



UBM Development AG
(Vienna, Republic of Austria)

EUR 100,000,000 Undated Resettable Fixed Rate Subordinated Notes

Issue price: 100.00%.

UBM Development AG, incorporated in the Republic of Austria as a stock corporation (*Aktiengesellschaft*) (the "**Company**", or "**UBM**", or the "**Issuer**" and together with its consolidated subsidiaries, the "**Group**" or "**UBM Group**") will issue on 1 March 2018 (the "**Issue Date**") Undated Resettable Fixed Rate Subordinated Notes (the "**Notes**") in an aggregate principal amount of EUR 100,000,000 (the "**Aggregate Principal Amount**"). The Notes will be issued in bearer form in denominations of EUR 100,000 (the "**Specified Denomination**").

The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations, (ii) *pari passu* among themselves and with any Parity Obligations and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law (Junior Obligations and Parity Obligations each as defined in the terms and conditions of the Notes (the "**Terms and Conditions**")). In the event of the liquidation or insolvency, or any other proceedings for the avoidance of insolvency, of, or against, the Issuer, the obligations under the Notes shall be fully subordinated to all other present and future obligations of the Issuer (except for Parity Obligations and Junior Obligations), whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of law or as expressly provided for by the terms of the relevant instrument so that in any such event no amounts shall be payable in respect of the Notes unless all claims that rank senior to the Notes have been satisfied in full.

The Notes will bear interest on their aggregate principal amount from and including 1 March 2018 (the "**Interest Commencement Date**") to but excluding 1 March 2023 (the "**First Reset Date**") at a fixed rate of 5.500% per annum. Thereafter, and unless previously redeemed, the applicable Rate of Interest for each Interest Period (each as defined in the Terms and Conditions) for the period from (and including) the First Reset Date to (but excluding) the date on which the Issuer redeems the Notes in accordance with the Terms and Conditions shall be the applicable annual swap rate for Euro swap transactions (Mid Swap Rate) with a term of 5 years for the relevant Interest Period plus a certain Margin (as defined in the Terms and Conditions). Interest shall be scheduled to be paid annually in arrears on 1 March in each year (each an "**Interest Payment Date**") commencing on 1 March 2019. The Issuer is entitled to defer payments of any interest on any Interest Payment Date and may pay such Arrears of Interest (as defined in the Terms and Conditions) voluntarily at any time, but only will be obliged to pay such Arrears of Interest under certain circumstances as set out in the Terms and Conditions.

The Notes do not have a maturity date. The Notes are redeemable by the Issuer at its discretion on the First Reset Date or on any Interest Payment Date thereafter and, in each case as described in the Terms and Conditions of the Notes. Additionally, if either a Gross-Up Event, an Accounting Event, a Tax Event or a Change of Control (each as defined in the Terms and Conditions) shall have occurred, the Issuer may call the Notes for redemption (in whole but not in part) at any time at the Early Redemption Amount (each as defined in the Terms and Conditions) or – in the event of a Change of Control – at their principal amount, plus any accrued interest until the respective redemption date (exclusive). If the Issuer has purchased Notes equal to or in excess of 85% of the Aggregate Principal Amount of the Notes initially issued, the Notes can also be redeemed by the Issuer at its discretion at any time at their principal amount, plus any interest accrued on the Notes to (but excluding) the respective redemption date. The Notes are governed by Austrian law.

This Prospectus has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde* - "FMA**") in its capacity as competent authority under the Austrian Capital Markets Act. The accuracy of the information contained in this Prospectus does not fall within the scope of examination by the FMA under applicable Austrian law. The FMA examines the Prospectus only in respect of its completeness, coherence and comprehensibility pursuant to section 8a of the Capital Markets Act.**

Application has been made to the Vienna Stock Exchange for the Notes to be admitted to the Official Market (*Amtlicher Handel*), a regulated market pursuant to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, as amended. The Notes have been assigned the following securities codes: ISIN XS1785474294 and Common Code 178547429. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**").

MiFID II product governance / Professional investors and Eligible Counterparties only target market – Solely for the purposes of the Joint Bookrunners' (as defined below) product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the Joint Bookrunners' (as defined below) target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Issuer's target market assessment) and determining appropriate distribution channels.

This Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. The Notes have not been and are not being offered to the public within the meaning of Directive 2003/71/EC, as amended, of the European Union, and no offering of the Notes was or is subject to the obligation to publish a prospectus under that Directive. No action has been or may be taken to permit an offer of Notes to the public within the meaning of that Directive.

Prospective investors should consider that investing in the Notes involves certain risks. For a discussion of certain significant factors affecting investments in the Notes, see "**Risk Factors**". The occurrence of one or more of such risks could lead investors to lose some or all of their investment. An investment in the Notes is suitable only for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment.

Sole Structuring Adviser

HSBC

Joint Lead Managers and Joint Bookrunners

HSBC

Raiffeisen Bank International

The date of this Prospectus is 27 February 2018.

GENERAL INFORMATION

RESPONSIBILITY STATEMENT

UBM Development AG with its registered office in Vienna, Austria, is solely responsible for the information given in this Prospectus. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

NOTICE

This Prospectus should be read and understood in conjunction with any other documents incorporated herein by reference.

The Issuer has confirmed to HSBC Bank plc and to Raiffeisen Bank International AG (the "**Joint Lead Managers and Joint Bookrunners**" or the "**Bookrunners**") that this Prospectus contains all information with respect to the Issuer and the Notes which is material in the context of the issue of the Notes, the information contained herein with respect to the Issuer and the Notes is accurate in all material respects and not misleading, the opinions and intentions expressed therein with respect to the Issuer and the Notes are honestly held, there are no other facts with respect to the Issuer or the Notes the omission of which would make the Prospectus misleading in any material respect; and that all reasonable enquiries have been made to ascertain such facts and to verify the accuracy of all statements contained herein.

No person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer or the Bookrunners. The Bookrunners have not independently verified the Prospectus and they do not assume any responsibility for the accuracy of the information and statements contained in this Prospectus and no representations express or implied are made by the Bookrunners or their affiliates as to the accuracy and completeness of the information and statements herein. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the financial situation of the Issuer since the date of this Prospectus, or that the information herein is correct at any time since the date of this Prospectus.

Neither the Bookrunners nor any other person mentioned in this Prospectus, except for the Issuer, are responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and accordingly, to the extent permitted by the laws of any relevant jurisdiction, none of these persons makes any representation or warranty or accepts any responsibility as to the accuracy and completeness of the information contained in any of these documents. The Bookrunners have not independently verified any such information and accept no responsibility for the accuracy thereof.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Bookrunners to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Bookrunners to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus has been drafted according to the Prospectus Directive in respect of debt securities with a denomination per unit of EUR 100,000 within the meaning of the Prospectus Regulation, implementing Annexes IV and V.

This Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange.

The language of this Prospectus is English. In respect of the Terms and Conditions, German is the controlling and legally binding language.

This Prospectus reflects the status as of its date. Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall, in any circumstances, create any implication that the information contained herein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the issue of the Notes is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Prospectus and the delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Bookrunners to inform themselves about and to observe any such restrictions. For a description of the restrictions applicable in the United States of America, the European Economic Area and its territories and the United Kingdom of Great Britain and Northern Ireland see the chapter "Offer, Sale and Subscription of the Notes - Selling Restrictions" of this Prospectus. In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes have not been offered, sold or delivered within the United States of America or to United States persons.

This Prospectus may only be used for the purpose for which it has been published. It does not constitute an offer or an invitation to subscribe for or purchase any Notes.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

In connection with the issue of the Notes, HSBC Bank plc in its capacity as the stabilising manager (the "**Stabilisation Manager**") (or persons acting on its behalf) may over-allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin at any time after the adequate public disclosure of the terms of the offer of the Notes and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or person(s) acting on its behalf) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Group's business is also sub-

ject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "Risk Factors" and "General Information on the Issuer and the Group". These sections include more detailed descriptions of factors that might have an impact on the Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, none of the Issuer or any of the Bookrunners assumes any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

ROUNDING ADJUSTMENTS

Rounding adjustments have been made in calculating some of the financial information included in this Prospectus and are exact arithmetic aggregations of the actual figures. Accordingly, in certain cases, the sum of the numbers in a column in a table may not conform to the total figure given for that column. The percentages contained in this Prospectus were calculated not on the basis of rounded figures but of exact figures (before approximation).

PRIIPs REGULATION / PROSPECTUS DIRECTIVE

Prohibition of sales to European Economic Area retail investors

The 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 European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

BENCHMARKS

Amounts payable under the Notes may be calculated by reference to the 5-Year Mid Swap Rate (ICE Swap Rate), which is provided by ICE Benchmark Administration Limited ("**IBA**"). As at the date of this Prospectus, IBA does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**").

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OVERVIEW

Overview of the Prospectus

The following overview is not a summary within the meaning of Annex XXII of the Prospectus Regulation. However, in order to provide an overview in a well-known format, the overview below follows the structure of a summary as provided for by the Prospectus Regulation.

*Summaries in the meaning of Annex XXII of the Prospectus Regulation are made up of disclosure requirements known as elements (the "**Elements**"). These Elements are numbered in sections A – E (A.1 – E.7).*

*This overview (the "**Overview**") contains all the Elements required to be included in a summary for this type of securities and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.*

Even though an Element may be required to be inserted in the Overview because of the type of securities and the Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Overview with the specification of "not applicable".

Section A – Introduction and Warnings	
A.1	Warning
	Warning that: <ul style="list-style-type: none">• this summary should be read as introduction to the Prospectus;• any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;• where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated; and• civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Consent by the Issuer to the use of the Prospectus
	Not applicable because this Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (<i>Amtlicher Handel</i>) of the Vienna Stock Exchange.

Section B – Issuer and any guarantor	
B.1	The legal and commercial name of the Issuer
	The Issuer's name is "UBM Development AG" (the " Issuer " and, together with its consolidated subsidiaries, the " Group " or the " UBM Group "). The Issuer and its subsidiar-

	ies also operate under various commercial names, in most cases under "UBM", UBM Development", "UBM Polska", "UBM Bohemia", "Münchner Grund", "UBM Hotels" or "STRAUSS & PARTNER".
B.2	The domicile and legal form of the issuer, the legislation under which the issuer operates and its country of incorporation
	<p>The Issuer has its registered seat in Vienna, Austria and is an Austrian stock corporation (<i>Aktiengesellschaft</i>), incorporated under and governed by Austrian law.</p> <p>The Issuer is registered with the Austrian companies' register (<i>Firmenbuch</i>) under registration number FN 100059 x, registration court: commercial court Vienna (<i>Handelsgericht Wien</i>).</p> <p>The Issuer was founded on 3 March 1873 under the name "Union-Baumaterialien-Gesellschaft" as an Austrian stock corporation. It was registered with the Austrian commercial register (<i>Handelsregister</i>) on 11 March 1873 and has existed since then in the legal form of a stock corporation. Since 2015, the Issuer operates under the name "UBM Development AG".</p>
B.4b	A description of any known trends affecting the Issuer and the industries in which it operates
	<p>In the opinion of the management, the financial crisis which has started in 2007 and which has led to liquidity problems and insolvencies in particular of financial institutions, and which has evolved into a sovereign debt crisis in 2010, like e.g. in Greece, is not yet fully over. Although the economy, both on a national and an international level, has recovered to a large degree from the financial crisis, the interest levels are in the view of the management still volatile. It is also unclear what the outcome of the negotiations on the prospective withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union (Brexit) will be, and what the consequences for the Austrian and the European economy could be. Furthermore, the impact of global politics, in particular in Russia, Turkey and also the United States of America, on the Austrian, European and international economy is also uncertain. The management of the Issuer is of the opinion that this economically unstable situation will continue in 2018.</p>
B.5	If the Issuer is part of a group, a description of the group and the issuer's position within the group.
	<p>The Issuer itself does not belong to a superordinate group. The Issuer is the parent company of the Group. The Issuer acts primarily as a holding company and is only to a limited extent operational, in particular in Austria. The UBM Group is a European real estate development group with a particular focus on residential, hotel and office properties in Austria, Germany and Poland. On a project-related and opportunistic basis, the UBM Group is also active in other European countries.</p>
B.9	Where a profit forecast or estimate is made, state the figure.
	Not applicable. The Issuer is not providing any profit forecasts or profit estimates.
B.10	A description of the nature of any qualifications in the audit report on the historical financial information
	Not applicable. There are no qualifications in the audit report on the historical financial information.

B.12	Selected financial information, prospectus and significant changes in the financial or trading position																																																															
	<p>The following tables presented within this section have been derived, unless otherwise stated, from the Consolidated Financial Statements 2016 and the Consolidated Financial Statements 2015, prepared in accordance with IFRS, as well as from the Interim Financial Statements of the Issuer as of 30 September 2017. Therefore, the audited financial information contained in this Prospectus is not older than 18 months.</p> <p><i>Selected historic financial information for completed financial years</i></p> <p><i>Selected income statement data</i></p> <table><tr><th></th><th colspan="2">Financial year ended</th></tr><tr><th></th><th>31 December 2016</th><th>31 December 2015</th></tr><tr><th><i>(in EUR million)</i></th><th>(audited)</th><th>(audited)</th></tr><tr><td>Revenue</td><td>417.0</td><td>307.8</td></tr><tr><td>EBITDA ⁽¹⁾</td><td>49.6</td><td>76.5</td></tr><tr><td>Operating Result (EBIT) ⁽²⁾</td><td>46.2</td><td>73.6</td></tr><tr><td>Earnings before tax (EBT) ⁽³⁾</td><td>40.1</td><td>50.3</td></tr><tr><td>Profit for the period per share (<i>in EUR</i>)</td><td>3.9</td><td>4.9</td></tr></table> <p>(Source: Consolidated Financial Statements 2016 and Consolidated Financial Statements 2015)</p> <p>(1) Earnings before interest, tax, depreciation and amortisation. It is calculated as follows:</p> <table><tr><th></th><th colspan="2">Financial year ended</th></tr><tr><th></th><th>31 December 2016</th><th>31 December 2015</th></tr><tr><th><i>(in EUR million)</i></th><th>(audited)</th><th>(audited)</th></tr><tr><td>EBIT</td><td>46.2</td><td>73.6</td></tr><tr><td>Depreciation, amortisation and impairment expenses.....</td><td>3.4</td><td>2.8</td></tr><tr><td>EBITDA</td><td>49.6</td><td>76.5</td></tr></table> <p>(2) Earnings before interest and tax, calculated as the sum of all income and expenses including goodwill impairments before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).</p> <table><tr><th></th><th colspan="2">Financial year ended</th></tr><tr><th></th><th>31 December 2016</th><th>31 December 2015</th></tr><tr><th><i>(in EUR million)</i></th><th>(audited)</th><th>(audited)</th></tr><tr><td>EBT.....</td><td>40.1</td><td>50.3</td></tr><tr><td>Financial income.....</td><td>-13.1</td><td>-7.4</td></tr><tr><td>Financial costs</td><td>19.3</td><td>30.8</td></tr><tr><td>EBIT.....</td><td>46.2</td><td>73.6</td></tr></table> <p>(3) Earnings before tax, depreciation and amortisation calculated as the sum of all income and expenses including goodwill impairments, including interest for other debt borrowed for financing purposes (financing costs), but before taxes (taxes on income). It is calculated as follows:</p>		Financial year ended			31 December 2016	31 December 2015	<i>(in EUR million)</i>	(audited)	(audited)	Revenue	417.0	307.8	EBITDA ⁽¹⁾	49.6	76.5	Operating Result (EBIT) ⁽²⁾	46.2	73.6	Earnings before tax (EBT) ⁽³⁾	40.1	50.3	Profit for the period per share (<i>in EUR</i>)	3.9	4.9		Financial year ended			31 December 2016	31 December 2015	<i>(in EUR million)</i>	(audited)	(audited)	EBIT	46.2	73.6	Depreciation, amortisation and impairment expenses.....	3.4	2.8	EBITDA	49.6	76.5		Financial year ended			31 December 2016	31 December 2015	<i>(in EUR million)</i>	(audited)	(audited)	EBT.....	40.1	50.3	Financial income.....	-13.1	-7.4	Financial costs	19.3	30.8	EBIT.....	46.2	73.6
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<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
Profit/loss for the period	29.4	37.3
Income tax expenses	10.7	13.0
EBT	40.1	50.3

Selected data of the consolidated statement of financial position

<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(audited)*	(audited)*
Non-current assets.....	781.4	812.6
Current assets.....	452.4	372.7
Total Assets	1,233.7	1,185.2
Non-current liabilities.....	550.5	534.9
Current liabilities	341.8	318.3
Equity ratio ⁽¹⁾	27.7%	28.0%
Net debt ⁽²⁾	691.2	609.7

* unless otherwise stated

(Source: Consolidated Financial Statements 2016 and Consolidated Financial Statements 2015)

- (1) Equity ratio is the share of equity in the total assets. Equity ratio is not an IFRS financial measure and is therefore unaudited; it is calculated as follows:

<i>(in EUR million, unless otherwise stated)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(unaudited)	(unaudited)
Total equity.....	341.5	332.0
Total assets	1,233.8	1,185.2
Equity ratio (in %)	27.7%	28.0%

- (2) Net financial debt (also referred to as net debt) is calculated as the sum of cash and cash equivalents, reduced by current and non-current bonds and current and non-current financial liabilities. Net financial debt (also referred to as net debt) is not an IFRS financial measure and is therefore unaudited. It is calculated as follows:

<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(unaudited)	(unaudited)
Bonds (non-current).....	321.3	271.4
Bonds (current)	0.0	50.5
Non-current financial liabilities.....	193.7	229.8
Current financial liabilities	218.5	151.7
Cash and cash equivalents	-42.3	-93.7
Net Debt	691.2	609.7

Selected data of the consolidated cash flow statement

<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
Operating cash flow	-15.1	48.0
Cash flow from operating activities	42.2	14.5
Cash flow from investing activities	-114.6	-3.1
Cash flow from financing activities	21.4	35.6

(Source: Consolidated Financial Statements 2016 and Consolidated Financial Statements 2015)

Selected historic financial information for interim periods

Selected income statement data

<i>(in EUR million, unless otherwise stated)</i>	1 January – 30 September	
	2017	2016
	(unaudited)	(unaudited)
Revenue	296.9	377.4
Changes in the portfolio	-5.4	-51.5
Share of profit/loss from companies accounted for at equity	10.5	5.2
Income from fair value adjustments to investment properties	16.7	18.8
Other operating income	17.7	10.0
Cost of materials and other related production services	-242.3	-252.9
Personnel expenses	-30.4	-32.0
Expenses from fair value adjustments to investment property	-2.6	-
Other operating expenses	-30.8	-35.8
EBITDA ⁽¹⁾	32.9	39.1
Depreciation and amortisation	-2.8	-2.1
EBIT ⁽²⁾	30.0	37.0
Financial income	15.3	5.0
Financial cost	-14.9	-16.8
EBT ⁽³⁾	30.5	25.3
Income tax expense	-8.8	-7.8
Profit for the period (net profit)	21.7	17.5
Earnings per share (in EUR)	2.81	2.26

(Source: Interim report of the Issuer as of 30 September 2017)

(1) Earnings before interest, tax, depreciation and amortisation. It is calculated as follows:

<i>(in EUR million)</i>	1 January – 30 September	
	2017	2016
	(unaudited)	(unaudited)
EBIT	30.0	37.0
Depreciation and amortisation ...	2.8	2.1
EBITDA	32.9	39.1

(2) Earnings before interest and tax, calculated as the sum of all income and expenses including goodwill impairments before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).

1 January – 30 September		
(in EUR million)	2017	2016
	(unaudited)	(unaudited)
EBT.....	30.5	25.3
Financial income.....	-15.3	-5.0
Financial costs	14.9	16.8
EBIT.....	30.0	37.0

(3) Earnings before tax, depreciation and amortisation calculated as the sum of all income and expenses including goodwill impairments, including interest for other debt borrowed for financing purposes (financing costs), but before taxes (taxes on income). It is calculated as follows:

1 January – 30 September		
(in EUR million)	2017	2016
	(unaudited)	(unaudited)
Profit/loss for the period	21.7	17.5
Income tax expenses	8.8	7.8
EBT	30.5	25.3

Selected data of the consolidated statement of financial position

(in EUR million, unless otherwise stated)	30 September 2017	31 December 2016
	(unaudited)	(audited)*
Non-current assets.....	689.9	781.4
Current assets.....	475.3	452.4
Total Assets	1,165.2	1,233.7
Non-current liabilities	464.7	550.5
Current liabilities	360.3	341.8
Equity ratio (in per cent.) ⁽¹⁾	29.2%	27.7%
Net debt ⁽²⁾	555.6	691.2

* unless otherwise stated
(Source: Interim report of the Issuer as of 30 September 2017)

(1) Equity ratio is the share of equity in the total assets. Equity ratio is not an IFRS financial measure and is therefore unaudited; it is calculated as follows:

(in EUR million, unless otherwise stated)	30 September 2017	31 December 2016
	(unaudited)	(unaudited)
Total equity.....	340.2	341.5
Total assets	1,165.2	1,233.8
Equity ratio (in %)	29.2%	27.7%

(2) Net financial debt (also referred to as net debt) is calculated as the sum of cash and cash equivalents, reduced by current and non-current bonds and current and non-current financial liabilities. Net financial debt (also referred to as net debt) is not an IFRS financial measure and is therefore unaudited. It is calculated as follows:

	<table><tr><td></td><td>30 September 2017</td><td>31 December 2016</td></tr><tr><td><i>(in EUR million)</i></td><td>(unaudited)</td><td>(unaudited)</td></tr><tr><td>Bonds (non-current).....</td><td>322.4</td><td>321.3</td></tr><tr><td>Bonds (current)</td><td>0.0</td><td>0.0</td></tr><tr><td>Non-current financial liabilities.....</td><td>116.1</td><td>193.7</td></tr><tr><td>Current financial liabilities</td><td>231.4</td><td>218.5</td></tr><tr><td>Cash and cash equivalents</td><td>-114.3</td><td>-42.3</td></tr><tr><td>Net Debt</td><td>555.6</td><td>691.2</td></tr></table>		30 September 2017	31 December 2016	<i>(in EUR million)</i>	(unaudited)	(unaudited)	Bonds (non-current).....	322.4	321.3	Bonds (current)	0.0	0.0	Non-current financial liabilities.....	116.1	193.7	Current financial liabilities	231.4	218.5	Cash and cash equivalents	-114.3	-42.3	Net Debt	555.6	691.2
	30 September 2017	31 December 2016																							
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Cash and cash equivalents	-114.3	-42.3																							
Net Debt	555.6	691.2																							
	<i>Selected data of the consolidated cash flow statement</i>																								
	Period ended																								
	30 September 2017	30 September 2016																							
<i>(in EUR million)</i>	(unaudited)	(unaudited)																							
Operating cash flow	6.7	5.3																							
Cash flow from operating activities	8.9	55.6																							
Cash flow from investing activities.....	56.8	-74.5																							
Cash flow from financing activities	5.9	10.9																							
	(Source: Interim report of the Issuer as of 30 September 2017)																								
	Since 31 December 2016, there has been no material adverse change in the prospects of the Issuer. There were no significant changes in the financial or trading position of the Issuer since 30 September 2017.																								
B.13	A description of any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer’s solvency.																								
	Not applicable, as no recent event was to a material extent relevant to evaluate the Issuer's solvency.																								
B.14	Dependency of the Issuer upon other entities within the Group																								
	The Issuer itself is only partially operational. Due to the limited operational business, it is dependent on the provision of liquidity and profits from its group companies in order to be able to meet its obligations <i>vis-à-vis</i> creditors.																								
B.15	The Issuer’s principal activities.																								
	<p>The Issuer itself is only partially operational. It acts mainly as the holding company of the UBM Group, and therefore coordinates all activities of the UBM Group. The UBM Group is a European real estate developer with a particular focus on residential, hotel and office properties in Austria, Germany and Poland. On a project-related and opportunistic basis, the UBM Group is also active in other European countries.</p> <p>In all countries, where it is active, the UBM Group focuses on development projects in the greater metropolitan areas of larger cities. In terms of asset classes, the UBM Group focuses on the development of residential properties in the mid- to high-price segment, hotels in the three- to five-star rating segment, as well as the development of office complexes. In addition to these core asset classes, the UBM Group's development activities also include other properties such as retail, logistics, health care and entertainment assets. The real estate portfolio represents a diversified presence with a balanced distribution of real estate investments across regions and asset classes, which are planned to be monetised</p>																								

	<p>over time.</p> <p>The business model of the UBM Group extends across the entire value chain of real estate development and can be differentiated in the acquisition, planning, construction and exit phases. In the exit phase, the respective properties are sold to various third parties (purchasers, investors, etc.). With the exception of residential properties, the exit phase often includes the letting of self-developed office and other commercial properties as well as hotel management. The UBM Group holds self-developed commercial projects for certain periods to generate revenue from operations and to optimise the property's cash flows and value for future sale. With respect to select projects, the UBM Group also follows an "asset-light" approach which involves entering into joint ventures and the rapid turnover through to sales. The UBM Group generates its revenues primarily from proceeds from the sale of developed properties.</p>																					
B.16	<p>To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control.</p> <p>According to the knowledge of the Issuer, the Company's principal shareholders are those shown in the table below. Apart from the mandatory provisions of Austrian corporate law which grants shareholders with a certain shareholding specific rights, there are, to the knowledge of the Issuer, no control agreements (except for the Ortner-Strauss-Syndicate as described below).</p> <table><tr><th>Shareholder</th><th>Number of shares</th><th>Percentage</th></tr><tr><td>Ortner-Strauss Syndicate</td><td>2,901,961</td><td>38.84%</td></tr><tr><td> <i>thereof Ortner Group</i> ⁽¹⁾</td><td>2,063,471</td><td>27.62%</td></tr><tr><td> <i>thereof Strauss Group</i> ⁽²⁾</td><td>838,490</td><td>11.22%</td></tr><tr><td>Freefloat</td><td>4,570,219</td><td>61.16%</td></tr><tr><td> <i>thereof UBM Management and Supervisory Board</i> ⁽³⁾</td><td>821,656</td><td>11.00%</td></tr><tr><td>Total</td><td>7,472,180</td><td>100.00%</td></tr></table> <p>(Source: unaudited internal information of the Issuer)</p> <p>(1) Shares attributable to Ortner Group are held by Ortner Beteiligungsverwaltung GmbH and IGO Baubeteiligungs GmbH.</p> <p>(2) Shares attributable to Strauss Group are held by SuP Beteiligungs GmbH and AIM Industrieholding und Unternehmensbeteiligungen GmbH.</p> <p>(3) Includes shares held by or attributable to members of the Management Board and the Supervisory Board, including shares held by or attributable to Klaus Ortner held outside the Ortner-Strauss Syndicate.</p> <p>Except as set out in the above table, to the Issuer's knowledge, no other shareholder beneficially owns more than 4% of the shares and voting rights as of the date of this Prospectus. All existing shares have the same voting rights.</p> <p>The Issuer is directly controlled by the Ortner Group and the Strauss Group, which form a syndicate (the "Ortner-Strauss Syndicate") controlling 38.84% of the shares and votes. The Ortner Group holds additional shares which are not part of the Ortner-Strauss Syndicate.</p>	Shareholder	Number of shares	Percentage	Ortner-Strauss Syndicate	2,901,961	38.84%	<i>thereof Ortner Group</i> ⁽¹⁾	2,063,471	27.62%	<i>thereof Strauss Group</i> ⁽²⁾	838,490	11.22%	Freefloat	4,570,219	61.16%	<i>thereof UBM Management and Supervisory Board</i> ⁽³⁾	821,656	11.00%	Total	7,472,180	100.00%
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<i>thereof UBM Management and Supervisory Board</i> ⁽³⁾	821,656	11.00%																				
Total	7,472,180	100.00%																				
B.17	<p>Credit ratings assigned to the Issuer or its debt securities at the request or with the cooperation of the Issuer in the rating process.</p>																					
	<p>Not applicable because no credit ratings are assigned to the Issuer or the Notes.</p>																					

Section C – Securities	
C.1	A description of the type and the class of the securities being offered and/or admitted to trading, including any security identification number
	<p>Undated Resetable Fixed Rate Subordinated Notes which are being issued in denominations of EUR 100,000 (the "Notes").</p> <p>The Notes have been assigned the following securities codes: ISIN XS1785474294 and Common Code 178547429.</p>
C.2	Currency of the securities issue
	The Notes are denominated in Euro.
C.5	A description of any restrictions on the free transferability of the securities
	The Notes are freely transferable.
C.8	A description of the rights attached to the securities, including limitations to these rights, and rankings
	<p>The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as defined below), (ii) <i>pari passu</i> among themselves and with any Parity Obligations (as defined below) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law.</p> <p>"Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer as well as (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of the Issuer or its subsidiaries under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes.</p> <p>"Parity Obligations" means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) <i>pari passu</i> with the Notes, or (ii) of any of the Issuer or its subsidiaries under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) <i>pari passu</i> with the Notes.</p> <p>The Noteholders are entitled to receive interest payments on the principal amount of the Notes at the relevant Rate of Interest. The Rate of Interest will be (i) from the Interest Commencement Date (inclusive) (which is 1 March 2018) to 1 March 2023 (the "First Reset Date") (exclusive) a fixed interest rate of 5.500% per annum; and (ii) from the First Reset Date (inclusive) the Reset Interest Rate (as defined below) per annum. The "Reset Interest Rate" for the relevant Reset Period is calculated from the 5-year Mid Swap Rate (expressed as a percentage rate per annum) on the Interest Determination Date, plus the Margin (which amounts to 10.02%), all determinations made by the Calculation Agent. "Reset Period" means each period from the First Reset Date (inclusive) to the next following Reset Date (exclusive) and thereafter from each Reset Date (inclusive) to the next following Reset Date (exclusive).</p>

	<p>Possibility of the Issuer to defer interest payments. The terms and conditions of the Notes (the "Terms and Conditions") provide that the Issuer may decide, in certain situations, to defer interest payments under the Notes, where such failure to pay interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose.</p> <p>The Notes are undated and thus have no scheduled redemption date. The Notes can, however, be redeemed or repurchased and cancelled under certain circumstances by the Issuer. The Issuer is in principle under no obligation to redeem the Notes at any time. Pursuant to the Terms and Conditions of the Notes the holders of the Notes (each a "Holder") have no right to call the Notes and to declare the Notes due and payable, except if Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganisation in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) and subject to the complete satisfaction of any claims from unsubordinated and subordinated creditors which expressly rank senior to the obligations resulting from the Notes. Other extraordinary termination rights of Noteholders are unaffected. At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions after the occurrence of a Gross-up Event, an Accounting Event, a Tax Event, a Change of Control or if 85 per cent. or more in principal amount of the Notes initially issued have been redeemed or purchased, or in general with effect as of (and including) the First Reset Date or any Interest Payment Date thereafter.</p>
C.9	<ul style="list-style-type: none"> • The nominal interest rate • The date from which interest becomes payable and the due dates for interest • Where the rate is not fixed, description of the underlying on which it is based • Maturity date and arrangements for the amortisation of the loan, including the repayment procedures • An indication of yield • Name of representative of debt security holders
	<p>The Notes bear interest on their principal amount at the fixed initial interest rate of 5.500% p.a., due and payable on 1 March each year, commencing on 1 March 2018. After 5 years, the interest rate will be adjusted. The adjustment is calculated from the 5-year Mid Swap rate (expressed as a percentage rate per annum) which is indicated on the screen page of Reuters at 11.00 a.m. (Brussels local time) on the respective interest determination date, plus a certain margin (the "Margin"). The Margin means 10.020 percentage points (1,002 bps.).</p> <p>The Notes have no maturity date and may be redeemed at the earliest after 5 years of their issue at their principal amount (plus accrued interest, if any) in the event of a termination (without reason).</p> <p>The yield in respect of the Notes for the first five years from the Issue Date to the First Reset Date (exclusive) is 5.500% per annum, calculated on the basis of the Issue Price. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method. For the period starting on and after the First Reset Date (i.e. the period after the first five years from the Issue Date), the yield cannot be provided yet since it will depend on the adjustment of the interest rate as of the First Reset Date.</p> <p>No representatives of the Holders have been appointed.</p>
C.10	<p>If the security has a derivative component in the interest payment, provide a clear and comprehensive explanation to help investors understand how the value of their</p>

	investment is affected by the value of the underlying instrument(s), especially under the circumstances when the risks are most evident
	<p>Not applicable because, for the first five years, the Notes do not have a derivative component in the interest payment.</p> <p>After the first five years, the interest rate will be determined for a further period of five years on the basis of the 5-year Mid Swap Rate (then applicable) plus a margin. This may lead to an increase or decrease of the interest rate, depending on the then applicable 5-year Mid Swap Rate.</p>
C.11	An indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question
	Application has been made to the Vienna Stock Exchange for the Notes to be admitted to trading in the Official Market (<i>Amtlicher Handel</i>).

