

NOT INTENDED FOR PUBLICATION OR DISTRIBUTION IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, SOUTH AFRICA OR JAPAN, OR IN COUNTRIES WHERE IT WOULD BE PROHIBITED UNDER APPLICABLE LAW.

IMMOFINANZ AG: Agreement in principle to settle the legal proceedings over the review of the exchange ratio applied to the merger of IMMOEAST and IMMOFINANZ

Nearly seven years after the start of the court review of the exchange ratio applied to the merger of IMMOEAST and IMMOFINANZ, IMMOFINANZ has reached an agreement in principle through out-of-court negotiations with most of the claimants and the representatives appointed for the respective shareholder groups to terminate these proceedings through settlement. The agreement in principle by the involved parties reflects a recommendation by the committee appointed by the commercial court in Vienna to review the exchange ratio.

“IMMOFINANZ intends to create legal certainty with this step and, in this way, avoid an ongoing legal dispute. Following the termination of legal proceedings with investors, this settlement over the review of the exchange ratio would end the last historical legal dispute at the shareholder level“, explained Oliver Schumy, CEO of IMMOFINANZ.

The agreement in principle, which has to be finally approved by all claimants, calls for a compensation payment to former IMMOEAST shareholders through the issue of 30,019,578 additional shares of IMMOFINANZ (ISIN AT0000809058) at a ratio of 0.088 shares of IMMOFINANZ AG for each former IMMOEAST share (ISIN Code AT000A0GYT7). Approximately 341.1 million former IMMOEAST shares would be entitled to receive this settlement. The compensation payment would amount to approx. EUR 54 million in total (based on a share price of EUR 1.80).

The shares would be issued primarily from treasury shares held by the company, and the remainder would represent new shares issued from previously authorised capital (§225j (2) of the Austrian Stock Corporation Act). IMMOFINANZ currently (4 April 2017) holds 11,348,049 treasury shares, and this number will increase as a result of the ongoing share buyback programme 1/2017. Based on the current number of 11,348,049 treasury shares, 18,671,529 new shares, representing approximately 1.80% of current share capital, would have to be issued. The compensation payment would be reported in IMMOFINANZ’s consolidated financial statements as a transaction with shareholders and would therefore be recorded directly in equity without recognition through profit or loss.

The Executive Board of IMMOFINANZ today approved a proposal to the Supervisory Board, requesting its approval for the termination of these proceedings through settlement.

Plans call for the conclusion of a settlement at the next meeting of the court committee. The written text for the agreement will be prepared in the coming weeks and submitted to the court committee. The settlement and the issue of shares must be approved by the commercial court in Vienna.

A distribution of shares would take place automatically through the clearing system operated by OeKB CSD GmbH and the depository banks with a planned transfer by 1 June 2017. The shares would be distributed according to the allocation ratio in exchange for the derecognition of ISIN Code AT000A0GYT7 (“IMMOEAST AG – claim for possible subsequent adjustment of the exchange ratio“) recorded for the former IMMOEAST shareholders in connection with the merger. Fractional amounts arise when the number of ISIN shares (AT000A0GYT7) recorded in a security depository account

multiplied by the allocation ratio of 0.088 do not result in a whole number. The shares attributable to these fractional amounts will be sold over the stock exchange by a bank on behalf of IMMOFINANZ and the proportional share of the proceeds will be credited to the appropriate depository accounts.

In accordance with § 9 of the Austrian Publication Order 2002, this announcement replaces the announcement made pursuant to § 4 (2) of the Austrian Publication Order on the use of treasury shares.

Neither this announcement nor its content includes an offer or invitation to submit an offer or creates a legal obligation for the company. The finalisation of a court settlement requires the consent of all claimants, legal representatives and the company. Only a court-approved settlement is legally binding for the company and all shareholders of the involved companies (§ 225i (2) of the Austrian Stock Exchange Act).

Disclaimer

The distribution of this announcement may be restricted by law in certain jurisdictions. Persons who read this announcement should inform themselves about and observe any such restriction.

This announcement is for background purposes only and does neither contain an offer nor an invitation to sell or the solicitation of an offer to buy or subscribe for any securities and does not constitute a legal binding commitment of the company in any jurisdiction, in particular there is no offer to any person in the United States, Canada, Japan, South Africa or Australia. No prospectus will be prepared in connection with the offering of the securities referred to herein. There will be no public offer of the securities referred to in this announcement.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended or the laws of any state within the United States or under the applicable securities laws of Australia, Canada, South Africa or Japan, and may not be offered or sold in the United States, unless registered under the Securities Act or offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. Subject to certain exceptions, the securities referred to herein may not be offered or sold in Australia, Canada, South Africa or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, South Africa or Japan. There will be no public offer of the securities referred to herein in the United States, Australia, Canada, South Africa or Japan.

On IMMOFINANZ

IMMOFINANZ is a commercial real estate group which maintains its registered offices in Vienna and is located at Wienerbergstrasse 11, 1100 Vienna. Its activities are focused on the retail and office segments of eight core markets in Europe: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Moscow. The core business covers the management and development of properties. The shares of IMMOFINANZ (ISIN AT0000809058) are listed on the stock exchanges in Vienna (leading ATX index) and Warsaw. The convertible bonds issued by the company (convertible bond due 2017 ISIN XS0332046043, convertible bond due 2018 ISIN XS0592528870 and convertible bond due 2024 ISIN XS1551932046) are listed on the Third Market of the Vienna Stock Exchange. Further information under: <http://www.immofinanz.com>

For additional information contact:

Bettina Schragl
Head of Corporate Communications and Investor Relations
T +43 (0)1 88 090 2290
M +43 (0)699 1685 7290
communications@immofinanz.com
investor@immofinanz.com