

Ad-hoc announcement

Vienna, 4 September 2014

NOT FOR DISTRIBUTION IN THE USA, UK, CANADA, JAPAN OR AUSTRALIA

**IMMOFINANZ AG launches a EUR 375 million offering of bonds
exchangeable into BUWOG AG shares**

IMMOFINANZ AG today announces the offering of bonds with a volume of EUR 375 million exchangeable into BUWOG AG shares. The bonds will be offered in an accelerated bookbuilding to institutional investors.

The bonds will be marketed with a coupon ranging between 0.75% and 1.50% per annum. The initial exchange price of the bonds will be set at a premium between 15% and 25% over the reference share price. The coupon and the exchange premium will be determined following the accelerated bookbuilding, which is expected to take place today, 4 September 2014.

The bonds will be issued and redeemed at 100% of their principal amount and will mature on 11 September 2019.

Bondholders will be entitled to have their bonds redeemed at their principal amount plus accrued interest on 11 September 2017.

The reference share price represents the volume weighted average price of the BUWOG AG shares on the Vienna Stock Exchange between market open and close of trading on 4 September 2014.

Upon exchange, IMMOFINANZ AG will have the discretionary right to deliver an amount in cash, instead of BUWOG AG shares, as described in the Terms & Conditions of the bonds. Upon redemption, IMMOFINANZ AG will have the option to deliver a combination of shares and cash.

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

The proceeds from the bonds will be used to repay existing financings, for current and planned portfolio investments, opportunistic growth opportunities and/or general corporate purposes.

IMMOFINANZ AG holds a 49% investment in BUWOG AG (corresponding to approx. 48.81 million shares) following the majority spin-off on 26 April 2014 and plans to sell this investment over the medium-term.

BNP Paribas, J.P. Morgan and Morgan Stanley are acting as Joint Bookrunners.

Disclaimer

The securities referred to herein will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any U.S. State securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act.

There will be no public offer of the securities in any jurisdiction. This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person.

Subject to certain exceptions, 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. The offer and sale of the securities referred to herein has not been and will not be registered under the applicable securities laws of Australia, Canada or Japan.

This document has been prepared on the basis that there was no public offering in connection with this transaction nor will there be a public offering of the securities. No approved prospectus was or will be prepared in connection with this transaction. Any offer of securities in any Member State of the European Economic Area (each, a "**Relevant Member State**") which has implemented the Prospectus Directive (2003/71/EC), as amended, including any relevant implementing measures to implement the Directive 2010/73/EU (the "**Prospectus Directive**"), will only be made if no prospectus for offers of securities has to be published. Accordingly any person making or intending to make any offer in that Relevant Member State of securities which are the subject of the placement contemplated in this announcement may only do so in circumstances in which no obligation arises for IMMOFINANZ AG to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. IMMOFINANZ AG has not authorized, nor does it authorize, the making of any offer of securities in circumstances in which an obligation arises for it to publish a prospectus for such offer.

On IMMOFINANZ Group

IMMOFINANZ Group is one of the leading listed property companies in Europe. The company is included in the leading ATX index of the Vienna Stock Exchange and also trades on the Warsaw Stock Exchange. Since its founding in 1990, the company has compiled a high-quality property portfolio that now comprises more than 520 investment properties with a carrying amount of approx. EUR 7.2 billion. As a "real estate machine" the company concentrates on linking its three core business areas: the development of sustainable, specially designed prime properties in premium locations, the professional management of these properties and cycle-optimised sales. IMMOFINANZ Group concentrates its activities in the retail, office and logistics segments of eight regional core markets: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Russia. Further information under: <http://www.immofinanz.com> | <http://blog.immofinanz.com> | <http://properties.immofinanz.com>

For additional information please contact:

MEDIA INQUIRIES

Bettina Schragl

Head of Corporate Communications | Press Spokesperson

IMMOFINANZ Group

T +43 (0)1 88 090 2290

M +43 (0)699 1685 7290

communications@immofinanz.com

INVESTOR RELATIONS

Stefan Schönauer

Head of Corporate Finance & Investor Relations

IMMOFINANZ Group

T +43 (0)1 88 090 2312

M +43 (0)699 1685 7312

investor@immofinanz.com