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IMMOFINANZAG: Successful placement of shares and issue of subordinated mandatory convertible notes

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IMMOFINANZ AG: Successful placement of shares and issue of subordinated mandatory convertible notes

The total gross issue proceeds from the share placement and the issue of the subordinated mandatory convertible bond amount to approximately EUR 356 million.

Share placement

IMMOFINANZAG (FN 114425 y, ISIN AT0000A21KS2) (the "Company") placed 15,418,824 shares of the Company, corresponding to approximately 13.76 per cent of the Company's current share capital, by way of an accelerated bookbuilding procedure under exclusion of subscription rights with institutional investors. The gross issuing proceeds from the share placement amount to approximately EUR 236 million.

The issue price (selling price) and the number of new shares from the capital increase against contribution in cash and the number of treasury shares sold were determined as follows:

- To issue 11,208,526 shares, the Company's share capital will be increased from authorized capital (sections 169 et seq. of the Austrian Stock Corporation Act) against contribution in cash from EUR 112,085,269.00 by EUR 11,208,526.00 to EUR 123,293,795.00, corresponding to approximately 10 per cent of the Company's current share capital.
- The Company will sell 4,210,298 treasury shares from its treasury stock, corresponding to approximately 3.76 per cent of the Company's current share capital. Following this sale, the number of treasury shares amounts to 6,998,228, corresponding to approximately 6.24 per cent of the current share capital of the Company (and approximately 5.68 per cent of the share capital after the capital increase against contribution in cash).
- The issue price (selling price) per share amounts to EUR 15.31.

The shares entitle shareholders to dividends from the beginning of the financial year 2019 and are expected to be delivered on or around 13 July 2020 after the capital increase has been registered within the Companies' Register. The new shares from the capital increase will be admitted to trading under the existing ISIN AT0000A21KS2 on the Vienna Stock Exchange on or around 13 July 2020 and thereafter on the Warsaw Stock Exchange.

Issue of subordinated mandatory convertible notes

IMMOFINANZAG further placed subordinated mandatory convertible notes (the "Notes") in the aggregate principal amount of EUR 120 million with institutional investors by way of an accelerated bookbuilding procedure under exclusion of subscription rights.

The Notes will have a principal amount of EUR 100,000 each and will be initially convertible into 6,998,228 IMMOFINANZ shares, corresponding to approximately 6.24 per cent of the current share capital of the Company (and approximately 5.68 per cent of the share capital after implementation of the capital increase against contribution in cash described above). The Notes will be issued at par and will carry a coupon of 4.0% per annum payable semi-annually in arrear. The Notes will be mandatorily converted into new or existing ordinary shares of the Company at maturity, unless earlier converted at the option of bondholders or the Company or upon the occurrence of specified special events in accordance with the terms and conditions of the Notes. The initial conversion price will be set at EUR 17.1472, representing a 12 per cent premium above the issue price (selling price) of the shares in the concurrent share placement.

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

Use of Proceeds

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

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

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

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

Important notice:

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

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

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

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On IMMOFINANZ

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

Austria, Germany, Poland, Czech Republic, Slovakia, Hungary and Romania. The core business covers the management and development of properties, whereby the STOP SHOP (retail), VIVO! (retail) and myhive (office) brands represent strong focal points that stand for quality and service. The real estate portfolio has a value of approx. EUR 5.1 billion and covers more than 210 properties.

IMMOFINANZ is listed on the stock exchanges in Vienna (leading ATX index) and Warsaw. Further information under:

<http://www.immofinanz.com>

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