Not for distribution in the United States of America

TLG IMMOBILIEN AG

(*incorporated in Germany as a stock corporation (Aktiengesellschaft)*)

€500,000,000 0.375% Fixed Rate Standalone Notes due 2022

Issue Price: 99.549%

and

€100,000,000 0.375% Fixed Rate Standalone Notes due 2022

Issue Price: 99.836%

each with ISIN XS2010044464, Common Code 201004446 and
German Securities Code (WKN) A2YPFC

TLG IMMOBILIEN AG, with its registered office at Hausvogteiplatz 12, 10117 Berlin, Germany, and registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg, Germany, under the docket number HRB 161314 B (the "**Issuer**" or the "**Company**", and together with its consolidated subsidiaries from time to time "**TLG**" or the "**Group**"), will issue, on September 23, 2019, notes in the aggregate principal amount of €500,000,000 due 2022 (the "**Notes Tranche 1**") and notes in the aggregate principal amount of €100,000,000 due 2022 (the "**Notes Tranche 2**" and, together with the Notes Tranche 1, the "**Notes**"). The Notes will bear interest at a rate of 0.375% per year. The Issuer will pay interest on the Notes annually in arrear on September 23, commencing on September 23, 2020. The Notes, which are governed by the laws of the Federal Republic of Germany ("**Germany**"), will be issued in a denomination of €100,000 each.

The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.

Unless previously redeemed or purchased and cancelled in accordance with the terms and conditions of the Notes (the "**Terms and Conditions**"), the Notes will be redeemed at par on September 23, 2022 (the "**Maturity Date**"). The Notes may be redeemed before the Maturity Date, in whole but not in part, at their principal amount, together with accrued interest, if any, notably in the event of any change in taxation or in an event of default, see "*Terms and Conditions of the Notes—§6 Redemption—(2) Early Redemption for Reasons of Taxation*" and "*Terms and Conditions of the Notes—§10 Events of Default*". The Issuer will have the option to redeem the Notes prior to the Maturity Date, in whole but not in part, at their principal amount, together with accrued interest, if any, and a premium, see "*Terms and Conditions of the Notes—§6 Redemption−(4) Early Redemption at the Option*

of the Issuer (Make-Whole)". If a change of control occurs, each holder of Notes (a "**Holder**") will have the option to require the Issuer to redeem or, at the Issuer's option, repurchase all or part of the Notes held by such Holder at 101% of the principal amount together with accrued interest, if any, see "*Terms and Conditions of the Notes—§6 Redemption−(5) Early Redemption at the Option of the Holders upon a Change of Control*".

On issue, the Notes are expected to be rated Baa2 by Moody's Investors Service Limited ("**Moody's**") and BBB by S&P Global Ratings Europe Limited ("**S&P**"). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. At the date of this prospectus (the "**Prospectus**"), each of Moody's and S&P is established in the European Union, registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and are being offered and sold in transactions outside the United States of America ("United States") to non-U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")) in reliance on Regulation S.

The Notes will initially be represented by a temporary global bearer note (the "**Temporary Global Note**"), without coupons. The Notes are issued in new global note form and will be delivered on or around the issue date of the Notes (*i.e.*, September 23, 2019) (the "**Issue Date**") to a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A., Luxembourg ("**Clearstream**", and, together with Euroclear, the "**Clearing System**"). The Temporary Global Note will be exchangeable in whole or in part for a permanent global bearer note (the "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**") without interest coupons, not earlier than 40 days and not later than 180 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Global Notes are intended to be eligible collateral for the central banking system for the Euro (the "**Eurosystem**") monetary policy. Whether Notes are recognizable as eligible collateral for Eurosystem monetary policy and intra-day credit operations will depend upon satisfaction of the Eurosystem eligibility criteria.

Prospective investors should be aware that an investment in the Notes involves risks and that if certain risks, in particular those described under "*Risk Factors*", occur, investors may lose all or a substantial part of their investment.

Application has been made to the Luxembourg Stock Exchange (*Bourse de Luxembourg*) for the Notes to be listed on the official list of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) (the "**Listing**"). The regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended. Only for purposes of the Listing, this Prospectus constitutes a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC,

as amended (the "**Prospectus Regulation**") (*i.e.*, a prospectus for the admission to trading on a regulated market according to Article 3 para. 3 of the Prospectus Regulation) and has been prepared in accordance with Article 6 para. 3 of the Prospectus Regulation. This Prospectus has been approved by the Commission de Surveillance du Secteur Financier (the "**CSSF**"), as the competent authority under the Prospectus Regulation.. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should neither be considered as an endorsement of the Issuer that is the subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer pursuant to Article 6 para. 4 of the *Loi relative aux prospectus pour valeurs mobilières*.

Investors should make their own assessment as to the suitability of investing in the Notes.

For the purposes of the Listing and depending on the date of the approval, this Prospectus will be valid until September 20, 2020 and may in this period be used for admission of the Notes to trading on a regulated market. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in the prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to the prospectus without undue delay in accordance with Article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement the prospectus will cease to apply once the Notes have been admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and at the latest upon expiry of the validity period of this prospectus.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, Notes in any jurisdiction where such offer or solicitation would be unlawful. The Notes are subject to U.S. tax law requirements and may, subject to certain exceptions, not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and the sale of Notes and on the distribution of this Prospectus, see "*Subscription and Sale—Selling Restrictions*".

Sole Global Coordinator and Joint Bookrunner

J.P. Morgan

Joint Bookrunner

Deutsche Bank

The date of this Prospectus is September 20, 2019.

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RESPONSIBILITY STATEMENT

The Issuer is solely responsible for the information contained in this Prospectus. The Issuer hereby declares that the information contained in this Prospectus for which it is responsible is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omission likely to affect its import. This Prospectus should be read and understood in conjunction with all documents incorporated by reference.

NOTICE

This Prospectus should be read and construed with any supplement thereto and with any other documents incorporated by reference in relation to the Notes.

The information contained in this Prospectus has been provided by the Issuer and the other sources identified herein. To the fullest extent permitted by law, no representation or warranty is made or implied by J.P. Morgan Securities plc, London, United Kingdom ("**J.P. Morgan**") and Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Germany ("**Deutsche Bank**" and, together with J.P. Morgan, the "**Joint Bookrunners**") or any of their respective affiliates, and neither the Joint Bookrunners nor any of their respective affiliates make any representation or warranty or accept any responsibility, as to the accuracy or completeness of the information contained in this Prospectus or for any statement purported to be made by or on behalf of the Joint Bookrunners. Investors in the Notes must solely rely on the information contained in this Prospectus.

No person has been authorized to provide any information or to make any representation concerning TLG or the Notes (other than as contained in this Prospectus) and, if provided or made, any such information or representation should not be relied upon as having been authorized by the Issuer or the Joint Bookrunners, or their respective affiliates. In making an investment decision, investors must rely on their own examination of the Issuer, TLG and the terms of the offering, including the merits and risks involved. Any decision to purchase Notes should solely be based on this Prospectus.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information contained herein for any purpose other than considering an investment in the Notes is prohibited. Each offeree of the Notes, by accepting delivery of this Prospectus, agrees to the foregoing.

The Issuer has confirmed to the Joint Bookrunners that this Prospectus is true and accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer, the omission of which would make this Prospectus as a whole or any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

To the fullest extent permitted by law, the Joint Bookrunners do not accept any responsibility for the contents of this Prospectus or for any other statements made or purported to be made by the Joint Bookrunners or on their behalf in connection with the Issuer or the Notes. Accordingly, the Joint Bookrunners disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Prospectus or any such statement.

The Joint Bookrunners are acting exclusively for the Issuer and no other person in connection with the offering of the Notes. They will not regard any other person (whether or not such person is a recipient of this document) as their client in relation to the offering of the Notes and will not be responsible to anyone other than the Issuer for providing the protections afforded to their respective clients or for giving advice in relation to the offering or any transaction or arrangement referred to herein.

Neither the delivery of this Prospectus nor the offering, sale or delivery of Notes shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date upon which this Prospectus has been published or most recently amended or supplemented, or that there has been no adverse change in the financial position of the Issuer after the date hereof or, as the case may be, the date upon which this Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements, which are deemed to be incorporated by reference or that any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

None of the Issuer or the Joint Bookrunners, or any of their respective affiliates, is making any representation to any offeree or purchaser of the Notes regarding the legality of an investment in the Notes by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not construe anything in this Prospectus as legal, tax, business or financial advice. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of purchases of Notes.

This document may only be communicated, or caused to be communicated, in circumstances in which Section 21 para. 1 of the United Kingdom Financial Services and Markets Act 2000, as amended ("**FSMA**"), does not apply.

The Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons; see "*Subscription and Sale—Selling Restrictions*".

The distribution of this Prospectus as well as the offering, sale, and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any Notes in any jurisdiction in which such offer, exercise or invitation would be unlawful. None of the Issuer or the Joint Bookrunners, or any of their respective affiliates accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions.

Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus and other offering material relating to the Notes, see "*Subscription and Sale—Selling Restrictions*".

MIFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of each manufacturer's 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 manufacturers' 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 manufacturers' target market assessment) and determining appropriate distribution channels.

For the avoidance of doubt, the target market assessment does not constitute (i) an assessment of suitability or appropriateness for the purposes of MiFID II or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Notes.

PRIIPs Regulation / Prohibition of sales to EEA 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 ("**EEA**"). 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 (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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 authorized or to any person to whom it would be unlawful to make such an offer or solicitation.

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase Notes and should not be considered as a recommendation by the Issuer, or the Joint Bookrunners that any recipient of this Prospectus should subscribe for, or purchase, Notes. Each recipient of this Prospectus shall be considered to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

IN CONNECTION WITH THE ISSUANCE OF THE NOTES, THE JOINT BOOKRUNNERS (OR PERSONS ACTING ON BEHALF OF THE JOINT BOOKRUNNERS) MAY OVERALLOT 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, STABILIZATION MAY NOT NECESSARILY OCCUR. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVERALLOTMENT MUST BE CONDUCTED BY THE JOINT BOOKRUNNERS (OR PERSONS ACTING ON BEHALF OF THE JOINT BOOKRUNNERS) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

This Prospectus contains assessments of market data and information derived therefrom, which could not be obtained from any independent sources. Such information is based on the Issuer's own internal assessments and may therefore deviate from the assessments of competitors of TLG or future statistics by independent sources. As regards TLG's market positions, the Issuer's own estimations are mainly based on company data which is either derived from information by competitors or from data provided by independent research companies.

The language of this Prospectus is English, except for the Terms and Conditions and the documents incorporated by reference into this Prospectus listed in the section "*Documents incorporated by Reference*". The German text of the Terms and Conditions shall be binding and controlling; the English-language text of the Terms and Conditions shall constitute a convenience translation. The German-language documents incorporated by reference into this Prospectus listed in the section "*Documents incorporated by Reference*" will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). English-language versions of these documents, to the extent English versions have been published by the Issuer, are translations of the respective German-language versions and are not incorporated by reference in, and do not form part of, this Prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN SINGAPORE

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*Subscription and Sale—Selling Restrictions*".

NOTICE TO CERTAIN EUROPEAN INVESTORS

Notice to Prospective Investors in the European Economic Area

This Prospectus has been prepared on the basis that all offers of Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of securities and is therefore, for the purposes of the offering of the Notes, not a prospectus within the meaning of the Prospectus Regulation. Accordingly, any person making or intending to make any offer of the Notes which are the subject of the offering contemplated in this Prospectus within the EEA should only do so in circumstances in which no obligation arises for the Issuer, or the Joint Bookrunners to produce a prospectus for such offers. None of the Issuer, or the Joint Bookrunners has authorized, nor do they authorize, any offer of Notes through any financial intermediary other than offers made by the Joint Bookrunners which constitute the final placement of the Notes contemplated in this Prospectus.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this Prospectus is for distribution only to persons (i) who are investment professionals falling within Article 19 para. 5 of the FSMA, or (ii) falling within Article 49 para. 2 (a) to (d) of the FSMA (*e.g.*, high net worth companies, unincorporated associations) or (iii) other persons to whom it may be lawfully communicated in accordance with the FSMA (all such

persons falling within (i) – (iii) together being referred to as "**Relevant Persons**"). This Prospectus is directed only at Relevant Persons and may not be acted on or relied on by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

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 "anticipates", "believes", "estimates", "expects", "intends", "plans", "predicts", "projects", "targets" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on the future earning capacity, plans and expectations regarding TLG'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 TLG'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. TLG's business is also subject to a number of risks and uncertainties that could cause actual developments to differ from the forward-looking statements, estimates or predictions in this Prospectus. Accordingly, investors are strongly advised to read the section "*Description of the Issuer*". This section includes more detailed descriptions of factors that might have an impact on TLG'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, neither the Issuer nor the Joint Bookrunners assume any obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to actual events or developments.

SOURCES OF MARKET DATA

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which TLG operates are based on the Issuer's assessments. These assessments, in turn, are based in part on internal observations of the market and on various market studies.

Irrespective of the assumption of responsibility for the content of this Prospectus by the Issuer, the Issuer has not independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Issuer makes no representation or warranty as to the accuracy of any such information from third-party studies. Prospective investors should note that the Issuer's own estimates and statements of opinion and belief are not always based on studies of third parties.

To the extent information contained in this Prospectus has been sourced from third parties, such information has been accurately reproduced and as far as the Issuer is aware and able to ascertain from

information published by that respective third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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RISK FACTORS

Below is a description of risk factors that are material for the assessment of the market risk associated with the Notes and risks the occurrence of which may affect the ability of the Issuer to fulfil its obligations under the Notes. These risk factors only describe those risks that are specific to TLG and to the Notes. In addition, TLG faces various risks generally faced by any company operating in the markets in which TLG operates with a platform similar to TLG's platform. Furthermore, any investment in the Notes bears general risks relevant to investments in this type of security, which could have a material adverse effect on the business, financial condition, cash flows, results of operations and prospects of TLG as well as the price of the Notes. Potential investors should carefully consider the specific risk factors outlined below in addition to all other information in this Prospectus and consult with their own professional advisors should they deem it necessary before deciding upon a purchase of Notes.

1. Risks related to TLG's Industry

1.1. TLG could be adversely affected by negative developments in the German economy and commercial real estate markets.

TLG is active in the German commercial real estate markets, focusing on retail and office properties and, to a lesser extent, also hotel properties. In addition, TLG is active in the field of redevelopment of existing properties and new development on owned plots. All of TLG's properties are located in Germany, with the majority currently being located in the regions Berlin, Rhine-Main and Dresden, Leipzig, Rostock.

Commercial real estate markets are susceptible to changes in the overall economy, and therefore volatile. Thus, factors that directly or indirectly affect the overall economy also impact supply and demand for commercial real estate and thereby influence market prices of commercial real estate, rent levels and vacancy rates. TLG's business is therefore highly dependent on macroeconomic and political developments, including changes in legislation, as well as other general trends affecting Germany. As an export-driven economy, Germany itself is affected by the development of the world economy in general and the Eurozone in particular.

Numerous factors are currently contributing to considerable economic uncertainty. Any negative development of the German economy as a whole would likely adversely affect commercial real estate markets and thereby the value of, and demand for, TLG's real estate.

Further, in the event that interest rates were to increase significantly in future periods, the value of commercial real estate could be adversely affected due to increases in the discount rate and a reduction in the availability of attractive financing options. Any such decline in the value of, or demand for, commercial real estate would generally also have an adverse effect on TLG.

While the long-term nature of many of TLG's lease agreements provides some protection against a general decline in rent levels, it may also prevent TLG from increasing its rental income in line with rental growth in the overall commercial real estate market if rent levels were to rise.

1.2. TLG could be adversely affected by a deterioration of the economic conditions and business environment in its key markets, particularly negative demographic trends.

Based on aggregate portfolio value as of June 30, 2019, the majority of the aggregate portfolio of TLG was located in Berlin (42.7%), Dresden, Leipzig, Rostock (together 18.8%), and the Rhine-Main region (13.8%), in particular in Frankfurt am Main. Regional economic and political developments, as well as other trends in these regions therefore have a significant impact on the demand for TLG's commercial real estate and the rents that it is, and will be, able to achieve, as well as on the valuation of its properties. Such local developments may differ considerably from overall developments in Germany.

For example, eastern Germany's regional centers lagged behind western Germany's in terms of absolute economic performance and consumer purchasing power in the past. While some cities and regions in eastern Germany have seen decreasing unemployment rates and growing purchasing power in recent years, there is no guarantee that this trend will continue. In addition, negative demographic trends could lead to a decline in population levels in eastern German cities and regions, particularly among younger segments of the active working population, which could reduce demand for commercial real estate, and thereby adversely affect rental income for TLG's properties in eastern Germany. By comparison, Frankfurt am Main has benefited from positive demographic developments in recent years, but has traditionally seen comparably high vacancy rates. If vacancy rates in the Frankfurt market were to increase further, this could adversely affect rental income for TLG's properties located in Frankfurt am Main.

2. Risks related to TLG's Business Activities

2.1. TLG may not be able to grow through acquisitions.

TLG constantly screens the market for assets and selective acquisition opportunities that best fit its geographic and property type focus and which it expects to provide particularly attractive long-term returns. TLG's acquisitions mainly focus on office properties located in A and B cities in Germany (*i.e.*, Germany's largest cities and larger regional cities) with favorable economic characteristics.

Acquisitions can only be completed if attractive properties or portfolios are available for purchase and if the prices for such properties and portfolios are reasonable. Given its clear focus on office and, to a lesser extent, hotel and retail properties, a large number of the available commercial real estate properties do not meet TLG's portfolio criteria. In addition, a number of factors beyond TLG's control (*e.g.*, the overall development of commercial real estate markets, building activity and planning laws) influence the availability of office, hotel and retail properties. A lack of attractive acquisition opportunities could drive up prices for the type of properties and portfolios TLG seeks to acquire. Thus, TLG may be unable to deploy its financial means in a timely manner, or at all, and might therefore be unable to achieve a satisfactory return on its capital.

Given the currently strong demand for commercial real estate in Germany, there is fierce competition for such properties and portfolios and attractive acquisition opportunities may be unavailable or available only on unfavorable terms (*e.g.*, at higher prices and lower yields). Competitors with acquisition strategies similar to TLG's may possess greater financial resources and lower costs of capital than TLG and may therefore be able to offer higher prices.

TLG intends to finance acquisitions at least partially through additional debt while generally aiming to maintain a maximum long-term net loan to value ratio ("**Net LTV**") of 45%. The availability and terms of debt financing available to TLG depend on a number of factors, in particular, interest rate levels and the overall state of the financial markets. Rising interest rates or a market crisis could therefore limit TLG's ability to obtain acquisition financing at acceptable terms or any financing at all. This could limit the prices that TLG is able to offer when acquiring additional properties and portfolios or prevent such acquisitions. In order to maintain its Net LTV, TLG may also seek to raise additional equity. There is no guarantee that there will be sufficient demand for new shares of the Company and thus sufficient equity to finance contemplated acquisitions may not be available.

Any inability to acquire properties or portfolios could impair TLG's strategy to capture external growth opportunities by growing its portfolio of office, retail and hotel properties and to capitalize on economies of scale.

2.2. TLG may be unable to identify all risks associated with properties or portfolios it acquires and may overestimate the value and/or financial performance of such acquisitions or of its development projects.

Due to a need for quick reaction to attractive opportunities and constraints imposed by the sellers, TLG may in some cases only be able to conduct a limited due diligence investigation. Accordingly, TLG may not always be in a position to examine all risks associated with acquisitions. For example, TLG may not be able to assess whether the original owners of the properties (and their successors, if any) have obtained, maintained or renewed all required permits, satisfied all permit conditions, received all necessary licenses, as well as fire and safety certificates and satisfied all other requirements. In addition, the properties may suffer from hidden defects or damages. Moreover, TLG may not be in a position to carry out all follow-up investigations, inspections and appraisals (or to obtain the results of such inquiries). Accordingly, in the course of the acquisition of properties or portfolios, specific risks may not be, or might not have been, recognized, evaluated and addressed correctly. Legal and/or economic liabilities may be, or might have been, overlooked or misjudged. In particular, real estate transfer tax (*Grunderwerbsteuer* ("**RETT**")) may inadvertently be, or have been, triggered in the course of such acquisitions of real estate.

Warranties in the purchase agreements that TLG enters into in connection with acquisitions of real estate may not cover all risks or fail to sufficiently cover such risks. In addition, warranty claims may be unenforceable due to a seller's insolvency or for other reasons. In some cases, a seller may make no representation or warranty as to the sufficiency and correctness of the information made available in the context of a due diligence investigation, or as to whether such information remains correct between the conclusion of the due diligence investigation and the closing of the respective acquisition.

Furthermore, TLG could overestimate the earnings potential and potential synergies from acquisitions or development projects. In the case of acquisitions of portfolios, TLG could in particular underestimate the rental and cost risks, including expected demand from tenants for the respective property or portfolio, and consequently pay a purchase price that exceeds a property's or portfolio's actual value. Similarly, TLG could underestimate the rental and cost risks with respect to its development projects which may result from lower than expected demand from tenants for the developed properties, or, with respect to cost risks, for example from increasing material costs or delays in the development or building process. In addition, properties and portfolios could be inaccurately appraised for other reasons, even if TLG were to acquire them on the basis of valuation reports and due

diligence investigations. Therefore, neither a particular cash flow from rentals, nor, if applicable, a certain price upon resale can be guaranteed with respect to acquired properties and portfolios.

2.3. TLG may face risks related to development activities, including the redevelopment of existing properties and new developments on existing plots, and development activities intended in the future may not be possible.

TLG has decided to focus more than in the past on development projects if it can identify attractive opportunities within the current portfolio. This strategy provides, among other, for significant capital expenditures on key projects which comprise, in particular, the redevelopment of existing properties and new developments on existing plots.

Such developments are typically long-term in nature and involve numerous risks, including cost overruns, which may result in projects becoming unprofitable, and changes in the economic environment, which may make it difficult or impossible to fully lease projects upon completion.

TLG undertakes these developments at its own risk and, due to inherent uncertainties, TLG faces the risk that developments it undertakes may not be profitable. This may also result in TLG failing to complete construction and delivery of project developments within the scheduled timeframe.

TLG is dependent on third-party contractors to provide construction and other services for the realization of its development projects. Outsourced services include architectural and technical design, concept design and construction. Due to the competitive environment in the German construction sector, particularly in Germany's key metropolitan areas, qualified and reliable construction partners are in great demand. If TLG is unable to find or hire qualified and reliable contractors for any of its development projects, the successful completion of projects in time or with the required quality is at risk. Contractors may fail to meet its standards and deadlines. If any third party fails to provide its services labor, equipment or materials in a timely and/or adequate manner, TLG may be required to source these services or materials at a higher price than anticipated and may face material delays at its project sites until it is able to identify appropriate alternative third parties. In addition, third-party contractors can be adversely affected by economic downturns or poor management decisions. TLG may hire a contractor that subsequently becomes insolvent, causing cost overruns and project delays and increasing the risk that TLG will be unable to recover costs in relation to any defective work performed by such contractor.

Furthermore, the ability to develop or modernize certain properties depends on agreements with the local authorities (including with respect to the acquisition of necessary plots of land) or the land-use regulation applicable to the respective property, in particular local development plans (*Bebauungspläne*). For example, the relevant planning rules applicable to the office property located on Alexanderstraße 1, 3, 5 and the neighboring food service property in Karl-Liebknecht-Straße 30 in Berlin (together the development project *Alexanderstrasse*) currently allow for an increase of the overall building size from approximately 50,550 square meters to up to 149,572 square meters; the relevant planning rules applicable to the warehouse property located on Wriezener Karree 15 in Berlin (the development project *Wiezener Karree*) currently allow for an increase of the overall building size from approximately 9,400 square meters to up to 37,000 square meters. TLG has secured these building rights through preliminary building permits (*Bauvorbescheid*) until 2021. However, local agencies and their respective political authorities might attempt to influence the nature and extent of future buildings during the relevant permit process. In this case, TLG may be unable to realize or fully realize the

potential of such locations, which would affect the rental income generated through a potential development and may therefore affect the economic viability of such developments.

2.4. Increasing competition in the German commercial real estate markets could lead to falling rent levels or a compression of yields.

TLG is exposed to competition in all aspects of its real estate business (*i.e.*, the purchase, modernization, development, letting and sale of real estate). Such competition in the real estate market may cause an oversupply of real estate available for rent, especially of office properties, resulting in competition for tenants and decreasing rents, and have a material adverse effect on TLG's ability to find and retain suitable and solvent tenants and to achieve appropriate rents.

Competition for tenants in the German commercial real estate market is already significant and constantly increases. TLG faces competition from local and international real estate companies in all of the regions where it is active. TLG competes with other real estate companies, as well as investment funds, institutional investors, building contractors and individual owners of properties to attract and retain suitable tenants on favorable conditions. Competitors may be able to offer tenants newer and more cost-efficient buildings at attractive prices, any of which could reduce TLG's ability to attract or retain suitable tenants (see also "*TLG may be unable to find or retain suitable and solvent tenants on acceptable terms and existing tenants may be unable to meet their payment obligations. Vacancies may also prevent TLG from passing on fixed operating costs to tenants.*").

2.5. Prices of TLG's properties may come under pressure from competition and other factors.

Part of TLG's portfolio strategy is to sell properties that do not qualify as strategic within TLG's overall portfolio.

Should the supply of office and retail properties increase or the related demand decrease, such increase or decrease could put pressure on sales prices, particularly in the local markets in which TLG owns commercial real estate. If commercial real estate is considered to be less favorable economically due to such a development or, for example, changes in taxation, the legal framework or other economic conditions, demand for commercial properties among potential purchasers may decrease, and, consequently, it might only be possible to sell properties at lower prices. Lower sales prices may also require TLG to adjust the fair value of its total real estate portfolio on its consolidated statement of financial position, and to record losses resulting from the fair value adjustments of its investment property in its consolidated statement of comprehensive income for the respective reporting period.

2.6. TLG may face risks in relation to its acquisition of an equity stake in the share capital of, and a potential merger with, Aroundtown S.A.

On September 1, 2019, the Company entered into agreements with Avisco Group ("**Avisco**") to purchase a 9.99% stake in the share capital of the publicly listed real estate company Aroundtown S.A. ("**Aroundtown**") from Avisco for a total purchase price of €1,016 million, or €8.30 per share in Aroundtown, and to be granted a call option to acquire another stake of up to 4.99% in the share capital of Aroundtown for the same price per share which can be exercised until February 28, 2020. Similarly, under the agreements, Avisco is granted a put option to sell a stake of up to 4.99% in the share capital of Aroundtown to the Company (see "*Description of the Issuer—Material Agreements—Purchase and Sale Agreements—Acquisition of Equity Stake in Aroundtown S.A.*"). On the same date, the Company announced that the Company and Aroundtown will commence discussions in relation to a potential

business merger with Aroundtown in which the Company intends to act as offeror, or effect a different form of business combination as to be mutually agreed between the parties.

The market price for shares in Aroundtown is subject to fluctuations on the stock markets, depending, amongst others, on the operational performance of Aroundtown and the overall economic developments in Germany. As customary for the acquisition of a minority stake in publicly listed German companies, TLG has not conducted a legal or financial due diligence beyond publicly available information with regard to risks relating to Aroundtown prior to entering into the transaction. Therefore, the Company may not have identified all risks associated with Aroundtown's business operations, financial condition or corporate structure which might also negatively affect the market price of the shares in Aroundtown. If the market price for shares in Aroundtown decreases, as it has done after the announcement of the transaction, the Company might be required to reflect such decrease on its balance sheet through write-offs of its position in Aroundtown and, in case of a divestiture, might be able to dispose of such shares only for a consideration lower than the purchase price paid for them. Further, if either the Company or Avisco decides to exercise its option to acquire, or to sell to the Company, additional shares in Aroundtown, the Company might be required to pay a purchase price for such additional shares which exceeds the then current market value of such shares.

Also, it is uncertain whether the negotiations on a potential merger or other business combination with Aroundtown will be successful. Even if such negotiations led to a business merger of the two companies, as of the date of this Prospectus, it cannot be foreseen in which structure and form such business combination might occur, and how the stakeholders of the Company will be affected. In addition, such merger would entail further risks. For example, the integration of the two companies might result in additional or unforeseen expenses or the anticipated benefits of such integration might not be achieved at all.

2.7. TLG could be subject to liability claims in connection with sold properties.

In recent years, TLG, including in particular WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft ("**WCM AG**" and together with its consolidated subsidiaries "**WCM**") prior to its acquisition by TLG, has sold a large number of properties and plans to continue to sell properties from its existing portfolio. In connection with property sales, the seller is usually required to make representations, warranties and negative declarations of knowledge to the purchaser with respect to characteristics of the sold property. The potential liability resulting therefrom usually continues to exist for a period of several years after the sale. TLG could be subject to claims for damages from purchasers, who could assert that the seller has failed to meet its obligations, or that its representations were incorrect. Furthermore, TLG could become involved in legal disputes or litigation over such claims. If TLG as the seller has provided warranties to a purchaser of properties in connection with maintenance and modernization measures, and claims are asserted against TLG because of defects, TLG may be unable to take recourse against the companies that performed the work.

As a seller of properties, TLG may be liable to tenants for breaches of lease agreements by the purchaser, even where TLG no longer has control over the respective property. When selling properties, TLG typically informs all tenants in writing of the change in landlord in order to be released from persisting obligations. A release from liability does not apply to security deposits (*Mietsicherheiten*) provided by the tenants. If a tenant is unable to receive its security deposit from the purchaser of a property, the liability to repay such security deposit remains with TLG as the seller.

2.8. TLG's portfolio bears certain concentration risks. Long-term socioeconomic trends could adversely affect demand for TLG's office, retail and hotel properties, or negatively affect TLG's major tenants and its most valuable properties.

TLG faces concentration risks due to its focus on certain types of commercial real estate and its dependency on a limited number of main tenants and individual properties with particularly high property values. As of June 30, 2019, a significant portion of the properties in TLG's portfolio comprised the asset classes office (42.6% of TLG's aggregate portfolio in terms of property value), retail (24.2% of the TLG's aggregate portfolio in terms of property value), hotel (7.4% of the TLG's aggregate portfolio in terms of property value) and invest (17.6% of the TLG's aggregate portfolio in terms of property value) the current or planned use of which also comprises office and retail purposes. For retail properties, TLG focusses on food anchored retail properties. Demand for office, retail and hotel properties is not only affected by the overall development of commercial real estate markets but also by business developments and long-term socioeconomic trends affecting existing and potential tenants for these types of properties. Such developments include:

- an ongoing consolidation within the food retail sector, an increase of food purchases via internet, including online food delivery services, and trends towards smaller, high-quality food retailers,

- trends towards working from home offices, using shared office or desk space not dedicated to individual employees or from tax-friendly headquarters located away from city centers where TLG's office properties are located, and

- the development of city tourism and alternative models of accommodation, such as Airbnb and hotel taxes.

Changing requirements for real estate may result in TLG's properties becoming obsolete unless significant capital expenditures are made to modernize such properties. As preferences continue to evolve, other socioeconomic trends may develop that decrease the useful lifespan of and demand for rental space. Lower demand for TLG's rental space could result in vacancies or rent reductions as well as increased incentives, such as rent-free periods, due to increased bargaining power on the part of tenants, thus leading to a reduction of rental income and potentially additional capital expenditures to meet market standards for offered rental space.

In addition, TLG generates a significant portion of its annualized in-place rent (*i.e.*, contracted rents as of June 30, 2019, without deduction for any applicable rent-free periods, multiplied by twelve ("**Annualized In-place Rent**")) from only a limited number of main tenants. As of June 30, 2019, 58.2% of Annualized In-place Rent from TLG's retail properties derived from the top seven tenants (namely food retail chains operating under the "EDEKA"/"Netto", "REWE"/"Penny", "Kaufland"/"Lidl", "Hellweg", "OBI", "Rossmann" and "ALDI" brands), and 35.4% of Annualized In-place Rent from TLG's office properties derived from the top ten tenants (*e.g.*, Daimler Real Estate GmbH, AIR Liquide Global E&C Solutions Germany GmbH and OstseeSparkasse Rostock). If such major tenants were to face financial difficulties or default on their lease obligations, reduce or abandon their operations in TLG's markets, attempt to renegotiate lease agreements to TLG's disadvantage, fail to extend their lease agreements or terminate them prematurely, TLG could lose a substantial portion of its Annualized In-place Rent.

Certain properties in TLG's portfolio represent a particularly large portion of its holdings. Based on a portfolio value as of June 30, 2019, the top five office properties represented 28.8% of TLG's office asset class (with the top 15 representing 65%). Further, the "H_4/H_2" hotel in Berlin accounted for 40.8% of TLG's hotel asset class, based on portfolio value as of June 30, 2019. Likewise, the property Alexanderstraße 1, 3, 5 in Berlin, which is TLG's most valuable property, represented 38.2% of TLG's invest asset class, based on portfolio value as of June 30, 2019. Negative developments such as the loss of major tenants and persisting vacancies, a decline in the occupancy rates or the chargeable rates for TLG's hotel rooms, restrictive government orders limiting the use of a property, construction work allowing for rent reductions, fire and other catastrophes could have a material adverse effect on any single property. If one of TLG's most valuable properties were to be affected by such developments, this could have a material adverse effect on TLG's overall portfolio.

2.9. TLG may be unable to find or retain suitable and solvent tenants on acceptable terms and existing tenants may be unable to meet their payment obligations. Vacancies may also prevent TLG from passing on fixed operating costs to tenants.

The letting of office, retail and hotel properties is the most important aspect of TLG's daily operations. TLG's rental income depends on its ability to let large parts of its portfolio at attractive rental levels. Such efforts are influenced by a number of factors, including the remaining term of existing lease agreements, the solvency of current tenants and the attractiveness of properties for suitable tenants. TLG may be unable to renew the expiring lease agreements on acceptable terms or to find suitable, solvent tenants willing to enter into long-term lease agreements. Failure to find and retain suitable tenants may prevent TLG from maintaining its current vacancy rate or renting vacant space or force TLG to reduce the rent it demands from current and future tenants. Also, TLG's profits may be adversely affected by its inability to pass on fixed operating costs for vacant space, including local taxes and service charges, and TLG would have to bear such costs until the affected rental space is fully rented again.

In addition, a tenant's creditworthiness may deteriorate, entailing the risk that the tenant is unable to meet its obligations under its lease agreement and fails to render payments in time, or at all. This could force TLG to reduce rent levels for the respective property and the rental income could be significantly lower than originally estimated, while TLG's operating costs might remain largely fixed or might even increase.

2.10. Indexation clauses in TLG's lease agreements could adversely affect TLG's rental income.

Some of TLG's lease agreements, especially those for retail properties, include clauses providing for full or partial indexation of the applicable rent in line with a reference index, such as the German consumer price index. These clauses provide not only for upward adjustments, but also for downward adjustments tied to changes in the relevant index. Thus, rental income may decrease if consumer prices decline (*e.g.*, as part of a general deflation). If a lease agreement contains no indexation or equivalent adjustment clauses, the applicable rent may remain constant for the term of the lease agreement, while TLG's costs of maintaining the respective property may increase due to inflation. This risk is compounded by the fact that many of TLG's lease agreements provide for long-term leases.

2.11. TLG may incur substantial unexpected maintenance, repair and modernization costs and failure to undertake appropriate maintenance measures could adversely affect its rental income.

TLG aims to continue to invest in its properties, particularly office, retail and hotel properties, to ensure that its properties meet technical requirements and market demand. Maintenance and modernization measures may also be required to meet changing legal, environmental or market requirements (*e.g.*, with regard to health and safety requirements and fire protection). Failure to maintain the properties could pose a risk to the health and safety of TLG's tenants, as well as their employees and customers. Typically, the costs associated with keeping properties up to market demand are borne primarily by the property owner and thus TLG may incur substantial expenses. TLG could incur additional expenses if the actual costs of maintaining or modernizing its properties exceed TLG's estimates, if it is not permitted to raise rents in connection with maintenance and modernization measures, or if hidden defects not covered by insurance or contractual warranties are discovered during the maintenance or modernization process or additional spending is required. Any failure to undertake appropriate maintenance and modernization measures could adversely affect TLG's rental income and entitle tenants to withhold or reduce rental payments or even to terminate existing lease agreements.

2.12. TLG is dependent on the expertise, commitment and performance of a limited number of key members of its management and qualified employees and TLG may fail to hire or retain such personnel.

TLG only employs a small number of employees in central functions responsible for managing its business. Its success greatly depends on the performance of the members of the Company's management board (the "**Management Board**") and other qualified employees in key positions, particularly those with substantial sector expertise, who are responsible for the management of TLG's portfolio and corporate functions. Furthermore, TLG may need to hire additional qualified employees if its future growth exceeds its current platform or if TLG is forced to replace qualified employees. Due to the intense competition for qualified personnel in the commercial real estate sector, there is no guarantee that TLG will be able to hire sufficiently qualified key employees at acceptable terms in the future.

2.13. TLG's IT-systems could malfunction or become impaired.

IT-systems are essential for the daily running of TLG's business operations. Any interruptions in, failures of or damage to its IT-systems could lead to delays or interruptions in TLG's business processes. In particular, TLG's IT-systems may be vulnerable to security breaches and cyberattacks from unauthorized persons outside and within TLG. Despite taking what it considers sufficient precautions, TLG cannot guarantee that anticipated and/or recognized malfunctions or security deficits can be avoided by appropriate preventive security measures in every case. Also, TLG's IT-systems may not be sufficient for TLG's ongoing expansion and there is no guarantee that TLG will be able to adapt its IT-systems to new requirements.

If TLG were to decide to introduce new IT-systems in the future or to adapt existing IT-systems, there is no guarantee that such adaptions will be completed without interruptions or at all. Problems when adapting its IT-systems could lead to delays or interruptions to TLG's business processes. In addition, new IT-systems may turn out to be incompatible with TLG's existing IT-systems, which could also cause problems with respect to TLG's IT-systems.

2.14. TLG's IT-based portfolio management tools could fail to correctly reflect and support the business decisions that are in TLG's best interest.

The administration and management of TLG's portfolio is conducted, *inter alia*, with IT-based portfolio management tools that analyze data of individual properties and the respective tenant base and help monitor the compliance of individual properties with TLG's current business plan. These management tools allow TLG to constantly check, monitor and compare individual properties for a number of relevant key performance indicators. The reliance on such management tools could lead to decisions that are not in TLG's best interest, for example, if essential data cannot be collected or has to be estimated for the future, if model assumptions turn out to be wrong, or if the key performance indicators that are used are not relevant for TLG's long-term success.

2.15. TLG could incur substantial losses from damages not covered by, or exceeding the coverage limits of, its insurance policies.

Insurance policies taken out by TLG, including against fire, natural disasters, operational interruptions and third-party liability, are subject to exclusions and limitations of liability both in amount and with respect to the insured events. There can be no assurance that TLG's assessment that it is sufficiently insured against contingencies is accurate. Floods, fires, storms and similar natural disasters, as well as acts of terrorism or other events may cause damage to a property in excess of insurance coverage and may thus lead to significant costs that must be borne by TLG in connection with remediation and repair work. In addition, significant costs could ensue if tenants terminate their lease agreements or withhold part or all of the agreed rent payments as a consequence of any of the foregoing events. Even in cases where TLG has obtained sufficient insurance coverage, its insurance providers could become insolvent, forcing TLG to bear any costs itself.

2.16. The Company's intra-group cash flows depend on the profitability of its subsidiaries and it may not be able to implement significant changes with regards to its subsidiaries.

The Company itself holds and administers real estate, but is also a holding company for selected subsidiaries that hold individual properties including WCM AG and its subsidiaries. In the future, the Company may found or acquire additional subsidiaries to function as asset-holding companies for certain real estate properties with the aim of creating a more advantageous tax structure of TLG. There is no certainty that these changes to the group structure will be carried out or that they will be successful or actually yield the intended advantages.

In order to cover its operating costs and to make distributions, the Company relies on distributions it receives from its subsidiaries and other equity investments or, as the case may be, repayments of loans (potentially also by way of cash pooling arrangements) granted to its subsidiaries. Any distributions by the subsidiaries depend, in turn, on the subsidiaries' operating results and their ability to make those distributions under applicable law. Such transfers of funds (also by way of cash pooling arrangements) could become restricted by laws or otherwise, and future funds may not be sufficient to satisfy all of the Company's payment obligations.

The Company has entered into domination and/or profit transfer agreements with some of its German subsidiaries, in particular with WCM AG (see "*Description of the Issuer—Material Agreements—Inter-Company Agreements*"). These agreements require the Company to cover the losses of the relevant subsidiaries. As a result, the Company may incur substantial losses, if the relevant subsidiaries incur a corresponding deficit.

Furthermore, the Company currently does not own all of the shares in some of its subsidiaries, including its key subsidiaries WCM AG and Triangel Frankfurt Immobilien GmbH & Co. KG, and may

in the future acquire interests in entities with majority shareholders, participate in joint ventures or sell minority interests in its existing or future subsidiaries. Minority shareholders in such entities may be protected by German laws, Luxembourg laws or the laws of their respective jurisdiction, including provisions requiring unanimous consent to structural changes. Thus, the management of subsidiaries with minority shareholders may prove difficult for the Company.

2.17. TLG may be required to adjust the current values of its investment property or record lower results from the remeasurement of investment property and therefore recognize significant accounting losses.

TLG accounts for the vast majority of its investment property (*i.e.*, properties that are held for the purpose of earning rental income, for capital appreciation or both) at fair value in accordance with IAS 40 (Investment Property) in conjunction with IFRS 13 (Fair Value Measurement). The fair value of a property held to generate rental income or for capital appreciation or both is measured with the discounted cash flow method (the "**DCF Method**"). According to the DCF Method, the fair value of a property is the sum of the discounted cash flows for a planning period (*e.g.*, ten years), plus the residual value of the property at the end of the planning period discounted to the valuation date. The applied discount rate for the ten-year planning period reflects the current market assessment, location, condition and letting situation of the property, the yield expectations of a potential investor and the level of uncertainty and inherent risk of the forecast future cash flows, while the applicable exit capitalization rate is derived from the applied discount rate and is based on the individual property location, type, size and quality, taking into account the market information available on the reporting date. Properties generating no sustainable operating cash flows are valued using their liquidation value. TLG recognizes any changes in the fair value of such investment property under result from the remeasurement of investment property in the consolidated statement of comprehensive income. If TLG's cash flows from investment property decrease or discount rates used in the DCF Method valuation rise (*e.g.*, due to increased interest rates), TLG would have to revise the value of its portfolio in the consolidated statement of financial position downwards. Further, as of the date of this Prospectus, TLG measures the fair value of 7 of its properties assigned to the invest asset class (with an aggregate property value of approximately €420 million as of June 30, 2019) not with the DCF Method but with the residual value method. The residual value method is used to estimate the value of land or buildings that are going to be developed and/or redeveloped. Specifically, the method calculates the residual land value, which is the value of the site or land after development has been completed, minus the cost of purchase, plus developing including construction measures, maintaining, or reselling the land. There is a significant level of uncertainty regarding the underlying assumptions of the residual value method, *e.g.* the development/construction costs and the value of the property after development.