Section D - Risks	
D.2	Key information on the key risks that are specific to the Issuer
	<p>MARKET RELATED RISKS</p> <ul style="list-style-type: none"> • The UBM Group is exposed to fluctuations in the demand and market prices for real estate investment and its ability to dispose of real property depends on market liquidity. • The financial and economic crisis that started in 2007, including the subsequent European sovereign debt crisis, had a significant effect on the markets in which the UBM Group is active. In the future, such effects may intensify further or last longer than expected. • The UBM Group is dependent on the real estate markets in which it operates. <p>BUSINESS RELATED RISKS</p> <ul style="list-style-type: none"> • The UBM Group continuously needs to identify and secure new development opportunities in order to remain competitive. • The UBM Group is subject to development risks relating to real estate and construction projects. • Property valuations may change in a manner that cannot be foreseen. Any adjustment of fair values could lead to the recognition of significant book losses. A property valuation may not be adequately reflecting the proceeds realisable on a disposal. • The hotel management activities of the UBM Group involve specific risks, particularly relating to potential termination of hotel management and operator contracts without a new contracting partner to continue hotel operation. These activities also involve risks relating to compliance with specific legal requirements. • The loss of rent, rent reductions, high vacancy rates and generally the inability to

	<p>rent properties at favourable terms could have a negative effect on the UBM Group.</p> <ul style="list-style-type: none"> • The UBM Group is exposed to various price change and market risks, including interest rate and commodity price fluctuations. • The UBM Group is subject to fluctuations in foreign exchange rates. • Most properties of the UBM Group are encumbered by property specific debt obligations. Redemption payments under these borrowings must usually be made once the corresponding properties are sold so that any remaining proceeds from these properties will necessarily be less than the purchase price obtained. • The UBM Group may fail to adequately diversify its development operations and property portfolio. • The UBM Group is subject to the risk of litigation. • The increase of credit costs globally by the financial and economic crisis, including the sovereign debt crisis and subsequent financial regulation may negatively impact the UBM Group. • The terms and conditions of a corporate bond issued by the Issuer in 2015 provide for an interest step-up in case the equity ratio falls below 25%. This may lead to an increase in the financing costs for the UBM Group. • The UBM Group's activities in Central and Eastern Europe involve specific economic and political risks. • Properties are illiquid assets which may only be difficult to sell or may not be saleable at all. • The permanent growth of UBM Group during the past years could in the future remain static or even be smaller. Growth opportunities may be misjudged. • The UBM Group is subject to changing legal risks in countries in which it operates. Property development in particular is subject to various specific legal requirements. • Compliance with applicable legal norms is costly and future changes to legal norms and standards could have a negative impact on the UBM Group. • The UBM Group's internal controls may be inadequate to prevent corruption or other illegal or unethical practices. • The UBM Group and permanent establishments of the UBM Group abroad are subject to certain tax risks. In addition, the UBM Group is subject to the risk of changes in tax legislation. • In many cases, certain of the Group's operations are not managed by the Issuer itself but by other companies of the UBM Group so that the Issuer's influence on and its supervision of such operations may be limited. • The UBM Group is exposed to risks associated with its involvement in joint ventures. In some cases, the UBM Group has joint and several liability together with
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	<p>its joint venture partners.</p> <ul style="list-style-type: none"> • The UBM Group depends on its management executives and its key employees. • There can be no assurance that existing insurance contracts are sufficient to cover all conceivable damage. • Receivables of the UBM Group may not be recoverable due to bad debt losses. • The IT systems may fail or be subject to unauthorised third-party access or attacks. • The UBM Group sources substantial administrative services from PORR AG, and any discontinuation of such services could have a negative impact. • The UBM Group may not be able to obtain financing on favourable terms. • The UBM Group may be held liable for contaminated sites. • The Issuer's ability to meet its obligations is limited by the fact that its operational activities are limited. • The operational and financial flexibility of the UBM Group is limited due to certain market standard restricting provisions in financing instruments. • The negative consequences resulting from the concentration of similar or different risk factors, or their reciprocal effects (concentration risk), may lead to a mutual increase of the risks described in this Prospectus. <p>RISKS FROM THE ISSUER'S CAPITAL AND SHAREHOLDER STRUCTURE</p> <ul style="list-style-type: none"> • The current core shareholders of the Issuer may materially influence the business policy of the UBM Group, potentially also in contrast to the interests of investors. • The shares of the Issuer could be subject to a mandatory takeover bid, which could result in a pre-mature termination of the Notes. • Due to potential changes of international financial reporting standards (IFRS), it could no longer be possible to account for the mezzanine capital which was issued by PIAG Immobilien AG and transferred to the Issuer as equity. • Significant reorganisations in the context of the merger of PIAG Immobilien AG with the Issuer may result in an additional tax burden.
D.3	Key information on the key risks that are specific to the Notes
	<ul style="list-style-type: none"> • The Notes may not be a suitable investment for all investors. • Risk of early redemption. • Risk of a partial or total failure of the Issuer to make interest and/or redemption payments.

	<ul style="list-style-type: none"> • Risk relating to the subordination of the Notes. • The Terms and Conditions do not provide for any express events of default provisions. • Holders of the Notes have no voting rights. • Holders' only remedy against the Issuer is the institution of legal proceedings to enforce payment or to file an application for insolvency proceedings. • Risk relating to the lack of limitation on issuing further debt. • Risk relating to the shortened prescription period. • Liquidity risk in case that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. • Market risk relating to fixed interest rate notes. • The reset of the interest rate linked to the 5-year mid swap rate may have a negative impact for Noteholders. • Risk relating to optional deferral of interest payments. • Currency risk relating to changes in currency exchange rates. • Risks relating to high volatility in the markets. • An Austrian court may appoint a trustee (<i>Kurator</i>) for the Notes to exercise the rights and represent the interests of Holders on their behalf. • Certain payments on Notes may be subject to U.S. withholding tax under FATCA. • Risk relating to financial transaction tax. • Investors will have to rely on Euroclear's and Clearstream, Luxembourg's procedures for transfer and payment. • The market value of the Notes could decrease if the creditworthiness of the Group worsens or for other reasons.
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Section E - Offer	
E.2b	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks
	The proceeds of the issue are intended to (i) support future projects and investments, (ii) strengthen the balance sheet structure or also (iii) potentially refinance existing financing of the Issuer.
E.3	A description of the terms and conditions of the offer

	Not applicable because the Notes have not been offered to the public within the meaning of Directive 2003/71/EC and there will not be an offer of the Notes which is subject to the obligation to publish a prospectus under the Directive.
E.4	A description of any interest that is material to the issue/offer including conflicting interests
	The Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking or commercial banking transactions with, and may perform services for the UBM Group and their members in the ordinary course of business. The Bookrunners and their affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.
E.7	Estimated expenses charged to the Bondholders by the issuer or the offeror
	Not applicable because the Notes have already been placed with the respective Noteholders.

RISK FACTORS

Any investor should carefully consider the following risk factors in evaluating UBM's and the UBM Group's business and an investment in the Notes. The Issuer considers the risks described below to be the most material risks inherent in investing in the Notes. If any of the following risks occur, individually or together with other circumstances, the UBM Group's business, results of operations, cash flows and financial condition could be materially adversely affected, the trading price of the Notes could decline, the Issuer may not be able to fulfil its obligations under the Notes and investors could lose all or parts of their investment. The risks set out below might turn out not to be complete or prove not to be exhaustive. In addition to these risks, there may be risks that the Issuer does not yet know of or that the Issuer currently thinks are immaterial to its business. The order in which the risk factors are presented below does not provide an indication of the likelihood of their occurrence nor of the severity or significance of the individual risks.

Each prospective investor must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. A prospective investor may not rely on the Issuer, the Bookrunner or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

MARKET RELATED RISKS

The UBM Group is exposed to fluctuations in the demand and market prices for real estate investment and its ability to dispose of real property depends on market liquidity.

The UBM Group develops real estate in various asset classes (residential, office, hotel and commercial) for disposal to real estate investment companies, institutional investors (such as real estate funds or insurance companies), companies intending to use real estate for their own purposes and private individuals (in the case of residential property sold unit by unit). In addition, the UBM Group also intends to dispose of material parts of its current property portfolio. Real estate is an investment characterised by limited liquidity and significant volatility in fair values. Demand for real estate investment (and for investment in certain asset classes within real estate) fluctuates significantly over time due to a number of factors, including the general economic and fiscal environment, interest rates, availability of financing, investor sentiment and the relative attractiveness as compared to other investment opportunities. Consequently, market prices for real estate fluctuate significantly over time. Any negative change in the investment environment for real estate in the markets in which the UBM Group operates may have a material negative effect on market prices and market liquidity, thus making it difficult or even impossible for the UBM Group to dispose of its real properties at a profit or within the anticipated timeframes. If the UBM Group were required to sell part of its portfolio or to speed up planned sales for any reason, including for the purpose of raising cash to support its operations, such pressure would make the UBM Group more vulnerable to market conditions, could negatively affect its negotiating powers and would therefore increase overall business risks. Certain properties could also fail to sell at all. Any negative effects on the condition of the real estate markets, market liquidity or demand for and market prices of real estate investment could thus have a material negative impact on the business, financial condition and results of operations of the UBM Group.

In the opinion of the management, currently, the real estate markets substantially benefit from the continuing expansive monetary policy by central banks and extremely low interest rates, which have rendered investments in investment grade debt instruments materially less attractive and caused a surge of other asset prices. Any change in such macroeconomic circumstances (in particular a raise of market interest rates) and central bank policies may reduce capital available for investment, render investments in real estate less attractive and thus have a material adverse effect on real estate markets and consequently

a material negative impact on the business, financial condition and results of operations of the UBM Group.

The UBM Group intends to further grow the volume of its development activities (and thus its Production Output), taking advantage of the current positive real estate markets. Any negative effects in the real estate markets may also cause the UBM Group to miss its growth targets, which could have a material negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The financial and economic crisis that started in 2007, including the subsequent European sovereign debt crisis, had a significant effect on the markets in which the UBM Group is active. In the future, such effects may intensify further or last longer than expected.

In the opinion of the management, the financial crisis which has started in 2007 and which has led to liquidity problems and insolvencies in particular of financial institutions, and which has evolved into a sovereign debt crisis in 2010, like e.g. in Greece, is not yet fully over. Although the economy, both on a national and an international level, has recovered to a large degree from the financial crisis, the interest levels are in the view of the management still volatile. It is also unclear what the outcome of the negotiations on the prospective withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union (Brexit) will be, and what the consequences for the Austrian and the European economy could be. Furthermore, the impact of global politics, in particular in Russia, Turkey and also the United States of America, on the Austrian, European and international economy is also uncertain. The management of the Issuer is of the opinion that this economically unstable situation will continue in 2018. The continuing European debt crisis in some countries (which is partly still existing, for example in Greece) may have a negative impact on those particular financial markets as well as general economic development and financial markets in Europe as a whole, which may have a negative impact on real estate markets. This could have a material negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The willingness of lenders to provide funding, in particular to enterprises active in the area of real estate development, usually diminishes in response to a financial and economic crisis, such as the European debt crisis. In the future, financing and refinancing opportunities for the UBM Group through credit or capital markets instruments may be more limited or only available on significantly less favourable or economically unreasonable terms. If this risk materialises, this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is dependent on the real estate markets in which it operates.

The UBM Group is focusing its development activities on its core markets Austria (with a focus on Vienna but also on Salzburg and Graz), Germany (with a focus on Berlin, Munich and Frankfurt) and Poland (with a focus on Warsaw and Krakow) and also engages on a project and opportunistic basis in other European countries (such as the Netherlands, France and the Czech Republic, as well as number of Central European countries, including Russia). A substantial part of the UBM Group's property portfolio is located in the above mentioned countries. The UBM Group is therefore dependent on market conditions in these regions and the particular cities on which it focuses. In particular, the UBM Group might not be successful in securing land which can be developed or those properties available for development activities may prove to be less attractive or, if developed, may be difficult to sell. In addition, given that the development of property takes several years, the UBM Group might not be able to timely reduce its development activities in order to react to a potential decline in demand. Demand for real estate may be affected, among other things, by demographic changes in the UBM Group's core markets. Furthermore, to the extent the UBM Group generates earnings from the sale of properties, it depends on the market value of its real estate, which is significantly affected by economic and business conditions in the relevant regional real estate markets. A downturn in demand for real estate, a general economic downturn, a deterioration of other macroeconomic indicators or unfavourable demographic changes, especially in

Austria, Germany or Poland, could therefore, individually or in the aggregate, have a material adverse effect on the prices for and valuations of real property, target growth of the UBM Group's operations and thus on the UBM Group's business, financial condition and results of operations and on the ability of the Issuer to meet its obligations under the Notes.

BUSINESS RELATED RISKS

The UBM Group continuously needs to identify and secure new development opportunities in order to remain competitive.

In order to develop real estate projects, the UBM Group continuously needs to find, and acquire at reasonable prices, land plots and/or properties suitable for development in the regions in which it is active. There can be no assurance that the UBM Group will be able to acquire or develop such additional properties in the future. The UBM Group competes for land/property suitable for development with other local, regional and international real estate developers as well as real estate investment companies active in development for their own use. There are no or only low entry barriers for new market participants in real estate development resulting in intense competition. Small developers active only in a single city or region may be more flexible and have better local knowledge and access to development opportunities than the UBM Group, and large real estate companies and international developers may have materially greater financial and operational resources at their disposal and may employ economies of scale more efficiently. Any lack of supply of suitable land and/or property (at reasonable prices) for future developments could have a material negative impact on the business, financial condition and results of operations of the UBM Group operations and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is subject to development risks relating to real estate and construction projects.

In selecting a project for future development, the UBM Group needs to accurately assess all relevant regulatory aspects (zoning and other regulations determining the possible use of a particular plot of land) and, as development may take several years, the UBM Group also needs to accurately assess future demand for classes of assets of real estate in specific regions and locations by potential tenants, operators and real estate investors. Any incorrect investment decision may result in material sunk costs in case a project needs to be abandoned or, in case the project is nevertheless completed, in having developed a property the fair value of which falls below the costs for its development and/or which may fail to sell. Any error in judgment with respect to project selection and/or an investment decision could have a material negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The development projects of the UBM Group may take longer than expected and may not yield the expected return, in particular, due to insufficient project planning, higher than expected costs and costs overruns, lower than expected future demand, stagnating or decreasing selling prices, insolvencies of general contractors, construction companies and other service providers involved in a development project and general problems relating to construction and legal matters (such as copyright issues in relation to architectural creations or the enforcement of copyright laws in the course of an acquisition and/or development of various other real estate projects) or administrative obstacles. In particular, if any such problems occur in relation to development projects which involve a large investment volume this may result in significant losses if such projects are delayed, run over budget or have to be abandoned. The UBM Group might encounter environmental issues or issues relating to the preservation of sites or historic interests and other issues that could delay, substantially alter any project or even lead to the abandonment of development efforts. The UBM Group's projects compete with other projects for tenants and operators (such as hotel operators) and inability to find suitable tenants for office or commercial projects or operators for hotel projects may materially adversely affect the price at which such project can be disposed and thus the commercial success of any development.

Furthermore, the UBM Group bears liability risks to the purchasers of units and whole properties it develops for damages due to, for example, construction defaults or other deficiencies of the property sold.

Provisions made for such liabilities may prove insufficient. Moreover, the UBM Group's internal organisational structure, particularly its risk management, might prove insufficient and might fail to identify or avoid undesirable developments and risks in a timely manner. Any of the aforementioned events, individually or taken together, could have a material adverse effect on the UBM Group's business, financial condition and results of operations and on the ability of the Issuer to meet its obligations under the Notes.

Property valuations may change in a manner that cannot be foreseen. Any adjustment of fair values could lead to the recognition of significant book losses. A property valuation may not be adequately reflecting the proceeds realisable on a disposal.

The UBM Group typically does not sell office, commercial and hotel property it develops immediately but rather operates such property for a limited period of time to optimise disposal proceeds. The UBM Group therefore accounts for such properties as investment properties (i.e. properties that are held for purposes of earning rental income, for capital appreciation or both and are not used by the Group) at fair value in accordance with IAS 40 and real estate inventories (i.e. properties held for disposal from the outset). Residential property, on the contrary, is typically disposed of by the UBM Group without engaging in interim operation. The UBM Group therefore accounts for such property in accordance with IAS 2 at the lower of fair value and net realisable value. Moreover, properties which are own-used by the UBM Group are accounted for according to IAS 16 and are valued at cost.

The business activities of the UBM Group depend to a material extent on the valuations of its properties because these valuations are the basis for the subsequent sale or letting of such properties.

Valuations of properties depend on market circumstances and involve to a material extent subjective assessment and depend largely on assumptions that may prove incorrect when made or change over time. Therefore, the determination of the value of any real property as of the date indicated in an appraisal is not always necessarily complete and correct. The date of inspection of a property may differ from the date of its appraisal and the valuation of a property always depends on underlying factors and the chosen valuation method. If one or more of the parameters for the fair value calculation deteriorate, for example, because interest rates rise or (the assessed future) rent levels deteriorate or vacancy rates rise, the UBM Group would have to revise the values of its real estate properties downwards. Under these circumstances, the UBM Group would be required to immediately recognise the negative change in value as a loss for the relevant accounting period. If such losses are material, they could have significant adverse effects on the UBM Group. If for some reason a property must be sold rapidly, this could have a negative impact on the sale price of the property, which could ultimately be lower than the most recently determined value. This applies in particular in instances where properties used as collateral for borrowing transactions are sold to satisfy the claims of creditors. Any of the aforementioned events, individually or taken together, could have a material adverse effect on the UBM Group's business, financial condition and results of operations and on the ability of the Issuer to meet its obligations under the Notes.

The hotel management activities of the UBM Group involve specific risks, particularly relating to potential termination of hotel management and operator contracts without a new contracting partner to continue hotel operation. These activities also involve risks relating to compliance with specific legal requirements.

The UBM Group is involved in the development of hotels which it then typically manages for a certain period of time after completion of construction, as management believes that hotels with an operative track record achieve higher sale prices. Additionally, the UBM Group may also continue to manage certain of the hotels it has developed following disposal of the relevant property as management believes the UBM Group can thereby also achieve a higher sale price for the property in certain instances and the UBM Group may earn an additional margin on managing the hotel. In this context, operating services for the relevant hotels are outsourced to independent hotel management and operating companies who typically operate one or more hotels on account of the UBM Group. The UBM Group is thus exposed to the risks arising from managing a hotel, including its level of occupancy, as the results of operations are rec-

ognised in the UBM Group's income statement. In addition, the results of operations of a hotel may also affect the price at which such hotel can be sold.

If a hotel management and operating contract is terminated early by the management or operating company or if such a contract expires and the UBM Group is unable to find a new or suitable partner to manage and operate the relevant hotel or find a new or suitable partner on reasonable terms and conditions, it may not be possible to operate or profitably operate such hotel. Also, any insolvency of a hotel operator may disrupt a hotel's operations.

The third-party hotel management and operating companies contracted by the UBM Group typically have direct control over daily hotel business administration activities, including direct oversight of hotel staff. The hotel management and operating companies are also responsible for payroll accounting as well as the due payment of social security contributions, wages and salaries. However, the hotel staff is in legal terms employed by local subsidiaries of the UBM Group and not by the hotel management and operating companies. Therefore, there is a risk that in the event of litigation, employees may address the companies of the UBM Group as their direct employer or a court or administrative body may find that an employer's typical duties (which are currently assumed by the third-party hotel management and operating companies on behalf of the UBM Group) cannot be transferred or cannot be transferred in full.

From time to time, the UBM Group is also active as hotel operator by way of contract of lease once hotel properties are sold. In these cases, the UBM Group is required to pay a usually fixed lease fee to the owner of the respective hotel property while hotel management operations are usually outsourced to a third party hotel operator. Should the profits generated and paid by the third party hotel operator to the UBM Group not reach or exceed the lease fee payable to the owner of the hotel property, the UBM Group may face losses resulting from such businesses.

Should any one or more of such risks materialise, this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The loss of rent, rent reductions, high vacancy rates and generally the inability to rent properties at favourable terms could have a negative effect on the UBM Group.

As part of its development process, the UBM Group often engages in managing office, commercial and other properties for a limited period of time in order to optimise the economic performance and thus the sale price of the relevant asset. Respective rental income also contributes to fund the UBM Group's general and administrative costs that are independent of project sales. Management of these properties involves various risks, including:

- *Low demand.* Low demand for the relevant property at a particular location or generally across the UBM Group's markets, due to economic, social or other reasons, may lead to higher vacancy rates and subsequently lower rental income. Low demand could also force the UBM Group to lease its properties on less favourable terms, or to tenants who pose a greater risk in terms of rent defaults due to reduced creditworthiness;
- *Creditworthiness of tenants.* If tenants fail to pay rent, either in whole or in part, or give notice of lease termination, the UBM Group could sustain losses in current gross rental income. To the extent that the UBM Group is able to re-let units, there is a risk that it may have to agree to less favourable terms compared to the original agreement;
- *Terms of rent.* The terms to which a property may be rented include the level of rent but also additional material factors highly relevant for a potential investor in such property, such as the term of waivers of termination by tenants. The negotiation position of the UBM Group with prospective tenants may be impaired for a number of reasons, including over-supply or low demand for

the relevant property or class of property at a specific location or in general across the markets in which the UBM Group operates or unfavourable trends in local market rents; and

- *Property related risks.* The UBM Group could also experience loss of rent, rent reductions and increased vacancies in situations where, for example, its property locations become undesirable or where there is only limited demand for such property because of local market conditions. This would result in a decline in total current gross rental income. The UBM Group is also required to conduct the property management business and maintain properties in good condition as set forth in the leases, by law and by other contractual obligations. The UBM Group may experience a loss of rental income if it fails to maintain its properties in suitable conditions or if it fails to take appropriate and timely maintenance measures.

In addition to the lack of rental income, any decreasing or lacking demand for properties in those markets the UBM Group is active in influences the later sales price of the respective property in these markets and may – in particular in connection with a deteriorating track record of the UBM Group in property sales – lead to substantially lower sales results.

Each of the above factors, individually or collectively, could have a material adverse effect on the UBM Group's business, financial condition and results of operations both directly as well as indirectly by negatively affecting the ability of the UBM Group to sell relevant properties on favourable terms. This may also have a negative impact on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is exposed to various price change and market risks, including interest rate and commodity price fluctuations.

The price changing risk includes basically changes in the market interest rates and of the market prices as well as a change in currency exchange rates. Because UBM Group's rental incomes are not always index fixed, but are also based on hard currency contracts for its foreign (non-Austrian) properties (which are nearly exclusively entered into with international groups of companies), the Issuer may be exposed to a significant risk of currency devaluations, in particular in Central and Eastern European countries. In its capacity as real estate developer, the Issuer often uses debt financings for its operations, in particular outside the Eurozone, predominantly based on 3 or 6-month EURIBOR. A change in interest rates, in particular an increase in short-term interest rates, could have an adverse effect on the interest payments of the UBM Group, as well as its future borrowing costs. In addition, changes in interest rates could have an adverse effect on the valuation of certain financial liabilities, such as defined benefit pension obligations and other long-term employee liabilities. Changes in interest rates could therefore have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

An increase in the value of the euro in relation to the value of other currencies usually has a negative impact on the results of operations and financial condition of the UBM Group. Furthermore, currency exchange fluctuations impact the comparability of financial information over longer periods.

As a real estate developer, the Issuer also depends to a significant extent on third party service providers, and the associated risks with regard to quality, timely delivery and costs may in times of increased demand lead to difficulties of supply. The operational parts of UBM Group's business may be impacted by price increases for energy and commodities. In the context of the operation of property, the UBM Group could also be subject to price increases of energy and commodities. If it is not possible to pass on price adjustments to end customers/tenants, these factors could have a negative impact on the financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is subject to fluctuations in foreign exchange rates.

Where the UBM Group engages in development projects or owns real estate outside the Eurozone, it is exposed to exchange rate risks. This relates especially to operations in Poland and exchange risks in relation to the Polish Zloty, and, to a substantially lesser extent, the Czech Crown when the UBM Group operates or develops in the Czech Republic. In the context of development projects in non-Eurozone countries, the UBM Group typically sources construction services locally in local currency, save for technical equipment that it typically sources in euro. Project related financing is, however, typically obtained in euro. Leases for properties in non-euro countries (made almost exclusively with international groups) are typically based on euro contracts. Overall, any appreciation of the euro relative to relevant other currencies tends to have a negative impact on the financial condition and results of operations of the UBM Group. Fluctuations in exchange rates could have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

In addition, since the UBM Group's Consolidated Financial Statements are expressed in euro, fluctuations in exchange rates could adversely affect the euro value of consolidated foreign subsidiaries' assets located in non-euro countries, income and equity, have a corresponding adverse effect on the UBM Group's reported consolidated results and comprehensive income. Exchange rate fluctuations also adversely affect the comparability of financial data in the financial statements over different periods.

Most properties of the UBM Group are encumbered by property specific debt obligations. Redemption payments under these borrowings must usually be made once the corresponding properties are sold so that any remaining proceeds from these properties will necessarily be less than the purchase price obtained.

The UBM Group typically finances the costs of development of a property with borrowed funds (except for certain residential developments where partial payments of buyers based on project progress finance construction and other development costs (*Bauträgergeschäft*)). Mortgages on these properties are recorded with the applicable land register for the relevant financing banks. If a property is sold, any related borrowing must first be repaid, causing the inflowing proceeds to be less than the purchase price obtained. If for some reason a property must be sold rapidly, in particular in instances where properties used as collateral for borrowing transactions are sold to satisfy the claims of creditors, this could have a negative impact on the sale price of the property and consequently a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes. If in the context of a disposal the UBM Group is unable to generate a purchase price in excess of the redemption amount outstanding under the corresponding debt obligation, the UBM Group would generate a loss.

The UBM Group may fail to adequately diversify its development operations and property portfolio.

The UBM Group is a European real estate developer with a special focus on its core markets Austria, Germany and Poland and also operates on a project related and opportunistic basis in other European countries. The UBM Group aims at reducing its exposure to changes to real estate markets in specific regions or in relation to specific asset classes by diversifying its development operations as well as property portfolio regionally and over asset classes. Due to a number of factors, such as limited available development opportunities, management misjudgements or project sales focusing on specific regions or asset classes, the UBM Group may fail to achieve any targeted or adequate diversification of risk. Failure to diversify risks may result in exposure to accumulations of risk which, if they occur, could have a material adverse effect on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is subject to the risk of litigation.

In addition to legal disputes arising in the ordinary course of business, especially relating to relationships with tenants, the UBM Group in its capacity as a property developer is also subject to the risk of legal disputes with its joint venture partners. Furthermore, the UBM Group is exposed to potential litigation risks relating to past and future developments, acquisitions and disposals of properties. Any litigation involves material costs and efforts and encumbers internal resources and may, in particular if unsuccessful, have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The increase of credit costs globally by the financial and economic crisis, including the sovereign debt crisis and subsequent financial regulation may negatively impact the UBM Group.

In the aftermath of the financial, economic and sovereign debt crisis since 2007, various regulations by financial markets regulatory authorities have affected (and will affect) the ability of lenders to grant financings to corporates, in particular to those who are active in the real estate development industry. The (re-)financing of the UBM Group on the credit and capital markets may in the future be limited or only available at less favourable or inefficient conditions. Should this risk materialise, then this may have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The terms and conditions of a corporate bond issued by the Issuer in 2015 provide for an interest step-up in case the equity ratio falls below 25%. This may lead to an increase in the financing costs for the UBM Group.

The terms and conditions of one corporate bond issued by the Issuer in 2015 (with a nominal amount of EUR 75 million) provide that in case the equity ratio of the Issuer falls below 25% during the term of such corporate bond, the annual interest rate will increase from 4.25% to 6.25% p.a. (from the nominal amount) for the subsequent two (semi-annual) interest periods. Should this risk materialise, then this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group's activities in Central and Eastern Europe involve specific economic and political risks.

In addition to its core markets Austria, Germany and Poland, the UBM Group has operations in a number of countries in Central and Eastern Europe (including Russia). Furthermore, the UBM Group is steadily evaluating opportunities for expansion into further regions on a project basis, including in Central and Eastern Europe. In some of the countries where the UBM Group operates or might operate in the future, the economic and political framework conditions differ substantially from those in Austria. The UBM Group's activities in these other countries regularly depend on collaboration with local businesses and strategic partners and on approvals being granted by the local authorities. Additionally, the UBM Group might not be afforded equal treatment with its local competitors in these markets and there is also a heightened risk of corruption or organised crime negatively affecting business activities in these areas. With respect to non-EU countries, an additional risk arises from the fact that any funds generated may not be freely transferable. Further, difficult economic framework conditions could deteriorate or continue longer than expected. Each of these factors could adversely affect the UBM Group's business activities and growth opportunities in the countries concerned. This could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

Properties are illiquid assets which may only be difficult to sell or may not be saleable at all.

The sale of properties may be more difficult than that of other assets. Due to market disturbances caused by the financial and economic crisis, the management is of the opinion that the number of real estate transactions could decrease. In case a property has to be sold under time pressure, this may have a nega-

tive impact on the price of such property which may be below the latest valuation. This applies in particular when properties which are used as collateral in financing transactions have to be sold in order to pay creditors. It may also be the case that no buyer at all can be found for a certain property. The illiquidity of properties could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The permanent growth of UBM Group during the past years could in the future remain static or even be smaller. Growth opportunities may be misjudged.

The UBM Group has permanently grown in the last years. The reason for such growth was in particular that the UBM Group was able to dispose of developed properties in a profitable way. The Issuer's management is of the opinion that the success of the previous years was, *inter alia*, that properties could be disposed of at a time which was from a profits' perspective optimal for the UBM Group. Should the management in the future make incorrect judgments and dispose of properties too early or too late, then this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

Furthermore, it is part of UBM Group's strategy to further expand, benefiting from the currently positive real estate markets. However, expansion and business opportunities may be misjudged. Should the management in the future make decisions with respect to the further growth of the UBM Group, both with respect to future development projects and with regard to the geographical expansion, which by hindsight prove incorrect, then this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is subject to changing legal risks in countries in which it operates. Property development in particular is subject to various specific legal requirements.

The UBM Group operates in countries with shifting legal requirements. In recent years, legislation in most countries in Central and Eastern Europe in which it operates, particularly in Russia, have been extensively modified. The laws and legal systems of some of these countries are still in the development stage so that laws and legal practices may not be consistently construed and applied. Legislation, court rulings and administrative practices in the countries of Central and Eastern Europe vary in material respects from Western Europe, particularly those of Austria and Germany, which may result in a lack of legal certainty on the part of the UBM Group when conducting certain business activities. These differences include procedural norms, such as the duration of proceedings, the importance of public records (particularly those of the local land register) as well as substantive differences in corporate and property law. These differences may also result in uncertainties with respect to framework conditions under tax, labour and administrative law (particularly regarding applicable building regulations as well as environmental, safety and health standards) and in an inconsistent application of the laws by the relevant authorities and courts. Due to the political systems and legal framework conditions prevailing in these countries, future legislation and the impact on jurisdictional and administrative practices cannot be predicted with the same level of certainty as in Western Europe.

Additionally, there is a risk in some countries, in particular in Central and Eastern Europe, that the lawful title to real property may be questioned and that restitution claims may be asserted, primarily as a result of expropriations by governments in the 20th century. Furthermore, there are generally extensive legal restrictions relating to the acquisition, development, operation and disposal of real properties which could potentially constitute an interference with pre-existing ownership rights. For example, easements or restrictions on the leasing or sale of properties may have a negative impact on the ability of the UBM Group to freely acquire, develop or dispose of certain properties. In addition, regulatory approvals or notifications might become necessary, which could involve delays and increased costs. There is also a risk that any such approvals may subsequently be revoked. As a result, changes in regulatory approvals or requirements may lead to fines being assessed against non-conforming properties, additional costs being required to adapt such properties to new requirements or, potentially, the demolition of certain properties.

Should any one or more of these risks materialise, this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

Compliance with applicable legal norms is costly and future changes to legal norms and standards could have a negative impact on the UBM Group.

The UBM Group is subject to a number of increasingly strict laws, regulations and standards. Such norms govern technical standards as well as work processes that relate to, among other things, construction work, construction safety, fire safety, environmental standards, the use of toxic substances, waste disposal and hygienic standards. Substantial costs are incurred to comply with these regulations and the UBM Group is subject to liability risk in case of non-compliance. Additional legal obligations may be introduced in the future that would further increase compliance costs. New regulations may require the UBM Group to make expensive purchases, to refurbish or remodel existing properties or to incur other significant expenses. The non-compliance with existing or future legal norms or standards could result in damage claims or penalties being imposed on the UBM Group or could negatively affect its reputation. Should the UBM Group fail to comply with any applicable regulations or be required to incur additional expenses to ensure continued compliance, the business, financial condition and results of operations of the UBM Group could suffer a material adverse effect. This may also have a material adverse effect on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group's internal controls may be inadequate to prevent corruption or other illegal or unethical practices.

