Base Prospectus
26 September 2013

This document constitutes the base prospectus of Deutsche Annington Finance B.V. in respect of non-equity securities within the meaning of Art. 22 para 6 no. 4 of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended, (***Non-Equity Securities***) for the purpose of article 5.4 of the Directive 2003/71/EC (the ***Prospectus Directive***), as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 (the ***Base Prospectus*** or the ***Prospectus***).

Deutsche Annington Finance B.V.

(incorporated in The Netherlands as a private company with limited liability)

as Issuer

and

Deutsche Annington Immobilien SE

(incorporated in Germany as a European Company (Societas Europaea))

as Guarantor

EUR 4,000,000,000
Debt Issuance Programme

The Base Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the ***CSSF***) which is the Luxembourg competent authority for the purposes of the approval of the Base Prospectus under the Luxembourg law on prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) dated 10 July 2005 (the ***Luxembourg Prospectus Law***) transposing under Luxembourg law the Prospectus Directive. By approving this Base Prospectus, the CSSF does not give any undertaking as to the economical and financial soundness of the operation or the quality or solvency of the Issuer or the Guarantor. The Issuer has requested the CSSF to provide the competent authorities in the Federal Republic of Germany, the Republic of Austria and The Netherlands with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law. The Issuer may request the CSSF to provide competent authorities in additional host member states within the European Economic Area with such notification. By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or the solvency of the Issuer or Guarantor pursuant to Article 7(7) of the Luxembourg Law.
This Base Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu).
Application has been made to the Luxembourg Stock Exchange for debt instruments to be issued under the EUR 4,000,000,000 debt issuance programme (the ***Programme***) and described in this Base Prospectus (the ***Notes***) up to the expiry of 12 months after the date of approval of this Base Prospectus to be listed on the official list of the Luxembourg Stock Exchange (the ***Official List***) and to be admitted to trading on the Luxembourg Stock Exchange's regulated market (the ***Regulated Market of the Luxembourg Stock Exchange***), which is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments. Notes issued under the Programme may also be listed and traded on an alternative stock exchange or may not be listed at all. The maximum aggregate principal amount of Notes outstanding under the Programme will not exceed EUR 4,000,000,000.
The payments of all amounts due in respect of Notes issued by the Issuer will be unconditionally and irrevocably guaranteed by the Guarantor.

Arrangers and Dealers

J.P. Morgan **Morgan Stanley**

RESPONSIBILITY STATEMENT

Deutsche Annington Finance B.V. (the ***Issuer***) and Deutsche Annington Immobilien SE (the ***Guarantor*** and together with all consolidated subsidiaries, ***Deutsche Annington*** or the ***Deutsche Annington Group*** or the ***Group***) are solely responsible for the information given in this Prospectus. Each of the Issuer and the Guarantor hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible, is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

NOTICE

This Prospectus should be read and construed with any supplement thereto and with any other documents incorporated by reference and, in relation to any Series (as defined herein) of Notes, should be read and construed together with the relevant Final Terms (as defined herein).

The Issuer has confirmed to the Dealers (as defined herein) 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 and the Guarantor, 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.

Each of the Issuer and the Guarantor has undertaken with the Dealers to prepare a supplement to this Prospectus or a new prospectus in the event that any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus, which is capable of affecting the assessment of the Notes, arises or is noted after the date of this Prospectus.

No person has been authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with this Prospectus or any other document entered into in relation to the Programme or any information supplied by any Issuer or the Guarantor or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor, the Dealers or any individual Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers 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.

This Prospectus is valid for 12 months from the date of its approval and this Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of issue. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note 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 since the date hereof or, as the case may be, the date upon which this Prospectus has been most recently supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Prospectus by reference or that any other information supplied in connection with the Programme 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.

This document may only be communicated or caused to be communicated in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (***FSMA***) does not apply.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the ***Securities Act***), and will include Notes in bearer form that 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 and the respective Final Terms as well as the offering, sale, and delivery of the Notes in certain jurisdictions may be restricted by law.

Persons into whose possession this Prospectus or any Final Terms comes are required by the Issuer and the Dealers 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 or any Final Terms and other offering material relating to the Notes, see "Subscription and Sale — Selling Restrictions".

Neither this Prospectus nor any Final Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

Neither this Prospectus nor the Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Guarantor, or any Dealer that any recipient of this Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Prospectus or the Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Guarantor.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY OVER ALLOT 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, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) 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 Deutsche Annington or future statistics by independent sources. As regards the market positions of Deutsche Annington, Deutsche Annington's own estimations are mainly based on company data which either is derived from information by competitors or from data provided by independent research companies.

The language of this Prospectus is English. Any part of this Prospectus in the German language constitutes a translation except for the Guarantee where the English part constitutes a translation. In respect of the issue of any Tranche of Notes under the Programme, the German text of the Terms and

Conditions may be controlling and binding if so specified in the relevant Final Terms. In respect of the Guarantee, the German language version is always controlling and binding. In respect of the documents incorporated by reference, the German language version is controlling and binding in relation to the documents listed in the table of documents incorporated by reference under the heading "*Deutsche Annington Finance B.V.*" and "*Deutsche Annington Immobilien SE*" in the section "*Documents Incorporated by Reference*".

FORWARD-LOOKING STATEMENTS

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

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including Deutsche Annington Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. Deutsche Annington Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "Summary" and "Description of the Guarantor and the Group". These sections include more detailed descriptions of factors that might have an impact on Deutsche Annington Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Dealers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

CONSENT TO THE USE OF THE PROSPECTUS

Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Notes issued under the Programme is entitled to use the Prospectus in the Grand Duchy of Luxembourg, the Federal Republic of Germany (***Germany***), the Republic of Austria (***Austria***), The Netherlands for the subsequent resale or final placement of the relevant Notes during the respective offer period (as determined in the applicable Final Terms) during which subsequent resale or final placement of the relevant Notes can be made, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg Prospectus Law. The Issuer accepts responsibility for the information given in this Prospectus also with respect to such subsequent resale or final placement of the relevant Notes.

The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) as well as on the website of Deutsche Annington (www.deutsche-annington.com). When using the Prospectus, each Dealer and/or

relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.

In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary, shall provide information to investors on the terms and conditions of the Notes at the time of that offer.

Any Dealer and/or a further financial intermediary using the Prospectus shall state on its website that it uses the Prospectus in accordance with this consent and the conditions attached to this consent.

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7).

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

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

Element	**Section A – Introduction and warnings**
A.1	**Warning** This Summary should be read as an introduction to the Prospectus. Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus, before the legal proceedings are initiated. Civil liability attaches only to the Issuer and the Guarantor who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes.
A.2	Each Dealer and/or each further financial intermediary subsequently reselling or finally placing the Notes in **[**the Grand Duchy of Luxembourg**]** **[**,**]** **[**and**]** **[**the Federal Republic of Germany**]** **[**,**]** **[**and**]** **[**the Republic of Austria**]** **[**and**]** **[**The Netherlands**]** is entitled to use the Prospectus for the subsequent resale or final placement of the Notes during the offer period for the subsequent resale or final placement of the Notes from **[●]** to **[●]**, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg Law relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) which implements Directive

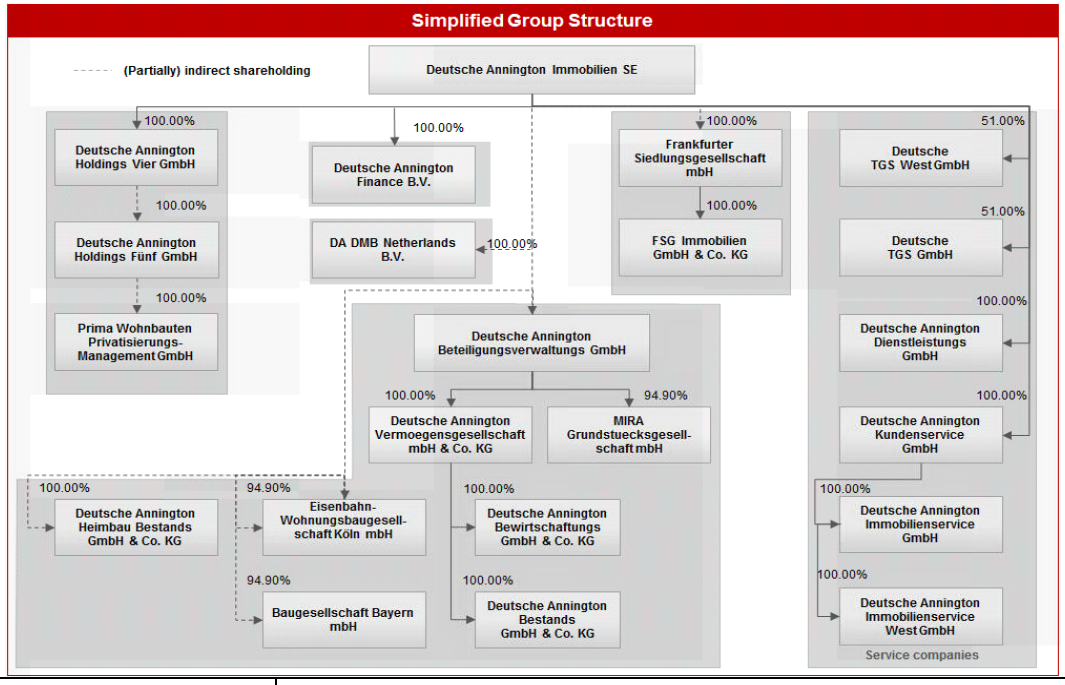
Element	Section A – Introduction and warnings
	2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010). The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Deutsche Annington (www.deutsche-annington.com). When using the Prospectus, each Dealer and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions. **In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.**

Element	Section B – Deutsche Annington Finance B.V. as Issuer	
B.1	**Legal and commercial name of the Issuer**	Deutsche Annington Finance B.V. is simultaneously the legal and commercial name.
B.2	**Domicile, legal form, legislation and country of incorporation of the Issuer**	The Issuer is a Dutch private company with limited liability governed by Dutch law (*besloten vennootschap met beperkte aansprakelijkheid*). The registered office of the Issuer is Bramenberg 14 A, K5, 3755 BZ Eemnes, The Netherlands.
B.4b	**Known trends affecting the Issuer and the industries in which it operates**	Not applicable. There are no known trends affecting the Issuer and the industries in which it operates.
B.5	**Description of the group and the Issuer's position within the group**	The Issuer is a directly wholly owned subsidiary of the Guarantor and has no subsidiaries of its own.
B.9	**Profit forecast or estimate**	Not applicable. No profit forecast or estimate are made.
B.10	**Nature of qualifications in the auditor's reports on the historical financial information**	Not applicable. The auditor's report with respect to the balance sheet as of 31 August 2013 does not include any qualifications.

Element	Section B – Deutsche Annington Finance B.V. as Issuer	
B.12	**Selected historical key financial information regarding the Issuer** The Issuer has not issued any annual financial statements since its incorporation. The Issuer has prepared an audited balance sheet as of 31 August 2013. The balance sheet has been prepared in accordance with Dutch GAAP. **Balance Sheet** **(in €)** — **As of 31 August 2013** A. Total non current assets……..... 1,298,307,038.69 B. Total current assets 13,664.07 **Total Assets……. 1,298,320,702.76** A. Total Equity……. 309,779.97 B. Total non current liabilities……..... 1,294,582,361.15 C. Total current liabilities……... 3,428,561.64 **Total equity and liabilities…….. 1,298,320,702.76**	
	Trend information There has been no material adverse change in the prospects of the Issuer since 31 August 2013. **Significant change in the financial and trading position** There has been no significant change in the financial or trading position of the Issuer since 31 August 2013.	
B.13	**Recent developments**	On 25 September 2013 Deutsche Annington has priced the $750,000,000 senior unsecured notes due 2017 and $250,000,000 unsecured notes due 2023 of the Issuer (together, the ***US Dollar Notes***). Other than the intended issue of the US Dollar Notes there have been no material recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	**Statement of dependency upon other entities within the Group**	***Please see Element B.5 for information on the description of the Group.*** The Issuer is a wholly owned subsidiary of the Guarantor and has no subsidiaries of its own. The Issuer is fully dependent upon the Guarantor.
B.15	**Principal activities**	The Issuer acts as financing subsidiary of the Guarantor, the principal activity of the Issuer is the provision of loans to members of the Group financed with funds acquired from the capital market, bank loans and loans from other companies of the Group.

Element	Section B – Deutsche Annington Finance B.V. as Issuer	
B.16	**Major shareholders**	The Guarantor is the sole shareholder of the Issuer.
B.17	**Credit ratings of the Issuer or its debt securities**	Not applicable. The Issuer is not rated. All Notes will be guaranteed by the Guarantor in respect of principal and interest payments. Therefore, creditors base the Issuer's credit assessment mainly on the Guarantor's external credit rating. Please see Section B - Deutsche Annington Immobilien SE - Element B.19 B.17.
B.18	**Nature and scope of the Guarantee**	Notes issued by the Issuer will have the benefit of a guarantee (the ***Guarantee***) for the payment of principal and interest on the Notes given by the Guarantor. The Guarantee constitutes an irrevocable, unsecured and unsubordinated obligation of the Guarantor ranking pari passu with all other unsecured and unsubordinated obligations of the Guarantor. The terms of the Guarantee also contain a negative pledge of the Guarantor. The Guarantee is governed by German law. The Guarantee constitutes a contract for the benefit of the holders of the Notes (the ***Holders***) from time to time as third party beneficiaries pursuant to § 328 paragraph 1 German Civil Code (*Bürgerliches Gesetzbuch*; ***BGB***).

Element	Section B – Deutsche Annington Immobilien SE as Guarantor	
B.19 B.1	**Legal and commercial name**	The Guarantor's legal name is Deutsche Annington Immobilien SE (***Deutsche Annington***). The Guarantor is the Group's holding company; the Group primarily operates under the commercial name "Deutsche Annington".
B.19 B.2	**Domicile, legal form, legislation and country of incorporation**	The Guarantor has its registered office at Vogelsanger Weg 80, 40472 Düsseldorf, Federal Republic of Germany. The Guarantor is a European company (Societas Europaea – SE) governed by European and German law.
B.19 B.4b	**Known trends affecting the Guarantor and the industries in which it operates**	The Group and the German residential real estate industry as a whole are strongly affected by recent and projected demographic trends in Germany, in particular, a population decline, an increase in the number of households coupled with a reduction in average household size, and an aging population. Such trends have led and are expected to continue to lead to a further increase in demand for residential units suitable for one- and two-person households and properties suitable for senior living. The Group and the industry are also affected by economic

Element	Section B – Deutsche Annington Immobilien SE as Guarantor	
		developments in Germany. The Group generates two major types of income: rental income and income from property sales, both strongly influenced by market prices for properties in the relevant micro locations which, in turn, reflect rent levels, vacancies and other factors including market expectations. Since 2010, the German real estate industry and the Group's results were positively affected by positive developments in the real estate market.
B.19 B.5	**Description of the group and the Guarantor's position within the group**	The Guarantor is the holding company of the Group. The Guarantor's business is primarily conducted by the relevant operating subsidiaries.
	The following diagram sets forth a summary (in simplified form) of the Guarantor's significant subsidiaries taking into account the relevant successive interests (*durchgerechneter Beteiligungsanteil*).  	
B.19 B.9	**Profit forecast or estimate**	Not applicable. No profit forecast or estimate are made.
B.19 B.10	**Nature of qualifications in the auditor's reports on the historical financial information**	Not applicable. The auditor's reports on the historical consolidated financial information with respect to the financial years ended 31 December 2011 and 31 December 2012 do not include any qualifications.

Element	Section B – Deutsche Annington Immobilien SE as Guarantor
B.19 B.12	**Selected historical key financial information** The following tables set forth selected financial information relating to the Guarantor. The financial information has been extracted from the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2011 and 31 December 2012 respectively, as well as from the Guarantor 's unaudited condensed consolidated interim financial statements for the half year ended 30 June 2013. The audited consolidated financial statements for the financial years ended 31 December 2011 and 31 December 2012, as well as the unaudited condensed consolidated interim financial statements for the half year ended 30 June 2013 have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union (***IFRS***), and the additional requirements of German commercial law pursuant to Section 315a (1) German Commercial Code (*Handelsgesetzbuch*; ***HGB***). Where financial information in the following table is labelled "audited", this means that it was taken or derived from the audited consolidated financial statements of the Guarantor as of and for the financial years ended 31 December 2011 and 31 December 2012, respectively.

Consolidated income statement data

	For the six-month period ended 30 June		For the year ended 31 December	
(in € million)	**2013**	**2012**	**2012**	**2011[(1)]**
	(unaudited)		**(audited)**	
Income from property management	**532.2**	**541.1**	**1,064.9**	**1,078.3**
Profit on disposal of properties (IFRS)	**24.0**	**31.2**	**51.6**	**67.6**
Net income from fair value adjustments of investment properties	**523.9**	**80.7**	**205.6**	**246.7**
Changes in value of trading properties	0.0	0.0	0.0	204.5
Cost of materials	(237.4)	(266.0)	(519.5)	(548.6)
Personnel expenses	(70.4)	(48.7)	(112.1)	(90.8)
Depreciation and amortization	(2.8)	(2.9)	(6.1)	(6.2)
Other operating income	19.2	14.2	43.5	44.4
Other operating expenses	(41.9)	(32.7)	(81.2)	(70.6)
Financial income	7.1	2.3	12.3	14.7
Financial expenses	(128.4)	(163.0)	(443.2)	(362.1)
Profit before tax	**625.5**	**156.2**	**215.8**	**577.9**
Income tax	(185.3)	(44.7)	(43.6)	(154.3)
Profit for the period	**440.2**	**111.5**	**172.2**	**423.6**

(1) Figures extracted from the Guarantor's 2012 audited consolidated financial statements. Figures for 2011 have been restated in accordance with the accounting principles in effect in 2012, which resulted in a decrease in revenues from property letting and income from property management and a corresponding decrease in cost of materials in the amount of €4.3 million compared to the figures reported in the 2011 consolidated financial statements. In addition, the application of the 2012 accounting principles led to an increase in profit on disposal of properties and a corresponding decrease in net income from fair value adjustments of investment properties in the amount of €2.7 million for fiscal year 2011.

Element	Section B – Deutsche Annington Immobilien SE as Guarantor		
	Consolidated balance sheet data		

(in € million)	As of June 30 2013	As of December 31 2012	2011[1]
	(unaudited)	(audited)	
Total non-current assets	10,621.0	9,946.8	9,971.9
Total current assets	413.3	661.5	411.1
Total assets	**11,034.3**	**10,608.3**	**10,383.0**
Total equity attributable to the Deutsche Annington's shareholders	3,395.5	2,666.4	2,216.3
Total equity	3,409.9	2,677.4	2,229.8
Total non-current liabilities	6,892.9	6,940.5	7,245.9
Total current liabilities	731.5	990.4	907.3
Total liabilities	**7,624.4**	**7,930.9**	**8,153.2**
Total equity and liabilities	**11,034.3**	**10,608.3**	**10,383.0**

(1) Figures extracted from the Deutsche Annington's 2012 audited consolidated financial statements. Figures for 2011 have been restated in accordance with the accounting principles in effect in 2012, which resulted in a decrease in inventories, total current assets and total assets and a corresponding decrease in total current liabilities, total liabilities and total equity and liabilities in the amount of €313.9 million, comprised of a €345.6 million decrease in other liabilities partially offset by a €31.7 million increase in provisions, compared to the figures reported in the 2011 consolidated financial statements. In addition, the application of the 2012 accounting principles led to a decrease in retained earnings and a corresponding increase in other reserves in the amount of €0.4 million for fiscal year 2011.

Trend information

There has been no material adverse change in the prospects of the Guarantor since 31 December 2012.

Significant change in the financial and trading position

Except for the listing of the Guarantor's shares on 11 July 2013, the repayment of the nominal amounts outstanding under the REF Notes on 18 July 2013, the issuance of the Existing Notes and the partial repayment of the Term Loan on 25 July 2013 and the pricing of the US Dollar Notes on 25 September 2013 (each described under element B.19 B.13, there has been no significant change in the financial or trading position of the Guarantor since 30 June 2013.

B.19 B.13	**Recent developments**	On 10 June 2013, Deutsche Annington communicated its intention to fully repay collateralised real estate funding notes (the ***REF Notes***) issued by several entities of the Deutsche Annington Immobilien Group (the ***REF Note Issuers***) to an Irish limited liability 'pass-through' entity, German Residential Asset Note Distributor P.L.C. (***GRAND***) by 21 October 2013, at the latest. On 11 July 2013 the Guarantor listed its shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the Prime Standard of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The Guarantor received gross proceeds of €400

Element	Section B – Deutsche Annington Immobilien SE as Guarantor	
		million with the placement of new shares to be used to reduce its debt. On 18 July 2013, Deutsche Annington repaid all nominal amounts outstanding under the REF Notes and all interest accrued thereon to GRAND, utilizing €2.3 billion, of its €2.5 billion term facilities agreement with J.P. Morgan Limited and Morgan Stanley Bank International Limited, dated 3 June 2013 (***Term Loan***). On 25 July 2013 Deutsche Annington partially repaid the draw-downs made under the Term Loan following the issuance of €700,000,000 senior unsecured notes due 2016 and €600,000,000 unsecured notes due 2019 (together, the ***Existing Notes***) by the Issuer. On 25 September 2013 Deutsche Annington has priced the $750,000,000 senior unsecured notes due 2017 and $250,000,000 unsecured notes due 2023 of the Issuer (together, the ***US Dollar Notes***). Deutsche Annington intends to use the net proceeds from this issue of the US Dollar Notes mainly to repay the Term Loan and for general corporate purposes.
B.19 B.14	**Statement of dependency upon other entities within the Group**	***Please see Element B.19 B.5 for information on the description of the Group.*** Not applicable. The Guarantor is the parent company of the Deutsche Annington Group and is not dependent upon other entities in the Deutsche Annington Group.
B.19 B.15	**Principal activities**	The Group owns around 180,000 residential units with an aggregate Fair Value of €10.4 billion. Although the Group owns properties throughout Germany, approximately 97% of its portfolio as measured by Fair Value is situated in the old German federal states (*Alte Bundesländer*) including Berlin. On average, the Group's residential units contain 2-3 rooms and have an overall size of 64 sqm, which means that the Group is well situated to benefit from the growth of one- and two-person households in Germany, which is expected to be particularly strong in Germany's metropolitan areas (*Source: BBSR – Regional Planning 2030*). The Group follows a clear portfolio strategy with a disciplined approach and a track record in value creation. The Group classifies its properties into five portfolio segments: (i) Operate, (ii) Upgrade Buildings (energy efficiency measures carried out by the Group to increase the economic value of properties), (iii) Optimise Apartments (senior living/other major residential unit refurbishment), (iv) Privatise and (v) Non-Core, for each of which the Guarantor follows a dedicated strategy. 95% of the portfolio in terms of Fair Value comprises core assets where the Group believes that it can add value. Only 5% of the portfolio is considered as non-core with insufficient medium to long-term

Element	Section B – Deutsche Annington Immobilien SE as Guarantor	
		growth prospects. The Group aims to sell these non-core assets in the medium-term at prices around Fair Value. In the core 95% of the portfolio, the Group intends to add value through three main levers: • Operational value generation, such as rental growth, vacancy reduction, effective and sustainable maintenance spend and cost efficiencies through scale; • Additional value generation through a dedicated investment programme, which is mainly based on energy efficient modernisations of buildings, the modernisation of individual apartments for senior living and high standard refurbishments in markets where fully refurbished apartments deliver a rental premium; • Additional value generation through privatisation of condominium units and single family houses at a premium. The cash generated from the sale of privatisation and non-core assets may be redeployed either to fund investments in the residential units designated for building or apartment upgrades, to reduce debt, to fund dividend payments, or to fund acquisitions. Using a well-balanced mix of local and centralised operational structures, the Group manages its assets in an efficient, integrated and industrialised manner. While the processes that capture economies of scale are performed on a centralised basis, processes that require in-depth knowledge of an individual local market or that require close interaction with the Group's customers are performed through the Group's 37 local business units organised in the four regional clusters South/Southwest, Ruhr/Rhineland, North/East and Westphalia, which are situated in proximity of its assets and customers throughout Germany. In order to maintain customer satisfaction at a high level, the Group capitalises on its size in order to complement its property rental activities with selected value-add services to improve customer satisfaction. In cooperation with one of Germany's biggest craftsmen companies, B&O Service & Messtechnik AG, as joint venture partner, the Group has established a craftsmen organisation comprised of more than 950 people who are solely dedicated to the performance of maintenance work related to the Group's portfolio. The Group's rental related services range from ancillary cost savings from bulk purchases of utilities, to providing fibre optic television and internet access, to the negotiation of discounts on purchases from selected service providers.

Element	Section B – Deutsche Annington Immobilien SE as Guarantor	
B.19 B.16	**Major shareholders**	The following shareholders have notified the Guarantor in accordance with Sections 21 et seq. of the German Securities Trading Act (*Wertpapierhandelsgesetz*; ***WpHG***) that at least 3% of the voting rights in the Guarantor are either held directly by them or are attributed to them: **Shareholder** — **Actual (direct) ownership of Deutsche Annington Immobilien SE** Monterey Holdings I S.à r.l. .... 84.5% Public float..... 10.0% Norges Bank 5.5%
B.19 B.17	**Credit ratings of the Guarantor or its debt securities**	Standard & Poor's Credit Market Services Europe Limited (***Standard & Poor's***)[1] has assigned the long-term credit rating "BBB" (outlook stable) to the Guarantor.

Element	Section C – The Notes	
C.1	**Class and type of the Notes / security identification number**	**Class** The Notes are unsecured.
		[*In case of Fixed Rate Notes, insert:* The Notes bear a fixed interest income throughout the entire term of the Notes.**]**
		[*In case of Floating Rate Notes, insert:* The Notes will bear interest at a rate determined **[**(and as adjusted for the applicable margin)**]** on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.**]**
		ISIN [●] **Common Code [●]** **WKN [●]**
C.2	**Currency**	The Notes are issued in **[**Euro (***EUR***)**] [**U.S. dollars (***USD***)**] [●]**.
C.5	**Restrictions on the free transferability of the Notes**	Not applicable. There are no restrictions on the free transferability of the Notes.
C.8	**Rights attached to the Notes, ranking of the Notes,**	**Negative pledge**

[1] Standard & Poor's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of March 11, 2011 (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 Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

Element	Section C – The Notes	
	limitations to the rights attached to the Notes	The Terms and Conditions of the Notes contain a negative pledge undertaking of the Issuer and set out the terms of a negative pledge undertaking of the Guarantor in the Guarantee.
		Taxation All amounts payable in respect of the Notes shall be made without withholding or deduction for, or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of The Netherlands or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In such event, subject to customary exceptions, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.
		Covenants of the Guarantor ***Limitation of Incurrence of Financial Indebtedness*** The Guarantee restricts the Guarantor's ability to incur additional indebtedness and to create liens on its assets. The Guarantee provides that the Guarantor will, and will procure that its Subsidiaries will, after the issue date of the Notes, incur any financial indebtedness, only if certain ratios are not breached, subject to certain exceptions. ***Maintenance of Consolidated Coverage Ratio*** The Guarantor has further undertaken in the Guarantee that from the issue date of the Notes, the coverage ratio of the Group (being the ratio between the Group's earnings before interest and taxes of one period and the Group's interest expenses of the same period) does not fall below a specified minimum value, subject to certain exceptions. ***Maintenance of Total Unencumbered Assets*** The Guarantor has further undertaken in the Guarantee that from the issue date of the Notes, the unencumbered assets of the Guarantor and its Subsidiaries will at no time be less a specified minimum value, subject to certain exceptions.

Element	Section C – The Notes	
		Status of the Notes 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. The Guarantor has given a guarantee (the ***Guarantee***) for the payment of principal and interest together with all other sums payable by the Issuer under the Notes.
		[*In case of an early redemption of Fixed Rate Notes, insert:* **Early Redemption** The Notes can be redeemed prior to their stated maturity **[[**at the option of the**]** **[**Issuer**]** **[**and**]** **[**or**]** **[**the Holders**]**,**]** for taxation reasons, for reasons of a change of control **[**, for reasons of minimal outstanding amount**]** or upon the occurrence of an event of default).**]**
		[*In case of an early redemption of Floating Rate Notes, insert:* **Early Redemption** The Notes can be redeemed prior to their stated maturity for taxation reasons or for reasons of a change of control **[**, for reasons of minimal outstanding amount**]** or upon the occurrence of an event of default).**]**
		[*In case of an early redemption of Fixed Rate Notes at the option of the Issuer at the Call Redemption Amount, insert:* **Early Redemption at the Option of the Issuer at the Call Redemption Amount** The Notes can be redeemed at the option of the Issuer upon giving notice within the specified notice period to the Holders at their principal amount plus an Applicable Premium, together with accrued interest to, but excluding, the Call Redemption Date. ***Applicable Premium*** means the excess, if any, of (a) the present value on the Call Redemption Date of

Element	Section C – The Notes	
		(i) the principal amount per Notes, plus (ii) all remaining scheduled interest payments per Note to (but excluding) the Maturity Date discounted with the **[insert Benchmark Yield]** plus **[insert margin]**% (b) over the principal amount per Note.**]**
		[*In case of an early redemption of Fixed Rate Notes at the option of the Holders at specified redemption amount(s), insert:* **Early Redemption at the Option of the Holders at specified redemption amount(s)** The Notes can be redeemed at the option of the Holders upon giving notice within the specified notice period to the Issuer on a date or dates specified prior to such stated maturity and at the specified redemption amount(s) together with accrued interest to, but excluding, the relevant redemption date.**]**
		Early redemption for taxation reasons Early redemption of the Notes at their principal amount together with accrued interest to, but excluding, the relevant redemption date for taxation reasons will be permitted if as a result of any change in, or amendment to, the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations) of The Netherlands (or, in case of the Guarantee, the Federal Republic of Germany) or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, the Issuer is required to pay additional amounts on the Notes (or the Guarantor is required to pay additional amounts on the Guarantee).
		Early Redemption for Reasons of a Change of Control The Notes provide for the option of the Holders to demand an early redemption of the Notes at their principal amount together with accrued interest to, but excluding, the relevant redemption date in the event of a change of control in respect of the Guarantor.
		**[*In case of an early redemption for Reason of Minimal*

Element	Section C – The Notes	
		Outstanding Amount, insert: **Early Redemption for Reason of Minimal Outstanding Amount** The Notes can be redeemed by the Issuer at their principal amount together with accrued interest to, but excluding, the relevant redemption date in case the Notes have a minimal outstanding amount.**]**
		Early redemption in an event of default (including cross default) The Notes provide for events of default (including cross default) entitling Holders to demand immediate redemption of Notes at their principal amount together with accrued interest to, but excluding, the relevant redemption date.
		Resolutions of Holders In accordance with the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – ***SchVG***) the Notes and the Guarantee contain provisions pursuant to which Holders may agree by resolution to amend the Terms and Conditions and/or the Guarantee (with the consent of the Issuer and/or the Guarantor), and to decide upon certain other matters regarding the Notes and/or the Guarantee. Resolutions of Holders properly adopted, are binding upon all Holders. Resolutions providing for material amendments to the Terms and Conditions (or the Guarantee) require a majority of not less than 75 per cent. of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast.
C.9	**Interest and Redemption Payments, yield, representative of noteholders**	***Please see Element C.8 for information on rights attached to the Notes, ranking of the Notes, limitations to the rights attached to the Notes.***
	Interest rate	**[*In case of Fixed Rate Notes, insert:* [●]**% per annum.**]** **[*In case of Floating Rate Notes, insert:* [**EURIBOR**] [**LIBOR for the specified currency**] [[**plus**] [**minus**] the margin of [●]%]** for each interest period.**]**
	Interest commencement date	The issue date of the Notes.
	Interest payment dates	**[●]**

Element	Section C – The Notes	
	Underlying on which interest rate is based	**[*In case of Fixed Rate Notes, insert:*** Not applicable. The interest rate is not based on an underlying.**]** **[*In case of Floating Rate Notes, insert:* [**]**[EURIBOR**]** **[**LIBOR for the specified currency**]]**
	Maturity date, amortisation, repayment procedures	Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their principal amount on **[●]**. Payment of principal in respect of the Notes shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
	Indication of yield	**[*In case of Fixed Rate Notes, insert:* [●]%]** **[*In case of Floating Rate Notes, insert:*** Not applicable. No yield is calculated.**]**
	Name of representative of the Holders	Not applicable. No Holders' Representative has been designated in the Terms and Conditions of the Notes.
C.10	**Explanation how the value of the investment is affected in the case the Notes have a derivative component in the interest payment**	***Please see Element C.9.*** Not applicable. The Notes do not have a derivative component in the interest payment.
C.11	**Admission to listing and to trading on a regulated market or equivalent market / Indication of the market where the Notes will be traded and for which the Prospectus has been published**	**[**Application has been made for the Notes to be listed and admitted to trading on **[**the regulated market of the Luxembourg Stock Exchange**] [●]]**.**]** **[**Not applicable, the Issuer does not intend to make any application for the Notes to be admitted to trading on any stock exchange.**]**

Element	Section D — Risk specific to the Issuer
D.2	**Key information on the key risks that are specific to the Issuer or its industry**
	The Issuer is dependent on the Guarantor and other entities of the Group.

Element	Section D — Risk specific to the Guarantor
D.2	**Key information on the key risks that are specific to the Guarantor or its industry**
	Market Risks • Deutsche Annington is dependent on demographic and economic developments in Germany and in the regional sub-markets where its properties are located. Further, the Group is dependent on its ability to adapt its housing activities to these developments. • The continuing uncertainty regarding the development of the global economy, for example due to the ongoing sovereign debt crises in many parts of the world, particularly in Europe, may result in economic instability, limited access to debt and equity financing and possible defaults by Deutsche Annington's counterparties. • The current economic environment is characterised by low interest rates and comparatively high valuations of residential real estate portfolios in Germany. Any rise in interest rates could have material adverse effects on the German real estate market and on Deutsche Annington. • It could become more difficult for Deutsche Annington to implement its strategy of capturing additional growth opportunities by acquiring residential real estate portfolios or real estate companies on attractive terms, particularly due to the relatively high current market prices for real estate portfolios and real estate companies. Any such development could impair the growth of Deutsche Annington's business and could prevent the Group from generating additional economies of scale and from improving its overall portfolio quality through acquisitions. **Risks Related to Deutsche Annington's Business** • Deutsche Annington is exposed to risks related to the structural condition of its properties and their maintenance and repair. The Group's loan and purchase agreements require Deutsche Annington to invest specified amounts in certain portfolios. Such requirements may lead to a sub-optimal funds allocation. • Deutsche Annington may be unable to sell any portion of its portfolio on favourable terms or may be unable to do so at all. • Deutsche Annington bears risks in connection with possible acquisitions and investments. These risks include unexpected liabilities, greater indebtedness, higher interest expenses and challenges with respect to integrating acquisitions and achieving anticipated synergies. In addition, transaction costs for the acquisition of real estate may increase due to a recent change in German tax law. Furthermore, portfolios or real estate companies that may be acquired in the future may not develop as favourably as expected. • Transaction costs expended for future acquisition of real estate, property portfolios or real estate companies could prove to be useless if the transaction is not completed. • Deutsche Annington plans significant investment in modernisation measures,

Element	Section D — Risk specific to the Guarantor
	which may not generate the expected return. • In connection with several key acquisitions, Deutsche Annington has entered into contractual obligations that restrict its ability to freely divest parts of its portfolio, to transfer or terminate employment relationships or to increase rents for certain units, and thereby potentially prevent the Group from extracting the maximum value from the affected properties. • Deutsche Annington has implemented a new insourcing policy, under which it established a caretaker and craftsmen organisation and has recruited a large number of employees. This policy has significantly increased its personnel expenses and other fixed costs and poses management challenges. • In addition to residential property management and non-core income from the real estate portfolio, Deutsche Annington's business includes single unit sales (privatisations) that leave some units in a property unsold. The unsold units may require greater administrative resources and may lead to additional expenses and other negative consequences for the Group. • Deutsche Annington could be exposed to risks from residual pollution including wartime ordnance, soil conditions and contaminants in building materials, as well as possible building code violations. Some of the buildings in Deutsche Annington's real estate portfolio are located at mining sites and may suffer damage caused by mining activities. • Deutsche Annington has entered into a strategic partnership with Deutsche Telekom Group and if such partnership is not successful, Deutsche Annington may incur substantial costs. In addition, Deutsche Annington employs and works together with a large number of service providers and is dependent on their performance. • Deutsche Annington may be liable to cover rent shortfalls pursuant to a guarantee given to a real estate fund. • Deutsche Annington has received subsidies from public authorities which restrict the level of rents chargeable on a part of Deutsche Annington's portfolio. Providers of the subsidised loans may also unilaterally exercise their right to increase the rate of interest payable on such loans. • Deutsche Annington could sustain substantial losses from damage not covered by, or exceeding the coverage limits of, its insurance policies. • Deutsche Annington has a relatively small number of employees in administrative and management functions overseeing its business and may be unable to replace key personnel. • Deutsche Annington is dependent on cooperative relations with its employees, the works council (employee representatives) and the union ver.di. • Deutsche Annington's information technology systems could malfunction or become impaired.