With respect to properties classified as investment property, TLG applies the following accounting treatment in case of a sale: Upon the notarization of the sale and purchase agreement, the property is generally reclassified as a non-current asset held for sale. In that case, the difference between the previous carrying amount of the property and the sales price, if any, is added to the carrying amount of the property and recognized under result from the disposal of investment property. Thus, if the purchase price exceeds the carrying amount, the Company is able to record a gain in the excess amount. However, if a sale fails to close or if the purchase price is reduced between signing and closing of the transaction (*e.g.*, due to an agreed purchase price adjustment mechanism or TLG's failure to fulfill representations and warranties included in the purchase agreement), the Company may be forced to record a loss in the subsequent reporting periods during which the transaction closes.

3. Risks related to TLG's Financial Situation

3.1. TLG's ability to repay existing and future debt could be limited and TLG may be unable to obtain new sources of financing on attractive terms, or at all.

TLG uses debt financing to fund its existing portfolio, ongoing operations and future acquisitions and therefore depends on the availability of such financing. General conditions for real estate financing are subject to constant change and the attractiveness of different financing options depends on a variety of factors beyond TLG's control (*e.g.*, the overall monetary policy, interest rates, general tax conditions and the value of commercial real estate to be used as collateral). In the past, financial difficulties in the capital markets in general and the European Union in particular have adversely impacted the availability of debt financing. Furthermore, regulatory changes could restrict the lending activities of banks.

TLG's current and non-current liabilities due to financial institutions amounted to €1,088.5 million and corporate bonds amounted to €987.0 million, as of June 30, 2019, respectively, and each measured in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"), resulting in a Net LTV of 28.4%.

TLG's ability to repay existing debt could be limited if it were unable to obtain new debt financing or extend existing credit facilities or issue new debt capital instruments to the extent necessary or when required (in particular, when large amounts mature under the Notes, the €400,000,000 1.375% Fixed Rate Standalone Notes due 2024 issued on November 27, 2017 (the "**2017 Notes**") and the €600,000,000 1.500% Fixed Rate Standalone Notes due 2026 issued on May 28, 2019 (the "**2019 Notes**")). TLG's level of debt could lead banks and other financiers not to make new loans available to TLG, or to only make them available on less favorable terms, or to refuse to extend existing credit lines, or to grant an extension of existing credit lines only on less favorable terms (*e.g.*, demanding additional collateral, increasing interest rates).

Furthermore, some loans, the 2017 Notes, the 2019 Notes and these Notes depend on the shareholder structure and provide for termination rights of the respective lender or noteholder if the control over the Company changes. The Terms and Conditions as well as the terms and conditions of the 2017 Notes and the 2019 Notes provide for termination rights of the noteholders which are triggered if any person or persons acting in concert acquire 30% or more of the share capital of the Issuer. The termination right for the 2017 Notes does not depend, in addition to that, on a rating downgrade as a consequence of such change of control, as opposed to the termination right for the 2019 Notes and these Notes. In case of the exercise of such termination rights, a refinancing under changed conditions is required.

Rising interest rates could increase TLG's financing costs and prevent it from achieving an adequate spread between cash flows from rental income and disposals on the one hand and interest payments on the other hand, or any cash inflow at all. While TLG may try to substitute debt financing through equity financing, TLG may be unable to raise capital at attractive terms, or at all.

TLG's acquisition of additional properties and portfolios may be financed by taking on additional debt or by issuing and offering new shares or equity-linked instruments, or a combination thereof. If TLG is unable to obtain the necessary financing on reasonable terms, it may be unable to make acquisitions, or may only be able to do so to a limited extent. This could adversely affect its future business development and competitiveness. In addition, to secure bank loans for the financing of

property acquisitions, TLG has provided lenders with a certain amount of collateral for securing its liabilities. In particular, TLG has provided collateral in the form of land charges and, to a certain extent, pledges over the shares of the subsidairies holding the real estate in relation to the properties which were acquired with the funds from the respective financing. TLG's assets are therefore available only to a limited degree for securing other debt, which in turn could restrict its ability to raise additional funds and refinance existing financing. Even if debt financing is available, any additional debt could have a significant negative impact on TLG's key performance indicators and could result in higher interest expenses.

TLG obtained corporate ratings from Moody's and S&P. These ratings depend, *inter alia*, on the development of TLG's performance and certain key credit ratios. In addition, macro-economic developments such as the development of the German economy and changes in interest rate levels may have an impact on TLG's performance and, accordingly, on its rating. Moody's and S&P review the factors that influence TLG's rating on a regular basis. TLG cannot rule out that its ratings may be downgraded in the future. Any downgrade or negative outlook could negatively impact TLG's reputation, the price of its shares and debt instruments and may prevent TLG from raising funds at attractive terms or at all.

Subject to future market conditions, TLG may decide to take further measures to optimize its financing structure, including by potentially drawing on the debt capital markets through the issuance of additional bonds. However, there is no guarantee that TLG will be able to place such bonds at acceptable terms or at all.

TLG has hedged most financial debt with floating interest rates against interest rate changes. When extending existing debt or taking on new debt, TLG may be unable to enter into hedging instruments or may only be able to do so at significant costs when trying to limit its exposure to such developments.

3.2. If TLG breaches covenants under its current or future financing, it could be forced to sell properties at economically unattractive conditions and its creditors or security agents could seize or realize significant collateral, which could ultimately lead to an insolvency of the Company.

TLG's financing agreements and debt instruments require TLG to comply with certain general and financial covenants such as a maximum loan-to-value-ratio, minimum interest or debt-service cover ratios, as well as equity ratios. Failure to comply with such covenants could have severe consequences, including:

- creditors may have the right to terminate the loan agreement, and outstanding loan amounts could be declared immediately due and payable;
- other creditors could also be entitled to terminate their loan agreements with TLG as a result of cross-default provisions;
- creditors may be entitled to extraordinary prepayments or higher interest rates; and
- creditors may have the right to request the granting of additional security interest.

To secure the repayment of its loans, TLG has granted land charges over its properties and has assigned as security rental income, potential insurance claims and other related claims. It has also pledged to its creditors rental income and other accounts, as well as shares in property holding subsidiaries. If TLG is unable to perform obligations under its financing agreements, its creditors could seize and realize this collateral without further negotiations. This could result in a loss of part or all of TLG's real estate or a forced sale of properties on economically unfavorable terms. If the proceeds from such forced sales are insufficient for the repayment of TLG's liabilities, this could ultimately lead to an insolvency of the Company or other entities of TLG.

In addition, the Notes, the 2017 Notes and the 2019 Notes include certain covenants (see for the Notes "*Terms and Conditions*"). If TLG were to issue additional bonds in the future, such bonds would typically also include various covenants. If TLG were to breach its covenants under the Notes, the 2017 Notes, the 2019 Notes or any future bonds, the effects therefrom could be similar to those described with respect to TLG's loans above.

4. Legal and Regulatory Risks

4.1. TLG may be adversely affected by changes to the real estate-related regulatory environment in Germany.

TLG's business is subject to the general regulatory framework that applies to commercial properties and lease agreements for such properties as well as special provisions of other laws (*e.g.*, construction and construction planning laws, the building code, environmental laws and safety regulations, including fire protection). If German federal or state laws or the interpretation or application thereof changes, this could force TLG to significantly change the way it conducts its business and therefore affect the value of its portfolio. TLG could incur additional expenses in trying to comply with more restrictive laws. Furthermore, European and German legislators or regulators could subject TLG's business to additional regulatory obligations and restrictions.

4.2. TLG may incur costs in connection with residual pollution including wartime ordnance, soil contaminations and hazardous materials.

Some of TLG's properties do, and some of the properties TLG acquires may, contain soil contaminations, hazardous materials (including asbestos), other residual pollution or wartime ordnance. As of June 30, 2019, 21 properties from TLG's aggregate portfolio (including 8 properties already sold where TLG has post-closing obligations) were affected by soil contaminations. The Company estimates that the total exposure from soil contaminations amounted to €4.8 million in respect of the existing portfolio (€14.8 million for properties already sold) as of that date. TLG has received declarations of indemnification (*Freistellungserklärungen*) relating to these contaminations and it may be, and has on past occasions been, otherwise released and indemnified, pursuant to the German Environmental Framework Act (*Umweltrahmengesetz*) and administrative agreements, from certain responsibilities for sites contaminated and polluted prior to July 1, 1990. These indemnifications do not cover TLG's full exposure from soil contaminations. Also, declarations of indemnification only cover periods prior to July 1, 1990. Other periods could be relevant for contamination and pollution as well. Also, such declarations of indemnification may not cover all costs associated with remediation measures (*e.g.*, loss of rent). The existence or even suspected existence of soil contaminations or wartime ordinance may negatively affect TLG's ability to lease or sell such properties.

TLG could also be responsible for the remediation of properties that TLG, including WCM, sold in the past. For soil contaminations, the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*) provides for an ongoing responsibility of previous property owners if the property has been sold or transferred after March 1, 1999 and the contamination was, or should have been, known to the previous owner. There is no general ranking as to which of the parties is primarily liable. It is within the discretion of the relevant authority to decide which party shall be held liable. The party most likely to be held liable is the current owner of the contaminated site, because it is legally entitled to carry out the required remedial measures. TLG, including WCM, sold various properties in the past and plan to sell further properties in the future. TLG could thus be held liable as a previous owner, but also as the responsible party having caused the contamination.

For instance, TLG is or was the owner of several properties in Apolda, Thuringia, affected by soil contaminations. The contaminated soil from TLG's properties was moved to a neighboring property owned by GESA Gesellschaft zur Entwicklung und Sanierung von Altstandorten mbH ("**GESA**"). In 2011, GESA estimated that costs for a full remediation of contaminated properties in Apolda owned by TLG and GESA would amount to between €20 million to €44 million. TLG has received a declaration of indemnification in the amount of €20.2 million by the state of Thuringia. However, there is no guarantee that such indemnification will be granted or that the indemnification granted will prove sufficient. Furthermore, TLG also obtained indemnifications from purchasers of those Apolda properties that it sold. However, there is no guarantee that all costs incurred by TLG will ultimately be covered by declarations of indemnification or purchase agreements, or that the buyers of TLG's properties will be able to fulfill their indemnification obligations.

As of June 30, 2019, a total of 33 buildings located on TLG's properties contained hazardous materials. The Company estimates that TLG's total exposure from such hazardous materials amounted to €2.5 million as of that date. Even if TLG itself is not responsible for existing contamination or pollution of the soil or buildings, it might be legally or practically difficult or impossible to force the responsible parties to remedy or remove the damage or take recourse against such parties. Even if TLG performs its customary due diligence with regard to soil contamination prior to acquiring new real estate, this due diligence may not expose all environmental issues such that TLG may remain liable.

The existence or even suspected existence of hazardous materials or other residual pollution may negatively affect TLG's ability to lease or sell such properties. In the course of decontamination procedures, tenants of the affected building may withhold part or all of their rent, may view such contamination as cause to exercise extraordinary termination rights or assert damage claims due to an interruption of their business. Additionally, tenants' employees may claim damages due to personal injury caused by the contamination.

4.3. Clauses in TLG's standard lease agreements may be invalid and some of these agreements may not fulfill the strict written form requirements under German law.

TLG uses standardized contracts in its contractual relationships with a large number of parties, in particular with its tenants. Any invalid provisions or ambiguities in standardized contracts can therefore affect a multitude of contractual relationships. Standardized terms under German law are required to comply with the statutory law on general terms and conditions (*Allgemeine Geschäftsbedingungen*), which means that they are subject to fairness control by the courts regarding their content and the way they are presented to the other contractual party by TLG. As a general rule, standardized terms are invalid if they are not transparent, unclearly worded, unbalanced or

discriminatory. Any standardized clauses in TLG's contracts being invalid could lead to a substantial number of claims being brought against TLG or TLG being forced to bear costs which it had previously considered to be allocable to its contractual counterparties. In addition, clauses which are not standardized clauses may also be invalid, which could have a material adverse effect on TLG (*e.g.*, if due to such invalid clauses a key tenant could exercise an extraordinary termination right).

Real estate owned by TLG is leased predominantly long term. Pursuant to German law, fixed-term lease agreements with a term exceeding one year can be terminated prior to their contractually agreed expiration date if certain formal requirements are not complied with. These include the requirement that there needs to be a document that contains all material terms of the lease agreement, including all attachments and amendments, and the signatures of all parties thereto. While the details of the applicable formal requirements are assessed differently by various German courts, most courts agree that such requirements are, in principle, strict. Some lease agreements regarding real estate owned by TLG may not satisfy the strictest interpretations of these requirements (for the conclusion and the modifications of these agreements). In this case, the respective lease agreement would be deemed to have been concluded for an indefinite term and could therefore be terminated one year after handover of the respective property to the tenant at the earliest, provided that the statutory notice period is complied with (*i.e.*, notice of termination is admissible at the latest on the third working day of a calendar quarter towards the end of the next calendar quarter). Consequently, some of TLG's tenants might attempt to invoke alleged non-compliance with these formal requirements in order to procure an early termination of their lease agreements or a renegotiation of the terms of these lease agreements to TLG's disadvantage.

4.4. TLG may be forced to repay certain subsidies.

As of June 30, 2019, TLG had received investment supplements (*Investitionszulagen*), investment subsidies (*Investitionszuschüsse*) and other public grants with unexpired commitment periods (*Bindungsfristen*) in an aggregate amount of approximately €5.0 million relating to properties in its portfolio as of that date. Certain subsidies were directly paid to TLG and set-off against the lease obligations of the respective tenants. The administrative decisions, based on which these subsidies were granted, impose certain obligations on these tenants. Failure to comply with such obligations or an insolvency of the respective tenant or other factors could lead to a revocation of subsidies and force TLG to repay amounts paid to TLG, even where it may not be able to take recourse against its tenants. As a result, TLG has been involved in litigation with government authorities over the revocation of grants in the past.

In addition, as of June 30, 2019, TLG had received subsidies in an aggregate amount of approximately €25.8 million relating to properties in its portfolio as of that date, where there are no commitment periods or where commitment periods have already expired. The authorities granting such subsidies could demand repayment of such subsidies if they were to decide that TLG or its tenants have violated certain obligations or due to other reasons.

Furthermore, TLG has sold a number of properties for which it had received subsidies in the past and TLG could be forced to repay these subsidies if the buyer of the respective property does not qualify for such subsidies or violated obligations under the administrative decisions granting these subsidies. While TLG may have obtained contractual indemnities against the respective buyer, it may be unable to actually take recourse against the buyer (*e.g.*, due to an insolvency of the respective buyer).

In addition, TLG has received subsidies for development measures, which also impose certain obligations. TLG may be forced to repay these subsidies if it were in breach of these obligations.

4.5. TLG may be subject to restitution or compensation claims if its properties have been unlawfully expropriated, and this could delay or prevent the transfer of its properties in case of a sale.

TLG has been and may in the future be subject to third-party claims in connection with restitution and compensation claims. Under German law, former owners of assets that were dispossessed either by the national socialist government between January 30, 1933 and May 8, 1945 or by the former German Democratic Republic (*Deutsche Demokratische Republik*) can demand the restitution of such assets. TLG has obtained contractual indemnity claims against the Federal Institute for Special Tasks Arising from Unification (*Bundesanstalt für vereinigungsbedingte Sonderaufgaben*) if restitution or compensation is successfully claimed because of unlawful expropriation during certain historical periods.

Furthermore, when disposing of properties TLG has to comply with the German Real Estate Transfer Ordinance (*Grundstücksverkehrsordnung*), pursuant to which TLG generally needs to obtain approval from the competent authorities prior to disposing of any properties it has not purchased itself unless certain exemptions apply. If any restitution claims have been filed for a property that TLG intends to sell, such approval will not be granted before the claim has been settled. Therefore, restitution claims may adversely impact TLG's ability to dispose of properties.

4.6. Outside shareholders of WCM AG may enforce an increase of the exchange ratio and/or annual compensation under the Domination Agreement.

Following the completion of the voluntary public takeover offer for all shares of WCM AG (see "*Description of the Issuer—General Information on the Company and the Group—History and Development—Takeover of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft*"), the Company as controlling entity and WCM AG as controlled entity entered into a domination agreement in October 2017 (the "**Domination Agreement**") which became effective in February 2018. The Domination Agreement provides for a certain annual cash guarantee dividend per share to be paid to outside shareholders of WCM AG and a compensation in kind in form of an offer to exchange a certain number of shares in WCM AG against a certain number of shares in TLG should any such outside shareholder want to exit WCM. The Domination Agreement was entered into the commercial register in February 2018. 83 petitioners initiated an appraisal proceeding before the regional court of Frankfurt am Main against TLG challenging the appropriateness of the guarantee dividend and compensation stipulated in the Domination Agreement. Although the outcome of this appraisal proceeding remains unclear, if such action were successful and TLG had to grant a higher exchange ratio and/or a higher annual compensation to such outside shareholders of WCM AG, the net economic benefits TLG can derive from the Domination Agreement could be reduced significantly.

5. Risks related to Tax

5.1. TLG may be adversely affected by an increase of its tax burden.

TLG is dependent on the general tax environment in Germany. The tax burden depends on various tax laws, as well as their application and interpretation. For instance, increases in the RETT-rate, as experienced in most German states and uncertainties with regards to the legal framework concerning

interest deductibility and trade tax relief for the administration of real estate could make the acquisition and sale of properties more expensive and adversely affect TLG's business. Its tax planning and optimization depends on the current and expected tax environment. Amendments to tax laws may take retroactive effect and their application or interpretation by tax authorities or courts may change unexpectedly. Furthermore, court decisions are occasionally limited to their specific facts by tax authorities by way of non-application decrees. This may also increase TLG's tax burden.

The Company received the last final and binding tax assessments with respect to the fiscal years of 2012 up to and including 2015. WCM received the last final and binding tax assessments with respect to the fiscal years up to and including 2012. The lack of more recent final and binding tax assessments increases the uncertainty regarding the tax authorities' interpretations of applicable tax laws for periods for which no final assessment has been received and increases the possibility that these interpretations may differ from the interpretations of the Company and WCM, respectively. Any tax assessments that deviate from the expectations of the Company and WCM, respectively, could lead to an increase in its tax obligations and, additionally, could give rise to interest payable on the additional amount of taxes.

Furthermore, future tax audits and other investigations conducted by the competent tax authorities could result in the assessment of additional taxes. In particular, this may be the case with respect to changes in TLG's shareholding structure, other reorganization measures or impairment on properties with regard to which tax authorities could take the view that they ought to be disregarded for tax purposes could result in the assessment of additional taxes; tax loss carryforwards could not be deductible as a consequence of changes in the shareholder structure. Furthermore, expenses could be treated as non-deductible, trade tax relief for the administration of real estate could be refused or RETT could be assessed. Any of these assessments could lead to an increase of TLG's tax obligations and could result in the assessment of interest or fines. At the moment there are no provisions for tax risks associated with tax audits recognized. TLG will continue to establish provisions for such risks if required. Not or not adequately recognizing provisions may prove to be inappropriate and when paid may negatively impact TLG's cash flow.

In addition, it is German market practice for the purchaser of properties to pay RETT. The respective RETT is determined at the state level. The statutory RETT-framework falls within the competency of federal lawmakers. The German ministers of finance of the German states have announced an intention to introduce new RETT rules, particularly with regard to the sale and the transfer of shares or partnership interests. The intention is to reduce the legal or economic ownership threshold of currently 95% to 90% of the shares or interests in a real-estate holding company upon which RETT is triggered and extend the relevant holding periods from five to ten years, in some cases up to fifteen years, where applicable. Besides, it is intended to introduce new RETT rules for corporations according to which RETT would be triggered if at least 90% of the shares in a corporation are directly or indirectly transferred within a period of ten years from existing shareholders to new shareholders, *i.e.* effectively treating corporations for RETT purposes in the same way as partnerships (a unification of shares in a corporation would not be required). An official draft bill, also including other proposed amendments related to German tax law, has been published on May 8, 2019 by the Federal Ministry of Finance. According to the draft bill, the new rules shall be applicable for transfer of shares from January 1, 2020 and contains complex transitional regulations with partial recourse to past transactions. This draft bill was almost entirely approved by the Federal Cabinet. However, the proposed amendments related to a reform of the RETT regulations were carved out from the original draft bill and are now pursued in the more specific draft bill of the Act on the amendment of the RETT (*Gesetz zur Änderung des Grunderwerbssteuergesetzes*). Commitees of the Federal Council issued certain recommendations

regarding this new draft bill on September 9, 2019, not objecting to the proposed reduction of the economic ownership threshold from 95% to 90%, but recommending an exception to the rule for the transfer of shares in stock exchange listed corporations. It is planned that the Federal Council will decide about the adoption of these recommendations in its next plenary session currently scheduled for September 20, 2019. However, since this is only a draft bill which is under further discussion by the legislative bodies, it can still not entirely be excluded that the RETT thresholds may even be reduced to below 90% (for example to 75%). In any case, if such proposed legislative changes were to be introduced acquisition processes for share or interest deals would become even more complex compared to the current RETT law and would further increase the required minority rights for the seller and the acquisition costs and future administrative burdens in respect of the newly acquired entity. It may not even be possible to avoid RETT at all. Furthermore, the new RETT-framework could have an impact on the existing shareholding structure of the Company and its subsidiaries and could require that agreements with minority shareholders be amended which could have a detrimental effect on TLG.

In addition, the applicable RETT rate currently varies between 3.5% in Bavaria and Saxony and up to 6.5% in other federal states. Federal states may increase the RETT rate in the future. This would increase acquisition costs for the purchase of properties as well and can also affect the fair value of the properties.

5.2. Taxable capital gains arising out of the sale of real estate may not be completely offset by the tax transfer of built-in gains.

Under the German Income Tax Act (*Einkommensteuergesetz*), the possibility of a tax-neutral transfer of built-in gains (*stille Reserven*) to newly acquired or constructed real estate is available within a certain period of time, subject to certain conditions (Section 6b of the German Income Tax Act (*Einkommensteuergesetz*)). The taxable capital gains realized upon sale of the real estate can either be deducted from the tax base of the new real estate in the same fiscal year or by forming a reserve ("**6b Reserve**") and, for a later deduction in tax costs relating to acquisitions or construction, using it to reduce the tax base of new real estate acquired or constructed in the near future. If the 6b Reserve is not utilized within four years (or, under certain conditions, within six years), then generally it has to be dissolved, thereby increasing the taxable income. In such case, the taxable income is increased by 6% for each full fiscal year for which the 6b Reserve existed. As of December 31, 2018, the Company's 6b Reserve amounted to approximately €65 million.

In the past, TLG acquired or disposed of a significant number of properties in its portfolio and may continue to do so in the future. These transactions are generally taxable for income tax purposes. However, subject to certain requirements, the respective capital gain can be rolled over in an income tax-neutral way according to Section 6b of the German Income Tax Act (*Einkommensteuergesetz*). The Company believes that built-in gains from property disposals in the past can be transferred in sufficient amounts. However, if these assumptions turn out to be inaccurate or if the competent tax authorities decide otherwise, TLG may be unable to roll over capital gains arising out of property sales in the past or in the future in an income-tax-neutral manner.

6. Risks Related to the Notes

6.1. The Issuer may partly or completely fail to make payments on the Notes.

Any person who purchases Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Holders are subject to the risk that the Issuer partly or completely fails

to make interest and/or redemption payments on the Notes which the Issuer is obliged to make under the Terms and Conditions. The worse the creditworthiness of the Issuer, the higher the risk of a loss. A materialization of the credit risk may result in partial or complete failure of the Issuer to make interest and/or redemption payments under the Terms and Conditions.

In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Terms and Conditions, if and when they fall due actually has not decreased, market participants may nevertheless be of a different opinion. In particular, market participants may be of the opinion, that the Issuer's ability to perform its obligations under the Terms and Conditions has been adversely affected if their assessment of the creditworthiness of corporate debtors in general or debtors operating in the same industry as the Issuer adversely changes.

6.2. The market value of Notes with fixed interest rates is dependent on market interest rates.

The Notes bear interest at a fixed rate. A Holder of a fixed interest rate note bears the risk that the price of such note may fall as a result of changes in the current interest rate on the capital markets (the "**Market Interest Rate**"). While the nominal interest rate of a note with a fixed interest rate is fixed in advance for the entire duration, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of a note with a fixed interest rate also changes, but in the opposite direction. If the Market Interest Rate increases, the price of a note with a fixed interest rate typically falls until the yield of such note approximately equals the Market Interest Rate. If the Market Interest Rate decreases, the price of a fixed interest rate note typically increases until the yield of such note is approximately equal to the Market Interest Rate. Potential investors should be aware that movements of the Market Interest Rate may adversely affect the market price of the Notes and lead to losses for Holders if they sell their Notes.

6.3. The Notes will effectively be subordinated to the Issuer's debt to the extent such debt is secured by assets that are not also securing the Notes.

Although the Terms and Conditions require the Issuer and its material subsidiaries to secure the Notes equally if they provide security for the benefit of capital market indebtedness, the requirement to provide equal security to the Notes is limited to capital market indebtedness and is subject to a number of significant exceptions and carve outs as set forth in detail in the Terms and Conditions included in this Prospectus. To the extent the Issuer or any of its subsidiaries provides security interest over their assets for the benefit of other debt without also securing the Notes, the Notes will effectively be junior to such debt with respect to such assets.

As a result of the foregoing, holders of (present or future) secured debt of TLG may recover disproportionately more on their claims than the Holders in an insolvency, bankruptcy or similar proceeding. The Issuer may not have sufficient assets remaining to make payments under the Notes.

6.4. The Issuer's ability to redeem or repurchase the Notes upon the occurrence of change of control event may be limited.

Upon occurrence of change of control event if a rating downgrade occurs in respect of such change of control, the Holders will have the right to require the redemption or, at the option of the Issuer, repurchase (or procure the purchase) in whole or in part of all of their Notes at 101% of the principal amount of such Notes, plus interest accrued thereon. The Issuer's ability to redeem or repurchase the Notes upon a change of control event will be limited by its access to funds at the time of the redemption

or repurchase, as the case may be, and the Issuer may be required to repay any amounts due within a short period of time. There can be no assurance that the Issuer will have access to sufficient funds upon a change of control event to make these repayments and any required redemption or repurchases of Notes.

6.5. There is no active public trading of Notes and it is unclear whether such active trading will develop.

Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) and to be listed on the official list of the Luxembourg Stock Exchange (Bourse de Luxembourg). However, no assurance can be given as to whether such admission to trading and/or listing will be obtained and for how long it may be sustained.

Furthermore, the future development of a market for the Notes or the ability of Holders to sell their Notes or the price at which Holders may be able to sell their Notes is currently uncertain. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial offer price depending on a variety of factors (*e.g.*, prevailing interest rates, TLG's operating results, the market for similar securities and general economic conditions, performance and prospects as well as analyst recommendations). The liquidity of, and the trading market for, the Notes may also be adversely affected by a general decline in debt securities markets. Such a decline may affect the liquidity and trading of the Notes independent of TLG's financial performance and prospects. In an illiquid market, Holders may be unable to sell Notes at fair market prices, or at all. The possibility to sell Notes may also be restricted by country specific reasons. Potential investors must therefore be prepared to retain Notes for an unspecified time period.

6.6. Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

The Notes have not been registered under the Securities Act, or any U.S. state securities laws. Consequently, the Notes may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws, and Holders who have acquired Notes may be required to bear the cost of their investment in the Notes until their maturity. It is the Holders' obligation to ensure that their offers and sales of Notes within the United States and other countries comply with applicable securities laws.

6.7. Ratings may not reflect all risks and are subject to change.

Ratings assigned to the Issuer by rating agencies are an indicator of the Issuer's ability to meet its obligations under the Notes in a timely manner. The lower the assigned rating, the higher the respective rating agency assesses the risk that the Issuer's obligations will be met in a timely manner or at all. The market value of the Notes likely depends upon the credit rating assigned to the long-term debt of the Issuer. Rating agencies may change, suspend or withdraw their ratings at short notice, and this may affect the price and the market value of the Notes. Therefore, Holders may incur financial disadvantages as they may not be able to sell their Notes or will only be able to do so at a discount to the issue price or the purchase price paid by such Holder.

One or more independent credit rating agencies may assign credit ratings to the Notes. Such ratings may not reflect the potential impact of all risks related to the structure, market and additional factors discussed herein, and other factors that may affect the value of the Notes. In addition, the respective rating agencies may change their methodologies for rating securities with features similar to

the Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called "notching". If the rating agencies were to change their practices for rating such securities and the ratings of the Notes were to be lowered as a consequence thereof, this could have an adverse impact on the market price of the Notes.

6.8. In case of certain events of default, the Notes will only be redeemable if Holders holding at least 15% of the aggregate principal amount of the Notes then outstanding declare the Notes due and payable. Such declaration of acceleration may be rescinded by a majority resolution of the Holders.

Under the Terms and Conditions, any notice declaring the Notes due and payable in case of certain events of default shall only become effective when the "Paying Agent" (as defined in the Terms and Conditions) has received such default notices from Holders representing at least 15% of the aggregate principal amount of the Notes then outstanding. Therefore, Holders will be unable to accelerate the Notes upon occurrence of certain events of default, unless the required quorum of Holders delivers default notices and such acceleration is not rescinded by a majority resolution of the Holders.

6.9. Certain rights of the Holders under the Terms and Conditions may be amended or reduced or even cancelled by holders' resolutions and any such resolutions will be binding for all Holders. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the Notes outstanding.

Since the Terms and Conditions provide for meetings of Holders or the taking of votes without a meeting, the Terms and Conditions may be amended by majority resolution of the Holders and a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. Pursuant to the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – "**SchVG**"), the relevant majority for Holders' resolutions is generally based on votes cast, rather than on the aggregate principal amount of Notes outstanding, therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of Notes outstanding. As such majority resolution is binding on all Holders, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.

Since the Terms and Conditions, in accordance with the SchVG, provide that the Holders are entitled to appoint a holders' representative by a majority resolution of Holders (the "**Holders' Representative**"), it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Holders' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

TERMS AND CONDITIONS OF THE NOTES

§ 1
WÄHRUNG, STÜCKELUNG, FORM, BESTIMMTE DEFINITIONEN

(1) *Währung; Stückelung*. Diese Emission von Schuldverschreibungen (die ***Schuldverschreibungen***) der TLG IMMOBILIEN AG (die ***Emittentin***) wird am 23. September 2019 (der ***Begebungstag***) im Gesamtnennbetrag von € 600.000.000 (in Worten: Euro sechshundert Millionen) in einer Stückelung von € 100.000 (die ***Festgelegte Stückelung***) begeben.

(2) *Form*. Die Schuldverschreibungen lauten auf den Inhaber.

(3) Vorläufige Globalurkunde – Austausch gegen Dauerglobalurkunde.

(a) Die Schuldverschreibungen werden anfänglich durch eine vorläufige Globalurkunde (die ***Vorläufige Globalurkunde***) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in der Festgelegten Stückelung, die durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** und, zusammen mit der Vorläufigen Globalurkunde, die ***Globalurkunden***) ohne Zinsscheine verbrieft sind, ausgetauscht. Jegliche Zinszahlungsansprüche aus den Schuldverschreibungen sind durch die jeweilige Globalurkunde verbrieft. Die Vorläufige Globalurkunde und die Dauerglobalurkunde werden jeweils von oder im Namen der Emittentin unterschrieben und sind jeweils von der Zahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden für die Schuldverschreibungen und Zinsscheine werden nicht ausgegeben.

§ 1
CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination.* This issue of notes (the ***Notes***) of TLG IMMOBILIEN AG (the ***Issuer***), is being issued in the aggregate principal amount of €600,000,000 (in words: Euro six hundred million) in a denomination of €100,000 each (the ***Specified Denomination***) on September 23, 2019 (the ***Issue Date***).

(2) *Form.* The Notes are being issued in bearer form.

(3) Temporary Global Note – Exchange for Permanent Global Note.

(a) The Notes are initially represented by a temporary global note (the ***Temporary Global Note***) without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the ***Permanent Global Note*** and, together with the Temporary Global Note, the ***Global Notes***) without coupons. Any claim for interest payments under the Notes shall be represented by the relevant Global Note. The Temporary Global Note and the Permanent Global Note shall each be signed by or on behalf of the Issuer and shall each be authenticated by or on behalf of the Paying Agent. Definitive certificates representing individual Notes and coupons will not be issued.

Die Schuldverschreibungen werden in Form einer New Global Note (NGN) ausgegeben und von einem von den ICSDs bestellten *common safekeeper* (der ***Common Safekeeper***) im Namen der ICSDs verwahrt.

The Notes are issued in new global note (NGN) form and are kept in custody on behalf of the ICSDs by a common safekeeper (the ***Common Safekeeper***) appointed by the ICSDs.

(b) Die Vorläufige Globalurkunde wird gegen die Dauerglobalurkunde innerhalb von mindestens 40 und höchstens 180 Tagen nach dem Begebungstag ausgetauscht. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Person(en) ist bzw. sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Solange die Schuldverschreibungen durch eine 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 Begebungstag eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem Absatz (b) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in Absatz (7) definiert) geliefert werden.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note not less than 40 nor more than 180 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 or are, as applicable, not (a) U.S. person(s) (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will 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 will be treated as a request to exchange the Temporary Global Note pursuant to this paragraph (b). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in paragraph (7)).

(4) *Register der ICSDs.* Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen die Register zu verstehen sind, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis des Gesamtnennbetrags der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesem Zweck von einem ICSD jeweils ausgestellte Bescheinigung mit dem Gesamtnennbetrag der so verbrieften Schuldverschreibungen ist maßgeblicher Nachweis des Inhalts des Registers des betreffenden ICSD zu dem fraglichen Zeitpunkt.

Bei jeder Rück- oder Zinszahlung auf die durch die Globalurkunde verbrieften Schuldverschreibungen bzw. beim Kauf und der Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten der Rückzahlung, der Zinszahlung oder des Kaufs und der Entwertung bezüglich der Globalurkunde entsprechend in die Unterlagen der ICSDs eingetragen werden, und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Sofern nur ein Teil der Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, ausgetauscht wird, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs entsprechend in die Register der ICSDs aufgenommen werden.

(4) *Records of the ICSDs.* The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the aggregate principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment of interest or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered accordingly in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered accordingly in the records of the ICSDs.

(5) *Clearingsystem*. Jede Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. ***Clearingsystem*** bezeichnet Clearstream Banking, société anonyme, Luxemburg (***CBL***) und Euroclear Bank SA/NV, Brüssel (***Euroclear***) (CBL und Euroclear jeweils ein ***ICSD*** und zusammen die ***ICSDs***) sowie jeder Funktionsnachfolger.

(5) *Clearing System*. Each Global Note 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, société anonyme, Luxembourg (***CBL***) and Euroclear Bank SA/NV, Brussels (***Euroclear***) (CBL and Euroclear each an ***ICSD*** and together the ***ICSDs***) and any successor in such capacity.

(6) *Gläubiger von Schuldverschreibungen*. ***Gläubiger*** bezeichnet jeden Inhaber eines Miteigentumsanteils oder eines anderen vergleichbaren Anteils oder Rechts an den Schuldverschreibungen.

(6) *Holder of Notes*. ***Holder*** means any holder of a proportionate co-ownership or another beneficial interest or right in the Notes.

(7) *Vereinigte Staaten*. Für die Zwecke dieser Anleihebedingungen bezeichnet ***Vereinigte Staaten*** die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und den Northern Mariana Islands).

(7) *United States*. For the purposes of these Terms and Conditions, ***United States*** means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

§ 2
STATUS

Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit solchen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

§ 2
STATUS

The obligations under the Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.

§ 3
NEGATIVVERPFLICHTUNG

(1) *Negativverpflichtung*. Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Zahlstelle zur Verfügung gestellt wurden, keine dinglichen Sicherungsrechte an ihren Vermögenswerten zur Besicherung von Kapitalmarktverbindlichkeiten mit Ausnahme Verbriefter Kapitalmarktverbindlichkeiten zu bestellen oder fortbestehen zu lassen, und zu gewährleisten, dass keine ihrer Wesentlichen Tochtergesellschaften die zuvor genannten Sicherungsrechte bestellt oder fortbestehen lässt, es sei denn, die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden, vorbehaltlich Absatz (3), durch das betreffende Sicherungsrecht gleichrangig mit der jeweiligen Kapitalmarktverbindlichkeit (oder, sofern es sich dabei um eine nachrangige Verbindlichkeit handelt, im Vergleich dazu vorrangig) besichert.

(2) *Beschränkung*. Die Verpflichtungserklärungen nach Absatz (1) gelten jedoch nicht für eine Sicherheit, die (i) über Vermögensgegenstände einer Tochtergesellschaft der Emittentin, die erst nach dem Begebungstag zu einer Tochtergesellschaft der Emittentin wurde, gewährt wurde, (ii) nach anwendbarem Recht zwingend vorgeschrieben ist, (iii) Voraussetzung für die Gewährung staatlicher Genehmigungen ist, (iv) bereits am Begebungstag bestand, (v) durch eine Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen dieser Tochtergesellschaft gegen die Emittentin oder eine ihrer Tochtergesellschaften aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren gewährt wurde, soweit diese Sicherheit zur Sicherung von Verpflichtungen dieser Tochtergesellschaft aus diesen Wertpapieren dient,

§ 3
NEGATIVE PLEDGE

(1) *Negative Pledge.* The Issuer undertakes, so long as any Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Paying Agent, not to create or permit to subsist, and to procure that none of its Material Subsidiaries will create or permit to subsist, any security interest *in rem* over its assets to secure any Capital Market Indebtedness other than Securitized Capital Market Indebtedness unless, subject to paragraph (3), the Issuer's obligations under the Notes are secured equally with (or, in case such Capital Market Indebtedness is subordinated debt, senior in priority to) the Capital Market Indebtedness secured by such security interest.

(2) *Limitation*. The undertakings pursuant to paragraph (1) shall not apply to a security which (i) was granted over assets of a Subsidiary of the Issuer that has become a Subsidiary only after the Issue Date, (ii) is mandatory according to applicable laws, (iii) is required as a prerequisite for governmental approvals, (iv) existed on the Issue Date, (v) is granted by a Subsidiary over any existing or future claims of this Subsidiary against the Issuer or any of its Subsidiaries as a result of passing on proceeds from the sale of any issuance of any securities, *provided that* such security serves as security for obligations of this Subsidiary under such securities, (vi) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Issuer as a consequence of such acquisition, (vii) constitutes the renewal, extension or replacement of any security

(vi) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichert, die infolge der Akquisition eine Verpflichtung der Emittentin wird, (vii) eine Erneuerung, Verlängerung oder Ersetzung einer Sicherheit gemäß vorstehender Ziffern (i) bis (vi) darstellt oder (viii) nicht in den Anwendungsbereich von (i) bis (vii) fällt und Kapitalmarktverbindlichkeiten besichert, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarkt-verbindlichkeiten, für die dingliche Sicherheiten (begeben durch die Emittentin oder eine Wesentliche Tochtergesellschaft) bestehen, die nicht in den Anwendungs-bereich von (i) bis (vii) fallen) 10 % der Summe Aktiva zum unmittelbar vorausgehendenden Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, (bzw. den Gegenwert in anderen Währungen am Tag der Bestellung dieser Sicherheit) nicht überschreitet.

pursuant to the foregoing (i) through (vi), or (viii) does not fall within the scope of application of (i) through (vii) above and which secures Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Market Indebtedness which has the benefit of security (issued by the Issuer or any Material Subsidiary) other than any falling within the scope of application of (i) through (vii) above) not exceeding 10 per cent. of the Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published (or its equivalent in other currencies as of the date of granting this Security).

Eine nach diesem Absatz (2) zu bestellende Sicherheit kann auch zugunsten einer Person, die als Treuhänder der Gläubiger tätig ist, bestellt werden.

Any security which is to be provided pursuant to this paragraph (2) may also be provided to a person acting as trustee for the Holders.

(3) *Bestellung Zusätzlicher Sicherheiten*. Entsteht für die Emittentin eine Verpflichtung zur Besicherung der Schuldverschreibungen gemäß diesem § 3 (oder entsteht die Verpflichtung, für deren Besicherung durch eine Wesentliche Tochtergesellschaft Sorge zu tragen), so ist die Emittentin berechtigt, diese Verpflichtung dadurch zu erfüllen, dass sie ein Sicherungsrecht an dem jeweiligen Sicherungsgegenstand zugunsten eines Sicherheitentreuhänders bestellt (bzw. dadurch, dass sie die betreffende Wesentliche Tochtergesellschaft zur Begründung eines solchen Sicherungsrechts veranlasst), und zwar in einer Weise, dass der Sicherheitentreuhänder diesen Sicherungs-gegenstand dinglich oder, falls rechtlich nicht möglich, aufgrund schuldrechtlicher Vereinbarung gleichrangig zugunsten der

(3) *Provision of Additional Security*. Whenever the Issuer becomes obligated to secure (or procure that a Material Subsidiary secures) the Notes pursuant to this § 3, the Issuer shall be entitled to discharge such obligation by providing (or procuring that the relevant Material Subsidiary provides) a security interest in the relevant collateral to a security trustee, such security trustee to hold such collateral and the security interest that gave rise to the creation of such collateral, equally, for the benefit of the Holders and the holders of the Capital Market Indebtedness secured by the security interest that gave rise to the creation of such security interest in such collateral, such equal rank to be created *in rem* or, if impossible to create *in rem*, contractually.

Gläubiger der Schuldverschreibungen und der Gläubiger derjenigen Kapitalmarkt-verbindlichkeit hält, die aufgrund der Besicherung zur Bestellung dieses Sicherungsrechts an dem betreffenden Sicherungsgegenstand führte.

§ 4
VERZINSUNG

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar vom 23. September 2019 (der ***Verzinsungsbeginn***) (einschließlich) mit 0,375 % p.a. bis zum Fälligkeitstag (ausschließlich). Die Zinsen sind jährlich nachträglich am 23. September zahlbar (jeweils ein ***Zinszahlungstag***). Die erste Zinszahlung erfolgt am 23. September 2020.

(2) *Zahlungsverzug*. Wenn die Emittentin aus irgendeinem Grund die Schuldverschreibungen bei Fälligkeit nicht zurückzahlt, wird der ausstehende Betrag vom Tag der Fälligkeit (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen (ausschließlich) mit dem gesetzlichen Verzugszins[1] verzinst. Die Geltendmachung eines weitergehenden Schadens im Falle eines Zahlungsverzugs ist nicht ausgeschlossen.

§ 4
INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at the rate of 0.375 per cent. per annum from (and including) September 23, 2019 (the ***Interest Commencement Date***) to (but excluding) the Maturity Date. Interest shall be payable annually in arrear on September 23 (each such date, an ***Interest Payment Date***). The first payment of interest shall be made on September 23, 2020.

(2) *Late Payment.* If the Issuer for any reason fails to redeem the Notes when due, interest shall continue to accrue on the outstanding amount from (and including) the due date to (but excluding) the date of actual redemption of the Notes at the default rate of interest established by law[2]. Claims for further damages in case of late payment are not excluded.

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[1] Der gesetzliche Verzugszinssatz beträgt fünf Prozentpunkte über dem von der Deutschen Bundesbank jeweils veröffentlichten Basiszinssatz, §§ 288 Abs. 1, 247 Abs. 1 BGB.

[2] The default rate of interest established by statutory law is five percentage points above the base rate of interest published by *Deutsche Bundesbank* from time to time, sections 288 paragraph 1, 247 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*).

