



UBM Development issuing 6-year bond with coupon of 2.750%

- **Bond with initial issue volume of up to € 50m (with possible increase to up to € 120m)**
- **Offering period for the new UBM Bond 2019-2025 begins 04 November 2019**
- **Exchange of UBM Bond 2015-2020 will be possible from 15 October to 31 October 2019**
- **Cash settlement amount of € 58.23 per exchanged UBM bond 2015-2020**

Vienna, 14 October 2019 – UBM Development, a leading European hotel developer, today decided to issue a new corporate bond with a maturity of six years (2019-2025), an interest rate of 2.750% p.a. and a denomination of € 500. The issue volume of the UBM Bond 2019-2025 is to be up to € 50m, with the possibility of an increase to up to € 120m, and will depend in particular on the acceptance rate of the exchange offer for the UBM Bond 2015-2020. Interested investors will be able to subscribe for the bonds in the period from 4 November to 8 November 2019, subject to early closing. UBM Development plans to use the proceeds of the issue to refinance existing financing facilities and to realise new and existing projects. The planned value date is 13 November 2019.

Under the exchange offer, the holders of the 4.250% UBM Bond 2015-2020 (ISIN: DE000A18UQM6) issued in 2015 with a denomination per unit of € 1,000 will be invited to submit offers for the exchange for the new UBM Bond 2019 to be issued by the Issuer. The exchange period is expected to begin on 15 October 2019 and to end on or about 31 October 2019. Upon acceptance of the exchange offer by the Issuer, holders of bonds of the UBM Bond 2015 shall receive two new bonds of the UBM Bond 2019 for one existing bond of the UBM Bond 2015 (exchange ratio 1:2) as well as an additional cash settlement amount of € 58.23 per exchanged partial bond. The cash settlement amount shall be calculated on the basis of the proportionate accrued interest of € 18.23 and an additional amount of € 40.00 (per partial bond of the UBM Bond 2015).

After completion of the exchange offer, the remaining amount of the UBM Bond 2019 is to be offered for subscription in Austria, Germany and Luxembourg by way of a public offer subject to a prospectus requirement and in other countries by way of a private placement (cash subscription offer). The re-offer price will range between 99% and 100% of the nominal amount of the bonds and will be determined by the Issuer in consultation with the Joint Lead Managers taking into account the then prevailing market conditions after the end of the exchange offer and published prior to the commencement of the cash subscription offer. The listing of the UBM Bond 2019 on the Official Market (Corporates Prime) of the Vienna Stock Exchange is intended.

The transaction is subject to the approval of a prospectus by the Austrian Financial Market Authority.

The offer in detail (subject to the approval of a prospectus by the Austrian Financial Market Authority)

Cash subscription offering

Offering period	4 November 2019 to 8 November 2019 (subject to the right to close the offering early)
Re-offer price	99.00-100.00% ¹

¹ The re-offer price will be determined after the end of the exchange period / Retail investors may subscribe the bonds at the re-offer price plus a selling fee of up to 1.5%-points charged by the respective financial intermediary placing the bonds; usual discounts can be granted.

Exchange offer for the UBM Bond 2015-2020

Exchange offer period	15 October 2019 to 31 October 2019
Cash settlement amount ²	€ 58.23 for each exchanged UBM Bond 2015-2020
Exchange ratio	1:2 (plus cash settlement) ³

² The cash settlement amount consists of accrued interest of € 18.23 and an additional amount of € 40.00

³ UBM Bond 2015-2020 with denomination of € 1,000, UBM Bond 2019-2025 with denomination of € 500.

Basic data for the UBM Bonds 2019-2025

Issuer	UBM Development AG
ISIN	AT0000A2AX04
Volume (exch. offer + cash subscr. offering)	up to € 120,000,000
Denomination	€ 500.00
Coupon rate	2.750% p.a., payable annually in arrears
Value date	13 November 2019
Term	6 years, repayable at maturity
Redemption price	At maturity at 100% of par value
Listing	Official market of the Vienna Stock Exchange – Corporates Prime segment
Sole Global Coordinator and Paying Agent	Raiffeisen Bank International AG
Joint Lead Manager and Bookrunner	Raiffeisen Bank International AG, M.M.Warburg & CO

Disclaimer:

This document does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for any securities. In particular, the information contained herein is not intended for direct or indirect publication in or into the United States of America, Australia, Canada or Japan. In particular, this document (and the information contained herein) does not constitute or imply any offer of securities for sale or any solicitation of an offer to purchase any securities in the United States, Australia, Canada or Japan or the United Kingdom of Great Britain and Northern Ireland or in any other country in which such offer or solicitation is prohibited. A public offering of Bonds of the UBM Bond 2019 subject to a prospectus will be made exclusively in Austria, Germany and Luxembourg (the "Offer") to investors resident there on the basis of a securities prospectus prepared in accordance with Regulation (EU) 2017/1129 (Prospectus Regulation) which is expected to be approved by the Austrian Financial Market Authority on or about 14 October 2019, published as planned and notified to the Federal Financial Supervisory Authority in the Federal Republic of Germany and to the Commission de Surveillance du Secteur Financier in the Grand Duchy of Luxembourg as well as any supplements thereto (together the "Prospectus"). The prospective approval of the Prospectus is not to be understood as an endorsement of the bonds of the UBM Bond 2019 offered. Once approved, the Prospectus will be published in electronic form on the Issuer's website at www.ubm-development.com, sub-menu "investor relations", sub-item "bonds" and will be available at <https://www.ubm-development.com/investor-relations/anleihen/2750-ubm-bond-2019-2025/> and free of charge at the registered office of the Issuer, Laaer-Berg-Straße 43, 1100 Vienna. In connection with the offer of the bonds of the UBM Bond 2019, only the information in the Prospectus is binding, the information in this publication is non-binding. Investors should therefore familiarize themselves with the contents of the Prospectus before making their investment decision, in particular with the information on risks, taxes and conflicts of interest, and seek detailed personal advice taking into account their personal asset and investment situation. Investors are therefore advised to read the Prospectus before making any investment decision in order to fully understand the potential risks and rewards of the decision to invest in the 2019 UBM Bonds. An investment in securities is subject to risks. Investors bear the credit risk of the Issuer. In the event of insolvency and/or liquidation of the Issuer, amounts payable on interest and/or principal may be lower; total loss of the capital invested is also possible in these cases.

UBM Development is a leading hotel developer in Europe. Its strategic focus is on the three asset classes Hotel, Residential and Office and on major European metropolitan areas as Vienna, Berlin, Munich or Prague. With over 145 years of experience, UBM focuses on its core competency, the development of real estate. The Group acts as a one-stop provider for the entire development value chain from initial planning all the way to marketing the property. UBM's shares are listed in the Prime Market, the segment with the highest transparency requirements on the Vienna Stock Exchange.

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