Element	Section D — Risk specific to the Guarantor
	Risks Related to the Valuation of Deutsche Annington's properties • If interest rates change, the market deteriorates or the Group's rent levels or vacancy rates develop unfavourably, Deutsche Annington may be required to adjust the current Fair Values of its investment properties and recognise significant losses. • The valuation report and financial information contained in this prospectus may incorrectly assess the value of Deutsche Annington's properties. **Financial Risks** • Under its new financing strategy, Deutsche Annington plans to satisfy a significant portion of its future financing needs through the issuance of unsecured corporate bonds. To achieve this goal, Deutsche Annington has taken various steps, which included obtaining an investment grade rating from a rating agency and entering into an unsecured term loan facility to repay various loans in order to significantly increase the Group's pool of unencumbered assets by June 2014. Each of these steps entails certain risks which could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations, if they materialise. • Deutsche Annington's ability to repay existing debt with other debt instruments could be limited. It may be difficult or expensive to obtain new sources of financing. • If the Issuer, the Guarantor or other Group companies breach financial covenants or other provisions in connection with the Term Loan, the Existing Notes, the US Dollar Notes, other debt instruments or under their loan agreements, Deutsche Annington may be required to bear higher interest costs or fully repay the relevant notes or loans before they become due, and security trustees or creditors could seize or realize significant collateral furnished by Deutsche Annington to secure such notes or loans. • The Guarantor's cash flows are dependent on the profitability of its subsidiaries or must be augmented by borrowed capital. **Regulatory and Legal Risks** • Deutsche Annington's ability to increase rents is limited by German law, which provides for substantial tenant protection and restricts action regarding tenant eviction. Moreover, there are current political efforts to further restrict rent increases. German courts often declare clauses in tenancy agreements invalid. Deutsche Annington uses standardised tenancy agreements, which increases the potential impact if any clause is held to be invalid. • Deutsche Annington's business is subject to the general legal environment in Germany. Any disadvantageous changes in the legal environment, such as mandatory environmental modernisation provisions, restrictions regarding modernisation measures or provisions (including taxes) that result in the incurrence of costs in the event of a property sale may be detrimental to Deutsche Annington.

Element	Section D — Risk specific to the Guarantor
	• Deutsche Annington could be subject to liability claims for several years after selling properties. • The control and prevention mechanisms of Deutsche Annington's compliance structure may not have been, or may not be, sufficient to adequately protect Deutsche Annington from all legal or financial risks. Cases of irregularities could lead to official investigations or third party claims against Deutsche Annington, which in turn could have a material adverse effect on its business, net assets, financial condition, cash flow, results of operations and its reputation. • Deutsche Annington is subject to the general tax environment in Germany. The Group's tax burden may increase as a consequence of future tax treatment of dividend payments, current or future tax assessments, tax audits or court proceedings based on changes in tax laws or changes in the application or interpretation thereof. • Significant reorganisations that the Group has undergone in the past may result in an additional tax burden. • The tax authorities might not accept all tax deductions for interest payments in the past due to uncertainties with respect to German thin capitalisation rules. Further, the Group's tax burden may increase as a consequence of a future change in the Guarantor's shareholder and/or group corporate structure. • A transfer of 95% or more of the shares in the Guarantor or in a subsidiary within a five-year period may trigger German real estate transfer tax. • Taxable capital gains arising out of the transfer of title or ownership interests in real property with built-in gains may not be completely set off by tax roll-over relief. • Following a setup of certain of its limited partnerships as trade tax payers, Deutsche Annington may not be able to net the trade tax losses and profits in its subsidiaries. • Deutsche Annington is subject to certain tax risks in connection with the refinancing of the GRAND Securitisation. • Deutsche Annington is subject to possible future changes in the taxation of enterprises in Germany and in the European Union.

Element	Section D — Risk specific to the Notes
D.3	**Key information on the key risks that are specific to the Notes**
	Risk Factors relating to the Notes comprise the following risks:
	Suitability: A potential investor should not invest in Notes unless the investor has the expertise (either alone or with a financial advisor) to evaluate how Notes will perform

Element	Section D — Risk specific to the Notes
	under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.
	[*In case of Fixed Rate Notes, insert*: Notes with fixed interest rates: A Holder of Fixed Rate Notes is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate.**]**
	[*In case of Floating Rate Notes, insert:* Notes with floating interest rates: A Holder of Floating Rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance.**]**
	Risk of early redemption: The Issuer has the right to repay all outstanding Notes if the Issuer would be obligated to pay additional amounts on the Notes (or the Guarantor would be obligated to pay additional amounts on the Guarantee) due to the deduction or discount of or the owing of current and future taxes **[*In case of an early redemption for Reason of Minimal Outstanding Amount insert:*** or for reason of minimal outstanding principal amount**]**. **[*In case of an early redemption of Notes at the option of the Issuer insert:*** In addition, Notes may be redeemable at the Issuer's option**]**. In this case, a Holder of such Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield. Also, after such an advance payment, a reinvestment of the refund in a comparable security with an effective rate of interest in the same amount as the Notes may not be possible.
	Credit risk: Holders are subject to the risk of a partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments that the Issuer or the Guarantor is obliged to make under the Notes or the Guarantee, respectively. In addition, the market value of the Notes may suffer if the creditworthiness of the Issuer or the Guarantee, respectively, deteriorates.
	No active public trading market: The Notes are new securities that are possibly not very widely spread and for which there is currently no liquid market. There can be no assurance that a liquid market will develop or be maintained for the Notes in the future. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell Notes might additionally be restricted by country specific reasons.
	Risk of Inflation: The real yield from an investment in the Notes is reduced by inflation.
	Risk of structural subordination of the Notes or the Guarantee: The Notes and the Guarantee may be structurally subordinated to Deutsche Annington Group's debt to the extent such debt is secured by assets that are not also securing the Notes.
	Risks relating to the restrictions on the Issuer and the Guarantor under the Notes and the Guarantee: The Notes and the Guarantee contain only limited restrictive covenants restricting Deutsche Annington Group's ability to incur additional debt, create liens or take other action that could negatively impact the Holders. These restrictions may nonetheless allow the Guarantor and its subsidiaries to incur significant additional (secured or unsecured) indebtedness, to grant additional security for the benefit of existing and future indebtedness and to enter into transactions, including reorganisations, mergers, acquisitions and other similar corporate transactions that may adversely affect the Holders.

Element	Section D — Risk specific to the Notes
	Transaction costs/charges: Incidental costs may significantly reduce or eliminate any profit from holding the Notes.
	Taxation: Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties.
	Risk of change in market value: The Holders of Notes are exposed to the risk of an unfavourable development of market prices of their Notes if the holders sell the Notes prior to the maturity of such Notes.
	Volatile trading market: The market for debt securities issued by the Issuer is influenced by a number of interrelated factors and the price at which a Holder will be able to sell its Notes prior to maturity may be substantially below the issue price or the purchase price paid by such Holder.
	Risk of change in rating: The market price and the market value of the Notes are influenced, among other things, by the credit standing of the Guarantor and by a number of other factors including but not limited to the outlook and expectation of the markets, interest on the market, the rate of returns, and the remaining time to maturity of the Notes.
	Change of law: The Terms and Conditions of the Notes are based on the German law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to German law or administrative practice or the official application or interpretation of German law after the date of this Prospectus.
	Independent Review and Advice: Without independent review and advice, an investor may not adequately understand the risks inherent with an investment in the Notes and may lose parts or all of his capital invested without taking such or other risks into consideration before investing in the Notes.
	Change of Control: Although the occurrence of specific change of control events will permit Holders to require redemption or repurchase of the Notes, the Issuer may not be able to redeem or repurchase such Notes or the Guarantor to make a payment on the Guarantee.
	Event of Default: In case of certain Events of Default, each series of Notes will only be redeemable if Holders of at least 10 per cent of the aggregate principal amount of the respective series of Notes then outstanding declare their Notes due and payable and the validity of such acceleration has not been rejected by majority resolution of the Holders of such series of Notes.
	Resolutions of Holders: The Terms and Conditions of the relevant Notes or the Guarantee may be amended or other measures relating to the Notes or the Guarantee may be taken by majority resolution of the Holders of such Notes and a Holder is subject to the risk of being outvoted. Majority resolutions may be contested by Holders and, thus, the implementation of a majority decision could be significantly delayed or fail.
	Holders' Representative: If a Holders' Representative has been appointed by a majority resolution of the Holders, 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.

Element	Section D — Risk specific to the Notes
	Foreign Currency Notes: A Holder of Notes denominated in a foreign currency is particularly exposed to the risk of changes in currency exchange rates.
	Currency risks: If an investor's financial activities are denominated principally in a currency other than the specified currency of a Series of Notes, it must be aware of the foreign exchange risks associated with investment in the Notes.
	FATCA: The U.S. "Foreign Account Tax Compliance Act" (or ***FATCA***) imposes a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments. If an amount in respect of such withholding tax were to be deducted or withheld from interest, principal or other payments made in respect of the Notes or the Guarantee, neither the Issuer nor the Guarantor nor any paying agent nor any other person would, pursuant to the conditions of the Notes or the Guarantee, be required to pay additional amounts as a result of the deduction or withholding. As a result, Holders may receive less interest or principal than expected. Each holder of Notes should consult its own tax advisor regarding possible impacts in its particular circumstance.
	Financial Transactions Tax: The European Commission has published a proposal for a directive for a common financial transactions tax (***FTT***) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. The proposed FTT could apply to certain dealings in the Notes in certain circumstances. As a result, Holders may be burdened with additional costs for the execution of transactions with the Notes.

Element	Section E - Offer of the Notes	
E.2b	**Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks**	**[●]**
E.3	**A description of the terms and conditions of the offer**	**[insert aggregate principal amount]** **[insert issue price]** **[insert minimum subscription size]** **[insert type of distribution]** **[insert start and end of marketing or subscription period]** **[insert any underwriting or distribution by dealers or distributors]** **[insert other or further conditions to which the offer is subject]**
E.4	**Any interest that is material to the issue/offer including conflicting interests**	**[●]**
E.7	**Estimated expenses charged to the investor by the issuer or the offeror**	**[●]**

GERMAN TRANSLATION OF THE SUMMARY

DEUTSCHE ÜBERSETZUNG DER ZUSAMMENFASSUNG

Zusammenfassungen bestehen aus vorgeschriebenen Angaben, die als "Punkte" bezeichnet sind. Diese Punkte sind in Abschnitte mit der Bezeichnung A – E (A.1 – E.7) unterteilt und nummeriert.

Diese Zusammenfassung (die ***Zusammenfassung***) enthält alle Punkte, die in eine Zusammenfassung für diese Art von Schuldverschreibungen und Emittentin aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, kann die Nummerierung Lücken aufweisen.

Auch wenn ein Punkt wegen der Art der Schuldverschreibungen und der jeweiligen Emittentin in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punktes keine relevanten Angaben gemacht werden können. In einem solchen Fall ist in der Zusammenfassung eine kurze Beschreibung des Punktes mit dem Vermerk "entfällt" enthalten.

Punkt	**Abschnitt A – Einleitung und Warnhinweise**
A.1	**Warnhinweis** Die Zusammenfassung sollte als Einleitung zum Prospekt verstanden werden. Der Anleger sollte sich bei jeder Entscheidung in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzen stützen. Ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, muss nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Prospekts aufkommen, bevor das Verfahren eingeleitet werden kann. Zivilrechtlich haftet nur die Emittentin und die Garantin, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt hat, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkonsistent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.
A.2	Jeder Platzeur und/oder jeder weitere Finanzintermediär, der die emittierten Schuldverschreibungen weiter veräußert oder endgültig platziert, ist berechtigt, den Prospekt innerhalb der Angebotsfrist für die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen vom **[●]** bis **[●]** **[**im Großherzogtum Luxemburg**]** **[**,**]** **[**und**]** **[**in der Bundesrepublik Deutschland**]** **[**,**]** **[**und**]** **[**in der Republik Österreich**]** **[**und**]** **[**in den Niederlanden**]** zu verwenden,

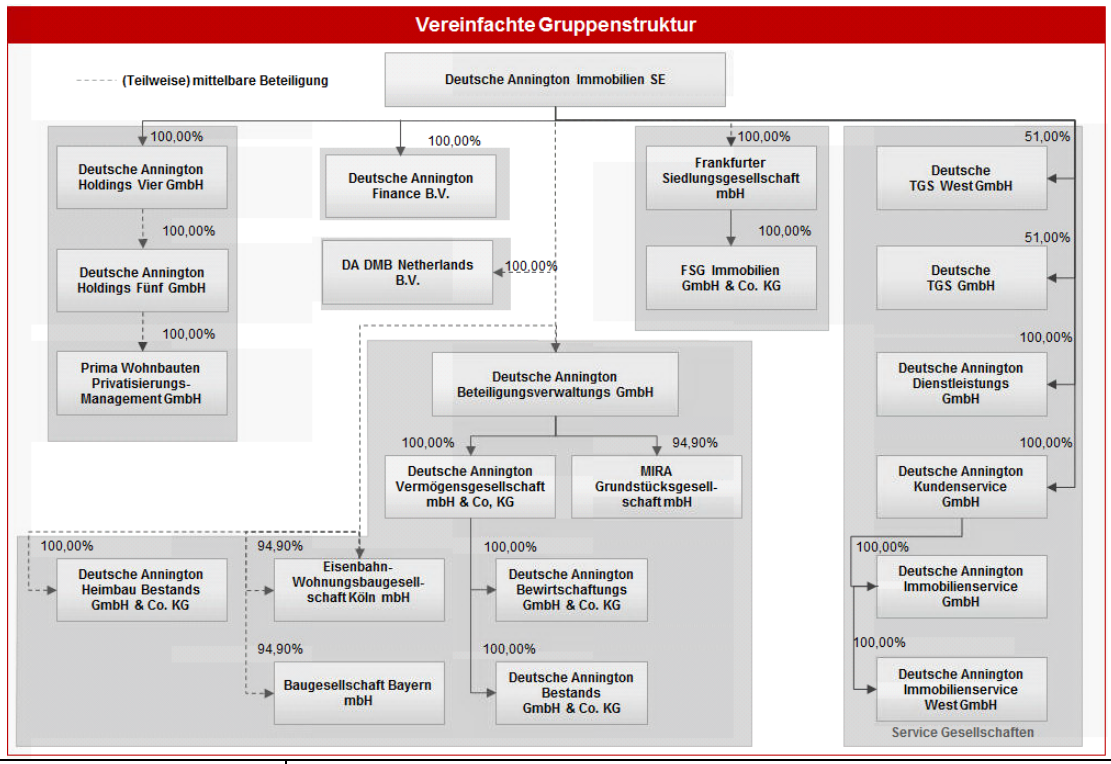
Punkt	Abschnitt A – Einleitung und Warnhinweise
	vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11 des Luxemburger Wertpapierprospektgesetzes (*Loi relative aux prospectus pour valeurs mobilières*), welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (geändert durch Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010) umsetzt, noch gültig ist. Der Prospekt darf potentiellen Investoren nur zusammen mit sämtlichen bis zu dem Zeitpunkt der Übermittlung veröffentlichten Nachträgen übermittelt werden. Jeder Nachtrag zum Prospekt kann in elektronischer Form auf der Internetseite der Luxemburger Börse (www.bourse.lu) und der Internetseite der Deutsche Annington (www.deutsche-annington.com) eingesehen werden. Bei der Nutzung des Prospektes hat jeder Platzeur und/oder jeder weiterer Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet. **Für den Fall, dass ein Platzeur und/oder ein weiterer Finanzintermediär ein Angebot macht, informiert dieser Platzeur und/oder weitere Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Schuldverschreibungen.**

Punkt	Abschnitt B – Deutsche Annington Finance B.V. als Emittentin	
B.1	**Gesetzliche und kommerzielle Bezeichnung**	Deutsche Annington Finance B.V. ist gleichzeitig die gesetzliche und die kommerzielle Bezeichnung.
B.2	**Sitz, Rechtsform, geltendes Recht, Land der Gründung**	Die Emittentin ist eine nach niederländischem Recht errichtete Gesellschaft mit beschränkter Haftung (*besloten vennootschap met beperkte aansprakelijkheid*). Der eingetragene Sitz der Emittentin befindet sich in Bramenberg 14 A, K5, 3755 BZ Eemnes, Niederlande.
B.4b	**Bereits bekannte Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken**	Entfällt. Es gibt keine bekannten Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken.
B.5	**Beschreibung der Gruppe und der Stellung der Emittentin innerhalb dieser Gruppe**	Die Emittentin ist eine hundertprozentige Tochtergesellschaft der Garantin und hat keine eigenen Tochtergesellschaften.

Punkt	Abschnitt B – Deutsche Annington Finance B.V. als Emittentin	
B.9	**Gewinnprognosen oder -schätzungen**	Entfällt. Es liegen keine Gewinnprognosen oder -schätzungen vor.
B.10	**Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen**	Entfällt. Der Bestätigungsvermerk für die Bilanz zum 31. August 2013 enthält keine Einschränkungen.
B.12	**Ausgewählte wesentliche historische Finanzinformationen der Emittentin** Die Emittentin hat seit ihrer Gründung keine jährlichen Finanzinformationen veröffentlicht. Die Emittentin hat eine geprüfte Bilanz vom 31. August 2013 erstellt. Die Bilanz ist gemäß den allgemein anerkannten Grundsätzen der Rechnungslegung in den Niederlanden erstellt worden. **Bilanz** **(in €)** | **Zum 31. August 2013** A. Langfristige Vermögenswerte……..... 1.298.307.038,69 B. Kurzfristige Vermögenswerte…… 13.664,07 **Summe Aktiva…… 1.298.320.702,76** A. Eigenkapital…… 309.779,97 B. Langfristige Schulden……..... 1.294.582.361,15 C. Kurzfristige Schulden……..... 3.428.561,64 **Summe Passiva…… 1.298.320.702,76**	
	Trendinformation Die Aussichten der Emittentin haben sich seit dem 31. August 2013 nicht wesentlich nachteilig verändert. **Wesentliche Veränderungen in der Finanzlage und Handelsposition** Seit dem 31. August 2013 hat es keine wesentlichen Veränderungen in der Finanzlage und Handelsposition der Emittentin gegeben.	
B.13	**Jüngste Entwicklungen**	Am 25. September 2013 hat die Deutsche Annington die Preisinformationen der $750.000.000 nicht nachrangigen, unbesicherten Schuldverschreibungen fällig 2017 und der $250.000.000 nicht nachrangigen, unbesicherten Schuldverschreibungen fällig 2023 (die ***US Dollar Schuldverschreibungen***) der Emittentin festgelegt. Mit Ausnahme der Begebung der US Dollar Schuldverschreibungen, gibt es keine Ereignisse aus der jüngsten Zeit der Geschäftstätigkeit der Emittentin, die für die Bewertung der Zahlungsfähigkeit der Emittentin in hohem Maße relevant sind.
B.14	**Angabe zur Abhängigkeit von anderen Unternehmen der**	***Siehe Punkt B.5 für Angaben zur Beschreibung der Gruppe.*** Entfällt. Die Emittentin ist eine hundertprozentige Tochtergesellschaft der Garantin und hat keine eigenen

Punkt	Abschnitt B – Deutsche Annington Finance B.V. als Emittentin	
	Gruppe	Tochtergesellschaften. Die Emittentin ist vollständig abhängig von der Garantin.
B.15	**Haupttätigkeiten**	Die Emittentin handelt als Finanzierungstochter der Garantin. Die Haupttätigkeit der Emittentin besteht in der Gewährung von Darlehen an Mitglieder der Gruppe, die sie aus am Kapitalmarkt aufgenommenen Mitteln, Bankdarlehen und Darlehen von anderen Unternehmen der Gruppe finanziert.
B.16	**Hauptanteilseigner**	Die Garantin ist alleinige Anteilseignerin der Emittentin.
B.17	**Kreditratings der Emittentin oder ihrer Schuldtitel**	Entfällt. Die Emittentin ist nicht geratet. Sämtliche Schuldverschreibungen werden hinsichtlich Kapital- und Zinszahlungen uneingeschränkt von der Garantin garantiert. Die Kreditwürdigkeitsprüfung von Gläubigern basieren auf dem externen Rating der Garantin. Siehe Abschnitt B – Deutsche Annington Immobilien SE – Punkt B.19 B.17.
B.18	**Art und Umfang der Garantie**	Die von der Emittentin begebenen Schuldverschreibungen profitieren von einer Garantie (die ***Garantie***) der Garantin für die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen. Die Garantie begründet eine unwiderrufliche, nicht besicherte und nicht nachrangige Verpflichtung der Garantin, die mit allen sonstigen unbesicherten und nicht nachrangigen Verpflichtungen der Garantin mindestens im gleichen Rang steht. Die Bedingungen der Garantie enthalten auch eine Negativverpflichtung der Garantin. Die Garantie unterliegt deutschem Recht. Die Garantie ist ein Vertrag zu Gunsten der Gläubiger der Schuldverschreibungen (die ***Gläubiger***) als begünstigte Dritte gemäß § 328 Absatz 1 BGB.

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin	
B.19 B.1	**Gesetzliche und kommerzielle Bezeichnung**	Die gesetzliche Bezeichnung der Garantin ist Deutsche Annington Immobilien SE (die ***Deutsche Annington***). Die Garantin ist die Holdinggesellschaft der Gruppe; die Gruppe agiert unter der kommerziellen Bezeichnung "Deutsche Annington".
B.19 B.2	**Sitz, Rechtsform, geltendes Recht, Land der Gründung**	Der eingetragene Sitz der Garantin befindet sich im Vogelsanger Weg 80, 40472 Düsseldorf, Bundesrepublik Deutschland. Die Garantin ist eine nach Deutschem und Europäischem Recht errichtete Europäische Gesellschaft (*Societas Europaea* – SE).
B.19 B.4b	**Bereits bekannte Trends, die sich auf die Garantin und die Branchen, in denen sie tätig ist, auswirken**	Die Gruppe sowie die gesamte deutsche Wohnimmobilienbranche sind stark von aktuellen und voraussichtlichen demographischen Trends in Deutschland betroffen, insbesondere einem Bevölkerungsschwund, einem Anstieg der Zahl von Haushalten mit einer niedrigeren durchschnittlichen Haushaltsgröße sowie einer alternden Bevölkerung. Diese Trends haben dazu geführt und

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin	
		werden voraussichtlich weiterhin dazu führen, dass ein Anstieg der Nachfrage nach Wohnbeständen, die für ein bis zwei Personen Haushalte bzw. Eigentum, welches für ein seniorenfreundliches Wohnen gedacht ist, erfolgt. Die Gruppe sowie die Branche sind auch von wirtschaftlichen Entwicklungen in Deutschland betroffen. Die Deutsche Annington generiert zwei wesentliche Einkommensarten: Mieteinnahmen und Einnahmen aus Immobilienverkäufen, die beide sehr von den Marktpreisen für Immobilien in den Mikrostandorten beeinflusst werden, welche wiederrum Mietniveaus, Leerstände und andere Faktoren, einschließlich Markterwartungen widerspiegeln. Seit 2010 werden die deutsche Wohnimmobilienbranche und die Ergebnisse der Gruppe positiv von den Entwicklungen im Immobilienmarkt beeinflusst.
B.19 B.5	**Beschreibung der Gruppe und der Stellung der Garantin innerhalb dieser Gruppe**	Die Gesellschaft ist die Holding Gesellschaft der Gruppe. Die Geschäftstätigkeit der Gesellschaft wird in erster Linie durch die entsprechenden Tochtergesellschaften durchgeführt.
	In dem folgenden Schaubild ist eine Zusammenfassung (in vereinfachter Form) der wesentlichen Tochtergesellschaften der Gesellschaft zum Datum dieses Prospektes unter Berücksichtigung des durchgerechneten Beteiligungsanteils dargestellt. 	
B.19 B.9	**Gewinnprognosen oder -schätzungen**	Entfällt. Es liegen keine Gewinnprognosen oder -schätzungen vor.

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin	
B.19 B.10	**Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen**	Entfällt. Die Bestätigungsvermerke für die geprüften konsolidierten Jahresabschlüsse für die zum 31. Dezember 2011 bzw. 31. Dezember 2012 endenden Geschäftsjahre enthalten keine Einschränkungen.

B.19 B.12

Ausgewählte wesentliche historische Finanzinformationen der Garantin

In der nachstehenden Tabelle sind ausgewählte Finanzinformationen der Garantin aufgeführt. Die Finanzinformationen wurden den geprüften konsolidierten Jahresabschlüssen der Garantin für die zum 31. Dezember 2011 bzw. 31. Dezember 2012 endenden Geschäftsjahre sowie dem ungeprüften verkürzten Einzelzwischenabschluss für das am 30. Juni 2013 endende Halbjahr entnommen.

Die geprüften konsolidierten Jahresabschlüsse für die am 31. Dezember 2011 bzw. 31. Dezember 2012 endenden Geschäftsjahre sowie der ungeprüfte verkürzte konsolidierte Einzelzwischenabschluss für das am 30. Juni 2013 endende Halbjahr sind gemäß den International Financial Reporting Standards (***IFRS***), wie sie von der Europäischen Union übernommen wurden, und den ergänzend nach § 315a Abs. 1 HGB anzuwendenden handelsrechtlichen Vorschriften erstellt worden.

Sind Finanzinformationen in der nachstehenden Tabelle als "geprüft" gekennzeichnet, so bedeutet dies, dass sie den geprüften konsolidierten Jahresabschlüssen der Garantin für die zum 31. Dezember 2011 bzw. 31. Dezember 2012 endenden Geschäftsjahre entnommen oder daraus abgeleitet wurden.

Konzern-Gewinn-und-Verlustrechnung	**Für den Sechsmonatszeitraum zum 30. Juni**		**Für das Geschäftsjahr zum 31. Dezember**	
(in Mio. €)	**2013**	**2012**	**2012**	**2011[(1)]**
	(ungeprüft)		**(geprüft)**	
Erlöse aus der Immobilienbewirtschaftung	**532,2**	**541,1**	**1.064,9**	**1.078,3**
Ergebnis aus der Veräußerung von Immobilien (IFRS)	**24,0**	**31,2**	**51,6**	**67,6**
Ergebnis aus der Bewertung von Investment Properties	**523,9**	**80,7**	**205,6**	**246,7**
Wertveränderungen der Vorratsimmobilien	0,0	0,0	0,0	204,5
Materialaufwand	(237,4)	(266,0)	(519,5)	(548,6)
Personalaufwand	(70,4)	(48,7)	(112,1)	(90,8)
Abschreibungen	(2,8)	(2,9)	(6,1)	(6,2)
Sonstige betriebliche Erträge	19,2	14,2	43,5	44,4
Sonstige betriebliche Aufwendungen	(41,9)	(32,7)	(81,2)	(70,6)
Finanzerträge	7,1	2,3	12,3	14,7
Finanzaufwendungen	(128,4)	(163,0)	(443,2)	(362,1)
Ergebnis vor Steuern	**625,5**	**156,2**	**215,8**	**577,9**
Ertragssteuern	(185,3)	(44,7)	(43,6)	(154,3)
Periodenergebnis	**440,2**	**111,5**	**172,2**	**423,6**

(1) Die Zahlen sind dem geprüften Konzernabschluss der Garantin für das Jahr 2012 entnommen. Die Zahlen für 2011 wurden in Übereinstimmung mit den 2012 geltenden Rechnungslegungsgrundsätzen angepasst, was eine Abnahme bei den Erlösen aus der Vermietung und dem Ergebnis aus Immobilienbewirtschaftung sowie einem entsprechenden Rückgang des Materialaufwands in Höhe von € 4,3 Mio.

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin

gegenüber den in dem geprüften Konzernabschluss für 2011 vorgelegten Zahlen zur Folge hatte. Zudem führte die Anwendung der 2012 geltenden Rechnungslegungsgrundsätze zu einem Anstieg des Gewinns aus der Veräußerung von Immobilien und einer entsprechenden Abnahme des Ergebnisses aus der Bewertung von Investment Properties in Höhe von € 2,7 Mio. für das Jahr 2011 geführt

Konzernbilanz

	Zum 30. Juni	Zum 31. Dezember	
(in Mio. €)	**2013**	**2012**	**2011(1)**
	(ungeprüft)	**(geprüft)**	
Langfristige Vermögenswerte	10.621,0	9.946,8	9.971,9
Kurzfristige Vermögenswerte	413,3	661,5	411,1
Summe Aktiva	**11.034,3**	**10.608,3**	**10.383,0**
Eigenkapitalanteil der Anteilseigner der Deutschen Annington	3.395,5	2.666,4	2.216,3
Eigenkapital	3.409,9	2.677,4	2.229,8
Langfristige Schulden	6.892,9	6.940,5	7.245,9
Kurzfristige Schulden	731,5	990,4	907,3
Schulden	**7.624,4**	**7.930,9**	**8.153,2**
Summe Passiva	**11.034,3**	**10.608,3**	**10.383,0**

(1) Die Zahlen sind dem geprüften Konzernabschluss der Deutschen Annington für das Jahr 2012 entnommen. Die Zahlen für 2011 wurden in Übereinstimmung mit den 2012 geltenden Rechnungslegungsgrundsätzen angepasst, was eine Abnahme bei den Vorräten, der Summe der kurzfristigen Vermögenswerte und der Summe der Aktiva und einer entsprechenden Abnahme der Summe der Kurzfristigen Schulden, der Summe der Schulden und der Summe der Passiva in Höhe von € 313,9 Mio. zur Folge hatte. Dieser Betrag entsteht durch Abnahme bei den sonstigen Verbindlichkeiten in Höhe von € 345,6 Mio., der durch einen Anstieg bei den Rückstellungen in Höhe von 31,7 Mio. im Vergleich zu den in dem Konzernabschluss für 2011 genannten Zahlen teilweise ausgeglichen wird. Zudem führte die Anwendung der 2012 geltenden Buchführungsgrundsätze zu einer Abnahme bei den Gewinnrücklagen und einem entsprechenden Anstieg bei den sonstigen Rücklagen in Höhe von € 0,4 Mio. für das Geschäftsjahr 2011.

Trendinformation

Die Aussichten der Garantin haben sich seit dem 31. Dezember 2012 nicht wesentlich nachteilig verändert.

Wesentliche Veränderungen in der Finanzlage und Handelsposition

Mit Ausnahme des Listings der Aktien der Garantin am 11. Juli 2013, der Rückzahlung der ausstehenden Nennbeträge der REF Notes am 18. Juli 2013, der Begebung der Bestehenden Schuldverschreibungen sowie die teilweise Rückzahlung des Laufzeitdarlehens am 25. Juli 2013 sowie die Festsetzung der Preisinformationen der US Dollar Schuldverschreibungen am 25. September 2013 (wie jeweils unter Element B.19 B.13 beschrieben), hat es seit dem 30. Juni 2013 keine wesentlichen Veränderungen in der Finanzlage und Handelsposition der Garantin gegeben.