(3) *Berechnung der Zinsen.* Sind Zinsen für einen Zeitraum zu berechnen, der kürzer ist als die Zinsperiode (wie in diesem Absatz (3) definiert), wird der Zins auf Grundlage der tatsächlichen Anzahl der in dem betreffenden Zeitraum abgelaufenen Kalendertage (einschließlich des ersten, aber ausschließlich des letzten Tages dieses Zeitraums) geteilt durch die tatsächliche Anzahl der Kalendertage der Zinsperiode (einschließlich des ersten, aber ausschließlich des letzten Tages dieses Zeitraums), in den der maßgebliche Zeitraum fällt, ermittelt.

Zinsperiode bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und anschließend den Zeitraum vom jeweiligen Zinszahlungstag (einschließlich) bis zum darauffolgenden Zinszahlungstag (ausschließlich).

(3) *Calculation of Interest*. Where interest is to be calculated in respect of a period which is shorter than an Interest Period (as defined in this paragraph (3)), the interest will be calculated on the basis of the actual number of calendar days elapsed in the relevant period, from (and including) the first date in the relevant period to (but excluding) the last date of the relevant period, divided by the actual number of calendar days in the Interest Period in which the relevant period falls (including the first such day of the relevant Interest Period, but excluding the last day of the relevant Interest Period).

Interest Period means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and thereafter from (and including) each relevant Interest Payment Date to (but excluding) the next following Interest Payment Date.

§ 5
ZAHLUNGEN

(1) *Zahlung von Kapital und Zinsen*. Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt, vorbehaltlich Absatz (2), an die Zahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

(2) *Zahlungsweise*. Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften werden auf die Schuldverschreibungen fällige Zahlungen in Euro geleistet.

(3) *Erfüllung*. Die Emittentin wird durch Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

§ 5
PAYMENTS

(1) *Payment of Principal and Interest.* Payment of principal and interest in respect of the Notes shall be made, subject to paragraph (2) below, to the Paying Agent for forwarding to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in Euro.

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Geschäftstag*. Ist der Tag für eine Zahlung in Bezug auf eine Schuldverschreibung ein Tag, der kein Geschäftstag ist, so hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Geschäftstag am jeweiligen Ort und ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke bezeichnet ***Geschäftstag*** einen Tag (außer einem Samstag oder Sonntag), an dem Banken in London und Frankfurt am Main für den allgemeinen Geschäftsverkehr geöffnet sind und an dem das Clearingsystem sowie alle maßgeblichen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) betriebsbereit sind, um Zahlungen vorzunehmen.

(4) *Business Day*. If the date for payment of any amount in respect of any Note is not a Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, ***Business Day*** means a day (other than a Saturday or a Sunday) on which banks are open for general business in London and Frankfurt am Main and on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) are operational to effect payments.

(5) *Bezugnahmen auf Kapital und Zinsen*. Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: Rückzahlungsbetrag, Wahl-Rückzahlungsbetrag (Call), Wahl-Rückzahlungsbetrag (Put), gegebenenfalls gemäß § 8 zahlbare Zusätzliche Beträge und alle Aufschläge oder sonstigen auf die Schuldverschreibungen oder im Zusammenhang damit gegebenenfalls zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf die Schuldverschreibungen schließen, soweit anwendbar, sämtliche gegebenenfalls gemäß § 8 zahlbaren Zusätzlichen Beträge ein.

(5) *References to Principal and Interest*. References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount, the Call Redemption Amount, the Put Redemption Amount, Additional Amounts which may be payable under § 8 and any other premium and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(6) *Hinterlegung von Kapital und Zinsen*. Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Kapital- oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Wenn und soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

(6) *Deposit of Principal and Interest*. The Issuer may deposit with the local court in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 6
RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 23. September 2022 (dem ***Fälligkeitstag***) zurückgezahlt. Der ***Rückzahlungsbetrag*** einer jeden Schuldverschreibung entspricht dabei ihrem Nennbetrag.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen*. Die Schuldverschreibungen können jederzeit insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von mindestens 45 und höchstens 60 Tagen durch Erklärung gegenüber der Zahlstelle und gemäß § 15 gegenüber den Gläubigern gekündigt und zu ihrem Nennbetrag zuzüglich bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen vorzeitig zurückgezahlt werden, falls die Emittentin als Folge einer Änderung oder Ergänzung der Gesetze oder Vorschriften der Bundesrepublik Deutschland (oder für den Fall, dass die Emittentin gemäß § 8(4) einer anderen Steuerrechtsordnung unterworfen wird, der Gesetze oder Vorschriften dieser anderen Steuerrechtsordnung), die Steuern oder die Verpflichtung zur Zahlung von Abgaben jeglicher Art betreffen, oder als Folge einer Änderung oder Ergänzung der offiziellen

§ 6
REDEMPTION

(1) *Redemption at Maturity*. Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on September 23, 2022 (the ***Maturity Date***). The ***Final Redemption Amount*** in respect of each Note shall be its principal amount.

(2) *Early Redemption for Reasons of Taxation*. If as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Germany (or in the event the Issuer becoming subject to another tax jurisdiction pursuant to § 8(4), the laws or regulations of such other tax jurisdiction) affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change becomes effective on or after the date on which the Notes were issued, the Issuer is required to pay Additional Amounts on the next succeeding Interest Payment Date, and this obligation cannot be avoided by the use of measures available to the Issuer which are, in the judgement of the Issuer, in each case taking into account the interests of Holders, reasonable, the Notes may be redeemed, in whole but not in part, at the option of the

Auslegung oder Anwendung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag der Begebung der Schuldverschreibungen wirksam) am nächstfolgenden Zinszahlungstag zur Zahlung von Zusätzlichen Beträgen verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen der Emittentin zur Verfügung stehender Maßnahmen vermieden werden kann, die nach Auffassung der Emittentin zumutbar sind (wobei jeweils die Interessen der Gläubiger zu berücksichtigen sind).

Issuer, at any time upon not less than 45 days' nor more than 60 days' prior notice of redemption given to the Paying Agent and, in accordance with § 15, to the Holders, at the principal amount together with interest accrued to (but excluding) the date fixed for redemption.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig wäre, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erklärt wird, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts if a payment in respect of the Notes was then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Eine solche Kündigung hat gemäß § 15 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

Any such notice shall be given in accordance with § 15. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement summarizing the facts constituting the basis for the right of the Issuer so to redeem.

(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(3) *Early Redemption at the Option of the Issuer.*

(a) Vorbehaltlich einer Kündigung gemäß Unterabsatz (b) kann die Emittentin die Schuldverschreibungen (ausgenommen Schuldverschreibungen, deren Rückzahlung der Gläubiger bereits in Ausübung seines Wahlrechts nach Absatz (5) verlangt hat) nach ihrer Wahl insgesamt oder teilweise innerhalb des Zeitraums vom 23. Juni 2022 (einschließlich) bis zum Fälligkeitstag (ausschließlich) zum

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem at its option all or some of the Notes (except for any Note which is the subject of the prior exercise by the Holder thereof of the option to require the redemption of such Note under paragraph (5)) within the period from (and including) June 23, 2022 to (but excluding) the Maturity Date at the Final Redemption Amount together with

Rückzahlungsbetrag, zuzüglich bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückzahlen.

interest accrued, if any, to (but excluding) the date fixed for redemption.

(b) Eine solche Kündigung hat durch Erklärung gegenüber der Zahlstelle und gemäß § 15 gegenüber den Gläubigern zu erfolgen. Sie beinhaltet die folgenden Angaben: (i) die Erklärung, ob die Schuldverschreibungen ganz oder teilweise zurückgezahlt werden und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen, und (ii) den für die Rückzahlung festgesetzten Tag, der nicht weniger als 30 und nicht mehr als 60 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf.

(b) Any such notice of redemption shall be given to the Paying Agent and, in accordance with § 15, to the Holders. Such notice shall specify (i) whether the Notes are to be redeemed in whole or in part and, if in part, the aggregate principal amount of the Notes which are to be redeemed, and (ii) the date fixed for redemption, which shall be not less than 30 nor more than 60 days after the date on which notice is given by the Issuer to the Holders.

(c) Werden die Schuldverschreibungen nur teilweise zurückgezahlt, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den üblichen Verfahren des betreffenden Clearingsystems ausgewählt. Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Nennbetrags wiedergegeben.

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the customary proceedings of the relevant Clearing System. Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in principal amount, at the discretion of CBL and Euroclear.

(4) *Vorzeitige Rückzahlung nach Wahl der Emittentin (Make-Whole)*. Die Emittentin kann die Schuldverschreibungen (ausgenommen Schuldverschreibungen, deren Rückzahlung der Gläubiger bereits in Ausübung seines Wahlrechts nach Absatz (5) verlangt hat) insgesamt, jedoch nicht teilweise, nach ihrer Wahl mit einer Kündigungsfrist von mindestens 45 und höchstens 60 Tagen durch Erklärung gegenüber der Zahlstelle und gemäß § 15 gegenüber den Gläubigern kündigen und an einem von ihr anzugebenden Tag (dem ***Wahl-Rückzahlungstag (Call)***) zu ihrem Wahl-Rückzahlungsbetrag (Call) zusammen

(4) *Early Redemption at the Option of the Issuer (Make-Whole)*. The Issuer may, upon not less than 45 days' nor more than 60 days' prior notice of redemption given to the Paying Agent and, in accordance with § 15, to the Holders, redeem on any date specified by it (the ***Call Redemption Date***), at its option, the Notes (except for any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under paragraph (5)) in whole but not in part, at their Call Redemption Amount together with any unpaid interest accrued to (but excluding) the Call Redemption Date (but excluding accrued

mit allen nicht gezahlten Zinsen zurückzahlen, die bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) (aber ohne aufgelaufene Zinsen, die in dem Wahl-Rückzahlungsbetrag (Call) berücksichtigt sind) aufgelaufen sind. Eine solche Kündigung hat gemäß § 15 zu erfolgen. Sie ist unwiderruflich und muss den Wahl-Rückzahlungstag (Call) angeben.

interest accounted for in the Call Redemption Amount). Any such notice of redemption shall be given in accordance with § 15. It shall be irrevocable and must specify the Call Redemption Date.

Der ***Wahl-Rückzahlungsbetrag (Call)*** je Schuldverschreibung entspricht (i) der Festgelegten Stückelung je Schuldverschreibung oder (ii), falls höher, dem Abgezinsten Marktpreis (*Make-Whole Amount*) je Schuldverschreibung.

The ***Call Redemption Amount*** per Note means the higher of (i) the Specified Denomination per Note and (ii) the Make-Whole Amount per Note.

Die Berechnungsstelle berechnet den Abgezinsten Marktpreis (Make-Whole Amount) am Rückzahlungs-Berechnungstag, indem die Festgelegte Stückelung je Schuldverschreibung und die verbleibenden Zinszahlungen bis zum Fälligkeitstag auf jährlicher Basis unter Zugrundelegung eines Jahres mit 365 bzw. 366 Tagen und der Zahl der tatsächlich in dem Jahr verstrichenen Tage und mit der Benchmark-Rendite plus 20 Basispunkte abgezinst werden.

The Calculation Agent will calculate the Make-Whole Amount on the Redemption Calculation Date by discounting the Specified Denomination per Note and the remaining interest payments to the Maturity 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 Benchmark Yield plus 20 basis points.

Der ***Abgezinste Marktpreis*** ist die Summe aus

The ***Make-Whole Amount*** will be the sum of

(a) dem auf den Wahl-Rückzahlungstag (Call) abgezinsten Wert der Festgelegten Stückelung der zurückzuzahlenden Schuldverschreibung, der ansonsten am Fälligkeitstag fällig werden würde; und

(a) the Specified Denomination of the Note to be redeemed which would otherwise become due on the Maturity Date, discounted to the Call Redemption Date; and

(b) den jeweils auf den Wahl-Rückzahlungstag (Call) abgezinsten Werten der verbleibenden Zinszahlungen, die ansonsten an jedem Zinszahlungstag nach dem Wahl-Rückzahlungstag (Call) bis zum Fälligkeitstag (einschließlich) fällig werden würden (ausschließlich etwaiger, bis zum Wahl-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen).

(b) the remaining interest payments which would otherwise become due on each Interest Payment Date falling after the Call Redemption Date to and including the Maturity Date (excluding any interest accrued to but excluding the Call Redemption Date), each discounted to the Call Redemption Date.

Benchmark-Rendite ist die Rendite zum Rückzahlungs-Berechnungstag, die um oder gegen 12:00 Uhr mittags (Frankfurter Zeit) auf der Bildschirmseite fur die Referenzanleihe angezeigt wird, oder, sollte diese Rendite zu diesem Zeitpunkt nicht festgestellt werden können, die Rendite, die zu einem anderen Zeitpunkt, der von der Emittentin nach billigem Ermessen als angemessen ausgewählt wird, am Rückzahlungs-Berechnungstag auf der Bildschirmseite angezeigt wird.

Benchmark Yield means the yield as at the Redemption Calculation Date appearing at or around noon (Frankfurt am Main time) on the Screen Page in respect of the Benchmark Security, or if such yield cannot be so determined at such time, the yield appearing on the Screen Page at such other time on the Redemption Calculation Date determined by the Issuer in its reasonable discretion to be appropriate.

Bildschirmseite ist Bloomberg Seite DE0001141760 Govt HP (Einstellung "*Last Yield to Convention*" und Verwendung der Preisquelle "*FRNK*") (oder jede Nachfolgeseite oder Nachfolge- Preisquelle) für die Referenzanleihe oder, falls diese Bloomberg-Seite oder Preisquelle nicht verfügbar ist, eine andere Seite (falls vorhanden) eines anderen Informationsanbieters, die weitgehend ähnliche Daten anzeigt, wie von der Emittentin nach billigem Ermessen ausgewählt.

Screen Page means Bloomberg page DE0001141760 Govt HP (setting "*Last Yield To Convention*" and using the pricing source "*FRNK*") (or any successor page or successor pricing source) for the Benchmark Security, or, if such Bloomberg page or pricing source is not available, such other page (if any) from such other information provider displaying substantially similar data as selected by the Issuer in its reasonable discretion.

Referenzanleihe ist die 0,0% Euro-Referenz-Anleihe der Bundesrepublik Deutschland fällig 2022 mit ISIN DE0001141760 oder, falls diese Anleihe am Rückzahlungs-Berechnungstag nicht mehr aussteht, eine von der Emittentin nach billigem Ermessen ausgewählte Ersatz-Referenzanleihe, deren Laufzeit mit der verbleibenden Restlaufzeit der Schuldverschreibung bis zum Fälligkeitstag vergleichbar ist, und die im Zeitpunkt der Auswahlentscheidung und in Übereinstimmung mit der üblichen Finanzmarktpraxis zur Preisbestimmung bei Neuemissionen von Unternehmensanleihen mit einer vergleichbaren Laufzeit bis zum Fälligkeitstag verwendet würde.

Benchmark Security means the 0.0% euro denominated benchmark debt security of the Federal Republic of Germany due 2022, carrying ISIN DE0001141760, or, if such security is no longer outstanding on the Redemption Calculation Date, such substitute benchmark security selected by the Issuer in its reasonable discretion, having a maturity comparable to the remaining term of the Note to the Maturity Date, that would be used at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Maturity Date.

Rückzahlungs-Berechnungstag ist der zehnte Geschäftstag vor dem Tag, an dem die

Redemption Calculation Date means the tenth Business Day prior to the date on which

Schuldverschreibungen gemäß diesem Absatz (4) zurückgezahlt werden.

the Notes are redeemed in accordance with this paragraph (4).

(5) *Vorzeitige Rückzahlung nach Wahl der Gläubiger bei Vorliegen eines Kontrollwechsels*.

(5) *Early Redemption at the Option of the Holders upon a Change of Control*.

(a) Tritt nach dem Begebungstag ein Kontrollwechsel ein und kommt es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des eingetretenen Kontrollwechsels (zusammen, ein ***Rückzahlungsereignis***), so ist jeder Gläubiger berechtigt, aber nicht verpflichtet, von der Emittentin die vollständige oder teilweise Rückzahlung oder, nach Wahl der Emittentin, den Ankauf (oder die Veranlassung eines Ankaufs) seiner Schuldverschreibungen innerhalb von 60 Tagen, nachdem die Gläubigerwahl-Rückzahlungsereignis-Mitteilung gemäß Unterabsatz (b) bekannt gegeben wurde (der ***Ausübungszeitraum***), zum Wahl-Rückzahlungsbetrag (Put) (das ***Gläubiger-Rückzahlungswahlrecht***) zu verlangen. Dieses Gläubiger-Rückzahlungswahlrecht ist wie nachstehend unter den Unterabsätzen (b) und (c) beschrieben auszuüben.

(a) If a Change of Control occurs after the Issue Date and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs (together a ***Put Event***), each Holder shall have the right, but not the obligation, to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) in whole or in part his Notes, within 60 days after a Put Event Notice under subparagraph (b) has been published (the ***Put Period***), at the Put Redemption Amount (the ***Put Option***). Such Put Option shall operate as set out below under subparagraphs (b) and (c).

Eine ***Absenkung des Ratings*** gilt in Bezug auf einen Kontrollwechsel als eingetreten, wenn (a) innerhalb des Kontrollwechselzeitraums ein vorher für die Emittentin oder die Schuldverschreibungen vergebenes Rating einer Rating Agentur (i) zurückgezogen oder (ii) von einem Investment Grade Rating (BBB- von S&P/Baa3 von Moody‘s oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P/Ba1 von Moody‘s oder jeweils gleichwertig, oder schlechter) geändert oder (iii) (falls das für die Schuldverschreibungen vergebene Rating einer Rating Agentur unterhalb des Investment Grade Ratings liegt) um einen ganzen Punkt (von BB+ nach BB von S&P oder Ba1 nach Ba2 von Moody‘s oder eine ähnliche Absenkung eines gleichwertigen Ratings) abgesenkt wird oder (b) zur Zeit des Kontrollwechsels kein Rating für die Schuldverschreibungen oder die Emittentin vergeben ist und keine Rating Agentur während des Kontrollwechselzeitraums ein Investment Grade Rating für die Schuldverschreibungen vergibt (es sei denn, die Emittentin ist trotz zumutbarer Anstrengungen innerhalb dieses Zeitraums nicht in der Lage, ein solches Rating zu erhalten, ohne dass dies seine Ursache im Kontrollwechsel hat).

A ***Rating Downgrade*** shall be deemed to have occurred in respect of a Change of Control (a) if within the Change of Control Period any rating previously assigned to the Issuer or the Notes by any Rating Agency is (i) withdrawn or (ii) changed from an investment grade rating (BBB- by S&P/Baa3 by Moody’s, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P/Ba1 by Moody’s, or its equivalent for the time being, or worse) or (iii) (if the rating assigned to the Notes by any Rating Agency shall be below an investment grade rating) lowered one full rating notch (from BB+ to BB by S&P or Ba1 to Ba2 by Moody’s or such similar lower of equivalent rating) or (b) if at the time of the Change of Control, there is no rating assigned to the Notes or the Issuer and no Rating Agency assigns during the Change of Control Period an investment grade credit rating to the Notes (unless the Issuer is unable to obtain such a rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control).

Rating Agentur ist jede Ratingagentur von S&P Global Ratings (***S&P***) und Moody‘s Investors Service (***Moody‘s***) oder eine ihrer jeweiligen Nachfolgegesellschaften oder jede andere Rating Agentur vergleichbaren internationalen Ansehens, wie von Zeit zu Zeit durch die Garantin bestimmt.

Rating Agency means each of the rating agencies of S&P Global Ratings (***S&P***) and Moody’s Investors Service (**Moody’s**) or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Issuer.

Ein ***Kontrollwechsel*** gilt jedes Mal als eingetreten (unabhängig davon, ob der Vorstand oder der Aufsichtsrat der Emittentin zugestimmt haben), wenn eine oder mehrere Personen, die gemeinsam handeln, (die ***relevante(n) Person(en)***) oder ein oder mehrere Dritte, die im Auftrag der relevanten Person(en) handeln, zu irgendeiner Zeit unmittelbar oder mittelbar (i) 30 % oder mehr des Grundkapitals der Emittentin oder (ii) eine solche Anzahl von Aktien der Emittentin, auf 30 % oder mehr der Stimmrechte entfallen, erwirbt bzw. erwerben oder hält bzw. halten.

A ***Change of Control*** shall be deemed to have occurred at each time (whether or not approved by the management board or supervisory board of the Issuer) that any person or persons acting in concert (***Relevant Person(s)***) or any person or persons acting on behalf of any such Relevant Person(s), at any time directly or indirectly acquire(s) or come(s) to own (i) 30 per cent. or more of the registered share capital of the Issuer or (ii) such number of the shares in the capital of the Issuer carrying 30 per cent. or more of the voting rights.

Der ***Kontrollwechselzeitraum*** ist der Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet.

Change of Control Period means the period ending 120 days after the occurrence of the Change of Control.

Der ***Wahl-Rückzahlungsbetrag (Put)*** bezeichnet für jede Schuldverschreibung 101 % des Nennbetrags einer solchen Schuldverschreibung zuzüglich nicht gezahlter bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufener Zinsen.

Put Redemption Amount means for each Note 101 per cent. of the principal amount of such Note, plus unpaid interest accrued to (but excluding) the Put Date.

(b) Tritt ein Rückzahlungsereignis ein, so teilt die Emittentin dies unverzüglich, nachdem die Emittentin davon Kenntnis erlangt hat, den Gläubigern gemäß § 15 mit (eine ***Gläubigerwahl-Rückzahlungsereignis-Mitteilung***) und gibt dabei die Art des Rückzahlungsereignisses und das in diesem Absatz (5) vorgesehene Verfahren zur Ausübung des Gläubiger-Rückzahlungswahlrechts an.

(b) If a Put Event occurs, then the Issuer shall, without undue delay, after the Issuer becoming aware thereof, give notice of the Put Event (a ***Put Event Notice***) to the Holders in accordance with § 15 specifying the nature of the Put Event and the procedure for exercising the Put Option contained in this paragraph (5).

(c) Zur Ausübung des Gläubiger-Rückzahlungswahlrechts muss der Gläubiger an einem Geschäftstag innerhalb des Ausübungszeitraums, (i) bei der bezeichneten Geschäftsstelle der Zahlstelle eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung in der jeweils bei der Zahlstelle erhältlichen maßgeblichen Form (oder in einer anderen durch die ICSDs und die Zahlstelle akzeptierten Form) einreichen (die ***Gläubiger-Ausübungserklärung***) und (ii) Schuldverschreibungen in Höhe des Gesamtbetrags der Festgelegten Stückelung einreichen, für die der Gläubiger sein Gläubiger-Rückzahlungswahlrecht ausüben möchte. Die Emittentin wird die betreffende(n) Schuldverschreibung(en) sieben Tage nach Ablauf des Ausübungszeitraums (der ***Wahl-Rückzahlungstag (Put)***) zurückzahlen oder nach ihrer Wahl ankaufen (oder ankaufen lassen), soweit sie nicht bereits vorher zurückgezahlt oder angekauft und entwertet wurde(n). Die Zahlung in Bezug auf solchermaßen eingereichte Schuldverschreibungen erfolgt gemäß den üblichen Verfahren über das Clearingsystem. Eine einmal abgegebene Gläubiger-Ausübungserklärung ist unwiderruflich.

(c) To exercise the Put Option, the Holder must deliver on any Business Day within the Put Period (i) to the Paying Agent at its specified office a duly signed and completed notice of exercise in the then current form obtainable from the Paying Agent (or such other form as is acceptable to the ICSDs and the Paying Agent) (a ***Put Notice***) and (ii) the aggregate Specified Denomination of Notes for which the Holder wishes to exercise its Put Option. The Issuer shall redeem or, at its option, purchase (or procure the purchase of) the relevant Note(s) on the date seven days after the expiration of the Put Period (the ***Put Date***) unless previously redeemed or purchased and cancelled. Payment in respect of any Note so delivered will be made in accordance with the customary procedures through the Clearing System. A Put Notice, once given, shall be irrevocable.

(6) *Vorzeitige Rückzahlung bei Geringem Ausstehenden Gesamtnennbetrag der Schuldverschreibungen*. Wenn 80 % oder mehr des Gesamtnennbetrags der Schuldverschreibungen nach diesem § 6 von der Emittentin oder einer direkten oder indirekten Tochtergesellschaft der Emittentin zurückgezahlt oder angekauft wurden, ist die Emittentin berechtigt, nach vorheriger Bekanntmachung gegenüber den Gläubigern gemäß § 15 mit einer Frist von mindestens 30 und höchstens 60 Tagen nach ihrer Wahl die ausstehenden Schuldverschreibungen insgesamt, aber nicht teilweise, zum Nennbetrag zuzüglich bis zum tatsächlichen Rückzahlungstag (ausschließlich) nicht gezahlter, aufgelaufener Zinsen zurückzuzahlen.

(6) *Early Redemption in case of Minimal Outstanding Aggregate Principal Amount of the Notes.* If 80 per cent. or more of the aggregate principal amount of the Notes have been redeemed or purchased by the Issuer or any direct or indirect Subsidiary of the Issuer pursuant to the provisions of this § 6, the Issuer may, on not less than 30 or more than 60 days' notice to the Holders given in accordance with § 15, redeem, at its option, the remaining Notes in whole but not in part at the principal amount thereof plus unpaid interest accrued to (but excluding) the date of actual redemption.

§ 7
ZAHLSTELLE, BERECHNUNGSSTELLE

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Zahlstelle und die anfänglich bestellte Berechnungsstelle und deren anfänglich bezeichneten Geschäftsstellen sind:

Zahlstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

Berechnungsstelle: Die Zahlstelle ist auch die Berechnungsstelle.

Die Zahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu ersetzen.

§ 7
PAYING AGENT, CALCULATION AGENT

(1) *Appointment; Specified Office*. The initial Paying Agent and the initial Calculation Agent and their initial specified offices shall be:

Paying Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

Calculation Agent: The Paying Agent shall also be the Calculation Agent.

The Paying Agent and the Calculation Agent reserve the right at any time to change their specified offices to some other office in the same city.

(2) *Änderung oder Beendigung der Bestellung*. Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und zusätzliche oder eine oder mehrere andere Zahlstellen oder eine andere Berechnungsstelle gemäß den in einem Agency Agreement festgelegten Bestimmungen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Zahlstelle, (ii) solange die Schuldverschreibungen an der Luxemburger Börse notiert sind, eine Zahlstelle mit einer bezeichneten Geschäftsstelle in Luxemburg und/oder an solchen anderen Orten, die die Vorschriften der betreffenden Börse oder ihrer Aufsichtsbehörde verlangen, und (iii) eine Berechnungsstelle unterhalten.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent or the Calculation Agent and to appoint another Paying Agent, additional or other paying agents or another Calculation Agent in accordance with the terms of an agency agreement. The Issuer shall at all times maintain (i) a Paying Agent, (ii) so long as the Notes are listed on the Luxembourg Stock Exchange, a Paying Agent with a specified office in Luxembourg and/or in such other places as may be required by the rules of such stock exchange or its supervisory authority, and (iii) a Calculation Agent.

(3) *Erfüllungsgehilfen der Emittentin*. Die Zahlstelle, die Berechnungsstelle und jede andere nach Absatz (2) bestellte Zahlstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern, und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

(3) *Agents of the Issuer*. The Paying Agent, the Calculation Agent and any other paying agent appointed pursuant to paragraph (2) act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust with any Holder.

§ 8
STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet ("**Steuern**"), die von dem Staat, in dem die Emittentin steuerlich ansässig ist oder einer ihrer jeweiligen Gebietskörperschaften oder zur Erhebung von Steuern berechtigten Behörden oder sonstigen Stellen auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, sofern nicht die Emittentin kraft Gesetzes oder einer sonstigen Rechtsvorschrift zu einem solchen Einbehalt oder Abzug verpflichtet ist. Sofern die Emittentin zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin zusätzliche Beträge (die "**Zusätzlichen Beträge**") an die Anleihegläubiger zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne den betreffenden Einbehalt oder Abzug erhalten hätten. Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern in Bezug auf Schuldverschreibungen, die:.

(a) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder

(b) von einer als Depotbank oder Inkassobeauftragten im Namen eines Anleihegläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise als dadurch, dass die Emittentin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Einbehalt oder Abzug vornimmt; oder

(c) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Anleihegläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in

§ 8
TAXATION

All amounts to be paid in respect of the Notes will be paid free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by the Issuer's country of domicile for tax purposes or any political subdivision or any authority or any other agency of or in the Issuer's country of domicile for tax purposes that has power to tax, unless the Issuer is compelled by law to make such withholding or deduction. If the Issuer is required to make such withholding or deduction, the Issuer will pay such additional amounts (the "**Additional Amounts**") to the Holders as the Holders would have received if no such withholding or deduction had been required, except that no such Additional Amounts will be payable for any such Taxes in respect of any Note, which:

(a) are payable otherwise than by withholding or deduction from amounts payable; or

(b) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a withholding or deduction by the Issuer from payments of principal or interest made by it, or

(c) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived

der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

from sources in, or are secured in, the Federal Republic of Germany; or

(d) durch eine Zahlstelle von der Zahlung einzubehalten oder abzuziehen sind, wenn die Zahlung von einer anderen Zahlstelle ohne einen solchen Einbehalt oder Abzug hätte vorgenommen werden können; oder

(d) are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction, or

(e) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(e) are to be withheld or deducted pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which Issuer's country of domicile for tax purposes or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or

(f) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 15 wirksam wird; oder

(f) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or, if later, is duly provided for and notice thereof is published in accordance with § 15; or

(g) aufgrund jeglicher Kombination der Absätze (a) bis (f) zu entrichten sind.

(g) are payable due to any combination of items (a) to (f).

Die Emittentin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or

einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding

§ 9
VORLEGUNGSFRIST, VERJÄHRUNG

Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für die Schuldverschreibungen wird auf zehn Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre vom Ende der betreffenden Vorlegungsfrist an.

§ 9
PRESENTATION PERIOD, PRESCRIPTION

The presentation period provided for in section 801 paragraph 1, sentence 1 German Civil Code is reduced to ten years for the Notes. The period of limitation for claims under the Notes presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

§ 10
KÜNDIGUNGSGRÜNDE

(1) *Kündigungsgründe*. Tritt ein Kündigungsgrund ein und dauert dieser an, so ist jeder Gläubiger berechtigt, seine sämtlichen Forderungen aus den Schuldverschreibungen durch Abgabe einer Kündigungserklärung gemäß Absatz (2) gegenüber der Emittentin fällig zu stellen und (vorbehaltlich des nachfolgenden Absatzes (4)) deren unverzügliche Rückzahlung zu ihrem Nennbetrag zuzüglich bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) nicht gezahlter, aufgelaufener Zinsen zu verlangen. Jedes der folgenden Ereignisse stellt einen ***Kündigungsgrund*** dar:

(a) Die Emittentin zahlt auf die Schuldverschreibungen fällige Kapital- oder Zinsbeträge oder sonstige Beträge nicht innerhalb von 30 Tagen nach Fälligkeit; oder

(b) die Emittentin erfüllt eine andere wesentliche Verpflichtung aus den Schuldverschreibungen nicht und die Nichterfüllung dauert – sofern sie geheilt

§ 10
EVENTS OF DEFAULT

(1) *Events of Default*. If an Event of Default occurs and is continuing, each Holder shall be entitled to declare due and payable by submitting a Termination Notice pursuant to paragraph (2) to the Issuer its entire claims arising from the Notes and demand (subject to paragraph (4) below) immediate redemption at the principal amount thereof together with unpaid interest accrued to (but excluding) the date of actual redemption. Each of the following is an ***Event of Default***:

(a) The Issuer fails to pay principal, interest or any other amounts due under the Notes within 30 days from the relevant due date; or

(b) the Issuer fails to duly perform any other material obligation arising from the Notes and such failure, if capable of remedy, continues unremedied for more

werden kann – jeweils länger als 90 Tage fort, nachdem die Emittentin eine schriftliche Aufforderung in der in Absatz (2) vorgesehenen Art und Weise von einem Gläubiger erhalten hat, die Verpflichtung zu erfüllen; oder

than 90 days after the Issuer has received a written request thereof in the manner set forth in paragraph (2) from a Holder to perform such obligation; or

(c) eine nicht im Rahmen der Schuldverschreibungen bestehende Finanzverbindlichkeit der Emittentin oder einer Wesentlichen Tochtergesellschaft wird infolge eines Kündigungsgrunds (unabhängig von der Bezeichnung) aufgrund des Vorliegens einer Nichterfüllung einer Zahlungsverpflichtung oder eines Verzugs vor ihrer festgelegten Fälligkeit fällig und zahlbar (sei es durch Kündigung, automatische Fälligstellung oder auf andere Weise), wobei der Gesamtbetrag der Finanzverbindlichkeiten mindestens 2,5 % der Summe Aktiva zum unmittelbar vorausgehendenden Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, beträgt. Zur Klarstellung wird festgehalten, dass dieser Absatz (1)(c) keine Anwendung findet, wenn die Emittentin oder die jeweilige Wesentliche Tochtergesellschaft nach Treu und Glauben bestreitet, dass diese Zahlungsverpflichtung besteht, fällig ist oder die Anforderungen für die vorzeitige Fälligstellung erfüllt sind; oder

(c) any Financial Indebtedness of the Issuer or any Material Subsidiary (other than under the Notes) becomes due and payable prior to its specified maturity (whether by declaration, automatic acceleration or otherwise) as a result of a termination right (howsoever described) due to a failure to comply with a payment obligation, *provided that* the aggregate amount of Financial Indebtedness amounts to at least 2.5 per cent. of the Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published. For the avoidance of doubt, this paragraph (1)(c) shall not apply, where the Issuer or the relevant Material Subsidiary contests in good faith that such payment obligation exists, is due or the requirements for the acceleration are satisfied; or

(d) die Emittentin gibt ihre Zahlungsunfähigkeit bekannt oder stellt ihre Zahlungen generell ein; oder

(d) the Issuer announces its inability to meet its financial obligations or ceases its payments generally; or

(e) gegen die Emittentin wird ein Insolvenzverfahren eingeleitet und nicht innerhalb von 90 Tagen aufgehoben oder ausgesetzt, oder die Emittentin beantragt oder leitet ein solches Verfahren ein, oder

(e) insolvency proceedings against the Issuer are instituted and have not been discharged or stayed within 90 days, or the Issuer applies for or institutes such proceedings; or

(f) die Emittentin geht in Liquidation, es sei denn, dies geschieht im Zusammenhang

(f) The Issuer enters into liquidation unless this is done in connection with a merger

mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung, und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit den Schuldverschreibungen eingegangen ist.

or other form of amalgamation with another company or in connection with a corporate restructuring, and the other or the new company assumes all obligations of the Issuer in connection with the Notes.

(2) *Kündigungserklärungen*. Eine Erklärung eines Gläubigers (i) gemäß Absatz (1)(b) oder (ii) zur Kündigung seiner Schuldverschreibungen gemäß diesem § 10 (eine ***Kündigungserklärung***) hat in der Weise zu erfolgen, dass der Gläubiger der Emittentin eine entsprechende schriftliche Erklärung in deutscher oder englischer Sprache persönlich übergibt oder per Brief übermittelt und dabei durch eine Bescheinigung seiner Depotbank (wie in § 17(4) definiert) nachweist, dass er die betreffenden Schuldverschreibungen zum Zeitpunkt der Kündigungserklärung hält.

(2) *Termination Notices*. Any notice by a Holder (i) in accordance with paragraph (1)(b) or (ii) to terminate its Notes in accordance with this § 10 (a ***Termination Notice***) shall be made by means of a written declaration to the Issuer in the German or English language delivered by hand or mail together with evidence by means of a certificate of the Holder's Custodian (as defined in § 17(4)) that such Holder, at the time of such Termination Notice, is a holder of the relevant Notes.

(3) *Heilung*. Zur Klarstellung wird festgehalten, dass das Recht zur Kündigung der Schuldverschreibungen gemäß diesem § 10 erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt worden ist; es ist zulässig, den Kündigungsgrund gemäß Absatz (1)(c) durch Rückzahlung der maßgeblichen Finanzverbindlichkeiten in voller Höhe zu heilen. Vorbehaltlich anwendbarer zwingender Rechtsvorschriften berechtigen andere als die in Absatz (1) genannten Ereignisse oder Umstände die Gläubiger nicht dazu, ihre Schuldverschreibungen vorzeitig zur Rückzahlung fällig zu stellen, es sei denn, dies ist ausdrücklich in diesen Anleihebedingungen bestimmt.

(3) *Cure*. For the avoidance of doubt, the right to declare Notes due in accordance with this § 10 shall terminate if the situation giving rise to it has been cured before the right is exercised and it shall be permissible to cure the Event of Default pursuant to paragraph (1)(c) by repaying in full the relevant Financial Indebtedness. No event or circumstance other than an event specified in paragraph (1) shall entitle Holders to declare their Notes due and payable prior to their stated maturity, save as expressly provided for in these Terms and Conditions and subject to applicable mandatory law.

(4) *Quorum*. In den Fällen gemäß den Absätzen (1)(b) bis (f) wird eine Kündigungserklärung erst wirksam, wenn bei der Emittentin Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 15 % des Gesamtnennbetrages der dann ausstehenden Schuldverschreibungen eingegangen sind. Die Wirksamkeit einer solchen Kündigung entfällt, wenn die Gläubiger dies binnen drei Monaten mit Mehrheit beschließen. Für den Beschluss über die Unwirksamkeit der Kündigung genügt die einfache Mehrheit der Stimmrechte, vorausgesetzt, dass in jedem Fall mehr Gläubiger diesem Beschluss zustimmen als gekündigt haben.

(4) *Quorum*. In the events specified in paragraph (1)(b) to (f), any notice declaring Notes due shall become effective only when the Issuer has received such default notices from the Holders representing at least 15 per cent. of the aggregate principal amount of the Notes then outstanding. Any such termination shall become ineffective if within three months the majority of the Holders so resolve. The resolution in relation to the ineffectiveness of a termination may be passed by simple majority of the voting rights, *provided, however*, that in any case there must be more Holders consenting to such resolution than Holders having terminated the Notes.

§ 11
VERPFLICHTUNGSERKLÄRUNGEN

(1) *Beschränkungen für das Eingehen von Finanzverbindlichkeiten*. Die Emittentin verpflichtet sich, nach dem Begebungstag keine Finanzverbindlichkeiten (mit Ausnahme von Finanzverbindlichkeiten zur Refinanzierung bestehender Finanzverbindlichkeiten mit einem Gesamtnennbetrag, der dem Gesamtnennbetrag der refinanzierten Finanzverbindlichkeiten entspricht oder diesen unterschreitet) einzugehen und sicherzustellen, dass ihre Tochtergesellschaften nach dem Begebungstag keine Finanzverbindlichkeiten eingehen, wenn unmittelbar nach dem wirksamen Eingehen solcher weiterer Finanzverbindlichkeiten (unter Berücksichtigung der Verwendung der damit erzielten Nettoerlöse):

§ 11
COVENANTS

(1) *Limitations on the Incurrence of Financial Indebtedness*. The Issuer undertakes that it will not, and will procure that none of its Subsidiaries will, after the Issue Date, incur any Financial Indebtedness (except for Financial Indebtedness for refinancing existing Financial Indebtedness with an aggregate principal amount that is equal to or less than the aggregate principal amount of the refinanced Financial Indebtedness) if, immediately after giving effect to the incurrence of such additional Financial Indebtedness (taking into account the application of the net proceeds of such incurrence),

(a) das Verhältnis der (i) Summe (x) der Konsolidierten Nettofinanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, und (y) der Nettofinanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, zu der (ii) Summe (unter Ausschluss einer Doppelberücksichtigung) (x) der Summe Aktiva zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, (y) der Kaufpreise für Immobilienvermögen (ohne Abzüge für übernommene Finanzverbindlichkeiten), das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) des Erlöses aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) (dieses Verhältnis in Bezug auf einen beliebigen Zeitpunkt der ***Verschuldungsgrad (LTV)*** zu dem entsprechenden Zeitpunkt) 60 % überstiege; oder

(a) the ratio of (i) the sum of (x) the Consolidated Net Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published and (y) the Net Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published to (ii) the sum of (without duplication) (x) the Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, (y) the purchase prices of any Real Estate Property (without any deductions for assumed Financial Indebtedness) acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published and (z) the proceeds of any Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness) (such ratio, with respect to any date, the ***Loan-to-Value Ratio*** as of that date) would exceed 60 per cent.; or

(b) das Verhältnis des (i) Gesamtbetrags des Bereinigten EBITDA in den letzten vier aufeinanderfolgenden Quartalen, die vor dem Berichtsstichtag geendet haben, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, zu dem (ii) Gesamtbetrag des Zahlungswirksamen Zinsergebnisses in den letzten vier aufeinanderfolgenden Quartalen, die vor dem Berichtsstichtag geendet haben, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, geringer als 1,80 zu 1,00 wäre ((i) und (ii) jeweils durch die Emittentin (nach eigenem vernünftigen Ermessen) auf einer *pro forma* Grundlage ermittelt (einschließlich einer daraus resultierenden *pro forma* Verwendung der Nettoerlöse), als wären die zusätzlichen Finanzverbindlichkeiten zu Beginn dieses Vier-Quartal-Zeitraums eingegangen worden); oder

(b) the ratio of (i) the aggregate amount of Adjusted EBITDA in the respective most recent four consecutive quarters ending prior to the Reporting Date for which Consolidated Financial Statements of the Issuer have been published to (ii) the aggregate amount of Net Cash Interest in the respective most recent four consecutive quarters ending prior to the Reporting Date for which Consolidated Financial Statements of the Issuer have been published would be less than 1.80 to 1.00 (each of (i) and (ii) determined by the Issuer (in its reasonable judgment) on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Financial Indebtedness had been incurred at the beginning of such four quarter period); or

(c) (i) die Summe (x) der Besicherten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, und (y) der Neuen Besicherten Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, einen Betrag in Höhe von 45 % (ii) der Summe (unter Ausschluss einer Doppelberücksichtigung) (x) der Summe Aktiva zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, (y) der Kaufpreise für Immobilienvermögen (ohne Abzüge für übernommene Finanzverbindlichkeiten), das seit dem unmittelbar

(c) (i) the sum of (x) the Secured Financial Indebtedness as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published and (y) the New Secured Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published would exceed 45 per cent. of (ii) the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, (y) the purchase prices of any Real Estate Property (without any deductions for assumed Financial Indebtedness) acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published and (z) the

vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) des Erlöses aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) überstiege.

proceeds of any Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness).

(2) *Berichte.* Solange Schuldverschreibungen ausstehen, veröffentlicht die Emittentin die folgenden Angaben auf ihrer Internetseite:

(a) Innerhalb von 120 Tagen nach dem Ende des Geschäftsjahrs der Emittentin einen Geschäftsbericht mit einem geprüften Konzernabschluss nach den in der EU anzuwendenden International Financial Reporting Standards (IFRS) und einem Lagebericht nach § 315 HGB (oder geltenden Nachfolgeregelungen); und

(b) innerhalb von 60 Tagen nach dem Ende jedes der ersten drei Quartale jedes Geschäftsjahrs der Emittentin einen ungeprüften verkürzten Konzern-Zwischenabschluss nach den in der EU anzuwendenden IFRS für Zwischenberichterstattung (IAS 34) bzw. eine Quartalsmitteilung entsprechend den Anforderungen der Frankfurter Wertpapierbörse.

