable discretion and its own expense, request the Calculation Agent to determine as soon as practicable what further adjustment (if any) is fair and reasonable to take account thereof and the date on which such adjustment should take effect, and upon such date such adjustment (if any) shall be made and shall take effect in accordance with such determination; provided that an adjustment shall only be made pursuant to this § 11(i) if the Calculation Agent is so requested to make such a determination in writing not later than 21 days after the occurrence of the relevant event or circumstance.
- (j) Adjustments in accordance with § 11(b) to (e) will become effective as from the beginning of the Ex Date, and adjustments in accordance with § 11(a), (f) and (g) will become effective as from the beginning of the date on which the capital increase or reduction, the merger or the

die Aufspaltung in das Firmenbuch eingetragen ist.

Anpassungen nach Maßgabe dieses § 11 werden nicht vorgenommen, sofern der Ex-Tag oder der Tag der Eintragung der Kapitalerhöhung bzw. Kapitalherabsetzung, der Verschmelzung bzw. der Aufspaltung in das Firmenbuch nach dem Tag, an dem die Lieferaktien an den wandelnden Inhaber gemäß § 8, § 9 und § 10 geliefert werden, oder dem früheren für die Rückzahlung festgesetzten Tag, liegt.

- (k) Anpassungen nach den vorstehenden Bestimmungen werden durch die Berechnungsstelle nach billigem Ermessen (§ 1056 ABGB) und nach Maßgabe von § 14(c) berechnet. Der Wandlungspreis, berechnet in Übereinstimmung mit den vorstehenden Bestimmungen, wird gerundet auf den nächsten vollen Cent, wobei EUR 0,005 aufgerundet wird. Eine Anpassung des Wandlungspreises gemäß diesem § 11 darf nicht zu einem Wandlungspreis führen, der niedriger ist als der auf die einzelne Aktie entfallende anteilige Betrag des Grundkapitals der Gesellschaft, es sei denn, die Gesellschaft macht von ihrem Wahlrecht Gebrauch, Barausgleich zu leisten.
- (l) Die Gesellschaft wird eine Anpassung des Wandlungspreises und/oder jede andere Anpassung der Bedingungen des Wandlungsrechts gemäß § 15 bekannt machen.
- (m) In diesem § 11 bezeichnet:
"Angemessener Marktwert" den angemessenen Marktwert einer Sachausschüttung (vor Abzug allenfalls anfallender Quellensteuer) am Stichtag, wie er von der Berechnungsstelle festgelegt wird;
"Bardividende" den Betrag einer etwaigen Bardividende (einschließlich einer etwaigen Abschlagszahlung auf den Bilanzgewinn gemäß § 54a Aktiengesetz) vor Abzug von Quellensteuer;

split-up, respectively, is registered in the company's register (*Firmenbuch*).

Adjustments in accordance with this § 11 will not be made if the Ex Date or the date of registration of the capital increase or reduction, the merger or the split-up, as the case may be, in the company's register (*Firmenbuch*) is later than the day on which the Settlement Shares are delivered to the converting Holder in accordance with § 8, § 9 and § 10 or the earlier date fixed for redemption, as the case may be.

- (k) Adjustments in accordance with the foregoing provisions will be calculated by the Calculation Agent using equitable discretion (§ 1056 of the Austrian General Civil Code) and subject to § 14(c). The Conversion Price determined in accordance with the preceding provisions will be rounded to the nearest full Cent with EUR 0.005 being rounded upwards. Any adjustment of the Conversion Price pursuant to this § 11 may not result in a Conversion Price that is less than the notional nominal amount per Share, unless the Company exercises its right to effect a Cash Payment.
- (l) The Company will give notice in accordance with § 15 of an adjustment of the Conversion Price and/or any other adjustment of the terms of the Conversion Right.
- (m) In this § 11:
"Fair Market Value" means the fair market value of a Distribution in Kind (prior to deduction of any withholding tax) on the Record Date as determined by the Calculation Agent;
"Cash Dividend" means the amount of any cash dividend (including any preliminary distribution on the profit as shown in the Company's balance sheet pursuant to § 54a of the Austrian Stock Corporation Act (*Aktiengesetz*) prior to deduction of any withholding tax;

"Bezugsrechtswert" (je Aktie):

- (i) den von der WB nach Maßgabe der Optionsbedingungen auf Basis der Marktlage am letzten Handelstag vor dem Ex-Tag ermittelten Wert des Rechts zum Bezug von Aktien oder der Wertpapiere mit Bezugs-, Options- oder Wandlungsrechten auf Aktien oder zum Bezug der Sonstigen Wertpapiere; oder
- (ii) falls ein solcher Wert (weil Optionen auf die Aktie an der WB nicht gehandelt werden oder aus sonstigen Gründen) von der WB nicht bekannt gegeben wird, den Schlusskurs der Bezugsrechte an der WB am ersten Handelstag der Bezugsrechte; oder
- (iii) falls ein solcher Kurs nicht feststellbar ist, den Wert des Bezugsrechts, der von der Berechnungsstelle bestimmt wird;