B.19 B.13	**Jüngste Entwicklungen**	Am 10. Juni 2013 gab die Deutsche Annington ihre Absicht bekannt, die ausstehenden besicherte Real Estate Funding Notes (***REF Notes***), welche von mehreren Gesellschaften des Deutsche Annington Konzerns (***REF Note Emittenten***) an eine irische 'pass-through' Gesellschaft mit beschränkter Haftung, die German Residential Asset Note Distributor P.L.C. (***GRAND***), ausgegeben wurden, vollständig bis spätestens 21. Oktober 2013 zurückzuzahlen. Am 11. Juli 2013 hat die Garantin ihre Aktien am regulierten Markt der Frankfurter Wertpapierbörse und gleichzeitig am Prime Standard der Frankfurter Wertpapierbörse gelistet. Die Garantin erhielt durch die Platzierung der neuen Aktien einen Erlös in Höhe von €400 Millionen, der zur Rückzahlung von Verbindlichkeiten

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin	
		verwendet wurde. Am 18. Juli 2013 hat die Deutsche Annington alle ausstehenden Nennbeträge der REF Notes und alle aufgelaufenen Zinsen an GRAND zurückgezahlt; hierfür wurde ein Betrag in Höhe von €2,3 Milliarden aus einem €2,5 Milliarden Laufzeitdarlehensvertrag mit J.P. Morgan Limited und Morgan Stanley Bank International Limited vom 3. Juni 2013 (das ***Laufzeitdarlehen***) verwendet. Am 25. Juli 2013 hat die Deutsche Annington einen Teil des Laufzeitdarlehens durch die Begebung der €700.000.000 nicht nachrangigen, unbesicherten Schuldverschreibungen fällig 2016 und der €600.000.000 nicht nachrangigen, unbesicherten Schuldverschreibungen fällig 2019 (die ***Bestehenden Schuldverschreibungen***) der Emittentin zurückgeführt. Am 25. September 2013 hat die Deutsche Annington die Preisinformationen der $750.000.000 nicht nachrangigen, unbesicherten Schuldverschreibungen fällig 2017 und der $250.000.000 nicht nachrangigen, unbesicherten Schuldverschreibungen fällig 2023 (die ***US Dollar Schuldverschreibungen***) der Emittentin festgelegt. Die Deutsche Annington beabsichtigt den Nettoerlös aus der Begebung der US Dollar Schuldverschreibungen überwiegend zur Rückzahlung des Laufzeitdarlehens und für allgemeine Gesellschaftszwecke zu verwenden.
B.19 B14	**Angabe zur Abhängigkeit von anderen Unternehmen der Gruppe**	***Siehe Punkt B.19 B.5 für Angaben zur Beschreibung der Gruppe.*** Entfällt. Die Garantin ist die Obergesellschaft der Deutsche Annington Gruppe und es bestehen keine Abhängigkeiten von anderen Unternehmen der Deutsche Annington Gruppe.
B.19 B.15	**Haupttätigkeiten**	Der Gruppe gehören etwa 180.000 Wohneinheiten mit einem Gesamtverkehrswert von € 10,4 Milliarden. Obwohl die Gruppe Eigentümerin von Immobilien in ganz Deutschland ist, befinden sich ungefähr 97 % ihres Portfolios gemessen am Verkehrswert in den alten Bundesländern einschließlich Berlin. Im Durchschnitt bestehen die Wohneinheiten der Gruppe aus 2-3 Zimmern und haben eine Gesamtgröße von 64 m2. Dies bedeutet, dass die Deutsche Annington gut positioniert ist, um von der Zunahme der Ein- und Zwei-Personen Haushalte in Deutschland profitieren zu können, welche insbesondere für die deutschen Ballungsgebiete erwartet wird (Quelle: BBSR – Regionalplanung 2030). Die Gruppe verfolgt eine klare Portfolio Strategie mit einer disziplinierten Herangehensweise und hat eine gute Wertschöpfungsbilanz vorzuweisen. Die Gruppe unterteilt ihre Immobilien in fünf Portfolio Segmente: (i) Aktives Management, (ii) Aufwertung Gebäude (energetische Sanierungen durchgeführt von der Gruppe um den Wert von Immobilien zu erhöhen), (iii)

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin	
		Optimierung Wohnungen (seniorenfreundliches Wohnen/ andere umfangreiche Sanierungsmaßnahmen), (iv) Privatisierung und (v) Non-Core; für jedes Segment verfolgt die Gruppe eine klare Strategie. 95 % des Portfolios gemessen am Verkehrswert umfasst Kernaktiva, bei denen Deutsche Annington annimmt, dass sie Mehrwert generieren kann. Nur 5 % des Portfolios wird als Non-Core-Aktiva angesehen mit unzureichenden mittel bis langfristigen Wachstumsaussichten. Die Gruppe plant, diese Aktiva mittelfristig zu Preisen um den Verkehrswert zu verkaufen. Im 95 % Kernportfolio beabsichtigt Deutsche Annington durch drei Hauptmaßnahmen Mehrwert zu schaffen: • Operative Wertschaffung durch zum Beispiel Mietsteigerungen, Reduzierung der Leerstände, effiziente und nachhaltige Instandhaltungsausgaben und Kosteneffizienzen durch Skaleneffekte; • Zusätzliche Wertschaffung durch ein zweckorientiertes Investitionsprogramm, das hauptsächlich auf energiesparenden Modernisierungen von Gebäuden, auf der Sanierung von einzelnen Wohnungen zum seniorenfreundlichen Wohnen und der Sanierung zur Erreichung eines gehobenen Wohnstandards in Märkten in denen vollständig sanierte Wohnungen Mietaufschläge erzielen, gerichtet ist; • zudem ist die Generierung von liquiden Mitteln durch Privatisierung von Eigentumswohnungen und Einfamilienhäusern zu einem Preisaufschlag geplant. Die Einnahmen der Privatisierungsverkäufe sowie die Non-Core-Bestände können entweder zur Finanzierung von Investitionen in Wohnbeständen die zur Gebäude oder Wohnungsaufwertung vorgesehen sind, zur Schuldentilgung, zur Finanzierung von Dividendenzahlungen oder zur Finanzierung von Ankäufen verwendet werden. Auf Basis einer ausgewogenen Mischung von örtlichen und zentralen Betriebsstrukturen betreibt die Gruppe ihr Geschäft auf eine effiziente, integrierte und industrialisierte Weise. Während Arbeitsprozesse, bei denen Skaleneffekte erzielt werden, zentralisiert durchgeführt werden, werden Abläufe, die eingehende Kenntnisse eines einzelnen lokalen Marktes oder das enge Zusammenwirken mit den Kunden der Gruppe erfordern, durch die 37 lokalen Geschäftseinheiten der Deutsche Annington durchgeführt. Diese Geschäftseinheiten sind in vier Regionen Süd-Südwest, Rhein-Ruhr, Nord-Ost und Westfalen organisiert und befinden sich in der Nähe der Liegenschaften und der Kunden in ganz Deutschland. Zur Erhaltung der Kundenzufriedenheit auf einem hohen Niveau macht sich die Gruppe ihre Größe zunutze, um ihre Wohnungsvermietungstätigkeiten durch ausgewählte,

Punkt	Abschnitt B – Deutsche Annington Immobilien SE als Garantin	
		werterhöhende Dienstleistungen zu ergänzen. In Zusammenarbeit mit einer der größten Handwerkerorganisationen in Deutschland, der B&O Service & Messtechnik AG als Partner eines Gemeinschaftsunternehmens, hat die Gruppe eine Handwerkerorganisation mit nun mehr als 950 Beschäftigten gegründet, deren alleinige Aufgabe in der Erbringung von Instandhaltungsarbeiten für das Deutsche Annington-Immobilienportfolio besteht. Die vermietungsbezogenen Leistungen der Gruppe reichen von Nebenkosteneinsparungen durch Großeinkäufe von Versorgungsleistungen bis hin zur Beschaffung von Glasfasern für Kabelfernsehen sowie der Bereitstellung von Internetzugängen und der Aushandlung von Preisnachlässen auf Käufe von ausgewählten Dienstleistungsanbietern.
B.19 B.16	**Hauptanteilseigner**	Die folgenden Anteilseigner haben der Garantin in Übereinstimmung mit §§ 21 ff. Wertpapierhandelsgesetz (***WpHG***) mitgeteilt, dass mindestens 3% der Stimmrechte an der Garantin entweder unmittelbar von ihnen gehalten werden oder ihnen zugerechnet werden: **Aktionäre** — **Gegenwärtige (dirkete) Aktionäre der Deutsche Annington Immobilien SE** Monterey Holdings I S.à r.l. .... 84,5% Streubesitz..... 10,0% Norges Bank..... 5,5%
B.19 B.17	**Kreditratings der Garantin oder ihrer Schuldtitel**	Die Garantin wurde Standard & Poor's Credit Market Services Europe Limited (***Standard & Poor's***)[2] das langfristige Kreditrating "BBB" (Ausblick: stabil).

Punkt	Abschnitt C – Die Schuldverschreibungen	
C.1	**Gattung und Art der Schuldverschreibungen / Wertpapierkennnummer**	**Gattung** Die Schuldverschreibungen sind nicht besichert.
		[*Im Fall von festverzinslichen Schuldverschreibungen, einfügen:* Die Schuldverschreibungen werden mit einem festen Zinssatz über die gesamte Laufzeit der Schuldverschreibungen verzinst.**]**
		[*Im Fall von variabel verzinslichen Schuldverschreibungen, einfügen:* Die Schuldverschreibungen werden mit einem Zinssatz verzinst **[**(angepasst um die anwendbare Marge)**]**, der

[2] Standard & Poor's hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, geändert durch Verordnung (EU) Nr. 513/2011 des Europäischen Parlaments und des Rates vom 11. März 2011 (die ***Ratingverordnung***), registriert. Die Europäische Wertpapier- und Marktaufsichtsbehörde veröffentlicht auf ihrer Internetseite (www.esma.europa.eu/page/list-registered-and-certified-CRAs) ein Verzeichnis der nach der Ratingverordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingverordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.

Punkt	Abschnitt C – Die Schuldverschreibungen	
		auf der Basis eines Referenzzinssatzes bestimmt wird, der auf der vereinbarten Bildschirmseite eines Kursdienstes angezeigt wird.**]**
		ISIN [●] **Common Code [●]** **WKN [●]**
C.2	**Währung**	Die Schuldverschreibungen sind in **[**Euro (***EUR***)**]** **[**U.S. Dollar (***USD***)**]** **[●]** begeben.
C.5	**Beschränkungen der freien Übertragbarkeit der Schuldverschreibungen**	Entfällt. Es gibt keine Beschränkungen für die freie Übertragbarkeit der Schuldverschreibungen.
C.8	**Mit den Schuldverschreibungen verbundene Rechte, Rangordnung, Beschränkungen der Rechte**	**Negativverpflichtung** Die Bedingungen der Schuldverschreibungen enthalten eine Negativverpflichtung der Emittentin und beschreiben die Negativverpflichtung der Garantin im Rahmen der Garantie.
		Besteuerung Alle in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen der Niederlande, ihrer Bundesländer oder einer steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde im Wege des Abzugs oder Einbehalts an der Quelle auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. Vorbehaltlich der üblichen Ausnahmen wird in diesem Fall die Emittentin diejenigen zusätzlichen Beträge zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären.
		Verpflichtungserklärungen der Garantin ***Beschränkungen für das Eingehen von Finanzverbindlichkeiten*** Die Garantie beschränkt die Möglichkeit der Garantin, zusätzliche Verbindlichkeiten einzugehen oder Sicherungsrechte an Vermögenswerten zu bestellen. Die Garantin hat sich in der Garantie verpflichtet Finanzverbindlichkeiten nur einzugehen und sicherzustellen, dass ihre Tochtergesellschaften nach dem Begebungstag Finanzverbindlichkeiten nur

Punkt	Abschnitt C – Die Schuldverschreibungen	
		eingehen, soweit bestimmte Kennzahlen (vorbehaltlich bestimmter Ausnahmen) nicht verletzt werden. ***Einhaltung des Konsolidierten Deckungsgrads*** Die Garantin hat sich zudem in der Garantie verpflichtet, dass nach dem Begebungstag der Schuldverschreibungen der konsolidierte Deckungsgrad der Gruppe (der das Verhältnis des Gewinns vor Zinsen, Steuern, Abschreibungen (auf Sachanlagen) und Abschreibungen (auf immaterielle Vermögensgegenstände) der Gruppe für einen Zeitraum zu dem Gesamtbetrag der Zinskosten in demselben Zeitraum ist) (vorbehaltlich bestimmter Ausnahmen) nicht unter einen bestimmten Wert fällt. ***Einhaltung des Gesamtbetrags des Unbelasteten Vermögens*** Die Garantin hat sich in der Garantie weiterhin verpflichtet, dass ab dem Begebungstag das unbelastete Vermögen der Garantin und ihrer Tochtergesellschaften zu keinem Zeitpunkt (vorbehaltlich bestimmter Ausnahmen) einen festgelegten Wert unterschreitet.
		Status der Schuldverschreibungen Die Schuldverschreibungen begründen unmittelbare, unbedingte, unbesicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird. Die Garantin hat eine Garantie (die ***Garantie***) für die Zahlung von Kapital-, Zins- und sonstigen auf die Schuldverschreibungen zahlbaren Beträge übernommen.
		[*Im Fall vorzeitiger Rückzahlung bei festverzinslichen Schuldverschreibungen, einfügen:* **Vorzeitige Rückzahlung** Die Schuldverschreibungen können vor Ablauf ihrer festgelegten Laufzeit **[[**nach Wahl**]** **[**der Emittentin**]** **[**und**]** **[**oder**]** **[**der Gläubiger**]**,**]** aus steuerlichen Gründen, aufgrund eines Kontrollwechsels **[**, aufgrund eines geringen ausstehenden Gesamtnennbetrages**]** oder bei Eintritt eines Kündigungsereignisses zurückgezahlt werden.**]**

Punkt	Abschnitt C – Die Schuldverschreibungen	
		[*Im Fall vorzeitiger Rückzahlung bei variabel verzinslichen Schuldverschreibungen, einfügen:* **Vorzeitige Rückzahlung** Die Schuldverschreibungen können vor Ablauf ihrer festgelegten Laufzeit aus steuerlichen Gründen, aufgrund eines Kontrollwechsels **[**, aufgrund eines geringen ausstehenden Gesamtnennbetrages**]** oder bei Eintritt eines Kündigungsereignisses zurückgezahlt werden.**]**
		[*Im Fall vorzeitiger Rückzahlung von festverzinslichen Schuldverschreibungen nach Wahl der Emittentin zu dem Vorzeitigen Rückzahlungsbetrag, einfügen:* **Vorzeitige Rückzahlung nach Wahl der Emittentin zu dem Wahl-Rückzahlungsbetrag** Die Schuldverschreibungen können nach Wahl der Emittentin nach Kündigung unter Einhaltung der festgelegten Kündigungsfrist gegenüber den Gläubigern zum Nennbetrag zuzüglich einer Anwendbaren Prämie nebst etwaiger bis zum Wahl-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückgezahlt werden. ***Anwendbare Prämie*** bezeichnet die etwaige Differenz, um die (a) der Barwert zum Wahl-Rückzahlungstag (i) des Nennbetrags je Schuldverschreibung zuzüglich (ii) aller bis zum Fälligkeitstag (ausschließlich) vorgesehenen und noch fällig werdenden Zinszahlungen je Schuldverschreibung, abgezinst mit der **[Benchmark-Rendite einfügen]** zuzüglich **[Marge einfügen]** %, (b) den Nennbetrag der Schuldverschreibung übersteigt.**]**
		[I*m Fall vorzeitiger Rückzahlung bei festverzinslichen Schuldverschreibungen nach Wahl der Gläubiger zu dem(n) festgelegten Rückzahlungsbetrag/-beträgen, einfügen:*

Punkt	Abschnitt C – Die Schuldverschreibungen	
		Vorzeitige Rückzahlung nach Wahl der Gläubiger zu dem(n) festgelegten Rückzahlungsbetrag/-beträgen Die Schuldverschreibungen können nach Wahl der Gläubiger nach Kündigung unter Einhaltung der festgelegten Kündigungsfrist gegenüber der Emittentin an dem bzw. den festgelegten Tag(en) vor Ablauf ihrer festgelegten Laufzeit zu dem(n) festgelegten Rückzahlungsbetrag/-beträgen nebst etwaiger bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückgezahlt werden.**]**
		Vorzeitige Rückzahlung aus steuerlichen Gründen Die vorzeitige Rückzahlung der Schuldverschreibungen zum Nennbetrag nebst etwaiger bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen aus steuerlichen Gründen ist zulässig, falls als Folge einer Änderung oder Ergänzung der Gesetze oder Vorschriften (einschließlich einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze oder Vorschriften) der Niederlande (oder im Falle der Garantin, der Bundesrepublik Deutschland) oder deren politischen Untergliederungen oder Steuerbehörden, die Emittentin zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist (oder, im Falle von Zahlungen unter der Garantie, die Garantin zur Zahlung von zusätzlichen Beträgen verpflichtet ist).
		Vorzeitige Rückzahlung bei Vorliegen eines Kontrollwechsels Die Schuldverschreibungen sehen ein Recht der Gläubiger vor, bei Vorliegen eines Kontrollwechsels in Bezug auf die Garantin eine vorzeitige Rückzahlung der Schuldverschreibungen zu ihrem Nennbetrag nebst etwaiger bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zu verlangen.
		[*Im Fall vorzeitiger Rückzahlung aufgrund eines geringen ausstehenden Gesamtnennbetrages, einfügen:* **Vorzeitige Rückzahlung aufgrund eines geringen ausstehenden Gesamtnennbetrages** Die Schuldverschreibungen können von der Emittentin zum Nennbetrag nebst etwaiger bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückgezahlt werden, falls der Gesamtnennbetrag der ausstehenden Schuldverschreibungen gering ist.**]**

Punkt	Abschnitt C – Die Schuldverschreibungen	
		Vorzeitige Rückzahlung bei Eintritt eines Kündigungsereignisses (einschließlich Drittverzug) Die Schuldverschreibungen sehen Kündigungsgründe (einschließlich einer Kündigung im Fall eines Drittverzugs (Cross-Default)) vor, die die Gläubiger berechtigen, die unverzügliche Rückzahlung ihrer Schuldverschreibungen zum Nennbetrag nebst etwaiger bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zu verlangen.
		Gläubigerbeschlüsse In Übereinstimmung mit dem Gesetz über Schuldverschreibungen aus Gesamtemission von 2009 (*Schuldverschreibungsgesetz*, ***SchVG***) sehen die Schuldverschreibungen und die Garantie vor, dass die Gläubiger durch Beschluss Änderungen der Emissionsbedingungen und/oder der Garantie (mit Zustimmung der Emittentin und/oder der Garantin) zustimmen und gewisse sonstige Maßnahmen in Bezug auf die Schuldverschreibungen bzw. der Garantie beschließen können. Ordnungsgemäß gefasste Beschlüsse sind für alle Gläubiger verbindlich. Beschlüsse der Gläubiger, durch welche der wesentliche Inhalt der Emissionsbedingungen bzw. der Garantie geändert wird, bedürfen einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte. Sonstige Beschlüsse bedürfen der einfachen Mehrheit der teilnehmenden Stimmrechte.
C.9	**Verzinsung und Rückzahlungen, Rendite, Vertreter der Gläubiger der Schuldverschreibungen**	***Siehe Punkt C.8 für Angaben zu mit den Schuldverschreibungen verbundenen Rechten, Rangordnung sowie Beschränkungen der mit den Schuldverschreibungen verbundenen Rechte.***
	Zinssatz	**[*Im Fall von festverzinslichen Schuldverschreibungen, einfügen:* [●]**%** p.a.**]** **[*Im Fall von variabel verzinslichen Schuldverschreibungen, einfügen*:** **[**EURIBOR**]** **[**LIBOR für die festgelegte Währung**]** **[[**zuzüglich**]** **[**abzüglich**]** der Marge in Höhe von **[●]%]** für jede Zinsperiode**]**
	Verzinsungsbeginn	Begebungstag der Schuldverschreibungen.
	Zinszahlungstage	**[●]**
	Basiswert auf dem der Zinssatz basiert	**[*Im Fall von festverzinslichen Schuldverschreibungen, einfügen:*** Entfällt. Der Zinssatz basiert nicht auf einem Basiswert.**]**

Punkt	Abschnitt C – Die Schuldverschreibungen	
		[*Im Fall von variabel verzinslichen Schuldverschreibungen einfügen*: [EURIBOR**]** **[**LIBOR für die festgelegte Währung**]**
	Fälligkeitstag, Tilgung einschließlich Rückzahlungsverfahren	Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zum Nennbetrag am **[●]** zurückgezahlt. Zahlung von Kapital in Bezug auf die Schuldverschreibungen erfolgt an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.
	Angabe der Rendite	**[*Im Fall von festverzinslichen Schuldverschreibungen, einfügen:* [●]%]** **[*Im Fall von variabel verzinslichen Schuldverschreibungen einfügen*:** Entfällt. Es wird keine Rendite berechnet.**]**
	Name des Vertreters der Inhaber der Schuldverschreibungen	Entfällt. In den Emissionsbedingungen der Schuldverschreibungen wurde kein gemeinsamer Vertreter der Gläubiger bestellt.
C.10	**Erläuterung wie der Wert der Anlage beeinflusst wird, falls die Schuldverschreibungen eine derivative Komponente bei der Zinszahlung aufweisen**	***Siehe Punkt C.9.*** Entfällt. Die Schuldverschreibungen haben keine derivative Komponente bei der Zinszahlung.
C.11	**Zulassung zur Börsennotierung und zum Handel an einem regulierten Markt oder einem gleichwertigen Markt / Angabe des Markts, an dem die Schuldverschreibungen künftig gehandelt werden und für den ein Prospekt veröffentlicht wurde**	**[**Die Zulassung zur Börsennotierung und zum Handel **[**im regulierten Markt der Luxemburger Wertpapierbörse**] [●]** wurde beantragt.**]** **[**Entfällt. Die Emittentin beabsichtigt nicht, einen Antrag auf Handel der Schuldverschreibungen an einer Börse zu stellen.**]**

Punkt	Abschnitt D – Risiken, die der Emittentin eigen sind
D.2	**Zentrale Angaben zu den zentralen Risiken, die der Emittentin oder ihrer Branche eigen sind**
	Die Emittentin ist abhängig von der Garantin und anderen Mitgliedern der Gruppe.

Punkt	Abschnitt D – Risiken, die der Garantin eigen sind
D.2	**Zentrale Angaben zu den zentralen Risiken, die der Garantin oder ihrer Branche eigen sind**
	Marktbezogene Risiken • Die Deutsche Annington ist von der wirtschaftlichen und demografischen Entwicklung in Deutschland und in den regionalen Teilmärkten, in denen die Immobilien der Deutsche Annington gelegen sind, abhängig. Weiterhin ist die Gruppe von ihrer Fähigkeit abhängig, ihre Geschäftstätigkeit im Wohnungswesen diesen Entwicklungen anzupassen. • Die anhaltende Unsicherheit über die Entwicklung der Weltwirtschaft, die auf die fortdauernde Staatsschuldenkrisen in vielen Teilen der Welt und insbesondere in Europa zurückzuführen ist, können wirtschaftliche Instabilität, eingeschränkten Zugang zur Schulden- und Eigenkapitalfinanzierung sowie potenzielle Zahlungsausfälle von Gegenparteien der Deutsche Annington zur Folge haben. • Das gegenwärtige makroökonomische Umfeld zeichnet sich durch niedrige Zinssätze und vergleichbar hohe Bewertungen von Wohnimmobilienportfolios in Deutschland aus. Jeder Zinsanstieg könnte nachteilige Auswirkungen auf den deutschen Immobilienmarkt und die Deutsche Annington haben. • Es könnte für die Deutsche Annington schwieriger werden, ihre Strategie des Erwerbs von Wohnimmobilien und Immobilienunternehmen zu günstigen Preisen umzusetzen, wobei dies insbesondere auf die derzeit relativ hohen Marktpreise für Immobilien und Immobilienunternehmen zurückzuführen ist. Eine solche Entwicklung könnte das Unternehmenswachstum der Deutsche Annington beeinträchtigen und könnte verhindern, dass die Gruppe zusätzliche Skaleneffekte erzielt und die Qualität ihres gesamten Portfolios durch Akquisitionen verbessert. **Risiken im Zusammenhang mit der Geschäftstätigkeit der Deutsche Annington** • Die Deutsche Annington ist Risiken ausgesetzt, die von der strukturellen Beschaffenheit ihrer Immobilien sowie der Instandhaltung und den Reparaturen herrühren. Die Deutsche Annington ist gemäß den Darlehens- und Kaufverträgen der Gruppe verpflichtet, bestimmte Beträge in bestimmte Portfolios zu investieren. Aufgrund dieser Verpflichtungen können die Mittel möglicherweise nicht optimal zugewiesen werden. • Die Deutsche Annington ist möglicherweise nicht in der Lage, einen Anteil ihres Portfolios zu günstigen Bedingungen zu verkaufen oder zu veräußern. • Der Deutsche Annington entstehen Risiken in Zusammenhang mit möglichen Akquisitionen und Investitionen. Zu diesen Risiken gehören unerwartete Haftungsfälle, eine höhere Verschuldung, höhere Zinsaufwendungen und Herausforderungen bei der Eingliederung des neuen Unternehmens sowie der Erreichung der erwarteten Synergien. Desweiteren könnten sich die Transaktionskosten für Immobilienkäufe aufgrund der jüngsten Änderung des deutschen Steuerrechts erhöhen. Weiterhin entwickeln sich Immobilienportfolios oder -immobilien, die in Zukunft erworben werden können, möglicherweise nicht so vorteilhaft wie erwartet.

Punkt	Abschnitt D – Risiken, die der Garantin eigen sind
	• Die für zukünftige Akquisitionen von Grundstücken, Wohnimmobilien und Portfolios vorgesehenen Transaktionskosten könnten sich als nutzlos erweisen, sollten die Transaktionen nicht durchgeführt werden. • Die Deutsche Annington plant erhebliche Investitionen in Modernisierungsmaßnahmen, welche nicht die erwartete Rendite erzielen könnten. • Im Zusammenhang mit einigen wichtigen Akquisitionen ging die Deutsche Annington vertragliche Verpflichtungen ein, durch die ihre Fähigkeit, Teile ihres Portfolios frei zu veräußern, Beschäftigungsverhältnisse zu übertragen oder zu beenden und Mieten für bestimmte Einheiten zu erhöhen, eingeschränkt wird, wodurch die Gruppe möglicherweise gehindert wird, den größtmöglichen Wert aus den betroffenen Immobilien zu ziehen. • Die Deutsche Annington hat eine neue Politik der Wiedereingliederung (Insourcing) von bisher externen Leistungen umgesetzt, aufgrund derer sie eine Hausmeister- und Handwerkerorganisation gegründet und eine große Anzahl an Beschäftigten eingestellt hat. Diese Politik führte zu einem deutlichen Anstieg der Personalaufwendungen und der sonstigen Fixkosten und stellt eine Herausforderung für die Verwaltung dar. • Zusätzlich zu der Wohnimmobilienbewirtschaftung und den Erträgen aus dem Non-Core-Segment (Nichtkernbereich des Portfolios der Deutsche Annington) des Immobilienportfolios, gehört zur Geschäftstätigkeit der Deutsche Annington ebenfalls der Verkauf von einzelnen Beständen (Privatisierung) in der Weise, dass nur einige Wohnbestände einer Immobilie zum Verkauf vorgesehen werden. Für die unverkauften Wohnbestände wird möglicherweise ein größerer Verwaltungsaufwand erforderlich, wobei dies zu zusätzlichen Aufwendungen und anderen nachteiligen Folgen für die Gruppe führen kann. • Die Deutsche Annington könnte Risiken durch Altlasten einschließlich Kriegsmunition, Bodenbeschaffenheit und Schadstoffen in Baumaterialien sowie durch potenzielle Verstöße gegen das Baugesetzbuch ausgesetzt sein. Einige der Gebäude in dem Immobilienportfolio der Deutsche Annington liegen in Bergbaugebieten und können durch Bergbauaktivitäten beschädigt werden. • Die Deutsche Annington ging eine strategische Partnerschaft mit dem Konzern der Deutschen Telekom ein, wobei erhebliche Kosten auf die Deutsche Annington zukommen können, wenn sich diese Partnerschaft als nicht erfolgreich erweist. Zudem bedient sich die Deutsche Annington einer großen Anzahl an Dienstleistern und ist von deren vertragsgerechter Leistung abhängig. • Die Deutsche Annington haftet möglicherweise für Mietausfälle gemäß einer einem Immobilienfonds gegebenen Garantie. • Die Deutsche Annington hat Subventionen der öffentlichen Hand erhalten, wodurch das Niveau der Mieten, die verlangt werden können, bei einem Teil des Immobilienportfolios begrenzt ist. Der Darlehensgeber der geförderten Darlehen kann sein Recht, den Zins für diese Darlehen anzuheben, einseitig ausüben. • Der Deutsche Annington könnten erhebliche Verluste dadurch entstehen, dass

Punkt	Abschnitt D – Risiken, die der Garantin eigen sind
	Schäden nicht von ihrer Versicherung gedeckt sind oder die Schadenshöhe die Ordnungshöhe des Versicherungsschutzes übersteigt. • Die Deutsche Annington beschäftigt eine relativ kleine Anzahl an Angestellten in der Verwaltung und auf leitender Ebene, die das Geschäft überwachen und ist möglicherweise nicht in der Lage, wichtiges Personal zu ersetzen. • Die Deutsche Annington ist von der kollegialen Zusammenarbeit mit ihren Beschäftigten, dem Betriebsrat (Mitarbeitervertretungen) sowie der Gewerkschaft ver.di abhängig. • Das EDV-System der Deutsche Annington könnte fehlerhaft funktionieren oder beeinträchtigt werden. **Risiken im Hinblick auf die Bewertung der Immobilien der Deutsche Annington** • Im Falle einer Zinssatzänderung, einer Verschlechterung der Marktlage oder ungünstige Entwicklungen des Mietniveaus oder der Leerstandsquote der Gruppe kann sich die Deutsche Annington gezwungen sehen, die derzeit gültigen Verkehrswerte der Investment Properties anzupassen und bedeutende Verluste hinzunehmen. • Der Bewertungsbericht und die Finanzinformationen in diesem Prospekt geben möglicherweise eine unrichtige Bewertung des Wertes der Immobilien der Deutsche Annington wieder. **Finanzielle Risiken** • Nach ihrer neuen Finanzierungsstrategie plant Deutsche Annington einen wesentlichen Anteil ihres zukünftigen Finanzierungsbedarfs durch die Emission von ungesicherten Unternehmensanleihen zu befriedigen. Um dieses Ziel zu erreichen, hat Deutsche Annington unterschiedliche Schritte unternommen, die beinhalten, ein Investment-Grade-Rating von einer Ratingagentur zu erhalten, den Abschluss einer unbesicherten befristeten Darlehensfazilität und die Rückzahlung von verschiedenen Darlehen, um den Bestand der Gruppe an unbelasteten Vermögenswerten bis Juni 2014 wesentlich zu erhöhen. Jeder getroffene oder zu treffende Schritt hat gewisse Risiken zur Folge, die einen erheblichen negativen Einfluss auf das Geschäft, die Vermögens-, Finanz- und Ertragslage, die Liquidität und das operative Ergebnis der Deutsche Annington haben könnten, wenn sie sich verwirklichen. • Die Fähigkeit der Deutsche Annington bestehende Schulden mit neu aufgenommenen Schulden zu refinanzieren könnte begrenzt sein. Es kann schwierig oder kostspielig werden, neue Finanzierungsquellen aufzutun. • Sofern die Emittentin, Gesellschaft oder andere Gesellschaften der Gruppe gegen Finanzverträge oder gegen sonstige Bestimmungen im Zusammenhang mit dem Laufzeitdarlehen, den Bestehenden Schuldverschreibungen den US Dollar Schuldverschreibungen, mit sonstigen Schuldtiteln oder mit ihren jeweiligen Darlehensverträgen verstößt, kann die Deutsche Annington verpflichtet sein, höhere Zinsen zu zahlen oder die betreffenden Schuldtitel oder Darlehen vor Fälligkeit vollständig zurückzuzahlen. Zudem könnten Treuhänder der Sicherheiten und Gläubiger bedeutende Sicherheiten, die von der Deutsche

Punkt	Abschnitt D – Risiken, die der Garantin eigen sind
	Annington zur Sicherung dieser Schuldtitel oder Darlehen gestellt wurden, pfänden oder verwerten. • Deutsche Annington's Kapitalflüsse hängen von der Profitabilität der Tochtergesellschaften ab und könnten durch aufgenommenes Kapital erweitert werden müssen. **Behördliche und rechtliche Risiken** • Die Möglichkeiten der Deutsche Annington, die Mietzinsen zu erhöhen, sind durch das deutsche Recht begrenzt. Dieses gewährt einen umfangreichen Mieterschutz und beschränkt die Möglichkeiten einer Räumung. Darüber hinaus bestehen derzeit auf politischer Ebene Bestrebungen, Mieterhöhungen weiter zu beschränken. Mietvertragsklauseln werden von deutschen Gerichten oft für unwirksam erklärt. Die Deutsche Annington verwendet standardisierte Mietverträge, wodurch das Risiko im Falle einer unwirksamen Klausel erhöht wird. • Die Geschäftstätigkeit der Deutsche Annington ist von den allgemeinen rechtlichen Rahmenbedingungen in Deutschland abhängig. Jede nachteilige Veränderung der rechtlichen Rahmenbedingungen, wie etwa verbindliche Vorschriften über umweltbedingte Modernisierungsmaßnahmen, Einschränkungen der Modernisierungsmöglichkeiten oder Vorschriften (einschließlich Steuern), die Kosten im Falle eines Verkaufs von Grundstücken verursachen, könnten sich nachteilig auf die Geschäftstätigkeit der Deutsche Annington auswirken. • Die Deutsche Annington kann für einen mehrjährigen Zeitraum nach dem Verkauf von Immobilien Haftungsansprüchen ausgesetzt sein. • Die Kontroll- und Präventionsvorkehrungen des Compliance Systems der Deutsche Annington könnten nicht ausgereicht haben oder nicht ausreichen, die Deutsche Annington angemessen vor allen rechtlichen oder finanziellen Risiken zu schützen. Unregelmäßigkeiten könnten zu behördlichen Ermittlungen oder Ansprüchen Dritter gegen die Deutsche Annington führen, die wiederum und einen erheblichen negativen Einfluss auf das Geschäft, die Vermögens-, Finanz- und Ertragslage, die Liquidität und das operative Ergebnis sowie die Reputation der Deutsche Annington haben könnten. • Die Deutsche Annington unterliegt den allgemeinen steuerlichen Rahmenbedingungen in Deutschland. In Folge von Änderungen der Steuergesetze oder deren Anwendung oder Auslegung könnte sich die Steuerlast der Gruppe aufgrund zukünftiger steuerlicher Behandlung der Dividendenzahlungen, aktueller oder zukünftiger Steuerbescheide, Steuerprüfungen oder Gerichtsverfahren erhöhen. • Erhebliche Umstrukturierungen der Gruppe in der Vergangenheit können zu einer zusätzlichen Steuerbelastung führen. • Die Steuerbehörden könnten die steuerliche Abzugsfähigkeit nicht für alle Zinsaufwendungen in der Vergangenheit aufgrund von Unsicherheiten bei den deutschen Regelungen zur Zinsschranke anerkennen. Weiterhin kann sich die Steuerlast der Gruppe als Folge einer zukünftigen Änderung in der

Punkt	Abschnitt D – Risiken, die der Garantin eigen sind
	Aktionärsstruktur der Gesellschaft und/oder der Unternehmensstruktur erhöhen. • Eine Übertragung von 95 % oder mehr der Anteile der Gesellschaft oder einer Tochtergesellschaft innerhalb von fünf Jahren kann in Deutschland grunderwerbssteuerpflichtig sein. • Steuerpflichtige Veräußerungsgewinne aus der Veräußerung eines Rechts oder einer Beteiligung an Immobilien können möglicherweise nicht vollständig durch die steuerliche Übertragung stiller Reserven neutralisiert werden. • Nach der Neugründung einiger ihrer Kommanditgesellschaften als gewerbesteuerpflichtige Einheiten, ist die Deutsche Annington möglicherweise nicht in der Lage, für Zwecke der Gewerbesteuer in ihren Tochtergesellschaften die entstandenen Verluste mit den Gewinnen zu verrechnen. • Die Deutsche Annington unterliegt bestimmten steuerlichen Risiken im Zusammenhang mit der Refinanzierung der GRAND-Verbriefung. • Die Deutsche Annington unterliegt potenziellen zukünftigen Änderungen in der Unternehmensbesteuerung in Deutschland und der Europäischen Union.