(2) *Reports*. For so long as any Notes are outstanding, the Issuer shall post on its website,

(a) within 120 days after the end of each of the Issuer's fiscal years, annual reports containing the audited consolidated financial statements in accordance with IFRS as adopted by the EU and the management report in accordance with section 315 of the German Commercial Code (or its successor provisions from time to time); and

(b) within 60 days after the end of each of the first three fiscal quarters in each fiscal year of the Issuer, unaudited condensed consolidated interim financial statements in accordance with IFRS as adopted by the EU on interim financial reporting (IAS 34) or a quarterly statement in accordance with the requirements of the Frankfurt Stock Exchange.

§ 12
ERSETZUNG, SITZVERLEGUNG

(1) *Ersetzung*. Die Emittentin ist berechtigt, wenn kein Zahlungsverzug hinsichtlich Kapital oder Zinsen auf die Schuldverschreibungen vorliegt, jederzeit ohne die Zustimmung der Gläubiger ein mit der Emittentin Verbundenes Unternehmen an Stelle der Emittentin als Hauptschuldnerin (die ***Nachfolgeschuldnerin***) für alle Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin im Zusammenhang mit den Schuldverschreibungen rechtswirksam übernimmt;

(b) die Nachfolgeschuldnerin und die Emittentin alle für die Ersetzung notwendigen Genehmigungen und Zustimmungen von staatlichen Stellen und Aufsichtsbehörden erhalten haben, die Nachfolgeschuldnerin alle für die Erfüllung ihrer Verpflichtungen aus den Schuldverschreibungen notwendigen Genehmigungen und Zustimmungen von staatlichen Stellen und Aufsichtsbehörden erhalten hat und sämtliche dieser Genehmigungen und Zustimmungen in vollem Umfang gültig und wirksam sind und die Verpflichtungen der Nachfolgeschuldnerin aus den Schuldverschreibungen gemäß ihren Bestimmungen wirksam und rechtsverbindlich und durch jeden Gläubiger durchsetzbar sind;

§ 12
SUBSTITUTION, TRANSFER OF DOMICILE

(1) *Substitution*. The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer any Affiliate of the Issuer as principal debtor in respect of all obligations arising from or in connection with these Notes (the ***Substitute Debtor***) *provided that*:

(a) the Substitute Debtor, in a manner legally effective, assumes all obligations of the Issuer in respect of the Notes;

(b) the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such substitution, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations under the Notes and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor in respect of the Notes are valid and binding in accordance with their respective terms and enforceable by each Holder;

(c) die Nachfolgeschuldnerin alle für die Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen erforderlichen Beträge in der erforderlichen Währung an die Zahlstelle überweisen kann, ohne zum Einbehalt oder Abzug von Steuern oder sonstigen Abgaben gleich welcher Art verpflichtet zu sein, die in dem Land erhoben werden, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz hat oder steuerlich ansässig ist;

(c) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to withhold or deduct any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(d) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben, Festsetzungen oder behördlichen Lasten freizustellen, die einem Gläubiger im Zusammenhang mit der Ersetzung auferlegt werden;

(d) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution;

(e) die Emittentin (in derartiger Eigenschaft, die ***Garantin***) unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert (die ***Garantie***), die sicherstellen, dass jeder Gläubiger in der wirtschaftlichen Position ist, die genauso vorteilhaft ist wie die Position, in der die Gläubiger wären, wenn die Ersetzung nicht stattgefunden hätte; und

(e) the Issuer (in such capacity, the ***Guarantor***) irrevocably and unconditionally guarantees (the ***Guarantee***) in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms which ensure that each Holder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place; and

(f) die Emittentin einem zu diesem Zweck bestellten Beauftragten ein Rechtsgutachten bezüglich jeder betroffenen Rechtsordnung von anerkannten Rechtsanwälten vorgelegt hat, das bestätigt, dass die Bestimmungen in den vorstehenden Unterabsätzen (a) bis (d) erfüllt worden sind.

(f) the Issuer shall have delivered to an agent appointed for that purpose one legal opinion for each jurisdiction affected of lawyers of recognized standing to the effect that subparagraphs (a) to (d) above have been satisfied.

Für die Zwecke dieses § 12 bezeichnet ***Verbundenes Unternehmen*** ein

For purposes of this § 12, ***Affiliate*** shall mean any affiliated company within the

verbundenes Unternehmen im Sinne von § 15 AktG.

(2) *Bekanntmachung*. Jede Ersetzung der Emittentin gemäß diesem § 12 sowie das Datum, an dem die Ersetzung wirksam wird, ist gemäß § 15 bekanntzugeben.

(3) *Änderung von Bezugnahmen*. Mit Wirksamwerden der Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin (mit Ausnahme der Bezugnahme auf die Emittentin in § 11) ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf die Bundesrepublik Deutschland im Hinblick auf die Emittentin gilt ab diesem Zeitpunkt als Bezugnahme auf die im Hinblick auf die Nachfolgeschuldnerin maßgebliche Steuerjurisdiktion. Mit Wirksamwerden der Ersetzung gilt jede Bezugnahme auf die Emittentin in § 11 ab dann als Bezugnahme auf die Garantin. Zudem gilt eine Bezugnahme auf die Garantin in § 3 und § 10(1)(c) bis (f) als einbezogen (zusätzlich zur Bezugnahme auf die Nachfolgeschuldnerin gemäß dem ersten Satz dieses Absatzes (3)). Darüber hinaus gilt im Falle einer solchen Ersetzung ein weiterer Kündigungsgrund in § 10(1) als vereinbart; ein solcher Kündigungsgrund soll bestehen, falls die Garantie aus irgendeinem Grund unwirksam ist oder wird.

(4) *Weitere Ersetzungen*. Die Nachfolgeschuldnerin ist jederzeit nach einer Ersetzung gemäß vorstehendem Absatz (1) berechtigt, ohne die Zustimmung der Gläubiger eine weitere Ersetzung vorzunehmen, vorausgesetzt, dass alle Bestimmungen der vorstehenden Absätze (1) bis (3) sinngemäß Anwendung finden und, ohne hierauf beschränkt zu sein, Bezugnahmen in diesen Anleihebedingungen auf die Emittentin, sofern der Zusammenhang dies verlangt, (auch) als Bezugnahmen auf jede weitere Nachfolgeschuldnerin gelten, wobei die

meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*).

(2) *Notice*. Any substitution of the Issuer pursuant to this § 12 and the date of effectiveness of such substitution shall be published in accordance with § 15.

(3) *Change of References*. Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer (other than references to the Issuer in § 11) shall from then on be deemed to refer to the Substitute Debtor and any reference to the Federal Republic of Germany with respect to the Issuer shall from then on be deemed to refer to the relevant taxing jurisdiction with respect to the Substitute Debtor. Upon effectiveness of the substitution any reference to the Issuer in § 11 shall from then on be deemed to refer to the Guarantor. In addition, in § 3 and § 10(1)(c) to (f) a reference to the Guarantor shall be deemed to have been included in addition to the reference according to the first sentence of this paragraph (3) to the Substitute Debtor. Furthermore, in the event of such substitution, a further event of default shall be deemed to be included in § 10(1); such event of default shall exist in the case that the Guarantee is or becomes invalid for any such reason.

(4) *Further Substitution*. At any time after a substitution pursuant to paragraph (1) above, the Substitute Debtor may, without the consent of the Holders, effect a further substitution *provided that* all the provisions specified in paragraphs (1) to (3) above shall apply, *mutatis mutandis*, and, without limitation, references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute Debtor, *provided that* in no event shall any substitution under this § 12 have the

Ersetzung gemäß diesem § 12 in keinem Fall die Wirkung einer Befreiung der Emittentin von irgendwelchen Verpflichtungen aus ihrer Garantie hat.

effect of releasing the Issuer from any of its obligations under its Guarantee.

(5) *Sitzverlegung*. Eine Verlegung des Sitzes der Emittentin in ein anderes Land oder Gebiet ist nur zulässig, wenn die vorstehend in den Absätzen (1) und (2) genannten Voraussetzungen entsprechend erfüllt sind. Absatz (3) zweiter Halbsatz des ersten Satzes findet entsprechende Anwendung.

(5) *Transfer of Domicile*. A transfer of domicile of the Issuer to another country or territory is only permissible if the requirements set forth in paragraphs (1) and (2) above are complied with accordingly. Paragraph (3) second half-sentence of the first sentence shall apply *mutatis mutandis*.

§ 13
BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

§ 13
FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Begebung weiterer Schuldverschreibungen*. Die Emittentin ist, vorbehaltlich der Bestimmungen des § 11, berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit in jeder Hinsicht gleicher Ausstattung (gegebenenfalls mit Ausnahme des jeweiligen Begebungstags, des Verzinsungsbeginns, der ersten Zinszahlung und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(1) *Further Issues*. Subject to § 11, the Issuer may from time to 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 relevant issue date, interest commencement date, first interest payment date and/or issue price) so as to form a single series with the Notes.

(2) *Ankauf*. Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.

(2) *Purchases*. The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.

(3) *Entwertung*. Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

(3) *Cancellation*. All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 14
ÄNDERUNG DER ANLEIHEBEDINGUNGEN DURCH BESCHLÜSSE DER GLÄUBIGER, GEMEINSAMER VERTRETER

(1) *Änderung der Anleihebedingungen*. Die Emittentin kann mit den Gläubigern Änderungen der Anleihebedingungen durch Mehrheitsbeschluss der Gläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (***SchVG***) in seiner jeweils geltenden Fassung beschließen. Die Gläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5 Abs. 3 SchVG vorgesehenen Maßnahmen, durch Beschlüsse mit den in dem nachstehenden Absatz (2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger gleichermaßen verbindlich.

(2) *Mehrheit*. Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Gläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine ***Qualifizierte Mehrheit***).

(3) *Abstimmung ohne Versammlung*. Vorbehaltlich Absatz (4) sollen Beschlüsse der Gläubiger ausschließlich durch eine Abstimmung ohne Versammlung nach § 18 SchVG gefasst werden. Die Aufforderung zur Stimmabgabe enthält nähere Angaben zu den Beschlüssen und den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Aufforderung zur

§ 14
AMENDMENTS OF THE TERMS AND CONDITIONS BY RESOLUTIONS OF HOLDERS, JOINT REPRESENTATIVE

(1) *Amendment of the Terms and Conditions*. The Issuer may agree with the Holders on amendments to the Terms and Conditions by virtue of a majority resolution of the Holders pursuant to sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – ***SchVG***), as amended from time to time. In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under section 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under paragraph (2) below. A duly passed majority resolution shall be binding equally upon all Holders.

(2) *Majority*. Except as provided by the following sentence and *provided that* the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of section 5 paragraph 3 numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a ***Qualified Majority***).

(3) *Vote without a meeting*. Subject to paragraph (4), resolutions of the Holders shall exclusively be made by means of a vote without a meeting in accordance with section 18 of the SchVG. The request for voting will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the request for voting.

Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 17(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum Tag, an dem der Abstimmungszeitraum endet (einschließlich), nicht übertragbar sind, nachweisen.

The exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 17(4)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from (and including) the day such registration has been sent to (and including) the day the voting period ends.

(4) *Zweite Gläubigerversammlung*. Wird für die Abstimmung ohne Versammlung gemäß Absatz (3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, die als zweite Versammlung im Sinne des § 15 Abs. 3 Satz 3 SchVG anzusehen ist. Die Teilnahme an der zweiten Gläubiger-versammlung und die Ausübung der Stimm-rechte sind von einer Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Gläubiger-versammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 17(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende

(4) *Second Noteholders' Meeting*. If it is ascertained that no quorum exists for the vote without meeting pursuant to paragraph (3), the scrutineer may convene a noteholders' meeting, which shall be deemed to be a second noteholders' meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second noteholders' meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second noteholders' meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 17(4)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from (and including) the day such registration has been sent to (and including) the stated end of the noteholders' meeting.

der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) *Gemeinsamer Vertreter*. Die Gläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters (der ***Gemeinsame Vertreter***), die Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung von Rechten der Gläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters bestimmen. Die Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt werden soll, Änderungen des wesentlichen Inhalts der Anleihebedingungen gemäß Absatz (2) zuzustimmen.

(6) *Veröffentlichung*. Bekanntmachungen betreffend diesen § 14 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

(5) *Holders' Representative*. The Holders may by majority resolution provide for the appointment or dismissal of a joint representative (the ***Holders' Representative***), the duties and responsibilities and the powers of such Holders' Representative, the transfer of the rights of the Holders to the Holders' Representative and a limitation of liability of the Holders' Representative. Appointment of a Holders' Representative may only be passed by a Qualified Majority if such Holders' Representative is to be authorized to consent, in accordance with paragraph (2) hereof, to a material change in the substance of the Terms and Conditions.

(6) *Publication*. Any notices concerning this § 14 shall be made exclusively pursuant to the provisions of the SchVG.

§ 15
MITTEILUNGEN

(1) *Mitteilungen*. Alle die Schuldverschreibungen betreffenden Mitteilungen werden im Bundesanzeiger veröffentlicht, wenn nicht in § 14(6) anders vorgesehen, sowie, falls gesetzlich vorgeschrieben, in den gesetzlich vorgesehenen zusätzlichen Medien. Jede derartige Mitteilung gilt am dritten Kalendertag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichung am dritten Kalendertag nach dem Tag der ersten solchen Veröffentlichung) als wirksam gegenüber den Gläubigern erfolgt.

(2) *Mitteilungen an das Clearingsystem*. Wenn eine Veröffentlichung von Mitteilungen nach dem vorstehenden Absatz (1) nicht weiterhin rechtlich oder nach den Regeln der Wertpapierbörse, an denen die Schuldverschreibungen notiert sind, erforderlich ist, kann die Emittentin die betreffende

§ 15
NOTICES

(1) *Notices*. Except as stipulated in § 14(6), all notices concerning the Notes shall be published in the Federal Gazette and, if legally required, in the form of media determined by law in addition thereto. Any notice so given will be deemed to have been validly given to the Holders on the third calendar day following the date of such publication (or, if published more than once, on the third calendar day following the date of the first such publication).

(2) *Notification to the Clearing System*. If the publication of notices pursuant to paragraph (1) above is no longer required by law or the rules of the stock exchange on which the Notes are listed, the Issuer may deliver the relevant notice to the Clearing System, for communication by the Clearing

Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am fünften Kalendertag nach dem Tag der Mitteilung an das Clearingsystem als wirksam gegenüber den Gläubigern erfolgt.

System to the Holders. Any such notice shall be deemed to have been validly given to the Holders on the fifth calendar day following the day on which the said notice was given to the Clearing System.

(3) *Mitteilungen an die Emittentin*. Mitteilungen eines Gläubigers an die Emittentin können in der Weise erfolgen, dass der Gläubiger der Zahlstelle eine entsprechende schriftliche Erklärung persönlich übergibt oder per Fax oder per Brief übermittelt. Eine derartige Mitteilung kann von jedem Gläubiger gegenüber der Zahlstelle durch das Clearingsystem in der von der Zahlstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

(3) *Notification to the Issuer*. Notices to be given by any Holder to the Issuer may be made by means of a written declaration to be delivered by hand, fax or mail to the Paying Agent. Such notice may be given by any Holder to the Paying Agent through the Clearing System in such manner as the Paying Agent and the Clearing System may approve for such purpose.

§ 16
DEFINITIONEN

Abgezinster Marktpreis (Make-Whole Amount) hat die diesem Begriff in § 6(4) zugewiesene Bedeutung.

Absenkung des Ratings hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Ausübungszeitraum hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Begebungstag hat die diesem Begriff in § 1(1) zugewiesene Bedeutung.

Berechnungsstelle hat die diesem Begriff in § 7(1) zugewiesene Bedeutung.

Bereinigtes EBITDA bezeichnet das EBITDA bereinigt um das „*Ergebnis aus der Veräußerung von Immobilien*“ und andere außerordentliche sowie periodenfremde Aufwendungen und Erträgen (jeweils vorbehaltlich der Bestimmungen in diesen Anleihebedingungen).

Berichtsstichtag ist der 31. März, 30. Juni, 30. September und 31. Dezember eines jeden Jahres.

§ 16
DEFINITIONS

Make-Whole Amount has the meaning assigned to such term in § 6(4).

Rating Downgrade has the meaning assigned to such term in § 6(5)(a).

Put Period has the meaning assigned to such term in § 6(5)(a).

Issue Date has the meaning assigned to such term in § 1(1).

Calculation Agent has the meaning assigned to such term in § 7(1).

Adjusted EBITDA means the EBITDA adjusted for the “*Result from disposal of investment property*” and other extraordinary and prior-period expenses and income (in each case subject to the determination specified in these Terms and Conditions).

Reporting Date means March 31, June 30, September 30 and December 31 of each year.

Besicherte Finanzverbindlichkeiten bezeichnet den Teil der Konsolidierten Nettofinanzverbindlichkeiten, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Emittentin oder ihrer Tochtergesellschaften besichert ist (jeweils nach IFRS ermittelt).

Secured Financial Indebtedness means that portion of the Consolidated Net Financial Indebtedness that is secured by a Lien on properties or other assets of the Issuer or any of its Subsidiaries (each as determined in accordance with IFRS).

Bund-Rendite hat die diesem Begriff in § 6(4) zugewiesene Bedeutung.

Bund Rate has the meaning assigned to such term in § 6(4).

CBL hat die diesem Begriff in § 1(5) zugewiesene Bedeutung.

CBL has the meaning assigned to such term in § 1(5).

Clearingsystem hat die diesem Begriff in § 1(5) zugewiesene Bedeutung.

Clearing System has the meaning assigned to such term in § 1(5).

Code hat die diesem Begriff in § 8(3) zugewiesene Bedeutung.

Code has the meaning assigned to such term in § 8(3).

Common Safekeeper hat die diesem Begriff in § 1(3)(a) zugewiesene Bedeutung.

Common Safekeeper has the meaning assigned to such term in § 1(3)(a).

Dauerglobalurkunde hat die diesem Begriff in § 1(3)(a) zugewiesene Bedeutung.

Permanent Global Note has the meaning assigned to such term in § 1(3)(a).

Depotbank hat die diesem Begriff in § 17(4) zugewiesene Bedeutung.

Custodian has the meaning assigned to such term in § 17(4).

EBITDA bezeichnet den unter der Überschrift „*EBITDA*“ im Konzernabschluss der Emittentin angegebene Zahlenwert (unter Berücksichtigung des Abzugs des Postens „*Ergebnis aus der Bewertung der als Finanzinvestition gehaltenen Immobilien*“).

EBITDA means the number set out under the heading “*EBITDA*” in the Consolidated Financial Statements of the Issuer (taking into account the deduction of the item ”*result from the remeasurement of investment property*”).

Eingehen bezeichnet in Bezug auf eine Finanzverbindlichkeit oder eine sonstige Verbindlichkeit einer Person die Begründung, die Übernahme, Abgabe einer Garantie oder Bürgschaft dafür oder eine anderweitige Übernahme der Haftung für diese Finanzverbindlichkeit oder sonstige Verbindlichkeit; das ***Eingehen*** bzw. ***eingegangen*** sind entsprechend auszulegen, wobei Finanzverbindlichkeiten erst zu der Zeit **eingegangen** sind, wenn sie ausgezahlt werden, und auf Treuhandkonten eingezahlte Beträge erst dann als **eingegangen** gelten, wenn die Erlöse von dem Treuhandkonto freigegeben werden.

Incur means, with respect to any Financial Indebtedness or other obligation of any Person, to create, assume, guarantee or otherwise become liable in respect of such Financial Indebtedness or other obligation, and ***incurrence*** and ***incurred*** have the meanings correlative to the foregoing whereby Financial Indebtedness shall only be **incurred** at the time any funds are disbursed and amounts drawn and deposited into escrow accounts shall not be deemed **incurred** until such proceeds are withdrawn from such escrow account.

Emittentin hat die diesem Begriff in § 1(1) zugewiesene Bedeutung.

Issuer has the meaning assigned to such term in § 1(1).

Euroclear hat die diesem Begriff in § 1(5) zugewiesene Bedeutung.

Euroclear has the meaning assigned to such term in § 1(5).

Fälligkeitstag hat die diesem Begriff in § 6(1) zugewiesene Bedeutung.

Maturity Date has the meaning assigned to such term in § 6(1).

FATCA Quellensteuer hat die diesem Begriff in § 8(3) zugewiesene Bedeutung.

FATCA Withholding has the meaning assigned to such term in § 8(3).

Festgelegte Stückelung hat die diesem Begriff in § 1(1) zugewiesene Bedeutung.

Specified Denomination has the meaning assigned to such term in § 1(1).

Finanzverbindlichkeiten bezeichnet (unter Ausschluss einer Doppelberücksichtigung) alle Verbindlichkeiten (ausgenommen solche gegenüber anderen Mitgliedern der Gruppe) aus:

(i) aufgenommenen Geldern;

(ii) allen im Rahmen von Akzeptkrediten oder eines dematerialisierten Äquivalents aufgenommenen Beträge;

(iii) allen im Rahmen von Fazilitäten zum Kauf kurzfristiger Schuldtitel oder aus der Begebung von Anleihen, Schuldverschreibungen, Commercial Paper oder vergleichbaren Instrumenten aufgenommenen Beträgen;

Financial Indebtedness means (without duplication) any indebtedness (excluding any indebtedness owed to another member of the Group) for or in respect of:

(i) money borrowed;

(ii) any amount raised by acceptance under any acceptance credit facility or a dematerialized equivalent;

(iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, commercial papers or any similar instrument;

(iv) veräußerten oder diskontierten Forderungen (außer bei einem Forderungsverkauf ohne Rückgriffsrecht);

(iv) receivables sold or discounted (other than any receivables to the extend they are sold on a non-recourse basis);

(v) der Aufnahme von Beträgen im Rahmen anderer Rechtsgeschäfte (einschließlich Termingeschäften), die die wirtschaftliche Wirkung einer Kreditaufnahme haben, ausgenommen jedoch Bankgarantie-Fazilitäten, die der Emittentin oder einer Tochtergesellschaft von Finanzinstituten gewährt werden oder gewährt werden sollen und in deren Rahmen die Emittentin bzw. die jeweilige Tochtergesellschaft die Ausstellung einer oder mehrerer Bankgarantien zugunsten einer Person verlangen kann, die sich zum Erwerb von Immobilienvermögen von der Emittentin oder einer Tochtergesellschaft verpflichtet hat;

(v) any amounts raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, but excluding bank guarantee facilities made or to be made available by financial institutions to the Issuer or a Subsidiary under which the Issuer or the respective Subsidiary may request the issue of a bank guarantee or bank guarantees in favour of a person who agrees to purchase a Real Estate Property owned by the Issuer or a Subsidiary;

(vi) einer Gegenverpflichtung zur Freistellung in Bezug auf eine Bürgschaft, eine Freistellungsverpflichtung, eine Garantie, ein Garantie- oder Dokumentenakkreditiv oder ein anderes von einer Bank oder einem Finanzinstitut ausgestelltes Instrument; und

(vi) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(vii) Verbindlichkeiten aus einer Garantie, Bürgschaft oder Freistellungsverpflichtung in Bezug auf Verbindlichkeiten der in den vorstehenden Absätzen (i) bis (vi) genannten Art,

(vii) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (vi) above,

jeweils nur falls und soweit der jeweilige Betrag oder die jeweilige Verpflichtung nach IFRS als „*Verbindlichkeit*“ erfasst wird.

in each such case only if and to the extent the relevant amount or obligation is recorded as "*indebtedness*" in accordance with IFRS.

Garantie hat die diesem Begriff in § 12(1)(e) zugewiesene Bedeutung.

Guarantee has the meaning assigned to such term in § 12(1)(e).

Garantin hat die diesem Begriff in § 12(1)(e) zugewiesene Bedeutung.

Guarantor has the meaning assigned to such term in § 12(1)(e).

Gemeinsamer Vertreter hat die diesem Begriff in § 14(5) zugewiesene Bedeutung.

Holders' Representative has the meaning assigned to such term in § 14(5).

Geschäftstag hat die diesem Begriff in § 5(4) zugewiesene Bedeutung.

Business Day has the meaning assigned to such term in § 5(4).

Gläubiger hat die diesem Begriff in § 1(6) zugewiesene Bedeutung.

Holder has the meaning assigned to such term in § 1(6).

Gläubiger-Ausübungserklärung hat die diesem Begriff in § 6(5)(c) zugewiesene Bedeutung.

Put Notice has the meaning assigned to such term in § 6(5)(c).

Gläubiger-Rückzahlungswahlrecht hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Put Option has the meaning assigned to such term in § 6(5)(a).

Gläubigerwahl-Rückzahlungsereignis-Mitteilung hat die diesem Begriff in § 6(5)(b) zugewiesene Bedeutung.

Put Event Notice has the meaning assigned to such term in § 6(5)(b).

Globalurkunden hat die diesem Begriff in § 1(3)(a) zugewiesene Bedeutung.

Global Notes has the meaning assigned to such term in § 1(3)(a).

Gruppe bezeichnet die Emittentin und ihre Tochtergesellschaften.

Group means the Issuer together with its Subsidiaries.

ICSD(s) hat die diesem Begriff in § 1(5) zugewiesene Bedeutung.

ICSD(s) has the meaning assigned to such term in § 1(5).

IFRS bezeichnet die International Financial Reporting Standards, wie sie in der Europäischen Union anzuwenden sind, in jeweils geltender Fassung.

IFRS means the International Financial Reporting Standards, as adopted by the European Union, as in effect from time to time.

Immobilienvermögen bezeichnet (unter Ausschluss einer Doppelberücksichtigung) das im Konzernabschluss der Emittentin in der Position „*Immobilienvermögen*" zum unmittelbar vorausgehendenden Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, angesetzte oder nach IFRS seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Emittentin veröffentlicht worden ist, anzusetzende Immobilienvermögen der Emittentin und der Tochtergesellschaften.

Real Estate Property means (without duplication) the real estate property of the Issuer and the Subsidiaries that is recognized as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, or is required to be recognized in accordance with IFRS since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Issuer have been published, in the item "*real estate*" of the Consolidated Financial Statements of the Issuer.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder künftige Verpflichtung zur Rückzahlung aufgenommener Geldbeträge (einschließlich Verbindlichkeiten aus Garantien oder sonstigen Haftungsvereinbarungen für solche Verbindlichkeiten Dritter), die verbrieft ist in Form von Anleihen oder Schuldverschreibungen, die an einer Börse notiert, zugelassen oder gehandelt werden können (zur Klarstellung: Schuldscheindarlehen sind keine Kapitalmarktverbindlichkeit).

Capital Market Indebtedness means any present or future obligation for the payment of borrowed money (including obligations by reason of any guarantee or other liability agreement for such obligations of third parties) which is in the form of, or represented by, bonds or notes which are capable of being quoted, listed, dealt in or traded on a stock exchange (for the avoidance of doubt: *Schuldschein* loans/promissory notes shall be no Capital Market Indebtedness).

Konsolidierte Nettofinanzverbindlichkeiten bezeichnet die nach IFRS ermittelten Nettofinanzverbindlichkeiten der Emittentin und ihrer Tochtergesellschaften auf konsolidierter Basis wie im Konzernabschluss der Emittentin als „*Nettoverschuldung*“ ausgewiesen.

Consolidated Net Financial Indebtedness means the net financial indebtedness of the Issuer and any of its Subsidiaries, on a consolidated basis determined in accordance with IFRS as shown as “*net debt*” in the Consolidated Financial Statements of the Issuer.

Kontrollwechsel hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Change of Control has the meaning assigned to such term in § 6(5)(a).

Kontrollwechselzeitraum hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Change of Control Period has the meaning assigned to such term in § 6(5)(a).

Konzernabschluss bezeichnet in Bezug auf eine Person den nach IFRS erstellten Konzernabschluss mit Anhang und Lagebericht für diese Person und ihre Tochterunternehmen sowie Konzernzwischenabschlüsse und Quartalsmitteilungen (zum relevanten Zeitpunkt).

Consolidated Financial Statements means, with respect to any Person, the consolidated financial statements and notes to those financial statements and the group management report of that Person and its subsidiaries prepared in accordance with IFRS as well as consolidated interim financial statements and quarterly statements (as of the relevant date).

Kündigungserklärung hat die diesem Begriff in § 10(2) zugewiesene Bedeutung.

Termination Notice has the meaning assigned to such term in § 10(2).

Kündigungsgrund hat die diesem Begriff in § 10(1) zugewiesene Bedeutung.

Event of Default has the meaning assigned to such term in § 10(1).

Nachfolgeschuldnerin hat die diesem Begriff in § 12(1) zugewiesene Bedeutung.

Substitute Debtor has the meaning assigned to such term in § 12(1).

Nettofinanzverbindlichkeiten bezeichnet den Nennbetrag der eingegangenen Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Finanzverbindlichkeiten (seit dem relevanten Berichtsstichtag).

Net Financial Indebtedness means the nominal amount of Financial Indebtedness incurred minus the nominal amount of Financial Indebtedness repaid (since the relevant Reporting Date).

Neue Besicherte Finanzverbindlichkeiten bezeichnet den Betrag der eingegangenen Besicherten Finanzverbindlichkeiten abzüglich des Betrags der zurückgezahlten Besicherten Finanzverbindlichkeiten (jeweils nach IFRS ermittelt).

New Secured Financial Indebtedness means the amount of Secured Financial Indebtedness incurred minus the amount of Secured Financial Indebtedness repaid (each as determined in accordance with IFRS).

Person bezeichnet natürliche Personen, Körperschaften, Personengesellschaften, Joint Ventures, Vereinigungen, Aktiengesellschaften, Trusts, nicht rechtsfähige Vereinigungen, Gesellschaften mit beschränkter Haftung, staatliche Stellen (oder Behörden oder Gebietskörperschaften) oder sonstige Rechtsträger.

Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company or government (or any agency or political subdivision thereof) or any other entity.

Qualifizierte Mehrheit hat die diesem Begriff in § 14(2) zugewiesene Bedeutung.

Qualified Majority has the meaning assigned to such term in § 14(2).

Rating Agentur hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Rating Agency has the meaning assigned to such term in § 6(5)(a).

Relevante Person(en) hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Relevant Person(s) has the meaning assigned to such term in § 6(5)(a).

Rückzahlungs-Berechnungstag hat die diesem Begriff in § 6(4) zugewiesene Bedeutung.

Redemption Calculation Date has the meaning assigned to such term in § 6(4).

Rückzahlungsbetrag hat die diesem Begriff in § 6(1) zugewiesene Bedeutung.

Final Redemption Amount has the meaning assigned to such term in § 6(1).

Rückzahlungsereignis hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Put Event has the meaning assigned to such term in § 6(5)(a).

Schuldverschreibungen hat die diesem Begriff in § 1(1) zugewiesene Bedeutung.

Notes has the meaning assigned to such term in § 1(1).

SchVG hat die diesem Begriff in § 14(1) zugewiesene Bedeutung.

SchVG has the meaning assigned to such term in § 14(1).

Sicherungsrecht bezeichnet Sicherungsrechte, Grundpfandrechte, Sicherung-Treuhandverträge, Sicherungsurkunden, Verpfändungsverträge, Sicherungsabtretungen, Sicherungsübereignungen, Hinterlegungsvereinbarungen oder sonstige Sicherungsabreden, ausgenommen Rechte zur Aufrechnung, jedoch u. a. einschließlich bedingte Kaufverträge oder Vereinbarungen unter Eigentumsvorbehalt, Finanzierungsleasingverträge, die wirtschaftlich

Lien means any lien, mortgage, trust deed, deed of trust, deed, pledge, security interest, assignment for collateral purposes, deposit arrangement, or other security agreement, excluding any right of set-off but including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and any other like agreement granting or conveying a security

im Wesentlichen den vorgenannten Vereinbarungen gleichkommen, sowie sonstige Vereinbarungen, die ein dingliches Sicherungsrecht gewähren oder übertragen und zwar einer Person, die nicht Mitglied der Gruppe ist, jeweils zur Besicherung ausstehender Finanzverbindlichkeiten, jedoch keine

(i) in Abteilung 2 eines deutschen Grundbuchs eingetragenen Belastungen;

(ii) Sicherungsrechte, die im Zusammenhang mit der Veräußerung eines Vermögenswerts im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen, u. a. Sicherungsrechte an Vermögenswerten, die Gegenstand eines Kaufvertrags sind, zur Finanzierung des Kaufpreises;

(iii) Sicherungsrechte, für die dem maßgeblichen Mitglied der Gruppe eine unbedingte Löschungsbewilligung übermittelt wurde;

(iv) Sicherungsrechte, die kraft Gesetzes (oder kraft einer Vereinbarung mit derselben Wirkung) oder im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen;

(v) Barsicherheiten, die im Zusammenhang mit Währungs- und Zinsabsicherungsgeschäften gestellt werden;

(vi) Sicherungsrechte an Bankkonten nach Maßgabe der allgemeinen Geschäftsbedingungen des Anbieters von Bankkonten; und

(vii) bestehende Sicherungsrechte an erworbenem oder zu erwerbendem Immobilienvermögen, die mit der beabsichtigten Rückzahlung der hiermit besicherten Finanzverbindlichkeiten aus den Nettoerlösen dieser Schuldverschreibungen abgelöst werden.

interest *in rem* to a Person that is not a member of the Group, in each case to secure outstanding Financial Indebtedness, but in each case excluding

(i) any encumbrance registered in department 2 of the German land register;

(ii) any lien arising in connection with a disposal of an asset in the ordinary course of business including, without limitation, any lien created in assets subject to a sale agreement for the purposes of financing the purchase price;

(iii) any lien in respect of which an unconditional deletion consent has been delivered to the relevant member of the Group;

(iv) any lien arising by operation of law (or by agreement having the same effect) or in the ordinary course of business;

(v) any cash collateral posted in connection with cross-currency and interest rate hedging transactions;

(vi) any lien on bank accounts under general terms and conditions of any provider of bank accounts; and

(vii) existing liens over Real Estate Property acquired or to be acquired which shall be released as a consequence of the intended repayment of the loans thereby secured from the net proceeds of these Notes.

Summe Aktiva bezeichnet den Wert der konsolidierten Bilanzsumme der Emittentin und der Tochtergesellschaften, der in einer nach IFRS erstellten konsolidierten Bilanz der Emittentin erscheint oder erschienen würde, wobei zur Position „*Bilanzsumme*“ die Zuflüsse aus den einzugehenden Finanzverbindlichkeiten addiert werden sollen.

Total Assets means the value of the consolidated total assets of the Issuer and the Subsidiaries, as such amount appears, or would appear, on a consolidated balance sheet (consolidated statement of financial position) of the Issuer prepared in accordance with IFRS, *provided that* the proceeds of the Financial Indebtedness to be incurred shall be added to the item “*total assets*”.

Tochtergesellschaft bezeichnet jede Person, die bei der Erstellung der Konzernabschlüsse der Emittentin mit ihr konsolidiert werden muss.

Subsidiary means any Person that must be consolidated with the Issuer for the purposes of preparing Consolidated Financial Statements of the Issuer.

Verbriefte Kapitalmarktverbindlichkeit bezeichnet jede Kapitalmarktverbindlichkeit aus oder im Zusammenhang mit einer Verbriefung oder vergleichbaren Finanzierungsvereinbarung in Bezug auf Vermögenswerte der Emittentin oder ihrer Tochtergesellschaften, bei der die Rückgriffsrechte der Gläubiger der betreffenden Kapitalmarktverbindlichkeit auf die Emittentin ausschließlich auf die betreffenden Vermögenswerte oder die daraus erzielten Erträge beschränkt sind.

Securitized Capital Market Indebtedness means any Capital Market Indebtedness incurred in respect of or in connection with any securitization or similar financing arrangement relating to assets owned by the Issuer or its Subsidiaries and where the recourse of the holders of such Capital Market Indebtedness against the Issuer is limited solely to such assets or any income generated therefrom.

Verbundenes Unternehmen hat die diesem Begriff in § 12(1) zugewiesene Bedeutung.

Affiliate has the meaning assigned to such term in § 12(1).

Vereinigte Staaten hat die diesem Begriff in § 1(7) zugewiesene Bedeutung.

United States has the meaning assigned to such term in § 1(7).

Verschuldungsgrad (LTV) hat die diesem Begriff in § 11(1)(a) zugewiesene Bedeutung.

Loan-to-Value Ratio has the meaning assigned to such term in § 11(1)(a).

Verzinsungsbeginn hat die diesem Begriff in § 4(1) zugewiesene Bedeutung.

Interest Commencement Date has the meaning assigned to such term in § 4(1).

Vorläufige Globalurkunde hat die diesem Begriff in § 1(3)(a) zugewiesene Bedeutung.

Temporary Global Note has the meaning assigned to such term in § 1(3)(a).

Wahl-Rückzahlungsbetrag (Call) hat die diesem Begriff in § 6(4) zugewiesene Bedeutung.

Call Redemption Amount has the meaning assigned to such term in § 6(4).

Wahl-Rückzahlungstag (Call) hat die diesem Begriff in § 6(4) zugewiesene Bedeutung.

Call Redemption Date has the meaning assigned to such term in § 6(4).

Wahl-Rückzahlungsbetrag (Put) hat die diesem Begriff in § 6(5)(a) zugewiesene Bedeutung.

Put Redemption Amount has the meaning assigned to such term in § 6(5)(a).

Wahl-Rückzahlungstag (Put) hat die diesem Begriff in § 6(5)(c) zugewiesene Bedeutung.

Put Date has the meaning assigned to such term in § 6(5)(c).

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Emittentin, deren Bilanzsumme mindestens 5 % der Summe Aktiva ausmacht.

Material Subsidiary means any Subsidiary of the Issuer whose total assets are at least equal to 5 per cent. of the Total Assets.

Zahlstelle hat die diesem Begriff in § 7(1) zugewiesene Bedeutung.

Paying Agent has the meaning assigned to such term in § 7(1).

Zahlungswirksames Zinsergebnis bezeichnet alle aufgelaufenen an Personen, die nicht Mitglied der Gruppe sind, bar zu zahlenden Zinsen und sonstigen Finanzierungskosten abzüglich des Betrags aller durch Mitglieder der Gruppe von Personen, die nicht Mitglied der Gruppe sind, zu erhaltenden und aufgelaufenen Zinsen und sonstigen Finanzierungskosten, jeweils ausgenommen einmalige Finanzierungskosten (u. a. einmalige Entgelte und/oder Vorfälligkeitsentschädigungen).

Net Cash Interest means all interest and other financing charges accrued, payable in cash to persons who are not members of the Group less the amount of any interest and other financing charges accrued to be received by members of the Group from persons who are not members of the Group, in each case, excluding any one-off financing charges (including without limitation, any one-off fees and/or break costs).

Zinsperiode hat die diesem Begriff in § 4(3) zugewiesene Bedeutung.

Interest Period has the meaning assigned to such term in § 4(3).

Zinszahlungstag hat die diesem Begriff in § 4(1) zugewiesene Bedeutung.

Interest Payment Date has the meaning assigned to such term in § 4(1).

Zusätzliche Beträge hat die diesem Begriff in § 8(2) zugewiesene Bedeutung.

Additional Amounts has the meaning assigned to such term in § 8(2).

§ 17
ANWENDBARES RECHT, ERFÜLLUNGSORT UND GERICHTSSTAND, GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

§ 17
GOVERNING LAW, PLACE OF PERFORMANCE AND PLACE OF JURISDICTION, ENFORCEMENT

(1) *Governing Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(3) *Gerichtsstand.* Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist das Landgericht Frankfurt am Main nicht ausschließlicher Gerichtsstand für sämtliche aus oder im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren.

(4) *Gerichtliche Geltendmachung*. Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu sichern und geltend zu machen: (i) einer Bescheinigung der Depotbank, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und (ii) einer Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person von dem Clearingsystem oder einer Verwahrstelle des Clearingsystems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet ***Depotbank*** jede Bank oder ein sonstiges

(2) *Place of Performance.* Place of performance is Frankfurt am Main, Federal Republic of Germany.

(3) *Place of Jurisdiction.* Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the district court of Frankfurt am Main shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Notes.

(4) *Enforcement*. Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note representing the relevant Notes certified as being a true copy of the original Global Note by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Notes. For purposes of the foregoing, ***Custodian*** means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes, including the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the proceedings.

anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich dem Clearingsystem. Unbeschadet der vorstehenden Bestimmungen ist jeder Gläubiger berechtigt, seine Rechte aus diesen Schuldverschreibungen auch auf jede andere im Land des Verfahrens zulässige Weise geltend zu machen.

§ 18
SPRACHE

Diese Anleihebedingungen sind in deutscher Sprache abgefasst; eine Übersetzung in die englische Sprache ist beigefügt. Nur die deutsche Fassung ist rechtlich bindend. Die englische Übersetzung ist unverbindlich.

§ 18
LANGUAGE

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

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The SchVG provides that holders of debt securities may, with the consent of the respective issuer (where required), amend the terms and conditions or resolve on other matters concerning debt securities by way of majority resolutions. If provided for in the terms and conditions, this shall apply *mutatis mutandis* to obligations securing such debt securities. A majority resolution in accordance with the SchVG is binding for all holders of one series of debt securities. The SchVG applies to debt securities that form an issue of identical debt securities (*Gesamtemission*) which are governed by German law. Consequently, the SchVG applies to the Notes.

The following sections provide an overview of the statutory provisions of the SchVG with respect to the Notes.

Overview of the SchVG

Under the SchVG and in accordance with the Terms and Conditions, it is possible to extensively change and therefore restructure the Terms and Conditions and to adopt further measures concerning the Notes with the Issuer's consent (where required). Any such amendments or measures are only binding in respect of the Notes and do not apply to any other issue of debt securities of the Issuer.

The Terms and Conditions also provide for the appointment of the Holder's Representative.

Individual Subjects of Resolutions

As provided for by the SchVG, the Notes do not specify an exclusive list of admissible amendments to the Terms and Conditions or other measures on which Holders may resolve. In accordance with Section 5 para. 3 sentence 1 no. 1-10 SchVG, the individual subjects for resolutions may include:

- amendments to the principal claim (due date, amount, currency, rank, debtors, object of performance) of the Notes;
- amendments to or removal of ancillary conditions of the Notes;
- modification or waiver of a right of termination and removal of the effect of the collective right of termination;
- substitution and release of security;
- amendments to legal transactions with joint obligors; and
- amendments to ancillary claims (due date, amount, exclusion, currency, rank, debtors, object of performance).

In addition, resolutions not affecting the contents of the Terms and Conditions may be passed, including:

- exchange of the Notes for other debt securities or shares; and
- appointment, duties and removal of a Holders' Representative.

Relevant Majorities for Holder Resolutions

The Terms and Conditions use the applicable majorities provided for by the SchVG. Hence, any resolutions which materially alter the Terms and Conditions or adopt other measures, in particular in the cases listed in Section 5 para. 3 sentence 1 no. 1-9 SchVG, require a majority of at least 75% of the participating votes (a "**Qualified Majority**"). All other resolutions may generally be passed with a simple majority of 50% of the participating votes.

Procedures for Holder Resolutions

General

Resolutions of the Holders with respect to the Notes can be passed by means of a vote without a meeting pursuant to Section 18 and Sections 9 *et seq.* SchVG (*Abstimmung ohne Versammlung*).

The Issuer or a Holders' Representative may, and Holders who together hold 5% of the outstanding nominal amount of the Notes for specified reasons permitted by the SchVG may demand in writing to hold a vote without a meeting, as the case may be.

The Issuer bears the costs of the vote and/or the meeting and, if a court has convened a meeting, also the costs of such court proceedings.

All resolutions adopted must be properly published. Resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the Global Note.