There is a risk that the UBM Group's internal control mechanisms for the prevention of corruption and illegal business practices may be found inadequate to prevent an involvement of the Group's employees in illegal or unethical business practices. Should any corruption or other illegal or unethical actions on the part of Group employees be discovered, this could significantly damage the Group's reputation or result in penalties or criminal liability. This could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group and permanent establishments of the UBM Group abroad are subject to certain tax risks. In addition, the UBM Group is subject to the risk of changes in tax legislation.

There can be no assurance that in instances of external tax audits there will be no subsequent modifications of tax assessment notices or additional tax amounts payable due to differences in the appraisal of tax matters (for example, due to an incorrect assessment of tax consequences relating to any corporate restructuring, incorrect calculation of deductible amounts or insufficient documentation of intercompany transfer prices for prior years). There can be no assurance that the domestic and foreign companies of the UBM Group as well as the permanent establishments abroad have adequately identified prior year tax risks or will be able to identify such risks in the future (which, in individual cases, may result in additional tax amounts being payable).

The structure of the UBM Group is based on currently prevailing tax framework conditions. Due to changes in legislation, court rulings or administrative practices, the conclusion or implementation of double taxation treaties, changes to the UBM Group's tax situation in general or certain internal measures, the UBM Group may be subject to a higher tax burden in the future than is currently expected.

Should any one or more of such risks materialise, this may have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

In many cases, certain of the Group's operations are not managed by the Issuer itself but by other companies of the UBM Group so that the Issuer's influence on and its supervision of such operations may be limited.

The Company is the parent company of the UBM Group. However, many transactions of the UBM Group are not handled by the Issuer but by subsidiaries or project companies, including associated companies. If transactions are handled directly by a subsidiary or a project company, the Issuer's influence on and its supervision of these companies may be limited, particularly where the Issuer, directly or indirectly, holds no majority interest in such companies. Failure to effectively manage the UBM Group and its risks could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group is exposed to risks associated with its involvement in joint ventures. In some cases, the UBM Group has joint and several liability together with its joint venture partner.

In the real estate development industry, joint ventures are formed from time to time in relation to a project in order to distribute the project contributions and risks among the partners. Typically, the parties of the joint venture also contribute to the financing of the project on a pro rata basis. As partner in a joint venture, the UBM Group may also be in a minority position and therefore have little or no influence on the project implementation. The same applies in the case of forward sales, i.e. sales of real estate development projects still to be completed). The UBM Group may therefore be exposed to the risk of shareholder disputes and defaults by other joint venture partners on their obligations. Should any of the risks associated with the involvement in joint ventures materialise, this could have a material adverse effect on the business, results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

In two cases, the UBM Group has entered into agreements under which it has assumed joint and several liability together with its joint venture partner. In the context of Hotel "Dream Castle" and Hotel "Magic Circus," both located next to Euro Disney near Paris, France, the Company and Warimpex Finanz- und Beteiligungs Aktiengesellschaft as 50% shareholders in two project companies have undertaken vis-à-vis a leasing provider to purchase the shares in such project companies at the request of the leasing company at a price corresponding to total amounts outstanding under the relevant leasing agreement. The Company and Warimpex Finanz- und Beteiligungs Aktiengesellschaft are each jointly and severally liable for the whole amount, despite each owning only a 50% share in the relevant project. Should its partner fail to meet its obligations and the UBM Group be forced to satisfy these obligations, this could have a negative impact on the financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group depends on its management executives and its key employees.

The UBM Group depends on its management executives, including the members of the Management Board as well as the executives of the Issuer's group companies. Should one or more members of management leave the UBM Group, there can be no assurance that the UBM Group, within a reasonable period of time and at reasonable cost, will be in a position to find adequate replacements at the management level in order to successfully meet the challenges of managing the UBM Group's activities. Next to management executives, the business success of the UBM Group depends to a significant extent on its other key employees. Qualified employees are of major importance to the success of the UBM Group mainly because they are in a position, due to their past experience, to identify and avoid potential risks relating to the initiation and implementation of projects at an early stage. There can be no assurance that the UBM Group will succeed in retaining key employees in the long term or, in the event of any loss of one or several of such employees, in recruiting suitable successors on reasonable terms. Any failure to recruit or retain management members and key employees could have a negative impact on the financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

There can be no assurance that existing insurance contracts are sufficient to cover all conceivable damage.

The UBM Group determines the type and scope of necessary insurance to cover potential significant risks on the basis of a commercial cost-benefit analysis. Generally, such insurance coverage includes liability risks typically experienced in connection with the UBM Group's particular business activities. There can be no assurance that such risks have been correctly assessed and, at any rate, not all risks that the UBM Group is exposed to have been insured. The UBM Group's entrepreneurial risks taken in the ordinary course of business are generally not insured. Additionally, any damage or loss incurred for risks that are insured may exceed the amount of the existing insurance coverage. Should any damage be incurred by the UBM Group for which there is no or insufficient insurance coverage, in particular in the event of any damage or delay relating to the performance of construction work, this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

Receivables of the UBM Group may not be recoverable due to bad debt losses.

With respect to receivables, the UBM Group is subject to the risk of default. In case the receivables of the UBM Group are not recoverable, this could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The IT systems may fail or be subject to unauthorised third-party access or attacks.

The UBM Group uses comprehensive IT systems to manage its business activities, including the use of servers and the application of specialist software as well as access control systems and data mirroring. Any failure of one or more of these IT systems could have significant consequences for the UBM Group. Any unauthorised third-party access to the UBM Group's systems may also result in data breaches or such IT systems being inaccessible or unavailable to the extent necessary for use by the UBM Group. Cyber-attacks from third parties may lead to the complete loss of data of the UBM Group. This could have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group sources substantial administrative services from PORR AG, and any discontinuation of such services could have a negative impact.

Stemming from the times when the Company was a subsidiary of the PORR Group, the UBM Group makes continued use of the shared service centres of PORR AG for a number of administrative services and functions because management believes – due to economies of scale at the PORR Group - it can obtain a higher quality of services at lower costs as compared to maintaining respective resources on its own. Relevant services sourced from PORR AG include group administration, accounting, IT and human resources related services. Currently, the UBM Group has e.g. no accounting or human resources organisation and no IT infrastructure of its own. Services are provided based on a framework contract allowing for termination only as of the end of a financial year giving six months prior notice. Any failure by PORR AG to provide such services without granting the UBM Group sufficient time to build up respective resources on its own or to find other service providers may cause disruptions to the business of the UBM Group and could thus have a negative impact on the business, financial condition and results of operations of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group may not be able to obtain financing on favourable terms.

In real estate development, investment typically spans over a period of years, during which time capital is invested and tied up. The corresponding results are only realised once the property is sold (except in cases of new valuations resulting in realisations according to IAS 40), and only at this point a back flow of liquidity occurs. The UBM Group is thus generally dependent on external funds to finance its development operations. In addition, the UBM Group uses liquidity that becomes available from the disposal of

property for new property developments. If adequate funds are not available, or are not available at favourable terms, the UBM Group may not be able to engage in real estate development or only at a lower than intended level.

The UBM Group has covered its past financing requirements through the issuance of bonds as well as bank loans and other forms of debt financing. Its ability to obtain financing will depend on the UBM Group's creditworthiness, prevailing conditions in the credit and capital markets and the regulatory framework applicable to financial institutions, topics which are partly or entirely beyond the UBM Group's control. Conditions and the ability to raise financing also depend on the UBM Group's level of debt. As a result of general economic conditions and tightening capital and other regulatory requirements applicable to banks, the UBM Group is exposed to the risk of limited availability of long-term financing. These factors may result in a limited interest of banks to take on project finance risks, charge higher margins and requests for more stringent financial covenants, such as loan to value rates, or higher collateral. In addition, these factors as well as negative effects of debt capital markets may negatively affect the ability of the Company to refinance corporate debt at the level of the Company (including its bonds) at commercially favourable terms or at all.

The UBM Group has established a sales program named "Fast Track 2017" in the course of which the sale of investment properties as well as forward deals of development projects is to be speeded up. "Fast Track 2017" is now a synonym for the UBM Group's accelerated sales program – it has started in 2017 and is ongoing. The UBM Group's financial results for the financial year 2017 are as of the date of this prospectus not yet available. Therefore, the UBM Group does not yet have a comprehensive overview on whether it has failed to achieve its targeted level of debt of approximately EUR 520 million as of year-end 2017. Failure to reduce its current level of debt may negatively affect the UBM Group's ability to obtain future financing on favourable terms or at all.

Should any of these risks relating to the UBM Group's ability to secure external financing for its projects and corporate activities materialise, this could have a material adverse effect on the UBM Group's business prospects, results of operations and financial condition and on the ability of the Issuer to meet its obligations under the Notes.

The UBM Group may be held liable for contaminated sites.

The UBM Group from time to time owns and/or develops land, which had formerly been subject to industrial or commercial use. Prior to the acquisition of land, the UBM Group performs an environmental due diligence. The UBM Group is exposed to the risk that the land it owns or previously owned or developed may be found to be contaminated. In such case the UBM Group may have a claim for indemnification against the seller of the land or other third party responsible for such contamination, however, such claim may be difficult to assert and/or to enforce. The UBM Group may itself be exposed to claims for environmental issues by a third party that purchased property from the UBM Group. In specific situations, the UBM Group may also decide to accept limited risks of contaminations if the price at which it may acquire a property is nevertheless attractive and it believes such contamination can be handled at reasonable cost.

Furthermore, the UBM Group may not be able to identify additional factors which may complicate the use and/or disposal of properties, or – even if identified – such factors may not be correctly considered. This includes not only factors like the above described contaminations, but also, for example, restrictions because of zoning plans, rights of third parties (like neighbours' rights or easements), unknown constructions, protection provisions (like monument conservation, tree population, protection zones), complicated accessibility, unknown water sources, ground water or emissions.

Should any of these risks materialise, this could have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The Issuer's ability to meet its obligations is limited by the fact that its operational activities are limited.

The Issuer's involvement in operational activities is limited. It is primarily a holding company which has no relevant assets beyond the participations in its subsidiaries and real property. As such, the Issuer depends on being provided with liquidity and profit by its subsidiaries in order to be able to generate funds and meet its obligations towards its creditors. If the distribution of dividends from a subsidiary to the Issuer is delayed or if such distribution does not take place at all, this may, irrespective of existing credit lines and intra-group cash pooling, have considerably negative consequences for the Issuer's liquidity position that may jeopardise the Company's ability to meet its obligations. This could have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The operational and financial flexibility of the UBM Group is limited due to certain market standard restricting provisions in financing instruments.

Because of single, market standard provisions in agreements relating to financial instruments, the UBM Group is limited in the structure of its future financing policy. Such provisions relate, *inter alia*, the raising of new debt, the use of assets as collateral and guarantees / sureties in favour of third parties. The predominant part of such agreements provides that in case of a default of one financial instrument (if such a default is confirmed by the court), also all other financial instruments may in theory become immediately payable. In the past, no default has been determined by any court. In single cases, agreements have been entered into which – in addition to other market standard provisions – also require maintaining certain financial covenants. In the recent past, UBM Group has agreed with the lender to waive the compliance with such financial covenants with respect to commercially non-material guarantee credit. It cannot be guaranteed that UBM Group will in the future be able to comply with all financial covenants, and/or that in case of non-compliance with such financial covenants or the violation of other contractual provisions a waiver can be obtained. The above described restraints may have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

The negative consequences resulting from the concentration of similar or different risk factors, or their reciprocal effects (concentration risk), may lead to a mutual increase of the risks described in this Prospectus.

Concentration risk means the potential negative consequences which result from the concentration of similar or different risks factors or risk types, or their reciprocal effect. The concentration risk may reinforce other risks described in this Prospectus. This may have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

RISKS FROM THE ISSUER'S CAPITAL AND SHAREHOLDER STRUCTURE

The current core shareholders of the Issuer may materially influence the business policy of the UBM Group, potentially also in contrast to the interests of investors.

According to the knowledge of the Issuer, the Ortner-Strauss Syndicate currently holds 38.84% of the voting rights in the Issuer. The Ortner-Strauss Syndicate consists of the Ortner Group and the Strauss Group (those syndicated shares which are attributable to the Ortner Group are held by Ortner Beteiligungsverwaltungs GmbH and IGO Baubeteiligungs GmbH, and those shares which are attributable to the Strauss Group are held by SuP Beteiligungs GmbH and AIM Industrieholding und Unternehmensbeteiligungen GmbH) (Source: internal data of the Issuer).

Because of this concentrated shareholding, these core shareholders may be able to exercise a controlling influence over material decisions of the Issuer, in particular over the composition of the Issuer's supervisory board (and thus indirectly over the composition of the Issuer's management board), irrespective of the voting behaviour of other shareholders. Therefore, it is possible that the Issuer's business policy is determined to a material extent by these core shareholders, potentially also against the interests of investors. In addition, holders of debt instruments have no control or voting rights in the course of any (corporate) decisions of the Issuer.

The shares of the Issuer could be subject to a mandatory takeover bid, which could result in a pre-mature termination of the Notes.

The Issuer, an Austrian stock corporation the shares of which are admitted to trading on the Official Market of the Vienna Stock Exchange (*Amtlicher Handel der Wiener Börse*), is subject to the full application of the Austrian Takeover Act. The Austrian Takeover Act provides, *inter alia*, that a shareholder acquiring directly or indirectly more than 30% of the voting rights in an Austrian stock corporation (the shares of which are admitted to trading on a regulated market of the Vienna Stock Exchange) is required to launch a mandatory takeover bid, unless an exemption as provided for in the Takeover Act (sections 24, 25 Takeover Act) applies. This may lead to a change of control of the Issuer, and a change of control may lead to a termination of the Notes. In the event of a pre-mature termination of the Notes, investors face the risk that they may not obtain the expected yields.

Due to potential changes of international financial reporting standards (IFRS), it could no longer be possible to account for the mezzanine capital which was issued by PIAG Immobilien AG and transferred to the Issuer as equity.

In November 2014, PIAG Immobilien AG has issued mezzanine capital in the principal amount of EUR 100 million and hybrid capital in the principal amount of EUR 25.3 million. In the course of the merger of PIAG Immobilien AG as transferring company with the Issuer as absorbing company in 2015, these liabilities were transferred to the Issuer. The mezzanine capital currently still stands out in the principal amount of EUR 50 million. Both instruments were transferred by way of universal succession in the course of the merger to the Issuer. Both the mezzanine capital and the hybrid capital are accounted for as equity for the purpose of the IFRS based consolidated annual financial statements. Should the respective IFRS provisions change, it may be possible that these financial instruments can no longer be accounted for as equity, but as liabilities (in the consolidated annual financial statements); this may have an impact on the financial ratios, in particular on the equity ratio, and on the financing agreements of the UBM Group. This may have a material adverse effect on the results of operations and financial condition of the UBM Group and on the ability of the Issuer to meet its obligations under the Notes.

Significant reorganisations in the context of the merger of PIAG Immobilien AG with the Issuer may result in an additional tax burden.

In the context of the merger of PIAG Immobilien AG and the Issuer and the preceding spin-off of assets from PORR AG to PIAG Immobilien AG, there have been significant reorganisations, involving, among other things, the transfer of legal or beneficial title to real estate and many participations. Given the complexity and the scope of these transactions, they may entail unforeseen adverse tax consequences that may have detrimental effects on the UBM Group's business, financial condition and results of operations and on the ability of the Issuer to meet its obligations under the Notes.

RISKS RELATING TO THE NOTES

An investment in the Notes involves certain risks associated with the characteristics of the Notes. Such risks could result in principal or interest not being paid on time or at all by the Issuer and/or a material impairment of the market price of the Notes. The following is a description of risk factors in relation to the Notes.

The Notes may not be a suitable investment for all investors.

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes, and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to and knowledge of appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviours of any relevant indices and financial markets;
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks;
- recognise that it may not be possible to dispose of the Notes for a substantial period of time or at all.

Risk of early redemption.

The Notes are undated and thus have no scheduled redemption date. The Notes can, however, be redeemed or repurchased and cancelled under certain circumstances. The Issuer is in principle under no obligation to redeem the Notes at any time before this date. Pursuant to the Terms and Conditions the holders of the Notes (each a "**Holder**") have no right to call the Notes, except if the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganisation in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) and subject to the complete satisfaction of any claims from unsubordinated and subordinated creditors which expressly rank senior to the obligations resulting from the Notes. At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions after the occurrence of a Gross-up Event, an Accounting Event, a Tax Event, a Change of Control or if 85% or more in principal amount of the Notes initially issued have been redeemed or purchased, or in general with effect as of (and including) the First Reset Date or any Interest Payment Date thereafter. In the event that the Issuer exercises the option to call and redeem the Notes, the Holders might suffer a lower than expected yield and might not be able to reinvest the funds on the same terms.

The redemption at the option of the Issuer may affect the market value of the Notes. During any period when the Issuer may, or may be perceived to be able to, elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. Certain market expectations may exist among investors in the Notes with regard to the Issuer making use of a right to call the Notes for redemption prior to their scheduled maturity. Should the Issuer's actions diverge from such expectations, the market value of the Notes and the development of an active public market may be adversely affected.

Prospective investors should be aware that they may be required to bear the financial risk of an investment in the Notes for a long period and may not recover their investment before the end of this period.

Risk of a partial or total failure of the Issuer to make interest and/or redemption payment.

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. A materialisation of the credit risk (for example, because of the materialisation of any of the risks regarding the Issuer and/or the Group) may result in partial or total failure of the Issuer to make interest and/or redemption payments under the Notes.

Risk relating to the subordination of the Notes.

The obligations of the Issuer under the Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as described below), (ii) *pari passu* among themselves and with any Parity Obligations (as described below) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law. In the event of liquidation, dissolution or insolvency, however not in the event of a reorganisation, no payments on the Notes will be made for as long as any claims from not subordinated and subordinated creditors (which expressly rank senior to the obligations resulting from the Notes) against the Issuer have not been completely satisfied. The rights of the Holders resulting from the Notes have not been secured, neither by the Issuer nor by a third party; such security will not be provided at any time in the future.

"Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer as well as (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes. **"Parity Obligations"** means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) *pari passu* with the Notes, or (ii) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) *pari passu* with the Notes.

In a liquidation, dissolution, insolvency, composition or other proceeding for the avoidance of insolvency of, or against, the Issuer, the Holders may recover proportionately less than the holders of unsubordinated obligations of the Issuer. Holders of the Notes will have limited ability to influence the outcome of any insolvency proceeding or a restructuring outside insolvency.

Investors should take into consideration that unsubordinated liabilities may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other payment undertakings will, in winding-up or insolvency proceedings of the Issuer, become unsubordinated liabilities and will therefore be paid in full before payments are made to Holders.

The Terms and Conditions do not provide for any express events of default provisions.

The Holders should be aware that the Terms and Conditions do not contain any express events of default provisions which will create an unfavourable situation for Holders in case of an event of default by the Issuer due to the potential legal uncertainty in such a scenario.

Holders of the Notes have no voting rights.

The Notes are non-voting with respect to general meetings of shareholders of the Issuer. Consequently, the Holders of the Notes cannot influence any decisions by the Issuer to defer interest payments or to optionally settle such arrears of interest or any other decisions by the Issuer's shareholders concerning the capital structure or any other matters relating to the Issuer.

Holders' only remedy against the Issuer is the institution of legal proceedings to enforce payment or to file an application for insolvency proceedings.

The only remedy against the Issuer available to the Holders of the Notes for recovery of amounts which have become due in respect of the Notes will be the institution of legal proceedings to enforce payment of the amounts or to file an application for the institution of insolvency proceedings. On an insolvency or liquidation of the Issuer, any Holder may only claim the amounts due and payable under the Notes, after the Issuer has discharged or secured in full all claims that rank senior to the Notes.

Risk relating to the lack of limitation on issuing further debt.

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Notes regarding its ability to incur additional indebtedness ranking *pari passu* or senior to the obligations under or in connection with the Notes. The incurrence of any such additional indebtedness may significantly increase the likelihood of a deferral of payments of interest under the Notes and/or may reduce the amount recoverable by Holders in the event of insolvency or liquidation of the Issuer. In addition, under the Notes, the Issuer will not be restricted from issuing or repurchasing its other securities. Holders will not be protected under the terms of the Notes in the event of a highly leveraged transaction, a reorganisation or a restructuring, merger or similar transaction that may adversely affect the Holders.

Risk relating to the shortened prescription period.

The limitation period for claims in respect of principal of the Notes is ten years. This period is shorter than the limitation period of thirty years provided for by Austrian civil law.

Liquidity risk in case that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue.

There is currently no secondary market for the Notes. Application has been made for the Notes to be admitted to trading on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. There can, however, be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes may additionally be restricted by country specific reasons.

Market risk relating to fixed interest rate notes.

The Notes bear interest at a fixed rate to but excluding the First Reset Date. A holder of a fixed interest rate note is exposed to the risk that the price of such note may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such note or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Holders should be aware that movements of the market interest rate can adversely affect the market price of the Notes and can lead to losses for the Holders if they sell their Notes.

The reset of the interest rate linked to the 5-year mid swap rate may have a negative impact for Noteholders.

From and including the First Reset Date to but excluding the day the Notes are due for redemption, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year mid swap rate for the relevant Reset Period plus a margin.

Investors should be aware that the performance of the 5-year mid swap rate and the interest income on the Notes cannot be anticipated and neither the current nor the historical level of the 5-year mid swap rate

is an indication of the future development of the 5-year mid swap rate. Due to varying interest income, investors are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. During each of these periods, the investor is exposed to the risk as described in risk factor "*Market risk relating to fixed interest rate notes*" above.

Risk relating to optional deferral of interest payments.

The Issuer may elect in its discretion to defer the payment of interest by giving not less than 10 and not more than 15 Business Days' prior notice to the Holders. Such interest will not be due and payable on that Interest Payment Date.

Holders will not receive any additional interest or compensation for the optional deferral of payment. In particular, the resulting deferred interest payments will not bear interest. Any failure to pay interest as a result of an optional deferral will not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose. While the deferral of interest payments continues, the Issuer is not prohibited from making payments on any instrument ranking senior to the Notes.

Any deferral of interest payments or the perception that the Issuer will or will need to exercise its optional deferral right will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Currency risk relating to changes in currency exchange rates.

The Notes are denominated in euro. If such currency represents a foreign currency to a Holder, such Holder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes measured in the Holder's currency. Changes in currency exchange rates result from various factors such as macroeconomic factors, speculative transactions and interventions by central banks and governments. In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the Interest Commencement Date. The Terms and Conditions are based on Austrian law in effect as at Interest Commencement Date. No assurance can be given as to the impact of any possible judicial decision or change to Austrian law (including Austrian tax laws) or administrative practice or the official application or interpretation of Austrian law after the Interest Commencement Date.

Risks relating to high volatility in the markets.

From and including the First Reset Date to but excluding the day the Notes are due for redemption, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year mid swap rate for the relevant Reset Period plus a margin. Should a date on which the interest rate for the Notes is determined fall into times of high volatility in the market, this could have an effect on the interest rate then determined.

An Austrian court may appoint a trustee (Kurator) for the Notes to exercise the rights and represent the interests of Holders on their behalf.

Pursuant to the Austrian Notes Trustee Act (*Kuratorengesetz*), a trustee (*Kurator*) may be appointed by an Austrian court for the purposes of representing the common interests of the Holders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions or changes relating to the Issuer, or under similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Holders and will be entitled to make statements on their behalf which shall be binding on all Holders. Where a trustee represents the interests and exercises the rights of Holders, this can conflict with or otherwise adversely affect the interests of individual or all Holders.

Certain payments on Notes may be subject to U.S. withholding tax under FATCA.

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Austria) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Risk relating to financial transaction tax.

On 14 February 2013, the EU Commission published a proposal for a Council Directive (the "**Draft Directive**") on a common financial transaction tax ("**FTT**"). According to the Draft Directive, the FTT shall be implemented in eleven EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia; the "Participating Member States"). The FTT as provided under the Draft Directive was originally scheduled to be applicable as of 1 January 2014.

Pursuant to the original proposal under the Draft Directive, the FTT shall be payable on financial transactions provided at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, or is acting in the name of a party to the transaction. The FTT shall, however, not apply to (*inter alia*) primary market transactions referred to in Article 5 (c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue. Thus, the issuance of the Notes should not be subject to the FTT.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives shall amount to at least 0.1 per cent. of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer. The FTT shall be payable by each financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to a financial transac-

tion, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

Ten EU Member States (including Austria) had announced that they intend to reach an agreement with regard to the FTT by the end of June 2016, focussing initially on the taxation of shares and certain derivatives. Estonia decided that it will not participate. The FTT has not been implemented yet. As to the further implementation of any FTT there is currently no detailed plan or timetable available.

Nevertheless the FTT remains subject to negotiation between the EU Member States and was (and most probably will be) the subject of legal challenge. It may still be adopted and be altered prior to its adoption, the timing of which remains unclear. Moreover, once any directive has been adopted (the "**FTT Directive**"), it will need to be implemented into the respective domestic laws of the participating EU Member States and the domestic provisions implementing the FTT Directive might deviate from the FTT Directive itself. Finally, additional EU Member States may decide to participate. Prospective holders of the Notes should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

Investors will have to rely on Euroclear's and Clearstream, Luxembourg's procedures for transfer and payment

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer. The Notes will be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

The market value of the Notes could decrease if the creditworthiness of the Group worsens or for other reasons

The market value of the Notes is, amongst others, influenced by a change in the creditworthiness (or the perception thereof) of the Issuer and by a credit rating of the Issuer (prepared upon request of a third party, if any) and a number of other factors including, but not limited to, economic and political events in Austria or elsewhere, factors affecting the capital markets in general and the stock exchange(s) on which the Notes are traded, market interest, rate of return and certain market expectations with regard to the Issuer making use of a right to call the Notes for redemption on the relevant First Reset Date (or a certain period before) or any Interest Payment Date (or a certain period before) thereafter and the price at which a Holder can sell the Notes might be considerably below the Issue Price or the purchase price paid by such Holder.

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Issuer and/or the Group, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. Market participants may in particular have a different perception if market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Group adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than

before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes is likely to decrease.

TERMS AND CONDITIONS OF THE NOTES

Anleihebedingungen

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

Die englischsprachige Übersetzung des rechtsverbindlichen deutschen Wortlautes dieser Anleihebedingungen wurde von der FMA nicht geprüft.

Terms and Conditions

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

The English language translation of the legally binding German text of these Terms and Conditions has not been reviewed by the FMA.

1. Nennbetrag und Stückelung, Verbriefung, Clearingsystem

- 1.1 **Nennbetrag und Stückelung.** Diese Serie von Teilschuldverschreibungen der Undated Resettable Fixed Rate Subordinated Notes der UBM Development AG, Wien, Republik Österreich (die "**Emittentin**") wird in Euro im Gesamtnennbetrag von EUR 100.000.000,00 (Euro einhundert Millionen) (der "**Gesamtnennbetrag**") am 1. März 2018 (der "**Emissionstag**") begeben. Die an den Inhaber zahlbaren und untereinander gleichrangigen Teilschuldverschreibungen werden in Stückelungen von EUR 100.000 begeben (die "**Teilschuldverschreibungen**"; dieser Begriff umfasst sämtliche weiteren Teilschuldverschreibungen, die gemäß Punkt 10. begeben werden und eine einheitliche Serie mit den Teilschuldverschreibungen bilden).

- 1.2 Die Teilschuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**Vorläufige Globalurkunde**") verbrieft. Die vorläufige Globalurkunde wird gegen eine veränderbare Dauerglobalurkunde (die "**Dauerglobalurkunde**", die Vorläufige Globalurkunde und die Dauerglobalurkunde gemeinsam die "**Globalurkunden**" und jede für sich eine "**Globalurkunde**") ausgetauscht. Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften zweier

Principal Amount and Denomination, Form, Clearing System

Principal Amount and Denomination. This series of notes of Undated Resettable Fixed Rate Subordinated Notes is being issued by UBM Development AG, Vienna, Republic of Austria (the "**Issuer**") in Euro in the aggregate principal amount of EUR 100,000,000.00 (Euro one-hundred million) (the "**Aggregate Principal Amount**") on 1 March 2018 (the "**Issue Date**"). The notes payable to the bearer and ranking *pari passu* among themselves are being issued in denominations of EUR 100,000 (the "**Notes**"; this term includes any further Notes issued pursuant to clause 10. that form a single series with the Notes).

The Notes are initially represented by a temporary global security (the "**Temporary Global Note**"). The Temporary Global Note will be exchanged for a modifiable permanent global security (the "**Permanent Global Note**", together with the Temporary Global Note, the "**Global Notes**" and each a "**Global Note**"). The Temporary Global Note and the Permanent Global Note shall each be signed manually by two authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Paying Agent. The right to have definitive Notes or interest coupons

ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Zahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Der Anspruch auf Ausfolgung einzelner Schuldverschreibungen oder einzelner Zinsscheine ist ausgeschlossen. Die Vorläufige Globalurkunde wird an einem Tag gegen die Dauerglobalurkunde ausgetauscht, der nicht weniger als 40 Tage nach dem Emissionstag liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftliche(n) Eigentümer der Schuldverschreibungen keine U.S.-Person(en) ist/sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute gemäß dem United States Internal Revenue Code 1986 in der jeweils geltenden Fassung halten). Solange die Schuldverschreibungen durch die Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage solcher Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Emissionstag eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem Punkt 1.2 auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten geliefert werden.

- 1.3 **Clearingsystem.** Die Globalurkunden werden solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Teilschuldverschreibungen erfüllt sind. **"Clearingsystem"** bedeutet folgendes: Clearstream Banking, S.A., Luxemburg (**"CBL"**) und Euroclear Bank SA/NV Brüssel (**"Euroclear"**), CBL und Euroclear jeweils ein **"ICSD"** und zusammen die **"ICSDs"** sowie jeder Funktionsnachfolger.
- 1.4 **Anleihegläubiger.** Den Inhabern der Teilschuldverschreibungen (die **"Anleihegläubiger"**) stehen Miteigentumsanteile an den Globalurkunden zu, die ausschließlich gemäß den Vorschriften des Clearingsystems übertragen werden

issued is excluded. The Temporary Global Note shall be exchanged for the Permanent Global Note on a date which will not be earlier than 40 days after the Issue Date. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is/are not (a) U.S. person(s) (other than certain financial institutions or certain persons holding Notes through such financial institutions as defined in the United States Internal Revenue Code of 1986, as amended). Payment of interest on Notes represented by a Temporary Global Note shall be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the Issue Date shall be treated as a request to exchange the Temporary Global Note pursuant to this clause 1.2. Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

Clearing System. The Global Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. **"Clearing System"** means the following: Clearstream Banking, S.A., Luxembourg (**"CBL"**) and Euroclear Bank SA/NV Brussels (**"Euroclear"**), CBL and Euroclear each an **"ICSD"** and together the **"ICSDs"** as well as each functional successor.

Holder of Notes. The holders of Notes (the **"Holders"**) hold proportionate co-ownership interests in the Global Notes, which are transferable exclusively pursuant to the conditions of the Clearing System.

können.

- 1.5 **ISIN und Common Code.** Die Wertpapierkennnummer (International Securities Identification Number oder ISIN) lautet ISIN XS1785474294. Der Common Code lautet 178547429.
- ISIN and Common Code.** The ISIN (International Securities Identification Number or ISIN) is XS1785474294. The Common Code is 178547429.

