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**TLG and Aroundtown agree on issuer substitution for TLG's outstanding Senior Bonds and Perpetual Notes**

28 July 2020 - TLG IMMOBILIEN AG (the "**Company**") and together with its subsidiaries "**TLG**") agreed with its major shareholder Aroundtown SA ("**Aroundtown**") on the substitution of Aroundtown in place of TLG as the obligor for TLG's outstanding Senior Bonds and Perpetual Notes (each a "**Substitution**"). The process of Substitutions are in preparation of the realisation of financial synergies identified by the Company and Aroundtown following the successful completion of Aroundtown's voluntary public takeover offer in February 2020.

Under the arrangements made, Aroundtown shall be substituted in place of the Company as debtor under the EUR 400,000,000 1.375% Bonds due November 2024 (ISIN XS1713475215), hereof EUR 141,500,000 outstanding, the EUR 600,000,000 1.500% Bonds due May 2026 (ISIN XS1843435501) and the EUR 600,000,000 0.375% Bonds due September 2022 (ISIN XS2010044464) (the "**Senior Bonds**"). The Substitution under the Senior Bonds will take place in application of a substitution clause pursuant to the relevant terms and conditions of each of the Senior Bonds. The Company will remain a guarantor under the Senior Bonds. Upon effectiveness of the Substitution of the Senior Bonds, which is expected take place within the next weeks, Aroundtown will become the issuer and obligor under the Senior Bonds. The terms and conditions of the Senior Bonds will remain unchanged in any other respect.

Further, the Company as guarantor and the Company's wholly owned subsidiary TLG Finance S.à r.l. as issuer of the EUR 600,000,000 undated subordinated Notes with a first call date in September 2024 (ISIN: XS2055106210) ("**Perpetual Notes**") agreed with Aroundtown that Aroundtown shall be substituted in place of TLG Finance S.à r.l. as issuer under the Perpetual Notes and that the Company shall be released from its obligations as a guarantor. The envisaged Substitution of the issuer and release of the guarantor will require an amendment to the terms and conditions of the Perpetual Notes. Therefore, TLG Finance S.à r.l. will seek the consent of the holders of the Perpetual Notes in a vote without meeting to be held in accordance with the terms of

the German Act on Debt Securities (*Schuldverschreibungsgesetz; SchVG*) and the terms and conditions of the Perpetual Notes. Further information on the desired Substitution under the Perpetual Notes including the time, form and process of the voting will be made available to noteholders of the Perpetual Notes in the form provided by the terms and conditions of the Perpetual Notes and additionally on the website of the Company under the caption "Investor Relations" subsection "Bonds". Upon effectiveness of the Substitution under the Perpetual Notes, which would take place subject to the affirmative vote by the noteholders, Aroundtown will become the issuer and obligor under the Perpetual Notes.

As consideration for the Substitution, TLG and Aroundtown have agreed that the Senior Bonds and the Perpetual Notes will be replaced by intra-group instruments that will effectively maintain the same capital structure of TLG.

The pooling of capital market instruments on the level of Aroundtown as the new parent company of the Combined Group, is paving the way for realization of potential future financial synergies as identified by the Company and Aroundtown.

#### **Contact**

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#### **About TLG IMMOBILIEN AG**

For over 25 years, the listed company TLG IMMOBILIEN AG has owned and rented out commercial properties in selected promising locations in Germany. The company continuously develops its portfolio and actively generates value through strategic investments and selected property acquisitions. As at 31 March 2020, its portfolio contains properties worth EUR 4.9 bn. As at the same reporting date, the adjusted EPRA Net Asset Value per share amounted to EUR 33.99. The portfolio comprises office properties in cities including Berlin, Dresden, Frankfurt/Main, Leipzig and Rostock. It also contains a regionally diversified portfolio of retail properties, primarily in the neighbourhood shopping segment, in promising micro-locations as well as seven hotels in top central locations. The properties of TLG IMMOBILIEN AG stand out not only due to their excellent locations but also because of their long-term rental or lease agreements. Its highly qualified employees guarantee extensive local market expertise at its individual locations.