

Ad-hoc announcement

Vienna, 12 January 2017

NOT FOR RELEASE, PUBLICATION, DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE USA, AUSTRALIA, CANADA OR JAPAN

IMMOFINANZ AG launches an incentivized conversion invitation to holders of its EUR 515.1 million convertible bonds due 2018 and an offering to institutional investors of convertible bonds due 2024 for EUR 200 million

IMMOFINANZ AG (the “Company” or “IMMOFINANZ”) announces the launch of an invitation (the “Conversion Offer”) to the holders (the “Bondholders”) of its EUR 515.1 million 4.25% senior unsecured convertible bonds due 2018, ISIN XS0592528870 (the “Outstanding Bonds”) to convert such Outstanding Bonds into ordinary shares of IMMOFINANZ (the “Shares”) and into ordinary shares of BUWOG AG (“BUWOG”, these shares “BUWOG Shares”), or a respective cash settlement for BUWOG Shares (the “Conversion Offer”), on the terms and subject to the conditions set forth in the incentive offer memorandum dated 12 January 2017 as prepared by the Company (the “Incentive Offer Document”). This Conversion Offer is not addressed to retail investors. IMMOFINANZ intends to accept offers for up to 45% of the nominal amount of Outstanding Bonds and reserves the right to increase this acceptance quota further. If Outstanding Bonds for more than the prevailing acceptance quota are offered for conversion, IMMOFINANZ intends to accept each offer proportionally.

The Conversion Offer is intended to allow IMMOFINANZ to further optimize and simplify its capital structure, improve long term financing costs and to reduce the overall amount of debt.

The Conversion Offer begins on 12 January 2017, 07.00 pm CET and expires on 19 January 2017 at 07.00 pm CET (the “Expiry Date”), unless amended.

Upon acceptance of the Conversion Offer, Bondholders will receive (to the respective extent Outstanding Bonds were accepted for conversion):

- (i) the number of Shares and BUWOG Shares to which they are entitled pursuant to the Terms and Conditions of the Outstanding Bonds (in lieu of BUWOG Shares, Bondholders may also elect a payment of a corresponding cash amount), plus
- (ii) a premium calculated as follows (the “Premium”):
 - (a) an amount equal to EUR 0.7850 per Outstanding Bond (being the difference between the market ask price of the Outstanding Bond quoted on 12 January 2017 and the close price of the Shares and of the BUWOG AG Shares on the Vienna Stock Exchange on 12 January 2017, and
 - (b) the incentive premium, which shall, equal EUR 0.206 per Outstanding Bond.

Settlement of the Conversion Offer is expected to take place on or around 24 January 2017. The Conversion Offer will not affect the rights of the Bondholders that do not participate in the Conversion Offer.

IMMOFINANZ AG concurrently announces the offering to institutional investors of new convertible bonds for up to EUR 200 million convertible into IMMOFINANZ AG shares

The new convertible bonds with a denomination of EUR 100,000 will be offered in an accelerated bookbuilding to institutional investors, subject to a clawback to ensure compliance with issuance authorizations of the Company (the “New Convertible Bonds”). The issue size may be increased to up to EUR 300 million by the banks in consultation with the Company, exercisable until 19 January 2017 in full or partially and will among others depend on the acceptance rate of the Conversion Offer.

The New Convertible Bonds will be marketed with a coupon ranging between 1.375% and 2.000% per annum. There will be a step-down in coupon by 0.5% applicable from the interest period immediately following the first date on which the Company has been rated as investment grade by either S&P, Moody’s or Fitch and for the

time that the Company maintains such investment grade rating (subject to a 3 months grace period). The New Convertible Bonds will be issued and redeemed at 100% of their principal amount and will mature in January 2024. The initial conversion price of the New Convertible Bonds will be set at a premium between 30% and 40% over the reference share price. The reference share price is the closing price of IMMOFINANZ AG shares on the Vienna Stock Exchange on 12 January 2017. The coupon and the conversion premium will be determined following the accelerated bookbuilding, which is expected to take place today, 12 January 2017. Holders of the New Convertible Bonds will be entitled to put their New Convertible Bonds in 2022 at par plus accrued interest.

In the context of the issuance of the New Convertible Bonds, IMMOFINANZ will be subject to a lock-up undertaking in relation to the Shares for a period ending 90 days after the settlement date, subject to customary exceptions.

From February 2020 IMMOFINANZ may at any time redeem the New Convertible Bonds in whole, but not in part, if 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 the value of the shares underlying a Bond in the principal amount of EUR 100,000 is equal to or exceeds EUR 130,000 (all as defined in the terms and conditions of the New Convertible Bonds).

In the event of a change of control, New Bondholders have the right to redeem the New Convertible Bonds at the principal amount plus accrued interest, or to convert into shares at a downward adjusted conversion price during a period of 10 days following notification of the change of control, as described in the terms and conditions of the New Convertible Bonds. For the avoidance of doubt, the New Convertible Bonds will continue to be outstanding after a merger with CA Immobilien Anlagen AG and the prevailing conversion price will be adjusted by the relevant merger ratio (as defined in the terms and conditions of the New Convertible Bonds).

Application will be made to introduce the New Convertible Bonds for trading on the Third Market (MTF) of the Vienna Stock Exchange.

The proceeds will be used to finance a portion of the Conversion offer, refinance existing debt and for general corporate purposes.

Bondholders may obtain a copy of the Incentive Offer Document by contacting the exchange & information agent, Deutsche Bank AG London Branch, Attn.: Debt & Agency Services, Email: xchange.offer@db.com, Tel.: +44 (0)20 7547 5001

Disclaimer

This announcement does not contain nor constitutes an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person in the United States, Australia, Canada, Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful.

This release is not an offer of securities for sale in the United States of America. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States of America would be made by means of a prospectus that could be obtained from the Company and would contain detailed information about the Company and management, as well as financial statements. There will be no public offer of securities in the United States of America.

The securities referred to herein may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan.

On IMMOFINANZ

IMMOFINANZ is a commercial real estate group whose 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, whereby the STOP SHOP (retail), VIVO! (retail) and myhive (office) brands represent strong focal points that stand for quality and service. The real estate portfolio has a value of approx. EUR 5.2 billion and covers more than 350 properties. IMMOFINANZ is listed on the stock exchanges in Vienna (leading ATX index) and Warsaw. Further information under: <http://www.immofinanz.com>

For additional information contact:

Bettina Schragl

Head of Corporate Communications and Investor Relations

IMMOFINANZ

T +43 (0)1 88 090 2290

M +43 (0)699 1685 7290

communications@immofinanz.com

investor@immofinanz.com