2. Status der Teilschuldverschreibungen

Status of the Notes

- 2.1 **Status der Teilschuldverschreibungen.** Die Teilschuldverschreibungen begründen unmittelbare, nicht besicherte und tief nachrangige Verbindlichkeiten der Emittentin, die (i) vorrangig zu Nachrangigen Wertpapieren (wie in Punkt 4.5 definiert) sind, (ii) untereinander und mit Gleichrangigen Wertpapieren (wie in Punkt 4.5 definiert) im Rang gleich stehen und (iii) nachrangig gegenüber allen anderen bestehenden und zukünftigen nicht nachrangigen Verbindlichkeiten der Emittentin sowie nachrangigen Verbindlichkeiten der Emittentin sind, die ausdrücklich den Verbindlichkeiten aus den Teilschuldverschreibungen im Rang vorgehen, soweit zwingende gesetzliche Bestimmungen nichts anderes vorschreiben. Im Fall der Liquidation, der Auflösung oder der Insolvenz der Emittentin, aber ohne Zahlungspflicht im Fall einer Reorganisation, erfolgen Zahlungen auf die Teilschuldverschreibungen solange nicht (aufschiebende Bedingung), wie die Ansprüche aller nicht nachrangigen und nachrangigen Gläubiger, die ausdrücklich den Verbindlichkeiten der Emittentin aus den Teilschuldverschreibungen im Rang vorgehen, gegen die Emittentin nicht zuerst vollständig erfüllt sind. Ein Anleihegläubiger kann seine Teilschuldverschreibungen durch schriftliche Mitteilung an die Emittentin, die bei der Emittentin oder bei der Zahlstelle abzugeben ist, fällig stellen, woraufhin seine Teilschuldverschreibungen sofort zu ihrem Rückzahlungsbetrag (wie in Punkt 5.2 definiert) und vorbehaltlich der in diesem Punkt 2. genannten aufschiebenden Bedingung ohne weitere Handlung und Formalitäten fällig werden, wenn die Emittentin in die Liquidation geht und abgewickelt oder aufgelöst wird (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Reorganisation geschieht, bei dem oder
- Status of the Notes.** The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as defined in clause 4.5), (ii) *pari passu* among themselves and with any Parity Obligations (as defined in clause 4.5) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law. In the event of liquidation, dissolution or insolvency, however not in the event of a reorganisation, no payments on the Notes will be made for as long as (condition precedent) any claims from not subordinated and subordinated creditors (which expressly rank senior to the obligations resulting from the Notes) against the Issuer have not been completely satisfied. A Holder may declare his Notes due and payable by giving written notice to the Issuer to be given to the Issuer or the Paying Agent, meaning that his Notes become due and payable immediately at their Redemption Amount (as defined in clause 5.2), and subject to the condition precedent as provided for in this clause 2, without further action or formalities, if the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganisation in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer). The rights of the Holders resulting from the Notes have not been secured, neither by the Issuer nor by a third party; such security will not be provided at any time in the future.

der die Emittentin noch zahlungsfähig ist und bei dem oder der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt). Für die Rechte der Anleihegläubiger aus den Teilschuldverschreibungen ist diesen keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem Zeitpunkt gestellt werden.

3. Aufrechnungsverbot

No right to set-off

- 3.1 **Aufrechnungsverbot.** Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Teilschuldverschreibungen gegen mögliche Forderungen der Emittentin gegen sie aufzurechnen. Die Emittentin ist nicht berechtigt, mögliche Forderungen gegenüber Anleihegläubigern gegen Verpflichtungen aus den Teilschuldverschreibungen aufzurechnen.

No right to set-off. The Holders may not set off any claims arising under the Notes against any claims that the Issuer may have against any of them. The Issuer may not set off any claims it may have against any Holder against obligations arising under the Notes.

4. Verzinsung

Interest

- 4.1 **Zinslauf.** Vorbehaltlich der nachstehenden Ausnahmen werden die Teilschuldverschreibungen ab und einschließlich dem 1. März 2018 (der "**Zinslaufbeginn**") bezogen auf den Gesamtnennbetrag in Höhe des jeweils maßgeblichen Zinssatzes (wie in Punkt 4.2 definiert) verzinst. Zinsen sind nachträglich am 1. März eines jeden Jahres fällig und zahlbar, erstmals am 1. März 2019 (jeweils ein "**Zinszahlungstag**"), sofern die Emittentin nicht von ihrem Recht gemäß Punkt 4.3 (a) zum Aufschub der Zinszahlung Gebrauch macht.

Interest accrual. Subject to the following exceptions, the Notes will bear interest on their Aggregate Principal Amount at the relevant Rate of Interest (as defined in clause 4.2) from and including 1 March 2018 (the "**Interest Commencement Date**"). Interest will be due and payable (*fällig*) annually in arrears on 1 March in each year, commencing on 1 March 2019 (each an "**Interest Payment Date**"), provided that the Issuer does not exercise its right to suspend payment of interest pursuant to clause 4.3 (a).

4.2 Zinssatz.

Interest rate.

- (a) Der "**Zinssatz**" entspricht

The "**Rate of Interest**" will be

- (i) vom Zinslaufbeginn (einschließlich) bis zum 1. März 2023 (der "**Erste Reset-Tag**") (ausschließlich) einem Fest-Zinssatz in Höhe von 5,500% per annum; und
- (ii) ab dem Ersten Reset-Tag (einschließlich) dem Reset-Zinssatz (wie nachstehend definiert) per annum.

- (i) from the Interest Commencement Date (inclusive) to 1 March 2023 (the "**First Reset Date**") (exclusive) a fixed interest rate of 5.500% per annum; and

- (b) Der "**Reset-Zinssatz**" für den jeweiligen Reset-Zeitraum berechnet sich aus dem 5-Jahres Mid Swapsatz (ausgedrückt als

- (ii) from the First Reset Date (inclusive) the Reset Interest Rate (as defined below) per annum.

The "**Reset Interest Rate**" for the relevant Reset Period is calculated from the 5-year Mid Swap Rate (expressed as a percentage

Prozentsatz per annum), der am Zinsfestsetzungstag um 11:00 Uhr vormittags (Brüsseler Ortszeit) auf der Bildschirmseite (wie nachstehend definiert) angegeben wird, zuzüglich der Marge (wie nachstehend definiert), wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

"Bildschirmseite" bezeichnet die Seite ICESWAP2 des Reuters Monitors oder eine Reuters Bildschirmseite oder andere Bildschirmseite, die zum Zwecke der Anzeige solcher Angebotssätze als Nachfolger der Bildschirmseite eingesetzt wurde.

Die **"Marge"** beträgt 10,02 Prozentpunkte (1.002 Basispunkte).

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

"Zinsfestsetzungstag" bezeichnet den zweiten Geschäftstag, der dem Beginn des maßgeblichen Reset-Zeitraums vorangeht.

"Reset-Zeitraum" bezeichnet jeden Zeitraum ab dem Ersten Reset-Tag (einschließlich) bis zum nächstfolgenden Reset-Tag (ausschließlich) und nachfolgend ab jedem Reset-Tag (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Tag (ausschließlich).

"Reset-Tag" bezeichnet den Ersten Reset-Tag und danach jeden fünften Jahrestag des jeweils unmittelbar vorangehenden Reset-Tages.

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen, wird die Berechnungsstelle von jeder der von ihr bestimmten fünf Referenzbanken (wie nachstehend definiert) 5-Jahres Mid Swapsatz Quotierungen (jeweils als Prozentsatz per annum ausgedrückt) um ca. 11.00 Uhr (Brüsseler Ortszeit) am Zinsfestsetzungstag anfordern. Falls zwei oder mehrere Referenzbanken der Berechnungsstelle solche 5-Jahres Mid Swapsätze nennen, ist der Zinssatz für die betreffende Zinsperiode das

rate per annum) that is indicated on the Screen Page (as defined below) at 11.00 a.m. (Brussels local time) on the Interest Determination Date, plus the Margin (as defined below), all determinations made by the Calculation Agent.

"Screen Page" means page ICESWAP2 on the Reuters Monitor or such other screen page of Reuters or such other screen page, which has been designated as the successor to the Screen Page for the purpose of displaying such rates.

The **"Margin"** means 10.02 percentage points (1,002 basis points).

"Interest Period" means each period from the Interest Commencement Date (inclusive) to the first Interest Payment Date (exclusive) and thereafter from each Interest Payment Date (inclusive) to the next following Interest Payment Date (exclusive).

"Interest Determination Date" means the second Business Day prior to the commencement of the relevant Reset Period.

"Reset Period" means each period from the First Reset Date (inclusive) to the next following Reset Date (exclusive) and thereafter from each Reset Date (inclusive) to the next following Reset Date (exclusive).

"Reset Date" means the First Reset Date and thereafter each fifth anniversary of the immediately preceding Reset Date.

If the Screen Page is not available the Calculation Agent shall request the five Reference Banks (as defined below) selected by it to provide the Calculation Agent 5-year Mid Swap Rate Quotations (expressed as a percentage rate per annum) at approximately 11.00 a.m. (Brussels local time) on the Interest Determination Date. If two or more of the selected Reference Banks provide the Calculation Agent with such 5-year Mid Swap Rates, the Rate of Interest for the relevant Interest Period shall be the arithmetic mean

arithmetische Mittel (falls erforderlich, auf oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 oder mehr aufgerundet wird) dieser Sätze zuzüglich der Marge. Falls der Reset-Zinssatz nicht gemäß der oben definierten Bestimmungen ermittelt werden kann, ist der Reset-Zinssatz der 5-Jahres Mid Swapsatz bzw. das arithmetische Mittel der 5-Jahres Mid Swapsätze auf der Bildschirmseite an dem letzten Tag vor dem Zinsfestsetzungstag, an dem diese 5-Jahres Mid Swapsätze angezeigt wurden, zuzüglich der Marge.

(rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 or more being rounded upwards) of such quotations plus the Margin. If the Reset Interest Rate cannot be determined in accordance with the foregoing provisions, the Reset Interest Rate shall be the 5-year Mid Swap Rate or the arithmetic mean of the 5-year Mid Swap Rates on the Screen Page on the last day preceding the Interest Determination Date on which such 5-year Mid Swap Rates were offered, plus the Margin.

"Referenzbanken" bezeichnet führende Swap-Händler im europäischen Interbankenhandel.

"Reference Banks" means leading swap dealers in the European interbank market.

- (c) Der Zinssatz erhöht sich ab dem Kalendertag, der 61 Tage nach dem Eintritt eines Kontrollwechsels (wie in Punkt 5.5 (b) definiert) liegt (einschließlich) um fünf Prozentpunkte (d.h. 500 Basispunkte) per annum.

The Rate of Interest will be increased by five percentage points (500 bps) per annum from the day (inclusive) falling 61 days after the day on which a Change of Control (as defined in clause 5.5 (b)) has occurred.

- (d) Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Reset-Zinssatz zu bestimmen ist, den auf die Teilschuldverschreibungen fälligen Zinsbetrag (der **"Zinsbetrag"**) für jede Zinsperiode, die in den entsprechenden Reset-Zeitraum fällt, berechnen. Der Zinsbetrag ergibt sich aus der Multiplikation des Reset-Zinssatzes mit dem Zinstagequotient (wie nachstehend definiert) und dem Nennbetrag je Teilschuldverschreibung, wobei der resultierende Betrag auf den nächstliegenden Cent auf- oder abgerundet wird, wobei 0,5 oder mehr eines Eurocents aufgerundet werden.

The Calculation Agent shall on, or as soon as practicable after each time at which the Reset Interest Rate is to be determined, calculate the amount of interest payable on the Notes for each Interest Period falling in the relevant Reset Period (the **"Interest Amount"**). The Interest Amount shall be calculated by multiplying the Reset Interest Rate with the Day Count Fraction (as defined below) and the principal amount of each Note and rounding the resulting figure to the nearest cent, with 0.5 or more of a cent being rounded upwards.

"Zinstagequotient" bedeutet im Hinblick auf die Berechnung des Zinsbetrages für eine beliebige Zinsperiode oder einen Teil davon die tatsächliche Anzahl der Tage im relevanten Zeitraum ab dem letztvorangegangenen Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Emissionstag) (jeweils einschließlich) bis zum relevanten Zahltag (ausschließlich) geteilt durch die Anzahl der Tage (365 oder 366) im Zeitraum vom letzten Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Emissionstag) (jeweils einschließlich) bis zum nächstfolgenden Zinszahlungstag

"Day Count Fraction" (*Zinstagequotient*) means, in respect of the calculation of the Interest Amount for any Interest Period or any part thereof, the actual number of days in the relevant period from (and including) the most recent Interest Payment Date (or, in the absence of such date, from (and including) the Issue Date) and up to (but excluding) the relevant payment day divided by the number of days (365 or 366, as the case may be) in the period from (and including) the last Interest Payment Date (or, in the absence of such date, from (and including) the Issue Date) and up to (but excluding) the next following Interest

(ausschließlich) (Actual/Actual (ICMA)).

Payment Date (Actual/Actual (ICMA)).

- (e) Die Berechnungsstelle wird veranlassen, dass der Reset-Zinssatz und der entsprechende Zinsbetrag der Emittentin und der Wiener Börse sowie den Anleihegläubigern durch Bekanntmachung gemäß Punkt 12. baldmöglichst, aber keinesfalls später als zu Beginn der maßgeblichen nächstfolgenden Zinsperiode, auf die sich diese Bekanntmachung bezieht, bekannt gemacht wird. Im Fall einer Verlängerung oder Verkürzung des Reset-Zeitraums kann der mitgeteilte Zinsbetrag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend der Wiener Börse, an der die Teilschuldverschreibungen notiert sind, sowie den Anleihegläubigern gemäß Punkt 12. bekannt gemacht.

The Calculation Agent will arrange for the Reset Interest Rate and the corresponding Interest Amount to be notified to the Issuer and the Vienna Stock Exchange as well as to the Holders by notice in accordance with clause 12 as soon as possible, but in no event later than at the beginning of the immediately following Interest Period to which this notice relates. In the event of an extension or shortening of the Reset Period the notified Interest Amount may subsequently be amended (or appropriate alternative arrangements may be made by way of adjustment) without notice. Any such amendment will be promptly notified to the Vienna Stock Exchange on which the Notes are then listed as well as to the Holders in accordance with clause 12.

- (f) Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses Punktes 4.2 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Zahlstelle und die Anleihegläubiger bindend.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this clause 4.2 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent and the Holders.

4.3 **Zahlung und Aufschub von Zinsen.**

Payment and deferral of interest

- (a) **Optionale Zahlung von Zinsen.** Vorbehaltlich der Punkte 4.3 (b) und 4.4 (b) hat die Emittentin keine Verpflichtung zur Zahlung von Zinsen, die während einer an einem Optionalen Zinszahlungstag (wie nachstehend definiert) endenden Zinsperiode aufgelaufen sind; eine Nichtzahlung begründet keinen Verzug der Emittentin und keine sonstige Verletzung ihrer Verpflichtungen aufgrund dieser Teilschuldverschreibungen oder für sonstige Zwecke. Soweit sich die Emittentin entscheidet die während einer an einem Optionalen Zinszahlungstag endenden Zinsperiode auflaufenden Zinsen nicht zu zahlen, hat die Emittentin dies den Anleihegläubigern gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem betreffenden Optionalen Zinszahlungstag

Optional payment of interest. Subject to clauses 4.3 (b) and 4.4 (b), the Issuer shall have no obligation to pay interest which accrues during an Interest Period ending on an Optional Interest Payment Date (as defined below); any such failure to pay interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose. If the Issuer decides not to pay interest which accrues during an Interest Period ending on an Optional Interest Payment Date the Issuer shall notify the Holders by giving not less than 10 and not more than 15 Business Days' notice in accordance with clause 12 prior to the Optional Interest Payment Date.

bekannt zu machen.

Eine solche Bekanntmachung ist unwiderruflich. Die nicht gezahlten Zinsen stellen Zinsrückstände (jeweils ein "**Zinsrückstand**") dar. Zinsrückstände werden nicht verzinst.

Such notice will be irrevocable. Any such unpaid interest shall constitute arrears of interest (each an "**Arrear of Interest**"). Arrears of Interest shall not bear interest.

- (b) **Obligatorische Zahlung von Zinsen.** Die Emittentin ist verpflichtet, die während einer an einem Obligatorischen Zinszahlungstag (wie nachstehend definiert) (ausschließlich) endenden Zinsperiode auflaufenden Zinsen an dem betreffenden Obligatorischen Zinszahlungstag zu zahlen.

Compulsory payment of interest. The Issuer shall pay interest which accrues during an Interest Period ending on a Compulsory Interest Payment Date (as defined below) (exclusive) on that Compulsory Interest Payment Date.

4.4 **Zahlung von Zinsrückständen.**

Payment of Arrears of Interest.

- (a) **Optionale Zahlung von Zinsrückständen.** Die Emittentin kann ausstehende Zinsrückstände jederzeit ganz oder teilweise nachzahlen. Soweit sich die Emittentin entscheidet, Zinsrückstände demgemäß nachzuzahlen, hat sie dies den Anleihegläubigern durch Bekanntmachung gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem in der Bekanntmachung festgelegten Zahlungstag mitzuteilen. Die Bekanntmachung muss den Betrag der zahlbaren Zinsrückstände je Teilschuldverschreibung nennen. Eine solche Bekanntmachung ist unwiderruflich und verpflichtet die Emittentin, die betreffenden Zinsrückstände an dem in dieser Bekanntmachung festgelegten Zahlungstag zu zahlen.

Optional payment of Arrears of Interest. The Issuer may pay outstanding Arrears of Interest (in whole or in part) at any time. If the Issuer decides to so pay any outstanding Arrears of Interest, it shall give not less than 10 and not more than 15 Business Days' notice prior to the payment date to be specified in such notice to the Holders in accordance with clause 12. The Notice shall state the amount of Arrears of Interest to be paid per Note. Such notice will be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in that notice.

- (b) **Obligatorische Zahlung von Zinsrückständen.** Die Emittentin ist verpflichtet ausstehende Zinsrückstände (ganz, jedoch nicht nur teilweise) zu zahlen (maßgebend ist das frühere Ereignis):

Compulsory payment of Arrears of Interest. The Issuer must pay outstanding Arrears of Interest (in whole but not in part) on the earlier of:

- (i) am nächsten Zinszahlungstag, an dem sich die Emittentin entschließt, gemäß Punkt 4.3 (a) Zinsen (ganz oder teilweise) zu zahlen;
- (ii) am nächsten Obligatorischen Zinszahlungstag;
- (iii) an dem Tag, an dem die Teilschuldverschreibungen gemäß Punkt 5. zur Rückzahlung fällig werden;

- (i) the next Interest Payment Date on which the Issuer elects to pay interest (in whole or in part) pursuant to clause 4.3 (a);
- (ii) the next Compulsory Interest Payment Date;
- (iii) the date on which the Notes fall due for redemption pursuant to clause 5; and

und

- (iv) an dem Tag, an dem die Emittentin in die Liquidation geht und abgewickelt oder aufgelöst wird (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Reorganisation geschieht, bei dem oder der die Emittentin noch zahlungsfähig ist und bei dem oder der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt).
- (iv) the date on which the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganisation in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer).

4.5 **Definitionen.**

"Geschäftstag" ist ein Tag, der ein Bankarbeitstag in Wien und London ist und an dem das Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") System und die Clearingsysteme Zahlungen in Euro abwickeln.

"Konzerngesellschaft" ist jedes mit der Emittentin verbundene Unternehmen im Sinne des § 244 Abs 2 des Unternehmensgesetzbuches.

"Obligatorischer Zinszahlungstag" ist jeder Zinszahlungstag, sofern eine Dividende, Verzinsung, andere Ausschüttung oder Zahlung (einschließlich zum Zweck der Rückzahlung oder des Rückkaufs) in Bezug auf Nachrangige Wertpapiere oder Gleichrangige Wertpapiere (jeweils wie nachstehend definiert), bei denen die Zahlung von Dividenden, Verzinsungen, anderen Ausschüttungen oder Zahlungen (einschließlich zum Zweck der Rückzahlung oder des Rückkaufs) innerhalb eines Zeitraums von 12 Monaten unmittelbar vor diesem Zinszahlungstag im alleinigen Ermessen der Emittentin steht, gültig beschlossen oder bezahlt wurde, ausgenommen solche Zahlungen von Dividenden, Verzinsungen, anderen Ausschüttungen oder Zahlungen (einschließlich zum Zweck der Rückzahlung oder des Rückkaufs), die von einer Konzerngesellschaft der Emittentin an die Emittentin und/oder an eine andere Konzerngesellschaft der Emittentin erfolgen

Definitions.

"Business Day" means a day which is a banking day in Vienna and London and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") System and the Clearing Systems settle payments in euro.

"Group Entity" means any of the Issuer's affiliated enterprises within the meaning of Section 244 paragraph 2 of the Austrian Entrepreneurial Code (*Unternehmensgesetzbuch*).

"Compulsory Interest Payment Date" means any Interest Payment Date if any dividend, interest, other distributions or payment (including for the purpose of repayment or repurchase) in respect of any Junior Obligations or Parity Obligations (each as defined below) where the payment of dividends, interest, other distributions or payments is at the discretion of the Issuer since the last 12 months immediately preceding such Interest Payment Date, has been validly resolved or paid, except for such payments of dividends, interest, other distributions or payments (including for the purpose of repayment or repurchase) made by a Group Entity of the Issuer to the Issuer and/or to any other Group Entity of the Issuer (even in case such payment is made not exclusively to the Issuer and/or a Group Entity of the Issuer).

(auch wenn eine solche Zahlung nicht ausschließlich an die Emittentin und/oder eine Konzerngesellschaft der Emittentin erfolgt).

"Nachrangige Wertpapiere" bezeichnet jeden Anspruch aus (i) den Stammaktien der Emittentin, (ii) jeder gegenwärtigen oder zukünftigen Aktie einer anderen Gattung von Aktien der Emittentin sowie (iii) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder andere Instrument (x) der Emittentin, welches im Verhältnis zu den Teilschuldverschreibungen nachrangig (oder als im Rang nachstehend bezeichnet wird) ist oder (y) einer Konzerngesellschaft unter einer Garantie oder sonstigen Haftungsübernahme der Emittentin, sofern die Wertpapieremission oder die Garantie oder sonstige Haftungsübernahme im Verhältnis zu den Teilschuldverschreibungen nachrangig (oder als im Rang nachrangig bezeichnet wird) ist.

"Optionaler Zinszahlungstag" ist jeder Zinszahlungstag, der kein Obligatorischer Zinszahlungstag ist.

"Gleichrangige Wertpapiere" bezeichnet gegenwärtige oder zukünftige Wertpapiere oder jedes andere Instrument (i) der Emittentin, die im Rang gleichrangig mit den Teilschuldverschreibungen sind (oder als im gleichen Rang stehend bezeichnet werden), oder (ii) einer Konzerngesellschaft unter einer Garantie oder sonstigen Haftungsübernahme der Emittentin, sofern die Wertpapieremission oder die Garantie oder sonstige Haftungsübernahme im gleichen Rang mit den Teilschuldverschreibungen (oder als im gleichen Rang stehend bezeichnet wird) steht.

- 4.6 **Ende der Verzinsung und Verzugszinsen.** Die Verzinsung der Teilschuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden, oder, sollte die Emittentin die bei Fälligkeit aus diesen Teilschuldverschreibungen zu leistende Rückzahlung bei Fälligkeit nicht leisten, mit Beginn des Tages der tatsächlichen Zahlung. Der im Falle eines solchen Verzuges anzuwendende Zinssatz entspricht dem gesetzlichen Verzugszinssatz.

"Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer as well as (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes.

"Optional Interest Payment Date" means any Interest Payment Date which is not a Compulsory Interest Payment Date.

"Parity Obligations" means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) *pari passu* with the Notes, or (ii) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) *pari passu* with the Notes.

Cessation of interest and default interest. Interest on the Notes shall cease to accrue from the beginning of the day they are due for redemption, or, in case the Issuer fails to make the relevant redemption payment under the Notes when due, from the beginning of the day on which such payment is made. In case of such failure to pay (*Verzug*), the respective rate of interest shall be equal to the statutory applicable default interest rate.

5. Keine Fälligkeit, Rückzahlung und Rückkauf No Maturity, Redemption and Repurchase

5.1 **Keine Endfälligkeit.** Die Teilschuldverschreibungen haben keinen Endfälligkeitstag und werden, außer nach Maßgabe der Bedingungen in den Punkten 5.2 bis 5.7 (sofern die Emittentin nicht in die Liquidation geht und nicht abgewickelt oder aufgelöst wird, wie in Punkt 2.1 beschrieben), nicht zurückgezahlt. **No final maturity.** The Notes have no final maturity date and shall not be redeemed except in accordance with the provisions set out in clauses 5.2 to 5.7 (provided the Issuer does not enter into liquidation and is not settled or dissolved, as described in Clause 2.1).

5.2 **Rückzahlung nach Wahl der Emittentin.** Die Emittentin ist berechtigt, durch unwiderrufliche Bekanntmachung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen die Teilschuldverschreibungen zu ihrem Nennbetrag (vollständig, jedoch nicht teilweise) mit Wirkung zum Ersten Reset-Tag und zu jedem nachfolgenden Zinszahlungstag zu kündigen. Anleihegläubigern steht kein ordentliches Kündigungsrecht zu. **Redemption at the option of the Issuer.** The Issuer shall be entitled, upon giving not less than 30 and not more than 60 days' irrevocable notice to the Holders in accordance with clause 12, to call and redeem the Notes at their principal amount (in whole but not in part) with effect as of the First Reset Date and any subsequent Interest Payment Date. Holders have no ordinary termination right.

Im Falle einer solchen Kündigung hat die Emittentin die Teilschuldverschreibungen zu ihrem Nennbetrag an dem in der Kündigungserklärung festgelegten Rückzahlungstag zuzüglich der bis zu diesem Tag (ausschließlich) aufgelaufenen Zinsen (der **"Rückzahlungsbetrag"**) zurückzuzahlen.

In case such call notice is given, the Issuer shall redeem the Notes at their principal amount on the date fixed for redemption in the call notice plus any interest accrued to such date (exclusive) (the **"Redemption Amount"**).

Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.2 nicht zu, soweit Zinsrückstände ausstehen.

The Issuer shall not be entitled to call and redeem the Notes in accordance with this clause 5.2 if any Arrears of Interest are outstanding.

5.3 **Kündigungsrecht der Emittentin und vorzeitige Rückzahlung aus einem Gross-Up Ereignis, Steuer- oder Rechnungslegungsgründen.** **Issuer Call Right and Early Redemption due to a Gross up Event, a Tax Event or an Accounting Event.**

(a) Bei Eintritt eines Gross-up Ereignisses, eines Rechnungslegungsereignisses oder eines Steuerereignisses (wie jeweils nachstehend definiert), ist die Emittentin berechtigt, die Teilschuldverschreibungen jederzeit (insgesamt, jedoch nicht teilweise) zum Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zu kündigen und zurückzuzahlen. Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.3. If, either a Gross-Up Event, a Tax Event or an Accounting Event (as defined below) occurs, the Issuer may call and redeem the Notes (in whole but not in part) at their Early Redemption Amount (as defined below). The Issuer shall not be entitled to call and redeem the Notes in accordance with this clause 5.3 if any Arrears of Interest are outstanding.

nicht zu, soweit Zinsrückstände ausstehen.

- (b) Ein "**Gross-Up Ereignis**" liegt vor, wenn (i) die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß Punkt 7. als Folge einer Änderung oder Ergänzung der Gesetze (oder von aufgrund dieser Gesetze erlassener Bestimmungen oder Vorschriften) der Republik Österreich oder einer ihrer Gebietskörperschaften oder Behörden der oder in der Republik Österreich oder einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung solcher Gesetze, Verordnungen oder Vorschriften zu zahlen, soweit die betreffende Änderung oder Ergänzung oder Durchführung am oder nach dem Emissionstag wirksam wird und (ii) die Emittentin diese Verpflichtung nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann.

Im Fall eines Gross-Up Ereignisses kann die Emittentin die Teilschuldverschreibungen wie folgt kündigen:

- (i) Bekanntmachung einer Kündigungsmitteilung gemäß Punkt 12., nicht früher als 90 Tage vor dem ersten Tag, an dem die Emittentin erstmals verpflichtet wäre, die jeweiligen zusätzlichen Beträge gemäß Punkt 7. auf die Teilschuldverschreibungen zu zahlen; und
- (ii) vor Abgabe einer solchen Kündigungsmitteilung Übermittlung an die Zahlstelle:
 - (x) eines Gutachtens eines unabhängigen und angesehenen Rechtsanwaltes im Bereich des kapitalmarktrechtlichen Steuerrechts, der zumindest seit 5 Jahren in die Liste der Österreichischen Rechtsanwaltskammer eingetragen ist und als solcher praktiziert, aus dem hervorgeht, dass die Emittentin verpflichtet ist oder verpflichtet sein wird, die betreffenden zusätzlichen Beträge als Folge einer entsprechenden Änderung im Gesetz zu zahlen, und
 - (y) einer von ordnungsgemäß bevollmächtigten Vertretern der

A "**Gross up Event**" shall occur if (i) the Issuer has or will become obliged to pay Additional Amounts pursuant to clause 7 as a result of any change in, or amendment to, the laws (or any rules or regulations issued thereunder) of the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria or any change in, or amendment to, any official interpretation or application of those laws or rules or regulations which amendment or change or execution becomes effective on or after the Issue Date, and (ii) that obligation cannot be avoided by the Issuer, taking reasonable measures available to it.

In case of a Gross up Event, the Issuer may call the Notes by:

- (i) giving a notice of redemption to the Holders in accordance with clause 12 not earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to clause 7 on the Notes; and
- (ii) delivering, prior to giving any such notice of redemption, to the Paying Agent:
 - (x) an opinion of an independent legal advisor of recognised standing, active in the area of capital markets related tax law, who has been registered in the list of the Austrian Chamber of Attorneys at Law for a minimum of 5 years and practicing as such, to the effect that the Issuer has or will become obliged to pay the relevant Additional Amounts as a result of the relevant change in law; and
 - (y) a certificate signed by duly authorised representatives of the Issuer

Emittentin unterzeichneten Bescheinigung, die bestätigt, dass die Emittentin berechtigt ist, die maßgebliche Rückzahlung vorzunehmen, und aus der die Tatsachen hervorgehen, auf deren Grundlage die Voraussetzungen für das Rückzahlungsrecht der Emittentin eingetreten sind.

stating that the Issuer is entitled to effect such redemptions and setting out a statement of facts showing that the conditions precedent to the exercise of the right of the Issuer to redeem have been satisfied.

- (c) Im Falle eines Steuerereignisses oder Rechnungslegungsereignisses ist die Emittentin berechtigt, jederzeit durch Bekanntmachung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen, die Teilschuldverschreibungen (vollständig, jedoch nicht nur teilweise) zu kündigen. Falls solch eine Kündigung bekannt gemacht wird, ist die Emittentin verpflichtet, die Teilschuldverschreibungen zu dem in der Kündigungsbekanntmachung genannten Datum zum Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zurückzuzahlen.
- In case of a Tax Event or an Accounting Event, the Issuer may, upon giving not less than 30 nor more than 60 days' notice to the Holders in accordance with clause 12, call the Notes (in whole but not in part) at any time. In case such call notice is given, the Issuer shall redeem the Notes on the date fixed for redemption in the call notice at the Early Redemption Amount (as defined below).
- (d) Ein "**Steuerereignis**" liegt vor, wenn
- A "**Tax Event**" shall occur if
- (i) ein Gutachten eines angesehenen unabhängigen Steuerberaters der Zahlstelle übergeben wird, aus dem hervorgeht, dass am oder nach dem Emissionstag, als Folge von:
- (i) an opinion by an independent tax counsel of recognised standing is delivered to the Paying Agent, stating that on or after the Issue Date, as a result of:
- (x) einer Änderung oder Ergänzung der Gesetze (oder von aufgrund dieser Gesetze erlassener Bestimmungen oder Vorschriften) der Republik Österreich oder einer ihrer Gebietskörperschaften oder Steuerbehörden, die am oder nach dem Emissionstag erlassen, verkündet oder wirksam wird; oder
- (x) any change in, or amendment to, the laws (or any rules or regulations thereunder) of the Republic of Austria or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or effective on or after the Issue Date; or
- (y) einer Änderung oder Ergänzung der offiziellen Auslegung solcher Gesetze oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), die am oder nach dem Emissionstag erlassen, verkündet oder wirksam
- (y) any change in, or amendment to, an official interpretation of any such laws or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or effective on or after the Issue Date; or

wird, oder

- (z) einer allgemein anwendbaren offiziellen Auslegung oder Verkündung, die am oder nach dem Emissionstag erlassen oder verkündet wird, und nach der die Rechtslage im Hinblick auf diese Gesetze oder Vorschriften von der früheren allgemein anerkannten Rechtslage abweicht,

- (z) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date,

Vergütungen, die von der Emittentin in Bezug auf die Teilschuldverschreibungen zahlbar sind, von der Emittentin für die Zwecke der österreichischen Ertragssteuern (insbesondere für Zwecke der Körperschaftssteuer) nicht mehr in mindestens demselben Umfang wie bei der Begebung der Teilschuldverschreibungen abzugsfähig sind, bzw. innerhalb von 90 Tagen nach dem Datum dieses Gutachtens nicht mehr abzugsfähig sein werden; und

remuneration payable by the Issuer on the Notes is no longer, or within 90 days of the date of that opinion will no longer be, deductible by the Issuer for Austrian taxes on earnings (including corporate income tax) to at least the same degree as upon issue of the Notes; and

- (ii) die Emittentin dieses Risiko nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann.
- (e) Ein "**Rechnungslegungsereignis**" liegt vor, wenn der Zahlstelle ein Gutachten einer international anerkannten zur Wirtschaftsprüfung in der Republik Österreich befugten Wirtschaftsprüfungsgesellschaft übergeben worden ist, aus dem hervorgeht, dass die Emittentin die durch die Ausgabe der Teilschuldverschreibungen aufgenommenen Mittel nicht oder nicht mehr als "Eigenkapital" im Sinne der International Financial Reporting Standards, wie sie in der EU oder in der Republik Österreich anzuwenden sind ("**IFRS**"), oder derjenigen Rechnungslegungsvorschriften die IFRS nachfolgen und welche die Emittentin zur Erstellung ihres Konzernjahresabschlusses für das jeweilige Geschäftsjahr anwendet, in einem Konzernjahresabschluss der Emittentin auszuweisen berechtigt ist.