If a resolution constitutes a breach of the SchVG or the Terms and Conditions, Holders who have filed a complaint within two weeks after publication of the resolution may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

Resolution without a Physical Meeting

The voting will be conducted by a scrutineer (*Abstimmungsleiter*). Such scrutineer shall be (i) a notary public appointed by the Issuer, (ii) the Holders' Representative, if the vote was solicited by it, or (iii) a person appointed by the competent court.

A vote without a meeting will be convened by way of a notice given to the Holders to solicit their votes (*Aufforderung zur Stimmabgabe*) no later than 14 calendar days prior to the commencement of the vote. The solicitation notice shall set out the period within which votes may be cast (at least 72 hours), the agenda and the subject matter of the vote and the details of the conditions to be met for the votes to be valid. During the applicable voting period, Holders may cast their votes to the scrutineer. Each Holder may be represented by proxy.

A resolution by way of a vote without a meeting can only be passed if a quorum of at least 50% of the outstanding Notes by value participates in the vote during the voting period. The scrutineer shall ascertain each Holder's entitlement to vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote.

Resolution by (Second) Physical Meeting

If the quorum of 50% of the outstanding aggregate principal amount of the Notes is not met, the scrutineer or the chairman, as the case may be, may convene a (second) physical meeting of the Holders at which no quorum will be required, provided that where a resolution may only be adopted by a Qualified Majority, a quorum requires the presence of at least 25%, of the outstanding Notes. For such (second) physical meeting the provisions set out in the SchVG with respect to a first physical meeting apply *mutatis mutandis*.

Holders' Representative

The Holders' Representative may generally be appointed by way of a majority resolution passed by the Holders. If at the same time rights are assigned to the Holders' Representative, thereby enabling it to consent to material amendments to the Terms and Conditions on behalf of the Holders, the appointment requires a Qualified Majority.

The Holders may at any time and without reason terminate the appointment of the Holders' Representative by majority resolution passed by a simple majority. The Holders' Representative is bound by the Holders' instructions, which are based on the relevant majority resolutions.

Any individual or competent legal entity may be appointed as Holders' Representative, provided that, for the avoidance of conflicts of interest, certain disclosure requirements are to be met.

The duties and rights of the Holders' Representative are determined by the SchVG and any resolutions of the Holders. To the extent that the exercise of the Holders' rights has been transferred to the Holders' Representative, the Holders themselves may not assert these rights, unless a majority resolution of the Holders provides otherwise. The Holders' Representative liability may be limited in accordance with the SchVG.

DESCRIPTION OF THE ISSUER

General Information on the Company and the Group

Formation, Incorporation, Commercial Name, Fiscal Year and Registered Office

The Company was formed as a limited liability company (*Gesellschaft mit beschränkter Haftung*) under German law by memorandum of association dated June 18, 1991. Its legal name was "DUHO Verwaltungs-Gesellschaft mbH" with its registered office in Berlin, Germany, and registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 38419 ("**DUHO**").

By merger agreement dated August 14, 1996, TLG Treuhand Liegenschaftsgesellschaft mbH and a number of other entities were merged into DUHO and the Company changed its legal name into TLG Treuhand Liegenschaftsgesellschaft mbH. The merger and the change in legal name were registered in the commercial register on August 30, 1996. By decision of the Company's general meeting dated July 26, 2002, the Company changed its legal name to TLG Immobilien GmbH. The change in legal name was registered in the commercial register on August 21, 2002. On September 5, 2014, the Company's shareholders' meeting approved a resolution to change the Company's legal form to a German stock corporation (*Aktiengesellschaft*) and its legal name to TLG IMMOBILIEN AG. The change in legal form and name was registered in the commercial register on September 10, 2014. The German stock corporation (*Aktiengesellschaft*) is now registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 161314 B.

The Company is the parent company of TLG and operates under the commercial name "TLG IMMOBILIEN".

The Company's fiscal year is the calendar year.

The Company's registered office is at Hausvogteiplatz 12, 10117 Berlin, Germany (telephone: +49 (0) 30-2470-50).

The address of the webpage of the Group is www.tlg.de. The Prospectus will be published under www.tlg.de/ir/anleihen (information on the website of the Group does not form part of the Prospectus and has not been scrutinized or approved by the CSSF as the competent authority, unless that information is incorporated by reference).

The legal entity identifier (LEI) of the Company is: 549300NYSIH10FPUO363.

History and Development

The Company traces its roots back to two former subsidiaries of Treuhandanstalt ("**THA**"), a state agency tasked with administrating businesses owned by the former German Democratic Republic (*Deutsche Demokratische Republik*).

DUHO Verwaltungs-Gesellschaft mbH

DUHO was formed by memorandum of association dated June 18, 1991. Its formation was registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg on June 24, 1991. DUHO's capital was created through spin-off mergers (*verschmelzende Aufspaltungen*) of

139 other legal entities owned by THA. 129 of these split-ups were actually registered in the commercial register. DUHO's articles of association were subsequently amended to reflect the decreased number of split-ups. This company set-up through multiple spin-off mergers (*verschmelzende Aufspaltungen*) was a very innovative, but not uncontested corporate measure; this process facilitated the bringing together of various assets in one single transaction.

DUHO was tasked with the privatization of certain commercial real estate owned by trade organizations of the former German Democratic Republic (*Deutsche Demokratische Republik*). On September 29, 1994, the shareholders' meeting decided to dissolve DUHO. The decision was registered in the commercial register on November 11, 1994. On June 30, 1996, the share capital of DUHO was transferred to the Federal Republic of Germany. On July 18, 1996, the shareholders' meeting decided to continue DUHO's business. The decision was registered in the commercial register on July 26, 1996.

Liegenschaftsdienst für die Treuhandanstalt GmbH

Liegenschaftsdienst für die Treuhandanstalt GmbH was founded by memorandum of association dated November 12, 1990 and registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 36064 on December 10, 1990. It was rebranded Liegenschaftsgesellschaft der Treuhandanstalt mbH on March 18, 1991 and tasked with the privatization of the real estate holdings of the former German Democratic Republic (*Deutsche Demokratische Republik*). Until the end of 1994, Liegenschaftsgesellschaft der Treuhandanstalt mbH sold approximately 37,000 properties from the holdings of THA for a total consideration of approximately €8.9 billion. Approximately 11,000 other properties were restituted or municipalized.

In 1994, Liegenschaftsgesellschaft der Treuhandanstalt mbH was rebranded TLG Treuhand Liegenschaftsgesellschaft mbH and the Federal Republic of Germany became the owner of its entire share capital. Subsequently, TLG Treuhand Liegenschaftsgesellschaft mbH acquired over 100,000 properties from THA.

Merger and Privatization

TLG Treuhand Liegenschaftsgesellschaft mbH was then merged into DUHO by merger agreement dated August 14, 1996, and DUHO was rebranded TLG Treuhand Liegenschaftsgesellschaft mbH. Thus, the actual legal predecessor of the Company is DUHO. Between 1995 and 2000, more than 75,000 properties were sold, restituted or municipalized by TLG Treuhand Liegenschaftsgesellschaft mbH, DUHO and the Company.

In 2000, the Company began to pursue a new strategy of active portfolio management. On July 26, 2002, the shareholders' meeting decided to change the Company's legal name to TLG Immobilien GmbH. The change was registered in the commercial register on August 21, 2002. Between 2000 and the end of 2011, the portfolio and property management processes were professionalized and the organization was streamlined (*e.g.*, subsidiaries were merged or otherwise integrated), the number of employees was reduced from approximately 1,100 employees to 297 permanent and 15 temporary employees and the portfolio was further reduced from approximately 27,000 to approximately 1,100 properties (both as of December 31, 2011).

In 2011, the Federal Republic of Germany launched a privatization process. In preparation and effective as from January 1, 2012, substantially all of the Company's residential real estate was transferred to TLG WOHNEN GmbH, a separate state entity, whose sole shareholder was the Federal

Republic of Germany and which was subsequently privatized. The Company was then sold by Germany to private investors on December 12, 2012.

Initial Public Offering and Growth Period

Following its privatization in 2012, TLG further streamlined its portfolio, focusing on attractive commercial real estate properties in Berlin and the growth regions in eastern Germany. As a consequence, the Company was able to successfully complete its initial public offering in October 2014. The former investors subsequently divested their holdings in the Company.

Takeover of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft

On May 10, 2017, the Company announced its intention to submit a voluntary public takeover offer for all shares of WCM AG in the form of an exchange offer (the "**Takeover Offer**") which was published on June 27, 2017. The Takeover Offer was successfully completed on October 6, 2017 (the "**Completion**") with an acceptance for a total of 117,505,327 shares of WCM AG, corresponding to approximately 85.89% of WCM AG's share capital and voting rights. During the course of the Completion, all 117,505,327 shares of WCM AG for which the Takeover Offer had been accepted were transferred to the Company and 20,435,708 new shares of the Company were issued to former shareholders of WCM AG. With the Completion, WCM became part of TLG. As of the date of this Prospectus, the Company holds 91.85% of WCM AG's share capital and voting rights. On October 6, 2017, the Company, as the controlling company, and WCM AG, as the controlled company, entered into the Domination Agreement which became effective upon its registration with the commercial register of WCM AG on February 9, 2018 (see "*—Material Agreements—Inter-Company Agreements—Domination Agreement between the Company and WCM AG*").

Duration of the Company and Corporate Purpose

The Company was established for an unlimited period of time.

Pursuant to Section 2 para. 1 of the Company's articles of association (the "**Articles of Association**"), the Company's corporate purpose is the conduct of real estate business and any related business of any kind, in particular the management, leasing, construction and modification, acquisition and sale of commercial real estate in a broader sense, particularly office space, retail store properties and hotels, the development of real estate projects as well as the provision of services in connection with the aforementioned objectives, either by itself or by companies in which the Company holds an interest.

The Company is authorized to undertake all business activities appearing directly or indirectly suitable to serve the purpose of the Company. Within the scope of the Company's purpose, it may establish and maintain branch offices, domestic and abroad, under the same or different legal name, acquire or divest interests in other companies, and establish or acquire such companies.

The Company may dispose of any of its participations and may, in whole or in part, split or transfer to affiliates its business or assets. Further, the Company is entitled to combine under its direction companies in which it holds an interest and/or restrict its activities to the management of the interest(s) and to conclude inter-company agreements (*Unternehmensverträge*) of any kind as well as to spin off or transfer its business, in whole or in part, to companies in which it has a majority interest.

The Company may restrict its activities to the partial performance of the corporate purpose.

Group Structure

The Company is the parent company of TLG. TLG's consolidated financial statements include all material subsidiaries whose financial and business policy can be controlled by the Company, either directly or indirectly, and the equity interests of TLG whose financial and business policy can be influenced by TLG to a significant extent. As of the date of this Prospectus, the group of consolidated companies includes 54 direct and indirect subsidiaries of the Company.

The Company's Key Subsidiaries

The following table lists the Company's key subsidiaries (material holding and value of real estate held) as of the date of this Prospectus:

Name and country of incorporation	Company share of capital[1] (in %)
Triangel Frankfurt Immobilien GmbH & Co. KG, Germany	94.9[2]
WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, Germany	91.8

(1) In % directly or indirectly held.
(2) Directly held by WCM AG.

Statutory Auditor

Ernst & Young Wirtschaftsprüfungsgesellschaft GmbH, Stuttgart, office Berlin, Friedrichstraße 140, 10117 Berlin, Germany ("**EY**"), as the statutory auditor, audited the Company's consolidated financial statements prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch* ("**HGB**") as of and for the fiscal years ended December 31, 2017 and 2018 in accordance with Section 317 HGB and generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) and issued in each case an unqualified independent auditor's report (*uneingeschränkter Bestätigungsvermerk des unabhängigen Abschlussprüfers*).

Furthermore, EY Germany reviewed the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019 prepared in accordance with IFRS on interim financial reporting (IAS 34) in accordance with German generally accepted standards for the review of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) and issued an unqualified review report (*Bescheinigung nach prüferischer Durchsicht*) in accordance with Section 115 para. 5 of the German Securities Trading Act (*Wertpapierhandelsgesetz*).

EY is a member of the Chamber of Public Auditors (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin, Germany.

Notifications

In accordance with Section 3 para. 1 of the Articles of Association, the Company's notifications are published in the German Federal Gazette (*Bundesanzeiger*), unless mandatory statutes provide otherwise.

Selected Consolidated Financial Information of TLG

The following financial information of TLG is taken or derived from the audited consolidated financial statements of the Company as of and for the fiscal years ended December 31, 2017 and 2018, the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019 and the Company's internal reporting system. The audited consolidated financial statements of the Company as of and for the fiscal years ended December 31, 2017 and 2018 have been prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 HGB. The unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019 have been prepared in accordance with IFRS on interim financial reporting (IAS 34).

WCM AG with its subsidiaries was fully consolidated as a subsidiary of the Company for the first time in the consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017, with effect only for the period from October 6, 2017 through December 31, 2017. The consolidated financial statements as of and for the fiscal year ended December 31, 2018 are the first audited consolidated financial statements of the Company reflecting the consolidation of WCM for a whole fiscal year of the Company.

EY Germany has audited the Company's consolidated financial statements as of and for the fiscal years ended December 31, 2017 and 2018, and issued in each case an unqualified independent auditor's report thereon.

In the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018, the Company changed the accounting classification of certain expense and income items in the consolidated statement of comprehensive income relating to net operating income from letting activities, income from letting activities, expenses relating to letting activities and other operating expenses, result from the disposal of properties (formerly result from the disposal of investment property and result from the disposal of real estate inventory) and the result from the remeasurement of investment property, leading to corresponding changes in the comparative financial information for the fiscal year ended December 31, 2017. The financial information for the fiscal year ended December 31, 2017 with respect to the consolidated statement of comprehensive income is taken or derived from the adjusted comparative financial information as shown in the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018.

Where financial information in the following tables are labelled "audited", this means that they have been taken from the audited consolidated financial statements of the Company mentioned above. The label "unaudited" is used in the following tables to indicate financial information that have not been taken from the audited consolidated financial statements of the Company mentioned above, but were taken either from the Company's unaudited condensed consolidated interim financial statements mentioned above, or the Company's internal reporting system, or have been calculated based on figures from the aforementioned sources.

All of the financial information presented in the text and tables below is shown in millions of Euro (in € million), except as otherwise stated. Certain financial information (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts (sum totals or sub-totals or differences or if numbers are put in relation) in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in this Prospectus. Furthermore, in those tables, these rounded

figures may not add up exactly to the totals contained in those tables. Financial information presented in parentheses denotes the negative of such number presented. In respect of financial information set out in this Prospectus, a dash ("–") signifies that the relevant figure is not available, while a zero ("0.0") signifies that the relevant figure is available but has been rounded to zero.

The following selected financial information should be read together with the consolidated financial statements, including the related notes, incorporated by reference into this Prospectus, and additional financial information contained elsewhere in this Prospectus.

Selected Consolidated Financial Information

Consolidated Statement of Comprehensive Income Data

	For the year ended December 31,		For the six months ended June 30,	
	2017[1][2]	2018	2018[3]	2019
	(audited) (in € million)		(unaudited) (in € million)	
Income from letting activities	208.3	271.4	131.1	139.7
Expenses relating to letting activities	(53.4)	(74.7)	(33.9)	(35.2)
Net operating income from letting activities	**154.9**	**196.7**	**97.2**	**104.4**
Result from the disposal of properties	10.4	7.8	0.9	16.5
Result from the remeasurement of investment property	210.8	552.9	182.4	400.8
Other operating income	1.9	1.9	1.1	0.7
Personnel expenses	(12.0)	(16.5)	(7.8)	(7.7)
Depreciation and amortization	(0.5)	(165.8)	(0.5)	(0.9)
Other operating expenses	(19.3)	(16.1)	(9.7)	(6.8)
Earnings before interest and taxes (EBIT)	**346.2**	**561.1**	**263.7**	**507.1**
Financial income	0.1	0.6	0.2	0.2
Financial expenses	(44.6)	(32.1)	(14.0)	(20.7)
Result from the remeasurement of derivative financial instruments	5.7	(7.9)	(3.5)	(22.4)
Earnings before taxes	**307.3**	**521.7**	**246.4**	**464.2**
Income taxes	(23.0)	(210.7)	(75.5)	(142.1)
Net income/Net income for the period	**284.4**	**310.9**	**170.9**	**322.1**
Other comprehensive income (OCI)				
thereof will not be reclassified to profit or loss in subsequent years/periods				
Actuarial gains and losses, net of taxes	0.2	(0.2)	–	–
thereof will be reclassified to profit or loss in subsequent years/periods				
Gain/loss from remeasurement of derivative financial instruments in hedging relationship, net of taxes	8.0	0.7	0.3	1.0
Total comprehensive income for the year/period	**292.6**	**311.4**	**171.1**	**323.1**

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) In the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018, the Company changed the accounting classification of certain expense and income items in the consolidated statement of comprehensive income relating to net operating income from letting activities, income from letting activities, expenses relating to letting activities and other operating expenses, result from the disposal of properties (formerly result from the disposal of investment property and result from the disposal of real estate inventory) and result from the remeasurement of investment property, leading to corresponding changes in the comparative financial information for the fiscal year ended December 31, 2017. In the audited consolidated financial statements of the Company as of and for the fiscal year

ended December 31, 2017, in the consolidated statement of comprehensive income, the net operating income from letting activities, expenses relating to letting activities, result from the remeasurement of investment property, result from the disposal of investment property, result from the disposal of real estate inventory and other operating expenses reported for the fiscal year ended December 31, 2017 are shown in the amount of €153.5 million, €54.7 million, €218.6 million, €2.7 million, €-0.1 million and €18.0 million, respectively.

(3) In the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019 due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income relating to net operating income from letting activities, income from letting activities, expenses relating to letting activities and other operating expenses, result from the disposal of properties (formerly result from the disposal of investment property and result from the disposal of real estate inventory) and the result from the remeasurement of investment property the Company adjusted the comparative financial information for the six months ended June 30, 2018.

Consolidated Statement of Financial Position Data

	As of December 31,		As of June 30,
	2017	**2018**	**2019**[1]
	(audited) (in € million)		**(unaudited) (in € million)**
Non-current assets	**3,604.4**	**4,112.8**	**4,488.7**
Investment property	3,383.3	4,067.5	4,435.1
Advance payments on investment property	17.5	0.0	0.1
Property, plant and equipment	8.2	8.9	8.8
Intangible assets	165.9	2.6	3.0
Other non-current financial assets	14.9	13.5	18.8
Right-of-use assets	–	–	2.2
Other assets	14.5	20.2	20.7
Current assets	**231.4**	**208.1**	**954.9**
Inventories	0.8	0.7	0.7
Trade receivables	10.2	14.9	10.0
Receivables from income taxes	1.9	1.8	1.8
Other current financial assets	2.0	1.1	16.4
Other receivables and assets	5.3	2.6	226.4
Cash and cash equivalents	201.5	153.9	551.1
Non-current assets classified as held for sale/Assets classified as held for sale	9.7	33.1	148.6
Total assets	**3,835.7**	**4,320.8**	**5,443.6**
Equity	**1,936.6**	**2,157.2**	**2,605.7**
Subscribed capital	102.0	103.4	112.0
Capital reserves	1,061.1	1,011.4	1,224.9
Retained earnings	739.6	1,023.8	1,248.6
Other reserves	(5.1)	(4.6)	(3.6)
Equity attributable to the shareholders of the parent company	**1,897.6**	**2,133.9**	**2,581.9**
Non-controlling interests	38.9	23.3	23.8
Liabilities	**1,899.2**	**2,163.6**	**2,837.9**

	As of December 31,		As of June 30,
	2017	2018	2019[1]
	(audited) (in € million)		(unaudited) (in € million)
Non-current liabilities	**1,829.2**	**1,970.1[2]**	**2,697.6**
Non-current liabilities due to financial institutions	1,120.9	1,046.3	1,026.8
Corporate Bonds	395.8	396.5[2]	982.9
Pension provisions	7.9	8.0	7.9
Non-current derivative financial instruments	4.9	10.3	31.6
Other non-current liabilities	26.8	28.5	27.0
Deferred tax liabilities	272.7	480.5	621.4
Current liabilities	**70.0**	**193.5[2]**	**140.4**
Current liabilities due to financial institutions	24.8	136.6	61.7
Corporate Bonds	–	–[2]	4.1
Trade payables	17.2	35.4	27.9
Other current provisions	4.0	4.5	3.6
Tax liabilities	1.4	2.7	2.9
Other current liabilities	22.6	14.3	40.2
Total equity and liabilities	**3,835.7**	**4,320.8**	**5,443.6**

(1) In the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019, the Company started applying IFRS 16 (Leases) on January 1, 2019, the initial application date of the new accounting standard, in accordance with the modified retrospective method, relating to right-of-use assets and other non-current liabilities in the consolidated statement of financial position. According to the modified retrospective method the comparative financial information has not been adjusted in the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019.

(2) In the unaudited condensed consolidated interim financial statements of the Company as of and for the six months ended June 30, 2019, the Company adjusted the recognition of the accrued interest for corporate bonds recognizing as separate line item under current liabilities leading to the corresponding adjusted recognition in the comparative financial information as of December 31, 2018. In the unaudited condensed consolidated interim financial statements of the Guarantor as of and for the six months ended June 30, 2019, in the consolidated statement of financial position, non-current liabilities, non-current corporate bonds, current liabilities and current corporate bonds reported as of December 31, 2018 are shown in the amount of €1,969.6 million, €396.0 million, €194.0 million and €0.5 million, respectively.

Consolidated Cash Flow Statement Data

	For the year ended December 31,		For the six months ended June 30,	
	2017[1]	2018	2018	2019
	(audited) (in € million)		(unaudited) (in € million)	
Cash flow from operating activities	100.7	161.9	79.2	77.9
Interest received	0.4	0.6	0.2	0.2
Interest paid	(48.8)	(30.7)	(14.0)	(18.0)
Income tax paid/received	(6.3)	(1.8)	(0.2)	(0.9)
Net cash flow from operating activities	46.1	130.0	65.3	59.2
Cash flow from investing activities	(128.6)	(129.8)	(122.8)	(66.3)
Cash flow from financing activities	215.6	(47.8)	(34.8)	404.3
Net change/Change in cash and cash equivalents	**133.1**	**(47.6)**	**(92.4)**	**397.2**

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

Additional Key Performance Indicators

TLG uses the key performance indicators FFO, FFO per share, the Net LTV and EPRA NAV as the most important indicators for measuring the operating and financial performance of TLG's business and its internal controlling.

In addition, TLG expects the rental income, net operating income from letting activities, EBITDA, the Equity Ratio, and the EPRA Vacancy Rate to be of use for potential investors as key performance indicators in evaluating TLG's operating and financial performance.

However, the key performance indicators described in this section are not recognized as measures under IFRS and should not be considered as substitutes for figures on net assets, earnings before taxes, net income, net cash flow from operating activities or other data from the consolidated statement of comprehensive income, the consolidated cash flow statement or the consolidated statement of financial position, as determined in accordance with IFRS, or as measures of profitability or liquidity. Such key performance indicators do not necessarily indicate that cash flows will be sufficient or available for TLG's cash requirements, nor is any such measure indicative of TLG's historical operating results. The key performance indicators described in this section are not meant to be indicative of future results. Because not all companies calculate these key performance indicators in the same way, TLG's presentation of such key performance indicators is not necessarily comparable with similarly-titled measures used by other companies, including companies in the real estate sector.

Performance and Profitability

The following table provides information on TLG's key performance and profitability measures for the periods presented:

	For the year ended December 31,		For the six months ended June 30,	
	2017[1]	2018	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)	
Rental income[2]	168.3	223.9	109.6	114.8
Net operating income from letting activities[3]	154.9[4]	196.7	97.2	104.4
EBITDA (unaudited)	135.8[5]	173.9	81.8	107.2
FFO (unaudited)	102.7	134.0	67.8	71.5
FFO per share (in €) (unaudited)	1.29	1.30	0.66	0.69

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) Rental income refers to income from letting activities without income from recharged operating costs and income from other goods and services as shown in the consolidated statement of comprehensive income for the respective period.

(3) Net operating income from letting activities refers to income from letting activities less expenses relating to letting activities, all as shown in the consolidated statement of comprehensive income for the respective period.

(4) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018, net operating income from letting activities for the fiscal year ended December 31, 2017 is derived from the adjusted comparative financial information for the fiscal year ended December 31, 2017, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018. In the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017, in the consolidated statement of comprehensive income, the net operating income from letting activities reported for the fiscal year ended December 31, 2017 is shown in an amount of €153.5 million.

(5) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018, EBITDA for the fiscal year ended December 31, 2017 is derived from the adjusted comparative financial information for the fiscal year ended December 31, 2017, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018. EBITDA for the fiscal year ended December 31, 2017 derived from the financial information as reported in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017 (earnings before interest and taxes (EBIT) of €346.2 million, depreciation and amortization of €0.5 million and result from the remeasurement of investment property of €218.6 million) amounted to €128.0 million.

(a) EBITDA

Earnings before interest, taxes, depreciation and amortization ("**EBITDA**") is defined as net income/loss or net income/loss for the period before income taxes, financial income, financial expenses, result from the remeasurement of derivative financial instruments, depreciation and amortization as well as the result from the remeasurement of investment property, all as shown in the Company's respective consolidated financial statements.

The following table shows the calculation of EBITDA starting from net income for the periods presented:

	For the year ended December 31,		For the six months ended June 30,	
	2017[1]	2018	2018	2019
	(audited, unless otherwise specified) (in € million)		(unaudited) (in € million)	
Net income/Net income for the period	**284.4**	**310.9**	**170.9**	**322.1**
Income taxes	23.0	210.7	75.5	142.1
Earnings before taxes (EBT)	**307.3**	**521.7**	**246.4**	**464.2**
Financial income	(0.1)	(0.6)	(0.2)	(0.2)
Financial expenses	44.6	32.1	14.0	20.7
Result from the remeasurement of derivative financial instruments	(5.7)	7.9	3.5	22.4
Earnings before interest and taxes (EBIT)	**346.2**	**561.1**	**263.7**	**507.1**
Depreciation and amortization	0.5	165.8	0.5	0.9
Result from the remeasurement of investment property	(210.8)[2]	(552.9)	(182.4)	(400.8)
EBITDA (unaudited)	**135.8**	**173.9**	**81.8**	**107.2**

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018, the result from the remeasurement of investment property for the fiscal year ended December 31, 2017 is derived from the adjusted comparative financial information for the fiscal year ended December 31, 2017, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018. In the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017, in the consolidated statement of comprehensive income, the result from remeasurement of investment property reported for the fiscal year ended December 31, 2017 is shown in an amount of €218.6 million.

(b) FFO

Funds from operations ("**FFO**") is a measure of cash generation for real estate companies. The Company defines FFO as net income/loss or net income/loss for the period before income taxes (earnings before taxes (EBT)) adjusted for the result from the disposal of properties, the result from the remeasurement of investment property, the result from the remeasurement of derivative financial instruments, depreciation and amortization, earnings attributable to non-controlling interests (before taxes) and other effects, and applying an expected long-term tax rate of 2.5% based on historical data and the multi-year planning for an upcoming five-year period beginning with the fiscal year ended December 31, 2017 for purposes of calculating the income taxes relevant to the FFO.

The following table shows the calculation of FFO as well as FFO per share for the periods presented:

	For the year ended December 31,		For the six months ended June 30,	
	2017[1]	2018	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)	
Net income/Net income for the period	**284.4**	**310.9**	**170.9**	**322.1**
Income taxes	23.0	210.7	75.5	142.1
Earnings before taxes (EBT)	**307.3**	**521.7**	**246.4**	**464.2**
Result from the disposal of properties	(10.4)[2]	(7.8)	(0.9)	(16.5)
Result from the remeasurement of investment property	(210.8)[2]	(552.9)	(182.4)	(400.8)
Result from the remeasurement of derivative financial instruments	(5.7)	7.9	3.5	22.4
Depreciation and amortization	0.5	165.8	0.5	0.9
Earnings attributable to non-controlling interests (before taxes)	(0.7)	(1.3)	(0.7)	(0.6)
Other effects (unaudited)[3]	25.1	4.1	3.1	3.9
Income taxes relevant to FFO	(2.6)	(3.4)	(1.7)	(1.8)
FFO (unaudited)	**102.7**	**134.0**	**67.8**	**71.5**
Average weighted number of shares issued (in million)[4]	79.7	102.8	102.4	103.6
FFO per share (in €) (unaudited)	**1.29**	**1.30**	**0.66**	**0.69**

(1) WCM was fully consolidated only for the period from October 6, 2017 through December 31, 2017.

(2) Due to changes in the accounting classification of certain expense and income items in the consolidated statement of comprehensive income in the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018, the result from the disposal of properties for the fiscal year ended December 31, 2017 and the result from the remeasurement of investment property for the fiscal year ended December 31, 2017 are derived from the adjusted comparative financial information, as reported in the consolidated statement of comprehensive income in the consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2018. In the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017, in the consolidated statement of comprehensive income, the result from the disposal of investment property, the result from the disposal of real estate inventory and the result from the remeasurement of investment property reported for the fiscal year ended December 31, 2017 is shown in an amount of €2.7 million, €-0.1 million and €218.6 million, respectively.

(3) Other effects comprise:

a) Personnel restructuring expenses including one-off effect from the transition of the long-term incentive scheme of €1.5 million in 2018; €0.4 million in 2017; €0.6 million in the six months ended June 30, 2018.

b) Transaction costs of €2.5 million in 2018; €8.0 million in 2017; €2.5 million in the six months ended June 30, 2018.

c) Refinancing costs of € 0.0 million in 2018; €19.2 million in 2017; €0.0 million in the six months ended June 30, 2018; €3.9 million in the six months ended June 30, 2019.

d) Income from the liquidation of TLG Gewerbepark Wirkbau GmbH of €0.1 million in 2017.

e) Income from operating costs (statement surplus) relating to the previous year/period of €2.5 million in 2017.

(4) The total number of shares issued amounted to 102.0 million as of December 31, 2017, 103.2 million as of June 30, 2018, 103.4 million as of December 31, 2018 and 112.0 million as of June 30, 2019.

Financing and Leverage

The following table provides information on TLG's key financing and leverage measures as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited, unless otherwise specified) (in %)		(unaudited) (in %)
Equity Ratio (unaudited)	50.5	49.9	47.9
Net LTV	39.2	34.7	28.4

(a) Equity Ratio

The equity ratio is the ratio of equity to total equity and liabilities as of the respective reporting date (the "**Equity Ratio**").

The following table shows the calculation of the Equity Ratio as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)
Equity	1,936.6	2,157.2	2,605.7
Total equity and liabilities	3,835.7	4,320.8	5,443.6
Equity Ratio (in %) (unaudited)	**50.5**	**49.9**	**47.9**

(b) Net LTV

The Net LTV is defined as the ratio of net debt (sum of non-current and current interest-bearing liabilities, comprising non-current and current liabilities due to financial institutions and corporate bonds, less cash and cash equivalents), to real estate assets (sum of investment property, advance payments on investment property, owner-occupied property, non-current assets classified as held for sale/assets classified as held for sale and inventories).

The following table shows the calculation of the Net LTV as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited) (in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)
Investment property (IAS 40)	3,383.3	4,067.5	4,435.1
Advance payments on investment property (IAS 40)	17.5	0.0	0.1
Owner-occupied property (IAS 16)	6.9	8.1	8.0
Non-current assets classified as held for sale/Assets classified as held for sale (IFRS 5)	9.7	33.1	148.6
Inventories (IAS 2)	0.7	0.7	0.7
Real estate assets	**3,418.1**	**4,109.5**	**4,592.6**
Interest-bearing liabilities (liabilities due to financial institutions and corporate bonds)	1,541.7	1,579.4	2,075.5
Cash and cash equivalents	(201.5)	(153.9)	(773.2)[1]
Net debt	**1,340.2**	**1,425.5**	**1,302.3**
Net LTV (in %)	**39.2**	**34.7**	**28.4**

(1) The capital increase that was carried out in June 2019 has been factored into the cash and cash equivalents; the net cash inflow took place in early July 2019. As of June 30, 2019, TLG's cash and cash equivalents amounted to €551.1 million and other receivables and assets resulting from the capital increase amounted to €222.1 million.

EPRA Key Performance Indicators

EPRA NAV is calculated in accordance with the definition recommended by the European Public Real Estate Association (the "**EPRA**") and used as an indicator of TLG's long-term equity. The EPRA NAV is calculated based on equity attributable to the shareholders of the parent company (i) plus fair value adjustment of owner-occupied property (IAS 16) and fair value adjustment of properties in inventories (IAS 2) and (ii) excluding the fair value of derivative financial instruments, deferred tax assets and liabilities attributable to investment property and derivative financial instruments and goodwill resulting from deferred taxes (the "**EPRA NAV**").

Following the takeover of WCM, the Company disclosed an adjusted EPRA NAV as of December 31, 2017 for the first time which differs from the EPRA NAV in that it is fully adjusted for goodwill (the "**Adjusted EPRA NAV**"). The goodwill was fully impaired as of December 31, 2018.

The EPRA vacancy rate is defined as the market rental value of vacant space divided by the market rental value of the whole portfolio ("**EPRA Vacancy Rate**").

The following table shows the calculation of EPRA NAV and the EPRA Vacancy Rate as of the dates presented:

	As of December 31,		As of June 30,
	2017	2018	2019
	(audited and in € million, unless otherwise specified)		(unaudited) (in € million, unless otherwise specified)
Equity attributable to the shareholders of the parent company	1,897.6	2,133.9	2,581.9
Fair value adjustment of owner-occupied properties (IAS 16) (unaudited)[1]	8.8	17.2	20.4
Fair value adjustment of inventories (IAS 2) (unaudited)[2]	1.2	1.2	1.2
Fair value of derivative financial instruments (unaudited)	1.8	8.6	29.4
Deferred tax assets and liabilities attributable to investment property and derivative financial instruments (unaudited)	368.0	554.8	700.2
Goodwill resulting from deferred taxes (unaudited)	(48.9)	–	–
EPRA NAV (unaudited)	**2,228.5**	**2,715.7**	**3,333.1**
Number of shares outstanding (in thousand) (unaudited)	102.0	103.4	112.0
EPRA NAV per share (in €) (unaudited)	**21.84**	**26.27**	**29.77**
Adjustment of remaining goodwill (unaudited)	(115.8)	–	–
Adjusted EPRA NAV	**2,112.7**	**2,715.7**	**3,333.1**
Adjusted EPRA NAV per share (in €) (unaudited)	**20.71**	**26.27**	**29.77**
EPRA Vacancy Rate (in %) (unaudited)	**3.6**	**3.3**	**3.1**

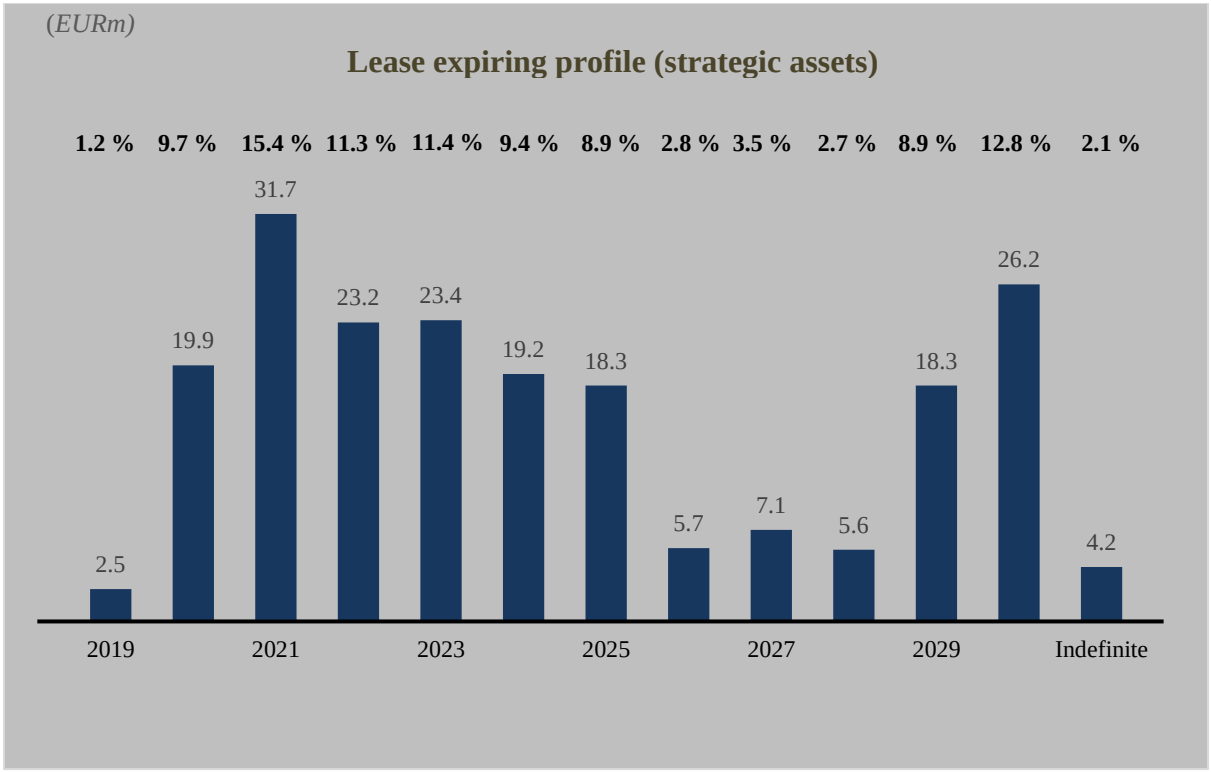
(1) Fair value adjustment of owner-occupied properties (IAS 16) means the surplus arising from the remeasurement at fair value of owner-occupied properties, which are included under IFRS in the consolidated statement of financial position at the lower of cost less any accumulated depreciation and impairments and fair value.

(2) Fair value adjustment of inventories (IAS 2) means the surplus arising from the remeasurement at fair value of trading properties, which are recognized under IFRS at the lower of cost and net realizable value and recognized under inventories in the consolidated statement of financial position.

Business

TLG considers itself a leading German commercial real estate company and an active portfolio manager, managing office and retail properties as well as seven hotels. As of June 30, 2019, the portfolio of TLG included a total of 391 properties with an aggregate portfolio/property value (*i.e.*, sum of the carrying amounts of investment property, owner-occupied property, non-current assets classified as held for sale/assets classified as held for sale and inventories) of €4,592.5 million. With a weighted average lease term (*i.e.*, the remaining average contractual lease term for unexpired leases with a contractually fixed maturity, taking into account special termination rights) (the "**WALT**") of 6.0 years and an EPRA Vacancy Rate of just 3.1% (both as of June 30, 2019), the Company believes that TLG's portfolio is well positioned to generate stable cash flows for the foreseeable future. TLG is headquartered in Berlin and operates five additional offices in Dresden, Erfurt, Frankfurt am Main, Leipzig and Rostock.

The following chart shows the net rent contribution of the lease agreements for the strategic assets (as of June 30, 2019) divided into the calendar years in which the lease agreements expire:



The top five tenants for the office properties contribute 21.0% of the net rent for this asset class, the top five tenants for the retail properties 54.4% of the net rent for this asset class, the top five tenants for the hotel properties 66.3% of the net rent for this asset class and the top five tenants for the investment properties 56.2% of the net rent for this asset class (based on the use of the investment properties as of the date of this Prospectus).

TLG's portfolio is focused on the asset classes office, retail, hotel and invest. Based on aggregate portfolio value as of June 30, 2019, TLG's office asset class, of which most properties are situated in good or very good locations in Berlin, Frankfurt am Main and other German A and B cities (*i.e.*, Germany's largest cities and larger regional cities), accounted for 42.6% of the overall portfolio of TLG. Tenants for these office properties include "blue chip" companies and their subsidiaries such as Daimler Real Estate GmbH and AIR Liquide Global E&C Solutions Germany GmbH, government-related entities and agencies such as OstseeSparkasse Rostock, the Federal Agency for Real Estate (*Bundesanstalt für Immobilienaufgaben*) and the State Agency for Building and Real Estate of Hesse (*Landesbetrieb Bau und Immobilien Hessen*) as well as medium-sized enterprises. TLG plans to grow its office portfolio through additional acquisitions in line with TLG's investment criteria as well as through development activities in its existing portfolio. The Company believes that this will further improve its market position in what it considers to be a very dynamic German office market.

Based on aggregate portfolio value as of June 30, 2019, TLG's retail asset class, of which the majority of properties are located in attractive micro-locations in Berlin and other German growth regions, accounted for 24.2% of the overall portfolio of TLG. TLG's retail properties are situated in micro-locations that are particularly attractive to food retailers and other sellers of essential consumer goods given that the tenant is a significant, and in some cases the sole, retailer of the relevant consumer goods in the catchment area. As of June 30, 2019, 50.0% of the Annualized In-place Rent from the retail asset class of TLG related to lease agreements with major food retail chains, including "EDEKA", "Netto", "Kaufland", "REWE", "Penny", "Lidl" and "Aldi". With a WALT of 5.4 years and an

EPRA Vacancy Rate of 2.7% (both as of June 30, 2019), the retail asset class of TLG was virtually fully-let and offers stable and secure rental income.

The hotel asset class comprises seven hotel properties located in the city centers of Berlin, Dresden, Leipzig and Rostock and accounted for 7.4% of the overall portfolio of TLG (based on aggregate portfolio value as of June 30, 2019). The tenant base for these properties includes well-known hotel chains "Steigenberger", "Marriott", "InterCityHotel", "Motel One" and "H_4/H_2". TLG's hotel asset class had an EPRA Vacancy Rate of 1.8% and a WALT of 10.9 years (both as of June 30, 2019). Lease agreements for the seven hotel properties generally provide for fixed lease payments, limiting TLG's dependence on the performance of hotel operators. Stable cash flows and a focus on dynamic markets make TLG's hotel asset class a fitting complement for the office and retail asset class.

As of June 2019, TLG has introduced the invest asset class as an additional asset class within its strategic portfolio. The invest asset class comprises 13 properties, 6 of which were formerly assigned to the office asset class and 7 of which were formerly assigned to the retail asset class. All of these properties are located in Berlin and Dresden and accounted for 17.6% of the overall portfolio of TLG (based on aggregate portfolio value as of June 30, 2019).

In 2018, the management of the Company conducted a comprehensive portfolio review classifying all of its properties as either "strategic" or "non-strategic" mainly based on the location of the respective property, but with deviating prioritizations between different asset classes. All assets assigned to the office, hotel, retail and invest asset classes form part of TLG's strategic portfolio. As of June 30, 2019, TLG has classified 104 of its properties with an aggregate property value of €376.9 million (*i.e.*, 8.2% of the total portfolio value) as non-strategic and therefore assigned these properties to the "Non-Strategic" asset class. 85.1% of the non-strategic assets are retail assets, 6.4% office assets and 8.6% other assets (based on portfolio value as of June 30, 2019).

In the six months ended June 30, 2019, TLG generated rental income of €114.8 million and net operating income from letting activities of €104.4 million. In the fiscal year ended December 31, 2018, TLG generated rental income of €223.9 million and EBITDA of €173.9 million.