"Durchschnittlicher Marktpreis" den von der Berechnungsstelle berechneten einfachen rechnerischen Durchschnitt der Aktienkurse an den letzten drei Handelstagen vor dem Ex-Tag, an denen die Aktie "cum" gehandelt wird;

"Ex-Tag" jeweils den ersten Handelstag, an dem die Aktie "ex Dividende" bzw. "ex Bezugsrecht" oder ohne sonstige Rechte, auf die vom Kurs für die jeweils in Bezug genommene Ausschüttung ein Abschlag auf den Kurs an der WB gemacht wird, gehandelt wird;

"Stichtag" entweder (x) den relevanten Zeitpunkt für die Bestimmung der Berechtigung der Aktionäre der Gesellschaft, die Rechte, Bezugsrechte, Options- oder Wandlungsrechte, Bardividenden, Sachausschüttungen oder gleichwertige Rechte gemäß § 11(f) oder (g) zu erhalten, oder, falls früher (y) den Handelstag, der dem Ex-Tag unmittelbar vorangeht;

"Verkaufsoptionswert" (berechnet je Aktie):

"Subscription Value" means (calculated on a per Share basis):

- (i) the value of the right to subscribe Shares or securities with subscription or option or conversion rights in relation to Shares or to subscribe Other Securities, as determined by the VSE in accordance with the Option Rules on the basis of the market situation prevailing on the Trading Day before the Ex-Date; or
- (ii) if such value is not published by the VSE (because options on the Shares are not traded on the VSE or for any other reason), the closing price of the subscription rights on the VSE on the first Trading Day for the subscription rights; or
- (iii) if such price is not available, the value of the subscription right which will be determined by the Calculation Agent;

"Average Market Price" means the simple arithmetic average of the Share Prices on the last three Trading Days on which the Share is traded "cum" before the Ex Date as calculated by the Calculation Agent;

"Ex Date" means the first Trading Day on which the Share is traded "ex dividend" or "ex subscription right" or ex any other rights which, in view of the respective distribution, are deducted from time to time from the quoted price on the VSE;

"Record Date" means the time and date being the earlier of (x) the relevant time of the determination of the entitlement of shareholders of the Company to receive rights, subscription rights, option or conversion rights, Cash Dividends, Distributions in Kind or comparable rights pursuant to § 11(f) or (g), or (y) the Trading Day, which immediately precedes the Ex Date;

"Put Option Value" means (calculated on a per Share basis):

- (i) der an der WB gemäß den Optionsbedingungen zustande gekommene Schlusskurs am Handelstag vor Beginn des Verkaufsoptionshandels; oder
- (ii) falls ein solcher Kurs nicht feststellbar ist, den Wert der Verkaufsoption, der von der Berechnungsstelle bestimmt wird.

§ 12

Kontrollwechsel

- (a) Wenn ein Kontrollwechsel eintritt, wird die Gesellschaft sobald wie möglich, nachdem sie Kenntnis davon erhalten hat, den Kontrollstichtag bestimmen und den Kontrollwechsel, den gegebenenfalls gemäß § 12(c) angepassten Wandlungspreis und den Kontrollstichtag gemäß § 15 bekannt machen.
- (b) Falls die Gesellschaft gemäß § 12(a) einen Kontrollwechsel bekannt gemacht hat, ist jeder Inhaber nach seiner Wahl berechtigt, mit einer Frist von mindestens 10 Tagen mit Wirkung zum Kontrollstichtag alle oder einzelne seiner Schuldverschreibungen, die noch nicht gewandelt oder zurückgezahlt wurden, zu kündigen. In einem solchen Fall hat die Gesellschaft die betreffenden Schuldverschreibungen zum Nennbetrag zuzüglich etwaiger bis zu dem Kontrollstichtag (ausschließlich) aufgelaufener Zinsen am Kontrollstichtag zurückzuzahlen.

Eine Kündigungserklärung gemäß § 12(b) hat schriftlich gegenüber der Hauptzahlstelle zu erfolgen und ist unwiderruflich. Der betreffende Inhaber hat dabei durch eine Bescheinigung seiner Depotbank nachzuweisen, dass er zu dem Zeitpunkt der Kündigung Inhaber der betreffenden Schuldverschreibung(en) ist.

Wenn eine Schuldverschreibung von einem Inhaber gemäß diesem § 12(b) zur vorzeitigen Rückzahlung fällig gestellt wird, kann dieser Inhaber das Wandlungsrecht für diese Schuldverschreibung ab dem Zugang der Kündigungserklärung bei der Hauptzahlstelle

- (i) the closing price determined in accordance with the Option Rules on the VSE on the Trading Day before the put option commences to be traded; or
- (ii) if such price is not available, the value of the put option which will be determined by the Calculation Agent.