- ii) such risk cannot be avoided by the Issuer taking reasonable measures available to it.

An "**Accounting Event**" shall occur if an opinion of an internationally recognised accounting firm authorised to provide auditing services in the Republic of Austria has been delivered to the Paying Agent stating that the funds raised through the issuance of the Notes must not or must no longer be recorded as "equity" pursuant to the International Financial Reporting Standards, as applicable in the EU or in the Republic of Austria ("**IFRS**"), or such other accounting standards which succeed IFRS and are applied by the Issuer for drawing up its consolidated financial statements for the relevant financial year.

5.4 **Definitionen.**

Definitions.

Der "**Vorzeitige Rückzahlungsbetrag**" je

The "**Early Redemption Amount**" per Note

Teilschuldverschreibung entspricht

will

(i) im Falle eines Gross-Up Ereignisses, dem Nennbetrag der Teilschuldverschreibungen zuzüglich den aufgelaufenen Zinsen bis zum Datum der Rückzahlung (ausschließlich) oder

(i) upon the occurrence of a Gross up Event, equal the principal amount of the Notes, plus accrued interest until the date of redemption (exclusive) or

(ii) wird im Falle eines Steuerereignisses oder Rechnungslegungsereignisses berechnet als

(ii) upon the occurrence of a Tax Event or an Accounting Event, be calculated as

a) das Höhere von (x) dem Nennbetrag der Teilschuldverschreibungen und (y) dem Abgezinsten Marktpreis (wie nachstehend definiert) der Teilschuldverschreibungen, oder

a) the greater of (x) the principal amount of the Notes and (y) the Make-Whole Redemption Price (as defined below) of the Notes, or

b) im Fall, dass der Rückzahlungstag auf den Ersten Reset-Tag oder einen späteren Tag fällt, dem Nennbetrag der Teilschuldverschreibungen,

b) in the event of a redemption date falling on or after the First Reset Date the principal amount of the Notes,

in jedem Fall zuzüglich der aufgelaufenen Zinsen zum, aber ausschließlich dem Rückzahlungsdatum.

in each case plus accrued interest to but not including the redemption date.

Der "**Abgezinsten Marktpreis**" wird von einem Finanzberater (wie nachstehend definiert) errechnet und entspricht der Summe der auf den in der Kündigungserklärung festgelegten Rückzahlungstag Abgezinsten Werte (wie nachstehend definiert) (i) des Nennbetrages der Teilschuldverschreibungen und (ii) der verbleibenden vorgesehenen Zinszahlungen je Schuldverschreibung bis zum Ersten Reset-Tag (ausschließlich).

The "**Make-Whole Redemption Price**" will be calculated by a Financial Adviser (as defined below) and will equal the sum of the Present Values (as defined below), as at the date of redemption as published in the call notice, of (i) the principal amount of the Notes and (ii) of any remaining scheduled payments of interest on such Note to the First Reset Date (exclusive).

Ein Finanzberater (wie nachstehend definiert) ermittelt die "**Abgezinsten Werte**", indem er am 4. Geschäftstag vor dem Rückzahlungstag den Nennbetrag der Teilschuldverschreibungen und die verbleibenden vorgesehenen Zinszahlungen bis zum Ersten Reset-Tag auf jährlicher Basis unter Zugrundelegung eines Jahres mit 365 oder 366 Tagen und der Zahl der tatsächlich in dem Jahr verstrichenen Tage und der Angepassten Vergleichbaren Rendite (wie nachstehend definiert) zuzüglich 1,5-Prozentpunkte (150 Basispunkte) abzinst.

The "**Present Values**" will be calculated by a Financial Adviser (as defined below) on the fourth Business Day prior to the redemption date by discounting the principal amount of the Notes and the remaining interest payments to the First Reset Date on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year, and using the Adjusted Comparable Yield (as defined below) plus 1.5 percentage points (150 basis points).

Die "**Angepasste Vergleichbare Rendite**" ist die Rendite, die am Tag der Rückzahlung für eine Referenz-Staatsanleihe der Republik Österreich mit Euro-Zinssatz zu zahlen wäre, die ein Finanzberater (wie nachstehend definiert) unter Berücksichtigung einer

The "**Adjusted Comparable Yield**" will be the yield at the date of redemption on the Euro government benchmark security issued by the Republic of Austria selected by a Financial Adviser (as defined below) as having a maturity comparable to the remaining term of the

vergleichbaren Laufzeit mit der Restlaufzeit der Teilschuldverschreibungen bis zum Ersten Reset-Tag bestimmt hat und welche zum Zeitpunkt der Bestimmung gemäß marktüblicher Praxis als Berechnungsgrundlage für die Preisbestimmung bei Neuemission von Unternehmensanleihen mit vergleichbarer Laufzeit bis zum Ersten Reset-Tag dienen könnte. **"Finanzberater"** bedeutet einen unabhängigen Finanzberater, der von der Emittentin auf ihre Kosten bestellt wird.

Notes to the First Reset Date that could be utilised, at the time of selection and in accordance with market practice, in pricing new issues of corporate debt securities of comparable maturity to the First Reset Date. **"Financial Adviser"** means an independent financial adviser, appointed by the Issuer at the Issuer's expenses.

5.5 *Vorzeitige Rückzahlung nach Early Redemption following a Change of Kontrollwechsel.*

- (a) Bei Eintritt eines Kontrollwechsels (wie nachstehend definiert) kann die Emittentin die Teilschuldverschreibungen vollständig, aber nicht in Teilbeträgen zum Nennbetrag der Teilschuldverschreibungen zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen mit unwiderruflicher Kündigungsmitteilung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen kündigen und mit Wirkung bis spätestens 60 Tage nach Eintritt eines Kontrollwechsels zurückzahlen. Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.5 (a) nicht zu, soweit Zinsrückstände ausstehen. Die Emittentin hat den Anleihegläubigern den Eintritt eines Kontrollwechsels unverzüglich gemäß Punkt 12. anzuzeigen.

If a Change of Control (as defined below) has occurred, the Issuer may call and redeem the Notes (in whole but not in part) at their principal amount, plus any accrued interest until the redemption date (exclusive) on the giving of not less than 30 and not more than 60 days' irrevocable notice to Holders in accordance with clause 12 with the redemption becoming effective no later than 60 days following the occurrence of a Change of Control. The Issuer shall not be entitled to call and redeem the Notes in accordance with clause 5.5 (a) if any Arrears of Interest are outstanding. Immediately after the occurrence of a Change of Control the Issuer has to publish a notice to Holders in accordance with clause 12.

- (b) **"Kontrollwechsel"** gemäß diesem Punkt 5.5 findet statt, wenn eine oder mehrere gemeinsam vorgehende Personen oder eine Drittperson oder Personen, welche im Namen einer solchen Person oder solcher Personen handeln, zu irgendeiner Zeit direkt oder indirekt eine kontrollierende Beteiligung im Sinne des Österreichischen Übernahmegesetzes erwerben, welche ein Pflichtangebot auslöst.

"Change of Control" in this clause 5.5 shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation pursuant to the Austrian Takeover Act (*Übernahmegesetz*) which triggers a mandatory takeover bid.

5.6 *Rückkauf. Repurchase.*

- (a) Die Emittentin oder eine der Konzerngesellschaften (wie nachstehend definiert) können jederzeit Teilschuldverschreibungen auf dem freien Markt zu jedem beliebigen Preis kaufen. Derartig erworbene

The Issuer or any of its Group Entities (as defined below) may at any time purchase Notes in the open market or otherwise at any price. Such acquired Notes may be held, cancelled or resold.

Teilschuldverschreibungen können eingezogen, gehalten oder wieder veräußert werden.

5.7 Kündigung und vorzeitige Rückzahlung bei geringfügigem ausstehenden Nennbetrag. Issuer Call Right and Early Redemption in case of small outstanding principal amount.

Wenn durch Rückkäufe der Emittentin oder ihrer Konzerngesellschaften zu irgendeinem Zeitpunkt der auf die Teilschuldverschreibungen ausstehende Nennbetrag 15% oder weniger des in Punkt 1.1 genannten Gesamtnennbetrags der Teilschuldverschreibungen beträgt, kann die Emittentin die Teilschuldverschreibungen (vollständig aber nicht in Teilbeträgen) zum Nennbetrag zuzüglich aufgelaufener Zinsen nach unwiderruflicher Kündigungsmitteilung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen kündigen und zurückzahlen. Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.7 nicht zu, soweit Zinsrückstände ausstehen.

If, by reason of purchases made by the Issuer or any of its Group Entities, the outstanding Aggregate Principal Amount of the Notes has fallen at any time below 15% or less of the Aggregate Principal Amount of the Notes set forth in clause 1.1, the Issuer may call and redeem the Notes (in whole but not in part) at their equal to the principal amount of the Notes, plus accrued interest until the date of redemption on the giving of not less than 30 and not more than 60 days' irrevocable notice to the Holders in accordance with clause 12. The Issuer shall not be entitled to call and redeem the Notes in accordance with this clause 5.7 if any Arrears of Interest are outstanding.

6. Zahlungen

Payments

6.1 Zahlung von Kapital und Zinsen. Die Emittentin verpflichtet sich, Kapital und Zinsen bei Fälligkeit in Euro zu bezahlen. Derartige Zahlungen erfolgen, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, an die Zahlstelle zur Weiterleitung an das Clearingsystem oder an dessen Order zur Gutschrift für die jeweiligen Kontoinhaber. Die Emittentin wird mit Zahlung an die Anleihegläubiger von ihrer entsprechenden Zahlungspflicht gegenüber den Anleihegläubigern befreit.

Payment of Principal and Interest. The Issuer undertakes to pay, as and when due, principal and interest payable on the Notes in euro. Such payments shall, subject to applicable fiscal and other laws and regulations, be made to the Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Upon payment to the Holders, the Issuer shall be released from its payment obligations vis-à-vis the Holders.

6.2 Fälligkeitstag kein Geschäftstag. Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag; Anleihegläubiger sind nicht berechtigt, eine Zinszahlung oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.

Due Date not a Business Day. If the due date for any payment of principal and/or interest is not a Business Day, payment shall be made on the next following Business Day; Holders shall have no right to claim payment of interest or other indemnity in respect of such a delay in payment.

7. Steuern

Taxation

7.1 Steuern. Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Teilschuldverschreibungen werden ohne

Taxes. All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction

Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren jedweder Art (die "**Steuern**") geleistet, die von der Republik Österreich oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In einem solchen Falle wird die Emittentin, vorbehaltlich der Bestimmungen dieses Punktes 7, solche zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne Einbehalt oder Abzug erhalten hätten.

for, any taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria that has power to tax, unless the Issuer is compelled by a law or other regulation to make such withholding or deduction. In that event, the Issuer will pay, subject to the provisions of this clause 7, such additional amounts (the "**Additional Amounts**") as will result in receipt by the Holders of the same amounts as they would have received if no such withholding or deduction had been required.

7.2 **Ausnahme.** Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern:

Exception. However, no such Additional Amounts shall be payable with respect to such Taxes:

(i) denen ein Anleihegläubiger wegen einer anderen Beziehung zur Republik Österreich unterliegt als der bloßen Tatsache, dass er der Inhaber der betreffenden Teilschuldverschreibungen ist; oder

(i) to which a Holder is liable because of a relationship with the Republic of Austria other than the mere fact of him being the holder of the relevant Notes; or

(ii) denen der Anleihegläubiger nicht unterläge, wenn dieser seine Teilschuldverschreibungen binnen 30 Tagen nach Fälligkeit oder, falls die notwendigen Beträge der Zahlstelle bei Fälligkeit nicht zur Verfügung gestellt worden sind, ab dem Tag, an dem diese Mittel der Zahlstelle zur Verfügung gestellt worden sind und dies gemäß Punkt 12. bekannt gemacht wurde, zur Zahlung vorgelegt hätte; oder

(ii) to which the Holder would not be subject to if he had presented his Notes for payment within 30 days from the due date for payment, or, if the necessary funds have not been provided to the Paying Agent when due, from the date on which such funds have been provided to the Paying Agent, and a notice to that effect has been published in accordance with clause 12; or

(iii) die von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle in einem Mitgliedsstaat der Europäischen Union ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder

(iii) which are withheld or deducted by a Paying Agent if payment could have been made by another Paying Agent in a Member State of the European Union without such deduction or withholding; or

(iv) die von einer Depotbank oder einer als Inkassobeauftragten des Anleihegläubigers handelnden Person einbehalten werden oder auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt

(iv) which are withheld by a securities custodian or a person acting as collection agent for the Holder or which are levied otherwise than by the Issuer making a withholding or deduction from any amounts of principal or interest payable by it.

vornimmt.

Die österreichische Kapitalertragsteuer, unabhängig davon, ob auf Zinszahlungen oder Veräußerungsgewinne erhoben, ist keine Steuer, für die seitens der Emittentin Zusätzliche Beträge zu bezahlen sind.

Austrian withholding tax (*Kapitalertragsteuer*), irrespective of whether levied on interest payments or capital gains, does not constitute tax for which the Issuer is obliged to pay Additional Amounts.

Weder die Emittentin noch irgendeine andere Person ist verpflichtet, Zusätzliche Beträge im Hinblick auf Steuern zu zahlen, die gemäß §§ 1471 bis 1474 des U.S. Internal Revenue Code von 1986, in der geltenden Fassung (der "Code"), oder einer Nachfolgeregelung oder einer Verordnung, die diese umsetzt oder diesen Bestimmungen entspricht, oder erlassen wurde, um dem zu entsprechen, erlassen wurden, oder aufgrund eines zwischenstaatlichen Abkommens erlassen wurden, oder einer Vereinbarung, die aufgrund von § 1471(b)(1) des Code eingegangen wurde.

Neither the Issuer or any other person shall be required to pay any Additional Amounts with respect to any payment in respect of any taxes imposed under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or any successor law or regulation implementing or complying with, or introduced in order to conform to, such sections, or imposed pursuant to any intergovernmental agreement or any agreement entered into pursuant to section 1471(b)(1) of the Code.

- 7.3 Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen schließt jegliche Zusätzlichen Beträge im Hinblick auf Kapital oder Zinsen ein, die gemäß diesem Punkt 7. zahlbar sind.

Any reference in these Terms and Conditions to principal or interest will be deemed to include any Additional Amounts in respect of principal or interest which are payable under this clause 7.

8. Verjährung

Prescription

- 8.1 Die Verjährungsfrist aus Ansprüchen auf das Kapital beträgt zehn Jahre und aus Ansprüchen auf Zinsen drei Jahre, jeweils ab Fälligkeit.

The limitation period for claims in respect of principal of the Notes shall be ten years, and in respect of interest three years respectively, in each case after due date.

9. Zahlstelle und Berechnungsstelle

Paying Agent and Calculation Agent

- 9.1 **Zahlstelle und Berechnungsstelle.** Die HSBC Bank plc ist die anfängliche Zahlstelle (die "Zahlstelle") und die anfängliche Berechnungsstelle (die "Berechnungsstelle").

Paying Agent and Calculation Agent. HSBC Bank plc is the initial paying agent (the "Paying Agent") and the initial calculation agent (the "Calculation Agent").

- 9.2 **Rechtsverhältnisse.** Die Zahlstelle und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

Status. The Paying Agent and the Calculation Agent act solely as agent of the Issuer and do not assume any obligations towards the Holders; no relationship of contract, agency or trust shall be established between them and the Holders.

- 9.3 **Änderung oder Beendigung der Bestellung.** Die Emittentin behält sich das Recht vor, die Bestellung der Zahlstelle oder der Berechnungsstelle zu verändern oder zu

Change or Termination of Appointment. The Issuer reserves the right at any time to change or terminate the appointment of the Paying Agent or the Calculation Agent and to appoint

beenden und Nachfolger oder zusätzliche Zahlstellen oder Berechnungsstellen zu ernennen. Als Zahlstelle oder Berechnungsstelle kann nur ein Kreditinstitut mit Sitz in Wien, Österreich, das nach den Vorschriften des österreichischen Bankwesengesetzes in der jeweils gültigen Fassung konzessioniert ist und dessen Bestimmungen unterliegt, bestellt werden, oder ein Kreditinstitut mit dem Sitz einem anderen Mitgliedstaat des EWR und über eine gleichwertige Berechtigung verfügt. Eine Abberufung, Bestellung oder ein sonstiger Wechsel in Bezug auf die Zahlstelle oder die Berechnungsstelle oder deren angegebene Geschäftsstelle(n) wird nur wirksam (außer im Insolvenzfall der Zahlstelle, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß Punkt 12. vorab unter Einhaltung der Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden. Die Emittentin wird dafür sorgen, dass stets eine Zahlstelle und eine Berechnungsstelle ernannt sind. Die Emittentin wird ferner dafür sorgen, dass, so lange die Teilschuldverschreibungen an einer Wertpapierbörse notiert sind und die Regularien dieser Börse dies verlangen, eine Zahlstelle und eine Berechnungsstelle mit einer benannten Geschäftsstelle an dem von der betreffenden Börse vorgeschriebenen Ort ernannt sind und einen eventuellen Nachfolger oder eine eventuelle zusätzliche Zahlstelle oder Berechnungsstelle in Übereinstimmung mit diesen Regularien zu ernennen, wobei es sich bei einem eventuellen Nachfolger oder einer eventuellen zusätzlichen Zahlstelle oder Berechnungsstelle um ein Kreditinstitut innerhalb des europäischen Wirtschaftsraums handeln wird.

successor or additional paying agents or calculation agents. Only a credit institution with its seat in Vienna, Austria that is licensed in accordance with and subject to the provisions of the Austrian Banking Act (*Bankwesengesetz*) as amended from time to time in the applicable version, or a credit institution with its seat in another EEA member state which holds a comparable license may be appointed as Paying Agent or Calculation Agent. Any dismissal, appointment or other change in respect of the Paying Agent or the Calculation Agent or its designated office(s) shall only take effect (except in the insolvency of the Paying Agent where such a change takes effect immediately) if the Holders have been notified of this in accordance with clause 12 subject to the deadline of at least 30 and not more than 45 days. The Issuer will ensure that a Paying Agent and a Calculation Agent are appointed at any time. The Issuer will also ensure that, as long as the Notes are listed on a stock exchange and the regulations of this exchange so require, a Paying Agent and a Calculation Agent with a designated place of business shall be appointed on the place prescribed by the Exchange and to appoint any successor or any additional Paying agent or Calculation Agent in accordance with such regulations, whereupon a possible successor or any additional Paying Agent or Calculation Agent will be a credit institution within the European Economic Area.

10. Begebung weiterer Issuance of further notes **Teilschuldverschreibungen**

- 10.1 Die Emittentin ist – neben der Emission weiterer Teilschuldverschreibungen, die mit diesen Teilschuldverschreibungen keine einheitliche Serie bilden – berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Teilschuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tages der Emission, des Verzinsungsbeginns und des
- The Issuer may – in addition to the issuance of further notes which do not form a single Series with the Notes – at any time without the consent of the Holders, issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes. The Issuer is free to

Emissionspreises) in der Weise zu emittieren, dass sie mit diesen Teilschuldverschreibungen eine einheitliche Serie bilden. In der Begebung weiterer Teilschuldverschreibungen ist die Emittentin frei.

issue further notes.

11. Börsennotierung und Zulassung zum Handel

Stock Exchange Listing and Admission to Trading

11.1 Es ist beabsichtigt, die Zulassung der Teilschuldverschreibungen zum Amtlichen Handel an der Wiener Börse zu beantragen.

It is intended to apply for listing of the Notes in the Official Market of the Vienna Stock Exchange.

12. Mitteilungen

Notices

12.1 **Mitteilungen in elektronischer Form.** Falls die Teilschuldverschreibungen zum Handel an einem geregelten Markt zugelassen werden, gelten sämtliche Mitteilungen an die Anleihegläubiger als ordnungsgemäß bekannt gemacht, wenn sie durch elektronische Mitteilungsformen mit Verbreitung innerhalb der Europäischen Union und in dem Staat einer jeden Wertpapierbörse, an der Teilschuldverschreibungen notiert sind, durch elektronische Veröffentlichung veröffentlicht werden, solange diese Notierung fort dauert und die Regeln der jeweiligen Börse dies erfordern. Jede Mitteilung gilt am siebenten Tag nach der Veröffentlichung als wirksam erfolgt; falls eine Veröffentlichung in mehr als einer elektronischen Mitteilungsform vorgeschrieben ist, ist der siebente Tag maßgeblich, nach dem die Bekanntmachung erstmals in allen erforderlichen elektronischen Mitteilungsformen erfolgt ist.

Notices via electronic means. If the Notes are admitted for trading on any stock exchange, notices to the Holders will be valid if published through electronic means having general circulation within the European Union and in the jurisdiction of any stock exchange on which the Notes may be listed from time to time, for so long as the Notes are listed on the respective exchange and the rules of any such exchange so require. Any such notice shall be deemed to effective on the seventh day after publication; if a publication is required in more than one electronic form of communication, the seventh day shall be decisive, after which the publication has been made for the first time in all required electronic forms of communication.

12.2 **Mitteilungen über das Clearingsystem.** Mitteilungen an die Anleihegläubiger können anstelle der Veröffentlichung durch elektronische Mitteilungsform nach Maßgabe des Punktes 12.1 (vorbehaltlich anwendbarer Börsenvorschriften und –regeln), solange eine die Teilschuldverschreibungen verbriefende Globalurkunde durch das Clearingsystem gehalten wird, durch Abgabe der entsprechenden Bekanntmachung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger ersetzt werden.

Notices via the Clearing System. Notices to Holders may (subject to applicable stock exchange rules and requirements), so long as any Global Note representing the Notes is held on behalf of the Clearing System, be given in lieu of publication by electronic means pursuant to clause 12.1 by delivery of the relevant notice to the Clearing System for communication to the Holders.

13. Keine Gesellschafterrechte

No Shareholders' Rights

13.1 Die Teilschuldverschreibungen vermitteln den Anleihegläubigern keinerlei

The Notes do not confer any shareholders' rights with respect to the Issuer to the Hold-

Gesellschafterrechte in Bezug auf die Emittentin. Insbesondere verbieten die Teilschuldverschreibungen keinerlei Berechtigung der Anleihegläubiger auf einen Anteil am Liquidationserlös der Emittentin.

ers. In particular, the Holders will not be entitled to share in any liquidation proceeds of the Issuer under the Notes.

14. Anwendbares Recht und Gerichtsstand

Governing Law and Jurisdiction

14.1 **Anwendbares Recht.** Form und Inhalt der Teilschuldverschreibungen, sämtliche Rechtsverhältnisse aus der Begebung der Teilschuldverschreibungen, sowie alle Rechte und Pflichten der Anleihegläubiger, der Emittentin und der Zahlstelle bestimmen sich nach österreichischem Recht.

Governing law. Form and content of the Notes, all legal relationships resulting from the issue of the Notes, as well as all rights and obligations of the Holders, the Issuer and the Paying Agent shall be governed by Austrian law.

14.2 **Erfüllungsort.** Erfüllungsort ist Wien, Österreich.

Place of Performance. Place of performance shall be Vienna, Republic of Austria.

14.3 **Gerichtsstand.** Für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit diesen Anleihebedingungen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit diesen Anleihebedingungen ergeben) ist das für Handelssachen jeweils zuständige Gericht in Wien, Innere Stadt, ausschließlich zuständig.

Place of Jurisdiction. For all disputes which may arise out or in connection with these Terms and Conditions (including any disputes relating to non-contractual obligations arising out or in connection with these Terms and Conditions), the court competent for commercial matters in the first district of Vienna shall have exclusive jurisdiction.

14.4 **Teilnichtigkeit.** Sollten irgendwelche Bestimmungen dieser Bedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Bedingungen in Kraft. Unwirksame Bestimmungen sind dem Sinn und Zweck dieser Bedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich möglich.

Partial Invalidity. If a provision in these Terms and Conditions becomes legally invalid, in whole or in part, the remaining provisions shall remain in effect. Invalid provisions shall pursuant to the purpose of these Terms and Conditions be replaced by valid provisions that from an economic point of view come as close as legally possible to the invalid provision.

15. Sprache

Language

15.1 Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung ist unverbindlich und dient nur zur Information.

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is non-binding and provided for convenience only.

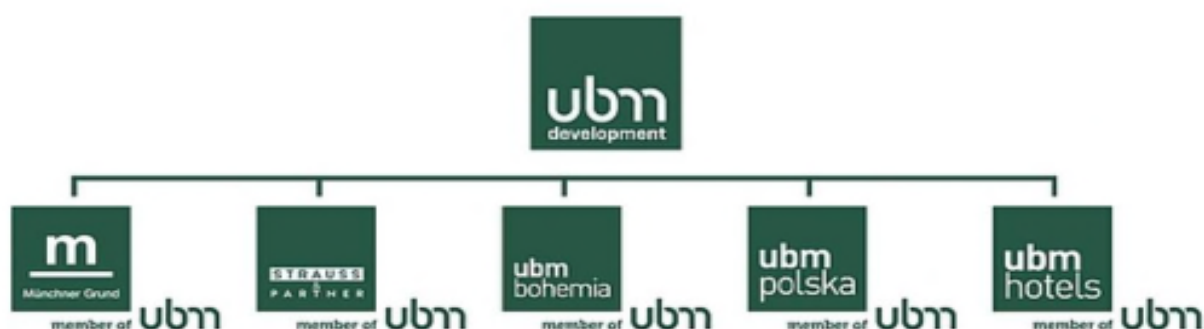
GENERAL INFORMATION ON THE ISSUER AND THE UBM GROUP

The Issuer and its Group

The Issuer is an Austrian stock corporation, incorporated under and governed by Austrian law, with its registered seat in Vienna, Austria, and its business address at Floridsdorfer Hauptstraße 1, A-1210 Vienna, Austria. Its telephone number is +43-50626-2600. It operates under the name "UBM Development AG"; the Issuer and its subsidiaries also operate under various commercial names, in most cases under "UBM", UBM Development", "UBM Polska", "UBM Bohemia", "Münchner Grund", "UBM Hotels" or "STRAUSS & PARTNER".

The Issuer was registered with the Austrian commercial register (*Handelsregister*) on 11 March 1873. It is a stock corporation (*Aktiengesellschaft*) registered with the Austrian companies' register (*Firmenbuch*) under registration number FN 100059 x, registration court: commercial court Vienna (*Handelsgericht Wien*), Austria. In May 2015, the Issuer changed its name from "UBM Realitätenentwicklung Aktiengesellschaft" to "UBM Development AG". The Issuer's financial year ends on 31 December. Pursuant to the Issuer's articles of association (*Satzung*, the "**Articles of Association**"), notices of the Company shall be made by publication in the Official Gazette (*Amtsblatt zur Wiener Zeitung*). The Issuer has been established for an indefinite period of time.

The Company is the parent company of the UBM Group. A high level overview of the structure of the Group is as follows:



(Source: Unaudited internal information of the Issuer)

The UBM Group has defined for the respective markets lead companies: in Austria, the UBM Group operates predominately under the name commercial "STRAUSS & PARTNER", the Austrian operations are conducted under the leadership of STRAUSS & PARTNER Development GmbH, a 100% subsidiary of the Issuer.

In Germany, the operational activities are conducted by the Issuer's 94% subsidiary Münchner Grund Immobilien Bauträger GmbH which operates under the commercial name "Münchner Grund". The Polish activities are conducted by UBM Polska Sp. z o.o., a 100% subsidiary of the Issuer, and BM Bohemia Development s.r.o., a 100% subsidiary of the Issuer, is responsible for the UBM Group's activities in the Czech Republic. In 2016, the Issuer established UBM hotels Management GmbH, a company in which all hotel asset management activities of the UBM Group are located. After the disposal of a hotel property, UBM hotels Management GmbH often assumes the role as hotel operator in order to make concessions to those investors who prefer to acquire a hotel which is operated by a hotel operator by way of a lease agreement.

Real estate development projects are usually conducted in separate legal entities, either alone by the Issuer or together with project partners.

History and Development of the Issuer's Business

The Issuer was founded on 3 March 1873 under the name "Union-Baumaterialien-Gesellschaft" and registered in the commercial register (*Handelsregister*) on 11 March 1873. Shares in the Issuer were admitted to trading on the Vienna Stock Exchange in 1873.

Subsequently, the Issuer became one of the largest brick makers of the Austrian-Hungarian Empire and operated 10 brick-making facilities with over 2,000 employees. In 1912, Allgemeine Österreichische Baugesellschaft (today known as PORR AG) acquired a majority interest in the Issuer. Starting in 1916, the Issuer gradually withdrew from brick making by means of the sale of its brick making facilities to Wienerberger Baustoffindustrie AG (today known as Wienerberger AG), among other measures. The Issuer then increasingly focused its operations on real estate development, with efforts initially concentrated in the larger Vienna area.

Between 1991 and 2010, the Company intensified its activities in real estate project development and management. Business operations expanded internationally with market entry in the Czech Republic in 1992, Poland in 1993, Hungary in 1994, Germany in 1999, France in 2001, Slovakia in 2004, Switzerland in 2005, Romania, Croatia and Bulgaria in 2006, Russia in 2007 and in The Netherlands in 2010.

In 1997, the name of the Company was changed to "UBM Realitätenentwicklung Aktiengesellschaft".

In 2004, PORR AG sold a 25% share in the Company so that the interest of PORR AG in the Company was reduced to less than 50%.

In 2014, PORR AG launched a public takeover bid for the shares of the Issuer; following such takeover, PIAG Immobilien AG, at that time a 100% subsidiary of PORR AG, held – together with the parties acting in concert with it – 85.37% of the shares of the Issuer (and 96.40% after the end of grace period). All properties of PORR AG which were not required for its operations were transferred to PIAG Immobilien AG. Subsequently, PIAG Immobilien AG was de-merged from PORR AG, a transaction in the course of which each shareholder of PORR AG was granted one share in PIAG Immobilien AG for one share in PORR AG. In January 2015, the shareholders' meetings of both PIAG Immobilien AG (as transferring company) and the Issuer (as absorbing company) resolved a merger in the course of which existing shareholders of PIAG Immobilien AG became shareholders of the Issuer.

In April 2015, the management board of the Issuer, upon approval by the supervisory board, resolved to increase the stated capital and to issue new shares. The capital increase, which included the issue of 1,462,180 new shares, was registered on 8 May 2015 with the Austrian companies register. Since 8 May 2015, the stated capital of the Issuer amounts to EUR 22,416,540, divided into 7,472,180 no-par value bearer shares.

There have been no recent events in the business activities of the Issuer that are to a material extent relevant to the valuation of the Issuer's solvency.

Share capital and shares

The Issuer's share capital amounts to EUR 22,416,540 and is divided into fully-paid 7,472,180 no-par value bearer shares. Every no-par value share represents an equal share in the share capital of the Issuer. The shares in the Issuer are freely transferable. All of the Issuer's shares are currently listed in the "Prime Market" segment of the Vienna Stock Exchange. All shares are represented by one or more global certificates deposited with OeKB CSD GmbH, the Austrian central securities depository. The shares can only be transferred in book-entry form. Other than the global certificates, there are no plans to issue separate share certificates in bearer form.

Articles of Association

The Issuer is registered with the Austrian Companies Register under the registration number 100059 x, the competent court for registrations is the commercial court Vienna (*Handelsgericht Wien*). The Issuer's business objects are set out in article 2 of its Articles of Association and reads as follows:

"The objects of the Issuer's business shall be:

(a) development, conception, planning, financing, implementation, control, operation, marketing and distribution of projects and real estate of all kinds, including related services and business, in all stages of the real estate value chain, throughout the entire real estate cycle, of the products office, hotel, trade, multifunctional use, production, logistics, housing, leisure, special real estate and infrastructure facilities, especially for the hospital and health care sector, for municipal supply and disposal, for telecommunications, for energy generation, in the area of environmental technology and protection, for the traffic carriers railway, street, water and air, for other public facilities, administrative buildings, educational and research facilities and business and production facilities or parts thereof, to ready-for-use completion, also as a general or total contractor, within a working group or as general building organiser, for the Company's own account or for the account of a third party;

(b) strategic and operational real estate management (investment, portfolio, asset, property and facility management);

(c) lease and operation of hotel properties;

(d) acquiring, renting, projecting, managing, selling, letting including (financial and operational) leasing and other use of real estate, real-estate-like rights and buildings, and establishing condominium ownership and commercial, technical and infrastructural administration and development of real estate;

(e) implementing privately funded operator models for buildings, infrastructure facilities and facilities of all kinds, including planning, building, financing and managing the same and rendering related services;

(f) the preparation of site analyses as well as market, feasibility and project studies and location development;

(g) the development and evaluation of financing models, tax and corporate law concepts, as well as the technical, legal, tax and economic assessment (due diligence) of real estate projects and transactions, provided that these activities are not restricted to other professions;

(h) acquiring, letting as well as (operational and financial) leasing and distribution of movable and fixed assets;

(i) the construction and operation of installations and operations of all kinds, in particular parking garages, parking lots, petrol stations, toll roads, quarries, ballast pits, sand pits, gravel pits and clay pits, and other services relating to environmental technology such as landfills, recycling facilities, waste treatment and waste disposal facilities;

(j) the acquisition, exercise and other use of respective concessions, patents, utility patents, licenses, trademarks and design rights and other intellectual property rights;

(k) the operation of all trade businesses necessary or useful for the achievement of the Company's purpose and other authorisations, in particular, the operation of the commercial real estate trustee business (real estate broker, real estate manager, real estate developer), technical offices - engineering offices, master-builders, commercial investment advice and management consultancy;

(l) the provision of all services related to the object of the Company, including supporting and secondary commercial activities;

(m) the provision of commercial, legal and technical services and management tasks, as well as the technical and economic administration of subsidiaries and affiliates, provided that such operations are not restricted to other professional groups.

