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IMMOFINANZAG starts placement of shares and subordinated mandatory convertible notes through accelerated bookbuilding procedures

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Share placement

The Executive Board and the Supervisory Board of IMMOFINANZAG (FN 114425 y, ISIN AT0000A21KS2) (the "Company") resolved today to offer institutional investors approx. 16,812,789 shares of the Company, corresponding to approximately 15 per cent. of the current share capital of the Company, in a private placement excluding shareholders' subscription rights by way of an accelerated bookbuilding procedure.

The shares shall entitle shareholders to dividends from the beginning of the financial year 2019.

The accelerated bookbuilding procedure will be initiated immediately. The number of new shares to be issued by way of a capital increase making partial use of the authorized capital (section 169 of the Austrian Stock Corporation Act) resolved upon by the Company's shareholders' meeting held on 11 May 2018, and/or the number of treasury shares to be sold in accordance with the authorization of the shareholders' meeting resolved upon on 22 May 2019 as well as the issue price (selling price) will be determined by the Executive Board with approval of the Supervisory Board and announced after completion of the accelerated bookbuilding procedure. The new shares are expected to be admitted to trading on the Vienna Stock Exchange on or around 13 July 2020 and thereafter on the Warsaw Stock Exchange.

Issue of subordinated mandatory convertible notes

Today, the Executive Board and the Supervisory Board of the Company further resolved to offer subordinated mandatory convertible notes (the "Notes") of the Company based on the authorization of the shareholders' meeting resolved upon on 11 May 2018 with a maturity of 3 years and in respect of initially approx. 5,604,263 shares of the Company underlying the Notes, corresponding to approximately 5 per cent. of the current share capital of the Company, to institutional investors in a private placement under exclusion of the shareholders' subscription rights by way of an accelerated bookbuilding procedure.

The Notes will have a principal amount of EUR 100,000 each and will be issued at par with a coupon of between 4.00% and 5.00% per annum payable semi-annually in arrear. The Notes will be mandatorily converted into new or existing ordinary shares of the Company on the maturity date, unless earlier converted at the option of bondholders or the Company or upon the occurrence of specified special events in accordance with the terms and conditions of the Notes. The initial conversion price will be set at 12% premium above the issue price (selling price) of the shares determined in the accelerated bookbuilding procedure for the share placement.

It is intended to apply for admission to trading of the Notes on the Vienna Stock Exchange in the market Vienna MTF. The settlement of the Notes is expected to take place on or around 23 July 2020.

This accelerated bookbuilding procedure will be also initiated immediately. The final terms and conditions of the notes, including the aggregate principal amount, the conversion price and the interest rate, will be determined by the Executive Board with approval of the Supervisory Board and will be announced after completion of the accelerated bookbuilding procedure.

Reference shareholder participation

S IMMOAG and Ronny Pecik (CEO, IMMOFINANZAG) together with his co-investor, indirectly via investment companies, have expressed their intentions to participate in the bookbuilding across both placements with orders in the amount of in aggregate approx. EUR 60 million (S IMMOAG) and approx. EUR 35 million (Ronny Pecik and Co-Investor).

Use of Proceeds

The capital measures shall serve to strengthen the capital structure of the Company and also to strengthen the relevant key figures for the existing issuer rating and bond rating (ISIN XS1935128956) from Standard & Poor's, currently in each case investment grade rating (BBB-, stable outlook).

Due to the mandatory conversion into shares at maturity or during the term and the associated strengthening of the equity base, the Company expects that the rating agency Standard & Poor's will attribute a high equity content to the subordinated mandatory convertible notes.

IMMOFINANZAG intends to use the net proceeds for refinancing of financial liabilities, capitalise on potential growth opportunities and for general corporate purposes.

The Company agreed to a market-standard lock-up undertaking with the banks accompanying the issue according to which the Company is obliged to refrain from the issue of shares or instruments with conversion rights in shares of the Company against contributions in cash for a period of 90 days. This lock-up undertaking contains market-standard exceptions.

Important notice:

This announcement is a mandatory announcement pursuant to Article 17 of the Market Abuse Regulation (EU) No 596/2014. It constitutes neither a financial analysis nor advice or recommendation relating to financial instruments, nor an offer, solicitation or invitation to buy or sell securities of IMMOFINANZAG.

Pursuant to Section 9 of the Austrian Publication Regulation 2018, this publication replaces the publication pursuant to Section 4 para 2 of the Austrian Publication Regulation.

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In member states of the European Economic Area ("EEA"), this announcement is only addressed to and directed at persons who are 'qualified investors' within the meaning of Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the "Prospectus Regulation") ("Qualified Investors"). In the United Kingdom, this announcement is only addressed to and directed at Qualified Investors who are persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), (ii) falling within Article 49(2)(a) to (d) (high net worth companies, incorporated associations, etc.) of the Order, or (iii) to whom it may otherwise be lawfully communicated; any other persons in the United Kingdom should not take any action on the basis of this announcement and should not act on or rely on it.

The mandatory convertible notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA and the United Kingdom. For these purposes, a retail investor means a person who is a retail client as defined in point (11) of Article 4(1) of MIFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the mandatory convertible notes or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the mandatory convertible notes or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the PRIIPs Regulation.

In connection with the placement of the mandatory convertible bonds and the shares of IMMOFINANZ AG (the "Securities"), the banks accompanying the placement and any of their respective affiliates, each acting as an investor for their own account, may take up as a proprietary position any Securities and in that capacity may retain, purchase or sell for their own account such Securities. In addition, the banks accompanying the placement or any of their respective affiliates may enter into financing arrangements and swaps with investors in connection with which the banks accompanying the placement (or their respective affiliates) may from time to time acquire, hold or dispose of Securities. The banks accompanying the placement do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

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On IMMOFINANZ

IMMOFINANZ is a commercial real estate group whose activities are focused on the office and retail segments of seven core markets in Europe:

Austria, Germany, Poland, Czech Republic, Slovakia, Hungary and Romania. 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 5.1 billion and covers more than 210 properties. IMMOFINANZ is listed on the stock exchanges in Vienna (leading ATX index) and Warsaw. Further information under:

<http://www.immofinanz.com>

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