§ 12

Change of Control

- (a) If a Change of Control occurs, the Company will fix the Control Record Date and give notice in accordance with § 15 of the Change of Control, the adjusted Conversion Price if adjusted in accordance with § 12(c) and the Control Record Date as soon as practicable after becoming aware thereof.
- (b) If the Company gives notice in accordance with § 12(a) of a Change of Control, each Holder may at his option on giving not less than 10 days' notice declare all or some only of his Bonds not previously converted or redeemed due on the Control Record Date. In such case the Company will redeem such Bonds at the Principal Amount plus accrued interest to but excluding the Control Record Date on the Control Record Date.

A notice of termination pursuant to § 12(b) has to be effected by delivering a written notice to the Principal Paying Agent and is irrevocable. The respective Holder has to demonstrate with a certificate from his Custodian that he is the holder of the respective Bond(s) at the time of the termination.

If any Bond is declared due for early redemption by a Holders pursuant to this § 12(b), the Conversion Right in respect of such Bond may no longer be exercised by such Holder from the time of receipt of the notice of termination by the Principal Paying Agent

gemäß § 12(b) nicht mehr ausüben.

- (c) Falls die Gesellschaft nach dem Tag der Begebung der Schuldverschreibungen gemäß § 12(a) einen Kontrollwechsel bekannt macht, wird bei jeder Ausübung von Wandlungsrechten an oder vor dem Kontrollstichtag der Wandlungspreis gemäß der nachstehenden Formel angepasst:

$$CP_a = \frac{CP}{1 + Pr \times \frac{c}{t}}$$

Dabei gilt folgendes:

CP_a = der angepasste Wandlungspreis;

CP = der Wandlungspreis an dem Tag, an dem der Kontrollwechsel eintritt.

Pr = die anfängliche Wandlungsprämie von [40] %.

c = die Anzahl von Tagen ab dem Tag, an dem der Kontrollwechsel eintritt (einschließlich) bis zum Fälligkeitstermin (ausschließlich); und

t = die Anzahl von Tagen ab dem Tag der Begebung der Schuldverschreibungen (einschließlich) bis zum Fälligkeitstermin (ausschließlich).

Eine Anpassung des Wandlungspreises erfolgt nicht, wenn bei Anwendung der vorstehenden Formel CP_a größer als CP wäre.

- (d) Die Regelungen des § 11(k) und (l) gelten entsprechend.

- (e) Definitionen:

Ein "**Kontrollwechsel**" tritt ein:

(i) wenn die Gesellschaft über die Erlangung einer kontrollierenden Beteiligung und über die Angebotsunterlage gemäß § 22/1 i.V.m. § 11/2 Übernahmegesetz informiert wird; oder

(ii) wenn das Erlangen einer

pursuant to § 12(b).

- (c) If the Company gives notice in accordance with § 12(a) after the date of issue of the Bonds of a Change of Control, then the Conversion Price upon any exercise of Conversion Rights on or before the Control Record Date will be adjusted pursuant to the following formula:

$$CP_a = \frac{CP}{1 + Pr \times \frac{c}{t}}$$

where:

CP_a = the adjusted Conversion Price;

CP = the Conversion Price immediately prior to the date on which the Change of Control occurs;

Pr = the initial conversion premium of [40] per cent.

c = the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date; and

t = the number of days from and including the date of issue of the Bonds to but excluding the Maturity Date.

There will be no adjustment of the Conversion Price if CP_a would by applying the above formula be greater than CP .

- (d) The provisions of § 11(k) and (l) apply *mutatis mutandis*.

- (e) Definitions:

A "**Change of Control**" occurs:

(i) upon information of the Company on the obtaining of a controlling holding and on the offer document pursuant to § 22/1 in connection with § 11/2 of the Austrian Takeover Act (*Übernahmegesetz*); or

(ii) upon a final and binding decision of an

kontrollierenden Beteiligung an der Gesellschaft gemäß § 22/1 Übernahmegesetz von einer österreichischen Verwaltungsbehörde oder einem österreichischen Gericht rechtskräftig festgestellt wird; oder

- (iii) wenn ein freiwilliges Angebot zur Kontrollerlangung gemäß § 25a Übernahmegesetz erfolgreich durchgeführt wurde; oder
- (iv) wenn die Gesellschaft ihre gesamten oder nahezu gesamten Vermögenswerte im Sinn von § 237 AktG an eine andere Person bzw. Personen veräußert oder überträgt, ausgenommen eine Veräußerung oder Übertragung an eine oder mehrere 100%ige Tochtergesellschaften der Gesellschaft.

Der Spin-off und jede neuerliche Konsolidierung oder Beherrschung der Gesellschaft durch die IMMOFINANZ AG (aus welchen Gründen auch immer) wird nicht als Kontrollwechsel angesehen.