The Issuer is entitled to establish branches and subsidiaries in Austria and abroad, to acquire interests in other businesses in Austria and abroad, to acquire and establish such businesses, to enter into any and all joint ventures or interest groups suited to support the object of business of the Issuer.

The Issuer is entitled to carry out all transactions that may be necessary or useful to achieve the object of the Issuer, including, in particular, in all areas of activities that are similar or related to the object of the Issuer. Banking business for which a licence is required shall be excluded."

Management Board and Supervisory Board

General

In accordance with mandatory Austrian law, the Issuer has a two-tiered board structure comprising of the Management Board (*Vorstand*) and the Supervisory Board (*Aufsichtsrat*). The Management Board is responsible for the management of the business and represents the Issuer in dealings with third parties. The Supervisory Board is responsible for appointing and removing the members of the Management Board and for supervising the business conducted by the Management Board. Although the Supervisory Board does not actively manage the Issuer, the Austrian Stock Corporation Act (*Aktiengesetz*), the Articles of Association and the Management Board's internal rules of procedure require that the consent of the Supervisory Board be given before the Management Board takes certain actions.

The members of the Management Board and the Supervisory Board can be reached at the registered office of the Company at Floridsdorfer Hauptstraße 1, 1210 Vienna, Austria.

Management Board

Pursuant to the Articles of Association, the Management Board consists of two to six members appointed by the Supervisory Board for a term of up to five years. Currently, the Management Board consists of three members.

Name	Function	First Appointed	Current Term Expires
Mag. Thomas Winkler, LL.M.	Chairman and Chief Executive Officer	1 June 2016	31 May 2019
Dipl. Ök. Patric Thate	Chief Financial Officer	1 July 2017	30 June 2020
DI Martin Löcker	Chief Operational Officer	1 March 2009	31 December 2020

(Source: Unaudited internal information of the Issuer)

Thomas Winkler was born in Salzburg, Austria, in 1963. In 1985 he completed his law studies at the University of Salzburg and subsequently obtained a Master of Laws at the University of Cape Town, South Africa, in 1987. Initially his main focus was on capital markets, financing and investor relations at companies such as Erste Bank, Maculan, Magna and Deutsche Telekom. From 2001-2007, he was Chief Financial Officer of T-Mobile Group worldwide. After two years of consulting in London and a year in Russia, he returned to Austria in 2010 as Chief Financial Officer of Lenzing. In 2012, he was appointed to the Supervisory Board of ÖIAG, the former Austrian state holding company. He also was a non-executive director of Russian oil producer Bashneft for one year. Since 2014, he is a Senior Advisory Board Member of the Spanish technology and consulting company Indra Business Consulting (Minsait). In June 2016, Thomas Winkler took over the responsibilities of CEO and CFO of UBM. He handed over the position of CFO to Patric Thate as of 1 July 2017. His responsibilities include: strategy, investor relations, communications, personnel, compliance and internal audit.

Patric Thate was born in Bergisch Gladbach, Germany, in 1973. After his study at the University of Wuppertal and Nottingham, he started his career in 1999 at Deutsche Telekom Group in Bonn, where he held various management finance positions up to the end of 2010. Until 2015, he was heading the entire finance division of Lenzing AG as Vice President Global Finance. Moreover, Patric Thate has been substantially involved in major international capital market transactions, among others in the Re-IPO of Lenzing AG. Most recently, he served as Head of Finance and member of the Executive Committee of UBM Development AG. In July 2017, Patric Thate became CFO of UBM and is responsible for accounting, controlling, treasury, tax, IT and insurance.

Martin Löcker was born in Leoben, Austria, in 1976. He obtained a degree in technical engineering from the Technical University Graz, Austria, in 2000 and a post graduate degree in real estate economics from the European Business School in Munich, Germany, in 2005. He joined the PORR Group and its then subsidiary, the Issuer, in 2001. He was responsible for projects in Austria, France and Germany and held managerial positions at the Issuer and its subsidiary Münchner Grund Immobilien Bauträger GmbH from 2007 on. He is a member of the Management Board since 1 March 2009. According to the Management Board's rules of procedure, Martin Löcker is responsible for the following as a Board Member: Development and Technology in German, Polish, Czech and Western European markets as well as for hotel management.

Supervisory Board

Pursuant to the Articles of Association, the Supervisory Board consists of three to twelve members which are appointed by the shareholders' meeting. In addition, the works council (*Betriebsrat*) is entitled according to the Austrian Labour Constitutional Act (*Arbeitsverfassungsgesetz*) to delegate representatives to the Supervisory Board. Currently, four members of the Supervisory Board are delegated by the works council. The current members of the Supervisory Board are:

Name	Position	First Appointed / Delegated	Year Current Term expires
Karl-Heinz Strauss	Chairman	14 April 2011	2019 ⁽¹⁾
Iris Ortner ⁽²⁾	Deputy Chairman	14 April 2017	2019 ⁽¹⁾
Christian B. Maier	Member	3 May 2013	2019 ⁽¹⁾
Klaus Ortner ⁽³⁾	Member	15 January 2015	2019 ⁽¹⁾
Ludwig Steinbauer	Member	15 January 2015	2019 ⁽¹⁾
Paul Unterluggauer	Member	15 January 2015	2019 ⁽¹⁾
Bernhard Vanas	Member	15 January 2015	2019 ⁽¹⁾
Susanne Weiss	Member	15 January 2015	2019 ⁽¹⁾
Johann Kaller	Member	30 June 2016	n/a ⁽⁴⁾
Martin Kudlicska	Member	30 June 2016	n/a ⁽⁴⁾
Hannes Muster	Member	30 June 2016	n/a ⁽⁴⁾
Günter Schnötzinger	Member	30 June 2016	n/a ⁽⁴⁾

(Source: Unaudited internal information of the Issuer)

- ⁽¹⁾ The term of office of the members elected by the shareholders' meeting expires as of the end of the shareholders' meeting resolving on the exoneration for the financial year 2018, which will take place in the year 2019.
- ⁽²⁾ Iris Ortner was already a member of the Issuer's supervisory board between 2003 and 2010.
- ⁽³⁾ Klaus Ortner was already a member of the Issuer's supervisory board between 2000 and 2004.
- ⁽⁴⁾ Members delegated by the works council.

Karl-Heinz Strauss was born in Klagenfurt, Austria, in 1960. He obtained a degree in technical engineering and completed international study programs at Harvard University in Cambridge, Massachusetts, United States and in St. Gallen, Switzerland and Fontainebleau, France. He holds a Master of Business Administration degree from IMADEC. Between 1980 and 1984, he was an independent civil engineering contractor. In 1987, he joined Raiffeisen Zentralbank Österreich Aktiengesellschaft (RZB), Vienna, in the commercial clients department. He was a member of the managing and supervisory boards of several RZB real estate companies and head of Concorde Projektentwicklungsgesellschaft m.b.H., where he played a material role in founding and developing. In 1994, he became a member of the management board of Raiffeisen Wohnbaubank AG. In 2000, he took over the management of Strauss & Partner Immobilien GmbH. On 13 September 2010, Karl-Heinz Strauss became the chairman of the management board and CEO of PORR AG.

Iris Ortner was born in Innsbruck, Austria, in 1974. She studied at ETH Zurich, Switzerland, and graduated in 1997 with the academic degree Diplomingenieur in mechanical engineering. She also holds a master degree in business administration from INSEAD, Fontainebleau, France, where she graduated in 2001. Iris Ortner began her career at the Ortner Group and was responsible for the establishment of the HTG Polska, the Ortner Group's Poland branch, and for several major projects in Austria and Poland. In addition, she worked for Siemens Management Consulting in Germany and the United States for more than one year. Since 2004, Iris Ortner has been a member of the management of the Ortner Group in Austria and Poland. In 2010, she became a member of the Supervisory Board.

Christian B. Maier was born in Judenburg, Austria, in 1966. He obtained a degree in technical engineering, a master degree in business administration from the Vienna University of Economics and Business and a master degree in geology from the University of Vienna. In 1994, he started his professional career at Creditanstalt Bankverein, Vienna, as a trainee and then worked in the department for group development and strategy. In 1997/1998, following the take-over of Creditanstalt by Bank Austria, he was a member of the team responsible for the integration of Creditanstalt into Bank Austria. From 1998 through 2003, Christian B. Maier was a member of the management board and CFO of Unternehmens Invest AG, a stock exchange listed Austrian private equity company. From 2003 to 2011, he was a member of the management board and CFO of Constantia Industries AG. Between 1 February 2012 and 31 December 2017, Christian B. Maier was a member of the management board and CFO of PORR AG.

Klaus Ortner was born in Austria in 1944. He studied at ETH Zurich, Switzerland, and graduated in 1966 with the academic degree Diplomingenieur in mechanical engineering. After briefly studying in the United States, Klaus Ortner began working at the family business of Ortner GesmbH, which was then managed by his father. Klaus Ortner became a shareholder and managing director of Ortner GesmbH in 1977. In 1972, he became a certified surveyor for mechanical engineering. Since 1989, he has headed Ortner Group.

Ludwig Steinbauer was born in Austria in 1965. He obtained a master and a doctoral degree in law from the University of Vienna, Austria. In 1994, he started his professional career at Creditanstalt Bankverein, Vienna, as a trainee and then worked in the central credit / risk management department. In 1992, he joined ILBAU GmbH (today STRABAG AG) as assistant to the board and became a member of the management board in 1998. He served in various executive positions at STRABAG AG, including head of building construction international (2003 to 2006), head of group development and services (2007 to 2014) and, additionally, of property & facility management/services in Austria, Germany, Slovenia, Croatia, Slovakia, Czech Republic and Poland) (2008 to 2014). In January 2015, he began serving in an executive position with PORR AG.

Paul Unterluggauer was born in Austria in 1967. He obtained a degree in business administration from the University of Innsbruck, Austria, in 1992. In 1995, he joined Ortner Group and has since served in various executive positions within the Ortner Group. In 2010, he became managing director of Ortner GesmbH.

Bernhard Vanas was born in Austria in 1954. He studied business administration at the Vienna University of Economics and Business and law at the University of Vienna. Bernhard Vanas began his professional career at Auditor Treuhand GmbH and was admitted as a certified tax advisor and a certified auditor. In 1991, he became head of the tax department of Auditor Treuhand GmbH, which was then an Austrian Arthur Andersen franchise, and in 2000, he became managing partner of Arthur Andersen in Austria. From 2002 until 2010, Bernhard Vanas was managing partner of the Deloitte Austria Group. Between 2010 and end of 2017, he was the head of Taxand Austria Steuerberatungsgesellschaft mbH. Currently, he is a partner of Vanas & Partner Steuerberatungsgesellschaft mbH and a member of the management boards of several private trusts.

Susanne Weiss was born in Germany, in 1961. She is a graduate of the law school of the University of Regensburg, Germany. Since 1989, she has worked as an attorney with a particular focus on mergers & acquisitions as well as banking and finance. Since 2000, she has been a managing director and shareholder of several companies that are, in particular, active in the mechanical engineering and construction business. Susanne Weiss has also been a member of supervisory boards of several companies, including publicly listed companies.

The CVs of those members of the Supervisory Board who have been appointed by the works council are not included in this Prospectus.

Supervisory Board Committees

The Supervisory Board has established an audit committee (*Prüfungsausschuss*), a nomination committee (*Nominierungsausschuss*) and a remuneration committee (*Vergütungsausschuss*). The current members of the audit committee are Karl-Heinz Strauss (chairman), Iris Ortner, Susanne Weiss and Christian B. Maier (financial expert).

The audit committee (*Prüfungsausschuss*) is responsible for (i) monitoring the accounting process as well as providing recommendations and proposals with respect to maintaining its reliability, (ii) monitoring the efficiency of the internal control system, the internal revision system, if applicable, and the risk management system of the Company, (iii) monitoring the audit of the (consolidated) financial statements under consideration of the findings and conclusions in reports which were published by the auditors supervision authority (*Abschlussprüferaufsichtsbehörde*) pursuant to section 4 para 2 No 12 of the Auditors Supervision Authority Act (*Abschlussprüfer-Aufsichtsgesetz*), (iv) reviewing and monitoring the auditor's independence, particularly in respect of additional services rendered by the auditor to the Group; Art 5 of Regulation (EU) No 537/2014 and section 271a para 6 Entrepreneurial Code (*Unternehmensgesetzbuch*) shall apply; (v) reporting on the result of the audit to the Supervisory Board and the presentation how the audit contributed to the reliability of financial reporting, as well as the role of the audit committee thereby; (vi) the review of the annual financial statements and the preparation of their approval, the review of the proposal for the distribution of a dividend, the management report und the corporate governance report as well as reporting on the results of the review to the Supervisory Board; (vii) the review of the consolidated financial statements and the group management report, of the consolidated corporate governance report as well as reporting on the results of the review to the Supervisory Board of the parent company; (viii) the execution of a procedure for the selection of an auditor (group auditor) under consideration of the appropriateness of the fees as well as the recommendation for its appointment to the Supervisory Board; Art 16 of Regulation (EU) No 537/2014 shall apply.

The nomination committee (*Nominierungsausschuss*) is responsible for submitting proposals to the supervisory board for filling mandates which become free on the Management Board, including issues relating to successor planning. Prior to the appointment of member of the Management Board, the nomination committee shall – upon consideration of the strategy and the status of the Issuer – define the requirements for the Management Board and shall prepare the decision by the entire Supervisory Board. It is further responsible for the preparation of proposals to the Supervisory Board for mandates which become free on the Management Board. The nomination committee deals also with the planning of proposals for Supervisory Board mandates. The nomination committee submits proposals to the entire Su-

pervisory Board which – after resolved upon by the Supervisory Board – are presented to the shareholders' meeting. Proposals for candidates shall consider the personal and professional qualification of the members of the Supervisory Board as well as with regard to the structure and business of the Issuer a professionally well-balanced composition of the Supervisory Board. In addition, diversity of the Supervisory Board with respect to both genders and the age structure as well as internationality of the members shall be appropriately considered. No individual shall be proposed as a member of the Supervisory Board who has been convicted with legally binding effect for a criminal offence which challenges his professional reliability. The current members of the nomination committee are Karl-Heinz Strauss (chairman), Iris Ortner and Susanne Weiss.

The remuneration committee (*Vergütungsausschuss*) responsible for the following matters: (i) handling all issues of remuneration of the members of the Management Board and the content of the agreements with members of the Management Board, in particular the determination of the principles for the remuneration of the members of the Management Board as well as the determination of the criteria for variable parts of the remunerations pursuant to rules 27, 27a and 28 of the Austrian Code of Corporate Governance; (ii) periodic review of the remuneration policy for the members of the Management Board; (iii) consenting to activities of members of the Management Board outside of the UBM Group. The current members of the remuneration committee are Karl-Heinz Strauss (chairman), Iris Ortner and Susanne Weiss (remuneration expert).

No further committees of the Supervisory Board have been established.

Additional Information Relating to Board Members

The following table sets out the names of companies and business partnerships, excluding the Issuer and its subsidiaries, of which each of the members of the Management Board and Supervisory Board is a member of the administrative, executive or supervisory boards or partner, as the case may be:

Member of the Management Board	Name of company / legal entity	Currently held position
Mag. Thomas G. Winkler, LL.M.	Minsait by Indra Business Consulting S.L.U.	Senior Advisory Board Member
Dipl. Ök. Patric Thate	-	-
DI Martin Löcker	-	-

Member of the Supervisory Board	Name of company / legal entity	Currently held position
Ing. Karl-Heinz Strauss	ALUK-Privatstiftung	Chairman of the board
	CARL-Privatstiftung	Deputy chairman of the board
	DATAX HandelsgmbH	Supervisory board member
	KAPSCH-Group Beteiligungsgesellschaft	Supervisory board member
	Kapsch Aktiengesellschaft	Supervisory board member
	Ortner Privatstiftung	Deputy chairman of the board
	PLACHUTTA Privatstiftung	Chairman of the board
	PORR AG	Chairman of the management board
	PORR Bauindustrie GmbH	Managing director
	PORR Bau GmbH	Chairman of the supervisory board

Member of the Supervisory Board	Name of company / legal entity	Currently held position
DI Iris Ortner	PORR Construction Holding GmbH	Chairman of the supervisory board
	PORR Deutschland GmbH	Chairman of the supervisory board
	PORR Suisse AG	Chairman of the administrative board
	TEERAG-ASDAG Aktiengesellschaft	Chairman of the supervisory board
	UKAL-Privatstiftung	Chairman of the board
	Bacon Beteiligungs GmbH	Managing director
	Bacon Gebäudetechnik GmbH	Managing director
	Bacon Gebäudetechnik GmbH & Co KG	Prokurist
	Berninger & Co. KG	Prokurist
	Haustechnische Gesellschaft für Sanitär-, Wärme- und lufttechnische Anlagen Gesellschaft m.b.H.	Managing director
	IGO Real Estate GmbH	Managing director
	IGO Real Estate GmbH & Co OG	Prokurist
	IGO Verwaltungs GmbH	Managing director
	IGO Industries GmbH	Managing director
	Ortner AG (Schweiz)	Member of the management
	Ortner Ges.m.b.H.	Managing director
	Ortner Managementgesellschaft mit beschränkter Haftung	Prokurist
	TKT Engineering Sp. z o.o.	Deputy chairman of the supervisory board
	Ultraplan Planungsgesellschaft für haustechnische Anlagen GmbH	Managing director
	MzH-Beteiligungen GmbH	Managing shareholder
MMag. Christian B. Maier	Raiffeisen Aichfeld eGen	Supervisory board member
	Rath Aktiengesellschaft	Supervisory board member
Dipl.-Ing. Klaus Ortner	Berninger & Co. KG	Unlimited partner
	ELIN GmbH	Chairman of the supervisory board
	IGO Construction GmbH	Managing director
	IGO Industries GmbH	Managing director
	IGO Real Estate GmbH	Managing director
	IGO Verwaltungs GmbH	Managing director
	Ortner Managementgesellschaft mit beschränkter Haftung	Managing director
	PORR AG	Deputy chairman of the supervisory board
	PORR AG	Prokurist
	PORR Beteiligungen und Management GmbH	Managing director
Dr. Ludwig Steinbauer	PORR SLOVAKIA LTD.	Managing director

Member of the Supervisory Board	Name of company / legal entity	Currently held position
Mag. Paul Unterluggauer	Bacon Beteiligungs GmbH	Prokurist
	Berninger & Co. KG	Prokurist
	e value GmbH	Managing director
	HTG GmbH	Prokurist
	IGO Construction GmbH	Prokurist
	IGO Industries GmbH	Prokurist
	IGO Real Estate GmbH	Prokurist
	IGO Real Estate GmbH & Co OG	Prokurist
	IGO Technologies GmbH	Prokurist
	IGO Verwaltungs GmbH	Prokurist
	IP Real Estate Amrasser Straße GmbH	Managing director
	Ortner Ges.m.b.H.	Managing director
	Ortner AG (Schweiz)	Member of the management
	Ortner Anlagentechnik GmbH	Managing director
Hon.-Prof. Dr. Bernhard Vanas	Albona Privatstiftung	Member of the board
	ALUK-Privatstiftung	Member of the board
	ATO Austrian Trust Office Gesellschaft mbH	Managing director
	AUDIREAL Liegenschaftsverwaltungs GmbH	Managing director
	C. von Meinertzhagen Privatstiftung	Chairman of the board
	Fidelis Privatstiftung	Member of the board
	GOB Liegenschaftsverwaltung KG	Unlimited partner
	IRZ Holding GmbH	Managing director
	IRZ Liegenschaftsverwertung GmbH	Managing director
	Kornfeld & Vanas Land- und Forstwirtschaft OG	Unlimited partner
	MAB Liegenschaftsverwaltung OG	Unlimited partner
	MAB Mohsgasse 33 Vermietungs OG	Unlimited partner
	Medienbeteiligungen Privatstiftung	Member of the board
	MRB Radiobeteiligungen GmbH	Managing director
	MVB Beteiligungs GmbH	Managing director
	Orion Privatstiftung	Member of the board
	PALFINGER Privatstiftung	Member of the board
	PORR AG	Supervisory board member
	Prajo Privatstiftung	Member of the board
	PROSPERO Privatstiftung	Chairman of the board
	STYX Privatstiftung	Chairman of the board
	Schröder Privatstiftung	Member of the board
	SDN Beteiligungs GmbH	Supervisory board member
	Vanas & Partner Steuerberatungsgesellschaft mbH	Managing director
Dr. Susanne Weiss	Blue Elephant Holding GmbH	Managing director
	CI-ALPEN GmbH	Managing director

Member of the Supervisory Board	Name of company / legal entity	Currently held position
	Freeride Litz Clothing OG	Managing director
	KHW Beteiligungsgesellschaft mbH	Managing director
	Pearl Skin GmbH	Managing director
	PORR AG	Supervisory board member
	ROFA AG	Chairman of the supervisory board
	Schattdecor AG	Supervisory board member
	SW Beteiligungsgesellschaft m.b.H.	Managing director
	Wacker Chemie AG	Supervisory board member
Johann Kaller	-	-
Martin Kudlicska	-	-
Hannes Muster	-	-
Ing. Günter Schnötzinger	-	-

(Source: Unaudited internal information of the Issuer)

Conflicts of interest

A conflict of interest may potentially arise due to business relationships between the Issuer or companies of the UBM Group and PORR AG and its group companies because Karl-Heinz Strauss is a member of the Issuer's Supervisory Board and also the chairman of the Management Board of PORR AG. Furthermore, Ludwig Steinbauer holds a leading position with PORR AG. Iris Ortner, Klaus Ortner, Bernhard Vanas and Susanne Weiss are also members of the supervisory Board of PORR AG.

Potential conflicts of interest may also arise when the Issuer or companies of the UBM Group cooperate with companies of Ortner Group which provides various engineering, installation and construction services to the UBM Group because the members of the Supervisory Board Iris Ortner, Klaus Ortner and Paul Unterluggauer are members of the management of Ortner Group.

Potential conflicts of interest may also arise in connection with PROSPERO Privatstiftung, an Austrian private foundation which is an indirect shareholder of the Issuer. Karl-Heinz Strauss is the beneficiary of PROSPERO Privatstiftung. Bernhard Vanas is the chairman of the management board of PROSPERO Privatstiftung, a member of the Supervisory Board of the Issuer, as well as a member of the supervisory board of PORR AG, and he renders from time to time tax consulting services to the Issuer. There may also be potential conflicts of interest with the German law firm Weiss Walter Fischer-Zernin which provides legal advice to the Issuer because Susanne Weiss is both a partner of that law firm and a member of the Supervisory Board of the Issuer.

The management of the Issuer is of the opinion that the business relationships between the UBM Group on the one hand and the respective members of the Supervisory Board and/or companies closely related to them on the other hand are conducted at arm's length. Moreover, any member of the Management Board or Supervisory Board that may be conflicted does not participate in the adoption of any resolution in relation to a matter that could create a conflict of interest.

Except as described above, there are, to the best knowledge of the Issuer, no potential conflicts of interest of any members of the Management Board or the Supervisory Board. The Issuer is not aware of any interest of any member of the Supervisory Board or the Management Board relating to unusual business transactions with the Group. The Issuer has no outstanding loans to and no guarantees on behalf of any members of the Supervisory Board or Management Board. There are no family relationships between the

members of the Management Board and Supervisory Board, except that Iris Ortner is the daughter of Klaus Ortner.

There are no arrangements or understandings with major shareholders, customers or suppliers of the Issuer, or with other persons, pursuant to which any member of the Issuer's Supervisory Board or Management Board was appointed a member of such corporate body.

Principal shareholders

The following table provides for an overview of the Company's principal shareholders.

Shareholder	Number of shares	Percentage
Ortner-Strauss Syndicate	2,901,961	38.84%
<i>thereof Ortner Group</i> ⁽¹⁾	2,063,471	27.62%
<i>thereof Strauss Group</i> ⁽²⁾	838,490	11.22%
Freefloat	4,570,219	61.16%
<i>thereof UBM Management and Supervisory Board</i> ⁽³⁾	821,656	11.00%
Total	7,472,180	100.00%

(Source: unaudited internal information of the Issuer)

- (1) Shares attributable to Ortner Group are held by Ortner Beteiligungsverwaltung GmbH and IGO Baubeteiligungs GmbH.
- (2) Shares attributable to Strauss Group are held by SuP Beteiligungs GmbH and AIM Industrieholding und Unternehmensbeteiligungen GmbH.
- (3) Includes shares held by or attributable to members of the Management Board and the Supervisory Board, including shares held by or attributable to Klaus Ortner held outside the Ortner-Strauss Syndicate.

Except as set out in the above table, to the Issuer's knowledge, no other shareholder beneficially owns more than 4% of the shares of the Issuer as of the date of this Prospectus. All of the Issuer's shares have the same voting rights.

The Issuer has not adopted measures against the potential abuse of controlling shareholders of their control in addition to those required by Austrian law. However, the Company believes that Austrian law, including the takeover regulations and principles of equal treatment of shareholders, provides comprehensive and sufficient safeguards against the potential abuse of controlling shareholders of their control.

The Ortner-Strauss Syndicate

There is a syndicate agreement in place between the Ortner Group and Strauss Group. Based on information disclosed by the Ortner-Strauss Syndicate, resolutions of the Ortner-Strauss Syndicate require a unanimous vote and resolutions passed by the syndicate oblige the syndicate members to exercise their voting rights in accordance with the resolutions of the syndicate in shareholders' meetings of the Company. In addition, reciprocal acquisition rights exist.

Corporate Governance

In August 2016, the Issuer has formally committed to adhere to the rules of the Austrian Code of Corporate Governance, and the Management Board and Supervisory Board of the Issuer have declared that they will uphold the Austrian Code of Corporate Governance as amended and that they will fully commit to the Austrian Code of Corporate Governance and its objectives. In this context, the Issuer has provided with regard to those provisions of the Austrian Code of Corporate Governance which are not mandatory, but the non-compliance with which must be explained ("Comply-or-Explain" provisions) in August 2016 a respective statement. As of the end of December 2017, the statement reads as follows (two rules which had not been complied with initially in August 2016 and which were for that reason included in the initial statement have been removed due to compliance with them as of the end of December 2017):

Rules of the Austrian Code of Corporate Governance which are not complied with	Explanation
Rule 27	The remuneration of the Management Board members consists of fixed and variable components. The variable components are exclusively related to annual EBT. There are no non-financial criteria that have a significant influence on the variable remuneration. Concerns about objectivity and clear traceability should thereby have been satisfied.
Rule 27a	At present the contracts with the Management Board members do not contain an express provision stating that severance payment for premature termination from the Management Board without cause may not exceed two times the total annual compensation and may not amount to more than the remainder of the contractual term. In addition, they do not expressly specify at present that no severance payment shall be made upon premature termination of a Management Board contract with good cause. The Management Board contracts do not contain any stipulations under which the circumstances of leaving the company and the economic state of the company should be considered upon the premature departure of a Management Board member. The existing Management Board contracts were concluded at a point in time when adherence to the rules of the Austrian Code of Corporate Governance was not a focal point. Should any new Management Board contracts be concluded in the future, the Supervisory Board of UBM Development AG will appropriately evaluate the provisions of Rule 27a.
Rule 38	The job profile and the procedure for appointing Management Board members is defined on a case-by-case basis. When a Management Board member is to be appointed, the Supervisory Board defines a job profile, whereby particular attention is paid to the candidate's qualifications, experience and industry knowledge. In the interests of the company, a formally defined appointment procedure and a general job profile is not used, as this could exclude candidates from being appointed as Management Board members despite exceptional qualifications and outstanding industry knowledge.
Rule 39	Establishing an emergency committee appears unnecessary in view of the homogeneous business activities practised by UBM Development AG as well as the comparatively low number of Supervisory Board members. The option of circular resolutions may be exercised in urgent cases.
Rule 49	The conclusion of contracts with members of the Supervisory Board in which such members are committed to the performance of a service outside of their activities on the Supervisory Board for the company or a subsidiary for a remuneration not of minor value is subject to approval by the Supervisory Board in line with the law. The company will, however, refrain from publishing these details due to related operational and business confidentiality issues. In any case, the notes to the consolidated financial statements of UBM Development AG show disclosures on related party transactions, which contain the remuneration for services by companies in which the Supervisory Board members hold a position and/or an interest outside of their activities on the Supervisory Board of UBM Development AG.

(Source: internal information of the Issuer)

Agreements regarding the control of the Issuer

The Issuer is unaware of any agreements which may lead to a change of control with respect to the Issuer at a later date if executed.

Listed securities of the Issuer

The Issuer has currently the following securities outstanding which are listed on the markets as described below:

Type of security	Designation	ISIN	Market(s)
Equity	Common share (<i>Stammaktie</i>)	AT0000815402	Vienna Stock Exchange (Official Market)
Debt	Corporate Bond 2014-2019	AT0000A185Y1	Vienna Stock Exchange (Official Market)
			Frankfurt Stock Exchange (Entry Standard)
Debt	Corporate Bond 2015-2020	DE000A18UQM6	Vienna Stock Exchange (Official Market)
			Frankfurt Stock Exchange (Entry Standard)
Debt	Corporate Bond 2017-2022	AT0000A1XBU6	Vienna Stock Exchange (Official Market)
			Frankfurt Stock Exchange (Quotation Board)

(Source: internal information of the Issuer)

INFORMATION ON THE ISSUER'S AND THE UBM GROUP'S BUSINESS

Overview

The Issuer itself is only partially operational. It acts mainly as the holding company of the UBM Group, and therefore coordinates all activities of the UBM Group. The UBM Group is a European real estate developer with a particular focus on residential, hotel and office properties in Austria, Germany and Poland. On a project-related and opportunistic basis, the UBM Group is also active in other European countries, like The Netherlands, France and the Czech Republic (as well as in a number of Central and Eastern European countries, including Russia). In all countries, where it is active, the UBM Group focuses on development projects in the greater metropolitan areas of larger cities.

Asset Classes

In terms of asset classes, the UBM Group focuses on the development of residential properties in the mid- to high-price segment, hotels in the three- to five-star rating segment, as well as the development of office complexes. In addition to these core asset classes, the UBM Group's development activities also include other properties such as retail, logistics, health care and entertainment assets. The real estate portfolio represents a diversified presence with a balanced distribution of real estate investments across regions and asset classes, which are planned to be monetised over time.

Business Model

The business model of the UBM Group extends across the entire value chain of real estate development and can be differentiated in the acquisition, planning, construction and exit phases. In the exit phase, the respective properties are sold to various third parties (purchasers, investors, etc.). With the exception of residential properties, the exit phase often includes the letting of self-developed office and other commercial properties as well as hotel management. The UBM Group holds self-developed commercial projects for certain periods to generate revenue from operations and to optimise the property's cash flows and value for future sale. With respect to select projects, the UBM Group also follows an "asset-light" approach which involves entering into joint ventures and the rapid turnover through to sales. The UBM Group generates its revenues primarily from proceeds from the sale of developed properties.

In the second half of 2017, the Issuer has started the implementation of an efficiency initiative named "Next Level". "Next Level" aims to improve all business processes as well as savings in material and personnel costs.

Book Values

As of 30 June 2017, the UBM Group held real estate with a total book value of about EUR 1.3 billion (including real estate held by at-equity consolidated companies on a pro-rata basis). Based on the book values, the real estate was geographically distributed as follows: about 38% in Austria, about 22% in Germany and about 29% in Poland. The remaining 12% of the UBM Group's portfolio are in other countries, including the Czech Republic and The Netherlands. Based on the book values and classified by asset classes, about 19% of the properties account for the asset class hotels, about 39% for the asset class office, about 25% for the asset class residential, and the remaining 17% for other asset classes; land bank accounts for about 5% of the portfolio. Currently, the UBM Group develops 7 hotels; this corresponds to about 1,700 rooms.

Currently, the UBM Group develops projects in different stages with an aggregate volume of about EUR 658 million which includes ongoing and future projects with partners (i.e. projects in at-equity consolidated companies are fully included, and not only on a pro-rata basis). Germany accounts for approximately 35% of the project volume, Austria for approximately 40%, and Poland for approximately 12%. About 47% of these projects are residential projects, about 30% are office projects and about 16% are hotel projects. These volumes reflect the book values of current development projects as of 30 June 2017. Such book values are constantly changing, depending on the progress in construction.