TLG's Strengths

The Company believes that the following competitive strengths have been the primary drivers of TLG's success in the past and will continue to set it apart from its competitors in the future:

Market Leading Integrated Management Platform

TLG possesses a strong local network through its five local offices operated by employees with longstanding experience in asset and property management. The Company believes that its tenants particularly value TLG's approachability and high responsiveness to their individual needs, making TLG a trusted and reliable partner for its key tenants. Deep understanding of the German commercial real estate market as well as strong local connectivity and presence provide TLG with excellent access to information on potential acquisition opportunities to further strengthen its portfolio and allow TLG to manage its portfolio effectively. The ability to properly evaluate acquisition targets in light of respective local market dynamics and letting trends allows TLG to act swiftly and decisively on identified market opportunities.

In particular, the members of the Management Board, Barak Bar-Hen, Jürgen Overath and Gerald Klinck, possess a track record of successful transactions, business integrations and project developments. TLG's internal structures and functions cover major parts of the real estate value chain, focusing on those aspects that the Company considers most value-enhancing, in particular acquisitions and disposals as well as tenant relationship management. The Company believes that its current platform bears the capacity to integrate recent acquisitions as well as future acquisitions at low incremental overhead costs.

Strong Position in Berlin and Other German Growth Regions

The German economy has shown consistently strong performance, which has positively affected demand for commercial real estate in the country as a whole. The Company believes that TLG's portfolio covers particularly attractive locations of the office, food retail and hotel real estate market. TLG considers itself a long-time market leader for office properties in excellent locations in Berlin and economically strong eastern German cities such as Dresden, Leipzig and Rostock. Particularly in Berlin, locations of such quality are becoming increasingly rare, which will limit the potential for new developments of competing office and hotel properties.

With the acquisition of WCM, TLG has further strengthened its platform and expanded into new western German growth markets, building a pan-German portfolio with the aggregate portfolio value amounting to €4.6 billion as of June 30, 2019. In particular, TLG holds an attractive portfolio of office properties in and around Frankfurt am Main, one of the most dynamic office markets in all of Germany. The Company believes that the current momentum in the commercial real estate letting markets will help to further increase demand for TLG's office and hotel properties.

TLG's regionally diversified retail portfolio profits from excellent micro-locations, which offer competitive advantages for many of its tenants and stable rental income for TLG. The Company believes that the positioning of TLG's retail properties in dynamic regions combined with the attractive micro-locations of these properties as well as TLG's strong tenant base will allow TLG to further grow its portfolio value.

High-Quality Portfolio across Asset Classes

TLG's focus on the main segments of the commercial real estate market allows for efficient leverage of its long-established local expertise as well as what the Company considers appropriate risk diversification. The portfolio of TLG had an aggregate portfolio value of €4,592.5 million as of June 30, 2019. As of the same date, 67.3% of the total properties in the office, retail, hotel and invest asset classes of TLG had been newly built or fully-refurbished since 2000. The Company believes that there is currently no material maintenance backlog regarding TLG's portfolio. These characteristics make the relevant properties particularly attractive to long-term oriented tenants, resulting in what the Company believes is an industry-leading EPRA Vacancy Rate of just 3.1% and a WALT of 6.0 years for the overall portfolio of TLG as of June 30, 2019. In addition, TLG's believes that its invest asset class provides for a significant value creation potential due to unused building rights TLG considers permissible under the relevant constructions and planning laws, allowing TLG for the re-use of and new developments on these properties. The mix across asset classes for TLG's portfolio (42.6% office, 24.2% retail, 7.4% hotel and 17.6% invest, based on aggregate portfolio value as of June 30, 2019; the remaining 8.2% represent non-strategic assets) provides for risk diversification across major asset classes and reduces the dependency on any one type of properties. The Company believes that TLG's portfolio provides for a resilient cash flow profile against adverse economic developments. Further, the

Company is of the opinion that TLG's strategic portfolio displays opportunities for significant value creating investments.

Strong Tenant Base with Long-Term Leases Ensuring Earnings Stability

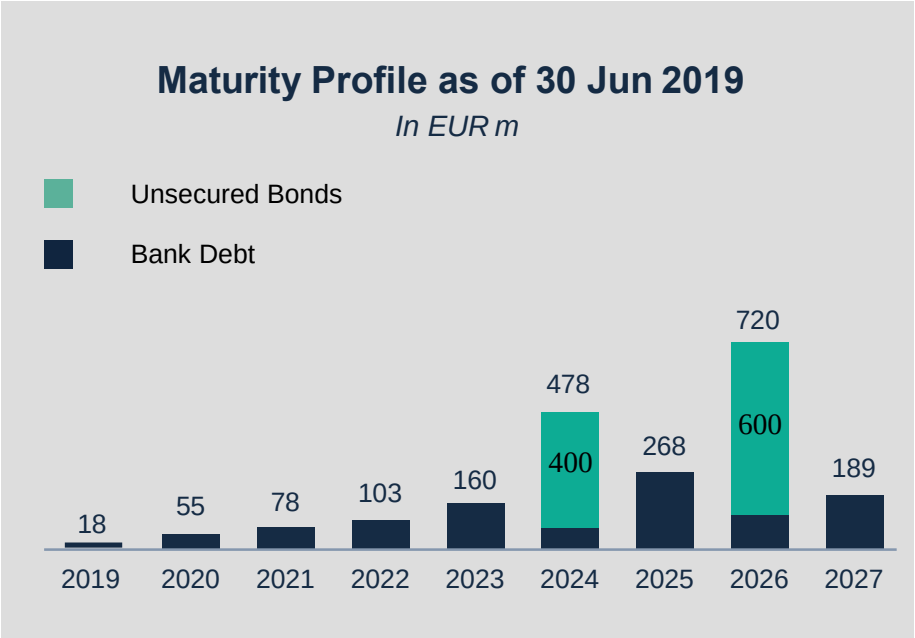
TLG maintains close relationships with its tenants, which is reflected, *inter alia*, in long-term rental agreements. TLG is a significant landlord for most leading food retail operators in Germany. Therefore, the retail asset class, which accounts for 24.2% of the overall portfolio value of TLG, has a WALT of 5.4 years and has 60.4% of lease agreements expiring after 2022 (all as of June 30, 2019), historically contributed steady rental income.

Furthermore, as of June 30, 2019, 18.4% of the Annualized In-place Rent of the office properties in the office asset class of TLG was attributable to German government-related tenants. The Company believes that default risks associated with those tenants are particularly low. Lease agreements for TLG's seven hotel properties generally provide for fixed lease payments, limiting TLG's dependence on the performance of hotel operators. With a strong WALT of 10.9 years as of June 30, 2019, TLG's hotel asset class allows for particularly good additional cash flow visibility. Steady rental income from all three asset classes will help ensure that the Issuer will be able to meet its obligations under the Notes.

Solid Financing Structure with Multiple Sources of Funding

The Company considers TLG's financing structure conservative. TLG's Net LTV of 28.4% as of June 30, 2019 is lower than its target maximum Net LTV of 45% leaving the Company sufficient headroom to fund external growth. TLG's conservative capital structure is evidenced by what it considers a long weighted average debt maturity of 5.8 years and a low average cash interest rate of 1.74% (both based on gross debt of TLG as of June 30, 2019).

The following chart shows the maturity profile for TLG's liabilities due to financial institutions and under corporate bonds as of June 30, 2019[(1)]:



(1) On May 28, 2019, the Company issued the 2019 Notes in a total nominal amount of €600 million which will mature in 2026 (see "*—Material Agreements—Financing Agreements of TLG—2019 Notes*"). Approximately €144.3 million of the proceeds from the issuance of the 2019 Notes were used to repay certain of TLG's existing loan agreements with banks including the full repayment of a €58.7 million loan agreement with Deutsche Pfandbriefbank AG maturing in 2019.

In addition, the interest rates of the majority of TLG's loans are either fixed or hedged, only floating rate loans of approximately €11.0 million are unhedged, limiting TLG's risk from increasing interest rates in the future as are the €400,000,000 fixed rate notes due 2024 that the Company has issued in 2017 (see "*—Material Agreements—Financing Agreements of TLG—2017 Notes*") and the €600,000,000 fixed rate notes that the Company has issued on May 28, 2019 (see "*—Material Agreements—Financing Agreements of TLG—2019 Notes*"). TLG plans to continue to hedge against (not necessarily all) interest rate exposure in the future in case financial indebtedness with variable rates is incurred. The Company's access to debt and equity capital markets and its proven ability to quickly draw on such financing sources provide it with multiple funding options.

TLG's Strategy

Profitable Growth and Preservation of High Portfolio Quality

TLG constantly screens the market for assets and selective acquisition opportunities that best fit its geographic and property type focus and which it expects to provide attractive long-term returns and potential for value creation. TLG's acquisitions mainly focus on mid-sized and larger office properties in the city centers of Berlin and other major German cities with favorable economic characteristics.

TLG intends to continue to use its extensive network and close business relationships with multiple market participants to identify promising acquisition targets with an attractive yield profile, promoting stable cash flows while maintaining a balanced risk profile. TLG applies a consistent selection process in order to identify the most attractive properties among numerous acquisition proposals it receives during the course of any given year. TLG in particular looks for acquisition opportunities which are in line with or accretive to its overall FFO/share and NAV/share and internal rate of return (IRR) hurdles based on TLG's weighted average cost of capital.

TLG plans to continue to grow in line with its strategic positioning. In particular, it aims to acquire multi-tenant office properties, preferably with a fair value exceeding €20 million. It particularly targets office properties with vacancy, which offers TLG an opportunity to unlock value through active letting management of such properties in the short- to medium-term.

The Company believes that, especially with respect to office properties, managing a smaller number of larger properties requires fewer asset and property management resources. TLG's long-term plan is to further grow the overall portfolio and at the same time increase the average value of individual properties included in its portfolio.

Additional Value Creation from Investments in Existing Properties

TLG has identified significant potential for value creation in its strategic portfolio from re-using existing assets (also through redevelopment after pulling down existing buildings) for higher returns and new developments on existing TLG's city-center land plots. In this respect, TLG benefits from its ownership of the respective properties as well as from its strong tenant relationships which increase TLG's pre-lease opportunities. While the creation of higher returns by redeveloping and reusing

existing assets can be achieved irrespective of the location, TLG considers in particular certain of its owned city-center land plots to have value creation potential that can be realized by new developments on such properties. As of the date of this Prospectus, TLG has identified 12 key projects (comprising 13 properties all of which have been assigned to the invest asset class within TLG's strategic portfolio) in its portfolio for new developments during a period of ten years, including the flagship development projects Alexanderstraße in Berlin and Annenhöfe in Dresden. The aggregate value of the properties for the key projects currently identified for this purpose is approximately €809 million as of June 30, 2019. In its current preliminary plans, TLG assumes capital expenditure of around €4,000 per sqm and sees significant value creation potential for these projects.

In addition, TLG constantly aims to identify further investment opportunities within its existing (strategic) portfolio. As part of this strategy, TLG screens its portfolio for let properties that can be upgraded through value-enhancing modernizations and/or expansions. TLG maintains close contacts with its tenants to ensure that it can meet their expectations and requirements for additional space, in particular with respect to TLG's retail properties. With ongoing investments in these properties, TLG has followed and assisted the expansions of some of its major food retail tenants over the last two decades and plans to continue to maintain such close links by being a reliable partner. This allows TLG in various cases to extend existing lease agreements significantly ahead of the scheduled expiry dates. TLG plans to further upgrade its portfolio through value-enhancing modernizations and/or expansions for all of TLG's asset classes.

Safeguard and further optimize Portfolio Quality through Active Portfolio Management

As an active portfolio manager, TLG aims to protect and further optimize the high overall quality and profitability of its portfolio. In 2018, the Company conducted a comprehensive review of its properties classifying these as either strategic or non-strategic. On the basis of the results of that review, the Company aims to consequently streamline its portfolio. While the management of the Company consistently screens the market for opportunities to dispose of its non-strategic assets at beneficial terms but taking into account losses in value to a certain extent, it has subdivided TLG's strategic portfolio into a core portfolio and a development and investment portfolio. Properties pertaining to the core portfolio are characterized by the creation of sustainable returns at a low risk and low management requirements, whereas the development and investment assets are characterized by value creation potential requiring further investments. These findings allow the Company the targeted realisation and use of funds from disposals of non-strategic assets and other financing sources for acquisitions or investments in existing assets in the context of its defined growth, investment and development strategy.

TLG's Portfolio

Selection of Strategic and Non-Strategic Assets

Based on a comprehensive portfolio review conducted in 2018, TLG categorizes its overall portfolio into a strategic portfolio and a non-strategic portfolio. Among others, the selection criteria for inclusion in the non-strategic category are:

- a location in rural regions with relatively high asset management efforts;
- no active asset management opportunities for value creation; and

- with respect to retail properties, non-food retail use of the respective property.

Among others, selection criteria for properties to qualify as strategic on the other hand are:

- with respect to office and hotel assets, a location in attractive major cities and/or well-established inner-city office and hotel locations; and

- with respect to retail assets, a location in highly frequented micro-locations or city centers.

TLG's strategic portfolio is subdivided into the office, retail, hotel and, as of June 2019, invest asset classes. The invest asset class comprises properties which had formerly been assigned to TLG's office and retail asset classes where TLG has, based on an assessment of the construction and planning laws applicable to these properties, identified significant potential for value creation from the re-use of, or new developments on such properties. While the non-strategic portfolio may also comprise retail and office properties not meeting TLG's selection criteria for strategic assets, it also comprises other assets such as light industrial properties and warehouses.

As of June 30, 2019, the aggregate portfolio of TLG was split between the different portfolios and asset classes as follows:

		Strategic				Non-
	Total	**Office**	**Retail**	**Hotel**	**Invest**	**Strategic**
				(unaudited)		
Portfolio value (in € million)	4,592.5	1,955.2	1,112.9	338.5	809.0	376.9
Annualized In-place Rent (in € million)	233.5	95.8	76.3	17.2	16.0(1)	28.2
EPRA Vacancy Rate (in %)	3.1	4.2	2.7	1.8	0.6(1)	2.8
WALT (in years)	6.0	5.8	5.4	10.9	3.0(1)	6.5
Number of properties	391	56	211	7	13	104
Total lettable area (in thousand sqm)(2)	1,918,168	702,338	655,090	109,727	127.789(3)	324.364

(1) Based on the current use of the investment properties.
(2) Excluding parking space.
(3) Based on the current use of the investment properties, excluding two properties which are currently undeveloped.

Based on aggregate portfolio value as of June 30, 2019, 42.7% of TLG's portfolio was located in Berlin, 18.8% was located in Dresden, Leipzig, Rostock and 13.8% in the Rhine-Main region, in particular in Frankfurt am Main. With respect to TLG's strategic portfolio, 46.4% was located in Berlin, 19.4% was located in Dresden, Leipzig, Rostock and 15% in the Rhine-Main region (based on aggregate portfolio value as of June 30, 2019, respectively).

Office Asset Class

As of June 30, 2019, TLG's office asset class comprised 56 properties in total. Based on an aggregate portfolio value of €1,955.2 million as of that date, the office asset class represented the largest portion of the real estate holdings of TLG (42.6% of TLG's overall portfolio).

The following table provides an overview of TLG's office asset class as of June 30, 2019:

	Berlin	Frankfurt am Main[1]	Other A and B Cities[2]	Other
		(unaudited)		
Portfolio value (in € million)	718.7	565.6	506.2	164.4
Annualized In-place Rent (in € million)	25.5	30.7	27.7	12.0
EPRA Vacancy Rate (in %)	0.9	8.6	4.4	2.8
WALT (in years)	5.9	5.9	5.3	6.7
Number of properties	14	9	18	15
Total lettable area (in thousand sqm)[3]	161,192	185,900	241,868	113,378

(1) Including two properties located in Neu-Isenburg and two properties located in Eschborn.
(2) Comprising properties located in Leipzig, Dresden, Hamburg, Mannheim, Bonn, Stuttgart, Dusseldorf, Essen and Wiesbaden.
(3) Excluding parking space.

For its office asset class, TLG focusses on office properties located in A and B cities in Germany (*i.e.*, Germany's largest cities and larger regional cities) with favorable economic characteristics. Based on aggregate portfolio value as of June 30, 2019, 36.8% of TLG's office asset class was located in Berlin, 28.9% was located in Frankfurt am Main (including Neu-Isenburg und Eschborn) and 25.9% was located in other German A and B cities with favorable economic developments. With respect to TLG's strategic portfolio, 17.0% of the office assets were located in Berlin and Berlin region, 13.4% in the Rhine-Main region and 12.0% in other German A and B cities with favorable economic developments (based on aggregate portfolio value as of June 30, 2019, respectively).

TLG's office properties are generally of a high quality. Based on aggregate portfolio value as of June 30, 2019, 69.8% of the properties in the office asset class TLG had been newly built or fully refurbished since 2000. Accordingly, TLG boasts a high quality tenant structure, including "blue chip" companies and their subsidiaries such as Daimler Real Estate GmbH and AIR Liquide Global E&C Solutions Germany GmbH, government-related entities and agencies such as OstseeSparkasse Rostock, the Federal Agency for Real Estate (*Bundesanstalt für Immobilienaufgaben*) and the State Agency for Building and Real Estate of Hesse (*Landesbetrieb Bau und Immobilien Hessen*) as well as medium-sized enterprises.

The following table shows the top ten tenants in terms of Annualized In-place Rent for properties in TLG's office asset class as of June 30, 2019:

	Annualized In-place Rent[1]	Share of Annualized In-place Rent[2]	WALT[3]
		(unaudited)	
Daimler Real Estate GmbH[4]	4.9	5.1	0.3
AIR Liquide Global E&C Solutions Germany GmbH	4.3	4.5	6.5
OstseeSparkasse Rostock	4.0	4.2	11.8
State Agency for Building and Real Estate of Hesse	3.6	3.7	20.3
City of Leipzig	3.3	3.5	10.4
Federal Agency for Real Estate	3.3	3.4	7.6
Reemtsma Cigarettenfabriken GmbH	3.3	3.4	4.4
GMG Generalmietgesellschaft mbH	3.1	3.2	2.5
Hochtief Solutions AG	2.3	2.4	4.5
BS Payone GmbH	1.9	1.9	6.1
Total	**33.9**	**35.4**	**8.9[5]**

(1) In € million.
(2) In %. The calculation of the share of Annualized In-place Rent only takes into account Annualized In-place Rent for the office asset class of TLG and excludes Annualized In-place Rent of office space used by TLG.

(3) In years.
(4) Successor tenant is Federal Agency for Real Estate from October 2019 for ten years with an Annualized In-place Rent of €5.3 million.
(5) Taking the successor lease agreement into consideration.

While many of these tenants have signed comparatively long lease agreements, the WALT for the office asset class of TLG amounted to 5.8 years as of June 30, 2019.

The fifteen most valuable office properties account for 65.0% of TLG's office asset class, with the top five representing 28.8% (based on aggregate portfolio value as of June 30, 2019).

The following table provides additional information on the top fifteen most valuable properties in the office asset class of TLG as of June 30, 2019:

	Location	Property value[1]	Annualized In-place Rent[1]	WALT[2]	Total lettable area[3]	Anchor tenant(s)
			(unaudited)			
Englische Strasse 27, 28, 30	Berlin	138.7	4.9	10.3	17,371	Daimler Real Estate GmbH, Federal Agency for Real Estate
Zum Laurenburger Hof 76	Frankfurt am Main	132.1	5.3	15.5	28,405	State Agency for Building and Real Estate of Hesse
Lyoner Strasse 9	Frankfurt am Main	104.6	6.1	4.5	38,777	BS Payone GmbH
Schönhauser Allee 36/ Sredzki- und Knaakstrasse 97	Berlin	96.3	4.5	4.9	30,577	Greater Union Filmpalast GmbH, Quandoo GmbH
Aroser Allee 60, 64, 66, 68, 70, 72, 72a, 74, 76, 78	Berlin	91.4	4.1	4.9	36,648	Vivantes Netzwerk für Gesundheit GmbH
Lyoner Strasse 25/ Herriotstrasse 6, 8, 10/ Rhonestrasse 7	Frankfurt am Main	89.7	5.7	3.6	31,525	Hochtief Solutions AG, Techniker Krankenkasse
Am Propsthof 49/51	Bonn	88.2	5.4	5.6	33,614	GMG Generalmietgesellschaft mbH
Olaf-Palme-Strasse 35	Frankfurt am Main	75.0	4.4	6.5	26,575	Air Liquide Global E&C Solutions Germany GmbH
Richard-Wagner-Strasse 1, 2-3/ Brühl 65, 67	Leipzig	74.4	3.6	3.8	26,374	Deutsche Bahn AG
Köpenicker Strasse 30-31/ Bona-Peiser-Weg 2	Berlin	69.8	1.7	4.3	11,969	Vereinte Dienstleistungsge-werkschaft
Prager Strasse 118, 120, 122, 126, 128, 130, 132, 134, 136	Leipzig	66.2	3.4	10.4	45,016	City of Leipzig
Dircksenstrasse 42-44	Berlin	65.1	1.7	2.7	9,642	PSI Software AG
Kaiserin-Augusta-Allee 104-106	Berlin	64.0	2.5	7.9	14,220	Technische Universität Berlin
Bertrand-Russel-Strasse 3, 5/ Max-Born-Strasse 2, 4	Hamburg	58.6	3.4	4.3	22,851	Reemtsma Cigarettenfabriken GmbH
Kapweg 3, 4, 5	Berlin	57.5	3.0	5.2	18,150	Bezirksamt Mitte von Berlin
Total		**1,271.5**	**59.5**	**6.6**	**391,715**	

(1) In € million.
(2) In years.
(3) In sqm and excluding parking space.

Retail Asset Class

As of June 30, 2019, TLG's retail asset class comprised 211 properties with an aggregate portfolio value of €1,112.9 million, making up the second largest portion of the overall portfolio of TLG (24.2% of TLG's overall portfolio). The following table provides an overview of the retail asset class of TLG as of June 30, 2019:

	Berlin	Berlin Surrounding	Dresden/ Leipzig/ Rostock	Bavaria/ Baden-Wuerttemberg	Other Locations
	(unaudited)				
Portfolio value (in € million)	304.8	124.8	248.5	102.9	331.8[1]
Annualized In-place Rent (in € million)	17.0	9.4	16.7	6.8	26.3
EPRA Vacancy Rate (in %)	1.4	4.6	2.7	5.9	2.1
WALT (in years)	6.1	3.4	4.9	6.2	5.7
Number of properties	30	13	46	10	112
Total lettable area (in thousand sqm)[2]	146.278	69.378	134.018	63.971	241.445

(1) Includes "food around the corner" in the amount of €17.1 million.
(2) Excluding parking space.

TLG considers 63.2% of its retail properties as located in key commercial hubs comprising 38.6% Berlin and surrounding, 22.3% Dresden, Leipzig, Rostock and 2.2% Stuttgart surrounding. With respect to TLG's strategic portfolio, 7.2% of the retail properties were located in Berlin and 3.0% in the Berlin surrounding, 5.9% in Dresden, Leipzig, Rostock, 2.4% in Bavaria and Baden-Wuerttemberg and 7.9% in other locations (based on aggregate portfolio value as of June 30, 2019, respectively).

For retail properties, TLG focusses on market-leading food retail chains as tenants such as those operating under the "EDEKA", "Netto", "Kaufland", "REWE", "Penny", "Lidl" and "Aldi" brands. Furthermore, the "Hellweg" and "OBI" do-it-yourself chains are significant tenants of TLG's retail properties. TLG considers itself one of the most important regional landlords for some of its retail tenants. The micro-locations in which TLG's retail properties are located are particularly attractive for food retailers and other sellers of essential consumer goods because they enable the tenant to be a significant, in many cases even the dominant, retailer of the relevant consumer goods in the relevant catchment area. These properties are also attractive due to their modern standards. Based on aggregate portfolio value as of June 30, 2019, 84.0% of properties in TLG's retail asset class had been newly built or fully refurbished since 2000. The Company believes that the strong positioning and tenant structure of its retail portfolio offers certain negotiation power when dealing with key tenants.

The following chart illustrates the focus of the retail asset class of TLG on food retail chains as of June 30, 2019:

	Annualized In-place Rent[1]	Share of Annualized In-place Rent[2]
	(unaudited)	
Food retail chains	38.2	50.0
Other	38.1	50.0
Total	**76.3**	**100.0**

(1) In € million.

(2) In %. The calculation of the share of Annualized In-place Rent only takes into account Annualized In-place Rent from TLG's retail asset class.

Long-standing relationships with key tenants help TLG lease new retail space quickly and have made it a go-to landlord for such tenants. The Company believes that its tenants particularly value TLG's approachability, local roots and expertise and the long-standing trust developed between TLG as the lessor and major food retail chains as the tenants. As of June 30, 2019, the top seven tenants for properties in the retail asset class of TLG accounted for 58.2% of the Annualized In-place Rent from that asset class.

The following chart provides an overview of the top seven tenants for properties in the retail asset class of TLG as of June 30, 2019:

	Annualized In-place Rent[1]	Share of Annualized In-place Rent[2]	WALT[3]
		(unaudited)	
EDEKA-Group (EDEKA, Netto Marken-Discount)[4]	17.8	23.4	6.6
REWE-Group (REWE, Penny)[5]	9.9	13.0	5.0
Schwarz-Gruppe (Kaufland, LIDL)[6]	7.1	9.3	5.9
OBI GmbH	4.1	5.4	10.5
Hellweg Die Profibaumärkte GmbH & Co. KG	2.5	3.2	6.4
Unternehmensgruppe ALDI Nord[7]	1.6	2.0	6.1
Dirk Rossmann GmbH	1.4	1.8	4.7
Total	44.4	58.2	6.4

(1) In € million.
(2) In %. The calculation of the share of Annualized In-place Rent only takes into account Annualized In-place Rent from retail properties in the retail asset class of TLG.
(3) In years.
(4) Includes EDEKA Grundstücksgesellschaft Nordbayern-Sachsen-Thüringen mbH, EDEKA Handelsgesellschaft Nord mbH, EDEKA-MIHA Immobilien-Service GmbH, EDEKA-Markt Minden-Hannover GmbH, Netto Marken-Discount AG & Co. KG, Kaiser's Verwaltungs- und Beteiligungsgesellschaft.
(5) Includes Penny-Markt GmbH, REWE Markt GmbH, REWE Dortmund Vertriebsgesellschaft mbH, REWE Markt GmbH Zweigniederlassung Nord, REWE Markt GmbH Zweigniederlassung Ost, REWE Markt GmbH Zweigniederlassung Süd, REWE Markt GmbH Zweigniederlassung Südwest.
(6) Includes Kaufland Vertrieb Sigma GmbH & Co. KG, Kaufland Vertrieb KAPPA GmbH & Co. KG, Kaufland Vertrieb KDSE GmbH & Co. KG, Kaufland Vertrieb KDSN GmbH & Co.KG, Kaufland Warenhandel Mittel-Sachsen GmbH & Co. KG, Kaufland Center Berlin/Brandenburg GmbH & Co. KG, Lidl Vertriebs-GmbH & Co. KG.
(7) Includes ALDI GmbH & Co. Beucha KG, ALDI GmbH & Co. KG, ALDI GmbH & Co. KG Jarmen, ALDI GmbH & Co. KG Mittenwalde.

TLG communicates with its retail tenants on a regular basis. When further expanding their operations, these tenants actively seek out and ask TLG to acquire and lease for them desired locations. They may even assume control of efforts associated with acquiring and developing such properties (*e.g.*, obtaining building permits, architectural planning), thereby lowering TLG's operational costs and making it easier to entirely meet its tenants' requirements. For existing food retail properties, tenants oftentimes proactively try to extend existing lease agreements far ahead of the scheduled expiry dates prior to making considerable investments in modernizing and/or expanding leased space.

Hotel Asset Class

As of June 30, 2019, the hotel asset class included a total of seven properties with an aggregate portfolio value of €338.5 million, representing the fourth largest portion of the real estate holdings of TLG (7.4% of TLG's overall portfolio).

The following table provides additional information on these seven hotel properties as of June 30, 2019:

	Location	Property value[1]	Rooms/ Apartments	Total lettable area[2]	Of which hotel area[2]	Lease Maturity[3]	Construction Year
				(unaudited)			
THR Hotel (H_4/H_2-Hotel) Berlin Alexanderplatz.....	Berlin	138.0	625	33,942	26,907	11.6	2011
Steigenberger Hotel de Saxe .	Dresden	53.8	185	13,487	12,284	17.5	2006
Motel One Dresden am Zwinger.....	Dresden	44.0	288	14,646	8,620	18.8	2013
Leipzig Marriott Hotel	Leipzig	35.2	239	21,451	15,019	8.3	1997
InterCity Hotel Dresden	Dresden	27.3	162	12,440	6,510	8.7	2008
Novum Winters Hotel Berlin	Berlin	22.3	145/25	7,158	7,158	13.7	2012
Motel One Rostock	Rostock	17.9	180	6,603	5,230	19.3	2013
Total.....	–	**338.5**	**1,824/25**	**109,727**	**81,729**	**13.4**	–

(1) In € million.
(2) In sqm and excluding parking space.
(3) In years and only for the anchor tenant of the respective hotel property.

Except for the Novum Winters Hotel Berlin, all hotel properties are of mixed use (*i.e.*, parts of the hotel property are also leased as offices, retail space or for other uses), allowing for risk diversification within the individual property. As of June 30, 2019, the EPRA Vacancy Rate for TLG's hotel asset class amounted to 1.8%. Lease agreements for the seven hotel properties generally provide for fixed lease payments, limiting TLG's dependence on the performance of hotel operators. Two contracts provide for TLG to receive additional rent payments if the hotel operations prove to be particularly profitable (*i.e.*, TLG only shares in the upside of this property). At the same time, only little effort is required by TLG to manage its hotel portfolio given that smaller refurbishments and repairs will generally be handled by the hotel operators themselves. With a WALT of 10.9 years as of June 30, 2019, TLG's hotel asset class allows for particular long-term stability and planning. Situated in good or very good locations in Berlin, Dresden, Leipzig and Rostock, it also shares in the upside potential of positive developments of property values in these dynamic cities.

As of June 30, 2019, TLG's top five tenants in terms of Annualized In-place Rent for properties in TLG's hotel asset class accounted for a combined Annualized In-place Rent of €11.4 millionen which corresponds to a share of 66.3% of Annualized In-Place Rent generated by that asset class.

Invest Asset Class

As of June 30, 2019, the invest asset class included a total of 13 properties (12 key-projects) with an aggregate portfolio value of €809.0 million, representing the third largest portion of the real estate holdings of TLG (17.6% of TLG's overall portfolio). 7 of these properties had formerly been assigned to TLG's retail asset class, while the other 6 properties had formerly been assigned to TLG's office asset class. 95.6% of TLG's invest asset class properties are located in Berlin (11 properties) and 4.4% are located in Dresden (2 properties).

Although assigned to the invest asset class, ten of TLG's invest asset class properties are currently rent as retail or office properties with an EPRA Vacancy Rate of 0.6% and a WALT of 3.0 (based on the current use of all properties assigned to the invest asset class). Only three properties are currently either undeveloped or provide for dilapidated building conditions not creating any or only sporadic rental income.

The following table provides additional information on the top three most valuable properties in the invest asset class of TLG as of June 30, 2019:

	Location	Property value[1]	Annualized In-place Rent[1]	WALT[2]	Total lettable area[3]	Anchor tenant(s)
		(unaudited)				
Alexanderstrasse 1, 3, 5	Berlin	309.1	7.6	2.0	42,484	BIM Berliner Immobilienmanagement GmbH
Karl-Liebknecht-Strasse 31, 33/ Kleine Alexanderstrasse	Berlin	159.0	3.5	3.2	24,567	Federal Agency for Real Estate
Wriezener Karree 15	Berlin	145.8	0.0	-	8.448	-
Total		**613.9**	**11.1**	**2.4**	**75,499**	

(1) In € million.
(2) In years.
(3) Current lettable area excluding parking space in sqm.

The three most valuable invest asset class properties account for 75.9% of TLG's invest asset class in terms of property value.

Non-Strategic Asset Class

As of June 30, 2019, a total of 104 properties with a portfolio value of €376.9 million comprised the "Non-Strategic" or "Other" asset class of TLG, which accounted for 8.2% of TLG's overall portfolio (based on aggregate portfolio value as of June 30, 2019). While properties in the "Non-Strategic" asset class do not qualify for inclusion in the office, retail or hotel asset classes, the majority of these properties either generate a net cash inflow (*i.e.*, rents exceed the costs associated with letting and maintaining these properties) or can be operated at little to no operating cost.

TLG will nevertheless seize attractive opportunities to divest properties from the "Other" asset class, if it is able to achieve proceeds at or above fair value, in order to invest such proceeds to further enhance the size and quality of the office, retail and hotel asset classes.

85.1% of the non-strategic assets are retail assets, 6.4% office assets and 8.6% other assets (based on portfolio value as of June 30, 2019). 34.8% of the non-strategic assets (based on portfolio value as of June 30, 2019) have already been sold but the sale is not closed yet.

TLG's Business Operations

Acquisitions and Disposals

TLG considers itself to be an active asset manager. It constantly aims to identify attractive opportunities to acquire additional properties and dispose of properties at attractive prices. While TLG's transaction management is centrally operated from its Berlin-based headquarters, its local offices each have teams of employees, which are responsible for providing local market expertise and executing

individual acquisitions and disposals. The acquisition and disposal process is centrally supervised by the portfolio management department as well as the member of the Management Board responsible for TLG's portfolio management.

(a) Acquisitions

TLG has a track record of successful strategic acquisitions. The following table provides an overview of successful acquisitions by TLG for the periods indicated (excluding the acquisition of WCM AG):

	For the year ended December 31,	
	2017	2018
	(unaudited) (in € million, unless otherwise specified)	
Acquisition volume office asset class	97.5	123.6
Acquisition volume retail asset class	107.4	16.6
Acquisition volume hotel asset class	0.0	0.0
Total acquisition volume	**204.9**	**140.2**
Number of properties	29	4
Total lettable area (in thousand sqm)[1]	108.8	72.3

(1) Excluding parking space.

Acquisitions of new attractive office and retail properties meeting its investment criteria are a key part of TLG's strategy. Depending on the type of asset, TLG focuses on the following types of properties:

- For its office asset class, TLG focusses its acquisition efforts on office properties in the city centers of Berlin and other A and B cities in Germany (*i.e.*, Germany's largest cities and larger regional cities) with favorable economic characteristics, including the surrounding area. TLG typically targets multi-use properties, preferably with a fair value exceeding €20 million. Furthermore, TLG specifically targets properties with vacancy, as the Company believes that it can acquire such properties at a discount and unlock additional value potentials through modernizations, refurbishments and active letting management.

- For its retail asset class, TLG targets retail portfolios in attractive micro-locations (*i.e.*, lack of competition within the relevant catchment area), suitable for major food retail chains which are fully-let or almost fully-let.

- For its hotel asset class, TLG targets hotel properties in inner city locations of attractive A and B cities in Germany with long term lease agreements and large hotel operators. While hotels are less of a focus of TLG's acquisition strategy compared to the office and retail asset classes TLG is particularly interested in mixed use properties (*i.e.*, parts of the hotel property are also leased as offices, retail space or for other uses) or hotel properties included in portfolio transactions.

TLG's acquisition process generally follows a multi-stage approach: TLG will typically first review any proposals received by the seller, conduct a first screening, a site-visit and pre-calculate how a particular acquisition could complement its overall portfolio, hand in an indicative bid, obtain a valuation report from TLG's external property appraiser, prepare the financing of a potential acquisition, to the extent required, and finally proceed to negotiate the purchase agreement and conduct a thorough due diligence. TLG generally only acquires properties that it considers sufficiently attractive after completion of its disciplined acquisition process, which TLG applies to screening of acquisition opportunities in both western and eastern Germany.

TLG does not currently plan any acquisitions for project development purposes, but may engage in such developments on an opportunistic basis.

(b) Disposals

Profitable disposals of non-strategic properties have for a long time been part of TLG's portfolio streamlining and growth process. In the future, TLG intends to continue its active portfolio management approach, including a regular turnover of properties:

- which have been classified as non-strategic; or
- for which a sale is in the interest of the overall portfolio quality; or
- for which the offered price is particularly attractive and allows for a realization of proceeds that significantly exceed the fair value of the respective property.

TLG's management decides on the disposal of properties on a property-by-property basis, taking into account a property's fair value as well as overall and local market trends and developments. TLG may intensify its disposal efforts in the future, in particular during the course of the ongoing integration of WCM AG into TLG following the Completion of the Takeover Offer.

Property Investments

TLG comprehensively reviewed its strategic portfolio in 2019. Based on the results, TLG has categorized its strategic portfolio in core assets and development and investment assets. The development and investment assets are categorized by additional value creation potential requiring further investments. In particular, TLG has identified considerable value creation opportunities with respect to certain properties which TLG believes are suitable for new developments or redevelopments. Project development measures are currently explored and conducted on TLGs Alexanderstrasse property in Berlin and the Annenhöfe property in Dresden. Such project development opportunities are discussed between the local asset management and TLG's Berlin headquarters. The planning and implementation of actual project development measures works is conducted by experienced third-party providers in close cooperation with the top management of the Company, while required negotiations are led by TLG's top management.

Further, by monitoring individual properties and maintaining close business relationships with its tenants, TLG identifies the potential and need for modernizations and expansions. Such opportunities are discussed between the local asset management and TLG's Berlin headquarters. Actual modernizations and repair works are outsourced to experienced third-party providers.

Tenant Management

TLG's tenant management includes relationship management with its existing tenants, searches for prospective tenants, maintenance, repair and value-enhancing investments in TLG's portfolio and the contracting of third-party facility management service providers. Such activities are organized locally. TLG's headquarters nevertheless provide guidelines for local operations and constantly monitor performance and compliance with these guidelines.

TLG's tenant management is run from the offices in Berlin, Frankfurt am Main, Dresden, Rostock, Leipzig and Erfurt as well as with limited support from external property managers. As of the date of this Prospectus, 32 employees are responsible for TLG's local tenant management.

(a) Relationships with Existing Tenants

All property-specific aspects relating to existing tenants are handled by TLG's local offices and representatives. This process includes regular meetings with representatives of TLG's main tenants. The Company believes that maintaining close business relationships with its tenants allows TLG to act proactively and responsively with regard to the demands of its key tenants. Property performance is reviewed on a regular basis and property-by-property business plans are reviewed in order to analyze the following items:

- Potential value enhancements identified since the last business plan review;
- Potential cost reductions identified since the last business plan review;
- Property performance compared to the underwriting process; and
- Potential risks associated with the property and measures taken to control those risks.

Furthermore, TLG conducts regular credit rating checks on its existing tenants to ensure that it has the relevant information on the creditworthiness of its tenant base.

(b) Letting Activities

TLG's letting activities are also organized locally. All discussions relating to lease agreements are handled by the responsible asset managers and/or the letting managers. TLG uses a wide array of sources to find suitable tenants including contacts with existing tenants, market knowledge of its local offices and real estate agents. However, it will at all times retain control of the letting process and decide for itself whether a tenant is suitable for the respective property. Prior to agreeing on any lease agreements, TLG will conduct a credit rating check on the prospective tenant.

(c) Facility Management

TLG does not perform any actual facility management tasks itself. However, it does hire and supervise a number of experienced and well-known service providers such as Gegenbauer Holding SE & Co. KG, SPIE GmbH and WISAG Facility Management Berlin-Brandenburg GmbH & Co. KG to render such services and to ensure that TLG's properties comply with all applicable building and security regulations.

Employees

As experience and in-depth local market knowledge are fundamental for consistent performance in the commercial real estate industry, TLG's success depends on its ability to attract, train, retain and motivate qualified personnel. TLG particularly aims to recruit young, qualified trainees and therefore offers a bachelor program, which allows such trainees to gain both valuable practical experience as well as to obtain a bachelor of arts. As of the date of this Prospectus, TLG's workforce comprises 143 permanent and two temporary employees.

Material Agreements

Financing Agreements of TLG

Prior to the issuance of the Notes and, if issued, the Hybrid Notes, TLG is financed through a mix of bank loans and capital market notes, namely the 2017 Notes and the 2019 Notes.

Loan Agreements with Financial Institutions

As of June 30, 2019, TLG's liabilities due to financial institutions amounted to €1,088.5 million (including accrued interest). Those included land-charge secured loans from 11 banks with individual carrying amounts of up to €135.0 million. The weighted average debt maturity was 5.8 years.

The table below provides a summary of TLG's loan agreements with carrying amounts of more than €50.0 million as of June 30, 2019:

Bank	Carrying amount (in € million)	Maturity
	(unaudited)	
Landesbank Hessen-Thüringen Girozentrale	135.0	2027
DZ Hyp AG	127.3	2025
Bayerische Landesbank	87.7	2023
Berlin Hyp AG	79.7	2026
Berliner Sparkasse	67.5	2025
Deutsche Pfandbriefbank AG	60.0	2025
Commerzbank AG	53.8	2027
Berlin Hyp AG	50.0	2020

TLG's loans bear interest at fixed rates or at variable rates of three-month EURIBOR plus margin. Approximately 98.2% of the outstanding floating-rate loan amount is currently hedged by fixed-for-floating swaps. As of June 30, 2019, TLG's average cash interest rate amounted to 1.74%. The rates for the relevant loans depend, *inter alia*, on the quality of the properties securing the loan, the market conditions at the time the loan was raised, the term and the financial leverage in respect of the financed properties. The interest rate for some of the loans can increase if extraordinary events occur.

The terms provide for regular repayments of the loans during their respective terms, up to 19.6% per annum of the initial loan amount through different repayment provisions (*e.g.*, fixed amortization rates or annuities), or repayment at maturity of the respective loan.

Land charges have been granted over the properties used as security for the relevant loans. The loans are typically also secured by pledges or assignments of the claims under interest hedging instruments and assignments of rent payments, purchase price claims and insurance claims. Some loan

agreements also provide for pledges of special purpose accounts and of shares of the financed subsidiaries.

The loan agreements typically contain financial covenants customary for real estate borrowings, in particular with respect to the loan-to-value ratio. Most loan agreements require certain maximum loan-to-value ratios, calculated as the quotient of the outstanding loan amount (including senior-ranking loans) and the value of the borrowers' properties. The value of the individual portfolios was determined before the first utilization and will be determined again during the term of the loan. The maximum loan-to-value ratios allowed depend on the quality and size of the financed properties, the market conditions at the time the loan was provided and the lender, and range from 55% to 78%. Many loan agreements also contain liquidity-related financial covenants such as minimum interest or debt-service cover ratios or maximum debt-to-rent ratios. In addition, many loan agreements also contain an equity ratio covenant of at least 30%. The breach of financial covenants usually allows the bank to terminate the respective loan and claim early repayment of the entire loan unless the breach is cured by a (partial) repayment, or, as the case may be, the granting of additional security interest. As of the date of this Prospectus, TLG is not in breach of any financial covenants.

The loan agreements contain representations, information, corporate and property-related undertakings and termination rights customary for real estate borrowings. There is no indication that any representations or material undertakings have been breached. Termination rights exist if (interest, amortization or other) payments are not made when due, financial covenants are not complied with, the borrower becomes insolvent or defaults on other financial liabilities, representations or warranties turn out to have been incorrect, information obligations are violated by TLG or other material contractual obligations are not complied with (unless the respective violation can be and is cured within a contractually specified period). In addition, some of the loan agreements contain termination rights of the respective bank if the control over the Company changes. In most cases, loan agreements also incorporate the respective bank's general terms and conditions or similar standard terms that contain very broad termination rights, in particular the right to terminate the loan if there is, or threatens to be, a substantial deterioration in the financial circumstances of the respective borrower or in the value of a security granted as a result of which the repayment of the loan is jeopardized even if this security is realized.