"**Kontrollstichtag**" bezeichnet den von der Gesellschaft gemäß § 12(a) festgelegten Geschäftstag, der nicht weniger als 40 und nicht mehr als 60 Tage nach dem Tag der Bekanntmachung der Kontrollwechsel gemäß § 15 liegen darf.

§ 13

Kündigung durch Inhaber

- (a) Jeder Inhaber ist berechtigt, alle oder einzelne seiner Schuldverschreibungen zur Rückzahlung fällig zu stellen und deren Einlösung zum Nennbetrag zuzüglich bis zum Rückzahlungstag aufgelaufener Zinsen gemäß den nachfolgenden Bestimmungen zu verlangen, falls eines der folgenden Ereignisse (jeweils ein "**Kündigungsgrund**") eintritt:
 - (i) Die Gesellschaft ist mit der Zahlung von Zinsen mehr als 15 Tage in Verzug; oder
 - (ii) die Gesellschaft unterlässt die Erfüllung

Austrian court or Austrian administrative authority on the obtaining of a controlling holding in the Company pursuant to § 22/1 of the Austrian Takeover Act (*Übernahmegesetz*); or

- (iii) if a voluntary tender offer for the obtaining of control pursuant to § 25a of the Austrian Take Over Act has been completed successfully; or
- (iv) if the Company sells or transfers all or substantially all of its assets within the meaning of § 237 of the Austrian Stock Corporation Act to any Person or Persons, other than to one or more wholly-owned Subsidiaries of the Company.

The Spin-off and any re-consolidation or re-domination of the Company by IMMOFINANZ AG (for whatever reasons) shall not be considered a Change of Control.

"**Control Record Date**" means the Business Day fixed by the Company pursuant to § 12(a) which will be not less than 40 nor more than 60 days after the notice of the Change of Control and which is published in accordance with § 15.

§ 13

Events of Default

- (a) Each Holder may give notice to the Company that any or all of his Bonds are, and they shall thereby immediately become, due and repayable at their Principal Amount plus interest accrued, if any, to the date of redemption, in accordance with the provisions below, if any of the following events (each an "**Event of Default**") occurs:
 - (i) The Company fails to pay interest on any of the Bonds for more than 15 days after they become due; or
 - (ii) the Company fails to perform or

einer anderen ihrer wesentlichen Verpflichtung nach diesen Emissionsbedingungen und diese Verletzung dauert für einen Zeitraum von 30 Tagen an, gerechnet ab einer Mitteilung eines Inhabers aufgrund § 13(b) an die Hauptzahlstelle, in der die Heilung dieser Verletzung verlangt wird; oder

- (iii) (A) eine Wesentliche Zahlungsverpflichtung der Gesellschaft oder einer Wesentlichen Tochtergesellschaft wird aufgrund des Vorliegens einer Nichterfüllung oder eines Verzuges vorzeitig fällig, oder
- (B) die Gesellschaft oder eine ihrer Wesentlichen Tochtergesellschaften erfüllt eine Wesentliche Zahlungsverpflichtung bei Fälligkeit oder innerhalb der zutreffenden Nachfrist nicht, oder
- (C) die Gesellschaft oder eine Wesentliche Tochtergesellschaft zahlt einen Betrag auf eine bestehende oder zukünftige Garantie oder Haftungsübernahme für eine Wesentliche Zahlungsverpflichtung nicht innerhalb von 15 Tagen nach Inanspruchnahme aus der Garantie oder Haftungsübernahme, oder
- (D) nach Eintritt eines der Fälle (A)-(C) werden angemessene rechtliche Schritte zur Durchsetzung eines für die Wesentliche Zahlungsverpflichtung oder für die Garantie oder Haftungsübernahme gewährten Sicherungsrechts ergriffen,

es sei denn, die Gesellschaft oder die betroffene Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass eine Nichterfüllung oder ein Verzug vorliegt (Fall (A)), dass die betreffende

comply with any of its other material obligations under these Terms and Conditions and such failure to perform or comply continues for 30 days after notice by a Holder pursuant to § 13(b) to the Principal Paying Agent, demanding that such failure be cured; or

- (iii) (A) any Material Payment Obligation of the Company or any Material Subsidiary becomes due and payable prior to its stated maturity as a result of any default (however described), or
- (B) the Company or any of its Material Subsidiaries fails to pay any Material Payment Obligation when due or any applicable grace period, or
- (C) the Company or any Material Subsidiary fails to pay any amount payable by it under any present or future guarantee or indemnity for any Material Payment Obligation within 15 days after date on which the guarantee or indemnity has been invoked, or
- (D) in each case (A)-(C) any Lien granted by the Company or any Material Subsidiary for any such Material Payment Obligation or for any such guarantee or indemnity for any Material Payment Obligation is enforced by taking appropriate legal steps,

unless the Company or the relevant Material Subsidiary shall contest in good faith that the default has occurred (in case (A)), that the Material Payment Obligation is due (in case (B)), that the