Trends

In the opinion of the management, the financial crisis which has started in 2007 and which has led to liquidity problems and insolvencies in particular of financial institutions, and which has evolved into a sovereign debt crisis in 2010, like e.g. in Greece, is not yet fully over. Although the economy, both on a national and an international level, has recovered to a large degree from the financial crisis, the interest levels are in the view of the management still volatile. It is also unclear what the outcome of the negotiations on the prospective withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union (Brexit) will be, and what the consequences for the Austrian and the European economy could be. Furthermore, the impact of global politics, in particular in Russia, Turkey and also the United States of America, on the Austrian, European and international economy is also uncertain. The management of the Issuer is of the opinion that this economically unstable situation will continue in 2018.

In addition to the above, the Issuer is not aware of any trends, uncertainties, development in demand, obligations or events which may likely affect the Issuer materially at least in current financial year.

New Products and Services

There currently are no material new products or services offered by the UBM Group.

Competitors

In its Core Markets, the UBM Group primarily competes with several internationally active construction companies as well as a number of medium-sized firms with strong regional presence or product specialisation. However, there are no published statistics available for the area of business of the Issuer.

Important markets

In its segment reporting, the Issuer defines the geographic areas of business Austria, Germany and Poland (these three countries are the core markets of the UBM Group) as well as "Other Markets". With respect to asset classes, the UBM Group distinguishes between "Hotel", "Office", "Residential" and "Other" (which includes, for example, business properties, like retail shopping centres, logistics, health care and entertainment assets). In addition, there are the segments "Services" (for services in the course of general construction transactions, planning activities or facility management services) as well as "Administration" for overhead costs of the UBM Group.

The most important properties held by the UBM Group are described in Annex 1 to this Prospectus.

The Issuer distinguishes four types of properties: investment properties pursuant to IAS 40 (properties held as financial investment), properties as fixed asset pursuant to IAS 16 (properties used by the undertaking on a long term), and properties as current assets pursuant to IAS 2 (inventory properties). In addition, the Issuer holds properties which are classified for sale pursuant to IFRS 5.

The properties have been appraised on a regular basis by external real estate appraisers predominately in February / March 2017. As of 30 September 2017, the investment properties pursuant to IAS 40 had an aggregate book value of approximately EUR 367.3 million. As of 30 September 2017, the properties as fixed asset pursuant to IAS 16 have an aggregate book value of about 40.4 million, and the properties as current assets pursuant to IAS 2 have an aggregate book value of about EUR 184.9 million. In addition, just for information purposes, the most important properties held in at-equity companies are shown which have a pro rata book value in the aggregate amount of about EUR 574.3 million.

Intellectual Property

The UBM Group is not reliant on licensing intellectual property rights from third parties to any significant degree.

The UBM Group's most important registered trademark and logo is "UBM". The Group's principal internet website domain is www.ubm.at.

Staff / Employees

The following table provides a breakdown of the Group's employees (averages of headcount) for the financial years ended 31 December 2015 and 2016 as well as for the periods 1-9/2016 and 1-9/2017:

	1-9/2017	1-9/2016	2016	2015
Average staffing levels	773	728	716	685

(Source: Unaudited internal information of the Issuer)

Current and future investments

Current investments

The most important current investments relate to the following projects:

- **Berlin, Germany, Zalando headquarters** (Office): Close to the Mercedes-Benz Arena, Berlin, Germany, the UBM Group develops currently the new headquarters for Zalando. An office complex of about 43,000 sqm with an open campus concept is being realised and has already been rented by Zalando. The projects involves two seven-storey buildings with about 29,000 sqm in building A and 13,000 in building B, as well as an underground parking for 156 cars. The Issuer has sold the project already in April 2017 to a South Korean investor, Capstone Asset Management, in the course of a forward deal for EUR 196 million. Completion is scheduled for Q3 2018.
- **Munich, Germany, Leuchtenbergring** (Hotel, Office): The current hotel angelo Leuchtenbergring is extended by additional 133 to 279 rooms. The entire area of the property comprises 9,100 sqm, the gross floor area will be more than 17,000 sqm. In addition, the UBM Group develops a five-storey office building with 385 underground parking lots and 8,400 sqm of retail area. Anchor tenant of the retail area is the largest German bike retailer "Zweirad-Center Stadler". In August 2017, the project has been sold forward to Real LS for EUR 190 million. Completion is planned for Q2 2018.
- **Vienna, Austria, Rosenhügel** (Residential): The UBM Group develops on about 15,000 sqm 205 upper middle-class apartments. This residential project has a gross floor area of about 22,000 sqm and comprises 7 buildings, a spacious park and underground parking. Completion is planned for Q2 2018.
- **Vienna, Austria, MySky** (Residential): This 20 storey building in Monte Laa in the 10th district of Vienna comprises 128 apartments for sale, as well as flats for rent and student living apartments. The gross floor area is about 8,500 sqm. The construction was completed in Q4 2017.
- **Warsaw, Poland, Poleczki** (Office): Poleczki Park is a modern Business Park office complex in Warsaw which includes office area, multi-functional spaces, service facilities, a hotel, restaurants and retail areas. The completed phases of the development are 6 business park buildings and a parking house, which represent a total lease area of approximately 83,400 sqm and in total ap-

proximately 1,770 parking spaces. Further development of up to 8 buildings and approximately 80,000 sqm plus 2,000 parking spaces will be implemented gradually.

- **Vienna, Austria, Office Provider (Office):** The office building "Office Provider", comprising about 17,650 sqm, is currently to a large extent being leased by PORR AG. The building is under extensive refurbishment which will be completed in Q3 2018.

Future investments

The Issuer will develop the following future developments:

- **Vienna, Austria, Quartier Belvedere Central (QBC) (Mixed Use):** Development and implementation of a new urban area around the Vienna Central Railway Station. On about 25,000 sqm, a gross floor area of an aggregate 130,000 sqm is developed in various buildings for mixed uses (office, hotel, residential, serviced apartments, retail and restaurants). About 60% of the development area has already been completed. The working panels QBC 3 (office), QBC 4 (office) and QBC 5 (hotel) have already been sold. The working panel QBC 6.2 where UBM currently develops 131 serviced apartments has been sold in September 2017. In the last development phase, the largest complex (QBC 1 + 2) with a gross floor area of about 44,000 sqm is being developed, completion is planned for Q2 2020.
- **Berlin, Germany, Enckestraße (Residential):** The residential project is located in the north of the Berlin district "Kreuzberg". It will consist of an existing building which will be integrated in this project and the construction of a new six storey building, including underground parking. 61 new apartments and 6 retail units will be constructed in the new building, and 14 apartments in the currently existing building. Completion is planned for Q1 2019.
- **Potsdamer Hauptpost, Germany (Mixed Use):** This project is a business centre project in Potsdam which is being developed with a S Immo AG as partner. The plot comprises about 11,450 sqm, thereof 6,560 sqm relate to an existing building, which was sold to S Immo AG for EUR 19 million in January 2018. A five storey building, one retreating and a basement floor with a total gross floor area of about 14,600 sqm will be developed on the remaining plot. The building will comprise a hotel, apartments, micro-apartments or retail, and underground parking.
- **Gdansk, Poland, "Granaria" (Mixed Use):** UBM, together with Immobel, Multibud and the city of Gdansk, have finalised all preconditions for the start of the completion stage of this project. The project comprises the building of a residential and business complex as well as of a four star hotel on an 18,000 sqm area on the Granary island and will have a total net floor area of about 60,000 sqm. The hotel which is developed by UBM was sold in January 2018 for EUR 38 million as forward deal to Union Investment. Completion is scheduled for Q1 2019.
- **Hamburg, Germany, Eiffestraße (Hotel):** This project comprises the construction of two new hotel buildings on an area of 3,761 sqm in the Hamburg district "Borgefelde". Two hotels under the brands "Holiday Inn" and "Super 8" with more than 590 rooms and more than 120 parking lots in total will be build, the gross floor area will be more than 24,000 sqm. In August 2017, Union Investment bought the two hotels as forward deal for EUR 90 million. Completion is planned for Q3 2019.
- **Prague, Czech Republic, Residence Bellvue Grafická (Residential):** 140 apartments, ranging from 80 to 150 sqm, and 160 parking lots will be developed on a plot of 6,781 sqm with a gross floor areas of 31,000 sqm. Completion is planned for December 2019.
- **Vienna, Austria, Ekazent Properties (Mixed Use):** UBM bought a package of 28 properties in and around Vienna together with a joint venture partner. This package contains mainly retail properties with adjacent development areas. The respective properties have a diverse develop-

ment potential and are mainly located close to large size residential living areas where they should ensure the local supply. The current focus for this project is to optimize the existing assets and to analyse the potential for the different locations. At the present the project is in early conceptual phase.

- **Berlin, Germany, Thulestraße, Berlin-Pankow** (Residential): 396 residential units and 221 parking lots, with a total living area of 32,456 sqm and about 105 mini-apartments, will be developed on a plot of 18,872 sqm in six identical buildings. The project will be realised in two phases. Construction works have already started and will be completed in 2021.
- **Berlin, Germany, Central Tower** (Hotel): UBM plans the development of a hotel (372 rooms) and a boarding house (170 long stay apartments) close to the Alexanderplatz. This large size project will be completed after 2020 in a joint venture with CESA group.
- **Munich, Germany, Unterbiburger Straße** (Residential): In the Southeast of Munich, an existing office building is planned to be reclassified for residential use and completely refurbished. The project is currently in the approval stage. Construction will begin not before 2020.
- **Mainz, Germany, Waterkant** (Residential): This project comprises the construction of 82 residential units and a parking garage with 48 parking lots. On 2,688 sqm, a six story building and courtyard with several private gardens will be developed, the remaining area will be for the residential community.
- **Mainz, Germany, Zollhafen** (Hotel): On a gross floor area of 8,149 sqm and directly adjacent to the former harbour on the so-called Nordmole, the UBM Group develops a new hotel project with 216 rooms. The UBM Group entered into a lease agreement with GS Star GmbH as operator for a "Super 8"-branded hotel. Parts of the ground floor of the five-storey building will be used for commercial purposes. Completion is planned for Q1 2019.
- **Munich, Germany, Anders Wohnen** (Residential): UBM develops a residential complex with several buildings in the west of Munich on a gross floor area of 41,500 sqm. The complex comprises of more than 460 residential units ranging from 34 to 129 sqm and 440 parking lots. Construction works have already started in 2017 and will be completed in 2021.
- **Hamburg, Germany, The Brick** (Residential): On the former property of Kühne KG headquarters, the UBM Group develops a mix of high-quality freehold flats and affordable rental apartments. 101 residential units and a parking garage with 61 parking spaces will be built on a gross floor area of 8,395 sqm. Completion is scheduled for Q3 2019.

The future investments of the UBM Group will be financed by funds generated by the UBM Group, from the cash flows and project-specific debt financings.

Legal Proceedings

In the course of its normal business activities, the UBM Group is frequently involved in legal disputes as claimant as well as opponent. In the real estate development industry, these legal disputes usually refer to claims from tenants, claims for provision of services or damage claims; however, none of these legal disputes are material with regard to the business of the Issuer.

There are no governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past significant effects on the Issuer's and/or the UBM Group's financial position or profitability.

Material agreements

The Issuer has entered into a framework agreement with PORR AG according to which PORR AG provides to the Issuer certain arms' length services, like IT services, accounting, etc.

Furthermore, the Issuer is party to a number of financing agreements, including, *inter alia*, an agreement on mezzanine capital in the principal amount of EUR 50 million, hybrid capital in the principal amount of EUR 25.3 million and a loan financing in the principal amount of EUR 45 million with PORR AG.

No member of the UBM Group is party to a contract outside the ordinary course of its business, which includes provisions according to which the Group would be entitled to rights and obligations, which would be material to the UBM Group.

Financial Information

Review / audit of the historical annual financial data

The Issuer's German language Consolidated Financial Statements 2016 and the German language Consolidated Financial Statements 2015 were prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and were audited in accordance with Austrian standards on auditing which require to apply the International Standards on Auditing ("ISA"), as published by the International Federation of Accountants ("IFAC") by the auditor; unqualified audit opinions dated, respectively, 30 March 2017 and 11 April 2016 were issued. Aside from the foregoing, no other data contained in this Prospectus was audited or reviewed by an auditor.

Selected Financial Information

The following tables presented within this section have been derived, unless otherwise stated, from the Consolidated Financial Statements 2016 and the Consolidated Financial Statements 2015, prepared in accordance with IFRS, as well as from the Interim Financial Statements of the Issuer as of 30 September 2017. Therefore, the audited financial information contained in this Prospectus is not older than 18 months.

This selected financial information should be read in conjunction with the Consolidated Financial Statements and the Interim Financial Statements incorporated in this Prospectus by reference, as well as in conjunction with Section "Risk Factors".

Selected historic financial information for completed financial years

Selected income statement data

(in EUR million)	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
Revenue	417.0	307.8
EBITDA ⁽¹⁾	49.6	76.5
Operating Result (EBIT) ⁽²⁾	46.2	73.6
Earnings before tax (EBT) ⁽³⁾	40.1	50.3
Profit for the period per share (in EUR)	3.9	4.9

(Source: Consolidated Financial Statements 2016 and Consolidated Financial Statements 2015)

- (1) Earnings before interest, tax, depreciation and amortisation. It is calculated as follows:

(in EUR million)	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
EBIT	46.2	73.6
Depreciation, amortisation and impairment expenses	3.4	2.8
EBITDA	49.6	76.5

- (2) Earnings before interest and tax, calculated as the sum of all income and expenses including goodwill impairments before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).

(in EUR million)	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
EBT	40.1	50.3
Financial income	-13.1	-7.4
Financial costs	19.3	30.8
EBIT	46.2	73.6

- (3) Earnings before tax, depreciation and amortisation calculated as the sum of all income and expenses including goodwill impairments, including interest for other debt borrowed for financing purposes (financing costs), but before taxes (taxes on income). It is calculated as follows:

(in EUR million)	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
Profit/loss for the period	29.4	37.3
Income tax expenses	10.7	13.0
EBT	40.1	50.3

Selected data of the consolidated statement of financial position

<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(audited)*	(audited)*
Non-current assets.....	781.4	812.6
Current assets.....	452.4	372.7
Total Assets	1,233.7	1,185.2
Non-current liabilities	550.5	534.9
Current liabilities	341.8	318.3
Equity ratio ⁽¹⁾	27.7%	28.0%
Net debt ⁽²⁾	691.2	609.7

* unless otherwise stated

(Source: Consolidated Financial Statements 2016 and Consolidated Financial Statements 2015)

- (1) Equity ratio is the share of equity in the total assets. Equity ratio is not an IFRS financial measure and is therefore unaudited; it is calculated as follows:

<i>(in EUR million, unless otherwise stated)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(unaudited)	(unaudited)
Total equity	341.5	332.0
Total assets.....	1,233.8	1,185.2
Equity ratio (in %)	27.7%	28.0%

- (2) Net financial debt (also referred to as net debt) is calculated as the sum of cash and cash equivalents, reduced by current and non-current bonds and current and non-current financial liabilities. Net financial debt (also referred to as net debt) is not an IFRS financial measure and is therefore unaudited. It is calculated as follows:

<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(unaudited)	(unaudited)
Bonds (non-current)	321.3	271.4
Bonds (current)	0.0	50.5
Non-current financial liabilities	193.7	229.8
Current financial liabilities.....	218.5	151.7
Cash and cash equivalents.....	-42.3	-93.7
Net Debt	691.2	609.7

Selected data of the consolidated cash flow statement

<i>(in EUR million)</i>	Financial year ended	
	31 December 2016	31 December 2015
	(audited)	(audited)
Operating cash flow	-15.1	48.0
Cash flow from operating activities	42.2	14.5
Cash flow from investing activities.....	-114.6	-3.1
Cash flow from financing activities	21.4	35.6

(Source: Consolidated Financial Statements 2016 and Consolidated Financial Statements 2015)

Selected historic financial information for interim periods

Selected income statement data

	1 January – 30 September	
	2017	2016
(in EUR million, unless otherwise stated)	(unaudited)	(unaudited)
Revenue	296.9	377.4
Changes in the portfolio.....	-5.4	-51.5
Share of profit/loss from companies accounted for at equity	10.5	5.2
Income from fair value adjustments to investment properties	16.7	18.8
Other operating income.....	17.7	10.0
Cost of materials and other related production services	-242.3	-252.9
Personnel expenses	-30.4	-32.0
Expenses from fair value adjustments to investment property	-2.6	-
Other operating expenses	-30.8	-35.8
EBITDA ⁽¹⁾	32.9	39.1
Depreciation and amortisation	-2.8	-2.1
EBIT ⁽²⁾	30.0	37.0
Financial income.....	15.3	5.0
Financial cost.....	-14.9	-16.8
EBT ⁽³⁾	30.5	25.3
Income tax expense.....	-8.8	-7.8
Profit for the period (net profit)	21.7	17.5
Earnings per share (in EUR)	2.81	2.26

(Source: Interim report of the Issuer as of 30 September 2017)

- (1) Earnings before interest, tax, depreciation and amortisation. It is calculated as follows:

	1 January – 30 September	
	2017	2016
(in EUR million)	(unaudited)	(unaudited)
EBIT	30.0	37.0
Depreciation and amortisation	2.8	2.1
EBITDA	32.9	39.1

- (2) Earnings before interest and tax, calculated as the sum of all income and expenses including goodwill impairments before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).

	1 January – 30 September	
	2017	2016
(in EUR million)	(unaudited)	(unaudited)
EBT	30.5	25.3
Financial income	-15.3	-5.0
Financial costs.....	14.9	16.8
EBIT	30.0	37.0

- (3) Earnings before tax, depreciation and amortisation calculated as the sum of all income and expenses including goodwill impairments, including interest for other debt borrowed for financing purposes (financing costs), but before taxes (taxes on income). It is calculated as follows:

	1 January – 30 September	
(in EUR million)	2017	2016
	(unaudited)	(unaudited)
Profit/loss for the period.....	21.7	17.5
Income tax expenses	8.8	7.8
EBT	30.5	25.3

Selected data of the consolidated statement of financial position

(in EUR million, unless otherwise stated)	30 September 2017	31 December 2016
	(unaudited)	(audited)*
Non-current assets	689.9	781.4
Current assets	475.3	452.4
Total Assets	1,165.2	1,233.7
Non-current liabilities.....	464.7	550.5
Current liabilities.....	360.3	341.8
Equity ratio (in per cent.) ⁽¹⁾	29.2%	27.7%
Net debt ⁽²⁾	555.6	691.2

* unless otherwise stated

(Source: Interim report of the Issuer as of 30 September 2017)

- (1) Equity ratio is the share of equity in the total assets. Equity ratio is not an IFRS financial measure and is therefore unaudited; it is calculated as follows:

(in EUR million, unless otherwise stated)	30 September 2017	31 December 2016
	(unaudited)	(unaudited)
Total equity	340.2	341.5
Total assets	1,165.2	1,233.8
Equity ratio (in %)	29.2%	27.7%

- (2) Net financial debt (also referred to as net debt) is calculated as the sum of cash and cash equivalents, reduced by current and non-current bonds and current and non-current financial liabilities. Net financial debt (also referred to as net debt) is not an IFRS financial measure and is therefore unaudited. It is calculated as follows:

(in EUR million)	30 September 2017	31 December 2016
	(unaudited)	(unaudited)
Bonds (non-current)	322.4	321.3
Bonds (current)	0.0	0.0
Non-current financial liabilities	116.1	193.7
Current financial liabilities.....	231.4	218.5
Cash and cash equivalents.....	-114.3	-42.3
Net Debt	555.6	691.2

Selected data of the consolidated cash flow statement

<i>(in EUR million)</i>	Period ended	
	30 September 2017	30 September 2016
	(unaudited)	(unaudited)
Operating cash flow	6.7	5.3
Cash flow from operating activities	8.9	55.6
Cash flow from investing activities	56.8	-74.5
Cash flow from financing activities	5.9	10.9

(Source: Interim report of the Issuer as of 30 September 2017)

Since 31 December 2016, there has been no material adverse change in the prospects of the Issuer. There were no significant changes in the financial or trading position of the Issuer since 30 September 2017.

Auditor

The German language Consolidated Financial Statements prepared by the Issuer in accordance with IFRS, as adopted by the EU, for the 2016 financial year ending 31 December 2016 and for the 2015 financial year ending 31 December 2015, were audited by BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, which is domiciled in Vienna and had its business address at Kohlmarkt 8-10, 1010 Vienna (now: Am Belvedere 4, 1100 Vienna) and which issued German language unqualified audit opinions dated 30 March 2017 and 11 April 2016, respectively. BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is a member of both the Institute of Public Auditors in Austria (*Institut der Wirtschaftsprüfer*) and the Austrian Chamber of Tax Advisors and Auditors (*Kammer der Steuerberater und Wirtschaftsprüfer*).

Material changes in the Issuer's financial and trading position

There has been no material adverse change in the prospects of the Issuer since the date of its last published Consolidated Financial Statements. There have been no significant changes in the Issuer's financial or trading position subsequent to the period covered by the historical financial information.

TAXATION

Austrian Taxation

The following is a general overview of certain Austrian tax aspects in connection with the Notes and contains the information required on taxation by the Commission Regulation (EC) No 809/2004 of 29 April 2004. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the Notes nor does it take into account the Noteholders' individual circumstances or any special tax treatment applicable to the Noteholder. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisors as to the particular tax consequences of the acquisition, ownership, disposition or redemption of the Notes.

This overview is based on Austrian law as in force when drawing up this Prospectus. The laws and their interpretation by the tax authorities and tax courts may change and such changes may also have retroactive effect. It cannot be ruled out that the Austrian tax authorities adopt a view different from that outlined below.

Individuals resident in Austria

Income from the Notes derived by individuals, whose domicile or habitual abode is in Austria, is subject to Austrian income tax pursuant to the provisions of the Austrian Income Tax Act (*Einkommensteuergesetz*). Interest income from the Notes is subject to a special income tax rate of 27.5%. The income will be subject to withholding tax if the Notes are kept or administrated in a custodial institution (*auszahlende Stelle*) in Austria. The income tax for interest income then generally constitutes a final taxation (*Endbesteuerung*) for individuals, irrespectively whether the Notes are held as private assets or as business assets. However, if the income is not subject to withholding tax deduction, the taxpayer will have to include the interest income derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Furthermore, any realised capital gain (*Einkünfte aus realisierten Wertsteigerungen*) from the Notes by individuals is subject to Austrian income tax at a rate of 27.5%. Realised capital gain means, *inter alia*, any income derived from the sale or redemption of the Notes. The tax base is, in general, the difference between the sale proceeds or the redemption amount and the acquisition costs, in each case including accrued interest. Expenses which are directly connected with income subject to the special tax rate are not deductible. For Notes held as private assets, the acquisition costs shall not include incidental acquisition costs. The income will again be subject to withholding tax if the Notes are kept or administrated in a custodial institution (*depotführende Stelle*) or paying agent (*auszahlende Stelle*) in Austria. If the income from the capital gain is not subject to withholding tax deduction, the taxpayer will have to include the interest income derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

The Issuer does not assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Austrian corporations

Corporations seated in Austria or whose place of management is in Austria are subject to corporate income tax at a tax rate of 25%. This includes income from Notes and realised capital gains from Notes.

If applicable, Austrian corporations holding Notes may declare exemption from withholding tax deduction by submitting a corresponding statement (*Befreiungserklärung*) to the Austrian custody bank and competent financial authority. With this statement the Austrian corporation has to declare its identity and has to confirm that the Notes are held as business assets. If such declaration is not submitted all income from the Notes will in general be subject to withholding tax deduction. Such withheld tax may be set off with the corporate income tax.

Again, the Issuer does not assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Non-resident individuals

Income derived from the Notes by individuals who do not have a domicile of their habitual abode within Austria are in principle subject to Austrian limited tax liability provided that capital income tax had to be withheld, but the individual may be eligible to apply for a refund to Austrian withholding tax on the basis of applicable double taxation treaties.

Foreign corporations

Income including capital gains derived from the Notes by corporations who do not have their corporate seat or their place of management in Austria ("non-residents") is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment.

Automatic exchange of information

In Austria, the Common Reporting Standard Act (*Gemeinsamer Meldestandard-Gesetz - "GMSG"*) regulates the automatic exchange of information on financial accounts regarding taxable periods from 1 January 2017. With the GMSG the common reporting standard concerning automatic exchange of information on financial accounts, which has been developed by the OECD and adopted by the EU through amendments to the EU Administrative Directive, has been implemented. The GMSG obliges Austrian financial institutions to report to the tax authority account information of persons subject to reporting, which will subsequently be reported to the competent authority of the participating countries by the Federal Ministry of Finance. Subject to reporting are basically account data of individuals or entities, which are tax residents of states participating in the common reporting standards – which are all EU member states as well as all countries, which will conclude multilateral or bilateral agreements concerning the common reporting standard.

The Issuer does not assume any liability for withholding taxes.

OFFER, SALE AND SUBSCRIPTION OF THE NOTES

Offer of the Notes

The Notes have been offered to institutional investors in the European Economic Area only. Any investor will receive relating to the respective allotment of the Notes a confirmation relating to the results of the offer. There is no maximum amount of Notes to be purchased. However, the minimum amount of Notes to be purchased will be EUR 100,000.

Subscription Agreement

Pursuant to the Subscription Agreement entered into on 27 February 2018 among the Issuer and the Bookrunners, the Bookrunners have agreed, subject to certain conditions, to subscribe, or to procure subscriptions, for the Notes. The Issuer has agreed to pay the Bookrunners a combined management, underwriting and placement commission as agreed between the parties to the Subscription Agreement. The Issuer has further agreed to reimburse the Bookrunners for certain of its expenses in connection with the issue of the Notes.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters. The Subscription Agreement entitles the Bookrunners to terminate its obligations thereunder in certain circumstances prior to payment of the purchase price of the Notes. The Issuer has agreed to indemnify the Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

Delivery of the Notes to investors

Delivery and payment of the Notes will be made on the Interest Commencement Date (1 March 2018). The Notes so purchased will be delivered via book-entry through the Clearing Systems and their depository banks against payment of the Issue Price therefor. The Notes have been accepted for clearing through Euroclear and Clearstream, Luxembourg, 42 avenue J.-F. Kennedy, 1885 Luxembourg, Luxembourg.

Selling Restrictions

General

There are no transfer and trading restrictions in relation to the listing and the trading of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange, however, Notes can only be transferred in minimum aggregate principal amounts of EUR 100,000. The Notes will be transferred in accordance with their terms and conditions (see "*Terms and Conditions*"). Neither the Issuer nor any of the Bookrunners has made any representation that any action will be taken in any jurisdiction by the Bookrunners or the Issuer that would permit a public offering of the Notes, or possession or distribution of the Prospectus or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. The Bookrunners have represented and agreed that they will comply to the best of their knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which they sell Notes. They will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions. The Issuer and the Bookrunners will have no responsibility for, and the Bookrunners will obtain any consent, approval or permission required by them for, the sale of Notes under the laws and regulations in force in any jurisdiction to which they are subject or in or from which they make any sale. The Bookrunners are not authorised to make any representation or use any information in connection with the issue, subscription and sale of the Notes other than as contained in, or which is consistent with, the Prospectus or any amendment or supplement to it.

European Economic Area

In relation to each Member State of the European Economic Area the Notes will only be offered to any legal entity which is a qualified investor as defined in the Prospectus Directive. There will be no offer of Notes to the public. "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in each Member State.

Prohibition of Sales to European Economic Area Retail Investors

Each Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Mediation Directive (Directive 2002/92/EC, as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United States of America and its Territories

The Bookrunners have acknowledged that the Notes have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bookrunners have represented that they have not offered or sold, and have agreed that they will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither they, their affiliates nor any persons acting on their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, the Bookrunners have represented, warranted and agreed that, except to the extent permitted under U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D) (the "**D Rules**"): (a) they have not offered or sold Notes, and during the restricted period shall not offer or sell Notes, directly or indirectly to a United States person or to a person who is within the United States or its possessions, and they have not delivered and shall not deliver within the United States or its possessions Notes that are sold during the restricted period; (b) they have and throughout the restricted period they shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that the Notes may not be offered or sold during the restricted period to a United States person or to a person who is within the United States or its possessions, except as permitted by the D Rules; (c) if it is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance and not for the purpose of resale directly or indirectly to a United States person or a person within the United States or its possessions and it shall acquire or retain Notes for its own account only in accordance with the requirements of U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D)(6); (d) with respect to each affiliate that acquires Notes from it for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations contained in clauses (a), (b) and (c) of this paragraph on behalf of such affiliate or (ii) agrees that it shall obtain from such affiliate for

the benefit of the Issuer the representations contained in Clauses (a), (b) and (c) of this paragraph; and (e) they shall obtain for the benefit of the Issuer the representations and agreements contained in clauses (a), (b), (c) and (d) of this paragraph from any person other than its affiliate with whom they enter into a written contract, as defined in U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D)(4), for the offer or sale of Notes during the restricted period.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury Regulations thereunder, including the D Rules.

United Kingdom of Great Britain and Northern Ireland

The Bookrunners have represented and agreed that,

(a) they have only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer; and

(b) they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

GENERAL INFORMATION CONCERNING THE NOTES

Subject of this Prospectus

This Prospectus relates to the EUR 100,000,000 Undated Resetable Fixed Rate Subordinated Notes issued by UBM Development AG.

Clearing and Settlement

The Notes have been accepted for clearing through Euroclear and Clearstream, Luxembourg. The Notes have been assigned the following securities codes:

ISIN: XS1785474294 and Common Code: 178547429.

Listing and Admission to Trading

Application has been made to the Vienna Stock Exchange for the Notes to be admitted to the Official Market (*Amtlicher Handel*), a regulated market pursuant to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, as amended.

Trend Information and Significant Changes

The net debt of the Issuer as of 30 September 2017 amounted to EUR 555.6 million; this corresponds to a reduction of the net debt as of 31 December 2016 by 19.6% (EUR 691.2 million).

Since 31 December 2016, there has been no material adverse change in the prospects of the Issuer. There were no significant changes in the financial or trading position of the Issuer since 30 September 2017.

Expenses related to Admission to Trading

The Issuer estimates that the amount of expenses related to admission to trading of the Notes will be approximately EUR 5,000.

Yield to Maturity

For the first five years, the yield in respect of the Notes from the Issue Date to the First Reset Date (exclusive) is 5.500% per annum, calculated on the basis of the Issue Price. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method. For the period from and after the First Reset Date (i.e. the period after the first five years from the Issue Date), the yield cannot be provided yet since it will depend on the adjustment of the interest rate as of the First Reset Date.

Ratings

Neither the Issuer nor the Notes are rated.

Interests of Natural and Legal Persons involved in the Issue/Offer

The Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking or commercial banking transactions with, and may perform services for the Group and their members in the ordinary course of business. The Bookrunners and their affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Use of Proceeds

In connection with the offering of the Notes, the Issuer expects to receive net proceeds of approximately EUR 98.5 million, after deducting expenses and commissions (which are expected to amount up to approximately 1.5% of the aggregate principal amount of the Notes). The proceeds of the issue are intended to (i) support future projects and investments, (ii) strengthen the balance sheet structure or also (iii) potentially refinance existing financing of the Issuer.

Currency of the Notes

The Notes are denominated in Euro.

Authorisation

The creation and issue of the Notes has been authorised by resolutions of the Management Board of the Issuer on 5 February 2018 as well as of the Supervisory Board of the Issuer on 13 February 2018.

Documents on Display

Prospectus

This Prospectus, any supplement thereto, if any, and any documents incorporated by reference into this Prospectus will be published in electronic form on the website of the Issuer under www.ubm.at, sub-site "Investor Relations", sub-site "Bonds", sub-site "Hybrid Bond 2018" and will be available, during normal business hours, free of charge at the office of the Issuer.

Other documents

Copies of the following documents will be available at the Issuer's registered office during usual business hours for 12 months from the date of this Prospectus:

- (a) the Articles of Association of the Issuer;
- (b) the 2016 annual report and the 2015 annual report of the Issuer containing English language translations of the Consolidated Financial Statements 2016 and the Consolidated Financial Statements 2015, in each case together with the audit reports prepared in connection therewith;
- (c) the 3/2017 Quarterly Report of the Issuer containing English language translations of the consolidated unaudited financial statements of the Issuer in respect of the nine months ended 30 September 2017.

Profit forecasts or estimates

The Issuer is not providing any profit forecasts or profit estimates.

Post issuance information

The Issuer will not provide any post issuance information, except if required by any applicable laws and regulations.

Third party information

Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where such information has been included in this Prospectus, the source is indicated.

Representation of the Holders

No representatives of the Holders have been appointed.