D.3	Abschnitt D – Risiken, die den Schuldverschreibungen eigen sind
	Zentrale Angaben zu den zentralen Risiken, die den Schuldverschreibungen eigen sind
	Risikofaktoren in Bezug auf die Schuldverschreibungen umfassen die folgenden Risiken:
	Eignung: Potentielle Anleger sollten in Schuldverschreibungen nur investieren, wenn sie (selbst oder durch ihre Finanzberater) über die nötige Expertise verfügen, um die Entwicklung der Schuldverschreibungen unter sich verändernden Bedingungen, die Folgen für den Wert der Schuldverschreibungen sowie die Auswirkungen einer solchen Anlage auf ihr Gesamtportfolio einschätzen zu können.
	[*Im Fall von festverzinslichen Schuldverschreibungen, einfügen*: Festverzinsliche Schuldverschreibungen: Ein Gläubiger von festverzinslichen Schuldverschreibungen ist dem Risiko ausgesetzt, dass der Kurs einer solchen Schuldverschreibung infolge von Veränderungen des aktuellen Marktzinssatzes sinkt.**]**
	[*Im Fall von variabel verzinslichen Schuldverschreibungen einfügen*: Variabel verzinsliche Schuldverschreibungen: Ein Gläubiger von variabel verzinslichen Schuldverschreibungen ist dem Risiko eines schwankenden Zinsniveaus und ungewisser Zinserträge ausgesetzt. Ein schwankendes Zinsniveau macht es unmöglich, die Rendite von variabel verzinslichen Schuldverschreibungen im Voraus zu bestimmen.**]**
	Risiko einer vorzeitigen Rückzahlung: Die Emittentin kann das Recht haben, alle ausstehenden Schuldverschreibungen zurückzuzahlen, wenn die Emittentin verpflichtet wäre, zusätzliche Beträge auf die Schuldverschreibungen wegen Einbehalts oder Abzugs von gegenwärtigen oder zukünftigen Steuern bzw. geschuldeten Steuern zu zahlen (bzw. die Garantin verpflichtet wäre, zusätzliche Beträge auf die Garantie zu zahlen) **[*Im Fall***

	vorzeitiger Rückzahlung aufgrund eines geringen ausstehenden Gesamtnennbetrages einfügen: oder aufgrund eines geringen ausstehenden Gesamtnennbetrags**]**. **[*Im Fall vorzeitiger Rückzahlung von Schuldverschreibungen nach Wahl der Emittentin einfügen:*** Des Weiteren können Schuldverschreibungen nach Wahl der Emittentin zurückgezahlt werden**]**. In diesem Fall ist der Gläubiger solcher Schuldverschreibungen dem Risiko ausgesetzt, dass infolge der vorzeitigen Rückzahlung seine Kapitalanlage eine geringere Rendite als erwartet aufweisen wird. Weiterhin könnte nach einer solchen vorzeitigen Rückzahlung eine Wiederanlage des Rückzahlungsertrags in ein vergleichbares Wertpapier zu einem effektiven Zinssatz in gleicher Höhe wie der der Schuldverschreibungen nicht möglich sein.
	Kreditrisiko: Gläubiger sind dem Risiko ausgesetzt, dass die Emittentin bzw. die Garantin, Zins- und/oder Tilgungszahlungen, zu denen die Emittentin bzw. die Garantin im Zusammenhang mit den Schuldverschreibungen bzw. der Garantie verpflichtet ist, teilweise oder vollumfänglich nicht leisten kann. Darüber hinaus kann der Marktwert der Schuldverschreibungen gemindert werden, wenn sich die Kreditwürdigkeit der Emittentin bzw. der Garantin verschlechtert.
	Kein aktiver Markt für den öffentlichen Handel: Die Schuldverschreibungen sind neue Wertpapiere, die möglicherweise nicht sehr breit gestreut sind und für die derzeit kein liquider Markt besteht. Es gibt keine Gewissheit, dass sich künftig ein liquider Markt für die Schuldverschreibungen entwickelt oder ein liquider Markt künftig aufrechterhalten wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht jederzeit zu angemessenen Marktpreisen veräußern kann. Die Möglichkeit, Schuldverschreibungen zu veräußern, kann darüber hinaus aus landesspezifischen Gründen eingeschränkt sein.
	Inflationsrisiko: Die reale Rendite aus einer Anlage in die Schuldverschreibungen wird durch Inflation geschmälert.
	Risiko einer strukturellen Nachrangigkeit der Schuldverschreibungen oder der Garantie: Die Schuldverschreibungen und die Garantie können gegenüber Verbindlichkeiten der Deutsche Annington Gruppe strukturell nachrangig sein, sofern diese Verbindlichkeiten durch Vermögenswerte besichert werden, die nicht gleichzeitig die Schuldverschreibungen besichern.
	Risiken hinsichtlich der unter den Schuldverschreibungen und der Garantie bestehenden Beschränkungen für die Emittentin und die Garantin: Die Schuldverschreibungen und die Garantie enthalten lediglich begrenzte einschränkende Verpflichtungen, die die Begründung neuer Schulden, die Gewährung von Sicherheiten oder andere Maßnahmen, die die Gläubiger benachteiligen können, durch die Deutsche Annington Gruppe einschränken. Diese Beschränkungen ermöglichen gleichwohl die Begründung von erheblichen zusätzlichen (besicherten oder unbesicherten) Schulden, die Gewährung von neuen Sicherheiten für bestehende oder zukünftige Verpflichtungen sowie die Durchführung von Transaktionen, einschließlich Umwandlungen, Fusionen, Übernahmen oder anderen vergleichbaren gesellschaftsrechtlichen Maßnahmen, durch die Garantin oder eine Tochtergesellschaft, die die Gläubiger benachteiligen können.
	Transaktionskosten/Gebühren: Nebenkosten können Erträge aus den Schuldverschreibungen erheblich mindern oder gar aufzehren.
	Besteuerung: Potenzielle Käufer und Verkäufer der Schuldverschreibungen sollten sich vergegenwärtigen, dass sie gegebenenfalls verpflichtet sind, Steuern oder andere Gebühren oder Abgaben zu zahlen.

	Marktpreisrisiko: Gläubiger der Schuldverschreibungen sind dem Risiko einer nachteiligen Entwicklung der Marktpreise für ihre Schuldverschreibungen ausgesetzt, wenn sie ihre Schuldverschreibungen vor Fälligkeit veräußern.
	Volatiler Handelsmarkt: Der Marktpreis für von der Emittentin begebene Schuldtitel ist von einer Reihe zusammenhängender Faktoren abhängig und der Preis, zu dem ein Gläubiger seine Schuldverschreibungen vor Fälligkeit verkaufen kann, kann beträchtlich unter dem Ausgabepreis oder unter dem Kaufpreis, den der Gläubiger für die Schuldverschreibungen bezahlt hat, liegen.
	Risiko einer Ratingänderung: Der Marktpreis und der Kurswert der Schuldverschreibungen werden unter anderem durch die Kreditwürdigkeit der Emittentin oder der Garantin und eine Anzahl weiterer Faktoren beeinflusst, einschließlich, jedoch ohne Beschränkung hierauf, der Aussichten und Erwartungen des Marktes, des Marktzinses, der Renditen und der Restlaufzeit der Schuldverschreibungen.
	Gesetzesänderung: Die Emissionsbedingungen unterliegen deutschem Recht, wie es zum Datum dieses Prospekts Anwendung findet. Dabei kann keine Zusicherung dahingehend abgegeben werden, welche Auswirkungen mögliche Gerichtsentscheidungen oder Änderungen der Rechtslage oder Verwaltungspraxis oder der offiziellen Anwendung oder Auslegung deutschen Rechts nach dem Datum dieses Prospekts haben können.
	Unabhängige Einschätzung und Beratung: Ohne eine unabhängige Einschätzung und Beratung ist ein Anleger möglicherweise nicht in der Lage, die Risiken, die mit einer Anlage in die Schuldverschreibungen verbunden sind, ausreichend zu verstehen, und kann daher einen teilweisen oder vollständigen Verlust seines investierten Kapitals erleiden, ohne vor einer Anlage in die Schuldverschreibungen diese oder andere Risiken in Betracht gezogen zu haben.
	Kontrollwechsel: Obgleich der Eintritt eines bestimmten Kontrollwechsels die Gläubiger berechtigt, die Rückzahlung oder den Rückkauf ihrer Schuldverschreibungen zu verlangen, ist die Emittentin oder die Garantin möglichweise nicht in der Lage, die Schuldverschreibungen zurückzuzahlen oder zurückzukaufen bzw. Zahlungen auf die Garantie vorzunehmen.
	Kündigungsgründe: Beim Eintritt bestimmter Kündigungsgründe kann jede Serie von Schuldverschreibungen nur dann gekündigt werden, wenn Gläubiger von mindestens 10 Prozent des Gesamtnennbetrages der zu diesem Zeitpunkt noch ausstehenden Schuldverschreibungen der betreffenden Serie ihre Schuldverschreibungen kündigen und die Wirksamkeit dieser Kündigung nicht durch einen ablehnenden Mehrheitsbeschluss der Gläubiger dieser Serie von Schuldverschreibungen entfällt.
	Beschlüsse der Gläubiger: Die Emissionsbedingungen der jeweiligen Schuldverschreibungen oder die Garantie (sowie andere Maßnahmen hinsichtlich der Schuldverschreibungen und der Garantie) können durch Mehrheitsbeschluss der Gläubiger dieser Schuldverschreibungen geändert werden und ein Gläubiger ist dem Risiko ausgesetzt, durch einen Beschluss der Gläubiger überstimmt zu werden.
	Gemeinsamer Vertreter: Im Falle einer Bestellung eines gemeinsamen Vertreters durch Mehrheitsbeschluss der Gläubiger, ist es für einen Gläubiger möglich, dass sein persönliches Recht zur Geltendmachung und Durchsetzung seiner Rechte aus den Emissionsbedingungen bzw. die Garantie gegenüber der Emittentin auf den gemeinsamen Vertreter übergeht

	Schuldverschreibungen in Fremdwährung: Gläubiger von Schuldverschreibungen, die auf eine fremde Währung lauten, sind insbesondre dem Risiko von Änderungen der Währungswechselkurse ausgesetzt.
	Währungsrisiken: Ein Investor, der seine Finanzaktivitäten grundsätzlich in einer anderen als der für eine Serie von Schuldverschreibungen angegeben Währung abwickelt, muss sich bewusst sein, dass eine Anlage in die Schuldverschreibungen mit Währungsrisiken verbunden sein kann.
	FATCA: Mit dem US-amerikanischen Gesetz zur Regelung des US-Steuer-Reportings ausländischer Finanzinstitute, dem Foreign Account Tax Compliance Act (kurz ***FATCA***), wird ein neues Meldesystem und eine potenzielle Quellensteuer in Höhe von 30 % auf bestimmte Zahlungen eingeführt. Werden solche Quellensteuern von Zinszahlungen, Kapitalrückzahlungen oder sonstigen Zahlungen auf die Schuldverschreibungen und die Garantie einbehalten oder abgezogen, so wäre nach den Emissionsbedingungen der Schuldverschreibungen und der Garantie weder die Emittentin noch die Garantin noch eine Zahlstelle oder eine sonstige Person infolge dieses Steuerabzugs oder -einbehalts zur Zahlung zusätzlicher Beträge verpflichtet. Gläubiger könnten folglich geringere Zins- oder Kapitalbeträge erhalten als erwartet. Jeder Gläubiger von Schuldverschreibungen sollte seinen eigenen Steuerberater hinsichtlich möglicher Auswirkungen in seinem konkreten Fall konsultieren.
	Finanztransaktionssteuer: Die Europäische Kommission hat einen Vorschlag für eine Richtlinie für eine allgemeinen Finanztransaktionssteuer in Belgien, Deutschland, Estland, Griechenland, Spanien, Frankreich, Italien, Österreich, Portugal, Slowenien und der Slowakei gemacht. Die vorgeschlagene Finanztransaktionssteuer könnte den Handel von bestimmten Wertpapieren unter bestimmten Bedingungen betreffen. Die Finanztransaktionssteuer kann zusätzliche Transaktionskosten bezüglich der Wertpapiere für die Gläubiger hervorrufen.

Punkt	**Abschnitt E – Angebot der Schuldverschreibungen**	
E.2b	**Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegen**	**[●]**
E.3	**Beschreibung der Angebotskonditionen**	**[Emissionsvolumen einfügen]** **[Ausgabepreis einfügen]** **[Mindestzeichnung einfügen]** **[Art des Vertriebs einfügen]** **[Beginn und Ende der Vertriebs- oder Zeichnungsfrist einfügen]** **[Emissionsübernahme oder Platzierung durch Platzeure oder Vertriebsstellen einfügen]** **[andere oder weitere Angebotskonditionen einfügen]**
E.4	**Beschreibung aller für die Emission/das Angebot wesentlichen, auch**	**[●]**

	kollidierenden Interessen.	
E.7	**Schätzung der Ausgaben, die dem Anleger von der Emittentin oder dem Anbieter in Rechnung gestellt werden.**	**[●]**

RISK FACTORS

Below is a description of risk factors that are material for the assessment of the market risk associated with the Notes issued under the Programme and risk factors that may affect each of the Issuer's ability to fulfil its obligations under the Notes and, as applicable, the Guarantor's ability to fulfil its obligations under the Guarantee and Negative Pledge. Any of these risks could have a material adverse effect on the financial condition and results of operations of the Deutsche Annington. The market price of the Notes could decline due to any of these risks, and investors could lose all or part of their investments.

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 the purchase of Notes issued under the Programme. In addition, investors should bear in mind that several of the described risks can occur simultaneously and thus have, possibly together with other circumstances, a stronger impact. The order in which the risks are described neither indicates the probability of their occurrence nor the gravity or significance of the individual risks nor the scope of their financial consequences. Additional risks of which Deutsche Annington is not presently aware could also affect the business operations of Deutsche Annington and have a material adverse effect on Deutsche Annington's business activities and financial condition and results of operations.

Words and terms that are defined in the "Terms and Conditions of the Notes" below or elsewhere in this Prospectus have the same meaning in this section "Risk Factors".

Potential investors should, among other things, consider the following:

Risk factors relating to the Issuer

The Issuer is dependent on the Guarantor and other entities of the Group.

The Issuer acts as financing subsidiary of the Guarantor, the principal activity of the Issuer is the provision of loans to members of the Group financed with funds acquired from the capital market, bank loans and loans from other companies of the Group. Its assets mainly consist of financial investments in Group companies, receivables from loans to Group companies, and other receivables owed by Group companies. The Issuer may issue Notes under the Programme in future. As a controlled company, the Issuer has furthermore entered into a control and profit and loss transfer agreement (*Beherrschungs- und Gewinnabführungsvertrag*) with the Guarantor as controlling company pursuant to which the Guarantor is legally obliged to assume all losses of the Issuer (*Verlustübernahme*).

The ongoing business activities of the Issuer depend on the ability of the Guarantor and other companies of the Group to fulfill their payment obligations vis-à-vis the Issuer or the obligation to assume losses. If individual or all members of the Group were unable to meet their payment obligations to the Issuer in due time, this could considerably impair the ability of the Issuer to fulfill its obligations arising from the Notes towards the investors.

Risk factors relating to the Guarantor

Market risks

Deutsche Annington is dependent on demographic and economic developments in Germany and in the regional sub-markets where its properties are located. Further, the Group is dependent on its ability to adapt its housing activities to these developments.

As Deutsche Annington's properties are dispersed across more than 550 cities and communities throughout the Federal Republic of Germany (***Germany***), Deutsche Annington's business activities are

affected by numerous demographic, economic and political factors. Economic developments in and related to the residential property market in Germany and in its regional sub-markets are of significant importance for Deutsche Annington's business and future prospects. These developments play a decisive role in determining housing prices, rent levels, turnover and vacancy rates, as well as home ownership and rental rates and may vary significantly across Germany and within regional sub-markets.

Economic studies forecast that demographic change, including shrinking and ageing population will cause the nationwide demand in Germany for accommodation to fall in the long-term, although the total number of households is expected to grow by 2.9% between 2010 and 2025, due to a trend towards smaller household sizes (*Source*: *BBSR – Regional Planning 2030*). As of 30 June 2013, approximately 69% of Deutsche Annington's residential units were concentrated in cities with more than 100,000 inhabitants. Economic and demographic forecasts for metropolitan areas in Germany differ from forecasts for less densely populated regions. In recent years, population and, consequently, demand for housing has grown faster in German metropolitan areas than in Germany's less densely populated rural regions, where growth has been more moderate or even negative. Such dynamics are expected to continue in the future (*Source: BBSR – Regional Planning 2030*). Other macro-economic indicators, such as the development of the gross domestic product (***GDP***), unemployment rates, purchasing power and the development of the household size, are also expected to develop in a diverse manner across the different regions in which the Group owns properties.

Economic and demographic developments significantly impact, among other things, the demand for Deutsche Annington's properties, the rents Deutsche Annington is able to charge and the payment behavior of Deutsche Annington's tenants. These factors have a significant effect on vacancy rates, Deutsche Annington's revenues and the valuation of Deutsche Annington's properties. Accordingly, Deutsche Annington is subject to economic developments in Germany and to the trends in the regional sub-markets in which its portfolio is concentrated.

While Deutsche Annington has taken steps to absorb the effects of expected unfavorable regional demographic and economic developments, Deutsche Annington may nevertheless be negatively affected by unfavorable economic and demographic developments in Germany, or in the regions where its properties are located.

If the macro-economic indicators discussed above develop negatively from Deutsche Annington's perspective, Deutsche Annington's dependence on economic and demographic developments in Germany and the various regions where its properties are located could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

The continuing uncertainty regarding the development of the global economy, for example due to the ongoing sovereign debt crises in many parts of the world, particularly in Europe, may result in economic instability, limited access to debt and equity financing and possible defaults by Deutsche Annington's counterparties.

The severe global economic downturn in the years following the global economic and financial crisis of 2008 and 2009 and its effects, in particular, the scarcity of financing, tensions in the capital markets and weak consumer confidence and declining consumption in many markets, adversely impacted the economic development worldwide. This crisis was followed by sovereign debt crises in many parts of the world, particularly in the Eurozone, which are still ongoing and have resulted in recessions in many of the impacted countries. This macroeconomic environment gives rise to economic and political instability, including the possibility of a breakup of the Eurozone. Such instability and the resulting market volatility may also create contagion risks for economically strong countries like Germany and may spread to the German financial sector and the German residential real estate market.

Given Deutsche Annington's dependence on its ability to access the financial markets for the refinancing of its debt liabilities, any worsening of the economic environment or the capital markets may reduce its ability to refinance its existing and future liabilities. Furthermore, Deutsche Annington's counterparties, in particular its hedging counterparties, may not be able to fulfill their

obligations under the respective agreements due to a lack of liquidity, operational failure, bankruptcy or other reasons.

Any of these risks could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

The current economic environment is characterized by low interest rates and comparatively high valuations of residential real estate portfolios in Germany. Any rise in interest rates could have material adverse effects on the German real estate market and on Deutsche Annington.

The global financial and economic crisis has resulted in increased uncertainty regarding future economic developments. This uncertainty regarding the general economic outlook has increased the popularity of investment opportunities that provide stable and largely predictable cash flows, such as investments in German residential real estate. The increased popularity of investments in residential real estate has resulted in an increase in property prices and the value of residential real estate companies.

These developments could reverse themselves if, for example interest rates rise. A rise in interest rates may result from an improvement in the economic environment, which could increase investor interest in investments with a higher risk profile and decrease their interest in real estate investments. Rising interest rates could adversely impact Deutsche Annington in a number of ways, including:

- The discount rate used to calculate the fair value of the Group's (such fair value hereinafter referred to as the ***Fair Value***) properties tends to increase in an environment of rising interest rates, which in turn could result in Deutsche Annington's properties having a lower Fair Value. For more information, see "*—Risks related to the valuation of Deutsche Annington's properties—If interest rates change, the market deteriorates or the Group's rent levels or vacancy rates develop unfavorably, Deutsche Annington may be required to adjust the current Fair Values of its investment properties and recognize significant losses*.".

- Deutsche Annington's strategy of disposing assets from its Non-Core portfolio segment at or around Fair Value and pursuing sales of assets from its privatization portfolio segment at a premium to Fair Value could be jeopardized. Income from the disposal of properties constitutes an important source of both gross profit (fiscal year 2012: €51.6 million) and cash flow (fiscal year 2012: €284.5 million) for Deutsche Annington. At present, Deutsche Annington's disposal strategy is benefiting from the low-interest economic environment and the prevailing perception of residential real estate property as a low-risk investment opportunity. If any of these factors change, Deutsche Annington could be prevented from increasing its portfolio quality and operational efficiency through divestments of assets allocated to the Privatize and Non-Core portfolio segments.

- Deutsche Annington's business model is currently based on borrowing against its properties. When negotiating financing agreements or extending such agreements, Deutsche Annington depends on its ability to agree to terms and conditions pertaining to interest payments that will not impair its targeted profit, and to amortization schedules that do not restrict its ability to pay intended dividends. Further, Deutsche Annington may be unable to enter into hedging instruments that may become necessary if variable interest rates are agreed upon, or may only be able to do so at significant costs. If the current low-interest rate environment is followed by one in which high rates prevail, the Group's financing costs, including costs for hedging instruments, may increase.

- As of 30 June 2013, Deutsche Annington took out hedges for an aggregate of 90.5% of Deutsche Annington's loans that bear interest at a variable rate or that are otherwise subject to hedging commitments. As of 30 June 2013, an amount of €1,121.4 million was outstanding under these loans. The valuation of hedging instruments, which itself depends on the level of interest rates, also impacts the Group's equity and, to a lesser extent, the Group's results of

operations. Any increase in interest rates would result in an increase in the Group's equity and would have a negative effect on its results of operations.

Any increase in interest rates could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

It could become more difficult for Deutsche Annington to implement its strategy of capturing additional growth opportunities by acquiring residential real estate portfolios or real estate companies on attractive terms, particularly due to the relatively high current market prices for real estate portfolios and real estate companies. Any such development could impair the growth of Deutsche Annington's business and could prevent the Group from generating additional economies of scale and from improving its overall portfolio quality through acquisitions.

As part of its business strategy, the Group seeks to capture external growth opportunities by acquiring residential real estate portfolios and real estate companies when these are deemed value-enhancing. Such acquisitions may only be implemented, however, if attractive real estate portfolios or real estate companies are available for purchase at reasonable prices. Given the current high demand for residential real estate in Germany, such portfolios and companies may be unavailable or available only on unfavorable terms. In addition, competitors with asset acquisition objectives similar to those of Deutsche Annington may possess greater financial resources and lower costs of capital than Deutsche Annington. Furthermore, it cannot be guaranteed that Deutsche Annington will be able to generate sufficient funds to finance such envisaged acquisitions in the future.

Additionally, the supply of real estate portfolios might be limited, for example due to fewer sales of real estate portfolios by municipalities and federal states. If municipalities and federal states cease privatizing or if they reduce their privatization activities, supply could be constricted, which could increase competition for acquisitions that would be suitable for the Group and result in the prices of residential properties on the German market increasing further. As a consequence of these factors, the Guarantor could be forced to pay higher prices or could only be able to acquire fewer (if any) properties.

Any inability to acquire residential real estate portfolios or real estate companies could not only impair Deutsche Annington's strategy to capture external growth opportunities but could also jeopardize Deutsche Annington's efforts to improve the quality of its portfolio and to reduce the administrative burden per unit through active sales and acquisitions.
Any inability to acquire suitable properties on attractive terms could limit Deutsche Annington's growth and could have material adverse effects on Deutsche Annington's business, cash flow, and results of operations.

Risks related to Deutsche Annington's business

Deutsche Annington is exposed to risks related to the structural condition of its properties and their maintenance and repair. The Group's loan and purchase agreements require Deutsche Annington to invest specified amounts in certain portfolios. Such requirements may lead to a sub-optimal funds allocation.

In order to sustain demand for a rental property and to generate adequate revenue over the long-term, a property's condition must be maintained or improved to a standard that meets market demand. Typically, the costs associated with maintaining a rental property at market standards are borne primarily by the property owner. If maintenance and modernization is required to meet changing legal or market requirements (e.g. with regard to energy saving), the property owner may be burdened with substantial expenses. In Germany, rent increases may be introduced to compensate for these expenses only under certain conditions and these rent increases may not exceed a certain percentage of the costs incurred in connection with certain modernization measures. In addition, Deutsche Annington may not be able to increase rents to the extent legally permissible as a result of prevailing market conditions or the inability of tenants receiving state aid (as is the case for a part of Deutsche Annington's tenants) to afford these increased rents or otherwise.

Although Deutsche Annington constantly reviews the condition of its properties and has established a reporting system to monitor and budget the necessary maintenance and modernization measures, numerous factors may generate substantial unbudgeted costs for maintenance and modernization. These factors may include the material and substances used at the time of construction, currently unknown building code violations and/or the age of the relevant building. Approximately 76.1% of Deutsche Annington's residential real estate units were built between 1949 and 1980 and approximately 15.5% were built prior to 1949 (calculated on the basis of the floor area as of 30 June 2013).

Deutsche Annington would incur additional and unexpected costs if the actual costs of maintaining or modernizing its properties were to exceed Deutsche Annington's estimates, if Deutsche Annington is not permitted to raise rents in connection with maintenance and modernization due to statutory or contractual constraints, or if hidden defects that are not covered by insurance or contractual warranties are discovered during the maintenance or modernization process.

In addition, with respect to some of the properties in its portfolio, Deutsche Annington also entered into obligations under its loan and purchase agreements to spend minimum average amounts per square meter on maintenance and modernization. This may restrict the Group's ability to focus on otherwise planned modernizations and may thus result in a sub-optimal allocation of funds.

The Guarantor's failure to undertake appropriate maintenance and modernization work in response to the factors described above could adversely affect the rental income earned from affected properties. Such a failure could entitle tenants to withhold or reduce rental payments or even to terminate existing letting contracts. Any such event could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington may be unable to sell any portion of its portfolio on favorable terms or may be unable to do so at all.

The real estate market, in which Deutsche Annington invests and operates, is characterized by limited liquidity. Deutsche Annington's general ability to sell parts of its real estate portfolio depends on the state of investment markets and on market liquidity. If Deutsche Annington were required to sell parts of its real estate portfolio, including for the purpose of raising cash to support its operations, there is no guarantee that the Group would be able to sell such parts of its portfolio on favorable terms or at all. In addition, existing contractual obligations under purchase agreements restrict Deutsche Annington's ability to sell certain parts of its portfolio. As of 30 June 2013, approximately 38,000 residential units were subject to such restrictions. In the case of a forced sale of all or part of Deutsche Annington's real estate portfolio, for example if creditors realize collateral, there would likely be a significant shortfall between the price obtained and the carrying amount of the portfolio sold.

Any such shortfall could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington bears risks in connection with possible acquisitions and investments. These risks include unexpected liabilities, greater indebtedness, higher interest expenses and challenges with respect to integrating acquisitions and achieving anticipated synergies. In addition, transaction costs for the acquisition of real estate may increase due to a recent change in German tax law. Furthermore, portfolios or real estate companies that may be acquired in the future may not develop as favorably as expected.

As part of Deutsche Annington's strategy, Deutsche Annington evaluates property portfolios and real estate companies in order to identify those that might fit in with both its existing property portfolio and its current management platform and of which Deutsche Annington believes might improve the quality of its property portfolio.

Direct and indirect investments in property involve considerable risk. Apart from the risks associated with the acquired properties or companies themselves, acquisitions occupy management resources that then cannot be deployed elsewhere in Deutsche Annington. The Guarantor's acquisition of additional

property portfolios and real estate companies can be financed by taking on additional debt or by issuing and offering new shares in the capital markets or by a combination thereof. If Deutsche Annington is unable to obtain the necessary capital on reasonable terms, it may be unable to make further acquisitions, may be able to do so only to a limited extent, or, if debt financing is available, may be able to do so only by taking on additional debt. Any additional debt incurred in connection with future acquisitions could have a significant negative impact on the Group's performance indicators – net asset value (***EPRA NAV***), and loan-to-value (***LTV-Ratio***) – and could result in higher interest expenses for the Group. If the Group is no longer able to obtain the debt or equity financing it needs to acquire additional property portfolios, or if it is able to do so only on onerous terms, its further business development and competitiveness could be severely constrained.

Furthermore, Deutsche Annington may only be able to conduct limited due diligence on the properties, entities or companies in question. Accordingly, the Group may not be in a position to examine whether the original owners of the properties, and/or the properties themselves, have obtained all required permits for new buildings, satisfied all permit conditions, received all necessary licenses and fire, health and safety certificates, or satisfied all comparable requirements. In addition, the properties may suffer from hidden defects, such as contamination, and may thus require significant modernization investments. Moreover, Deutsche Annington may not be in a position to carry out all follow-up investigations, inspections, and appraisals/inventories (or to obtain the results of such inquiries). Accordingly, in the course of the acquisition of companies or residential and other property portfolios, specific risks may not be, or might not have been, recognized or evaluated correctly. Thus, legal and/or economic liabilities may be, or might have been, overlooked or misjudged. Although sellers typically make various warranties in purchase agreements that Deutsche Annington enters into in connection with such property acquisitions, it is possible that these warranties do not cover all risks or that they fail to cover such risks sufficiently. Additionally, a warranty made by a seller may be unenforceable due to the seller's insolvency or for other reasons. In some cases, a seller makes no representation or warranty as to the sufficiency and correctness of the information that is made available in the context of a due diligence investigation, or as to whether such information remains correct during the period between the conclusion of the due diligence investigation and the closing of the relevant acquisition.

As a consequence, in particular in the case of acquisitions of large-volume property portfolios, Deutsche Annington could overestimate earning potential and synergies, and underestimate the rental and cost risks, and consequently pay a too high purchase price. Furthermore, the property portfolios could be inaccurately appraised for other reasons, even if they were acquired on the basis of valuation reports and due diligence reviews. Therefore, neither a particular target return from rentals, nor, if applicable, a certain price upon resale can be guaranteed with respect to acquired property portfolios.

Comparable risks could arise if Deutsche Annington acquires participations in real estate companies. Here, too, Deutsche Annington could overestimate the earning potential and synergies associated with the participation to be acquired, or could underestimate the liabilities and risks inherent in the real estate company in which it is to acquire a participation, and could consequently pay a too high purchase price for the investment.

Accordingly, such risks can arise despite a thorough due diligence investigation, and they could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow and results of operations. Further, due to a change in law, it became significantly more difficult to purchase real estate portfolios without triggering Real Estate Transfer Tax (***RETT***) (*Grunderwerbsteuer*). Until June 2013, real estate companies were often able to structure real estate transactions in a tax neutral way by means of third-party structures that resulted in an economic participation of the acquirer in the purchased real estate of nearly 100% without triggering RETT. According to the new law, the payment of RETT can generally only be avoided if the direct and indirect holdings of the Guarantor in the newly acquired real estate holding entity, when taken together, do not reach 95%. Accordingly, if Deutsche Annington intends to purchase real estate holding entities in a tax neutral way, it may have to partner with one or more third parties that acquire more than 5% in the entity. This may make the acquisition process significantly more complex, may

result in stronger minority rights for the partner and may ultimately increase acquisition costs and future administrative burdens in respect of the newly acquired entity.

Moreover, portfolios or companies that may be acquired in the future may not develop as favorably as expected. For example, targeted rent of portfolios increases may not be implemented as planned due to a lack of tenants who are willing or able to pay increased rents, or vacancy rates may increase, for example due to unfavorable demographic or economic developments.

A failure to achieve the desired results via acquisitions or investments could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

The transaction costs expended for future acquisition of real estate, property portfolios or real estate companies could prove to be useless if the transaction is not completed.

In planned acquisitions of real estate, real estate portfolios or real estate companies, unforeseen problems could arise, for example in the form of substantial economic or legal impediments to an acquisition. This could cause Deutsche Annington to withdraw from a planned transaction. If a transaction that has been actively pursued fails, the amounts spent on the project, some of which could be considerable, for example for consultants and due diligence, could prove to be useless. A substantial number of terminated transactions and a rather large amount of useless expenses could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington plans significant investment in modernization measures, which may not generate the expected return.

From 2014 onwards, Deutsche Annington plans to invest approximately €150 million per year for modernization measures. These modernization measures focus on energy efficient modernization of buildings, modernization of individual apartments for senior living and high standard refurbishments in markets where fully refurbished apartments are expected to deliver a rental premium. Deutsche Annington targets a return of approximately 7% on the invested capital, which Deutsche Annington expects to contribute approximately one percentage point to the targeted annual Group-wide in-place rent growth from 2015 onwards.

In the past, the Group has shown that it is able to generate an average return of approximately 7% on the invested capital. The amounts invested, however, have been significantly smaller and Deutsche Annington faces the risk that it may not be able to generate these returns on the basis of a significantly expanded investment program. In particular, Deutsche Annington's projections of the future demand for apartments suitable for senior living and energy efficient apartments may turn out to be inaccurate or customer preferences may change. Further, Deutsche Annington may face management challenges to oversee and organize such enlarged investment programs or may not be in a position to find sufficient investment opportunities to invest the budgeted amount per year. In addition, Deutsche Annington may not be able to pass on the costs of these modernization measures to its customers if the customers are unable to afford rent increases as a result of these modernization measures. Further, the Group may be restricted in its ability to finance the investment programs through loans or other debt instruments depending on Deutsche Annington's current and future debt level and structure.

The materialization of any of the risks described above could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

In connection with several key acquisitions, Deutsche Annington has entered into contractual obligations that restrict its ability to freely divest parts of its portfolio, to transfer or terminate employment relationships or to increase rents for certain units, and thereby potentially prevent the Group from extracting the maximum value from the affected properties.

Residential real estate transactions often include contractual clauses that restrict a buyer's right to divest the acquired portfolio or increase rent on the acquired units. Furthermore, sellers often restrict

the buyer's right to terminate existing leases, which reduces the attractiveness of the affected units for prospective purchasers. The aforementioned restrictions are especially common in connection with the privatization of publicly-owned property, where the selling public authorities often intend to mitigate potential social effects of such transactions, or when these portfolios are subsequently sold on to third parties. Usually, most obligations lapse in full or in part after a certain period of time. As of 30 June 2013, approximately 93,000 of the Group's residential units were subject to certain contractual restrictions (of which 84,000 residential units had preferential occupancy rights) with approximately 41,000 units being subject to multiple restrictions. These limitations include in particular:

- *Restrictions on sales.* In total, approximately 38,000 residential units are subject to selling restrictions (excluding preferential occupancy rights (*Belegungsrechte*)), of which approximately 17,000 residential units may not be freely sold before a certain date. Such selling restrictions include total or partial bans on divesting residential units, pre-emptive rights (with or without preferential terms) and provisions which require the consent of specified delegates of the original seller. Depending on the contractual arrangements, 99% of the selling restrictions will lapse by 31 December 2016.

- *Preferential pre-emptive purchase rights.* Approximately 7,000 residential units may only be sold, if the tenants are given preferential pre-emptive purchasing rights, meaning that Deutsche Annington is required to offer the residential units to such tenants at a discount of between 10% and 15% of the price that would be achievable if the residential units in question were sold to a third party.

- *Restrictions on the termination of lease agreements.* Restrictions on termination of lease agreements affect approximately 13,000 residential units. These restrictions include termination for reason of personal and reasonable economic use and in many cases must be accepted by acquirers of the residential units.

- *Minimum maintenance spending and restrictions on maintenance and modernizations.* Approximately 34,000 residential units fall within the scope of a covenant to spend an average of at least €12.78 per square meter per year on maintenance and modernization by 31 December 2016. In addition, approximately 50,000 residential units are affected by restrictions on maintenance and modernization measures that are aimed at changing the socioeconomic mix of tenants (so-called luxury modernization). Of the latter restrictions, 66% will expire by 31 December 2016.

- *Restrictions on rent increases.* Restrictions on rent increases (comprising mainly consent requirements for modernizations that result in a higher rent, including luxury modernizations) affect approximately 50,000 residential units. These restrictions may limit Deutsche Annington from fully realizing the potential rents of the affected units.

- *Special protection for employees.* More than 300 Deutsche Annington employees are subject to special protections against dismissal, such as guarantees that their employment cannot be terminated due to personal conditions (e.g. absence due to illness) or the transfer of employment contracts (*Betriebsübergang*). In the case of more than 125 employees, Deutsche Annington is required to pay a contract penalty of €500,000 per employee per month, if it infringes upon these covenants. The penalty only becomes due if the alleged breach of the covenant is reported within a two-month period following the event giving rise to the penalty. The breach, however, may be retroactively cured within a six-month period in order to avoid the penalty. These special employee protections will expire on 8 February 2020.

In addition to these contractual obligations entered into in connection with acquisitions, Deutsche Annington has received subsidies from public authorities which restrict the level of rents chargeable on a part of Deutsche Annington's portfolio. For more information, see "*—Deutsche Annington has received subsidies from public authorities which restrict the level of rents chargeable on a part of*

Deutsche Annington's portfolio. Providers of the subsidized loans may also unilaterally exercise their right to increase the rate of interest payable on such loans."

Some of the aforementioned restrictions may limit Deutsche Annington's ability to attractively market parts of its portfolio, which in turn could potentially force the Group to pass up opportunities for streamlining and generating profit. They could thereby lower the overall value of the Group's property portfolio and limit its ability to generate cash flow from selective divestitures. This could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington has implemented a new insourcing policy, under which it established a caretaker and craftsmen organization and has recruited a large number of employees. This policy has significantly increased its personnel expenses and other fixed costs and poses management challenges.

In late 2011, Deutsche Annington started insourcing certain caretaker and craftsmen services previously performed by third parties with the objective of improving customer satisfaction and targeting cost savings through savings on value-added tax and on margins previously charged by third-party providers. The Group established its own caretaker organization, which performs traditional caretaker tasks as well as local quality management and coordination, and a craftsmen organization, which handles maintenance and repairs. In this context, Deutsche Annington hired more than 1,000 new employees and almost doubled its headcount. The Group intends to further increase the number of insourced personnel over the course of 2013.

The increase in headcount has led to a rise in personnel expenses and other fixed costs and will continue to negatively affect such fixed costs in the future.

Further, this insourcing of personnel has placed and may continue to place a strain on Deutsche Annington's management and administrative, operational and financial infrastructure. The Group's ability to manage its operations and growth requires the continuous improvement of operational, financial and management controls, reporting systems and procedures. Additionally, the integration of new employees could fail or take longer than scheduled. If, as a result of business or economic conditions, Deutsche Annington was to scale down its business operations, it would be substantially more difficult for the Group to reduce its headcount than to reduce the services provided by third-party contractors. Any of these circumstances could result in higher costs than expected. Deutsche Annington may not be able to compensate for these increased costs by generating the targeted savings.