Wesentliche Zahlungsverpflichtung fällig ist (Fall (B)), dass die Garantie oder Haftungsübernahme berechtigterweise geltend gemacht wird (Fall (C)), oder dass das Sicherungsrecht durchgesetzt werden darf (Fall (D)), wobei

"Wesentliche Zahlungsverpflichtung" eine Zahlungsverpflichtung im Zusammenhang mit einer gegenwärtigen oder zukünftigen Kredit- oder Geldaufnahme, die in jedem dieser Fälle (A)-(D) jeweils oder insgesamt den Betrag von EUR 50.000.000 (oder den entsprechenden Gegenwert in einer oder mehreren anderen Währung(en)) überschreitet, bezeichnet; oder

- (iv) gegen die Gesellschaft oder eine Wesentliche Tochtergesellschaft wird ein Insolvenzverfahren eingeleitet (mit Ausnahme eines gerichtlichen Sanierungsverfahrens), das nicht innerhalb von 60 Tagen nach Einleitung abgewiesen, eingestellt oder aufgehoben wird, oder die Gesellschaft oder eine Wesentliche Tochtergesellschaft beantragt die Einleitung eines solchen Verfahrens; oder
- (v) die Gesellschaft oder eine Wesentliche Tochtergesellschaft stellt ihre Zahlungen ein oder gibt ihre Zahlungsunfähigkeit bekannt; oder
- (vi) die Gesellschaft tritt in Liquidation (der Untergang der Gesellschaft in Zusammenhang mit einer Verschmelzung oder Aufspaltung oder einer Umstrukturierung, bei der alle Aktiva und Passiva der Gesellschaft auf eine andere juristische Person übergehen, die den Inhabern gleichartige Rechte gewährt oder die die Änderung der Rechte oder das Recht selbst angemessen abgilt, berechtigt nicht zur Kündigung); oder
- (vii) es tritt ein Ereignis ein, dessen

guarantee or indemnity has been validly invoked (in case (C)) or that Lien may be enforced (in case (D)), as the case may be), where

"Material Payment Obligation" means any payment obligation in respect of any present or future indebtedness for monies borrowed or raised, in each case (A)-(D) exceeding, individually or in aggregate EUR 50,000,000 (or the respective equivalent in another currency or currencies); or

- (iv) a insolvency proceeding (other than a composition with creditors (*Sanierungsverfahren*)) is commenced against the Company or any Material Subsidiary, which shall not have been dismissed, stayed or cancelled within 60 days after the commencement thereof, or the Company or any Material Subsidiary institutes such proceedings; or
- (v) the Company or any Material Subsidiary ceases its payments or announces its inability to meet its financial obligations generally; or
- (vi) the Company enters into liquidation (the liquidation of the Company in connection with a merger or split-up (*Aufspaltung*) or reorganisation in which all assets and liabilities of the Company are transferred to another legal entity, which grants Holders the same type of rights or which compensates the Holders for any changes in the Holders' rights or the rights themselves in an appropriate manner, shall not entitle Holders to declare the Bonds due and payable); or
- (vii) any event occurs which under the laws

Auswirkungen nach dem Recht der maßgeblichen Rechtsordnung mit den in den vorstehenden Absätzen (iii) bis (vi) genannten Ereignisse vergleichbar sind, sofern diese Auswirkungen auf die Rechte der Inhaber wesentlich nachteilig sind; oder

- (viii) die Gesellschaft stellt ihren gesamten oder nahezu ihren gesamten Geschäftsbetrieb ein; oder
- (ix) es wird für die Gesellschaft rechtlich unzulässig, ihre Verpflichtungen aus den Schuldverschreibungen zu erfüllen oder die Gesellschaft verweigert deren Erfüllung für einen Zeitraum von 30 Tagen.

Das Recht zur Fälligestellung der Schuldverschreibungen erlischt, falls die Umstände, die dieses Recht begründet haben, weggefallen sind, bevor das Recht ausgeübt wurde.

- (b) Die Fälligestellung gemäß § 13(a) hat schriftlich gegenüber der Hauptzahlstelle, unter Angabe des Nennbetrags der fällig gestellten Schuldverschreibungen, zu erfolgen und ist unwiderruflich.

§ 14

Zahl- und Wandlungsstellen, Berechnungsstelle

- (a) [●] ist die Hauptzahlstelle (die "**Hauptzahlstelle**") und gemeinsam mit etwaigen von der Gesellschaft nach § 14(b) bestellten zusätzlichen Zahlstellen, die "**Zahlstellen**"). [●] ist die anfängliche Hauptwandlungsstelle (die "**Hauptwandlungsstelle**") und gemeinsam mit etwaigen von der Gesellschaft nach § 14(b) bestellten zusätzlichen Wandlungsstellen, die "**Wandlungsstellen**"). [●] ist die Berechnungsstelle (die "**Berechnungsstelle**") und gemeinsam mit den Zahlstellen und Wandlungsstellen, die "**Verwaltungsstellen**"). Die Geschäftsräume der Verwaltungsstellen befinden sich unter den folgenden Adressen:

Hauptzahlstelle:

of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (iii) to (vi) above, provided that such effect is materially prejudicial to the interests of the Holders; or

- (viii) the Company ceases to carry on all or substantially all of its business; or
- (ix) it become unlawful for the Company to perform or comply with any of its obligations under the Bonds, or the Company refuses to comply with such obligations for a period of 30 days.