Rights of the Noteholders

The Noteholders are entitled to receive interest payments on the principal amount of the Notes at the relevant Rate of Interest. The Rate of Interest will be (i) from the Interest Commencement Date (inclusive) (which is 1 March 2018) to 1 March 2023 (the "First Reset Date") (exclusive) a fixed interest rate of 5.500% per annum; and (ii) from the First Reset Date (inclusive) the Reset Interest Rate (as defined below) per annum. The "Reset Interest Rate" for the relevant Reset Period is calculated from the 5-year Mid Swap Rate (expressed as a percentage rate per annum) on the Interest Determination Date, plus the Margin (which amounts to 10.02%), all determinations made by the Calculation Agent. "Reset Period" means each period from the First Reset Date (inclusive) to the next following Reset Date (exclusive) and thereafter from each Reset Date (inclusive) to the next following Reset Date (exclusive).

However, the Terms and Conditions provide that the Issuer may decide, in certain situations, to defer interest payments under the Notes, where such failure to pay interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose.

The Issuer must pay outstanding arrears of interest (in whole but not in part) on the earlier of:

- (i) the next Interest Payment Date on which the Issuer elects to pay interest (in whole or in part);
- (ii) the next Compulsory Interest Payment Date (as defined in the Terms and Conditions);
- (iii) the date on which the Notes fall due for redemption pursuant to clause 5 of the Terms and Conditions; and
- (iv) the date on which the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganisation in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer).

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference in this Prospectus:

1. Consolidated Financial Statements and group management report as of 31 December 2016 as included in the 2016 annual report of the Issuer; available under the following hyperlink:

in German (www.ubm.at, sub-site "Investor Relations", sub-site "Finanzberichte", 2016 – "Jahresfinanzbericht 2016"):

http://ubm.at/fileadmin/downloads/finanzbericht/UBM_Jahresfinanzbericht_2016.pdf

in English (www.ubm.at, sub-site "Investor Relations", sub-site "Financial Report", 2016 – Annual Report 2016):

http://ubm.at/fileadmin/downloads/finanzbericht/Annual_Report_2016.pdf

2. Consolidated Financial Statements and group management report as of 31 December 2015 as included in the 2015 annual report of the Issuer; available under the following hyperlink:

in German (www.ubm.at, sub-site "Investor Relations", sub-site "Finanzberichte", 2015 – "Jahresfinanzbericht 2015"):

http://ubm.at/fileadmin/downloads/finanzbericht/Jahresfinanzbericht_2015.pdf

in English (www.ubm.at, sub-site "Investor Relations", sub-site "Financial Report", 2015 – Annual Report 2015):

http://ubm.at/fileadmin/downloads/finanzbericht/Annual_Report_2015.pdf

3. Quarterly report 3/2017 as of 30 September 2017; available under the following hyperlink:

in German (www.ubm.at, sub-site "Investor Relations", sub-site "Finanzberichte", 2017 – "Bericht 3. Quartal"):

http://ubm.at/fileadmin/downloads/finanzbericht/UBM_Q3_Bericht_2017.pdf

in English (www.ubm.at, sub-site "Investor Relations", sub-site "Financial Report", 2017 – Quarterly Report 3/2017):

http://ubm.at/fileadmin/downloads/finanzbericht/UBM_Q3_Report_2017.pdf

The following information appears on the pages stated below of the respective document:

German language version of the Consolidated Financial Statements, the group management report and the auditor's report as of 31 December 2016 (Jahresfinanzbericht 2016)

Chapters	Page numbers
Group Management Report (<i>Konzernlagebericht</i>).....	49-63
Consolidated Statement of Financial Position (<i>Konzernbilanz</i>).....	68
Consolidated Income Statement (<i>Konzern-Gewinn- und Verlustrechnung</i>)	66
Statement of Comprehensive Income (<i>Konzern-Gesamtergebnisrechnung</i>)	67

Chapters	Page numbers
Consolidated Cash Flow Statement (<i>Konzern-Kapitalflussrechnung</i>)	69
Statement of Changes in Group Equity (<i>Erläuterung des Konzerneigenkapitals</i>)	70-71
Notes to the Consolidated Financial Statements (<i>Erläuterungen zum Konzernabschluss 2016</i>)	72-138
Auditor's Report (<i>Bestätigungsvermerk</i>)	139-144

English translation of the Consolidated Financial Statements, the group management report and the auditor's report as of 31 December 2016

Chapters	Page numbers
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Consolidated Statement of Financial Position	68
Consolidated Income Statement	66
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Consolidated Cash Flow Statement	69
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German version of the Consolidated Financial Statements, the group management report and the auditor's report as of 31 December 2015 (Jahresbericht 2015)

Chapters	Page numbers
Group Management Report (<i>Konzernlagebericht</i>).....	59-77
Consolidated Statement of Financial Position (<i>Konzernbilanz</i>).....	82
Consolidated Income Statement (<i>Konzern-Gewinn- und Verlustrechnung</i>)	80
Consolidated Statement of Comprehensive Income (<i>Konzern-Gesamtergebnis</i>).....	81
Consolidated Statement of Cash Flows (<i>Konzern-Kapitalflussrechnung</i>)	83
Statement of Changes in Group Equity (<i>Entwicklung des Konzerneigenkapitals</i>).....	84-85
Notes to the Consolidated Financial Statements (<i>Erläuterungen zum Konzernabschluss 2015</i>)	86-158
Auditor's Report (<i>Bestätigungsvermerk</i>)	159-160

English translation of the Consolidated Financial Statements, the group management report and the auditor's report as of 31 December 2015

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Consolidated Statement of Comprehensive Income	81
Consolidated Statement of Cash Flows	83
Statement of Changes in Group Equity	84-85
Notes to the Consolidated Financial Statements	86-158
Auditor's Report	159-160

German language version of the quarterly report 3/2017 as of 30 September 2017

Chapters	Page numbers
Interim Management Report (<i>Konzernzwischenlagebericht</i>).....	7-15
Consolidated Statement of Financial Position (<i>Konzernbilanz</i>).....	28
Consolidated Income Statement (<i>Konzern-Gewinn- und Verlustrechnung</i>)	26
Statement of Comprehensive Income (<i>Konzern-Gesamtergebnisrechnung</i>)	27
Consolidated Cash Flow Statement (<i>Konzern-Kapitalflussrechnung</i>)	29
Statement of Changes in Group Equity (<i>Entwicklung des Konzerneigenkapitals</i>).....	30-31

English translation of the quarterly report 3/2017 as of 30 September 2017

Chapters	Page numbers
Interim Management Report	7-15
Consolidated Statement of Financial Position	28
Consolidated Income Statement	26
Statement of Comprehensive Income	27
Consolidated Cash Flow Statement	29
Statement of Changes in Group Equity.....	30-31

Information included in the documents incorporated by reference that is not included in the cross-reference lists above is neither part of this Prospectus nor incorporated by reference in the Prospectus. Such information not incorporated by reference in the Prospectus is either not relevant for investors or already included elsewhere in the Prospectus.

GLOSSARY OF ABBREVIATIONS AND DEFINITIONS

Aggregate Principal Amount	The aggregate principal amount of EUR 100,000,000 at which the Notes are issued by Issuer on 1 March 2018.
Articles of Association	The articles of association (<i>Satzung</i>) of the Company.
Austria	The Republic of Austria.
Benchmark Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, as amended.
Bookrunners	HSBC Bank plc and Raiffeisen Bank International AG in their capacity as bookrunners with respect to the issue of the Notes.
Capital Markets Act	Austrian Capital Markets Act 1991 (<i>Kapitalmarktgesetz</i>), as amended.
CEE	Central and Eastern Europe.
Clearstream, Luxembourg	Clearstream Banking S.A., 42 avenue J.-F. Kennedy, 1885 Luxembourg, Luxembourg.
Company, Issuer or UBM	UBM Development AG, an Austrian stock corporation (<i>Aktiengesellschaft</i>), registered with the Austrian companies register under registration number FN 100059 x.
Consolidated Financial Statements	The English translation of the Company's consolidated financial statements in accordance with IFRS as of and for the financial years ended 31 December 2015 and 2016 which were prepared in the German language.
Consolidated Financial Statements 2015	The English translation of the Company's consolidated financial statements in accordance with IFRS as of and for the financial year ended 31 December 2015 comprised of the consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of financial position and consolidated statement of changes in group equity, along with the notes, which were prepared in the German language.
Consolidated Financial Statements 2016	The English translation of the Company's consolidated financial statements in accordance with IFRS as of and for the financial year ended 31 December 2016 comprised of the consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of financial position and consolidated statement of changes in group equity, along with the notes, which were prepared in the German language.
Core Markets	Austria, Germany and Poland.
EBIT	Operating result (earnings before interest and tax).

EBITDA	Operating result plus amortisation and depreciation (earnings before interest, tax, depreciation and amortisation).
ESMA	The European Securities and Markets Authority.
Euro	The currency of the member states of the European Union participating in the third stage of the European Economic and Monetary Union.
Euroclear	Euroclear Bank S.A./N.V., as operator of the Euroclear System.
FMA	The Austrian Financial Markets Authority (<i>Finanzmarktaufsichtsbehörde</i>).
FSMA	The UK Financial Services and Markets Act 2000.
Germany	The Federal Republic of Germany.
Group or UBM Group	The Company together with its consolidated subsidiaries.
IFRS	International Financial Reporting Standards, as adopted by the European Union.
IGA	Intergovernmental affairs.
Insurance Mediation Directive	Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation, as amended.
Issue Date	1 March 2018.
Issue Price	The price at which the Notes were issued.
Management Board	The management board (<i>Vorstand</i>) of the Company.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.
Non-residents	Individuals who do not have a domicile or habitual abode in Austria and legal entities which do not have their corporate seat or their place of management in Austria.
Notes	The Undated Resetable Fixed Rate Subordinated Notes in the aggregate principal amount of EUR 100,000,000 with a denomination of EUR 100,000 each.
OECD	Organisation for Economic Co-operation and Development.
Ortner Group	Klaus Ortner, member of the Supervisory Board, together with entities controlled by or attributable to him which hold shares, namely Ortner Construction GmbH, Biedermannsgasse 3, 1120 Vienna, Austria, registered with the Austrian companies register under registration number FN 244005 g, and IGO Baubeteiligung GmbH, Biedermannsgasse 3, 1120 Vienna, Austria, registered with the Austrian companies register under registration number FN 392079 m.

Ortner-Strauss Syndicate	The syndicate formed by Ortner Group and Strauss Group in respect of the shares they hold in the Company.
PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as amended.
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended.
Prospectus	This document.
Securities Act	United States Securities Act of 1933, as amended.
Strauss Group	Karl-Heinz Strauss, member of the Supervisory Board Company, together with entities controlled by or attributable to him which hold shares in the Issuer, namely SuP Beteiligungs GmbH, Am Euro Platz 2, 1120 Vienna, Austria, registered with the Austrian companies register under registration number FN 358915 t, and AIM Industrie-holding und Unternehmensbeteiligungen GmbH, Am Euro Platz 2, 1120 Vienna, Austria, registered with the Austrian companies register under registration number FN 228415 f.
Supervisory Board	The supervisory board (<i>Aufsichtsrat</i>) of the Company.
U.S. or United States	United States of America.

STATEMENT PURSUANT TO COMMISSION REGULATION (EC) NO 809/2004 OF 29 APRIL 2004, AS AMENDED, AND PURSUANT TO SECTION 8 PARA 1 CAPITAL MARKETS ACT

UBM Development AG, with its corporate seat in Vienna, Austria, is responsible for this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Vienna, February 2018

UBM Development AG

as Issuer

(als Emittent)

Thomas Winkler

Patric Thate

ANNEX 1: REAL ESTATE LIST

Immobilienliste des Konzerns der UBM Development AG (zum 30.09.2017)

Vollkonsolidierte Liegenschaften nach IAS 40*											
Land	Konsolidierungsart	IAS/IFRS	Adresse	Anteil	Assetklasse	Eigen- / Fremdbesitz	Ankauf	Nutzfläche in m²	BGF m² in Entwicklung	Grundfläche in m²	Zimmer
Österreich	Vollkonsolidiert		40 AT - 9020 Klagenfurt, St. Peterstraße 14-16	100,00000	Land Bank	Eigengrund	2000			18.333	
Österreich	Vollkonsolidiert		40 AT - 4820 Bad Ischl, Dumbastraße 1	100,00000	Residential	Eigengrund	2010	392		52.260	
Österreich	Vollkonsolidiert		40 AT - 8401 Unterpriestätten, Zettling (KG Bierbaum)	100,00000	Land Bank	Eigengrund	1999			1.381.010	
Österreich	Vollkonsolidiert		40 AT - 8141 Unterpriestätten, Freizeitzentrum	100,00000	Other	Fremdgrund	1994				
Österreich	Vollkonsolidiert		40 AT - 4030 Linz, Winetzhammerstraße 8	100,00000	Office	Eigengrund	1993	1.827		3.778	
Österreich	Vollkonsolidiert		40 AT - 1030 Wien, Kelsenstraße 7	100,00000	Office	Eigengrund	1990	1.510		3.099	
Österreich	Vollkonsolidiert		40 AT - 1100 Wien, Favoritenstraße	100,00000	Land Bank	Eigengrund	1986			4.842	
Österreich	Vollkonsolidiert		40 AT - 2120 Wolkersdorf, Julius Bittner Platz 6	100,00000	Other	Eigengrund	1994	554		2.042	
Österreich	Vollkonsolidiert		40 AT - 1110 Wien, Marianne-Hainisch-Gasse 18	100,00000	Other	Eigengrund	2008			1.947	
Österreich	Vollkonsolidiert		40 AT - 8020 Graz, Köflacher Straße 3	100,00000	Other	Fremdgrund	2004		5.500	2.253	
Österreich	Vollkonsolidiert		40 AT - 1150 Graumannsgasse 8-10	100,00000	Residential	Eigengrund	2016		6.966	1.484	
Österreich	Vollkonsolidiert		40 AT - 9130 Leibersdorf, Ströglach 13	100,00000	Other	Eigengrund	1999			36.920	
Österreich	Vollkonsolidiert		40 AT - 9500 Villach, Auer von Weisbachstraße	100,00000	Other	Eigengrund	1998			4.910	
Österreich	Vollkonsolidiert		40 AT - 8041 Graz-Thondorf, Liebenauer Hauptstraße 318	100,00000	Office	Eigengrund	2001			39.619	
Österreich	Vollkonsolidiert		40 AT - 1100 Wien, Karl-Popper-Str. 8 / Canettistr. 4	100,00000	Residential	Eigengrund	2015		18.682	3.377	
Österreich	Vollkonsolidiert		40 AT - 1100 Wien, Laaerbergstraße 43	100,00000	Office	Eigengrund	2017	18.395		5.385	
Deutschland	Vollkonsolidiert		40 DE - 04159 Wiesenring, Leipzig-Stahleim	94,00000	Land Bank	Eigengrund	1992			52.260	
Deutschland	Vollkonsolidiert		40 DE - 85609 Dornach, Dywidagstraße / Bahnhofstraße (Tilia)	94,00000	Office	Eigengrund	2006		15.785	20.844	
Deutschland	Vollkonsolidiert		40 DE - 85609 Dornach, Karl-Hammerschmidt-Straße	94,00000	Land Bank	Eigengrund	2016		83.000	38.937	
Deutschland	Vollkonsolidiert		40 DE - 81677 München, Leuchtenberg 20 (Office)	95,98000	Office	Eigengrund	2001		29.742	5.773	
Deutschland	Vollkonsolidiert		40 DE - 55118 Mainz, Hafenallee II	94,00000	Hotel	Eigengrund	2016		7.786	1.580	
Polen	Vollkonsolidiert		40 PL - 80801 Gdynia, Pulkowika Stanisława Dabka 338 (Galeria Szeptek)	100,00000	Other	Eigengrund	2010	23.306		72.306	216
Polen	Vollkonsolidiert		40 PL - 41200 Sosnowiec, Kukuluck 11 / 11 Listopada	55,00000	Other	Eigengrund	2009	20.708		80.000	
Polen	Vollkonsolidiert		40 PL - 02699 Warschau, Klobucka 25 (Parkur Tower)	100,00000	Office	Eigengrund	2004	9.325		10.095	
Polen	Vollkonsolidiert		40 PL - 02822 Warschau, ul. Polecki 35 (Phase 3)	100,00000	Office	87% Eigengrund / 13% Fremdgrund	2006	17.207		106.696	
Polen	Vollkonsolidiert		40 PL - 31539 Krakau, Mogilska 53-55	100,00000	Office	Fremdgrund	2014		16.000	3.276	
Polen	Vollkonsolidiert		40 PL - 80751 Gdansk, Speicherinsel	100,00000	Hotel	Eigengrund	2016		17.599	2.711	
Tschechien	Vollkonsolidiert		40 CZ - 73953 Horni Tosanovice, (Industriepark Tosan)	100,00000	Land Bank	Eigengrund	2008			683.559	
Tschechien	Vollkonsolidiert		40 CZ - 36001 Karlovy Vary (Karlsbad), Moskevská ul. 2147/19 (Premium Plaza)	100,00000	Office	Eigengrund	2012	6.356		1.698	
Tschechien	Vollkonsolidiert		40 CZ - 17000 Prag, Deinicka 9, U Pruhonu 10 (Astrid)	100,00000	Office	Eigengrund	2015		28.614	7.398	
Bulgarien	Vollkonsolidiert		40 BG - 4202 Radivono, Plovdivska Obl.	100,00000	Land Bank	Eigengrund	2006			29.286	
Kroatien	Vollkonsolidiert		40 HR - 10430 Samobor, Ulica Kresimir Purica 23/1	100,00000	Residential	Eigengrund	2008	7.983		8.065	
Ungarn	Vollkonsolidiert		40 HU - 1191 Budapest, Szabio Ervin utca 34 (Arena XIX)	100,00000	Land Bank	Eigengrund	2007		21.157	89.128	
Rumänien	Vollkonsolidiert		40 RO - 77045 Chitila, Rudeni	100,00000	Land Bank	Eigengrund	2007	1.947		211.746	
Liegenschaften von untergeordneter Bedeutung (geringer als 0,5%) ohne Bewertung											
* Die vollkonsolidierten Liegenschaften nach IAS 40 haben insgesamt einen Wert von etwa EUR 367,24 Mio.											

Vollkonsolidierte Liegenschaften nach IAS 16*											
Land	Konsolidierungsart	IAS/IFRS	Adresse	Anteil	Assetklasse	Eigen- / Fremdbesitz	Ankauf	Nutzfläche in m²	BGF m² in Entwicklung	Grundfläche in m²	Zimmer
Österreich	Vollkonsolidiert		16 AT - 5020 Salzburg, Scherenbrandnerhofstraße 11	75,00000	Other	Fremdgrund	2008 + 2013	4.900		7.515	
Deutschland	Vollkonsolidiert		16 DE - 81377 München, Leuchtenberg 20 (Hotel)	95,98000	Hotel	Eigengrund	2001	7.478	10.167	3.417	279
Liegenschaften von untergeordneter Bedeutung (geringer als 0,5%) ohne Bewertung											
* Die vollkonsolidierten Liegenschaften nach IAS 16 haben insgesamt einen Wert von etwa EUR 40,41 Mio.											

Vollkonsolidierte Liegenschaften nach IAS 2*

Land	Konsolidierungsart	IAS/IFRS	Adresse	Anteil	Assetklasse	Eigen- / Fremdbesitz	Ankauf	Nutzfläche in m²	BGF m² in Entwicklung	Grundfläche in m²	Zimmer
Österreich	Vollkonsolidiert		2 AT - 4820 Bad Ischl, Dumbastraße 1	100,00000	Residential	Eigengrund	2010	563		2.738	
Österreich	Vollkonsolidiert		2 AT - 1100 Wien, Laaer-Berg-Straße 47B + 47C	100,00000	Residential	Eigengrund	1999		23.960	3.122	
Österreich	Vollkonsolidiert		2 AT - 6330 Kufstein, Professor Schlosser Straße 1	100,00000	Residential	Eigengrund	2015		3.930	2.661	
Österreich	Vollkonsolidiert		2 AT - 6380 St. Johann i Tirol, Speckbacherstraße 24	100,00000	Residential	Eigengrund	2015		3.522	2.633	
Österreich	Vollkonsolidiert		2 AT - 7093 Jois, Jachthafen BT 3	100,00000	Residential	Eigengrund	2016	204		204	
Österreich	Vollkonsolidiert		2 AT - 5020 Salzburg, Moosstraße 1-3	100,00000	Residential	Eigengrund	2013		10.798	4.861	
Österreich	Vollkonsolidiert		2 AT - 6100 Seefeld, Hohe-Munde-Strasse 936	100,00000	Residential	Eigengrund	2014	233			
Österreich	Vollkonsolidiert		2 AT - 5020 Salzburg, Alghofstraße 41-45	100,00000	Residential	Eigengrund	2015		530	290	
Österreich	Vollkonsolidiert		2 AT - 6020 Innsbruck, Höhenstraße 35c	100,00000	Residential	Eigengrund	2012		1.791	2.256	
Österreich	Vollkonsolidiert		2 AT - 8010 Graz, Kahngasse 18-20	100,00000	Residential	Eigengrund	2015		4.233	3.542	
Österreich	Vollkonsolidiert		2 AT - 6065 Thaur, Dörferstraße 11-11A	100,00000	Residential	Eigengrund	2014		2.000	1.563	
Österreich	Vollkonsolidiert		2 AT - 3400 Klosterneuburg, Wiener Straße 66	100,00000	Residential	Fremdgrund	2016		9.243	4.013	
Deutschland	Vollkonsolidiert		2 DE - 55118 Mainz, Zollhafen	94,00000	Residential	Eigengrund	2015		9.888	2.688	
Deutschland	Vollkonsolidiert		2 DE - 80339 München, Bergmannstraße 47-49	94,00000	Residential	Eigengrund	2008	1.599			
Deutschland	Vollkonsolidiert		2 DE - 10969 Berlin, Enckestraße 4 - 4a	100,00000	Residential	Eigengrund	2013		6.001	2.456	
Deutschland	Vollkonsolidiert		2 DE - 82327 Tutzing, Schloßstraße 1	88,36000	Residential	Eigengrund	2013		3.500	7.001	
Deutschland	Vollkonsolidiert		2 DE - 22761 Hamburg, Schützenstraße / Kühnhöfe	75,20000	Residential	Fremdgrund	2014		8.394	2.316	
Polen	Vollkonsolidiert		2 PL - 31323 Krakau, Zakopianska (Residence Park)	100,00000	Residential	Eigengrund	2006			60.641	
Polen	Vollkonsolidiert		2 PL - 05152 Malocice Czosnow; Alejy Srebrna (Oaza Kampinos)	100,00000	Residential	Eigengrund	2008			307.635	
Polen	Vollkonsolidiert		2 PL - 00716 Warschau, ul. Bartycka 113	100,00000	Land Bank	Eigengrund	2008			2.851	
Tschechien	Vollkonsolidiert		2 CZ - 19014 Prag, Slatiska / Radovsky (Villa Park Klanovice)	100,00000	Land Bank	Eigengrund	2005		19.377	114.127	
Tschechien	Vollkonsolidiert		2 CZ - 38279 Frymburk-Hrustice (Erholungspark Lipno)	100,00000	Land Bank	Eigengrund	2005			182.574	
Kroatien	Vollkonsolidiert		2 HR - 10430 Samobor, Ulica Kresimir Purica 23/1	100,00000	Residential	Eigengrund	2008			15.621	
Slowakei	Vollkonsolidiert		2 SK - 83101 Bratislava, Na Rozhladke	100,00000	Land Bank	Eigengrund	2007		5.953	5.115	
Liegenschaften von untergeordneter Bedeutung (geringer als 0,5%) ohne Bewertung								236		216.188	
* Die vollkonsolidierten Liegenschaften nach IAS 2 haben insgesamt einen Wert von etwa EUR 184,97 Mio.											

Vollkonsolidierte Liegenschaften nach IFRS 5*

Land	Konsolidierungsart	IAS/IFRS	Adresse	Anteil	Assetklasse	Eigen- / Fremdbesitz	Ankauf	Nutzfläche in m²	BGF m² in Entwicklung	Grundfläche in m²	Zimmer
Österreich	Vollkonsolidiert		40 AT - 1220 Wien, Gotramgasse 11	100,00000	Land Bank	Eigengrund	2008			19.487	
Polen	Vollkonsolidiert		5 PL - 50077 Wroclaw, Ul Kazimierza Wielkiego 3 (Times)	100,00000	Office	Eigengrund	2012	38.686		5.311	
Polen	Vollkonsolidiert		40 PL - 00806 Warschau, Zelezna 43A m.5, Ecke Twarda	100,00000	Hotel	Eigengrund 31% Eigengrund / 69%	2015		13.129	1.618	254
Polen	Vollkonsolidiert		40 PL - 20207 Lublin, Megiewska 2C (Tatary Retail Park)	70,00000	Other	Fremdgrund	2011	13.761		31.192	
Polen	Vollkonsolidiert		40 PL - 31539 Krakau, Kotlarska 11	100,00000	Office	Fremdgrund	2015		16.748	6.028	
Liegenschaften von untergeordneter Bedeutung (geringer als 0,5%) ohne Bewertung											
* Die vollkonsolidierten Liegenschaften nach IFRS 5 haben insgesamt einen Wert von etwa EUR 135,17 Mio.											

AT Equity konsolidierte Liegenschaften*														
Land	Konsolidierungsart	IAS/IFRS	Adresse	Anteil	Assetklasse	Eigen- / Fremdbesitz	Ankauf	in m²	Entwicklung, in m³	Zimmer				
Österreich	Equity Konsolidiert	Equity	AT - 6373 Jochberg, Kitzbühlerstraße 48 (Premium Suiten)	50,00000	Hotel	Eigengrund	2007	2.910		11				
Österreich	Equity Konsolidiert	Equity	AT - 1030 Wien, Landstrasser Hauptstraße 2A / 2B ("Center Wien Mitte")	80,00000	Other	Eigengrund	1995	19.891						
Österreich	Equity Konsolidiert	Equity	AT - 6373 Jochberg, Kitzbühlerstraße 48 (Kempinski Hotel Das Tirol)	50,00000	Hotel	Eigengrund	2007	17.848	17.200	144				
Österreich	Equity Konsolidiert	Equity	AT - 1230 Wien, Engelhofengasse 6 / Matthias-Hau-Gasse 7 (Wohnprojekt Der Rosenhügel)	50,00000	Residential	Eigengrund	2014	22.025	15.168					
Österreich	Equity Konsolidiert	Equity	AT - 8402 Wernsdorf, Am Terminal 1	24,90000	Other	Eigengrund	2013 +	31.612	55.813					
Österreich	Equity Konsolidiert	Equity	AT - 8045 Graz, Stattegger Straße 2	51,00000	Residential	Eigengrund	2015	4.010	3.119					
Österreich	Equity Konsolidiert	Equity	AT - 1100 Wien, Karl-Popper-Str. / Gertrude Fröhlich Sandner-Str.	78,97880	Office	Eigengrund	2015	14.394	7.151					
Österreich	Equity Konsolidiert	Equity	AT - 1100 Wien, Wiedner Gürtel 3-7	65,00000	Office	Eigengrund	2015	59.545	6.531					
Österreich	Equity Konsolidiert	Equity	AT - 1100 Wien, Gertrude Fröhlich Sandner Straße	65,00000	Office	Eigengrund	2015	11.070	1.090					
Österreich	Equity Konsolidiert	Equity	AT - Div Wien, 24 Standorte Wien	50,00000	Other	Fremdgrund	2017	39.888	71.701					
Österreich	Equity Konsolidiert	Equity	AT - Div, 4 Standorte Wien, 1 Schwachat	50,00000	Other	Fremdgrund	2017	26.390	81.769					
Österreich	Equity Konsolidiert	Equity	AT - 4020 Linz, Hesseplatz 16-18 (Hotel Park Inn)	50,00000	Hotel	Eigengrund	2010	15.182	4.689	175				
Österreich	Equity Konsolidiert	Equity	AT - 1010 Wien, Schottenring 20	33,57143	Hotel	Eigengrund	2007	19.758		152				
Österreich	Equity Konsolidiert	Equity	AT - 1190 Wien, Muthgasse 11	26,67000	Land Bank	Eigengrund	2011		5.574					
Österreich	Equity Konsolidiert	Equity	AT - 8142 Wundschuh, EZ 591 und EZ 592 (CCG Nord)	50,00000	Other	Eigengrund	2013		72.659					
Österreich	Equity Konsolidiert	Equity	AT - 1190 Wien, Guntoldstraße 5	26,67000	Land Bank	Eigengrund	2007		6.044					
Österreich	Equity Konsolidiert	Equity	AT - 8020 Graz, Arche Noah 7-11 (Murgalerien)	50,00000	Büro	Eigengrund	2008	4.169						
Österreich	Equity Konsolidiert	Equity	AT - 5360 St. Wolfgang, Sternallee / Schafbergbahnstrasse	45,00000	Land Bank	Eigengrund	2007		8.925					
Österreich	Equity Konsolidiert	Equity	AT - 5360 St. Wolfgang, Sternallee / Schafbergbahnstrasse	45,00000	Land Bank	Eigengrund	2007		16.259					
Österreich	Equity Konsolidiert	Equity	AT - 8461 Ehrenhausen, Am Schlossberg	30,00000	Land Bank	Eigengrund	2007		320.000					
Österreich	Equity Konsolidiert	Equity	AT - 6330 Kufstein, Salurner Straße 35-36	75,00000	Residential	Eigengrund	2017	5.530	6.688					
Deutschland	Equity Konsolidiert	Equity	DE - 80796 München, Peter-Anders-Straße / Paul Gerhard Allee 451	47,00000	Residential	Eigengrund	2016	24.424	9.444					
Deutschland	Equity Konsolidiert	Equity	DE - 81379 München, Gmunder Straße / Hofmannstraße	28,20000	Residential	Eigengrund	2015	29.600	21.175					
Deutschland	Equity Konsolidiert	Equity	DE - 10243 Berlin, Valeska-Gert-Straße	47,00000	Office	Eigengrund	2016	41.429	7.150					
Deutschland	Equity Konsolidiert	Equity	DE - 10243 Berlin, Valeska-Gert-Straße	47,00000	Office	Eigengrund	2016	18.000	2.950					
Deutschland	Equity Konsolidiert	Equity	DE - 13189 Berlin, Thulestraße 48-64 / Talstraße 3	47,00000	Residential	Eigengrund	2016	55.527	18.872					
Deutschland	Equity Konsolidiert	Equity	DE - 14467 Potsdam, Am Kanal / Französische Strasse	47,00000	Hotel	Eigengrund	2017	14.067	11.446					
Deutschland	Equity Konsolidiert	Equity	DE - 20537 Hamburg, Effestraße 16	47,00000	Hotel	Eigengrund	2016	25.665	3.761	592				
Deutschland	Equity Konsolidiert	Equity	DE - 70197 Stuttgart, Nordbahnstraße / Wolftramstraße	47,00000	Hotel	Eigengrund	2015	11.260	9.890	325				
Deutschland	Equity Konsolidiert	Equity	DE - 55118 Mainz, Hafeninsel 4 und 5	46,91000	Residential	Eigengrund	2017	11.350	9.128					
Tschechien	Equity Konsolidiert	Equity	CZ - 15000 Prag, Grafická / Kmochova Straße	100,00000	Residential	Eigengrund	2017	16.333	6.781					
Polen	Equity Konsolidiert	Equity	PL - 30337 Krakau, Monte Cassino 2 (Hotel Park Inn by Radisson)	50,00000	Hotel	Eigengrund	2009	9.281	2.988	152				
Polen	Equity Konsolidiert	Equity	PL - 02822 Warschau, ul. Polecki 35 (BT Warschau)	74,00000	Office	71% Eigengrund / 29%	2006	12.481	6.610					
Polen	Equity Konsolidiert	Equity	PL - 02822 Warschau, ul. Polecki 35 (BT Berlin)	74,00000	Office	55% Eigengrund / 45%	2006	8.517	4.804					
Polen	Equity Konsolidiert	Equity	PL - 02822 Warschau, ul. Polecki 35 (BT Amsterdam)	74,00000	Office	66% Eigengrund / 34%	2006	23.983	12.915					
Polen	Equity Konsolidiert	Equity	PL - 02822 Warschau, ul. Polecki 35 (BT Vienna)	74,00000	Office	Eigengrund	2006	21.175	12.867					
Niederlande	Equity Konsolidiert	Equity	NL - 1018 Amsterdam, Sarphatistraat 102-104 / Spinozatr 51-55	45,23810	Hotel	Eigengrund	2011	12.517	2.665	211				
Liegenschaften von untergeordneter Bedeutung (geringer als 0,5%) ohne Bewertung										30.850	16.928	400		
* Die AT equity konsolidierten Liegenschaften haben insgesamt einen Wert von etwa EUR 1.109,91 Mio.														

* Die at equity konsolidierten Liegenschaften haben insgesamt einen Wert von etwa EUR 1.109,91 Mio.

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