Despite the existing quality control procedures, the quality of services rendered by Deutsche Annington's own employees could fall below the level of the services previously performed by third-party contractors and reduce the attractiveness of Deutsche Annington's properties. Moreover, if services rendered by Deutsche Annington's craftsmen organization are not performed as scheduled or if the quality of work falls below applicable standards, Deutsche Annington may face claims from its tenants or may not be in a position to re-let vacant units that require maintenance and modernization before new tenants can move in. Since these tasks are performed within the Group, Deutsche Annington will not be in a position to claim compensation for damages from third parties resulting from non-performance or improper performance by Deutsche Annington's craftsmen organization.

The materialization of any of the risks described above could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

In addition to residential property management and non-core income from the real estate portfolio, Deutsche Annington's business includes single unit sales (privatizations) that leave some units in a property unsold. The unsold units may require greater administrative resources and may lead to additional expenses and other negative consequences for the Group.

As part of its business strategy, Deutsche Annington intends to selectively sell individual residential units to owner-occupants or small capital investors in single unit sales (privatizations). In general, individual residential units can be sold at a premium compared to bulk sales of residential properties

and at prices exceeding their Fair Value. In executing these sales, Deutsche Annington sells individual units but not necessarily all units within a building.

Management of partially sold properties may require greater administrative resources than the management of units in properties that are entirely owned by Deutsche Annington. For example, owners of units in a residential property may decide on measures which concern the property as a whole by majority vote at the unit owner's assembly convened by the facility manager. If Deutsche Annington sells only individual units in a property it currently owns, it may lose its ability to control decision-making and could be forced to comply with decisions passed by a majority of the owners of other units in the relevant property with respect to property management, such as the performance of maintenance and modernization, which could be economically impractical and might result in the incurrence of additional costs. Since Deutsche Annington would have to bear a proportionate share of these costs, this could adversely affect Deutsche Annington's profitability. As of 30 June 2013, approximately 8,000 of Deutsche Annington's residential units were part of properties in which Deutsche Annington does not have a majority vote in the unit owner's assembly.

In addition, pursuant to the Germany Condominium Act (*Wohnungseigentumsgesetz*), condominium owners may only engage a facility manager for a maximum of five years. Thereafter, the contract must be renewed or another manager can be engaged. Upon the expiration of the applicable contract, Deutsche Annington might not be reappointed as facility manager with respect to partially sold residential properties. If Deutsche Annington is not reappointed, this could increase the risk that the newly appointed facility manager may make decisions that are unfavorable to Deutsche Annington.

The occurrence of any of these risks could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington could be exposed to risks from residual pollution including wartime ordnance, soil conditions and contaminants in building materials, as well as possible building code violations. Some of the buildings in Deutsche Annington's real estate portfolio are located at mining sites and may suffer damage caused by mining activities.

It is possible that the properties Deutsche Annington owns or acquires may contain ground contamination, hazardous materials, other residual pollution and/or wartime ordnance. For example, in several of the Group's units so-called floor-flex plates that contain small quantities of asbestos were used as floor covering. These floor-flex plates contain non-friable asbestos from which asbestos fibers are usually not released. Except in the event of structural alterations, there is generally no obligation to remove such non-friable asbestos under currently applicable German federal state asbestos regulations (*Asbest-Richtlinien*). Nevertheless, Deutsche Annington bears the risk of cost-intensive remediation and removal of the aforementioned hazardous materials, other residual pollution, wartime ordnance, or ground contamination. In addition, some properties sold to unaffiliated entities were exposed to oil and chemical soil contamination and Deutsche Annington was required to carry out on-site environmental remediation with respect to such properties. The Group has made provisions for the future cost of such remediation measures but the provisions may prove to be insufficient. The discovery of further residual pollution or wartime ordnance, particularly in connection with the lease or sale of properties, can also trigger claims for rent or purchase price reductions, damages and other breach of warranty claims, or lease terminations. The remediation of any pollution or wartime ordnance and related additional measures may negatively affect Deutsche Annington and involve considerable additional costs. Deutsche Annington is also exposed to the risk that it may no longer be able to take recourse against the polluter or the previous owners of the properties. The existence or even suspected existence of wartime ordnance, hazardous materials, other residual pollution or ground contamination can negatively affect the value of a property and Deutsche Annington's ability to lease or sell such property. Moreover, building components may contain hazardous substances (such as asbestos, polychlorinated biphenyl (***PCBs***), dichlorodiphenyltrichloroethane (***DDT***), pentachlorophenol (***PCP***) and Lindane), or properties acquired may pose other environmental risks and Deutsche Annington may be responsible for its removal.

Deutsche Annington's business is also exposed to risks associated with noncompliance with building codes or environmental regulations. These regulations are often implemented retroactively, affecting previously developed properties, and therefore require Deutsche Annington to modernize existing buildings so that they comply with these stricter standards. Even though the Guarantor conducts thorough inspections during the acquisition of individual properties, there is a risk that building codes or environmental regulations were not complied with. It is also possible that landlord responsibilities could be further expanded, particularly with respect to fire protection and environmental protection, which could require additional maintenance and modernization measures (see "*—Regulatory and legal risks—Deutsche Annington's business is subject to the general legal environment in Germany. Any disadvantageous changes in the legal environment, such as mandatory environmental modernization provisions, restrictions regarding modernization measures or provisions (including taxes) that result in the incurrence of costs in the event of a property sale may be detrimental to Deutsche Annington.*"). In addition, the properties owned by Deutsche Annington have an average age of approximately 55 years (age of the buildings as of 30 June 2013 weighted by rental space) which may lead to an additional need for expensive maintenance and modernization measures. The projected cost of such measures is based on the assumption that the required permits are issued promptly and in accordance with Deutsche Annington's plans. It is possible, however, that the required permits for such measures will not always be issued promptly. If such permits are not issued promptly, or are issued only subject to conditions, substantial delays in addressing the concerns can occur and can result in costs exceeding those projected and reduce residential in-place rents for the relevant properties.

Approximately 15,000 of Deutsche Annington's buildings are located in the Ruhr region; approximately 1,600 buildings thereof are located on sites affected by mining activities conducted at depths of up to 100 meters below the surface. Of these 1,600 buildings, Deutsche Annington has, based on a risk evaluation, identified 900 buildings as being located at sites which present a risk of future clean-up costs and other environmental liabilities due to their surface structure. Although, under German mining law, surface damages occurring within the sphere of influence of underground mining are assumed to result from the mining activities, former mining operators or their legal successors, who are ultimately responsible for any such potential damages, may be able to refute this assumption, may no longer exist or may be immune by statute or due to the fact that Deutsche Annington has waived claims against some of them that it may have had. Furthermore, when real estate is damaged by past or current deep-mining activities in the northern Ruhr area of Germany, the Guarantor's ability to recover the cost of repair and/or any compensation from the relevant mining companies could be impaired by waiver agreements entered into with certain mining companies. Although Deutsche Annington annually monitors potential defects of its properties resulting from current or former mining activities and proactively undertakes measures to mitigate the potential damage (e.g. through measures to increase the stability of the buildings), the cost of any required remediation of mining damage may be substantial. The presence of any such mining damage, or the failure to remediate such damage properly, could also adversely affect Deutsche Annington's ability to sell or lease affected real estate or to obtain financing using the real estate as collateral. Additionally, mining damage may injure tenants, for which the Guarantor may be required to pay compensation.

The occurrence of any of the aforementioned risks could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington has entered into a strategic partnership with Deutsche Telekom Group and if such partnership is not successful, Deutsche Annington may incur substantial costs. In addition, Deutsche Annington employs and works together with a large number of service providers and is dependent on their performance.

At the end of fiscal year 2011, Deutsche Annington entered into a strategic partnership with Deutsche Telekom Group in order to equip 145,000 residential units throughout Germany with modern fiber-optic technology. Work started on implementing the project at the beginning of 2012 and by the end of the first half of 2013, more than 20,000 residential units were connected. As part of the cooperation, Deutsche Multimedia Service GmbH (***DMS***), a wholly owned subsidiary of Deutsche Annington, is obligated to order the supply of basic television and radio signals for 145,000 residential units and to pay a fixed monthly fee for each residential unit supplied, irrespective of Deutsche

Annington's ability to resell television and radio signals to its tenants. Furthermore, DMS has agreed to pay a staggered share of the costs that may be required for modernizing the cable network according to mandatory legal requirements. As of 31 December 2012, the Group had recognized contingent liabilities of €160.0 million with respect thereto. Deutsche Annington's successful completion of this project on economically reasonable terms depends on the acceptance, cooperation and consent of third parties. In particular, Deutsche Annington is dependent on its ability (i) to terminate contracts with existing cable service providers, (ii) to facilitate the switching of signals by cable service providers and prepare tenants to receive the new Deutsche Telekom Group signals, and (iii) to modernize the existing residential cable networks of the housing units that may be owned by third parties or to install new cable-networks. If Deutsche Annington cannot secure the necessary consents and cooperation or if the attractiveness of residential units equipped with modern fiber-optic technology falls below the Guarantor's expectations and the related decrease in vacancy rate turns out to be lower than anticipated, Deutsche Annington could incur additional costs that may be substantial.

Deutsche Annington employs and works together with a large number of service providers, including energy providers and providers of minor repairs and maintenance services and therefore depends on their performance. No assurance can be given that such services will be rendered in a timely manner or that their quality will comply with the Guarantor's requirements. Moreover, certain contractors may experience operational or solvency issues and certain services may become unavailable to Deutsche Annington as a result. Any failures by contractors may result in delays and additional expenses for the Group.

All of these factors could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington may be liable to cover rent shortfalls pursuant to a guarantee given to a real estate fund.

One of the Guarantor's subsidiaries, Deutsche Annington Immobilien-Dienstleistung GmbH (***DAID***), was engaged in 1998 by a closed-end real estate fund held by DB Real Estate (the ***DB Fund***), a subsidiary of Deutsche Bank Aktiengesellschaft, to construct a residential building consisting of 510 residential units, ten commercial units and 255 parking spaces in the center of Berlin. Following the completion of this building, the DB Fund granted DAID an extended usage right expiring on 31 August 2044. In exchange, DAID agreed to make annual payments to the DB Fund pursuant to a schedule providing that such payments will increase annually through 2044. The annual payments DAID is obligated to make to the DB Fund do not correlate to the number of units leased, i.e. DAID must pay rent regardless of the extent to which the units are leased at the relevant time. At present, the Group expects that the rents receivable from tenants in this building will be sufficient to cover the amounts payable by DAID but there can be no assurance that the DAID will succeed in letting a sufficient number of units to cover its costs in the future. If the number of let units falls below the required minimum, DAID will not be able to recover the payments made to the DB Fund. In accordance with IFRS as adopted by the European Union, DAID's obligations with respect to the DB Fund are treated as a finance lease. In accordance with IAS 40, such lease obligations are included as liabilities in the Group's consolidated balance sheet at their net present value. The residential building continues to be included as an asset in the Group's consolidated balance sheet and is recorded at Fair Value. As of 30 June 2013, Deutsche Annington's liabilities with respect to the DB Fund amounted to €91.6 million. Any decline in the aggregate rent receivable from tenants in this building would not only affect Deutsche Annington's rental income but also the fair value of the residential building as reflected in the Group's financial statements. This could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington has received subsidies from public authorities which restrict the level of rents chargeable on a part of Deutsche Annington's portfolio. Providers of the subsidized loans may also unilaterally exercise their right to increase the rate of interest payable on such loans.

Deutsche Annington receives grants from public authorities in the form of construction subsidies, expenses subsidies, expenses loans and low-interest loans that impose certain limitations on the

Group. As of 30 June 2013, approximately 16% of Deutsche Annington's properties (28,149 residential units) were rent-restricted due to subsidies provided by publicly owned economic development banks. Most of the subsidies are granted in the form of low-interest long-term loans. As of 30 June 2013, the Group had received subsidized loans with a nominal value of €599.5 million. The public bodies granting a subsidized loan impose maximum rent levels on the properties constructed, acquired or modernized using such subsidized loan in order to compensate for construction, financing and property-related costs. Although the rent levels set by the public bodies are significantly below current market rents for a number of rent-restricted residential units, it may be difficult to increase rents to market levels after the lapse of subsidy restrictions because of the lack of tenants who are willing or able to pay market level rents for such properties. Rent restrictions are scheduled to expire on 785 units in 2013, on 1,486 units in 2014 and on 390 units in 2015.

Moreover, Deutsche Annington's subsidized loan agreements contain a clause pursuant to which the provider of the loan is granted the right to unilaterally increase the interest rates of the loans up to a maximum of 4.6% per annum. In such an event, Deutsche Annington is entitled to increase its rents accordingly. The lenders under these agreements have exercised this right only selectively in the recent past. Although Deutsche Annington does not expect that the lenders will change their policy and exercise this right extensively, Deutsche Annington faces the risk that the lenders may do so and that Deutsche Annington may not be in a position to increase its rents either because tenants might not be able to pay the increased rents or the increased rent would exceed the market rents for comparable units or otherwise.

If Deutsche Annington fails to adapt its rent levels to market rent levels after the expiration of the subsidized loans, or if the provider of Deutsche Annington's subsidized loans exercises its right to increase interest rates and Deutsche Annington is not in a position to adjust rents accordingly, this could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington could sustain substantial losses from damage not covered by, or exceeding the coverage limits of, its insurance policies.

Deutsche Annington's properties are all insured against losses due to fire, natural hazards and specified other risks. However, its insurance policies are subject to exclusions and limitations of liability, including with respect to losses resulting from damages from mining, nuclear power or war. Deutsche Annington may, therefore, have limited or no coverage for losses that are excluded or that exceed the respective coverage limitations. In addition, Deutsche Annington's insurance providers could become insolvent. Should an uninsured loss or a loss in excess of Deutsche Annington's insurance limits occur, Deutsche Annington could lose capital invested in the affected property as well as anticipated income and capital appreciation from that property. Moreover, Deutsche Annington may incur further costs to repair damage caused by uninsured risks. Deutsche Annington could also be held liable for any debt or other financial obligation related to such a property. Thus, Deutsche Annington may experience material losses in excess of insurance proceeds, which could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington has a relatively small number of employees in administrative and management functions overseeing its business and may be unable to replace key personnel.

Deutsche Annington has only a small number of senior management executives responsible for managing its core business. Deutsche Annington's success depends significantly on the performance of its management executives and qualified employees in key positions, particularly management board members and other management executives with substantial sector expertise. Additionally, it is important for Deutsche Annington to be able to hire additional qualified employees to the extent that an expansion exceeds its available resources or to replace lost employees. The loss of one or more management board members or other key employees, and any failure to attract new highly-qualified management executives, could impair Deutsche Annington's growth and make it difficult for the Guarantor to manage its business operations effectively.

The materialization of one or more of the risks described above could have a material adverse effect on Deutsche Annington's business, financial condition and results of operations.

Deutsche Annington is dependent on cooperative relations with its employees, the works council (employee representatives) and the union ver.di.

The Guarantor has concluded several collective bargaining agreements (*Tarifverträge*) that regulate work conditions and remuneration. These collective bargaining agreements are subject to renegotiation with the unions from time to time. A considerable number of Deutsche Annington's employees are members of the United Services Union (*ver.di – Vereinte Dienstleistungsgewerkschaft e.V.,* ***ver.di***). Deutsche Annington maintains and aims to continue to maintain a good and constructive relationship with its employees, works councils and ver.di. Nevertheless, Deutsche Annington faces the risk that it may become subject to strikes or other industrial action in the course of labor negotiations, all of which could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington's information technology systems could malfunction or become impaired.

Deutsche Annington's information technology systems are essential for its business operations and success. Any interruptions in, failures of, or damage to its information technology systems, such as the Group's SAP software or its voice-over-internet protocol telephone system, could lead to delays or interruptions in the Group's business processes. Any malfunction or impairment of the Group's computer systems could interrupt its operations, lead to increased costs, and may result in lost revenue. Deutsche Annington cannot guarantee that anticipated and/or recognized malfunctions can be avoided by appropriate preventive security measures in every case. The materialization of one or more of these risks could have material adverse effects on Deutsche Annington's business.

Risks related to the valuation of Deutsche Annington's properties

If interest rates change, the market deteriorates or the Group's rent levels or vacancy rates develop unfavorably, Deutsche Annington may be required to adjust the current Fair Values of its investment properties and recognize significant losses.

Deutsche Annington accounts for its investment properties (i.e. properties that are held for the purpose of earning rental income, for capital appreciation or both and are not used by the Group) at Fair Value in accordance with IAS 40 in conjunction with IFRS 13. Until and including the fiscal year 2012, the Group used the income capitalization method. Hereby, the fair value of investment properties is calculated on the basis of contract or market rents and risk adjusted capitalised interest rates. From the beginning of 2013 onwards, the Group refined its valuation methodology and now uses the discounted cash flow (***DCF***) methodology. Under the DCF methodology, the expected future income and costs associated with each property are generally forecast over a 10-year period. The forecast cash flows calculated on this basis are discounted, on an annual basis, up to the date of the valuation. In addition, the terminal value of the property at the end of the relevant 10-year period is estimated using forecasts of the then-expected stabilised net operating income and appropriate capitalization rates and then discounted to the date of valuation. The applied discount rate reflects the market situation, location, condition and letting situation of the property, the yield expectations of a potential investor and the level of uncertainty and the inherent risk of the forecasted future cash flows, while the applicable exit capitalization rate is derived from the applied discount rate. If the market situation deteriorates, for example because interest rates rise or rent levels or vacancy rates deteriorate, Deutsche Annington will have to revise the values of the total portfolio on the consolidated balance sheet downwards.

Any change in Fair Value must be recognized as a profit or loss under net income from fair value adjustments. For example, as of 31 December 2012, an increase in the capitalised interest rate of 25 basis points would have resulted in a devaluation of the Group's investment properties by €422 million and would have reduced Deutsche Annington's 2012 results from operations correspondingly.

Any significant fair value adjustments Deutsche Annington is required to recognize would have significant negative effects on its EPRA NAV and LTV-Ratio and could have a material adverse effect on Deutsche Annington's net assets, financial condition and results of operations.

Financial risks

Under its new financing strategy, Deutsche Annington plans to satisfy a significant portion of its future financing needs through the issuance of unsecured corporate bonds. To achieve this goal, Deutsche Annington has taken various steps, which included obtaining an investment grade rating from a rating agency and entering into an unsecured term loan facility to repay various loans, including the GRAND Securitisation to significantly increase the Group's pool of unencumbered assets by June 2014. Each of these steps, including the issuance of the Notes, entails certain risks which could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations, if they materialise.

In the first half of 2013, Deutsche Annington changed its financing strategy to satisfy a significant portion of its future financing needs through the issuance of unsecured corporate bonds. Deutsche Annington sought and obtained a corporate investment grade rating of "BBB" from Standard & Poor's Credit Market Services Europe Limited (***Standard & Poor's***). Issuers with a "BBB" rating are considered by Standard & Poor's to have adequate capacity to meet financial commitments, but to be more subject to adverse economic conditions.

To further enhance Deutsche Annington's credit structure for further unsecured bond offerings, the Group has taken or intends to take the following steps:

- On 3 June 2013, the Guarantor entered into the Term Loan with J.P. Morgan Limited and Morgan Stanley Bank International Limited, which are affiliates of the Arrangers, as arrangers and (several) original lenders, which is an unsecured €2.5 billion term loan facility and made draw-downs in the aggregate amount of €2.3 billion;

- On 10 June 2013, the Group communicated its intention to fully repay the REF Notes, which are collateralised real estate funding notes issued by the REF Note Issuers (several entities of the Deutsche Annington Immobilien Group) to German Residential Asset Note Distributor P.L.C. in order to allow the repayment in full of the commercial mortgage-backed securities issued by GRAND (the ***GRAND Notes***) and the entire relate transaction, (the ***GRAND Securitisation***) by 21 October 2013, at the latest;

- On 18 July 2013, the REF Notes were repaid in full. The repayment was funded, in particular, by utilizing an amount of €2.3 billion under the Term Loan entered into by the Guarantor in June 2013. Subsequently, all amounts due under the GRAND Securitisation to the holders of GRAND Notes were fully repaid on 22 July 2013;

- The proceeds of the issuance of the Existing Notes, in the amount of €1.3 billion, were used to partially repay the Term Loan in July 2013. Tranche A under the Term Loan was repaid in full so that only Tranche B under the Term Loan amounting to €1.0 billion remains outstanding;

- The proceeds of the issuance of the US Dollar Notes, in the amount of $992.2 million, will be used to partially repay the Term Loan in October 2013. Under Tranche B of the Term Loan €431.4 million will remain outstanding;

- By 30 June 2014, the Group intends to repay a number of secured loans in order to create a pool of unencumbered assets of around 50% of the Group's properties (measured by Fair Value); and

- In addition to issuing the Existing Notes and the US Dollar Notes, the Group has initiated the preparation of the issuance of further unsecured corporate bonds, in particular the issuance of

the Notes, in an amount that would permit repayment of a significant amount of existing debt, including any draw-downs under the Term Loan, over the course of the next twelve months.

The Term Loan provides for interest margins that step up significantly over the term of each tranche draw-down and in the case of a ratings downgrade, as well as for extension fees, which are triggered and payable if the tranches are utilised by the Guarantor for more than certain periods of time. Given the prepayment of Tranche A, this solely applies to the drawn down amount under Tranche B. In addition, there is a market flex provision set out in the syndication and fee letter for the Term Loan, which permits the arrangers of the Term Loan to unilaterally increase the interest margin owed to lending banks, if the term loan syndication would otherwise be unsuccessful (as defined therein). The Term Loan further provides that amounts drawn under it have to be prepaid with a certain percentage of the proceeds from the issuance of debt securities and other permitted refinancing's, such as bank loans, proceeds from asset disposals and insurance benefits. The lenders may also call for repayment in case of a change of control. The facility agreement stipulates certain financial covenants, to be tested quarterly, which require the Group to maintain a loan-to-value ratio of 60%, an interest coverage ratio ranging from 1.4 to 2.0 over time, and, upon first utilization under the Term Loan unencumbered assets amounting to at least 30% of total properties (based on the most recent valuation), subject to certain exceptions. The requirement to keep 30% of its assets unencumbered may significantly restrict Deutsche Annington in repaying the Term Loan through secured debt, such as mortgage loans. Only if the issuance volume of corporate investment grade bonds is dramatically reduced when compared to prior periods, Deutsche Annington may repay the Term Loan with secured financing instruments. Finally, the Term Loan contains a negative pledge provision, which, subject to certain exceptions, limits the Guarantor's and its subsidiaries' ability to create security over their assets.

If the Group were unsuccessful in fulfilling the obligations (subject to a cure period of 15 business days) and complying with financial covenants of the Term Loan, the lenders would be able to accelerate the Term Loan which would then become payable. Any default under the Term Loan could also trigger termination rights under many of Deutsche Annington's existing secured bank loans (so-called cross-default), which could significantly increase the amounts that become due. In the event of a default under the Term Loan, the Group would face the risk of not being able to meet the repayment obligations under the Term Loan and other loans or of only being able to do so with great difficulty and at great cost given the amounts that could become due. Given the Group's refinancing strategy to substitute secured with unsecured lending, and thus increasing the proportion of unencumbered Group assets, the Group is dependent on the successful issuance of bonds in an amount that would permit repayment of a significant portion of the existing debt over the course of the next twelve months. Although the timing of any bond offering will depend on market conditions and other factors, the Group currently intends to launch further bond offerings, which may be significant in size. The Guarantor intends to use any proceeds from such a further bond offering to repay the remaining outstanding balance of Tranche B under the Term Loan. There can be no assurance that the Group will be able to place further bonds in the targeted amounts and at yields that are attractive for the Group in the time periods currently envisaged. If the Group is proved to be unable to further issue bonds in amounts, or within the envisaged time periods, necessary to repay the outstanding draw-downs under the Term Loan, the interest payable under the Term Loan would increase significantly due to a margin step-up. The Group is required to repay the remaining €1.0 billion tranche (Tranche B) under the Term Loan by mid-2016 and would also be required to secure alternative sources of funding.

If Deutsche Annington were to lose its investment grade rating, future issuances of unsecured bonds may become significantly more expensive or may not be possible in the targeted amounts. A rating downgrade would also trigger a step-up in the interest margin for any amounts drawn down under the Term Loan. Standard & Poor's could downgrade Deutsche Annington if, for example, Deutsche Annington's interest coverage ratio, i.e. the Group's earnings before interest and taxes (EBIT) divided by the Group's interest expenses, falls to less than 1.8 or Deutsche Annington were unable to render sufficient values of its assets unencumbered or if the residential real estate market in Germany deteriorates.

If any of the risks described above were to materialize, it could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow and results of operations.

Deutsche Annington's ability to repay existing debt with other debt instruments could be limited. It may be difficult or expensive to obtain new sources of financing.

Deutsche Annington intends to refinance maturing debt with other debt instruments. Deutsche Annington's ability to repay existing financial obligations by taking on new debt or by extending existing debt could be limited, for example as a result of market conditions, its business condition or the level of debt of Deutsche Annington or other Group companies.

This could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow and results of operations.

If the Issuer, the Guarantor or other Group companies breach financial covenants or other provisions in connection with the Term Loan, the Existing Notes, the US Dollar Notes, other debt instruments or under their loan agreements, Deutsche Annington may be required to bear higher interest costs or fully repay the relevant notes or loans before they become due, and security trustees or creditors could seize or realize significant collateral furnished by Deutsche Annington to secure such notes or loans.

The noteholders of the Existing Notes, of the US Dollar Notes and the Deutsche Annington lenders are entitled to terminate their financing agreements if Deutsche Annington companies breach material provisions under their respective financing agreements and are not in a position to cure such breaches. The loan agreements and the Existing Notes and the US Dollar Notes require, in particular, that Deutsche Annington complies with certain financial covenants, such as a maximum LTV-Ratio and minimum debt-service or interest cover ratios. A failure to comply with such financial covenants or other material provisions of the financing agreements and the terms and conditions of the Existing Notes and of the US Dollar Notes could have severe consequences, including that:

- the lenders or noteholders of Existing Notes and the US Dollar Notes, as applicable, may have the right to terminate the relevant loan agreement or the Existing Notes or the US Dollar Notes, respectively, and outstanding amounts could become immediately due and payable;

- other lenders or noteholders could be entitled to terminate their financing agreements or notes with Deutsche Annington as a result of cross-default or cross-acceleration provisions;

- the lenders may be entitled to extraordinary (partial) prepayments or higher interest rates and the noteholders of the Existing Notes and of the US Dollar Notes may be entitled to require the Issuer to redeem, in whole or in part, the Existing Notes at their principal amount, together with accrued interest; or

- the right of the Guarantor or its subsidiaries to distribute profits and income from the properties which serve as security for the respective loans may be restricted, and may therefore limit Deutsche Annington's ability to service its other obligations.

If the Term Loan, the Existing Notes, the US Dollar Notes, other debt instruments or one or more of Deutsche Annington's loans should become due as a result of an early termination or cross-default, Deutsche Annington might be unable to refinance the outstanding obligations as they become due, or might be able to do so only on less favorable terms.

To secure its financial obligations under certain financing agreements (other than the Term Loan and the Existing Notes and the US Dollar Notes), Deutsche Annington has granted land charges and mortgages on properties owned by Deutsche Annington companies and has assigned, as security, claims under tenancy and leasing agreements, potential insurance claims and potential claims under real estate sales programs. Deutsche Annington has also pledged or is obliged to pledge shares in certain Deutsche Annington companies as well as bank accounts to lenders. If Deutsche Annington is unable to perform the obligations under its financing agreements Deutsche Annington's lenders could seize and realize collateral, including real property, pledged shares and bank accounts, without further negotiation. This could cause Deutsche Annington to lose parts of its real estate portfolio in a forced

sale on economically unfavorable terms. Contractual restrictions limit the voluntary sale of properties ahead of a forced public auction which could have an amplified negative effect.

Approximately 9.5% of all residential real estate units owned by Deutsche Annington are built on the basis of hereditary building rights (*Erbbaurechte*). The consent of the legal owners is required for a registration of land charges and mortgages on these units as well as for their sale. Although the owners are legally required to grant such consent if and to the extent a requested encumbrance does not exceed a customary level (and in case of a sale, if the acquirer under the hereditary building is also able and willing to fulfill the obligations under hereditary building rights), it is difficult and time-consuming to actually obtain these consents or to obtain them in the requested amount.

The realization of any of the aforementioned risks could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

The Guarantor's cash flows are dependent on the profitability of its subsidiaries or must be augmented by borrowed capital.

The Guarantor is a holding company that does not conduct its operating business itself but does so through its subsidiaries. To cover its operating costs, the Guarantor relies on, among other things, distributions that it receives from its subsidiaries and other investment interests or, as the case may be, scheduled repayments of loans it has granted to its subsidiaries. The distributions by the subsidiaries depend, in-turn, on the subsidiaries' operating results and their ability to make those distributions under applicable law. There can be no assurance that such funds will be sufficient in the future to satisfy all of its payment obligations. If the funds are insufficient, Deutsche Annington would need to obtain additional funds, which could have a material adverse effect on Deutsche Annington's business, net assets and financial condition and results of operations.

Regulatory and legal risks

Deutsche Annington's ability to increase rents is limited by German law, which provides for substantial tenant protection and restricts action regarding tenant eviction. Moreover, there are current political efforts to further restrict rent increases. German courts often declare clauses in tenancy agreements invalid. Deutsche Annington uses standardized tenancy agreements, which increases the potential impact if any clause is held to be invalid.

The ability of landlords to increase rent under existing tenancy agreements is limited under German law. If the parties to a tenancy agreement have not agreed on a stepped rent (*Staffelmiete*) or an indexation of rents (*Indexmiete*) – which is permissible only in specific cases – and the tenant refuses to amend the tenancy agreement, a rent increase may be effected unilaterally only within the limits set forth below:

- Subject to statutory and contractual requirements and if the rent has remained unchanged during the 15 months preceding the intended increase, the landlord may exercise a right of contractual adjustment of up to the locally prevailing comparative levels of rent (*ortsübliche Vergleichsmiete*). The locally prevailing rents are, in a number of German municipalities. set forth in rent indices (*Mietspiegel*), which are usually published by the respective municipalities every second year. If the rent indices are produced according to recognized scientific principles and recognized by the municipality or by representatives of local lessors and lessees, the rent indices are recognized as so-called qualified rent indices (*Qualifizierte Mietspiegel*). Qualified rent indices, as opposed to simple rent indices, qualify by law as (rebuttably) presumptive evidence that the listed rent levels reflect the reference rent customary in the municipality. Generally, the rent may not be increased by more than 20% in three years (capping limit). Pursuant to the Tenancy Law Amendment Act (*Mietrechtsänderungsgesetz*), which entered into force on 1 May 2013, the capping limit may be reduced to 15% by the German federal states for those municipalities or parts of municipalities in which the supply of affordable housing is determined to be threatened. So far the state government of Bavaria reduced the capping limit to 15% for the city of Munich and a

number of other Bavarian municipalities. Besides this, the state government of Berlin has enacted a similar law which came into effect in May 2013. North Rhine Westphalia has announced plans to consider reducing the capping limit to 15% for specified municipalities in which Deutsche Annington-owned properties are located. In addition Hamburg, has enacted a capping limit, which came into effect on 1 September 2013. Other states may follow.

- In addition, for modernization measures through which (i) sustainable energy savings (energy-related modernization measures, *energetische Modernisierung*) or (ii) sustainable reductions in water consumption are made, (iii) sustainable increases in the utility value (*Gebrauchswert*) of the rented property or (iv) permanent increases in the housing conditions are made, or for (v) modernization measures that are conducted due to circumstances for which the landlord is not responsible and which do not qualify as maintenance measures, the landlord may, subject to statutory or contractual requirements, allocate costs to tenants by way of an increase of the annual rent in the amount of 11% of the cost incurred (less the costs that would have been incurred for maintenance measures anyway), unless the tenant can prove that the rent increase constitutes undue hardship. Following a rent increase, tenants may have a special termination right.

Additional difficulties may arise if the respective municipality does not compile or publish rent indices – something municipalities are not obligated to do. If municipalities publish rent indices, they are required to update the rent indices every two years. If municipalities publish qualified rent indices they must adjust these for market trends every two years and generate a new qualified rent index at least every four years. Some municipalities regularly use longer intervals to update rent indices, which makes it difficult for landlords to adjust the rent to actual prevailing market levels. If municipalities do not publish rent indices, landlords are given the option to commission independent surveyor reports for assessing the appropriate rent level and adjusting the rent accordingly. Alternatively, both parties to a tenancy agreement may voluntarily agree on rent increases; such possibility may, however, not yield the desired results and may give the impression that the tenant is obliged to agree to higher rents.

Moreover, there are current political efforts to further restrict rent increases. Changes in the European or German legal framework may further negatively impact Deutsche Annington's ability to increase rents. Affordable housing is a political topic that attracts a high level of attention. Tightened rent restrictions will impair Deutsche Annington's ability to increase rents, which in turn could have a material adverse effect on its business, financial condition and results of operations. For example, current proposals aim to restrict rent increases for new leases to a maximum of 10% above the locally prevailing comparative rent levels and to a maximum of 15% above the locally prevailing comparative rent levels for existing leases for a period of four years.

Further, German law and German courts provide tenants with protection against termination and tenant evictions. Extended leases and/or delayed evictions resulting from these protections can lead to substantial losses until the property is actually vacated. However, the Tenancy Law Amendment Act (*Mietrechtsänderungsgesetz*) has introduced provisions that are intended to give the landlord a cost-saving option and to expedite the eviction process.

Deutsche Annington maintains legal relationships with a large number of persons, primarily employees, purchasers, and tenants of residential properties. In this context, it also uses standardized documents and standard-form contracts. Standardized terms under German law are required to comply with the statutory law on general terms and conditions, which means that they are subject to rigid fairness control by the courts regarding their content and the way they are presented to the other contractual party by the person using them. As a general rule, standardized terms are invalid if they are not transparent, clearly worded, or if they are unbalanced or discriminate against the other party. Due to the frequent changes in the legal framework, particularly with regard to court decisions relating to general terms and conditions, it is impossible to fully protect oneself against risks from the use of such standardized contractual terms. The various German Federal Court of Justice (*Bundesgerichtshof*) decisions regarding the invalidity of decorative repair clauses, specifically those concerning the type and schedule of the tenant's performance of decorative repairs are examples of a change in the legal framework. The invalidity of such clauses holds the landlord responsible for maintenance measures

and the increased costs incurred in connection therewith. Even if contracts are prepared with legal advice, it is impossible for Deutsche Annington to avoid problems of this nature from the outset or in the future, as the changes may continue to occur in the legal framework, particularly via case law. This makes it impossible for Deutsche Annington to avoid the ensuing legal disadvantages.

Any of the aforementioned risks could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington's business is subject to the general legal environment in Germany. Any disadvantageous changes in the legal environment, such as mandatory environmental modernization provisions, restrictions regarding modernization measures or provisions (including taxes) that result in the incurrence of costs in the event of a property sale may be detrimental to Deutsche Annington.