The Holders' right to declare the Bonds due and payable will cease in the event that the events establishing such right cease to exist prior to the exercise of such right.

- (b) Any termination in accordance with § 13(a) has to be effected by delivering a written notice to the Principal Paying Agent, stating the Principal Amount of the Bonds so declared due and payable, and is irrevocable.

§ 14

Paying and Conversion Agents; Calculation Agent

- (a) [●] will be the principal paying agent (the "**Principal Paying Agent**") and, together with any additional paying agent appointed by the Company in accordance with § 14(b), the "**Paying Agents**"). [●] will be the principal conversion agent (the "**Principal Conversion Agent**") and, together with the Principal Conversion Agent and any additional conversion agent appointed by the Company in accordance with § 14(b), the "**Conversion Agents**"). [●] will be the calculation agent (the "**Calculation Agent**") and together with the Paying Agents and Conversion Agents, the "**Agents**"). The addresses of the specified offices of the Agents are:

Principal Paying Agent:

[●]

Hauptwandlungsstelle:

[●]

Berechnungsstelle:

[●]

In keinem Fall dürfen sich die Geschäftsräume einer Zahlstelle oder Wandlungsstelle innerhalb der Vereinigten Staaten von Amerika oder ihrer Besitzungen befinden.

- (b) Die Gesellschaft wird dafür sorgen, dass stets eine Hauptzahlstelle, eine Hauptwandlungsstelle und eine Berechnungsstelle vorhanden sind. Die Gesellschaft ist berechtigt, andere international anerkannte Banken als Zahlstellen und Wandlungsstellen zu bestellen. Die Gesellschaft ist weiterhin berechtigt, die Bestellung einer Bank zur Zahlstelle oder Wandlungsstelle zu beenden. Im Falle einer solchen Beendigung oder falls die bestellte Bank nicht mehr als Zahlstelle oder Wandlungsstelle tätig werden kann oder will, bestellt die Gesellschaft eine andere international anerkannte Bank als Zahlstelle oder gegebenenfalls als Wandlungsstelle. Eine solche Bestellung oder Beendigung der Bestellung ist unverzüglich gemäß § 15 oder, falls dies nicht möglich sein sollte, durch eine öffentliche Bekanntmachung in sonstiger geeigneter Weise bekannt zu machen.

- (c) Alle Bestimmungen, Berechnungen und Anpassungen durch die Verwaltungsstellen erfolgen in Abstimmung mit der Gesellschaft und sind, soweit nicht ein offenkundiger Fehler vorliegt, in jeder Hinsicht endgültig und für die Gesellschaft und alle Inhaber bindend.

Jede Verwaltungsstelle kann 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 Verwaltungsstellen übernehmen keine Haftung gegenüber der Gesellschaft oder den Inhabern im Zusammenhang mit Handlungen, die in gutem Glauben in Übereinstimmung mit einer

[●]

Principal Conversion Agent:

[●]

Calculation Agent:

[●]

In no event will the specified office of a Paying Agent or a Conversion Agent be within the United States of America or its possessions.

- (b) The Company will procure that there will at all times be a Principal Paying Agent, a Principal Conversion Agent and a Calculation Agent. The Company is entitled to appoint other banks of international standing as Paying Agents and Conversion Agents. Furthermore, the Company is entitled to terminate the appointment of any Paying Agent and Conversion Agent. In the event of such termination or such bank being unable or unwilling to continue to act as Paying Agent or Conversion Agent, the Company will appoint another bank of international standing as Paying Agent or Conversion Agent, as the case may be. Such appointment or termination will be published without undue delay in accordance with § 15, or, should this not be possible, be published in another appropriate manner.

- (c) All determinations, calculations and adjustments made by any Agent will be made in conjunction with the Company and will, in the absence of manifest error, be conclusive in all respects and binding upon the Company and all Holders.

Each Agent 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 Agent will incur any liability as against the Company 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.

solchen Beratung begangen, unterlassen oder geduldet wurden.

- (d) Jede Verwaltungsstelle ist in dieser Funktion ausschließlich Beauftragte der Gesellschaft. Zwischen einer Verwaltungsstelle und den Inhabern besteht, mit Ausnahme der in dem letzten Satz von § 8(b)(ii) geregelten Durchführung der Wandlung der Schuldverschreibungen, kein Auftrags- oder Treuhandverhältnis.