2017 Notes

On November 27, 2017, the Company issued unsecured fixed rate notes with a total nominal amount of €400.0 million and a denomination of €100,000 each (the "**2017 Notes**"). The 2017 Notes bear interest at a fixed interest rate of 1.375% *per annum*. Interest payments are made annually in arrear on November 27. The 2017 Notes are listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

The terms and conditions of the 2017 Notes contain certain covenants limiting the incurrence of new financial indebtedness by TLG. These covenants relate to TLG's total-net-debt-to-total-assets ratio, its interest-coverage-ratio and its secured-debt-to-total-assets ratio.

The 2017 Notes become due and payable on November 27, 2024. According to the terms and conditions of the 2017 Notes, the Company may redeem the 2017 Notes at any time in whole but not in part, together with any accrued interest thereon, upon no less than 45 days' and no more than 60 days' prior notice. In case of a premature redemption, the repayable amount is the higher of (i) the principal

amount per 2017 Note and (ii) the discounted market price per 2017 Note as calculated by the calculation agent (make-whole amount).

Moody's assigned a Baa2 (stable outlook) rating to the 2017 Notes on November 9, 2017 which has remained unchanged since then.

2019 Notes

On May 28, 2019, the Company issued unsecured fixed rate notes with a total nominal amount of €600.0 million and a denomination of €100,000 each (the "**2019 Notes**"). The 2019 Notes bear interest at a fixed interest rate of 1.500% *per annum*. Interest payments are made annually in arrear on May 28. The 2019 Notes are listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

The 2019 Notes become due and payable on May 28, 2026. The terms and conditions of the 2019 Notes provide for a make-whole provision and covenants limiting the incurrence of new financial indebtedness by TLG similar to the terms and conditions of the 2017 Notes (see "*—2017 Notes*").

Moody's assigned a Baa2 (stable outlook) rating to the 2019 Notes on May 17, 2019 which has remained unchanged since then.

Bridge Facilities Agreement

On September 6, 2019 the Company as original borrower, J.P. Morgan Securities plc as arranger, J.P. Morgan Europe Limited as agent and JPMorgan Chase Bank, N.A., London Branch as original lender entered into a €800,000,000 bridge facilities agreement (the "**Bridge Facilities Agreement**"). Under the Bridge Facilities Agreement, the Company is provided with a €300,000,000 million term loan facility ("**Facility A**") and a €500,000,000 term loan facility ("**Facility B**"). The funds available under Facility A must be applied towards the financing and/or refinancing of the purchase price to be paid for the shares in Aroundtown S.A. acquired under the Share Purchase Agreement (see "*—Purchase and Sale Agreements—Acquisition of Equity Stake in Aroundtown S.A.*"), including by way of repayment of the Vendor Loan (see "*—Recent Developments and Outlook; Trend Information and No Adverse Change*") The funds made available under Facility B must be applied towards the financing and/or refinancing the purchase price to be paid for the shares in Aroundtown S.A. which will be acquired in case of the exercise of the Option under the Option Agreement. The term of the Bridge Facilities Agreement is one year following the date of first utilisation with the options of the Company to extend the term to two years following the date of first utilisation. As of the date of this Prospectus, no loans are utilized under the Bridge Facilities Agreement.

The interest rate per annum of each loan utilized under the Bridge Facilities Agreement is the aggregate of the applicable margin and EURIBOR. A margin step-up occurs every three months following the date of the Bridge Facilities Agreement.

The obligations of the Company under the Bridge Facility Agreement are unsecured.

The Bridge Facilities Agreement contains a number of covenants, for example a negative pledge, financial covenants equal to those under the terms and conditions of the 2017 Notes and the 2019 Notes and certain other limitations. Upon the occurrence of a change-of-control with respect to the Company and the expiry of a following negotiation period, every lender may direct the agent to

cancel its respective commitments and declare such lender's participation in any outstanding loans immediately due and payable. Further, the Bridge Facilities Agreement provides for customary termination rights upon the occurrence of an event of default and a cross-default provision.

Hybrid Notes

On or around the time of the issuance of these Notes, the Company intends to issue through its subsidiary TLG Finance S.à r.l., acting as issuer, undated subordinated notes subject to interest rate reset with a total nominal amount of €600 million and a denomination of €100,000 each (the "**Hybrid Notes**"). The Hybrid Notes bear a fixed interest rate of 3.375% *per annum* until the first reset date. The interest rate will be reset every five years at a 5-year EURIBOR swap rate, plus a margin which will increase in 2030 and 2045. Under the terms and conditions of the Hybrid Notes, no holder of Hybrid Notes has a right to call for redemption, but the issuer has the right to call the Hybrid Notes for redemption at certain times or certain events with the first call date occurring in 2025. The terms and conditions of the Hybrid Notes also provide the issuer with the right to defer scheduled interest payments. The Hybrid Notes are intended to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).

The Hybrid Notes are intended to be guaranteed by the Company on a subordinated basis.

Inter-Company Agreements

Domination Agreement between the Company and WCM AG

Following the Completion, the Company, as the controlling company, and WCM AG, as the controlled company, entered into the Domination Agreement on October 6, 2017. Following the approval by the shareholders' meetings of WCM AG and the Company on November 17, 2017 and November 22, 2017, respectively, the Domination Agreement entered into force upon its registration in the commercial register of WCM AG on February 9, 2018.

Under the Domination Agreement, WCM AG assigned the management control (*Leitung*) of its company to the Company. Accordingly, the Company is entitled to issue instructions (*Weisungen*) which are binding for the management board of WCM AG, both generally and with regard to individual cases.

Pursuant to the Domination Agreement, the Company guarantees outside shareholders of WCM AG a fixed annual payment in the form of a guaranteed dividend in a gross amount of €0.13 per share of WCM AG as compensation payment within the meaning of Section 304 para. 1 sentence 2 AktG.

Under the Domination Agreement, the Company offered outside shareholders of WCM AG to tender their shares for new shares of the Company at an exchange ratio of 4 new shares of the Company for every 23 shares in WCM AG (the "**Exchange Ratio**") as exit compensation within the meaning of Section 305 para. 1 AktG within a defined period which ended on April 16, 2018.

As appraisal proceedings were initiated pursuant to the German Act on Appraisal Proceedings (*Spruchverfahrensgesetz*), outside shareholders of WCM AG that have not exchanged their shares for new shares of the Company are entitled to exchange their shares into new shares of the Company at the same conditions as set forth in the Takeover Offer or, as the case may be, as amended in the appraisal proceeding or in a settlement reached in the course of or in connection with such proceeding, until two

months after the initial judgment regarding the last appraisal motion is announced in the German Federal Gazette (*Bundesanzeiger*).

Domination and Profit Transfer Agreements with other Subsidiaries

The Company has entered into domination and profit transfer agreements with the following other subsidiaries:

- Hotel de Saxe an der Frauenkirche GmbH;
- TLG CCF GmbH;
- TLG Fixtures GmbH;
- TLG MVF GmbH;
- TLG Sachsen Forum GmbH;
- TLG EH1 GmbH;
- TLG EH2 GmbH; and
- TLG FAB GmbH.

Essentially, the domination and profit transfer agreements comprise the placement of the respective subsidiary under the management of the Company, establish a duty to transfer the full profits of the respective subsidiary to the Company and oblige the Company to assume the losses of the respective subsidiary. In particular, the domination and profit transfer agreements serve to establish a consolidated tax group for corporate income and trade tax purposes. At least 94.9% of the shares in each of the aforementioned companies are held directly by the Company. In case of external shareholders, the Company is obliged to pay recurring compensation within the meaning of Section 304 of the German Stock Corporation Act (*Aktiengesetz* ("**AktG**")) or exit compensation within the meaning of Section 305 AktG.

The domination and profit transfer agreements provide for a minimum term of five years. If not terminated at least six months prior to their expiration, they are renewed for another year. The right to early termination for cause remains unaffected.

On March 6, 2019, WCM AG entered into customary domination and profit transfer agreements with each of WCM Office I GmbH, WCM Handelsmärkte I GmbH, WCM Handelsmärkte II GmbH and WCM Handelsmärkte XVII GmbH. These domination and profit transfer agreements were approved by the shareholders of WCM AG in the annual shareholder meeting held on June 11, 2019. The effectiveness of these domination and profit transfer agreements is still subject to registration in the commercial register of the respective dominated company. Applications for registration have not been filed yet as actions challenging the resolution of WCM AG's annual shareholder meeting approving these domination and profit transfer agreements have been brought by certain of WCM AG's shareholders which are currently pending.

An existing domination and profit transfer agreement between WCM Beteiligungsgesellschaft mbH & Co. KG, a 100% direct subsidiary of WCM AG, and its 94% direct subsidiary, Greenman 1D GmbH, shall be terminated in connection with closing the sale of the portfolio held by this company.

Purchase and Sale Agreements

Max-Born-Offices in Hamburg

In March 2018, TLG entered into a purchase agreement for an office property in Hamburg (*Max-Born-Offices*) with a total lettable area of approximately 22,800 sqm with a value of €58.6 million. The vacancy rate on the acquisition date was about 15% and the beneficial ownership passed over on July 1, 2018.

Office Property in Eschborn

By purchase agreement dated January 2018, TLG purchased a fully occupied office property in Eschborn with a total lettable area of approximately 7,800 sqm with a property value of €15.4m. The WALT is 2.6 years and the Company expects to be able to generate higher rental income after the expiration of the relatively short WALT. The beneficial ownership passed over on March 1, 2018.

Office Property "Theo & Luise" in Mannheim

In December 2017, the Company entered into a purchase agreement for an office property in Mannheim ("*Theo & Luise"*) with a total lettable area of approximately 25,300 sqm with a property value of €50.2 million. The vacancy rate was at approximately 10%; the beneficial ownership passed over on March 1, 2018.

Retail Property "Klenow-Tor" in Rostock

In November 2017, the Company entered into a purchase agreement for the Klenow-Tor retail property in Rostock with a total lettable area of approximately 16,300 sqm for a total investment volume of €18.0 million. The property is almost fully let and the beneficial ownership passed over on January 1, 2018.

Westside Office in Bonn

By purchase agreement dated February 28, 2019, the Company purchased an office property in Bonn ("*Westside Office*") with a total lettable area of approximately 33,600 sqm. The property is completely let with a WALT of 6 years and tenants comprising a listed company as well as public administration. The total investment volume amounted to €88.8 million and the closing occurred on April 12, 2019.

Acquisition of Equity Stake in Aroundtown S.A.

On September 1, 2019, the Company entered into an agreement with Avisco to purchase a 9.99% stake in the share capital of Aroundtown from Avisco for a total purchase price of €1,016 million (the "**Share Purchase Agreement**"). The total purchase price values Aroundtown at €8.30 per share which corresponds to the EPRA NAV of Aroundtown as of June 30, 2019.

Also on September 1, 2019, the Company and Avisco entered into an option agreement (the "**Option Agreement**"). Under the Option Agreement, the Company has a call right to purchase from Avisco, and Avisco has a put right to sell to the Company, an additional equity stake of up to 4.99% in the share capital of Aroundtown (the "**Option**"). In the case of the full exercise of the Option, the Company's shareholding in Aroundtown would increase from 9.99% to 14.99%. The price per share of the Option is equal to the purchase price under the Share Purchase Agreement. The Option is exercisable by either party prior to February 28, 2020, subject to certain conditions precedent, including receipt of merger control clearance. As part of the transaction, each of the Company and Avisco have agreed to a lock up of shares representing 9.99% in Aroundtown until the earlier of August 31, 2020 or a potential merger between the Company and Aroundtown.

Disposals

On March 18, 2019, the Company entered into a sale agreement for the disposal of a retail portfolio comprising 29 assets for a selling price of approximately €118.0 million. Based on portfolio value as of the signing date, 90% of these properties are located in Saxony, Saxony-Anhalt and Thuringia. Closing is expected to occur in October 2019.

Other Material Agreements

Restitution Agreement

TLG has been and may in the future be subject to third-party claims in connection with restitution and compensation claims. Under the German Asset Act (*Vermögensgesetz*) former owners of assets that were dispossessed either by the national socialist government between January 30, 1933 and May 8, 1945 or by the former German Democratic Republic (*Deutsche Demokratische Republik*) can demand the restitution of such assets. If returning the assets is impossible due to a valid sale to a third party the former owners have compensation claims under the German Investment Priority Act (*Investitionsvorranggesetz*). The German Asset Allocation Law (*Vermögenszuordnungsgesetz*) provides for similar regulations.

In order to ensure that such third-party claims would not prevent a privatization of TLG, the Federal Institute for Special Tasks Arising from Unification (*Bundesanstalt für vereinigungsbedingte Sonderaufgaben*) ("**BVS**"), a federal office of Germany and the successor of THA), and TLG on December 20, 2007 entered into an agreement for the cumulative assumption of liabilities regarding restitution claims brought against TLG. Under this agreement, the BVS will indemnify and hold harmless TLG against claims arising out of or in connection with the aforementioned restitution laws. Thus, any claims brought against TLG in connection with the aforementioned restitution laws will be fulfilled by the Federal Republic of Germany. As of the date of this Prospectus, a total of three of TLG's properties are subject to claims under the aforementioned restitution laws.

Social Charter

In connection with its privatization, TLG assumed an obligation to adhere to the social charter (*Sozialcharta*) agreed between the private investors who acquired the Company and the Federal

Republic of Germany on December 12/13, 2012, and relating to 131 residential tenants in the "Other" asset class as of the date of this Prospectus.

The social charter provides special protection for elderly and disabled tenants as well as their legal successors by limiting TLG's ability to terminate lease agreements with these tenants and prohibiting TLG from increasing rents for so-called luxury modernizations (*Luxusrenovierungen*) (*i.e.*, modernization measures after which the respective property appeals to a target group of tenants differing from the pre-modernization tenant structure). In this context, when disposing of residential properties protected by the social charter TLG must ensure that the buyer of the respective property assumes TLG's obligations under the social charter. Failure to comply with the obligations under the social charter would force TLG to pay a contractual penalty of at least €100,000.00 per residential unit concerned.

Material Litigation

General

In the course of TLG's business activities, the Company and its subsidiaries are regularly parties to legal disputes, including rental and warranty disputes. As of June 30, 2019, the aggregate amount of claims brought against TLG amounted to approximately €2.52 million and the aggregate amount of claims brought by TLG amounted to approximately €10.49 million (both excluding costs and interest). As of that same date, TLG had made provisions in the aggregate amount of €0.7 million for legal disputes and litigation-related costs (excluding provisions for appraisal proceedings as described below under "*Appraisal Proceedings*").

Subsidiaries of WCM are currently challenging two tax assessments by the competent tax authorities and have filed a lawsuit against the assessment of RETT in a total amount of €7.5 million with the Fiscal Court of Hesse (*Hessisches Finanzgericht*). The relevant tax claim has already been fulfilled to reduce the risk of default interest. Both lawsuits are currently still pending.

Apart from the proceedings described above and below under "*Appraisal Proceedings*", TLG is not a party to any governmental, legal or arbitration proceedings (including any pending or threatened proceedings) during the last twelve months, with a value exceeding €1.0 million or which may have, or have had, significant effects on its financial position or profitability.

Appraisal Proceedings

On October 6, 2017, the Company entered into the Domination Agreement with WCM AG. The Domination Agreement was approved by the shareholders' meetings of WCM AG and the Company held in November 2017 and became effective upon its registration with the Commercial Register on February 9, 2018 (see "*Material Agreements—Inter-Company Agreements—Domination Agreement between the Company and WCM AG").* Pursuant to the Domination Agreement, outside shareholders of WCM AG may demand the exchange of their shares of WCM AG for new shares of the Company at the Exchange Ratio. Outside shareholders of WCM AG who decide to continue to hold their shares of WCM AG will be paid a guaranteed gross dividend of €0.13 per share of WCM AG. Shareholders of WCM AG instituted appraisal proceedings (*Spruchverfahren*) pursuant to the German Appraisal Proceedings Act (*Spruchverfahrensgesetz*) against the Company before the Regional Court of Frankfurt am Main (*Landgericht Frankfurt am Main*). In their complaint, shareholders of WCM AG

claim in particular that the compensation offered by TLG is not adequate. TLG believes that the compensation offered was appropriate and that the proceedings will be dismissed in court.

Description of the Company's Governing Bodies

The Company's corporate bodies are the Management Board, its supervisory board (the "**Supervisory Board**") and the shareholders' meeting. The powers and responsibilities of these corporate bodies are governed by the AktG, the Articles of Association and the rules of procedure of the Management Board and the Supervisory Board.

The Management Board conducts the Company's business in accordance with the law, the Articles of Association and the rules of procedure of the Management Board, taking into account the resolutions of the shareholders' meeting. The Management Board represents the Company in its dealings with third parties. The Management Board is required to introduce and maintain appropriate risk management and risk controlling measures, in particular setting up a monitoring system in order to ensure that any developments potentially endangering the continued existence of the Company may be identified early. Furthermore, the Management Board must report regularly to the Supervisory Board of the performance and the operations of the Company. In addition, the Management Board is required to present to the Supervisory Board, no later than at the last Supervisory Board meeting of each fiscal year, certain matters of business planning (including financial investment and personnel planning) for the following fiscal year for approval by the Supervisory Board. Furthermore, as regards all matters of particular significance to the Company, each member of the Management Board who becomes aware of such matters must immediately report these matters, verbally or in writing, to the chairman and the vice chairman of the Supervisory Board or to all members of the Supervisory Board. Significant matters also include any development or event at an affiliated company of which the Management Board has become aware and that could have a material influence on the Company's position.

The Supervisory Board appoints the members of the Management Board and has the right to remove them for good cause. Simultaneous membership on the Management Board and the Supervisory Board is prohibited. The Supervisory Board advises the Management Board in the management of the Company and monitors its management activities. The Management Board may not transfer management tasks to the Supervisory Board. However, pursuant to the rules of procedure of the Management Board, the Management Board must obtain the consent of the Supervisory Board for certain transactions or measures, in particular transactions or measures that entail fundamental changes to the Company's net assets, financial position or results from operations.

The members of the Management Board and of the Supervisory Board owe duties of loyalty and due care to the Company. In discharging these duties, the members of the governing bodies have to take into account a broad range of interests, in particular those of the Company, its shareholders, employees and creditors. The Management Board must also take into account the rights of shareholders to equal treatment and equal information. If the members of the Management Board or Supervisory Board fail to discharge their duties, they are jointly and severally liable for damages to the Company. A directors' and officers' insurance policy, which provides for a deductible, protects the Management Board and Supervisory Board members against claims for damages.

Under the AktG, neither individual shareholders nor any other person may use its influence on the Company to cause a member of the Management Board or Supervisory Board to act in a manner that would be detrimental to the Company. People using their influence to cause a member of the Management Board or Supervisory Board, a holder of a general commercial power of attorney or an authorized agent to act in a manner causing damage to the Company or its shareholders, are liable to compensate the Company for any resulting losses if they have acted in violation of their obligation to use due care. Moreover, in this case, the members of the Management Board and Supervisory Board are jointly and severally liable in addition to the person using its influence if they have acted in breach of their obligations towards the Company.

Generally, an individual shareholder may not take court action against members of the Management Board or Supervisory Board if he believes that they have acted in breach of their duties to the Company and, as a result, the Company has suffered losses. Claims of the Company for damages against the members of the Management Board or Supervisory Board may generally only be pursued by the Company itself; in the case of claims against members of the Supervisory Board, the Company is represented by the Management Board, and, in case of claims against members of the Management Board, it is represented by the Supervisory Board. Pursuant to a ruling by the German Federal Court of Justice (*Bundesgerichtshof*), the Supervisory Board must bring claims that are likely to succeed against members of the Management Board unless significant considerations of the Company's well-being, which outweigh or are at least equivalent to those in favor of such claim, render such a claim inadvisable. Claims against the Management Board or Supervisory Board must be asserted if the shareholders' meeting adopts a resolution to this effect by a simple majority.

Shareholders whose joint holdings equal or exceed 10% of the share capital or the pro-rata amount of €1.0 million may petition the court to appoint a representative to pursue their claims for damages. Furthermore, shareholders whose joint holdings equal or exceed 1% of the share capital or a proportionate interest of €100,000.00 of the share capital at the time the petition is submitted may petition in their own name for a claim for damages to be heard by the regional court (*Landgericht*) where the Company has its registered office. For such a claim to be heard, the Company must have failed to make a claim when called on to do so by the shareholders' meeting within an appropriate deadline set by them, and facts must have come to light justifying the suspicion that the Company has sustained damages as a consequence of dishonesty or of a flagrant breach of the law or of the Articles of Association and there are no significant grounds relating to the welfare of the Company outweighing such claim. The Company is entitled to bring a claim for damages itself at any time, and any pending application or claim on the part of the shareholders is barred once the Company does so.

The Company may only waive or settle a claim for damages against board members if at least three years have elapsed since the vesting of the claim, so long as the shareholders' meeting approves the waiver or settlement by a simple majority, unless shareholders, whose aggregate shareholdings amount to at least 10% of the share capital, record an objection to such resolution in the minutes of the shareholders' meeting.

Management Board

Current Composition of the Management Board

Pursuant to Section 8 para. 1 and 2 of the Articles of Association, the Management Board must consist of at least two persons and the Supervisory Board determines the exact number of the members of the Management Board. The Supervisory Board may appoint a Management Board member as chairman of the Management Board and another member as deputy chairman. On May 28, 2019, the Supervisory Board appointed Barak Bar-Hen as chairman of the Management Board with effect as of June 3, 2019. Currently, the Management Board consists of three members.

Reappointment or extension, each for a maximum period of up to five years, is permissible. The Supervisory Board may revoke the appointment of a Management Board member prior to the expiration of his or her term for good cause, such as a gross breach of fiduciary duty, or if the shareholders' meeting passes a vote of no confidence with respect to such member, unless the no-confidence vote was clearly unreasonable. The Supervisory Board is also responsible for entering into, amending and terminating employment agreements with members of the Management Board and, in general, for representing the Company in and out of court against the Management Board.

Pursuant to Section 10 of the Articles of Association, the Company is represented *vis-à-vis* third parties and in court proceedings by two members of the Management Board or a member of the Management Board jointly with an authorized signatory (*Prokurist*). The Supervisory Board may determine that all or specific members of the Management Board are authorized to represent the Company individually.

The table below lists the current members of the Management Board:

Name	Age	Member since	Appointed until	Responsibilities
Barak Bar-Hen (chairman).....	42	2019	2023	Chief Executive Officer
Jürgen Overath.....	56	2018	2021	Asset Management, Development, Portfolio Management, Property Management, Auditing Division, Transactions, Corporate Communications
Gerald Klinck.....	50	2018	2022	Controlling, Finance, Investor Relations, Accounting, Legal, IT/Corporate Digitalisation, Human Resources, Auditing Division, Taxes

The following description provides summaries of the *curricula vitae* of the current members of the Management Board and indicates their principal activities outside TLG to the extent that those activities are significant with respect to TLG.

Barak Bar-Hen was born March 14, 1977 in Tel Aviv, Israel.

Mr. Bar-Hen has many years of experience in the sale, acquisition, asset management and property management as well as development of real estate projects. Before joining TLG, Mr. Bar-Hen was an adviser to investors in the real estate sector in Germany and The Netherlands with a focus on the development of value-add properties. Prior to that, he held various management positions within the Elad Group in the USA and Europe for more than ten years. In 2008 he was appointed as chief executive

officer of Elad Europe. Mr. Bar-Hen holds a degree in law and started his professional career at Gornitzky & Co., one of Israel's leading law firms.

Jürgen Overath was born April 11, 1963 in Hennef, Germany.

Mr. Overath has more than 30 years of experience in the real estate sector. Before joining the Company, he was the managing director at SSN Development, a German subsidiary of Swiss SSN Group AG. Between 2005 and 2007 he served as a member of the board of DIC Asset AG and between 2007 and 2015 of Deutsche Office AG. Prior to 2005, he worked several years as managing director for Corpus Sireo Real Estate. He started his professional career in project development of shopping centres and retails assets. Mr. Overath obtained a degree in business administration.

Gerald Klinck was born June 28, 1969 in Lüneburg, Germany.

Mr. Klinck has more than 20 years of experience in real estate finance. He was previously a board member (chief controlling officer) of Vonovia SE and Gagfah (chief financial officer), one of its predecessors. Between 2006 and 2011, he worked in leading positions for Deutsche Wohnen SE where he was a member of the executive board between 2009 and 2011. Prior to 2006 he held the office of the chief financial officer at HSH Real Estate Consulting. Mr. Klinck obtained a master's degree in business (*Diplom-Kaufmann*).

The members of the Management Board may be reached at the Company's office at Hausvogteiplatz 12, 10117 Berlin, Germany (telephone: +49 (0) 30-2470-50).

Supervisory Board

Pursuant to Section 11 para. 1 of the Articles of Association, the Supervisory Board consists of six members. Pursuant to Section 100 para. 5 AktG, the members of the Supervisory Board as a whole have to be familiar with the sector in which the Company conducts its business.

The Supervisory Board is not subject to employee codetermination as provided by the German One-Third Employee Representation Act (*Drittelbeteiligungsgesetz*) or the German Codetermination Act (*Mitbestimmungsgesetz*). Therefore, the members of the Supervisory Board are all elected by the shareholders' meeting as representatives of the shareholders. The members of the Supervisory Board are generally elected for a fixed term of approximately five years. Reelection, including repeated reelection, is permissible.

For each member of the Supervisory Board, the shareholders may, at the same time the respective member is elected, appoint substitute members. These substitute members will replace the elected Supervisory Board member in the event of his premature departure in an order that was defined at the time of the appointment. The term of office of the substitute member replacing the departing member terminates if a successor is elected at the next shareholders' meeting or the following one, at the close of the shareholders' meeting, otherwise on the expiry of the term of office of the departed member of the Supervisory Board. Members of the Supervisory Board who were elected by the shareholders' meeting may be dismissed at any time during their term of office by a resolution of the shareholders' meeting adopted by 75% of the votes cast. In accordance with the Articles of Association, any member or substitute member of the Supervisory Board may resign at any time, even without providing a reason, by giving two weeks' notice of his resignation in writing. This does not affect the right to resign with immediate effect for good cause.

Pursuant to Section 107 para. 1 AktG, the Supervisory Board elects its chairman and vice chairman from among its members. Currently, Mr. Sascha Hettrich has been elected chairman of the Supervisory Board and Mr. Ran Laufer as vice chairman of the Supervisory Board.

The AktG stipulates that a quorum of the Supervisory Board is present if at least three members, and at least one-half of the members of the Supervisory Board as mandated by law or the Articles of Association, participate in the voting. The resolutions of the Supervisory Board are passed with a simple majority, unless otherwise mandated by law. In the event of a parity of votes, the chairman or, if he or she is unable to vote, the vice chairman, has the deciding vote.

Current Composition of the Supervisory Board

The table below lists the current members of the Supervisory Board:

Name	Age	Member since	Appointed until[1]	Principal occupation outside of TLG
Sascha Hettrich (chairman)	57	2018	2023	Managing Director of Hettrich Tomorrow GmbH and Chief Executive Officer of Vivion Capital Partners, S.A.
Ran Laufer (vice chairman).....	45	2019	2024	Managing Director of Panorama Immobilien GmbH[2]
Jonathan Lurie	43	2019	2024	Real Estate Senior Adviser at McKinsey & Company, London, and Managing Partner of Realty Corporation Ltd.
Helmut Ullrich	69	2015	2021	Consultant
Klaus Krägel.....	58	2019	2024	Chief Executive Officer and member of the management board of DIM Holding GmbH

(1) In each case until the end of the relevant general shareholders' meeting.
(2) On June 21, 2019 Mr. Laufer was also elected chief executive officer of ADO Properties S.A. with effect as of July 22, 2019.

The following description provides summaries of the *curricula vitae* of the members of the Supervisory Board and indicates their principal activities outside TLG to the extent those activities are significant with respect to TLG.

Sascha Hettrich was born May 3, 1962 in Saarbrücken, Germany.

Mr. Hettrich started his professional career as a developer of residential and commercial properties in 1983. In 1988, he became an equity partner of JLL. In 1999, Mr. Hettrich founded Hettrich Chartered Surveyors in Berlin where he also served as a managing director with a specialisation in investments and valuations. Following Hettrich Chartered Surveyors' merger with King & Sturge LLP in 2007, he became a managing director and member of King & Sturge LLP's strategy board. In 2011, Mr. Hettrich left King & Sturge LLP and founded Hettrich Sauer & Cie Chartered Surveyors (today Knight Frank Berlin) where he held the office of the chief executive officer. In 2011 Mr. Hettrich founded Hettrich Tomorrow GmbH, a management consulting and venture capital company and has been managing director of that company ever since. From 2017 until 2018, Mr. Hettrich also was a managing director of INTOWN Property Management GmbH. Mr. Hettrich obtained an executive master in business administration from the Zurich Institute of Business Education in 2005.

Alongside his office as chairman of the Supervisory Board, Mr. Hettrich is a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside TLG:

- Vivion Capital Partners (chairman of the board of directors);
- Lianeo Real Estate GmbH (chairman of the shareholders' committee); and
- Experts Committee (*Gutacherausschuss*) of the city of Berlin.

Ran Laufer was born September 5, 1973 in Tel Aviv, Israel.

In 2001, Mr. Laufer graduated from the Arison School of Business in Herzliya, Israel, obtaining a bachelor of arts in business administration. In addition, Mr. Laufer received a master of business administration in 2006 from the Solvay Business School at the Université Libre de Bruxelles, Belgium.

In 2010, Mr. Laufer became deputy chief executive officer of the Grand City Properties Group, an office which he held until 2014. In 2014, he joined the Israel-based companies Airport City Ltd. and Nitsba Holdings Ltd. as chief marketing and sales officer. Since 2019, Mr. Laufer has been the managing director of Panorama Immobilien GmbH based in Monheim am Rhein, Germany. On June 21, 2019, Mr. Laufer was appointed chief executive officer of ADO Properties S.A. with effect as of July 22, 2019.

Alongside his office as a member of the Supervisory Board, Mr. Laufer will also be a member of the management board of ADO Properties S.A. with effect as of July 22, 2019.

Jonathan Lurie was born May 6, 1976 in Baltimore, United States of America.

In 1998, Mr. Lurie graduated from Princeton University obtaining a bachelor of arts. In 2005, Mr. Lurie received a master in business administration from the Wharton School, University of Pennsylvania.

Mr. Lurie started his professional career at Morgan Stanley where he worked as an associate and analyst between 1998 and 2003 in Morgan Stanley's London and New York offices. From 2004 until 2007, Mr. Lurie worked as a director at Tishman Speyer Properties in the areas of European acquisitions, asset management and debt capital markets. In 2007, he joined Goldman Sachs in London and Frankfurt to serve as an executive director and Head of Real Estate Investment Management – Europe. Between 2012 and 2017, Mr. Lurie was a managing director in the real estate asset management of Blackstone and head of Blackstone Property Partners Europe (Blackstone's core-plus real estate business). Since 2018, Mr. Lurie has been a real estate senior advisor at McKinsey and Company, London, and a managing partner of Realty Corporation Ltd.

Alongside his office as a member of the Supervisory Board, Mr. Lurie is also a member of the supervisory board of CORESTATE Capital Holding S.A.

Helmut Ullrich was born October 4, 1949 in Heidenheim an der Brenz, Germany.

Helmut Ullrich completed his university education in 1977 with a law degree from the Rheinische-Friedrich-Wilhelms University in Bonn, Germany, and finished his term as a junior lawyer at the Cologne Higher Regional Court and completed his bar exam in 1980. In 1996 he became a fellow

of the Royal Institution of Chartered Surveyors (FRICS). Since 1990, Mr. Ullrich held various executive positions in the real estate segment of the Deutsche Bank Group. Since 1997, these included the roles of CFO and COO of both DB Real Estate Management GmbH and DB Real Estate Investment GmbH (now RREEF Management GmbH and RREEF Investment GmbH), Eschborn, Germany. From 2002 to 2007, he was chairman of the supervisory board and from 2007 to 2012 member of the management board (CFO) of Deutsche Wohnen AG (today Deutsche Wohnen SE).

Alongside his office as a member of the Supervisory Board, Mr. Ullrich is also a member of the supervisory board and chairman of the audit committee of GSW Immobilien AG.

Klaus Krägel was born September 1, 1960 in Waldorf, Germany.

Mr. Krägel started his professional career with Jones Lang LaSalle GmbH, where he most recently headed the Berlin branch as managing director. In 2002, Mr. Krägel joined AGIV Real Estate AG as an authorized officer. From 2004 to 2007, he held the office of the chairman of the management board of Deutsche Real Estate AG, from where he joined Archon Group Deutschland GmbH in 2008. In this function, he headed the asset management for key parts of the properties acquired in Germany by the Whitehall Funds and in 2015 became a managing director of Goldman Sachs Realty Management Europe GmbH and Goldman Sachs Realty Management GmbH. Since 2017, Mr. Krägel has been the chairman of the management board of DIM Holding GmbH.

Alongside his office as a member of the Supervisory Board, Mr. Krägel is a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside TLG:

- DIM Holding AG (chairman of the management board);
- GIV Management GmbH (managing director); and
- Golden Route GmbH (managing director).

The members of the Supervisory Board can be reached at the Company's office at Hausvogteiplatz 12, 10117 Berlin, Germany (tel. +49 (0) 30-2470-50).

Supervisory Board Committees

Pursuant to Section 12 para. 2 of the Articles of Association, the Supervisory Board may form committees from among its members. The Supervisory Board's decision-making authority may be delegated to these committees to the extent permitted by law. The following committees have been established by the Supervisory Board:

The **Audit Committee** (*Prüfungsausschuss*) is concerned, in particular, with the oversight of the Company's accounting process and the effectiveness of its internal control system, internal auditing system, as well as the audit of the annual financial statements including required independence of the auditor and additional services provided by the auditor, the conclusion of audit agreements with the auditor, setting focus points for the audit and agreeing audit fees and – unless another committee is entrusted therewith – compliance. It shall prepare the Supervisory Board's resolutions on the annual financial statements (including consolidated financial statements) and the Supervisory Board's proposal to the general shareholders' meeting upon the election of the auditor, and the instruction of the auditor.

The chairman of the audit committee shall have specialist knowledge and experience in the application of accounting standards and internal control processes. Furthermore, the chairman of the audit committee shall be independent and may not be a former member of the Management Board whose appointment ended less than two years prior to his appointment as chairman of the audit committee. Additionally, the chairman of the Supervisory Board shall not also be the chairman of the audit committee at the same time.

The current members of the audit committee are:

Name	Responsibilities
Helmut Ullrich	Chairman
Sascha Hettrich	Member
Jonathan Lurie	Member

Section 107 para. 4 AktG requires the Company to have at least one independent member of the audit committee with expertise in the fields of accounting or auditing in the meaning of Section 100 para. 5 AktG. According to the rules of procedure of the Supervisory Board, this member also has to be independent. Mr. Ullrich as member of the Supervisory Board and audit committee of the Company is considered to possess the respective expertise and independence.

The **Executive and Nomination Committee** (*Präsidial- und Nominierungsausschuss*) shall debate key issues and make proposals to the Supervisory Board with respect to the appointment and revocation of members of the Management Board and with respect to their respective compensation and adjustment in compensation. They make recommendations to the Supervisory Board for Supervisory Board proposals to the shareholders' meeting with respect to the election of Supervisory Board members. Furthermore, the executive and nomination committee is responsible for devising a financial and investment policy for TLG as well as to aid in making decisions of strategic importance regarding acquisitions and divestures. The executive and nomination committee shall consist of the chairman of the Supervisory Board, the deputy chairman of the Supervisory Board and one additional member to be elected by the Supervisory Board. The chairman of the Supervisory Board shall be the chairman of the executive committee and nomination committee.

The current members of the executive and nomination committee are:

Name[1]	Responsibilities
Sascha Hettrich	Chairman
Ran Laufer	Member
Jonathan Lurie	Member

The **Committee for Capital Markets and Acquisitions** (*Ausschuss für Kapitalmarkt und Akquisitionen*) advises the Supervisory Board on capital market transactions, in particular with respect to preparing and executing capital measures (Sections 182 *et seq.* AktG) of the Company and its publicly listed subsidiaries, including the issuance of notes, profit participation rights and participating bonds, purchases of treasury stock, preparations for public takeovers and communications with capital markets. It also advises the Supervisory Board on the preparation of key acquisitions, in particular acquisitions financed through the issuance of shares or other capital instruments as well as key matters of financial planning and important refinancings and borrowings.

The current members of the committee for capital markets and acquisitions are:

Name	Responsibilities[1]
Sascha Hettrich	Chairman
Jonathan Lurie	Member
Helmuth Ullrich	Member

The **Project Development Committee** (*Ausschuss für Projektentwicklungsmaßnahmen*) advises the Supervisory Board on project development measures.

The current members of the project development committee are:

Name[1]	Responsibilities
Klaus Krägel	Chairman
Sascha Hettrich	Member
Ran Laufer	Member

No Potential Conflicts of Interest

There are no potential conflicts of interest between any duties to the Company of the members of the Management Board and Supervisory Board and their private interests and/or other duties.

Shareholder Structure

As of August 30, 2019, the Company's share capital amounts to €111,958,044.00 divided into 111,958,044 bearer shares with no par-value (*Stückaktien*).

On the basis of the notifications received by the Company as of the date of this Prospectus in accordance with the German Securities Trading Act (*Wertpapierhandelsgesetz*) and pursuant to information provided by the respective shareholders, the following shareholders directly or indirectly hold more than 3.0% of the Company's shares and voting rights as of the date of this Prospectus. It should be noted that the number of voting rights last notified could have changed since such notifications were submitted to the Company without requiring the relevant shareholder to submit a corresponding voting rights notification if no notifiable threshold has been reached or crossed:

Shareholder	Share of voting rights (in %)
Amir Dayan/Maria Saveriadou	29.33[1]
Republic of Singapore	9.25[2]
Georgios Economou	7.99[3]
Principal Financial Group Inc.	3.38[4]
Blackrock, Inc.	3.33[5]
AXA S.A.	3,00[6]

(1) Indirect shareholdings of Amir Dayan and Maria Saveriadou, as notified for March 15, 2019 based on a total number of 103,444,574 voting rights. Amir Dayan controls the following entities listed in his notification: MARIOZOTTA Ltd.; Nanocare Limited; and Ouram Holding S.à r.l. All shares with voting rights are directly held by Ouram Holding S.à r.l. (29.33% of the Company's shares). Maria Saveriadou controls the following entities listed in her notification: MS Meridien Nominees Ltd.; MARIOZOTTA Ltd.; Nanocare Limited; and Ouram Holding S.à r.l. All shares with voting rights are directly held by Ouram Holding S.à r.l. (29.33% of the Company's shares).

(2) Indirect shareholdings as notified for October 6, 2017 based on a total number of voting rights of 94,611,266. All shares with voting rights are directly held by GIC Private Limited. The Government of Singapore, acting by and through the

Ministry of Finance, is the controlling shareholder of GIC Private Limited that directly held all of the notified voting rights in the Company at that date.

(3) Indirect shareholdings as notified for April 26, 2019 based on a total number of 103,444,935 voting rights. All shares with voting rights are directly held by Xenopus Limited. Georgios Economou controls the following entities listed in his notification: Prime Cap Holdings Inc., Prime Cap Investments Inc. and Xenopus Limited.

(4) Indirect shareholdings of Principal Financial Group Inc. as notified for February 3, 2016 based on a total number of voting rights of 67,432,326 at that date. Principal Financial Group Inc. is the ultimate controlling entity of the following other companies listed in its group notification: Principal Financial Services Inc.; Principal Life Insurance Company; Principal Global Investors, LLC; and Principal Real Estate Investors, LLC. None of these companies directly held 3.0% or more of the voting rights in the Company at that date.

(5) Indirect shareholdings of Blackrock, Inc. as notified for May 2, 2018 based on a total number of 102,530,090 voting rights. Blackrock, Inc. is the ultimate controlling entity of the following other companies listed in its group notification: BlackRock Holdco 2, Inc.; BlackRock Financial Management, Inc.; BlackRock International Holdings, Inc.; BR Jersey International Holdings L.P.; BlackRock Holdco 3, LLC; BlackRock Canada Holdings LP; BlackRock Canada Holdings ULC; BlackRock Asset Management Canada Limited; BlackRock Group Limited; BlackRock Luxembourg HoldCo S.à r.l.; BlackRock UK Holdco Limited; BlackRock Asset Management Schweiz AG; BlackRock Investment Management Ireland Holdings Limited; BlackRock Asset Management Ireland Limited; BlackRock (Singapore) Holdco Pte. Ltd.; BlackRock HK Holdco Limited; BlackRock Asset Management North Asia Limited.; BlackRock Investment Management (UK) Limited; BlackRock Fund Managers Limited; BlackRock Advisors (UK) Limited; BlackRock Holdco 4, LLC; BlackRock Holdco 6, LLC; BlackRock Fund Advisors; BlackRock Delaware Holdings, Inc.; BlackRock Institutional Trust Company, National Association; BlackRock International Limited; BlackRock Life Limited; BlackRock Australia Holdco Pty. Ltd.; BlackRock Investment Management (Australia) Limited; BlackRock (Netherlands) B.V.; BlackRock Capital Holdings, Inc. and BlackRock Advisors, LLC. None of these companies directly held 3.0% or more of the voting rights in the Company at that date.

(6) Indirect shareholdings as notified for July 23, 2019 based on a total number of 111,952,313 voting rights. AXA S.A. is the ultimate controlling entity of the following other companies listed in its group notification: Oudinot Participation S.A.; AXA America Holdings Inc; AXA Financial, Inc; AXA Equitable Financial Services LLC; AXA Equitable Life Insurance Company; Equitable Holding LLC; AllianceBernstein Corporation; and AllianceBernstein L.P. All shares with voting rights are directly held by AllianceBernstein L.P.

The Company is not controlled by any shareholder.

Recent Developments and Outlook; Trend Information and No Adverse Change

By purchase agreement dated February 28, 2019, the Company purchased an office property in Bonn ("*Westside Office*") with a total lettable area of approximately 33,600 sqm. The property is completely let with a WALT of 6 years and tenants comprising a listed company as well as public administration. The total investment volume amounted to €88.8 million and the closing occurred on April 12, 2019.

On March 18, 2019, the Company entered into a sale agreement for the disposal of a retail portfolio comprising 29 assets for a selling price of approximately €118.0 million. Based on portfolio value as of the signing date, 90% of these properties are located in in Saxony, Saxony-Anhalt and Thuringia. Closing is expected to occur in October 2019.

On May 28, 2019, the Company issued the 2019 Notes in a total nominal amount of €600 million (see "*—Material Agreements—Financing Agreements of TLG—2019 Notes*"). Approximately €144.3 million of the proceeds from the issuance of the 2019 Notes were used to repay certain of TLG's existing loan agreements with banks including the full repayment of a €58.7 million loan agreement with Deutsche Pfandbriefbank AG which would have matured later in the fiscal year 2019.

By resolution of the Management Board dated June 26, 2019, approved by the Supervisory Board on the same day, the Management Board resolved to increase the registered share capital of the

Company by up to €8,500,000.00 to up to €111,884,729.00 against contribution in cash by issuing up to 8,500,000 new ordinary bearer shares with no par-value (*Stückaktien*), each with a notional value of €1.00 (the "**New Shares**"), while excluding subscription rights of existing shareholders.