Deutsche Annington's business is subject to the general legal framework that applies to housing, such as German tenancy law, as well as special provisions in other laws, such as social legislation, construction laws and historic preservation laws. For example, pursuant to the Bavarian Act on Prohibition of Misuse of Housing Space (*Gesetz über das Verbot der Zweckentfremdung von Wohnraum*), the federal state of Bavaria has authorized municipalities in which the supply of affordable housing is perceived as being threatened to enact regulations that prohibit that (i) housing space remains vacant for a period exceeding three months, (ii) housing space is altered in a way that prevents its use for residential purposes, (iii) housing space is eliminated, and (iv) housing space is used predominantly for professional or commercial purposes. The city of Munich has also enacted a municipal bylaw with the aforementioned restrictions. Moreover, the federal state of Berlin currently plans to enact a similar law, which could come into force in 2013. For specific risks in connection with German tenancy law, see "*—Deutsche Annington's ability to increase rents is limited by German law, which provides for substantial tenant protection and restricts action regarding tenant eviction. Moreover, there are current political efforts to further restrict rent increases. German courts often declare clauses in tenancy agreements invalid. Deutsche Annington uses standardized tenancy agreements, which increases the potential impact if any clause is held to be invalid.*"

Any disadvantageous changes to German federal or state laws, or changes in the interpretation or application thereof, could thus have a negative effect on Deutsche Annington. In particular, an expansion of tenant protection laws in connection with conversions of multi-family apartments into condominiums could have negative effects on the sale of condominiums to investors. Changes to provisions governing the tenant's responsibility for ancillary costs (*Erlöse aus abrechenbaren Betriebskosten*) or modernization investments could have an adverse effect on the profitability of Deutsche Annington's investments and results of operations.

More restrictive environmental laws could also result in additional expenses for Deutsche Annington. For example, by 31 December 2013, at the latest, owners of properties with a centralised hot water production facility are obliged to test the level of potential legionella contamination and to repeat this test every three years, thereby causing them to incur additional costs. The same would hold true if the legal requirements relating to existing and permitted properties and their use were to become more onerous. Of particular significance are construction and environmental requirements. For example, the currently applicable version of the Energy Savings Ordinance (*Energieeinsparverordnung*) prescribes specified investments in renovation work aimed at reducing energy consumption (with respect to thermal insulation for instance) and requires a landlord to present an energy certificate that discloses the property's energy efficiency upon request from a potential tenant prior to an entry into a new lease agreement. The same applies with respect to the sale of properties. However a draft bill revising the Energy Savings Ordinance (*Energieeinsparverordnung*) that would result in additional costs is currently pending in the legislative procedure. The draft bill, which is not expected to be enacted before 2014, requires the landlord or seller of a property to hand over an energy certificate to the other party even if the other party does not request such a certificate. Furthermore, if a seller or landlord advertises the property via commercial media, the energy performance indicator of the respective property's existing energy certificate must be stated in the advertisement. Additionally, requirements may be imposed in order to increase the supply of handicap-accessible and adapted housing (see "—

Risks related to Deutsche Annington's business—Deutsche Annington is exposed to risks related to the structural condition of its properties and their maintenance and repair. The Group's loan and purchase agreements require Deutsche Annington to invest specified amounts in certain portfolios. Such requirements may lead to a sub-optimal funds allocation.").

If, during the course of a maintenance or modernization measure, it is discovered that a building undergoing such processes is subject to historic preservation laws, the need to comply with the respective historic preservation requirements could lead to significant delays in the maintenance or modernization process, or may result in an inability to carry out particular maintenance or modernization measures, or could generate significantly higher costs for the particular project. These factors could render Deutsche Annington incapable of performing its contractual obligations to a buyer, with the consequence that the buyer's obligation to pay the purchase price could be waived or deferred.

Any of these factors could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington could be subject to liability claims for several years after selling properties.

In connection with property sales, Deutsche Annington usually makes representations, warranties and negative declarations of knowledge to the purchasers with respect to certain characteristics of the relevant properties. The resulting obligations usually continue to exist after the sale, for a period of several years. In particular, Deutsche Annington could be subject to claims for damages from purchasers, who could assert that Deutsche Annington failed to meet its obligations, or that its representations were untrue. Deutsche Annington could be required to make payments to the purchasers following legal disputes or litigation. If Deutsche Annington has provided warranties to third parties in connection with maintenance and modernization measures and claims are asserted against Deutsche Annington because of defects, it is not always certain that Deutsche Annington will have recourse against the companies that performed the work.

As a seller of properties, Deutsche Annington is also liable to tenants for any breach of tenancy agreements by the buyer under certain circumstances, even where Deutsche Annington no longer has any control over the property. Moreover, Deutsche Annington continues to be exposed to liability for breach of contract even if the buyer resells the property and the subsequent buyer breaches any tenancy agreement. If, however, Deutsche Annington notifies the tenant of the change in ownership and the tenant fails to avail itself of the opportunity to terminate the tenancy at the earliest permitted termination date, Deutsche Annington is, in general, released from liability. As a rule, when selling properties, Deutsche Annington informs all tenants in writing of the change in landlord either alone or together with the acquirer. Such release from liability does not apply to security deposits (*Mietsicherheiten*) provided by the tenants. If the tenant is unable to receive its security deposit from the buyer of the property, the liability to repay such security deposit remains with the seller.

Legal or settlement costs, including the costs of defending lawsuits, whether justified or not, as well as potential damages associated with liability for properties that Deutsche Annington has sold could have a material adverse effect on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

The control and prevention mechanisms of Deutsche Annington's compliance structure may not have been, or may not be, sufficient to adequately protect Deutsche Annington from all legal or financial risks. Cases of irregularities could lead to official investigations or third-party claims against Deutsche Annington, which in turn could have a material adverse effect on its business, net assets, financial condition, cash flow, results of operations and its reputation.

To protect Deutsche Annington against legal risks and other potential harm, Deutsche Annington implemented a Group-wide code of conduct as a company agreement with the works council in 2010. This binding policy addresses conduct, corruption prevention, conflicts of interest, information and data protection, discrimination, environmental protection and protection of company property, and applies to all employees and the members of the management board. Moreover, the Guarantor has

introduced a mandatory code of conduct for its major business partners. Legal and compliance risks are addressed by the Guarantor's risk management.

Although Deutsche Annington believes that the aforementioned compliance arrangements will offer a high degree of protection, they may not be sufficient to completely prevent all unauthorized practices, legal infringements or corruption within Deutsche Annington. Any failure in compliance could have a material adverse effect on its net assets, financial condition, cash flow, results of operations, and its reputation.

Deutsche Annington is subject to the general tax environment in Germany. The Group's tax burden may increase as a consequence of future tax treatment of dividend payments, current or future tax assessments, tax audits or court proceedings based on changes in tax laws or changes in the application or interpretation thereof.

Deutsche Annington is subject to the general tax environment in Germany. The Group's tax burden depends on various aspects of tax laws, as well as their application and interpretation. Amendments to tax laws, for example an increase of statutory tax rates, may even have a retroactive effect and their application or interpretation by tax authorities or courts may change. Furthermore, court decisions are occasionally limited to their specific facts by tax authorities by way of non-application decrees. This may also increase the Group's tax burden. Deutsche Annington's tax-related risks include:

Tax Assessments: As some Group entities have historically been late in filing their tax declarations, no tax assessments have been received for some of the Group's companies in recent years. The unavailability of more recent tax assessments increases the uncertainty regarding the tax authorities' interpretations of applicable tax laws for periods for which no assessment has been received, and increases the uncertainty that these interpretations may differ from the Group's interpretations. Any tax assessments that deviate from the Group's expectations could lead to an increase in the Group's tax obligations and, additionally, could give rise to interest payable on the additional amount of taxes at a rate of 6% per annum during a period beginning 15 months after the end of the calendar year in which the relevant tax emerged and ending upon issuance of the tax assessment notice. However, with a view to mitigate such interest risks, Group entities have calculated their tax burdens based on the annual accounts and have paid any outstanding taxes after deducting tax prepayments to the revenue prior to the beginning of the interest period.

Tax Audits: Group entities are regularly subject to tax audits in Germany. The Group's most recent tax audit was concluded in May 2013 and covered the fiscal years up to and including 2004. As of the date of this Prospectus, a tax audit regarding the fiscal years 2005 to 2007 is being conducted and is not yet closed for the Guarantor's significant subsidiaries. These tax audits and/or other investigations conducted by the competent tax authorities could result in the assessment of additional taxes. This may be the case, in particular, with respect to changes in the Group'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. Further, expenses, particularly interest expenses, could be treated as non-deductible, or RETT could be assessed. In addition, fiscal unities (*steuerliche Organschaften*) could be deemed invalid, for instance if one or more profit and loss pooling agreements are considered void, as not having been properly executed or if other requirements for fiscal unities are not met. Any of these findings could lead to an increase in the Group's tax obligations and could result in the assessment of penalties. Deutsche Annington has established provisions for risks associated with audits based on its past experience. These provisions, however, may prove to be insufficient and when paid may negatively impact cash flow.

Court proceedings: Group entities are or may become party to tax proceedings. The outcome of such tax proceedings may not be predictable and may be detrimental to the Group.

The materialization of any of these risks could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Significant reorganizations that the Group has undergone in the past may result in an additional tax burden.

In the tax years not yet audited, the Group underwent significant reorganizations, involving, among other things, the transfer of legal or beneficial title to real estate. In certain transactions which involved actions that could potentially be seen as a direct or indirect transfer of a property's legal or beneficial title, binding tax rulings were issued by the tax authorities. Given the complexity and the scope of these transactions, they may nevertheless entail unforeseen adverse tax consequences that may have detrimental effects on the Group's business, net assets, financial condition, cash flow, and results of operations.

The tax authorities might not accept all tax deductions for interest payments in the past due to uncertainties with respect to German thin capitalisation rules. Further, the Group's tax burden may increase as a consequence of a future change in the Guarantor's shareholder and/or group corporate structure.

Several tax rules in Germany restrict the tax deductibility of interest expenses for corporate income and trade tax purposes. Such rules have been amended significantly on several occasions in the recent past. As part of the German Company Tax Reform (*Unternehmenssteuerreform*), Germany abolished the German thin-capitalization rules in 2008 and introduced the so-called earning-stripping rules (*Zinsschranke*) to limit the deductibility of interest expenses for German tax purposes. According to the earning-stripping rules, the tax deductibility of interest expenses depends, among other things, on the difference between interest income and interest expenses, the general tax structure of the Group, the annual tax EBITDA and the tax EBITDA of previous years, and on whether the equity-ratios of the entities specified for these purposes and of any particular business within this group of entities do not differ significantly from each other. As a general rule, the tax deductibility of interest expenses is limited to 30% of the tax EBITDA for the relevant fiscal year, unless certain exceptions apply. For example: interest expense is fully deductible where (i) the interest expense exceeding a business' interest income is less than €3 million (*de minimis* rule); (ii) the business in question does not belong to a group, i.e. it does not have to be consolidated with other businesses (non-consolidation exemption); or (iii) the equity ratio test is met, i.e. where the equity ratio of the business in question is by no more than 2 percentage points lower or higher than, the equity ratio of the consolidated group (escape clause). However, the non-consolidation exemption and the equity escape clause can be applied only if no detrimental shareholder financing within the meaning of Section 8a para. 2 and 3 of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*) exists. As far as 30% of the tax EBITDA is not used for a deduction of interest expenses, the remaining amount can be carried forward for up to five years.

Certain Deutsche Annington entities have relied on the escape clause in the past and have been able to achieve a full deduction of interest expenses, except for fiscal year 2009. As the interpretation of the earning-stripping rules is not entirely clear and no fiscal year in which the earning-stripping rules apply has yet been audited, it cannot be ruled out that the German tax authorities will deny the application of the escape clause by the Group's entities. If such risk were to materialize, the Group may not be able to fully deduct the interest expenses owed under existing and possibly future debt, thus increasing its tax burden, which could have a significant negative effect on the Group's financial condition, cash flow, and results of operations.

Furthermore, Deutsche Annington's ability to rely on the escape clause in the future may be adversely affected by changes in the shareholder structure of the Guarantor. If, for example, Deutsche Annington's parent company, Monterey Holdings I S.à r.l., Luxembourg (***Monterey***), ceases to be part of the Group in the future, the equity ratio of the Group may change and the Guarantor may not be able to maintain its subsidiaries' ability to make use of the escape clause. If this risk were to materialize, the tax deductibility of interest expenses owed under existing and future debt may be limited to 30% of the tax EBITDA for the respective fiscal year which would result in a higher tax burden for the Guarantor and could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

A transfer of 95% or more of the shares in the Guarantor or in a subsidiary within a five-year period may trigger German real estate transfer tax.

The Group is functionally divided into service or management companies on the one hand, and property companies on the other. All significant property companies are established as limited partnerships and hold the legal or beneficial title to most parts of the Group's real estate portfolio. German RETT is potentially triggered if, within any period of five years, 95% or more of the shares of the Guarantor or 95% or more of the interests in a partnership that holds real estate properties is directly or indirectly transferred from the current partners to new partners or to other entities. In the event of such a transfer, the real estate owning partnerships would have to pay RETT in the amount of up to 5.5%; or such higher tax rate as may be applicable at the relevant time, of the properties' value as determined in accordance with applicable tax laws.

Various third parties hold 5.1% of the ownership rights in each of Deutsche Annington's significant property holding subsidiaries (hereinafter referred to as ***Third-Party Owners***). In the face of a change in law in June 2013, which introduced a so-called "look-through" approach to determine the percentage of a property or a property holding entity acquired by a purchaser, it cannot be ruled out that this new economic view will also lead to a wider interpretation of direct and indirect transfers of partnership interests by a court or the respective tax authorities in the future. However, there can be no assurance that courts or the respective tax authorities will deem the structure of participations of Third-Party Owners to be sufficient to prevent RETT from being triggered, particularly in the event that the current Third-Party Owners sell their stakes to other parties that are deemed to be controlled by the Guarantor.

In addition, Deutsche Annington has a multi-level structure. This structure added considerable complexity to the internal restructurings that Deutsche Annington has conducted in the past few years and will continue to increase the legal complexity of corporate restructurings that Deutsche Annington intends to conduct in the future. There can be no assurance that none of these transactions has or will result in negative tax consequences.

If the aforementioned risks materialize, this could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Taxable capital gains arising out of the transfer of title or ownership interests in real property with built-in gains may not be completely set off by tax roll-over relief.

Under the German Income Tax Act (*Einkommensteuergesetz*), roll-over relief, i.e. the possibility of a tax neutral transfer of certain assets with built-in gains (*stille Reserven*), is available, subject to certain conditions for a disposal of real estate, for newly acquired or constructed real estate within a certain period of time (Section 6b German Income Tax Act (*Einkommensteuergesetz*)). The roll-over amount can either be used for a direct reduction in the tax base of the new real estate by the amount of capital gains realised upon sale of the properties in the same tax year or by forming a reserve (***6b Reserve***) and using it to reduce the tax base of new real estate acquired or constructed in the near future. If the 6b Reserve is not utilised within four years (or, if an extension is granted, six years), then generally it has to be dissolved, thereby increasing the taxable income. In addition, in such case the taxable income is further increased by interest at 6% per annum applied to the amount written off for each full fiscal year for which the 6b Reserve existed.

Deutsche Annington has restructured, newly acquired or disposed of a significant amount of its portfolio in the past few years and may continue to do so in the future. These transactions are generally taxable for income tax purposes. However, subject to certain requirements this capital gain can be set off against a roll-over relief as specified in Section 6b of the German Income Tax Act (*Einkommensteuergesetz*). Deutsche Annington's management believes that Deutsche Annington fulfills the requirements for the application of the roll-over relief and covered its position, *inter alia*, by appropriate advance rulings of the competent tax authorities. On this basis Deutsche Annington has made use of roll-over relief in order to offset capital gains arising from such transactions in the past.

However, if the statutory requirements for the application of the roll-over relief have not been fulfilled or will not be fulfilled in the future and the competent tax authorities decide accordingly, Deutsche Annington would be unable to set-off capital gains arising out of the property sales in the past or as the case may be, future divestitures against roll-over relief.

The materialization of any of these risks could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Following a setup of certain of its limited partnerships as trade tax payers, Deutsche Annington may not be able to net the trade tax losses and profits in its subsidiaries.

In 2010, the German Federal Tax Court (*Bundesfinanzhof*) issued a judgment on the trade tax treatment of limited partnerships organized like most of the Guarantor property-holding subsidiaries. In contrast to the former approach of the German tax authorities, the German Federal Tax Court ruled that limited partnerships so organized are not only transparent for corporate income tax purposes, but also for trade tax purposes. As a consequence of this ruling, only the Deutsche Annington general partners of the Deutsche Annington limited partnerships qualify as partnerships subject to trade tax and, therefore, the requirements for the extended trade tax privilege need to be fulfilled by the respective Deutsche Annington general partner. However, none of the Deutsche Annington general partners within the Group currently fulfills the requirements for the extended trade tax privilege. The Group has applied the 2010 German Federal Tax Court ruling in relation to all trade tax returns filed for assessment periods which have not yet been tax audited and finally assessed.

Following this ruling, Deutsche Annington's management decided that Deutsche Annington's new subsidiaries have been or will be set up as partnerships subject to trade tax that could possibly qualify for the extended trade tax privilege, provided that all other requirements of the extended trade tax privilege are fulfilled. As an adverse consequence for trade tax purposes, trade tax losses that may arise in one partnership cannot be set-off against the profits of its partners or the profits of another subsidiary. As a further impact, the trade tax add-back rules, which were introduced as part of the German Company Tax Reform (*Unternehmenssteuerreform*) in 2008 and which provide for 25% of the interest expenses to be added back to the trade tax base, have to be separately applied at the level of each partnership subject to trade tax which may result in a higher trade tax burden.

If any of such risks were to materialize, it could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington is subject to certain tax risks in connection with the refinancing of the GRAND Securitisation.

In December 2012, Deutsche Annington refinanced the REF Notes that were issued and sold by the Group to GRAND in the course of a complex securitisation transaction in 2006. Since real estate has been transferred, it cannot be ruled out that negative tax consequences have been triggered under certain laws. Therefore, the GRAND restructuring may result in significant adverse tax consequences for the Guarantor.

Deutsche Annington changed the terms of various classes of REF Notes and converted some of these notes into subordinated Class "S" REF Notes based on tax advice. Nevertheless, it cannot be ruled out that negative tax consequences may be triggered by the changes made to the REF Notes.

Certain taxes may be levied on the Group in Germany in connection with the transfer of properties as part of the GRAND restructuring. A part of Deutsche Annington's real property portfolio has been transferred to a newly established partnership (the transfer of properties is hereinafter referred to as the ***McKinley Split*** and the new entity is referred to as the ***McKinley New Subsidiary***).

Before entering into the GRAND restructuring, Deutsche Annington assessed and sought tax advice with respect to several general tax risks, including the risk that (i) potential trade tax losses in one of Deutsche Annington's subsidiaries cannot be set-off by the profits of the McKinley New Subsidiary or the profits of its partners, (ii) RETT may be triggered upon the sale and transfer of the assets to the McKinley New Subsidiary, (iii) RETT may be triggered by future changes in the shareholder structure

of Deutsche Annington, (iv) the McKinley Split or previous restructurings of the portfolio may result in a retroactive suspension of the tax exemption used for the transfer of real estate in preparation for and in the course of the securitisation transaction in 2006, (v) the transfer of the real property to the McKinley New Subsidiary may trigger Value-Added Tax (VAT) (*Mehrwertsteuer*) or require an input-tax adjustment (*Vorsteuerkorrektur*), and (vi) the swap of general partners and limited partners of Deutsche Annington's property holding partnerships may result in taxable capital gains. Nevertheless, no assurance can be given that these tax risks will not result in material negative tax consequences.

Based on the audited fixed-assets movement schedules (*Anlagespiegel*) of Deutsche Annington Vermögensgesellschaft mbH & Co. KG, Deutsche Annington Bestands GmbH & Co. KG and Deutsche Annington Bewirtschaftungs GmbH & Co. KG, most of the real estate has been owned by these companies since 1 January 2006 and thus may qualify for the beneficial treatment specified in Section 6b of the German Income Tax Act (*Einkommensteuergesetz*). However, no assurance can be given that roll-over relief has accrued at the level of Deutsche Annington Beteiligungsverwaltungs GmbH (***DABG***) and will be transferrable to the McKinley New Subsidiary in order to offset capital gains from the real property transfers in connection with the McKinley Split.

The McKinley Split structure aims at enabling the McKinley New Subsidiary to make use of the "escape clause" by ensuring that sufficient equity exists for the McKinley New Subsidiary to have an equity ratio that corresponds to the equity ratio of DABG for purposes of the thin capitalization rules. Nevertheless, no assurance can be given that the McKinley New Subsidiary will continue to be able to rely on the "escape clause."

If any of Deutsche Annington's tax-related assumptions related to the refinancing of the GRAND Securitisation should prove to be wrong or if the competent tax authorities decide in contradiction to Deutsche Annington's position, Deutsche Annington's tax burden may increase significantly. This tax increase could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Deutsche Annington is subject to possible future changes in the taxation of enterprises in Germany and in the European Union.

There are currently several initiatives being considered at both the German and the European Union level which could have an effect on the taxation of German enterprises. The initiatives relate, *inter alia*, to changes to the limitation of interest deductions, the taxation of portfolio dividends, the group taxation (fiscal unity) provisions, the use of real estate transfer tax mitigation schemes and the establishment of a common consolidated corporate tax base (CCCTB). As the initiatives are still at an early stage of the consideration process, it is presently uncertain whether and to what extent the suggested changes will eventually be implemented and whether and to what extent they may have a negative effect on the Group's financial conditions and results of operations.

If these risks were to materialize, it could have material adverse effects on Deutsche Annington's business, net assets, financial condition, cash flow, and results of operations.

Risk factors relating to Notes

The Notes may not be a suitable investment for all investors

Potential investors should consider whether an investment in the Notes is appropriate in their respective circumstances and should consult with their legal, business, and tax advisors to determine the consequences of an investment in the Notes and to get their own idea about the investment.

An investment in the Notes is only suitable for investors who

(i) possess sufficient knowledge and experience in financial and business matters to make a meaningful evaluation of the chances and risks of an investment in the Notes and the

information contained or incorporated by reference into the Prospectus or any supplement thereto and any applicable Final Terms;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate such chances and risks in the context of the potential investor's particular financial situation and to evaluate the impact the Notes will have on their overall investment portfolio;

(iii) understand thoroughly the terms of the relevant Notes and are familiar with the behaviour of the financial markets;

(iv) are capable of bearing the economic risk of an investment in the Notes until the maturity of the relevant Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(v) know that it may not be possible to dispose of the Notes for a substantial period of time, if at all before maturity, and;

(vi) are able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and ability to bear the applicable risks.

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

A Holder of a fixed interest rate Note carries the risk that the prices of the Notes can fall as a result of changes in the interest rate on the market. While the nominal interest rate of a Note with a fixed interest rate is fixed for the entire duration of such Notes, the current interest rate on the capital market (***market interest rate***) typically changes on a daily basis. As the market interest rate changes, the price of 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. If the Holder of a Note with a fixed interest rate holds them until maturity, changes of the market interest rate will be irrelevant as the Notes will be redeemed at a fixed redemption amount, which is normally the nominal amount of such Notes.

A holder of a Note with floating interest rate is exposed to the risk of fluctuating interest rate levels and uncertain interest income.

Notes with a floating interest rate can be a volatile investment. A Holder of a Note with a floating interest rate is exposed to the risk of fluctuating interest rate levels and uncertain interest earnings. Interest rate fluctuations make it impossible to determine the profitability of Notes with floating interest rates in advance.

Floating interest rate Notes may be structured to include caps or floors, or any combination of those features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similar floating interest rate Notes without a cap.

Investors in Notes with floating interest rates should bear in mind that neither the current nor the historical level of the relevant floating interest rate is an indication of the future development of such floating interest rate during the term of any Note.

If the Notes are redeemed prior to maturity, a Holder of such Notes is exposed to the risk of a lower yield than expected.

Unless otherwise specified in the relevant Final Terms in regard to a certain Series of Notes, the Issuer may redeem all outstanding Notes for reason of minimal outstanding amount (if provided for in the relevant Final Terms) or if the Issuer is obligated to pay additional amounts in respect to the Notes due to withholding or deduction or on account of, any current or future taxes or any other dues imposed, levied, collected, or withheld by or on behalf of The Netherlands, or if the Guarantor is obligated to pay additional amounts in respect to the Guarantee due to withholding or deduction or on account of, any current or future taxes or any other duties imposed, levied, collected, or withheld by or on behalf of Germany, or for its account or from or for the account of an area municipality authorised to raise taxes or an agency in The Netherlands or in Germany. In addition, the Issuer – if it is so specified in the relevant Final Terms in regard to a certain Series of Notes that these can be redeemed at the Issuer's option in certain circumstances – may optionally choose to redeem the Notes if the prevailing interest rates are relatively low or, if applicable, to redeem the Notes early in case of an event described in more detail in the applicable Final Terms (reason for an early redemption). If the Notes are redeemed prior to maturity, a Holder of such Notes is exposed to the risk that due to such early redemption his investment will have a lower than expected yield. In such circumstances, the investor might possibly not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Holders are subject to the risk of a partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments.

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and the Guarantor and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments that the Issuer or the Guarantor is obliged to make under the Notes or the Guarantee, respectively. The worse the creditworthiness of the Issuer or the Guarantor, the higher the risk of loss (see also "*Risks relating to the Guarantor*" above). A materialisation of the credit risk may result in partial or total failure of the Issuer or the Guarantor to make interest and/or redemption payments under the Notes or the Guarantee, respectively.

In addition, even if the likelihood that the Issuer or the Guarantor will be in a position to fully perform all obligations under the Notes or the Guarantee, respectively, when they fall due actually has not decreased, market participants could nevertheless be of that opinion. Market participants may in particular be of such opinion if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the industries sector adversely change. If any of these risks occur, third parties would only be willing to purchase the Notes for a lower price than before the materialisation of said risk. The market value of the Notes may therefore decrease.

There is no active public trading market for the Notes.

Application has been made to the Luxembourg Stock Exchange for the Notes issued under this Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments, and to be listed on the official list of the Luxembourg Stock Exchange. In addition, the Programme provides that the Notes may be listed on other or further stock exchanges or may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance regarding 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. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, Deutsche Annington's operating results, the market for similar securities and other factors, including general economic conditions, performance and prospects, as well as recommendations of securities analysts. The liquidity of, and the trading market for, the Notes may also be adversely affected by declines in the market for debt securities generally. Such a decline

may affect any liquidity and trading of the Notes independent of Deutsche Annington's financial performance and prospects. If Notes are not listed on any exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor might not be able to sell Notes at any time at fair market prices. The possibility to sell Notes might additionally be restricted by country specific reasons. A buyer of a Note must therefore be prepared to retain the Notes until the day of maturity or final redemption.

An investment in the Notes may be subject to the risk of inflation.

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Notes. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

The Notes and the Guarantee will be effectively subordinated to Deutsche Annington Group's debt to the extent such debt is secured by assets that are not also securing the Notes.

Although the Terms and Conditions of the Notes and the Guarantee require the Guarantor and its Material Subsidiaries to secure the Notes equally if they provide security for the benefit of Capital Markets Indebtedness, the requirement to provide equal security to the Notes is subject to a number of significant exceptions and carve-outs as set out in detail in the Terms and Conditions of the Notes. To the extent the Guarantor or any of its subsidiaries provides security interest over their assets for the benefit of other debt without also securing the Notes, the Notes and the Guarantee will be effectively junior to such debt to the extent of such assets. As a result of the foregoing, holders of (present or future) secured debt of Deutsche Annington Group may recover disproportionately more on their claims than the Holders in an insolvency, bankruptcy or similar proceeding. The Issuer and the Guarantor may not have sufficient assets remaining to make payments under the Notes or the Guarantee, respectively.

The Notes and the Guarantee restrict, but do not eliminate, Deutsche Annington Group's ability to incur additional debt, create liens or take other action that could negatively impact the Holders.

The Terms and Conditions of the Notes and the Guarantee restrict Deutsche Annington Group's ability to incur additional indebtedness and to create liens on its assets by requiring the maintenance of certain loan-to-value, interest coverage and unencumbered asset ratios. In addition, the Terms and Conditions of the Notes permit Holders to require the Issuer to redeem or, at the Issuer's option, repurchase the Notes upon the occurrence of a change of control event relating to the Guarantor. However, these restrictions and undertakings may nonetheless allow the Guarantor and its subsidiaries to incur significant additional (secured or unsecured) indebtedness, to grant additional security for the benefit of existing and future indebtedness and to enter into transactions, including reorganisations, mergers, acquisitions and other similar corporate transactions that may adversely affect the Holders. As a result of the foregoing, the Issuer and the Guarantor may not have sufficient assets to make payments on the Notes or the Guarantee, respectively.

There may be transaction costs and/or charges in connection with the purchase or sale of the Notes.

When the Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Note. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Holders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). These incidental costs may significantly reduce or eliminate any profit from holding the Notes.

The income under the Notes may be reduced by taxes.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely on the tax discussions contained in this Prospectus but to ask for their own tax advisor's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

The development of market prices of the Notes depends on various factors.

The market value of the Notes is influenced by a change in the creditworthiness (or the perception thereof) of the Issuer or the Guarantor and by the credit rating of the Guarantor and a number of other factors including market interest and rate of return and the remaining time until the day of maturity.

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Holders are therefore exposed to the risk of an unfavourable development of market prices of their Notes which materialise if the Holders sell the Notes prior to the maturity of such Notes. If a holder of Notes decides to hold the Notes until final maturity, the Notes will be redeemed at the amount set out in the relevant Final Terms.

The trading market for debt securities may be volatile and may be adversely impacted by many events.

The market for debt securities issued by the Issuer is influenced by a number of interrelated factors, including economic, financial and political conditions and events in Germany as well as economic conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in Germany, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect. Accordingly, the price at which a Holder will be able to sell its Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Holder.

Credit ratings may not reflect all risks and are subject to change.

Ratings assigned to the Guarantor by rating agencies are an indicator of the Guarantor's ability to meet its obligations under the Guarantee in a timely manner. The lower the assigned rating is on the respective scale the higher the respective rating agency assesses the risk that obligations will not be met at all or not be met in a timely manner. The market value of the Notes from time to time is likely to be dependent upon the level of credit rating assigned to the long-term debt of the Guarantor. Rating agencies may change, suspend or withdraw their ratings at short notice. A rating's change, suspension or withdrawal may affect the price and the market value of the outstanding Notes. An investor may thus incur financial disadvantages as he may not be able to sell the Notes at a fair price. The 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. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Prospectus.

The Terms and Conditions of the Notes are based on the laws of the Federal Republic of Germany in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to German law or administrative practice or the official application or interpretation of German law after the date of this Prospectus.

A potential investor may not rely on the Issuer, the Guarantor, the Dealers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

Each potential investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A potential investor may not rely on the Issuer, the Guarantor, the Dealers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Without independent review and advice, an investor may not adequately understand the risks inherent with an investment in the Notes and may lose parts or all of his capital invested without taking such or other risks into consideration before investing in the Notes.

Although the occurrence of specific change of control events will permit Holders to require redemption or repurchase of the Notes, the Issuer may not be able to redeem or repurchase such Notes.

Upon the occurrence of specific change of control events, the Holders will have the right to require the redemption or, at the option of the Issuer, to require repurchase of all of their Notes at their principal amount, plus accrued and unpaid interest. The Issuer's or the Guarantor's ability to redeem or repurchase Notes upon such a change of control event will be limited by its access to funds at the time of the redemption or repurchase. Upon a change of control event, the Guarantor may be required to immediately repay the outstanding principal, any accrued interest on and any other amounts owed by it under other debt outstanding. The source of funds for these repayments would be the available cash or cash generated from other sources. However, there can be no assurance that there will be sufficient funds available upon a change of control event to make these repayments and any required redemption or repurchases of tendered Notes.

In case of certain Events of Default, each Series of Notes will only be redeemable if Holders of at least 10 per cent of the aggregate principal amount of the respective Series of Notes then outstanding declare such Series of Notes due and payable. Such declaration of acceleration may be rescinded by majority resolution of the Holders of such Series of Notes.

The Terms and Conditions of each Series of Notes provide that, in case of certain events of default, any notice declaring the respective Series of Notes due and payable shall become effective only when the Paying Agent has received default notices from Holders representing at least 10 per cent of the aggregate principal amount of such Series of Notes then outstanding. In addition, under the German Act on Debt Securities (*Schuldverschreibungsgesetz* – ***SchVG***), even if a default notice had been given by a sufficient number of Holders of the respective Series of Notes, the Holders of such Series of Notes could rescind such acceleration by majority resolution within three months. A simple majority

of votes would be sufficient for a resolution on the rescission of such acceleration but, in any case, more Holders would have to consent to a rescission than have delivered default notices.

Holders should be aware that, as a result, they may not be able to accelerate any Series of Notes upon the occurrence of certain events of default, unless the required quorum of Holders with respect to such Series of Notes delivers default notices and such acceleration is not rescinded by majority resolution of the Holders of such Series of Notes.

The Terms and Conditions and the terms of the Guarantee, including the terms of payment of principal and interest, can be amended by a Holders' resolution and any such resolution will be binding for all Holders of the respective Series of Notes. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of any Series of Notes outstanding.

The Terms and Conditions of each Series of Notes or the Guarantee may be amended or other measures relating to such Notes or the Guarantee may be taken by majority resolution of the Holders of such Notes. The voting process under the Terms and Conditions of the Notes will be governed in accordance with the SchVG, pursuant to which the required participation of Holder votes (*quorum*) is principally set at 50 per cent of the aggregate principal amount of outstanding Notes of the respective Series in a vote without a meeting. In case there is no sufficient quorum in the vote without a meeting, there is no minimum quorum requirement in a second meeting or voting on the same resolution (unless the resolution to be passed requires a qualified majority, in which case Holders representing at least 25 per cent of outstanding notes by principal amount must participate in the meeting or voting). As the relevant majority for Holders' resolutions is generally based on votes cast, rather than on principal amount of Notes of the respective Series outstanding, the aggregate principal amount such Notes required to vote in favour of an amendment will vary based on the Nolders' votes participating. Therefore, a Holder is subject to the risk of being outvoted by a majority resolution of such Holders and losing rights towards the Issuer or the Guarantor against his will in the event that Holders holding a sufficient aggregate principal amount of the relevant Series of Notes participate in the vote and agree to amend the Terms and Conditions or the terms of the Guarantee of such Series of Notes or on other matters relating to the Notes or the Guarantee by majority vote in accordance with the Terms and Conditions of the Notes and the SchVG.

Since no Holders' Representative will be appointed as from the issue date of Notes, it will be more difficult for Holders to take collective action with respect to the Notes and the Guarantee

No initial Holders' Representative will be appointed under the Terms and Conditions of the Notes. Any appointment of a Holders' Representative for any Series of Notes post issuance of the Notes will, therefore, require a majority resolution of the Holders of each Series of Notes.

If a Holders' Representative has been appointed by majority resolution of the Holders, 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 or the Guarantor, if such right was passed to the Holders' Representative by majority vote who is then exclusively responsible to claim and enforce the rights of all the Holders.

Notes may be denominated in a foreign currency.

A Holder of Notes denominated in a foreign currency (i.e. a currency other than Euro) is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments. A change in the value of any foreign currency against the Euro, for example, will result in a corresponding change in the Euro value of Notes denominated in a currency other than Euro and a corresponding change in the Euro value of interest and principal payments made in a currency other than Euro in accordance with the terms of such Notes. If the underlying exchange rate falls and the value of the Euro correspondingly

rises, the price of the Notes and the value of interest and principal payments made thereunder expressed in Euro falls. In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, Holders may receive less interest or principal than expected.

Exchange rate risks and exchange controls.

Potential investors should bear in mind that an investment in the Notes involves currency risks. This presents certain risks relating to currency conversions if a Holder's financial activities are denominated principally in a currency or currency unit (the ***investor's currency***) other than the specified currency of a Series of Notes. These include the risk that exchange rates may change significantly (including changes due to devaluation of the specified currency of the Notes or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation in the value of the investor's currency relative to the specified currency of the Notes would decrease (i) the investor's currency-equivalent yield on the Notes, (ii) the investor's currency equivalent value of the principal payable on the Notes and (iii) the investor's currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, Holders may receive less interest or principal than expected, or no interest or principal.

Payments on the Notes may be subject to U.S. withholding under the Foreign Account Tax Compliance Act.