§ 15 Bekanntmachungen

- (a) Die Gesellschaft hat alle die Schuldverschreibungen betreffenden Mitteilungen auf ihrer Homepage (www.buwog.at) sowie eines oder mehrere elektronische Kommunikationssysteme bekanntzumachen. Die Bekanntmachungen werden voraussichtlich jeweils auf Bloomberg und/oder Reuters erscheinen. Jede derartige Mitteilung gilt im Zeitpunkt der so erfolgten Veröffentlichung bzw. mit der Absendung seitens der Gesellschaft als wirksam erfolgt.
- (b) Alle die Schuldverschreibungen betreffenden Mitteilungen sind ferner im *Amtsblatt zur Wiener Zeitung* zu veröffentlichen. Jede derartige Mitteilung gilt mit dem Tag ihrer Veröffentlichung im *Amtsblatt zur Wiener Zeitung* oder in der dann gemäß anwendbarem Recht erforderlichen Weise als wirksam erfolgt.
- (c) Die Gesellschaft wird zusätzlich alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Inhaber übermitteln.
- (d) Eine Mitteilung gemäß § 15(a) bis (c) gilt mit dem Tag als wirksam erfolgt, an dem die Mitteilung zuerst wirksam wird oder als wirksam geworden gilt.
- (e) Erklärungen der Inhaber an die Gesellschaft (mit Ausnahme von Wandlungserklärungen) bedürfen der Schriftform und sind bei einer Zahlstelle und einer Wandlungsstelle, zu-

- (d) Each Agent acting in such capacity, acts only as agent of the Company. There is no agency or fiduciary relationship between any Agent and the Holders except as provided for in the last sentence of § 8(b)(ii) with respect to the conversion of the Bonds.

§ 15 Notices

- (a) The Company shall publish all notices concerning the Bonds on its homepage (www.buwog.at) and by way of one or more electronic communication systems. It is expected that such notices will be communicated through the electronic communication systems of Bloomberg and/or Reuters. Any such notice will be deemed to have been given when so published or despatched by the Company, as the case may be.
- (b) In addition all notices concerning the Bonds shall be published in the *Amtsblatt zur Wiener Zeitung*. Any notice so given will be deemed to have been validly given on the day of its publication in the *Amtsblatt zur Wiener Zeitung* or in such other way then required by applicable law.
- (c) In addition the Company shall deliver all notices concerning the Bonds to the Clearing System for communication by the Clearing System to the Holders.
- (d) A notice effected pursuant to § 15(a) to (c) above shall be deemed to be effected on the day on which the first such communication is, or is deemed to be, effective.
- (e) Notices (other than Conversion Notices) to be given by any Holder to the Company shall be in writing and given by lodging the same with a Paying Agent and a Conversion Agent,

sammen mit einer Bescheinigung der Depotbank, welche (A) den vollständigen Namen und die vollständige Adresse des Inhabers enthält, (B) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die am Datum der Bestätigung auf dem Depot des Inhabers bei dieser Depotbank verbucht sind und (C) die bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (A) und (B) bezeichneten Informationen sowie Bestätigungen des Clearingsystems und des Depotinhabers im Clearingsystem enthält, dass diese Schuldverschreibungen im Namen des Depotinhabers eingetragen sind, zu hinterlegen.

§ 16 Verjährung

Ansprüche auf Zahlung von Zinsen verjähren nach drei Jahren ab Fälligkeit. Ansprüche auf Kapital verjähren nach dreißig Jahren ab Fälligkeit.

§ 17 Begebung weiterer Schuldverschreibungen

Die Gesellschaft behält sich vor, von Zeit zu Zeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (mit Ausnahme des Ausgabebetrages und des Verzinsungsbeginns) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen zusammengefasst werden, eine einheitliche Anleihe mit ihnen bilden und ihren Gesamtnennbetrag erhöhen. Der Begriff "Schuldverschreibungen" umfasst im Falle einer solchen Erhöhung auch solche zusätzlich begebenen Schuldverschreibungen.

§ 18 Verschiedenes

(a) Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Inhaber und der Gesellschaft bestimmen sich in jeder Hinsicht nach österreichischem Recht unter Ausschluss der Verweisungsnormen des

together with a certificate issued by his Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate principal amount of Bonds credited on the date of such Statement to such Holder's securities account maintained with such Custodian and (C) confirming that the Custodian has given a written notice to the Clearing System containing the Information pursuant to (A) and (B) and bearing acknowledgements of the Clearing System and the relevant Clearing System accountholder that such Bonds are registered in the name of the Clearing System accountholder.

§ 16 Statute of Limitations

Claims for payment of interest become statute-barred three years after having become due. Claims on principal become statute-barred thirty years after having become due.

§ 17 Issue of Additional Bonds

The Company reserves the right to issue from time to time, without the consent of the Holders, additional Bonds with identical terms (save for issue date and interest commencement date), so that the same shall be consolidated, form a single issue with and increase the aggregate principal amount of these Bonds. The term "Bonds" shall, in the event of such increase, also comprise such additionally issued Bonds.