On that same day, the Company and Deutsche Bank and J.P. Morgan as joint bookrunners jointly set the price for the private placement at €26.13 per New Share (the "**Placement Price**"). The implementation of the capital increase for the issuance of the New Shares was registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg, Germany, on June 28, 2019. The New Shares were admitted to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with additional post-admission obligations (Prime Standard) on July 2, 2019 and the private placement of the New Shares in the form of an accelerated bookbuilding offering closed on the same date.

Following the placement of 8,500,000 New Shares at the Placement Price and payment of the discretionary fee, the Company received gross proceeds of approximately €222.0 million and net proceeds of approximately €220.2 million from the private placement.

The Company intends to use the net proceeds from the private placement for the financing of future growth and acquisitions in accordance with TLG's investment strategy, while maintaining the target Net LTV of 45.0%.

On July 8, 2019, the Company announced that it had conducted a revaluation of its total portfolio which led to an increase of the value of TLG's existing portfolio as of June 30, 2019 by approximately €400 million. As a result of this revaluation, and taking into account the acquisition of the Westside Office property in Bonn which closed in April 12, 2019 (see *"—Material Agreements—Purchase and Sale Agreements—Westside Office in Bonn"*), TLG's total portfolio value increased from approximately €4.1 billion as of March 31, 2019 to €4.6 billion as of June 30, 2019.

On September 1, 2019, the Company announced that it has entered into the Share Purchase Agreement and the Option Agreement (see "*—Material Agreements—Purchase and Sale Agreements—Acquisition of Equity Stake in Aroundtown S.A.*"). Pursuant to the Share Purchase Agreement, the Company has acquired an equity stake of 9.99% in the share capital of Aroundtown from Avisco for a total purchase price of €1,016 million. Under the Option Agreement, the Company has a call right to purchase from Avisco, and Avisco has put right to sell to the Company, an additional equity stake of up to 4.99% in the share capital of Aroundtown. In the case of the full exercise of the Option, the Company's shareholding in Aroundtown would increase from 9.99% to 14.99% making it the largest shareholder in Aroundtown. The purchase price per share of the Option is equal to the purchase price under the Share Purchase Agreement. The Option is exercisable by either party prior to February 28, 2020.

In connection with entering into the Share Purchase Agreement, the Company has received a vendor loan from Avisco in an amount of €516 million (the "**Vendor Loan**"). The Vendor Loan was repaid in an amount of €200 million on September 13, 2019. Any amounts outstanding after that time must be repaid on November 2, 2019, subject to the option of the Company to extend the term of the vendor loan until December 2, 2019.

On September 1, 2019, the Company further anounced that the Company and Aroundtown will commence discussions in relation to a potential business merger in which the Company intends to act as offeror (at an exchange ratio guided by the then prevailing EPRA NAV of the two companies, subject

to market conditions and mutual due diligence), or effect a different form of business combination as to be mutually agreed between the parties. TLG considers that a potential merger with Aroundtown could result in a long-term shareholder value creation from synergies and a further upside from joint development potential benefitting from best practice and knowledge sharing. Such newly merged company might have a leading position in the European commercial real estate sector, with a focus on offices and hotels in top tier German and Dutch cities with combined total assets in excess of €25 billion. TLG considers that such newly merged company might be able to attract an enhanced credit rating and provide for an increased free float and liquidity of its shares, as well as index weighting.

On September 6, 2019, the Company as borrower entered into the Bridge Facilities Agreement with, amongst others, JPMorgan Chase Bank, N.A., London Branch as lender (see *"—Material Agreements—Financing Agreements of TLG—Bridge Facilities Agreement"*). As of the date of this Prospectus no loans are utilized under the Bridge Facilities Agreement.

On September 16, 2019, the Company announced that it considered to issue through its subsidiary TLG Finance S.à r.l., acting as issuer, the Hybrid Notes (see *"—Material Agreements—Financing Agreements of TLG—Hybrid Notes"*) which will be guaranteed by the Company on a subordinated basis. The Hybrid Notes are intended to be issued at or around the time of the issuance of these Notes. The proceeds from the isuance of the Hybrid Notes are expected to be used for the financing and/or refinancing of (i) the purchase price paid or to be paid for the 9.99% stake in the share capital of Aroundtown S.A. under the Share Purchase Agreement, and (ii) the price to be paid for the additional stake of up to 4.99% in the share capital of Aroundtown in case of the exercise of the Option.

Other than listed above, there have been no recent events particular to the Company which are relevant to the evaluation of the Company's solvency. Between June 30, 2019 and the date of this Prospectus, no significant changes occurred in the financial or trading position, or in the financial performance of TLG.

Since December 31, 2018, there has been no material adverse change in the prospects of the Company.

TAXATION

The following is a general discussion of certain German and Luxembourg tax consequences of the acquisition, ownership and disposal of the Notes offered by the Issuer. This discussion does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase these Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany and the Grand Duchy of Luxembourg ("**Luxembourg**") currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of the securities, including the effect of any state or local taxes, under the tax laws applicable in Germany, Luxembourg and each country of which they are residents.

Taxation in Germany

Income Tax

Notes Held by German Tax Residents as Private Assets

(a) Taxation of Interest

Payments of interest on the Notes to its Holders who are tax residents of Germany (*i.e.*, persons whose residence or habitual abode is located in Germany) are subject to German income tax (*Einkommensteuer*). In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is currently levied in addition to such tax (for a discussion of the German government's plans to (partially) abolish or reduce the solidarity surchage in the future see below). Furthermore, church tax may be levied, where applicable. If interest claims are disposed of separately (*i.e.*, without the securities), the proceeds from the disposal are subject to income tax. The same applies to proceeds from the redemption of interest claims if the Notes are disposed of separately.

On payments of interest on the Notes to individual tax residents of Germany, income tax is generally levied as a flat income tax at a rate of 25% (plus the solidarity surcharge in an amount of 5.5% of such tax resulting in a total tax charge of 26.375%, and, if applicable, church tax). The total investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of €801.00 (€1,602.00 for married couples and registered partners filing jointly). A deduction of expenses actually incurred is excluded.

If the Notes are kept or administrated in a custodial account which the Holder of the Notes maintains with a German branch of a German or non-German credit institute (*Kreditinstitut*) or financial services institution (*Finanzdienstleistungsinstitut*) or with a securities trading business (*Wertpapierhandelsunternehmen*) or with a securities trading bank (*Wertpapierhandelsbank*) (each within the meaning of the German Banking Act (*Kreditwesengesetz*) in Germany (each a "**Disbursing Agent**"), the flat income tax will generally be levied by way of withholding at the aforementioned rate (including the solidarity surcharge and, if applicable, church tax) from the gross interest payment to be made by the Disbursing Agent. For Holders who are subject to church tax, an electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax will be collected by the Disbursing Agent by way of withholding unless the investor has

filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the investor will be assessed to church tax.

In general, no withholding tax will be levied if the Holder of the Notes filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, but only to the extent the interest income derived from the Notes, together with other investment income, does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder of the Notes has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the relevant local tax office.

In computing the withholding tax, the Disbursing Agent generally deducts from the basis of the withholding tax negative investment income realized by a Holder via the Disbursing Agent (with the exception of losses on sales of Notes that may be offset against gains on sales of Notes). The Disbursing Agent also deducts accrued interest on the Notes or other securities paid separately upon the acquisition of the respective security by a private Holder via the Disbursing Agent. In addition, subject to certain requirements and restrictions the Disbursing Agent credits foreign withholding taxes levied on investment income in a given year regarding securities held by a private Holder in the custodial account with the Disbursing Agent.

If the Notes are kept or administrated in a custodial account abroad or if no Disbursing Agent is involved in the payment process, the Holder of the Notes will have to include its interest income on the Notes in its tax return and the flat income tax of 25% (plus the solidarity surcharge and, if applicable, church tax) will be collected by way of assessment.

Payment of the flat income tax by way of withholding will generally satisfy any income tax liability (including the solidarity surcharge and, if applicable, church tax) of the Holder of the Notes with respect to such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25% (*Günstigerprüfung*). A deduction of expenses actually incurred is also excluded in this case.

Please note that the coalition agreement between the German Christian Democratic and Christian Social Union, as well as with the German Social Democratic Party for the formation of a new German federal government provides that the flat tax regime shall be partially abolished for certain capital investment income, in particular interest income. That means however that income received by individual investors from the Notes may be taxed at individual progressive income tax rates of up to 45% in the future (plus a 5.5% solidarity surcharge thereon, unless (partially) abolished or reduced in the future, and church tax, if applicable to the individual investor). Besides this, the German government has published a draft bill pursuant to which the solidarity surcharge will be abolished for 90% of all tax payers and reduced for additional 6.5% of all taxpayers starting in calendar year 2021 depending on certain income thresholds.

(b) Taxation of Capital Gains

Capital gains realized by individual tax residents of Germany from the disposal or redemption of Notes are subject to the flat income tax on investment income at a rate of 25% (plus the solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, and, if applicable, church tax), irrespective of any holding period.

Capital losses from the sale or redemption of the Notes held as private assets should generally be tax-recognized irrespective of the holding period of the Notes. According to the view of German tax authorities losses suffered upon a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*) (to the extent the waiver does not qualify as a hidden contribution) shall, in general, not be deductible for tax purposes. With respect to a bad debt loss the German Federal Tax Court has recently rejected the view of German tax authorities, but the Federal Ministry of Finance did not yet amend the corresponding statement relating to the aforementioned tax decree, which has to be applied by the Disbursing Agent for withholding tax purposes. According to a draft bill by the German government published on August 8, 2019, the view of German tax authorities shall be adopted by law.

Any tax-recognized capital losses may not be used to offset other income like employment or business income but may only be offset against investment income subject to certain limitations. Losses not utilized in one annual assessment period may be carried forward into subsequent assessment periods but may not be carried back into preceding assessment periods. Individual investors are entitled to a lump sum deduction (*Sparer-Pauschbetrag*) of €801.00 (€1,602.00 for married couples and registered partners filing jointly). The lump sum deduction is considered for purposes of the withholding tax, if the investor has filed a withholding tax exemption request (*Freistellungsauftrag*) with the respective Disbursing Agent. A deduction of expenses actually incurred is excluded.

If the Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for German tax purposes, be treated as an exchange of the Notes for new notes issued by the Substitute Debtor and subject to similar taxation rules as the Notes. In particular, such a substitution could result in the recognition of a taxable gain or loss for any Holder of a Note. The Substitute Debtor is obligated to indemnify each Holder for any tax incurred by such Holder as a result of a substitution of the Issuer pursuant to the rules set forth in "*Terms and Conditions of the Notes—§14 Substitution*". The indemnities to be paid may constitute taxable income.

If the Notes are kept or administrated in a custodial account which the Holder of the Notes maintains with a Disbursing Agent, the flat income tax will generally be levied by way of withholding from the difference between the redemption amount (or the proceeds from the disposal) after deduction of expenses directly related to the redemption (or disposal) and the issue price (or the purchase price) of the Notes. If Notes kept or administrated in the same custodial account were acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purposes of determining the capital gains (FIFO method). The FIFO method is applied on the level of the individual custodial account. Where Notes are acquired and/or sold in a currency other than Euro, the sales price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale date and the acquisition date respectively with the result that any currency gains or losses are part of the capital gains. If interest claims are disposed of separately (*i.e.* without the Notes), the proceeds from the disposal are subject to taxation. The same applies to proceeds from the payment of interest claims if the Notes have been disposed of separately.

If the Notes have been transferred to the custodial account of the Disbursing Agent only after their acquisition, and the previous account bank or the Holder of the Notes are not allowed or able to provide evidence on the acquisition data, withholding tax will be levied by the Disbursing Agent on 30% of the proceeds from the disposal or redemption of the Notes. The transfer of the Notes to the custodial account of another person is considered as a disposal of the Notes and withholding tax will levied from the difference between the stock market price and the issue price of the Notes, minus the costs of transfer. If a stock market price is not available, withholding tax will be levied on 30% of the

issue price. The Holder of the Notes can avoid the levy of withholding tax by informing the Disbursing Agent that the Notes were transferred free of charge.

If no Disbursing Agent is involved in the payment process, the Holder of the Notes will be required to include capital gains from the disposal or redemption of the Notes in its tax return and the flat income tax of 25% (plus the solidarity surcharge and, if applicable, church tax) will be collected by way of assessment. The same applies if the withholding tax on a disposal or redemption has been calculated from 30% of the disposal proceeds and the capital gain calculated on the basis of the actual acquisition costs of the Notes is higher than the basis for the withholding tax.

Otherwise, the considerations on the withholding tax implications for interest income on the Notes apply accordingly for withholding tax on capital gains from a sale, redemption or other disposal of the Notes.

Notes Held by German Tax Residents as Business Assets

Payments of interest on the Notes and capital gains from the disposal or redemption of Notes held as business assets by German tax resident individuals or corporations (including via a partnership, as the case may be), are generally subject to German income tax (*Einkommensteuer*) or German corporate income tax (*Körperschaftsteuer*) (in each case, plus the solidarity surcharge and, if applicable, church tax in case of individuals). The interest and capital gain will also be subject to German trade tax (*Gewerbesteuer*) if the Notes form part of the property of a German trade or business. The trade tax rate depends on the municipal multiplier of the respective municipality.

If the Notes are kept or administrated in a custodial account which the Holder of the Notes maintains with a Disbursing Agent, tax at a rate of 25% (plus the solidarity surcharge and, if applicable, church tax in case of individuals) will also be withheld from interest payments on Notes held as business assets. In these cases, the withholding tax does not satisfy the income tax liability of the Holder of the Notes, as in the case of the Notes held by tax residents as private assets but will be credited as advance payment against the income or corporate income tax liability (plus the solidarity surcharge and, if applicable, church tax in case of individuals) of the Holder of the Notes.

Generally and subject to further requirements, no withholding will be required with regard to capital gains derived from Notes held by corporations resident in Germany, provided that, regarding certain legal entities, the legal form of the corporation has been evidenced by a certificate of the competent tax office. Upon application, the same applies to Notes, held as business assets by individuals or partnerships.

Notes Held by Non-German Tax Residents

In general, interest and capital gains are not subject to German taxation for non-residents (*i.e.*, persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in Germany), unless the Notes form part of the business property of a permanent establishment (*Betriebsstätte*) or business for which a permanent representative (*ständiger Vertreter*) in Germany has been appointed. Interest or capital gains may, however, be subject to German income tax if the capital investments are secured by real estate situated in Germany, or if they otherwise constitute taxable income in Germany.

Non-German tax residents are, in general, exempt from German withholding tax on interest and capital gains and from any solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation, as set forth in the preceding paragraph, and the Notes are kept or administrated in a custodial account with a Disbursing Agent, withholding tax will be levied as explained above under "*—Notes Held by German Tax Residents as Private Assets*" or under "*—Notes Held by German Tax Residents as Business Assets*", respectively.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any securities will generally arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such securities are not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions to this rule apply to certain German citizens who previously maintained a residence in Germany.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, neither a net assets tax (*Vermögensteuer*) nor a financial transfer tax is levied in Germany.

Taxation in Luxembourg

This summary is of a general nature only and does therefore not purport to be a complete analysis of all possible tax situations that may be relevant to an investment decision. This summary is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Prospectus and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis. As the taxation consequences of holding any Notes will depend on the terms and conditions of those Notes as well as the statutes of the individual investors, prospective investors should consult their professional advisers with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income taxes, municipal business tax, the solidarity surcharge, as well as the net wealth tax invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the holders of Notes

Withholding Tax

(a) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Holders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Holders.

(b) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005, as amended (the "**Relibi Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Holders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Holders.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20%, if paid by such Luxembourg paying agent.

Under the Relibi Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 20% withholding tax on interest payments made by foreign paying agents, if these are located in member state of the European Union other than Luxembourg, or in a member state of the EEA (other than an EU Member State, and except Luxembourg).

Income Tax

(a) Non-resident holders of Notes

A non-resident Holder, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realized by such non-resident holder of Notes on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate Holder or an individual Holder acting in the course of the management of a professional or business undertaking, who has a permanent establishment, permanent representative or permanent base in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

(b) Resident holders of Notes

Holders who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

A resident corporate Holder that is governed by the law of May 11, 2007 on family estate management companies, as amended, or by the law of December 17, 2010 on undertakings for collective investment, as amended, by the law of February 13, 2007 on specialized investment funds, as amended, or by the law of July 23, 2016 on reserved alternative investment funds, as amended, and which does not fall under the special tax regime set out in article 48 thereof is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the Notes. Other resident corporate Holders must include any interest received or accrued, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes in their taxable income for Luxembourg income tax assessment purposes.

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied by a Luxembourg paying agent (within the meaning of the Relibi Law) on such payments in accordance with the Relibi Law, or, in the absence of such Luxembourg paying agent, (ii) the individual Holder has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law, which can be opted for through self-declaration if a payment of interest has been made or ascribed by a paying agent established in a member state of the European Union (other than Luxembourg), or in a member state of the EEA (other than member state of the European Union, and except Luxembourg). A gain realized by an individual Holder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual Holder acting in the course of the management of a professional or business undertaking must include any income deriving under the Notes in its taxable basis. If applicable, the tax levied in accordance with the Relibi Law will be credited against his/her final tax liability.

Net Wealth Taxation

A corporate Holder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the Holder of Notes is governed by the law of May 11, 2007 on family estate management companies, as amended, by the law of December 17, 2010 on undertakings for collective investment, as amended, by the law of February 13, 2007 on specialized investment funds, as amended, by the law of July 23, 2016 on reserved alternative investment funds, as amended, or by the law of July 13, 2005 on professional pension institutions, as amended, or is a securitization company governed by the law of March 22, 2004 on securitization, as amended, or is a capital company governed by the law of June 15, 2004 on venture capital vehicles, as amended. Please note, however, that securitization companies governed by the law of March 22, 2004 on securitization, as amended, or capital companies governed by the law of June 15,

2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of July 23, 2016, as amended, and which fall under the special tax regime set out under article 48 thereof or of the professional pension institutions governed by the law of July 13, 2005, as amended, may, under certain conditions, be subject to minimum net wealth tax.

An individual Holder, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on the Notes.

Other Taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Notes will give rise to any Luxembourg registration tax or similar taxes.

However, a fixed or *ad valorem* registration duty may be due upon the registration of the Notes in Luxembourg in the case where the Notes are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of the Notes on a voluntary basis.

Where a Holder is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

Automatic Exchange of Information for Tax Purposes

FATCA

The provisions of the Foreign Account Tax Compliance Act, commonly known as "**FATCA**", established under the Hiring Incentives to Restore Employment Act generally impose, as from 2014, a new reporting regime and potentially a 30% withholding tax with respect to (i) certain U.S. source "FDAP" income (including dividends and interest) ("**Withholdable Payments**") and (ii) (possibly, in the future) a portion of certain non-U.S. source payments from non-US entities that have entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments ("**Passthru Payments**"). As a general matter, the new rules are designed to require U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities to be reported to the Internal Revenue Service ("**IRS**"). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, the new rules subject all Withholdable Payments and (future) Passthru Payments received by a foreign financial institution (an "**FFI**") to 30% withholding tax (including the share that is allocable to non-US investors) unless the FFI enters into an agreement with the IRS (an "**FFI Agreement**") or complies with the terms of an applicable intergovernmental agreement (an "**IGA**").

Under an FFI Agreement or an applicable IGA, an FFI (denominated a "**Reporting Financial Institution**" or "**RFI**" under an IGA) generally will be required to provide information and (outside an IGA "Model-1" context) waivers of non-US law to comply with the provisions of the new rules, including information regarding its direct and indirect US accountholders.

Likewise, most jurisdictions in the European Union (and many jurisdictions outside the European Union), the governments of Germany, the United Kingdom and Luxembourg entered into a "Model-1" IGA with the United States regarding FATCA. Under these IGA, as currently drafted, an FFI generally should not be subject to withholding or be required to withhold amounts on payments it makes under FATCA (except regarding certain payments made to "Non-Participating FFI"; however then only in the presence of U.S. source "FDAP" income being attributed directly to the account holders, or, possibly, as from a certain moment in the future, regarding indirect payments of such US source "FDAP" income, should the future Passthru Payment system be introduced. It should be noted that based on the latest proposals issued on December 13, 2018, the IRS and the U.S. Treasury have determined, at least for now, that withholding on foreign Passthru Payments is not required, pending further guidance and analysis, meaning this system is suspended until further notice).

Additionally, under an IGA, an FFI does not have to enter into an FFI Agreement with the IRS and instead is required to obtain information regarding accountholders and report such information to the local government, which, in turn, would report such information to the IRS.

In the case at hand, one or several parties located in Germany, the United Kingdom and/or Luxembourg could qualify as RFI under the respective IGA concluded by these countries.

Investors (entities and individuals) opening an "account" (within the meaning of such applicable IGA) with such RFI with an aim to subscribe to the Notes will be required to self-certify their FATCA classification and provide certain other identification data to such RFI through self-certification forms upon subscription. In the absence of valid self-certification, such subscription cannot be accepted by the RFI. Depending of the respective FATCA status of the subscribers, the RFI may be obliged to report certain identification and financial information on certain subscribers and possibly their controlling persons to the local government under the applicable IGA (notably on subscribers that qualify as "Specified U.S. Persons" and on controlling persons of entity subscribers, where these entities qualify as "Passive NFFE" and one or several of their controlling persons qualify as "Specified U.S. Persons"). The latter governments would then be in charge of transmitting such information to the competent US authorities under the applicable IGA.

In the (unlikely) 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.

Each prospective investor should consult its own tax advisors regarding the requirements under FATCA with respect to its own situation.

Common Reporting Standard

The common reporting standard framework was first published by the Organization for Economic Co-operation and Development ("**OECD**") in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase international tax transparency. On July 21, 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD, including the Common Reporting Standard ("**CRS**"). As of June 25, 2019, 106 jurisdictions, including all member states of the European Union, signed the multilateral competent authority agreement, which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Under the CRS, “Reporting Financial Institutions“ or “RFI ”(as defined in the CRS) resident in a CRS country are required to report, according to a due diligence standard, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which include trusts and foundations) with tax residency in another CRS country. The CRS includes a requirement to look through entities qualifying as “Passive NFE” to classify and report on the relevant controlling persons.

As of January 1, 2016, the CRS has been implemented within the European Union through Council Directive 2014/107/EU of December 9, 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, as amended (the “**CRS Directive**”), as transposed into national law by the member states of the European Union. In the case at hand, one or several parties located in Germany, the United Kingdom and/or Luxembourg could qualify as RFI under the CRS Directive.

Holders opening an “account” (within the meaning of the CRS Directive) with such RFI, with an aim to subscribe to the Notes, will be required to self-certify their CRS classification, including amongst others their tax residence country(ies) and Tax Identification Number(s), and provide certain other identification data to such RFI through self-certification forms upon subscription. In the absence of valid self-certification, such subscription cannot be accepted by the RFI. Depending of the respective CRS status and tax residence country(ies) of the subscribers, the RFI may be obliged to report certain identification and financial information on certain subscribers and possibly their controlling persons to the local government under the CRS Directive, as transposed in the relevant country of the RFI. The latter local governments would then be in charge of transmitting such information to the competent authorities of the governments of the respective reportable jurisdictions.

Prospective investors are advised to seek their own professional advice in relation to the CRS Directive. Non-compliance with the CRS rules may be sanctioned by fines imposed upon the Issuer.

The Proposed Financial Transactions Tax

The European Commission and certain member states of the European Union (including Germany) currently intend to introduce an FTT. On February 14, 2013, the Commission published a proposal for a Council Directive that focusses on levying an FTT of 0.1% (0.01% for derivatives) on secondary market transactions in securities involving at least one financial intermediary.

The FTT proposal is still subject to negotiation between the Participating Member States and full details are not available. Therefore, it is currently uncertain whether and when the proposed FTT will be enacted by the Participating Member States and when it will take effect with regard to dealings in the Notes. The proposal may be altered prior to any implementation and other member states may decide to participate. Prospective Holders are advised to seek their own professional advice in relation to the FTT.

According to the coalition agreement between the German Christian Democratic and Christian Social Union, as well as with the German Social Democratic Party, the current German government still has the intention to introduce a FTT. Additionally, in June 2018, Germany and France agreed to further pursue the implementation of a FTT in the EU for which the current French financial transaction tax (which is mainly focused on transactions regarding shares in listed companies with a market capitalization of more than EUR 1 billion) could serve as a role model.

Responsibility of the Issuer for the Withholding of Taxes at Source

The Issuer does not assume any responsibility for the withholding of taxes at source.

SUBSCRIPTION AND SALE

Subscription

On or about September 20, 2019, the Issuer and the Joint Bookrunners will enter into a subscription agreement (the "**Subscription Agreement**"). Under the Subscription Agreement, the Issuer will agree to issue and sell to the Joint Bookrunners, and the Joint Bookrunners will agree, subject to certain customary closing conditions, to subscribe to and pay for the Notes on September 23, 2019. The Issuer has agreed to pay certain fees to the Joint Bookrunners and to reimburse the Joint Bookrunners for certain expenses incurred in connection with the issuance of the Notes.

Under certain circumstances, the Joint Bookrunners may terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer will agree to indemnify the Joint Bookrunners against certain liabilities it may incur in connection with the offer and sale of the Notes.

From time to time, the Joint Bookrunners or their respective affiliates have provided, and expect to provide in the future, investment services to the Issuer and/or its affiliates, for which the Joint Bookrunners or their respective affiliates have received or will receive customary fees and commissions.

Selling Restrictions

General

The Joint Bookrunners have acknowledged that no representation is made by the Issuer, or any of the Joint Bookrunners that any action has been or will be taken in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other materials relating to the Notes, in any country or jurisdiction where further action for that purpose would be required. Each Joint Bookrunner has undertaken to comply, to the best of its knowledge and belief, in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes, or has in its possession or distributes this Prospectus or any such other materials, in all cases at its own expense.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S or pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act.

The Joint Bookrunners have represented, warranted and undertaken that they have not offered or sold, and will not offer or sell, the Notes constituting part of their respective allotment within the United States, except in accordance with Rule 903 of Regulation S. Accordingly, the Joint Bookrunners have further represented, warranted and undertaken that neither they, nor their respective 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 shall have the meaning ascribed to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in transactions permitted by U.S. tax regulations. Terms used in this paragraph shall have the meaning ascribed to them by the United States Internal Revenue Code of 1986, as amended, and applicable regulations thereunder.

European Economic Area

Each Joint 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 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 Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each of the Joint Bookrunners has represented and agreed that:

(i) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21 para. 1 of the FSMA does not apply to the Issuer; and

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

Singapore

Each Joint Bookrunner has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Bookrunner has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA,

or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

GENERAL INFORMATION

This Prospectus constitutes a prospectus within the meaning of Article 3 para. 3 of the Prospectus Regulation and has been prepared in accordance with Article 6 para. 3 of the Pospectus Regulation. This Prospectus has been approved by the CSSF, as the competent authority for such approval under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should neither be considered as an endorsement of the Issuer that is the subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. This Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) (www.bourse.lu). By approving this Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Prospectus or the quality or solvency of the Issuer.

Notice to Prospective Investors in the European Economic Area

This Prospectus has been prepared on the basis that all offers of Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of Notes and is therefore, for the purposes of the offering of the Notes, not a prospectus within the meaning of the Prospectus Regulation. Accordingly, any person making or intending to make any offer of Notes within the EEA should only do so in circumstances in which no obligation arises for the Issuer, or the Joint Bookrunners to produce a prospectus for such offers. Neither the Issuer nor the Joint Bookrunners have authorized, nor do they authorize, any offer of Notes through any financial intermediary, other than offers made by the Joint Bookrunners, which constitute the final placement of the Notes contemplated in this Prospectus.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this Prospectus is for distribution to Relevant Persons only. This Prospectus is directed only at Relevant Persons and may not be acted or relied on by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this Prospectus relates is only available to Relevant Persons and will only be engaged in with Relevant Persons.

Interests of Natural and Legal Persons Involved in the Issue

The Joint Bookrunners have entered into a contractual relationship with the Issuer in connection with the issuance of the Notes.

In addition, in the ordinary course of their business activities, the Joint Bookrunners and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivate securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or their affiliates. The Joint Bookrunners and their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer, as applicable, consistent with their customary risk management policies. Typically, the Joint Bookrunners and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in

securities, potentially including the Notes. Any such short positions could adversely affect future trading prices of the Notes.

The Joint Bookrunners and their respective affiliates may also make investment recommendations and/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 and/or short positions in such securities or instruments.

Authorization and Issue Date

The issuance of the Notes was authorized by the Management Board and by the Committee for Capital Markets and Acquisitions (*Ausschuss für Kapitalmarkt und Akquisitionen*) of the Supervisory Board on September 17, 2019. The Issue Date of the Notes is September 23, 2019.

Use of Proceeds

The net proceeds from the issuance of the Notes, estimated by the Issuer to be approximately €595.2 million are expected to be used for the financing and/or refinancing of (i) the purchase price paid or to be paid for the 9.99% stake in the share capital of Aroundtown S.A. under the Share Purchase Agreement, and (ii) the price to be paid for the additional stake of up to 4.99% in the share capital of Aroundtown in case of the exercise of the Option.

Delivery of Notes

Delivery and payment of the Notes will be made on the Issue Date (*i.e.*, September 23, 2019). The Notes so purchased will be delivered via book-entry delivery through the Clearing System and their depository banks against payment of the issue price.

Costs and Expenses Relating to the Purchase of Notes

The Issuer will not directly charge any costs, expenses or taxes to any investor in connection with the Notes. However, Investors should inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence, including any charges their own depository banks may charge them for purchasing or holding Notes.

Listing and Admission to Trading of the Notes

Application has been made to the Luxembourg Stock Exchange (*Bourse de Luxembourg*) for the Notes to be listed on the official list of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*). The regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) is a regulated market for purposes of Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.

The admission to trading is expected to be granted on or around September 23, 2019. The expenses in connection with the admission to trading are expected to amount to approximately €15,000.00.

Clearing System and Security Codes

The Notes will be accepted for clearance through:

Clearstream Banking S.A.
42 Avenue JF Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

and

Euroclear Bank SA/NV
1 Boulevard du Roi Albert II
1210 Brussels
Kingdom of Belgium

The Notes have the following securities codes:

International Securities Identification Number (ISIN) XS2010044464

Common Code 201004446

German Securities Identification Number (*WKN*) A2YPFC

Ratings[3] of the Issuer and the Notes

Moody's[4] has assigned the long-term rating "Baa2"[5] (positive outlook) to the Company; S&P[6] has assigned the long-term rating "BBB"[7] (positive outlook) to the Company.

The Notes are expected to be rated "Baa2"[5] by Moody's and "BBB"[8] by S&P.

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3 A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

4 Moody's is established in the European Community and is registered under the CRA Regulation.
The European Securities and Markets Authority publishes on its website (www.esma.europa.eu/page/list-registered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Articles 16, 17 or 20 of the CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

5 Moody's defines "Baa2" as follows: "Obligations rated Baa2 are judged to be medium-grade and subject to moderate default risk and as such may possess certain speculative characteristics. […] Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa-PD through Caa-PD (*e.g.*, Aa1-PD). The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."

6 S&P is established in the European Community and is registered under the CRA Regulation.

7 S&P defines "BBB" as follows: "An obligor rated BBB has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments."

8 S&P defines "BBB" as follows: "Obligations rated BBB exhibit adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation."

Credit ratings have been assigned to the Company and the Notes at the request of the Issuer.

Indication of Yield

The yield in respect of the Notes Tranche 1 from the Issue Date to (but excluding) the Maturity Date is 0.527% *per annum* and the yield in respect of the Notes Tranche 2 from the Issue Date to the Maturity Date is 0.430% *per annum*, each calculated on the basis of the issue prices of the Notes Tranche 1 and the Notes Tranche 2, respectively. Such yield is calculated in accordance with the ICMA (*International Capital Markets Association*) Method.

Documents Available

For the term of the Prospectus, the following documents will be available and can be inspected on the website of the Group under the link www.tlg.de/ir/anleihen (information on the website of the Group (www.tlg.de) does not form part of the Prospectus and has not been scrutinized or approved by the CSSF as the competent authority, unless that information is incorporated by reference):

(i) the Articles of Association;

(ii) a copy of this Prospectus prepared for the purposes of the Listing and any supplement thereto; and

(iii) the documents incorporated by reference.

DOCUMENTS INCORPORATED BY REFERENCE

The pages set out below, which are extracted from the following documents, shall be deemed to be incorporated in, and form part of, this Prospectus: (i) the Company's German-language Half-Year Financial Report as of June 30, 2019 (www.tlg.de/halbjahresbericht_2019); (ii) the Company's German-language Annual Report 2018 (www.tlg.de/finanzbericht_2018) and (iii) the Company's German language Annual Report 2017 (www.tlg.de/finanzbericht_2017).

The Company's unaudited condensed consolidated interim financial statements as of and for the six months ended June 30, 2019 incorporated by reference were prepared in accordance with IFRS on interim financial reporting (IAS 34). The review report (*Bescheinigung nach prüferischer Durchsicht*) with respect to the Company's unaudited condensed consolidated interim financial statements as of and for the six months ended June 30, 2019 incorporated by reference refer to the unaudited condensed consolidated interim financial statements and the respective group interim report, as a whole, and not solely to the unaudited condensed consolidated interim financial statements incorporated by reference. The Company's audited consolidated financial statements as of and for the fiscal years ended December 31, 2018 and 2017, respectively, incorporated by reference were prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 HGB. The independent auditor's reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) with respect to the Company's consolidated financial statements as of and for the fiscal years ended December 31, 2018 and 2017, respectively, incorporated by reference refer to the consolidated financial statements and the respective report on the position of the Issuer and TLG, in each case as a whole, and not solely to the consolidated financial statements incorporated by reference.

Any information not incorporated by reference in this Prospectus but contained in one of the documents mentioned as source documents in the cross reference list below is either not relevant for the investor or covered in another part of this Prospectus.

In respect of the documents incorporated by reference, the German language is controlling and binding in relation to the documents listed in the table of documents incorporated by reference. The Company's published English-language Half-Year Financial Report as of June 30, 2019 (www.tlg.de/half-year_report_2019) and the Company's English-language Annual Report 2018 (www.tlg.de/annual_report_2018) and English-language Annual Report 2017 (www.tlg.de/annual_report_2017) are translations of the respective German-language versions and are not incorporated by reference in, and do not form part of, this Prospectus.

Upon written or oral request, the Issuer will provide a copy of any or all of the documents incorporated by reference free of charge. Requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Prospectus. Furthermore, the documents incorporated by reference have been published on the Issuer's website under the links provided above and will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

(1) Unaudited German-language Condensed Consolidated Interim Financial Statements of the Company as of and for the Six Months ended June 30, 2019 and German-language Review Report thereon, extracted from the German-language Half-Year Financial Report as of June 30, 2019

(2) Audited German-language Consolidated Financial Statements of the Company as of and for the Fiscal Year ended December 31, 2017 and German-language Independent Auditor's Report thereon, extracted from the German-language Annual Report 2017

(3) Audited German-language Consolidated Financial Statements of the Company as of and for the Fiscal Year ended December 31, 2018 and German-language Independent Auditor's Report thereon, extracted from the German-language Annual Report 2018

GLOSSARY

2017 Notes	The unsecured €400.0 million 1.375% fixed rate notes due 2024, issued by the Company on November 27, 2017.
2019 Notes	The unsecured €600.0 million 1.500% fixed rate notes due 2026, issued by the Company on May 28, 2019.
Adjusted EPRA NAV	EPRA NAV adjusted for goodwill.
AktG	The German Stock Corporation Act (*Aktiengesetz*).
Annualized In-place Rent	Contracted rents as of June 30, 2019, without deduction for any applicable rent-free periods, multiplied by twelve.
Aroundtown	Aroundtown S.A.
Articles of Association	The Company's (TLG Immobilien AG) articles of association.
Avisco	The Avisco Group.
Bridge Facilities Agreement	The €800,000,000 bridge facilities agreement entered into on September 6, 2019 between the Company as original borrower, J.P. Morgan Securities plc as arranger, J.P. Morgan Europe Limited as agent and JPMorgan Chase Bank, N.A., London Branch as original lender.
BVS	The Federal Institute for Special Tasks Arising from Unification (*Bundesanstalt für vereinigungsbedingte Sonderaufgaben*).
Clearing System	Clearstream together with Euroclear.
Clearstream	Clearstream Banking S.A., Luxembourg.
Completion	The completion of the Takeover Offer on October 6, 2017.
CRA Regulation	Regulation (EC) no. 1060/2009 of the European Parliament and of the Council dated September 16, 2009 on credit rating agencies, as amended.
CRS	The Common Reporting Standard as included in the Standard for Automatic Exchange of Financial Account Information in Tax Matters, published by the OECD on July 21, 2014.
CRS Directive	Council Directive 2014/107/EU dated December 9, 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, as amended.

CSSF	Commission de Surveillance du Secteur Financier.
DCF Method	The discounted cash flow method.
Deutsche Bank	Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Germany.
Distributor	Any person subsequently offering, selling or recommending the Notes.
DUHO	DUHO Verwaltungs-Gesellschaft mbH, a limited liability company with its registered office in Berlin, Germany and registered in the commercial register of the local court (*Amtsgericht*) of Charlottenburg under the docket number HRB 38419.
EBIT	Earnings before interest and taxes.
EBITDA	Earnings before interest, taxes, depreciation and amortization, which is defined as net income/loss or net income/loss for the period before income taxes, financial income, financial expenses, gain/loss from the remeasurement of derivative financial instruments, depreciation and amortization as well as the result from the remeasurement of investment property, all as shown in the Company's respective consolidated financial statements.
EEA	The European Economic Area.
EPRA	The European Public Real Estate Association.
EPRA NAV	EPRA NAV is calculated based on equity attributable to the shareholders of the parent company (i) plus fair value adjustment of owner-occupied property (IAS 16) and fair value adjustment of properties in inventories (IAS 2) and (ii) excluding the fair value of derivative financial instruments, deferred tax assets, deferred tax liabilities and goodwill.
EPRA Vacancy Rate	The market rental value of vacant space divided by the market rental value of the whole portfolio.
Equity Ratio	The Equity Ratio is the ratio of equity to total equity and liabilities.
Euro and €	The single European currency adopted by certain participating member states of the European Union, including Germany.
Euroclear	Euroclear Bank SA/NV.

Eurosystem	The central banking system for the Euro.
EY	Ernst & Young Wirtschaftsprüfungsgesellschaft GmbH, Stuttgart, office Berlin, Friedrichstraße 140, 10117 Berlin, Germany.
Facility A	The 300,000,000 term loan facility under the Bridge Facility Agreement.
Facility B	The 500,000,000 term loan facility under the Bridge Facility Agreement.
FFO	Funds from operations.
FSMA	The United Kingdom Financial Services and Markets Act 2000, as amended.
FTT	A common financial transaction tax.
Germany	The Federal Republic of Germany.
GESA	GESA Gesellschaft zur Entwicklung und Sanierung von Altstandorten mbH.
Global Notes	The Temporary Global Note and the Permanent Global Note.
Holder	Each holder of Notes.
Holders' Representative	A joint representative (*gemeinsamer Vertreter*) of the Holders.
Hybrid Notes	The undated subordinated notes subject to interest rate reset with a total nominal amount of €600 million, intended to be issued by TLG Finance S.à r.l. at or around the time of the issuance of these Notes.
IFRS	The International Financial Reporting Standards as adopted by the European Union.
Insurance Distribution Directive	Directive (EU) 2016/97 of the European Parliament and of the Council of January 20, 2016 on Insurance Distribution.
Investor's Currency	A currency or currency unit other than the Euro.
Issue Date	The issue date of the Notes (*i.e.*, September 23, 2019).
Issuer	The Company.
Joint Bookrunners	J.P. Morgan and Deutsche Bank.
J.P. Morgan	J.P. Morgan Securities plc., London, United Kingdom.

Listing	The listing of the Notes on the official list of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and the admission to trading on the Regulated Market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).
Luxembourg	The Grand Duchy of Luxembourg.
Management Board	The Company's management board.
Market Interest Rate	The current interest rate on the capital markets.
Maturity Date.....	September 23, 2022.
MiFID II.....	Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
Moody's.....	Moody's Investors Service Limited.
Net LTV	The net loan to value ratio, which is defined as the ratio of net debt (sum of non-current and current liabilities due to financial institutions less cash and cash equivalents), to real estate (sum of investment property, advance payments on investment property, owner-occupied property, non-current assets classified as held for sale/assets classified as held for sale and inventories).
New Shares	Up to 8,500,000 new ordinary bearer shares of the Company with no par-value (*Stückaktien*), each with a notional value of €1.00 of the Company.
Notes.....	The notes in the aggregate principal amount of €600,000,000 (comprising the Notes Tranche 1 and the Notes Tranche 2) due 2022 issued by the Issuer on September 23, 2022.
Notes Tranche 1.....	The notes in the aggregate principal amount of €500,000,000 due 2022 issued by the Issuer on September 23, 2022.
Notes Tranche 2.....	The notes in the aggregate principal amount of €100,000,000 due 2022 issued by the Issuer on September 23, 2022.
OECD.....	The Organization for Economic Co-operation and Development.
Option	The call right of the Company to purchase from Avisco, and the put right of Avisto to sell to the Company, an equity stake of up to 4.99% in the share capital of Aroundtown S.A. under the Option Agreement.

Option Agreement.....	The option agreement between the Company and Avisco dated September 1, 2019, relating to an equity stake of up to 4.99% in the share capital of Aroundtown S.A.
Participating Member States	Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia.
Permanent Global Note	The permanent global bearer note for the Notes.
Placement Price.....	The price for the private placement of €26.13 per New Share.
PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of November 26, 2014 on Key Information Documents for Packaged Retail and Insurance-Based Investment Products (PRIIPs), as amended.
Prospectus.....	This Prospectus.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.
Regulation S.....	Regulation S under the Securities Act.
Relibi Law.....	The law of December 23, 2005, as amended.
RETT.....	Real Estate Transfer Tax (*Grunderwerbsteuer*).
S&P	S&P Global Ratings Europe Limited.
SchVG	The German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*).
Share Purchase Agreement.....	The share purchase agreement between the Company and Avisco dated September 1, 2019, relating to the acquisition of an equity stake of 9.99% in the share capital of Aroundtown S.A. by the Company.
Securities Act.....	The U.S. Securities Act of 1933, as amended.
SFA.....	The Securities and Futures Act (Chapter 289 of Singapore).
Sqm.....	Square meter.
Subscription Agreement.....	The subscription agreement to be entered into between the Issuer and the Joint Bookrunners on or about September 20, 2019.

Supervisory Board	The Company's supervisory board.
Takeover Offer	The voluntary public takeover offer of the Company for all shares of WCM AG in the form of an exchange offer.
Temporary Global Note	The temporary global bearer note for the Notes.
Terms and Conditions	The terms and conditions of the Notes.
THA	Treuhandanstalt.
TLG	The Company, together with its consolidated subsidiaries from time to time (including, following the Completion, WCM).
United States	The United States of America.
Vendor Loan	A vendor loan in an amount of €516 million the Guarantor has received from Avisco in connection with entering into the Share Purchase Agreement.
WALT	The weighted average lease term (*i.e.*, the remaining average contractual lease term for unexpired leases with a contractually fixed maturity, taking into account special termination rights).
WCM	WCM AG, together with its consolidated subsidiaries.
WCM AG	WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft.

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