The U.S. "Foreign Account Tax Compliance Act" (or ***FATCA***) imposes a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuer may be classified as a financial institution for these purposes. If an amount in respect of such withholding tax were to be deducted or withheld from interest, principal or other payments made in respect of the Notes or the Guarantee, neither the Issuer nor the Guarantor nor any paying agent nor any other person would, pursuant to the conditions of the Notes or the Guarantee, be required to pay additional amounts as a result of the deduction or withholding. As a result, Holders may receive less interest or principal than expected. Prospective investors should refer with respect to FATCA to the section "Taxation – Foreign Account Tax Compliance Act".

The Financial Transactions Tax could apply the certain dealings in the Notes.

The European Commission has published a proposal for a directive for a common financial transactions tax (***FTT***) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). The proposed FTT could, if introduced in its current form, apply to certain dealings in the Notes in certain circumstances, in particular where at least one party is a financial institution. The FTT, if introduced, could apply to persons both within and outside of the participating Member States. As a result, Holders may be burdened with additional costs for the execution of transactions with the Notes. Prospective investors should refer with respect to the FTT to the section "Taxation – The proposed financial transactions tax (FTT)".

GENERAL DESCRIPTION OF THE PROGRAMME

General

Under this EUR 4,000,000,000 Debt Issuance Programme, the Issuer may from time to time issue notes (the ***Notes***) to one or more of the following Dealers: J.P. Morgan Securities plc (***J.P. Morgan***), Morgan Stanley & Co. International plc (***Morgan Stanley***), and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue (***Dealer of the Day***) or on an ongoing basis (together, the ***Dealers***). J.P. Morgan and Morgan Stanley act also as arrangers in respect of the Programme (the ***Arrangers***). The maximum aggregate principal amount of the Notes outstanding at any one time under the Programme will not exceed EUR 4,000,000,000 (or its equivalent in any other currency). The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement from time to time.

The Notes will have the benefit of a guarantee given by the Guarantor (the ***Guarantee***). The Guarantee constitutes an irrevocable, unsecured and unsubordinated obligation of the Guarantor ranking *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor. The Guarantee will be governed by German law.

Notes may be issued on a continuing basis to one or more of the Dealers. Notes may be distributed by way of public offer or private placement and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each tranche (***Tranche***) will be stated in the relevant final terms (the ***Final Terms***). In case of Notes listed on the Luxembourg Stock Exchange, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu). One or more Tranches may form a series of Notes (***Series***).

Notes may be issued at par or a discount to or a premium over par, as stated in the relevant Final Terms. The minimum denomination of the Notes issued will be EUR 1,000 or an amount in any other currency which is at least equivalent on the issue date. The Notes will be offered to qualified investors pursuant to the Prospectus Directive and/or non-qualified investors, as stated in the relevant Final Terms.

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments) and to be listed on the Official List of the Luxembourg Stock Exchange. The Programme provides that Notes may be listed on other or further stock exchanges, as may be agreed upon between the Issuer and the relevant Dealer(s) in relation to each issue. Notes may further be issued under the Programme which will not be listed on any stock exchange.

Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These systems will include those operated by Clearstream Banking AG, Clearstream Banking, société anonyme and Euroclear Bank S.A./N.V. as operator of the Euroclear system.

Deutsche Bank Luxembourg S.A. will act as Listing Agent (***Listing Agent***) and Deutsche Bank Aktiengesellschaft will act as fiscal agent (the ***Fiscal Agent***). Deutsche Bank Aktiengesellschaft will act as paying agent (the ***Paying Agent***) under the Programme.

Issue Procedures

General

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of Notes (the ***Conditions***). The Conditions will be constituted by the Terms and

Conditions of the Notes set forth below (the ***Terms and Conditions***) as further specified by the Final Terms.

Options for sets of Terms and Conditions

A separate set of Terms and Conditions applies to each type of Notes, as set forth below. The Final Terms provide for the Issuer to choose between the following Options:

- Option I – Terms and Conditions for Notes with fixed interest rates; and
- Option II – Terms and Conditions for Notes with floating interest rates.

Documentation of the Conditions

The Issuer may document the Conditions of an individual issue of Notes in either of the following ways:

- The Final Terms shall be completed as set out therein. The Final Terms shall determine which of Option I or Option II, including certain further options contained therein, respectively, shall be applicable to the individual issue of Notes by replicating the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in the Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions alone shall constitute the Conditions, which will be attached to each global note representing the Notes of the relevant Tranche. This type of documentation of the Conditions will be required where the Notes are publicly offered, in whole or in part, or are to be initially distributed, in whole or in part, to non-qualified investors.

- Alternatively, the Final Terms shall determine which of Option I or Option II and of the respective further options contained in each of Option I and Option II are applicable to the individual issue by referring to the relevant provisions of the relevant set of Terms and Conditions as set out in the Prospectus only. The Final Terms will specify that the provisions of the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus, taken together, shall constitute the Conditions. Each global note representing a particular Tranche of Notes will have the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus attached.

Determination of Options / Completion of Placeholders

The Final Terms shall determine which of the Option I or Option II shall be applicable to the individual issue of Notes. Each of the sets of Terms and Conditions of Option I or Option II contains also certain further options (characterised by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the text of the relevant set of Terms and Conditions as set out in the Prospectus) as well as placeholders (characterised by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

Determination of Options

The Issuer will determine which options will be applicable to the individual issue either by replicating the relevant provisions in the Final Terms or by reference of the Final Terms to the respective sections of the relevant set of Terms and Conditions as set out in the Prospectus. If the Final Terms do not refer to an alternative or optional provision or such alternative or optional provision is not replicated therein it shall be deemed to be deleted from the Conditions.

Completion of Placeholders

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed. In the case the provisions of the Final Terms and the relevant set of Terms and Conditions, taken together, shall constitute the Conditions the relevant set of Terms and Conditions shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions.

All instructions and explanatory notes and text set out in square brackets in the relevant set of Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

Controlling Language

As to the controlling language of the respective Conditions, the following applies:

- In the case of Notes (i) publicly offered, in whole or in part, in Germany, or (ii) initially distributed, in whole or in part, to non-qualified investors in Germany, German will be the controlling language. If, in the event of such public offer or distribution to nonqualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal offices of the Fiscal Agent and the Issuer, as specified on the back cover of this Prospectus.

- In other cases the Issuer will elect either German or English to be the controlling language.

TERMS AND CONDITIONS OF THE NOTES – INTRODUCTION

The Terms and Conditions of the Notes (the ***Terms and Conditions***) are set forth below for two options:

Option I comprises the set of Terms and Conditions that apply to Tranches of Notes with fixed interest rates.

Option II comprises the set of Terms and Conditions that apply to Tranches of Notes with floating interest rates.

The set of Terms and Conditions for each of these Options contains certain further options, which are characterised accordingly by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the set of Terms and Conditions. In the Final Terms the Issuer will determine, which of the Option I or Option II including certain further options contained therein, respectively, shall apply with respect to an individual issue of Notes, either by replicating the relevant provisions or by referring to the relevant options.

To the extent that upon the approval of the Prospectus the Issuer does not have knowledge of certain items which are applicable to an individual issue of Notes, this Prospectus contains placeholders set out in square brackets which include the relevant items that will be completed by the Final Terms.

[In the case the Final Terms applicable to an individual issue only refer to the further options contained in the set of Terms and Conditions for Option I or Option II, the following applies: The provisions of these Terms and Conditions apply to the Notes as

EMISSIONSBEDINGUNGEN DER SCHULDVERSCHREIBUNGEN – EINFÜHRUNG

Die Emissionsbedingungen für die Schuldverschreibungen (die ***Emissionsbedingungen***) sind nachfolgend in zwei Optionen aufgeführt:

Option I umfasst den Satz der Emissionsbedingungen, der auf Tranchen von Schuldverschreibungen mit fester Verzinsung Anwendung findet.

Option II umfasst den Satz der Emissionsbedingungen, der auf Tranchen von Schuldverschreibungen mit variabler Verzinsung Anwendung findet.

Der Satz von Emissionsbedingungen für jede dieser Optionen enthält bestimmte weitere Optionen, die entsprechend gekennzeichnet sind, indem die jeweilige optionale Bestimmung durch Instruktionen und Erklärungen entweder links von dem Satz der Emissionsbedingungen oder in eckigen Klammern innerhalb des Satzes der Emissionsbedingungen bezeichnet wird. In den Endgültigen Bedingungen wird die Emittentin festlegen, welche der Option I oder Option II (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) für die einzelne Emission von Schuldverschreibungen Anwendung findet, indem entweder die betreffenden Angaben wiederholt werden oder auf die betreffenden Optionen verwiesen wird.

Soweit die Emittentin zum Zeitpunkt der Billigung des Prospektes keine Kenntnis von bestimmten Angaben hatte, die auf eine einzelne Emission von Schuldverschreibungen anwendbar sind, enthält dieser Prospekt Platzhalter in eckigen Klammern, die die maßgeblichen durch die Endgültigen Bedingungen zu vervollständigenden Angaben enthalten.

[Im Fall, dass die Endgültigen Bedingungen, die für eine einzelne Emission anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz der Emissionsbedingungen der Option I oder Option II enthalten sind, ist folgendes

completed by the terms of the final terms which is attached hereto (the ***Final Terms***). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are indicated as "not applicable" shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified office of the Fiscal Agent and at the principal office of the Guarantor provided that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders of such Notes.**]**

anwendbar: Die Bestimmungen dieser Emissionsbedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen (die ***Endgültigen Bedingungen***) vervollständigt werden. Die Platzhalter in den auf die Schuldverschreibungen anwendbaren Bestimmungen dieser Emissionsbedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Platzhalter in den betreffenden Bestimmungen durch diese Angaben vervollständigt wären; alternative oder wählbare Bestimmungen dieser Emissionsbedingungen, deren Entsprechungen in den Endgültigen Bedingungen sind als "nicht anwendbar" gekennzeichnet, gelten als aus diesen Emissionsbedingungen gestrichen; sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Emissionsbedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen Emissionsbedingungen gestrichen, so dass die Bestimmungen der Endgültigen Bedingungen Geltung erhalten. Kopien der Endgültigen Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle des Fiscal Agent sowie bei der Hauptgeschäftsstelle der Garantin erhältlich; bei nicht an einer Börse notierten Schuldverschreibungen sind Kopien der betreffenden Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.**]**

TERMS AND CONDITIONS OF THE NOTES – OPTION I
NOTES WITH FIXED INTEREST RATES

Terms and Conditions that apply to Notes with fixed interest rates

Emissionsbedingungen für Schuldverschreibungen mit fester Verzinsung

§ 1 CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination*. This issue of notes (the ***Notes***) of Deutsche Annington Finance B.V., a private company with limited liability incorporated in The Netherlands (the ***Issuer***), is being issued in the aggregate principal amount **[In case the Global Note is an NGN the following applies:** (subject to § 1(6)**]** of **[Specified Currency] [aggregate principal amount]** (in words: **[aggregate principal amount in words]**) in denominations of **[Specified Currency] [Specified Denomination]** (the ***Specified Denomination***) on **[Issue Date]** (the ***Issue Date***).

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

(3) *Temporary Global Note - Exchange*.

(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 Specified Denominations represented by a permanent global note (the ***Permanent Global Note*** and, together with the Temporary Global Note, the ***Global Notes***) without coupons. **[In the case of Euroclear and CBL and if the Global Note is an NGN the following applies:** The details of such exchange shall be entered in the records of the ICSD (as defined below).**]** The

§ 1 WÄHRUNG, STÜCKELUNG, FORM, BESTIMMTE DEFINITIONEN

(1) *Währung; Stückelung*. Diese Emission von Schuldverschreibungen (die ***Schuldverschreibungen***) der Deutsche Annington Finance B.V., einer in den Niederlanden errichteten Gesellschaft mit beschränkter Haftung (die Emittentin) wird am **[Begebungstag]** (der ***Begebungstag***) im Gesamtnennbetrag **[falls die Globalurkunde eine NGN ist gilt folgendes:** (vorbehaltlich § 1(6))**]** von **[Festgelegte Währung] [Gesamtnennbetrag]** (in Worten: **[Gesamtnennbetrag in Worten]**) in einer Stückelung von **[Festgelegte Währung] [Festgelegte Stückelung]** (die ***Festgelegte Stückelung***) begeben.

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

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die ***Vorläufige Globalurkunde***) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in den Festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** und, zusammen mit der Vorläufigen Globalurkunde, die ***Globalurkunden***) ohne Zinsscheine verbrieft sind, ausgetauscht. **[Im Fall von Euroclear und CBL und wenn die Globalurkunde eine NGN ist gilt folgendes:** Die

Temporary Global Note and the Permanent Global Note shall each be signed by two authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive certificates representing individual Notes and interest coupons will not be issued.

Einzelheiten eines solchen Austausches werden in die Register der ICSD (wie nachstehend definiert) eingetragen.**]** Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von dem Fiscal Agent oder in dessen Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the ***Exchange Date***) not later than 180 days after the Issue Date of the Notes. The Exchange Date shall not be earlier than 40 days after the Issue Date. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is not a U.S. person (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 of the Notes will be treated as a request to exchange the Temporary Global Note pursuant to this § 1(3)(b). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 1**[**(7)**]**).

(b) Die Vorläufige Globalurkunde wird an einem Tag (der ***Austauschtag***) gegen die Dauerglobalurkunde ausgetauscht, der nicht mehr als 180 Tage nach dem Begebungstag der Schuldverschreibungen liegt. Der Austauschtag wird nicht weniger als 40 Tage nach dem Begebungstag liegen. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Personen 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 der Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem

§ 1(3)(b) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 1**[**(7)**]** definiert) geliefert werden.

(4) *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 **[in case of more than one Clearing System, the following applies:** each of**]** the following: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**]** **[**Clearstream Banking, société anonyme Luxembourg (***CBL***)**]** **[**and**]** **[**Euroclear Bank S.A./N.V. Brussels as operator of the Euroclear System (***Euroclear***)**]** and any successor in such capacity. **[In the case of CBL and Euroclear as Clearing System the following applies:** ***International Central Securities Depositary*** or ***ICSD*** means each of CBL and Euroclear (together, the ***ICSDs***)**]**.

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is an NGN, the following applies: The Notes are issued in new global note (***NGN***) form and are kept in custody by a common safekeeper on behalf of both ICSDs.**]**

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN, the following applies: The Notes are issued in classical global note (***CGN***) form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

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

(4) *Clearingsystem*. Jede Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. ***Clearingsystem*** bedeutet **[bei mehr als einem Clearingsystem gilt folgendes:** jeweils**]** folgendes: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**]** **[**Clearstream Banking, société anonyme, Luxemburg (***CBL***)**]** **[**und**]** **[**Euroclear Bank S.A./ N.V. Brüssel, als Betreiberin des Euroclear Systems (***Euroclear***)**]** sowie jeder Funktionsnachfolger. **[Im Falle von CBL oder Euroclear als Clearingsystem gilt folgendes:** ***International Central Securities Depositary*** oder ***ICSD*** bezeichnet jeweils CBL und Euroclear (zusammen die ***ICSDs***)**]**.

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine NGN ist gilt folgendes: Die Schuldverschreibungen werden in Form einer New Global Note (***NGN***) ausgegeben und von einem Common Safekeeper im Namen beider ICSDs verwahrt.**]**

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine CGN ist gilt folgendes: Die Schuldverschreibungen werden in Form einer Classical Global Note (***CGN***) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) *Gläubiger von Schuldverschreibungen.* ***Gläubiger*** bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen

Notes.

vergleichbaren Rechts an den Schuldverschreibungen.

[In the case the Global Note is an NGN, the following applies:

[Falls die Globalurkunde eine NGN ist, gilt folgendes:

(6) *Records of the ICSDs*. The 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 principal amount of Notes represented by the Temporary Global Note or the Permanent Global Note, as the case may be, and, for these purposes, a statement issued by an ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

(6) *Register der ICSDs*: Der Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Vorläufige Globalurkunde bzw. die Dauerglobalurkunde verbrieften Schuldverschreibungen und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD.

On any redemption or payment of an installment or 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 or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered pro rata in the records of the ICSDs and, upon any such entry being made, the 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 or by the aggregate amount of such installment so paid.

Bei Rückzahlung oder Zahlung einer Rückzahlungsrate oder Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über jede Rückzahlung und Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunden anteilig in die Register der ICSDs eingetragen werden, und nach dieser Eintragung vom Nennbetrag der in die Register der ICSDs eingetragenen und durch die Globalurkunde verbrieften Schuldschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen bzw. der Gesamtbetrag der so gezahlten Raten abgezogen wird.

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 pro rata in the records of the ICSDs.**]**

Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs anteilig in die Register der ICSDs eingetragen werden.**]**

[(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).

[(7)**]** *Vereinigte Staaten*. Für die Zwecke dieser Emissionsbedingungen 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 Northern Mariana Islands).

§ 2 STATUS, GUARANTEE

(1) *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.

(2) *Guarantee*. Deutsche Annington Immobilien SE (the ***Guarantor***) has given an unconditional and irrevocable guarantee (the ***Guarantee***) for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Notes. The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with section 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), giving rise to the right of each Holder to require performance of the Guarantee directly from the Guarantor and to enforce the Guarantee directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the specified office of the Fiscal Agent.

§ 2 STATUS, GARANTIE

(1) *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 diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(2) *Garantie.* Die Deutsche Annington Immobilien SE (die ***Garantin***) hat eine unbedingte und unwiderrufliche Garantie (die ***Garantie***) für die ordnungsgemäße und pünktliche Zahlung aller Kapital-, Zins- und sonstigen auf die Schuldverschreibungen zahlbaren Beträge übernommen. Die Garantie stellt einen Vertrag zugunsten der Gläubiger als begünstigte Dritte im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Garantin unmittelbar aus der Garantie auf Erfüllung in Anspruch zu nehmen und Ansprüche aus der Garantie unmittelbar gegen die Garantin durchzusetzen. Abschriften der Garantie sind bei der bezeichneten Geschäftsstelle des Fiscal Agent kostenlos erhältlich.

§ 3 NEGATIVE PLEDGE

(1) *Negative Pledge of the Issuer.* 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 Fiscal Agent, not to create or permit to subsist any form of security interest *in rem* (*dingliches Sicherungsrecht*) over its assets to secure any Capital Market Indebtedness other than Securitised Capital Market Indebtedness or to secure any guarantee or indemnity given by the Issuer in respect of Capital Market Indebtedness unless, subject to § 3(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) *Negative Pledge of the Guarantor.* The Guarantor has undertaken in the Guarantee, 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 Fiscal Agent, not to create or permit to subsist, and to procure that none of its Material Subsidiaries will create or permit to subsist, any form of security interest *in rem* (*dingliches Sicherungsrecht*) over its assets to secure any Capital Market Indebtedness other than Securitised Capital Market Indebtedness or to secure any guarantee or indemnity given by the Guarantor or any of its Subsidiaries in respect of Capital Market Indebtedness unless, subject to § 3(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.

§ 3 NEGATIVVERPFLICHTUNG

(1) *Negativverpflichtung der Emittentin.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt wurden, keine dinglichen Sicherungsrechte an ihren Vermögenswerten zur Besicherung von Kapitalmarktverbindlichkeiten (mit Ausnahme Verbriefter Kapitalmarktverbindlichkeiten) oder von durch die Emittentin in Bezug auf Kapitalmarktverbindlichkeiten übernommenen Garantien oder abgegebenen Freistellungserklärungen zu bestellen oder fortbestehen zu lassen, es sei denn, die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden vorbehaltlich § 3(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) *Negativverpflichtung der Garantin.* In der Garantie hat sich die Garantin verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt wurden, keine dinglichen Sicherungsrechte an ihren Vermögenswerten zur Besicherung von Kapitalmarktverbindlichkeiten (mit Ausnahme Verbriefter Kapitalmarktverbindlichkeiten) oder von durch die Garantin oder eine ihrer Tochtergesellschaften in Bezug auf Kapitalmarktverbindlichkeiten übernommenen Garantien oder abgegebenen Freistellungserklärungen zu bestellen oder fortbestehen zu lassen bzw. sicherzustellen, dass keine ihrer Wesentlichen Tochtergesellschaften dies tut, es sei denn, die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden

vorbehaltlich § 3(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.

(3) *Limitation*. The undertakings pursuant to § 3(1) and § 3(2) shall not apply:

(a) to any security interest which is mandatory according to applicable laws or required as prerequisite for governmental approvals; or

(b) with respect to any security right *in rem* (*dingliches Sicherungsrecht*) provided by any Subsidiary over any of such Subsidiary's claims against the Guarantor, which claims arise as a result of the passing on to the Guarantor of the proceeds from the issue by such Subsidiary of any Capital Market Indebtedness, *provided that* any such security serves solely to secure obligations under such Capital Market Indebtedness issued by such Subsidiary**.**

(3) *Beschränkung.* Die Verpflichtungserklärungen nach § 3(1) und § 3(2) gelten nicht:

(a) für Sicherungsrechte, die nach anwendbarem Recht zwingend vorgeschrieben sind oder Voraussetzung für die Gewährung staatlicher Genehmigungen sind; oder

(b) für dingliche Sicherungsrechte, die von einer Tochtergesellschaft an Forderungen gegen die Garantin bestellt werden, die ihr aufgrund der Weiterleitung von erzielten Erlösen der Tochtergesellschaft aus der Begebung von Kapitalmarktverbindlichkeiten erzielten Erlösen der Tochtergesellschaft an die Garantin zustehen, vorausgesetzt, diese Sicherheiten dienen ausschließlich der Besicherung von Verpflichtungen aus den von dieser Tochtergesellschaft begebenen Kapitalmarktverbindlichkeiten.

(4) *Provision of Additional Security*. Whenever the Issuer or the Guarantor, as the case may be, becomes obligated to secure (or procure that a Material Subsidiary secures) the Notes pursuant to § 3(1) and (2), the Issuer or the Guarantor, as applicable, shall be entitled to discharge such obligation by providing (or procure 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 (*dinglich oder, falls rechtlich nicht möglich, aufgrund*

(4) *Bestellung zusätzlicher Sicherheiten*. Entsteht für die Emittentin oder gegebenenfalls die Garantin die Verpflichtung zur Besicherung der Schuldverschreibungen gemäß § 3(1) und (2) (oder entsteht die Verpflichtung, für deren Besicherung durch eine Wesentliche Tochtergesellschaft Sorge zu tragen), so sind die Emittentin bzw. die Garantin berechtigt, diese Verpflichtung dadurch zu erfüllen, dass ein Sicherungsrecht an dem jeweiligen Sicherungsgegenstand zugunsten eines Sicherheitentreuhänders begründet wird (bzw. dadurch, dass sie die betreffende Wesentliche Tochtergesellschaft zur

schuldrechtlicher Vereinbarung gleichrangig), 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.

Begründung eines solchen Sicherungsrechts veranlassen), und zwar in einer Weise, dass der Sicherheitentreuhänder diesen Sicherungsgegenstand dinglich oder, falls rechtlich nicht möglich, aufgrund schuldrechtlicher Vereinbarung gleichrangig zugunsten der Gläubiger der Schuldverschreibungen und der Gläubiger derjenigen Kapitalmarktverbindlichkeit hält, die aufgrund einer Besicherung mit einem Sicherungsrecht zur Bestellung dieses Sicherungsrechts an dem betreffenden Sicherungsgegenstand führte.

§ 4 INTEREST

(1) *Rate of Interest and Interest Payment Dates*. The Notes shall bear interest on their principal amount at the rate of **[Rate of Interest]** per cent. per annum from (and including) **[Interest Commencement Date]** (the ***Interest Commencement Date***) to (but excluding) the Maturity Date (as defined in § 6(1)). Interest shall be payable annually in arrears on **[Interest Payment Date(s)]** in each year (each such date, an ***Interest Payment Date***). The first payment of interest shall be made on **[first Interest Payment Date] [if the first Interest Payment Date is not the first anniversary of Interest Commencement Date the following applies**: and will amount to **[Initial Broken Amount per Specified Denomination]]**. **[if the Maturity Date is not an annual Interest Payment Date the following applies**: Interest in respect of the period from (and including) **[last Interest Payment Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[Final Broken Amount per Specified Denomination]**.**]**

(2) *Late Payments*. 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 until (but excluding) the date of actual redemption of the Notes at the default rate of

§ 4 VERZINSUNG

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar vom **[Verzinsungsbeginn]** (der ***Verzinsungsbeginn***) (einschließlich) mit **[Zinssatz]** % p.a. bis zum Fälligkeitstag (wie in § 6(1) definiert) (ausschließlich). Die Zinsen sind nachträglich am **[Zinszahlungstag(e)]** eines jeden Jahres zahlbar (jeweils ein ***Zinszahlungstag***). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag] [sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, gilt folgendes:** und beläuft sich auf **[anfänglicher Bruchteilzinsbetrag je Festgelegte Stückelung]]**. **[sofern der Fälligkeitstag kein jährlicher Zinszahlungstag ist, gilt folgendes:** Die Zinsen für den Zeitraum vom **[letzter dem Fälligkeitstag vorausgehender Zinszahlungstag]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[abschließender Bruchteilzinsbetrag je Festgelegte Stückelung]**.**]**

(2) *Zahlungsverzug*. Wenn die Emittentin aus irgendeinem Grund Zahlungen auf die Schuldverschreibungen bei Fälligkeit nicht zahlt, wird der ausstehende Betrag vom Tag der Fälligkeit (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der

interest established by law[3]. Claims for further damages in case of late payment are not excluded.

Schuldverschreibungen (ausschließlich) mit dem gesetzlich bestimmten Verzugszins [4] verzinst. Die Geltendmachung eines weitergehenden Schadens ist nicht ausgeschlossen.

(3) *Calculation of Interest for Periods of less than one Year*. If interest **[if First Interest Payment Date is not first anniversary of Interest Commencement Date and the Initial Broken Amounts per Specified Denomination have been specified in the applicable Final Terms the following applies:** for any period other than the first interest period**]** is to be calculated for a period of less than a full year, it shall be calculated on the basis of the Day Count Fraction (as defined below).**] [If the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable the following applies:** The number of Interest Payment Dates per calendar year (each a ***Determination Date***) is **[number of regular Interest Payment Dates per calendar year]**.**]**

(3) *Berechnung der Zinsen für Zeiträume von weniger als einem Jahr.* Sofern Zinsen für einen Zeitraum von weniger als einem vollen Jahr zu berechnen sind, erfolgt **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist und die anfänglichen Bruchteilzinsbeträge je Festgelegte Stückelung in den Endgültigen Bedingungen festgelegt wurden, gilt folgendes:**, außer für den ersten Zinszahlungszeitraum,**]** die Berechnung auf der Grundlage des Zinstagequotienten (wie nachfolgend definiert). **[falls die Festgelegte Währung Euro ist, und falls Actual/Actual (ICMA) anwendbar ist, gilt folgendes:** Die Anzahl der Zinszahlungstage je Kalenderjahr (jeweils ein ***Feststellungstermin***) beträgt **[Anzahl der regulären Zinszahlungstage je Kalenderjahr]**.**]**

(4) *Day Count Fraction*. ***Day Count Fraction*** means, in respect of the calculation of an amount of interest on any Note for any period of time (the ***Calculation Period***):

[In case of Actual/365 or Actual/Actual (ISDA) the following applies: the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).

(4) *Zinstagequotient.* ***Zinstagequotient*** bezeichnet in Bezug auf die Berechnung von Zinsbeträgen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der ***Zinsberechnungszeitraum***):

[Im Falle von Actual/365 oder Actual/Actual (ISDA) gilt folgendes: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraumes in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 366, und (B) der tatsächlichen Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums, dividiert

[3] The default rate of interest established by statutory law is five percentage points above the basis 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*).

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

durch 365).

[In case of Actual/Actual (ICMA) the following applies:

(a) if the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; or

(b) if the Calculation Period (from and including the first day of such period but excluding the last) is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year.

[Im Falle von Actual/Actual (ICMA) gilt folgendes:

(a) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) geteilt durch das Produkt aus (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Feststellungstermine in einem Kalenderjahr; oder

(b) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt, die Summe aus (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine in einem Kalenderjahr und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine in einem

Kalenderjahr.

Determination Period means the period from (and including) a Determination Date (or, in the case of the first Determination Date, from (and including) the Interest Commencement Date) to, (but excluding) the next Determination Date.**]**

Feststellungsperiode ist der Zeitraum ab einem Feststellungstermin (einschließlich desselben) (oder, im Fall des ersten Feststellungstermins, vom Verzinsungsbeginn (einschließlich)) bis zum nächsten Feststellungstermin (ausschließlich).**]**

[In case of Actual/365 (Fixed) the following applies: the actual number of days in the Calculation Period divided by 365.**]**

[Im Falle von Actual/365 (Fixed) gilt folgendes: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365.**]**

[In case of Actual/360 the following applies: the actual number of days in the Calculation Period divided by 360.**]**

[Im Falle von Actual/360 gilt folgendes: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360.**]**

[In case of 30/360, 360/360 or Bond Basis the following applies: the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

[Im Falle von 30/360, 360/360 oder Bond Basis gilt folgendes: die Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, in welchem Fall der diesen letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

[In the case of 30E/360 or Eurobond Basis the following applies: the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the

[Im Falle von 30E/360 oder Eurobond Basis gilt folgendes: die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag

month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

§ 5 PAYMENTS

§ 5 ZAHLUNGEN

(1) *Payment of Principal and Interest*. Payment of principal and interest in respect of Notes shall be made, in accordance with § 5(2), 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.

Payment of interest on Notes represented by the Temporary Global Note shall be made, in accordance with § 5(2), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).

(1) *Zahlung von Kapital und Zinsen.* Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt nach Maßgabe des § 5(2) an die Zahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

Die Zahlung von Zinsen auf die Schuldverschreibungen, die durch die Vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe des § 5(2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1(3)(b).

(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 the Specified Currency.

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

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

(3) *Erfüllung.* Die Emittentin bzw. die Garantin werden durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(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.

(4) *Geschäftstag.* Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf eine Schuldverschreibung auf einen 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.

For these purposes, ***Business Day*** means

Für diese Zwecke bezeichnet ***Geschäftstag***

[In the case the Specified Currency is Euro the following applies: a day (other than a Saturday or a Sunday) on which banks are open for general business in **[relevant financial center(s)] [**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 (TARGET2) are operational to effect payments.**]**

[Wenn die Festgelegte Währung Euro ist, gilt folgendes: einen Tag (außer einem Samstag oder Sonntag), an dem Banken in **[relevante(s) Finanzzentrum(en)] [**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 (TARGET2) betriebsbereit sind, um Zahlungen vorzunehmen.**]**

[In the case the Specified Currency is not Euro the following applies: a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in **[relevant financial center(s)]**.**]**

[Wenn die Festgelegte Währung nicht Euro ist, gilt folgendes: einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken und Devisenmärkte in **[relevante(s) Finanzzentrum(en)]** Zahlungen abwickeln.**]**

(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 principal amount per Note **[if the Notes are subject to Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:**, the Call Redemption Amount**] [if the Notes are subject to Early Redemption at the Option of the Holder at specified redemption amount(s), the following applies:**, the Put Redemption Amount**]**, Additional Amounts 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.

(5) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Nennbetrag je Schuldverschreibung **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurück zu zahlen, gilt folgendes:**, den Wahl-Rückzahlungsbetrag**] [falls der Gläubiger das Wahlrecht hat, die vorzeitige Rückzahlung der Schuldverschreibungen zu einem festgelegten Rückzahlungsbetrag bzw. festgelegten Rückzahlungsbeträgen zu verlangen, gilt folgendes:**, den Gläubigerwahl-Rückzahlungsbetrag**]**, Zusätzliche Beträge und alle Aufschläge oder sonstigen auf die Schuldverschreibungen oder im Zusammenhang damit gegebenenfalls zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen schließen, soweit anwendbar, sämtliche gegebenenfalls gemäß § 8 zahlbaren Zusätzlichen Beträge ein.

(6) *Deposit of Principal and Interest*. The Issuer or the Guarantor, as the case may

(6) *Hinterlegung von Kapital und Zinsen.* Die Emittentin bzw. die Garantin ist

be, may deposit with the local court (*Amtsgericht*) 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.

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. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

§ 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 principal amount on **[Maturity Date]** (the ***Maturity Date***).

(2) *Early Redemption for Reasons of Taxation*. If as a result of any change in, or amendment to, the laws or regulations of the Relevant Taxing Jurisdiction in respect of the Issuer or, as the case may be, the Guarantor 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 last tranche of this series of Notes was issued, the Issuer or, as the case may be, the Guarantor 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 or, as the case may be, the Guarantor, which are, in the judgement of the Issuer or, as the case may be, the Guarantor, 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 Issuer, at any time upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 15 to the Holders, at the principal amount together with

§ 6 RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit*. Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Nennbetrag am **[Fälligkeitstag]** (der ***Fälligkeitstag***) zurückgezahlt.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können jederzeit insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Erklärung gegenüber dem Fiscal Agent 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 bzw. die Garantin als Folge einer Änderung oder Ergänzung der Gesetze und Vorschriften der Maßgeblichen Steuerjurisdiktion im Hinblick auf die Emittentin bzw. die Garantin, die Steuern oder die Verpflichtung zur Zahlung von Abgaben jeglicher Art betreffen, oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag der Begebung der letzten Tranche dieser Serie von Schuldverschreibungen wirksam) am nächstfolgenden Zinszahlungstag zur Zahlung von Zusätzlichen Beträgen verpflichtet sein wird und diese Verpflichtung nicht

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

durch das Ergreifen der Emittentin bzw. der Garantin zur Verfügung stehender Maßnahmen, die nach Auffassung der Emittentin bzw. der Garantin zumutbar sind (wobei jeweils die Interessen der Gläubiger zu berücksichtigen sind) vermieden werden kann.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor 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 darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin bzw. die Garantin 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.

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 in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

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 Umständen darlegt.

[If the Notes are subject to Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:

[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurück zu zahlen, gilt folgendes:

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

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

(a) The Issuer may upon not less than 30 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 § 6) in whole but not in part, at their Call Redemption Amount together with accrued but unpaid interest, if any, to (but excluding) the relevant Call Redemption Date.

(a) Die Emittentin kann die Schuldverschreibungen (ausgenommen Schuldverschreibungen, deren Rückzahlung der Gläubiger bereits in Ausübung seines Wahlrechts nach § 6 verlangt hat) insgesamt, jedoch nicht teilweise, nach ihrer Wahl mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Erklärung gegenüber der Zahlstelle und gemäß § 15 gegenüber den Gläubigern kündigen und an einem von ihr anzugebenden Tag (der ***Wahl-Rückzahlungstag***) zu ihrem Wahl-Rückzahlungsbetrag (zuzüglich etwaigen bis zum betreffenden Wahl-Rückzahlungstag (ausschließlich)

aufgelaufenen aber noch nicht gezahlten Zinsen) zurückzahlen.

The ***Call Redemption Amount*** per Note shall be an amount equal to the sum of:

Der ***Wahl-Rückzahlungsbetrag*** je Schuldverschreibung entspricht der Summe aus:

(i) the principal amount of the relevant Note to be redeemed; and

(i) dem Nennbetrag der zurückzuzahlenden Schuldverschreibung; und

(ii) the Applicable Premium on the Call Redemption Date.

(ii) der Anwendbaren Prämie am Wahl-Rückzahlungstag.

The Call Redemption Amount shall be calculated by the Calculation Agent.

Der Wahl-Rückzahlungsbetrag wird von der Berechnungsstelle berechnet.

Applicable Premium means on any Call Redemption Date the excess, if any, of

Anwendbare Prämie bezeichnet an einem Wahl-Rückzahlungstag die etwaige Differenz, um die

(i) the present value on such redemption date of

(i) der Barwert zum betreffenden Rückzahlungstag

(A) 100 per cent. of the principal amount of the Notes, plus

(A) von 100 % des Nennbetrags je Schuldverschreibung, zuzüglich

(B) all remaining scheduled interest payments per Note to (but excluding) the Maturity Date

(B) aller bis zum Fälligkeitstag vorgesehenen und noch fällig werdenden Zinszahlungen je Schuldverschreibung,

discounted with the Benchmark Yield plus **[margin]** basis points over

abgezinst mit der Benchmark-Rendite zuzüglich **[Marge]** Basispunkten

(ii) the principal amount of such Note.