§ 18 Miscellaneous

(a) The form and content of the Bonds and all rights and obligations of the Holders and the Company will in all respects be governed by Austrian law without regard to the international conflict of law provisions.

internationalen Privatrechts.

- | | |
|---|--|
| <p>(b) Erfüllungsort ist Wien, Republik Österreich.</p> <p>(c) Ausschließlicher Gerichtsstand für alle Ansprüche der Inhaber aus oder in Zusammenhang mit den Schuldverschreibungen ist Wien, Innere Stadt. Für Inhaber, die Verbraucher sind, gilt ferner der Gerichtsstand gemäß § 14 Konsumentenschutzgesetz.</p> <p>(d) Jeder Inhaber ist, vorbehaltlich der Vertretung gemeinsamer Interessen von Inhabern durch einen Kurator gemäß dem Gesetz vom 24. April 1874, RGBl. 49, betreffend Teilschuldverschreibungen und dem Gesetz vom 5. Dezember 1877, RGBl. 111, betreffend Wandelschuldverschreibungen, berechtigt, in jedem Rechtsstreit gegen die Gesellschaft oder in jedem Rechtsstreit, in dem der Inhaber und die Gesellschaft Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen zu schützen oder geltend zu machen gegen Vorlage: (i) einer Bescheinigung der Depotbank, welche (A) den vollständigen Namen und die vollständige Adresse des Inhabers enthält, (B) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die am Datum der Bestätigung auf dem Depot des Inhabers bei dieser Depotbank verbucht sind und (C) die bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (A) und (B) bezeichneten Informationen sowie Bestätigungen des Clearingsystems und des Depotinhabers im Clearingsystem enthält, dass diese Schuldverschreibungen im Register im Namen des Depotinhabers eingetragen sind, und (ii) einer Kopie der Globalurkunde, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems bestätigt hat.</p> | <p>(b) The place of performance is Vienna, Republic of Austria.</p> <p>(c) Exclusive place of jurisdiction for all Claims of Holders from or in connection with the Bonds shall be Vienna, Inner District. For Holders, which are consumers, § 14 of the Austrian Consumer Protection Act applies.</p> <p>(d) Subject to the representation of common interests of holders by a curator pursuant to the Law of April 24, 1874, RGBl. 49, relating to bonds, and the Law of December 5, 1877, RGBl. 111, relating to convertible bonds, any Holder may in any proceedings against the Company or to which the Holder and the Company are parties protect and enforce in his own name his rights arising under his Bonds on the basis of (i) a certificate issued by his Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate principal amount of Bonds credited on the date of such Statement to such Holder's securities account maintained with such Custodian and (C) confirming that the Custodian has given a written notice to the Clearing System containing the information pursuant to (A) and (B) and bearing acknowledgements of the Clearing System and the relevant Clearing System accountholder that such Bonds are registered in the register in the name of the Clearing System accountholder and (ii) a copy of the Global Bond certified as being a true copy by a duly authorised officer of the Clearing System.</p> |
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§ 19

Teilunwirksamkeit

Sollte eine Bestimmung dieser Emissionsbedingungen

§ 19

Severability

Should any of the provisions of these Terms and

ganz oder teilweise rechtsunwirksam sein oder werden, so wird dadurch die Wirksamkeit der übrigen Bestimmungen nicht berührt. Die unwirksame Bestimmung wird durch eine ihr wirtschaftlich möglichst nahekommende zulässige Regelung ersetzt. Gleiches gilt im Falle von Lücken.

§ 20
Sprache

Der deutsche Text dieser Emissionsbedingungen ist bindend. Die englische Übersetzung dient nur zu Informationszwecken.

Conditions be or become invalid or unenforceable in whole or in part, the validity or the enforceability of the remaining provisions shall not in any way be affected or impaired thereby. In this case the invalid provision will be replaced by a permissible provision which comes as close as possible to the replaced Provision in keeping with the economic purposes. The foregoing also applies to loopholes.

§ 20
Language

The German text of these Terms and Conditions shall be binding. The English translation is for information purposes only.

Annex 2.10.2 to the
Spin-off and Takeover Contract

Spin-off balance sheet of IMMOFINANZ AG as at 1 November 2013

Annex 2.12. to the
Spin-off and Takeover Contract

Transfer balance sheet as at 1 November 2013

TRANSFER BALANCE SHEET PURSUANT TO COMPANY LAW as of 01 November 2013

ASSETS	Closing balance sheet 31.10.2013	Side-stream spin-off shift of carrying amount of investment in GENA SECHS	Spin-off of 59,71% of GENA SECHS	EQUITY AND LIABILITIES
A. Non-current assets				
III. Financial assets				
1. GENA SECHS Immobilien Holding GmbH	20.900,00 *	891.277.392,00 **	891.298.292,00	891.298.292,00
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