(ii) den Nennbetrag dieser Schuldverschreibung übersteigt.

The ***Benchmark Yield*** shall be the yield to maturity at the Redemption Calculation Date of **[general type of benchmark security]** with a constant maturity (as compiled and published in the most recent **[benchmark statistics]** which has become publicly available on **[date for availability of benchmark statistics]** (or, if such statistics are not so published or available, any publicly available source of similar market data selected by the Calculation Agent in

Die ***Benchmark-Rendite*** entspricht der bis zur Fälligkeit am Rückzahlungs-Berechnungstag bestehenden Rendite einer **[allgemeine Art des Benchmark-Wertpapiers]** mit einer Festlaufzeit (wie bestimmt und in den zum **[Datum der Verfügbarkeit der statistischen Benchmark Informationen]** zuletzt verfügbaren öffentlich zugänglichen **[statistische Benchmark-Informationen]** veröffentlicht (oder falls solche statistischen Informationen

good faith)) most nearly equal to the period from the Call Redemption Date to the Maturity Date; provided, however, that if the period from the Call Redemption Date to the Maturity Date is not equal to the constant maturity of a **[benchmark security]** for which a weekly average yield is given, the Benchmark Yield shall be obtained by a linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of **[benchmark security]** for which such yields are given, except that if the period from the Call Redemption Date to the Maturity Date is less than one year, the weekly average yield on actually traded **[benchmark security]** adjusted to a constant maturity of one year shall be used.

nicht veröffentlicht oder zugänglich sind, wie in einer anderen von der Berechnungsstelle nach Treu und Glauben ausgewählten, öffentlich zugänglichen Quelle vergleichbarer Marktdaten angegeben), die der Zeitspanne vom Wahl-Rückzahlungstag bis zum Fälligkeitstag der Schuldverschreibung am ehesten entspricht. Sollte jedoch die Zeitspanne vom Wahl-Rückzahlungstag bis zum Fälligkeitstag nicht der Festlaufzeit einer solchen **[Benchmark-Wertpapier]** entsprechen, für die eine wöchentliche Durchschnittsrendite angegeben wird, so ist die Benchmark-Rendite im Wege der linearen Interpolation (berechnet auf das nächste Zwölftel eines Jahres) aus den wöchentlichen Durchschnittsrenditen solcher **[Benchmark-Wertpapier]** zu ermitteln, für die solche Renditen angegeben werden. Sofern die Zeitspanne vom Wahl-Rückzahlungstag bis zum Fälligkeitstag kürzer als ein Jahr ist, so ist die wöchentliche Durchschnittsrendite einer tatsächlich gehandelten **[Benchmark-Wertpapier]**, angepasst auf eine Festlaufzeit von einem Jahr, anzuwenden.

Redemption Calculation Date means the sixth Business Day prior to the date on which the Notes are redeemed in accordance with this § 6(3).

Rückzahlungs-Berechnungstag ist der sechste Geschäftstag vor dem Tag, an dem die Schuldverschreibungen gemäß diesem § 6(3) zurückgezahlt werden.

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 15. Such notice shall specify:

(i) the series of Notes subject to redemption;

(ii) the Call Redemption Date; and

(iii) the Call Redemption Amount at which such Notes are to be redeemed.**]**

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 15 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) den Wahl-Rückzahlungstag; und

(iii) den Wahl-Rückzahlungsbetrag zu dem die Schuldverschreibungen zurückgezahlt werden.**]**

[(4)**] Early Redemption at the Option of the Holders upon a Change of Control.**

[(4)**] Vorzeitige Rückzahlung nach Wahl der Gläubiger bei Vorliegen eines Kontrollwechsels.**

(a) If a Change of Control occurs after the Issue Date, 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 at the principal amount per Note together with accrued and unpaid interest up to (but excluding) the Change of Control Put Date (the ***Change of Control Put Option***). Such Change of Control Put Option shall operate as set out below under § 6**[**(4)**]** (b)-(c).

(a) Tritt nach dem Begebungstag ein Kontrollwechsel ein, so ist jeder Gläubiger berechtigt, aber nicht verpflichtet, von der Emittentin die vollständige oder teilweise Rückzahlung oder, nach Wahl der Emittentin, den vollständigen oder teilweisen Ankauf (oder die Veranlassung eines Ankaufs) seiner Schuldverschreibungen zum Nennbetrag je Schuldverschreibung zuzüglich bis zum Kontrollwechsel-Gläubigerwahl-Rückzahlungstag (ausschließlich) aufgelaufener aber noch nicht gezahlter Zinsen zu verlangen (das ***Kontrollwechsel-Gläubiger-Rückzahlungswahlrecht***). Dieses Rückzahlungswahlrecht ist wie nachstehend unter § 6**[**(4)**]** (b)-(c) beschrieben auszuüben.

Change of Control shall be deemed to have occurred at each time (whether or not approved by the board of executive directors or supervisory board of the Guarantor) that:

Ein ***Kontrollwechsel*** gilt jedes Mal in einem der folgenden Fälle als eingetreten (unabhängig davon, ob der Vorstand oder der Aufsichtsrat der Garantin zugestimmt hat):

(i) In the event of a public tender offer for shares of the Guarantor a situation arises in which (i) shares already directly or indirectly under the control of the bidder and/or Persons acting in concert with the bidder and shares which have already been tendered in the tender offer, carry in aggregate more than 50 per cent. of the voting rights in the Guarantor and (ii) the offer is or has become unconditional (other than for conditions relating to regulatory, in particular merger control, approvals and other conditions the satisfaction of which may remain pending following the end of the acceptance period pursuant to section 16(1) of the German Takeover Act (*Gesetz zur Regelung von öffentlichen Angeboten zum Erwerb von Wertpapieren und von Unternehmensübernahmen – WpÜG*)), *provided that* if (y)

(i) Wenn im Fall eines öffentlichen Übernahmeangebots für Aktien der Garantin die Situation eintritt, dass (i) Aktien, die sich bereits unmittelbar oder mittelbar unter der Kontrolle des Bieters und/oder gemeinsam mit ihm handelnder Personen befinden, und bereits im Rahmen des Übernahmeangebots eingereichte Aktien insgesamt mehr als 50 % der Stimmrechte der Garantin auf sich vereinen und (ii) das Angebot nicht oder nicht mehr von Bedingungen abhängig ist (mit Ausnahme von Bedingungen hinsichtlich aufsichtsrechtlicher, insbesondere fusionskontrollrechtlicher, Genehmigungen und anderer Bedingungen, deren Erfüllung nach Ende der Annahmefrist gemäß § 16 Abs. 1 des Gesetzes zur Regelung von öffentlichen Angeboten zum Erwerb von

following a public tender offer for shares of the Guarantor any Person or Persons control(s) 30 per cent. or more of the voting shares in the Guarantor, but did not acquire Control and (z) subsequently such Person or Persons acquire(s) Control, a Change of Control shall be deemed to have occurred at the time such Person or Persons acquire(s) Control; or

Wertpapieren und von Unternehmensübernahmen (WpÜG) noch offen bleiben kann). In diesem Zusammenhang gilt jedoch, dass wenn (y) nach einem öffentlichen Übernahmeangebot für Aktien der Garantin eine oder mehrere Personen mindestens 30 % der stimmberechtigten Aktien der Garantin kontrollieren, aber nicht die Kontrolle erworben haben und (z) diese Person bzw. diese Personen die Kontrolle zu einem späteren Zeitpunkt erwirbt bzw. erwerben, der Kontrollwechsel zu dem Zeitpunkt dieses Kontrollerwerbs eintritt; oder

(ii) the Guarantor sells or otherwise transfers all or substantially all of its assets to any Person (except for any Controlled Subsidiary).

(ii) die Garantin verkauft oder überträgt in sonstiger Weise ihr gesamtes oder im Wesentlichen ihr gesamtes Vermögen an eine Person (die keine Abhängige Tochtergesellschaft ist).

Control means any direct or indirect legal or beneficial ownership or any legal or beneficial entitlement (as defined in section 22 of the German Securities Trading Act (*Wertpapier-handelsgesetz – WpHG*) of, in the aggregate, more than 50 per cent. of the voting shares of the Guarantor which does not constitute, at the same time, a Portfolio Restructuring.

Kontrolle bezeichnet das unmittelbare oder mittelbare rechtliche oder wirtschaftliche Eigentum oder eine rechtliche oder wirtschaftliche Berechtigung (im Sinne von § 22 des Wertpapierhandelsgesetzes (WpHG)) an insgesamt mehr als 50 % der stimmberechtigten Aktien der Garantin, das bzw. die nicht gleichzeitig eine Portfolio-Restrukturierung darstellt.

Controlled Subsidiary means any entity controlled (*abhängiges Unternehmen*) by the Guarantor within the meaning of section 17 of the German Stock Corporation Act (*Aktiengesetz*).

Abhängige Tochtergesellschaft bezeichnet ein von der Garantin im Sinne von § 17 des Aktiengesetzes (AktG) abhängiges Unternehmen.

Portfolio Restructuring means any sale, assignment, conveyance, transfer, lease or other disposition of voting rights in the Guarantor within the Terra Firma Group.

Portfolio-Restrukturierung bezeichnet einen Verkauf, eine Abtretung, Überlassung, Übertragung, ein Verleihen oder eine anderweitige Verfügung über Stimmrechte an der Garantin innerhalb der Terra Firma Group.

Terra Firma Group means Terra Firma Investments (DA) Limited (TFIDA);

Terra Firma Group bezeichnet Terra Firma Investments (DA) Limited

Terra Firma Investments (DA) II Limited (TFIDA II); any associate of TFIDA or TFIDA II; any fund managed and/or advised by TFIDA or TFIDA II and/or an associate thereof; and/or any successor of TFIDA and/or TFIDA II as general partner and/or manager of any of all of the Terra Firma Deutschland Annington Funds.

(TFIDA), Terra Firma Investments (DA) II Limited (TFIDA II), mit TFIDA oder TFIDA II verbundene Unternehmen, von TFIDA oder TFIDA II und/oder mit ihnen verbundenen Unternehmen verwaltete und/oder beratene Fonds, und/oder Nachfolger von TFIDA und/oder TFIDA II als Komplementär und/oder Verwaltungsgesellschaft einzelner oder aller Terra Firma Deutschland Annington Fonds.

(b) If a Change of Control occurs, then the Issuer shall, without undue delay, after the Guarantor becoming aware thereof, give notice of the Change of Control (a ***Change of Control Put Event Notice***) to the Holders in accordance with § 15 specifying the nature of the Change of Control and the procedure for exercising the Change of Control Put Option contained in this § 6**[**(4)**]** (including the information on the Clearing System account of the Paying Agent for purposes of subparagraph (c)(ii)(x) of this § 6**[**(4)**]**).

(b) Tritt ein Kontrollwechsel ein, so teilt die Emittentin dies unverzüglich, nachdem die Garantin davon Kenntnis erlangt hat, den Gläubigern gemäß § 15 mit (eine ***Kontrollwechsel-Gläubigerwahl-Rückzahlungsereignis-Mitteilung***) und gibt dabei die Art des Kontrollwechsels und das in diesem § 6**[**(4)**]** vorgesehene Verfahren zur Ausübung des Kontrollwechsel-Gläubiger-Rückzahlungswahlrechts an (mit Angaben zum Clearingsystem-Konto der Zahlstelle für die Zwecke von Teilziffer (c)(ii)(x) dieses § 6**[**(4)**]**).

(c) To exercise the Change of Control Put Option, the Holder must deliver on any Business Day within 30 days after a Change of Control Put Event Notice has been published (the ***Change of Control Put Period***) (i) to the Fiscal Agent at its specified office a duly signed and completed notice of exercise in the then current form obtainable from the Fiscal Agent (a ***Change of Control Put Notice***) and (ii) the aggregate Specified Denomination of Notes for which the Holder wishes to exercise its Change of Control Put Option either by transferring such Notes to the Clearing System account of the Paying Agent or by withdrawal of such Notes from such Holder's account in accordance with the procedures of the Clearing System. The Issuer shall redeem or, at its option, purchase (or procure the purchase of) the relevant Note(s) on the date (the ***Change of Control Put Date***) seven days after the expiration of the Change of Control Put Period unless previously redeemed or purchased and cancelled. Payment in respect of any Note so

(c) Zur Ausübung des Kontrollwechsel-Gläubiger-Rückzahlungswahlrechts muss der Gläubiger an einem Geschäftstag innerhalb von 30 Tagen, nachdem die Kontrollwechsel-Gläubiger-Rückzahlungsereignis-Mitteilung bekannt gegeben wurde (der ***Kontrollwechsel-Ausübungszeitraum***), (i) bei der bezeichneten Geschäftsstelle des Fiscal Agent eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung in der jeweils bei dem Fiscal Agent erhältlichen maßgeblichen Form einreichen (die ***Kontrollwechsel-Ausübungserklärung***) und (ii) Schuldverschreibungen in Höhe des Gesamtbetrags der Festgelegten Stückelung einreichen, für die der Gläubiger sein Kontrollwechsel-Gläubiger-Rückzahlungswahlrecht ausüben möchte, und zwar entweder durch Übertragung dieser Schuldverschreibungen auf das Clearingsystem-Konto der Zahlstelle oder durch Ausbuchung dieser Schuldverschreibungen aus dem Wertpapierdepot des Gläubigers gemäß den Verfahren des Clearingsystems .

delivered will be made in accordance with the customary procedures through the Clearing System. A Change of Control Put Notice, once given, shall be irrevocable.**]**

Die Emittentin wird die betreffende(n) Schuldverschreibung(en) sieben Tage nach Ablauf des Kontrollwechsel-Ausübungszeitraums (der ***Kontrollwechsel-Rückzahlungstag***) 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 Kontrollwechsel-Ausübungserklärung ist unwiderruflich.**]**

[If the Notes are subject to Early Redemption at the Option of the Holder at specified redemption amount(s), the following applies:

[Falls der Gläubiger das Wahlrecht hat, die vorzeitige Rückzahlung der Schuldverschreibungen zu einem festgelegten Rückzahlungsbetrag bzw. festgelegten Rückzahlungsbeträgen zu verlangen, gilt folgendes:

[(5)**]** *Early Redemption at the Option of a Holder.*

[(5)**]** *Vorzeitige Rückzahlung nach Wahl eines Gläubigers***.**

(a) The Issuer shall, at the option of the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Gläubigerwahl-Rückzahlungstag(en) zum/zu den Gläubigerwahl-Rückzahlungsbetrag/-beträgen, wie nachfolgend angegeben nebst etwaigen bis zum Gläubigerwahl-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Put Redemption Date(s)	***Put Redemption Amount(s)***
[Put Redemption Dates(s)]	**[Put Redemption Amount(s)]**

Gläubigerwahl-Rückzahlungs-tag(e)	***Gläubigerwahl-Rückzahlungsbetrag/-beträge***
[Gläubigerwahl-Rückzahlungstag(e)	**[Gläubigerwahl-Rückzahlungsbetrag/ -beträge]**

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of any of its options to redeem such Note under this § 6.

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor in Ausübung eines ihrer Wahlrechte nach diesem § 6 verlangt hat.

(b) To exercise such option, the Holder

(b) Zur Ausübung dieses Wahlrechts muss

must, not less than 30 days nor more than 60 days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Redemption Notice (as defined below), deliver (i) to the Fiscal Agent at its specified office a duly signed and completed notice of exercise in the then current form obtainable from the Fiscal Agent (a ***Put Redemption Notice***) and (ii) the aggregate Specified Denomination of Notes for which the Holder wishes to exercise its option either (x) by transferring such Notes to the Clearing System account of the Paying Agent or (y) by giving an irrevocable instruction to the Paying Agent to withdraw such Notes from a securities account of the Holder with the Paying Agent. Payment in respect of any Note so delivered will be made in accordance with the customary procedures through the Clearing System. A Put Redemption Notice, once given, shall be irrevocable.**]**

der Gläubiger nicht weniger als 30 Tage und nicht mehr als 60 Tage vor dem Gläubigerwahl-Rückzahlungstag, an dem die Rückzahlung gemäß der Gläubigerwahl-Rückzahlungs-Ausübungserklärung (wie nachfolgend definiert) erfolgen soll, (i) bei der bezeichneten Geschäftsstelle des Fiscal Agent eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung in der jeweils bei dem Fiscal Agent erhältlichen maßgeblichen Form einreichen (die ***Gläubigerwahl-Rückzahlungs-Ausübungserklärung***) und (ii) Schuldverschreibungen in Höhe des Gesamtbetrags der Festgelegten Stückelung einreichen, für die der Gläubiger sein Wahlrecht ausüben möchte, und zwar entweder (x) durch Übertragung der Schuldverschreibungen auf das Clearingsystem-Konto der Zahlstelle oder (y) durch unwiderrufliche Anweisung an die Zahlstelle zur Ausbuchung der Schuldverschreibungen aus dem Wertpapierdepot des Gläubigers bei der Zahlstelle. Die Zahlung in Bezug auf solchermaßen eingereichte Schuldverschreibungen erfolgt gemäß den üblichen Verfahren über das Clearingsystem. Eine einmal abgegebene Gläubigerwahl-Rückzahlungs-Ausübungserklärung ist unwiderruflich.**]**

[If the Notes are subject to Early Redemption in case of minimal outstanding aggregate principal amount of the Notes, the following applies:

[Im Falle einer Vorzeitigen Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Gesamtnennbetrag der Schuldverschreibungen, gilt folgendes:

[(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 then outstanding have been redeemed or purchased by the Issuer, the Guarantor or any direct or indirect Subsidiary of the Guarantor 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 as a whole

[(6)**]** *Vorzeitige Rückzahlung bei geringem ausstehenden Gesamtnennbetrag der Schuldverschreibungen.* Wenn 80 % oder mehr des Gesamtnennbetrags der zum betreffenden Zeitpunkt ausstehenden Schuldverschreibungen nach diesem § 6 von der Emittentin, der Garantin oder einer direkten oder indirekten Tochtergesellschaft der Garantin zurückgezahlt oder angekauft wurden, ist die Emittentin berechtigt, nach vorheriger Bekanntmachung gegenüber den Gläubigern gemäß § 15

at the principal amount thereof plus interest accrued to but excluding the date of such redemption.**]**

mit einer Frist von mindestens 30 und höchstens 60 Tagen nach ihrer Wahl alle ausstehenden Schuldverschreibungen zum Nennbetrag zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurück zu zahlen.**]**

§ 7 FISCAL AGENT [,] [AND] PAYING AGENT [in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies: AND CALCULATION AGENT]

§ 7 FISCAL AGENT [,][UND] ZAHLSTELLE [falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes: UND BERECHNUNGSSTELLE]

(1) *Appointment; Specified Office.* The initial Fiscal Agent **[**,**][**and**]** the initial Paying Agent **[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:** and the initial Calculation Agent**]** and their initial specified offices shall be:

(1) *Bestellung; bezeichnete Geschäftsstelle.* Der anfänglich bestellte Fiscal Agent **[**,**][**und**]** die anfänglich bestellte Zahlstelle **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes:** und die anfänglich bestellte Berechnungsstelle**]** und deren anfänglich bezeichneten Geschäftsstellen lauten wie folgt:

Fiscal Agent and Paying Agent:

Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Federal Republic of Germany

[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:

Calculation Agent:

[Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Federal Republic of Germany**] [name and specified office]]**

The Fiscal Agent **[**,**][**and**]** Paying Agent **[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:** and the Calculation Agent**]** reserve the right at any time to change

Fiscal Agent und Zahlstelle:

Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Bundesrepublik Deutschland

[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes:

Berechnungsstelle:

[Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Bundesrepublik Deutschland**] [Name und bezeichnete Geschäftsstelle]**

Der Fiscal Agent **[**,**][**und**]** die Zahlstelle **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes:** und die Berechnungsstelle**]** behalten sich das

their specified offices to some other office in the same city.

Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent **[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:** or the Calculation Agent**]** and to appoint another Fiscal Agent or additional or other Paying Agents **[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:** or another Calculation Agent**]**. The Issuer shall at all times maintain a Fiscal Agent **[**,**][**and**]** a Paying Agent **[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount the following applies: [**,**][**and**]** a Calculation Agent**] [in the case of payments in U.S. dollars the following applies:** and if payments at or through the offices of all Paying Agents outside the United States (as defined in § 1**[**(7)**]**) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollar, a Paying Agent with a specified office in New York City**]**. Any variation, termination, appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 15.

(2) *Änderung oder Beendigung der Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung des Fiscal Agent oder einer Zahlstelle **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes:** oder der Berechnungsstelle**]** zu ändern oder zu beenden und einen anderen Fiscal Agent oder zusätzliche oder andere Zahlstellen **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes:** oder eine andere Berechnungsstelle**]** zu bestellen. Die Emittentin wird zu jedem Zeitpunkt einen Fiscal Agent **[**und**][**,**]** eine Zahlstelle **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes: [**,**][**und**]** eine Berechnungsstelle **[im Fall von Zahlungen in US-Dollar gilt folgendes:** und falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 1**[**(7)**]** definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City**]** unterhalten. Eine Änderung, Beendigung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 15 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Agent of the Issuer*. The Fiscal Agent

(3) *Erfüllungsgehilfe der Emittentin.* Der

[,**][**and**]** the Paying Agent **[in the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount, the following applies:** and the Calculation Agent**]** and any other paying agent appointed pursuant to subsection (2) act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

Fiscal Agent **[**,**][**und**]** die Zahlstelle **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zum Wahl-Rückzahlungsbetrag vorzeitig zurückzuzahlen, gilt folgendes:** und 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.

§ 8 TAXATION

All amounts payable in respect of the Notes shall be made, and the Guarantee shall provide that all amounts payable in respect of such Guarantee shall be made, without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of any jurisdiction in which the Issuer or the Guarantor, as applicable, is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the Notes or the Guarantee, as applicable, is made or any political subdivision or any authority thereof or therein having power to tax (each, a ***Relevant Taxing Jurisdiction***), unless such withholding or deduction is required by law. If such withholding with respect to amounts payable in respect of the Notes is required by law, the Issuer will pay, and the Guarantee shall provide that, if such withholding with respect to amounts payable in respect of such Guarantee is required by law, the Guarantor will pay, such additional amounts (the ***Additional Amounts***) as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or

§ 8 BESTEUERUNG

Alle in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen eines Landes, in dem die Emittentin bzw. die Garantin gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Schuldverschreibungen bzw. die Garantie geleistet werden, oder einer steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde dieses Landes (jeweils eine ***Maßgebliche Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts an der Quelle auferlegt oder erhoben werden, und die Garantie muss entsprechende Bestimmungen für alle in Bezug auf diese Garantie zu zahlenden Beträge enthalten, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. Ist ein Einbehalt in Bezug auf zu zahlenden Beträge auf die Schuldverschreibungen gesetzlich vorgeschrieben, so wird die Emittentin diejenigen zusätzlichen Beträge (die ***Zusätzlichen Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den

duties which:

Gläubigern erhalten worden wären – und die Garantie muss eine entsprechende Verpflichtung der Garantin vorsehen, falls ein solcher Einbehalt bei in Bezug auf diese Garantie zu zahlenden Beträge gesetzlich vorgeschrieben ist –; eine Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht für solche Steuern oder Abgaben:

(a) 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 deduction or withholding by the Issuer or the Guarantor, as applicable, from payments of principal or interest made by it, or

(a) die von einer als Depotbank oder Inkassobeauftragter im Namen eines Gläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin bzw. die Garantin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt, oder

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of the Notes or the Guarantee, as applicable, are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Relevant Taxing Jurisdiction, or

(b) die aufgrund einer bestehenden oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Maßgeblichen Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen bzw. die Garantie aus Quellen in der Maßgeblichen Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind, oder

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the Kingdom of the Netherlands 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 or understanding, or

(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) zwischenstaatlicher Abkommen oder Vereinbarungen über deren Besteuerung, an denen die Bundesrepublik Deutschland oder das Königreich Niederlande oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die der Umsetzung dieser Richtlinie, Verordnung oder dieses Abkommens oder dieser

Vereinbarung dient, diesen entspricht oder zur Anpassung an diese eingeführt wurde, abzuziehen oder einzubehalten sind, oder

(d) would not have been imposed or withheld but for the failure of the Holder or beneficial owner of Notes (including, for these purposes, any financial institution through which the Holder or beneficial owner holds the Notes or through which payment on the Notes is made), following a written request by or on behalf of the Issuer or the Guarantor addressed to the Holder or beneficial owner (and made at a time that would enable the Holder or beneficial owner acting reasonably to comply with that request, and in all events, at least 30 days before any withholding or deduction would be required), to comply with any certification, identification, information or other reporting requirement whether required by statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction, that is a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction), but in each case, only to the extent the Holder or beneficial owner is legally entitled to provide such certification, information or documentation, or

(d) die nicht erhoben oder einbehalten worden wären, wenn es der Gläubiger oder der wirtschaftliche Eigentümer der Schuldverschreibungen (für die vorliegenden Zwecke einschließlich Finanzinstitute, über die der Gläubiger oder wirtschaftliche Eigentümer die Schuldverschreibungen hält oder über die Zahlungen auf die Schuldverschreibungen erfolgen) nicht unterlassen hätte, nach einer an den Gläubiger oder wirtschaftlichen Eigentümer gerichteten schriftlichen Aufforderung der Emittentin, der Garantin oder in deren Namen (die so rechtzeitig erfolgt, dass der Gläubiger bzw. der wirtschaftliche Eigentümer dieser Aufforderung mit zumutbaren Anstrengungen nachkommen kann, in jedem Fall aber mindestens 30 Tage, bevor ein Einbehalt oder Abzug erforderlich wäre), einer aufgrund von Gesetzen, Abkommen, Verordnungen oder der Verwaltungspraxis in einer Maßgeblichen Steuerjurisdiktion vorgeschrieben Bescheinigungs-, Identifizierungs-, Informations-, oder sonstigen Nachweispflicht nachzukommen, die Voraussetzung für eine Befreiung von in der Maßgeblichen Steuerjurisdiktion erhobenen Steuern oder eine Reduzierung der Höhe des Abzugs oder Einbehalts solcher Steuern ist (u. a. eine Bescheinigung, dass der Gläubiger bzw. der wirtschaftliche Eigentümer nicht in der Maßgeblichen Steuerjurisdiktion ansässig ist), jedoch jeweils nur, soweit der Gläubiger bzw. der

wirtschaftliche Eigentümer rechtlich berechtigt ist, die Bescheinigung, Information oder Dokumentation vorzulegen, oder

(e) are required to be withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, or

(e) deren Einbehalt oder Abzug gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in der jeweils geltenden Fassung (der ***Code***), gegenwärtigen oder künftigen gemäß dem Code erlassenen Regelungen oder seiner offiziellen Auslegung, einer gemäß Section 1471(b) des Code geschlossenen Vereinbarung oder gemäß steuerrechtlichen oder aufsichtsrechtlichen Gesetzen, Regelungen oder Verfahrensweisen, die gemäß im Zusammenhang mit der Umsetzung dieser Vorschriften des Code geschlossenen zwischenstaatlichen Vereinbarungen eingeführt wurden, erforderlich ist, oder

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

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

(g) any combinations of items (a)-(f),

(g) jegliche Kombination der Absätze (a)-(f).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer der Zahlung erhält, soweit nach den Gesetzen der Maßgeblichen Steuerjurisdiktion eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder eines

Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

Gesellschafters der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer selbst Gläubiger der Schuldverschreibungen wäre.

For the avoidance of doubt, the withholding tax (*Kapitalertragsteuer*) currently levied in the Federal Republic of Germany at the level of the custodian bank and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon pursuant to tax law as in effect as of the Issue Date do not constitute a tax or duty as described above in respect of which Additional Amounts would be payable by the Issuer.

Zur Klarstellung wird festgehalten, dass die gegenwärtig in der Bundesrepublik Deutschland gemäß dem zum Begebungstag geltenden Steuerrecht auf der Ebene der Depotbank erhobene Kapitalertragsteuer und der darauf anfallende Solidaritätszuschlag keine Steuern oder Abgaben der vorstehend beschriebenen Art darstellen, für die von der Emittentin Zusätzliche Beträge zu zahlen wären.

§ 9 PRESENTATION PERIOD

The presentation period provided in section 801 paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years for the Notes.

§ 9 VORLEGUNGSFRIST

Die in § 801 Abs. 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 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 § 10(2) to the Paying Agent its entire claims arising from the Notes and demand immediate redemption thereof at the principal amount together with accrued interest (if any) to (but excluding) the date of repayment. Each of the following is an ***Event of Default***:

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

§ 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 § 10(2) gegenüber der Zahlstelle fällig zu stellen und deren unverzügliche Rückzahlung zu ihrem Nennbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung (ausschließlich) aufgelaufener Zinsen zu verlangen. Jedes der folgenden Ereignisse stellt einen ***Kündigungsgrund*** dar:

(a) die Emittentin oder, falls diese nicht leistet, die Garantin zahlt auf die Schuldverschreibungen bzw. die Garantie fällige Kapital- oder Zinsbeträge oder sonstige Beträge nicht innerhalb von 30 Tagen nach Fälligkeit; oder

(b) the Issuer or the Guarantor fails to duly perform any other obligation arising from the Notes or the Guarantee and such failure, if capable of remedy, continues unremedied for more than 60 days after the Paying Agent has received a written request thereof in the manner set forth in § 10(2) from a Holder to perform such obligation; or

(b) die Emittentin oder die Garantin erfüllt irgendeine andere Verpflichtung aus den Schuldverschreibungen bzw. der Garantie nicht und die Nichterfüllung dauert – sofern sie geheilt werden kann – jeweils länger als 60 Tage fort, nachdem die Zahlstelle eine schriftliche Aufforderung in der in § 10(2) vorgesehenen Art und Weise von einem Gläubiger erhalten hat, die Verpflichtung zu erfüllen; oder

(c) (i) any Financial Indebtedness of the Guarantor 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 an event of default (howsoever described), or (ii) any Financial Indebtedness of the Guarantor or any Material Subsidiary (other than under the Notes) is not paid within 30 days from its due date nor within any originally applicable or subsequently agreed grace period, *provided that* the aggregate amount of Financial Indebtedness falling within (i) and (ii) above amounts to at least EUR 25,000,000 (or its equivalent in other currencies). For the avoidance of doubt, this subparagraph (1)(c) shall not apply, where the Guarantor or the relevant Material Subsidiary contests in good faith that such payment obligation exists or is due; or

(c) (i) eine (nicht im Rahmen der Schuldverschreibungen bestehende) Finanzverbindlichkeit der Garantin oder einer Wesentlichen Tochtergesellschaft wird infolge eines Kündigungsgrunds (unabhängig von der Bezeichnung) vor ihrer festgelegten Fälligkeit fällig und zahlbar (sei es durch Kündigung, automatische vorzeitige Fälligstellung oder auf andere Weise) oder (ii) eine (nicht im Rahmen der Schuldverschreibungen bestehende) Finanzverbindlichkeit der Garantin oder einer Wesentlichen Tochtergesellschaft wird weder innerhalb von 30 Tagen nach Fälligkeit noch innerhalb einer ursprünglich geltenden oder nachträglich vereinbarten Nachfrist gezahlt, jeweils mit der Maßgabe, dass der Gesamtbetrag der Finanzverbindlichkeiten nach (i) und (ii) mindestens EUR 25.000.000 (oder den Gegenwert in einer anderen Währung) beträgt. Zur Klarstellung wird festgehalten, dass dieser Absatz (1)(c) keine Anwendung findet, wenn die Garantin oder die jeweilige Wesentliche Tochtergesellschaft

in gutem Glauben bestreitet, dass diese Zahlungsverpflichtung besteht oder fällig ist; oder

(d) the Guarantor or any Material Subsidiary announces its inability to meet its financial obligations or ceases its payments generally; or

(d) die Garantin oder eine Wesentliche Tochtergesellschaft gibt ihre Zahlungsunfähigkeit bekannt oder stellt ihre Zahlungen generell ein; oder

(e) insolvency proceedings against the Guarantor or any Material Subsidiary are instituted and have not been discharged or stayed within 90 days, or the Guarantor or any Material Subsidiary applies for or institutes such proceedings or offers or makes an arrangement for the benefit of its creditors generally; or

(e) gegen die Garantin oder eine Wesentliche Tochtergesellschaft wird ein Insolvenzverfahren eingeleitet und nicht innerhalb von 90 Tagen aufgehoben oder ausgesetzt, oder die Garantin oder eine Wesentliche Tochtergesellschaft beantragt die Eröffnung eines solchen Verfahrens oder leitet ein solches Verfahren ein oder bietet eine allgemeine Schuldenregelung zugunsten ihrer Gläubiger an oder trifft eine solche Schuldenregelung; oder

(f) the Guarantor or the Issuer enters into liquidation unless this is done in connection with a merger or other form of combination with another company and such company assumes all obligations of the Issuer in connection with the Notes or the Guarantor in connection with the Guarantee, as applicable; or

(f) die Garantin oder die Emittentin geht in Liquidation, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit den Schuldverschreibungen bzw. die Garantin im Zusammenhang mit der Garantie eingegangen ist; oder

(g) any governmental order, decree or enactment is made in or by the Federal Republic of Germany or the Kingdom of the Netherlands whereby the Issuer or the Guarantor is prevented from observing and performing in full its obligations under the Notes or the Guarantee and this situation is not cured within 90 days; or

(g) in der Bundesrepublik Deutschland oder dem Königreich Niederlande werden Gesetze, Verordnungen oder behördliche Anordnungen erlassen, aufgrund derer die Emittentin oder die Garantin daran gehindert wird, ihre Verpflichtungen aus den Schuldverschreibungen bzw. der Garantie in vollem Umfang

(h) cessation of business operations of the Guarantor or the Issuer; or

(i) the Guarantee ceases to be in full force and effect or is declared null and void in a judicial proceeding.

(2) *Termination Notices*. Any notice by a Holder (i) in accordance with § 10(1)(b) or (ii) to terminate its Notes in accordance with § 10 (a ***Termination Notice***) shall be made by means of a written declaration to the Fiscal Agent in the German or English language delivered by hand or registered mail together with evidence by means of a certificate of the Holder's Custodian (as defined in § 17(3)) that such Holder, at the time of such Termination Notice, is a holder of the relevant Notes.

(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.

(4) *Quorum*. In the events specified in § 10(1)(b) and § 10(1)(c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 10(1)(a) and § 10(1)(d)-(i) entitling Holders to declare their Notes due has occurred, become effective only when the Paying Agent has received such default notices from the Holders representing at least 10 per cent. of the aggregate principal amount of the Notes then outstanding.

nachzukommen und zu erfüllen und dieser Umstand wird nicht binnen 90 Tagen behoben; oder

(h) Einstellung des Geschäftsbetriebs der Garantin oder der Emittentin; oder

(i) die Garantie verliert ihre volle Wirkung oder wird in einem Gerichtsverfahren für unwirksam erklärt.

(2) *Kündigungserklärungen.* Eine Erklärung eines Gläubigers (i) gemäß § 10(1)(b) oder (ii) zur Kündigung seiner Schuldverschreibungen gemäß § 10 (eine ***Kündigungserklärung***) hat in der Weise zu erfolgen, dass der Gläubiger dem Fiscal Agent eine entsprechende schriftliche Erklärung in deutscher oder englischer Sprache übergibt oder durch eingeschriebenen Brief übermittelt und dabei durch eine Bescheinigung seiner Depotbank (wie in § 17(3) definiert) nachweist, dass er die betreffenden Schuldverschreibungen zum Zeitpunkt der Kündigungserklärung hält.

(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 wurde.

(4) *Quorum.* In den Fällen gemäß § 10 (1)(b) und §10(1)(c) wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 10(1)(a) und § 10(1)(d)-(i) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Zahlstelle Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 10 % des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.

§ 11 COVENANTS

(1) *Limitations on Incurrence of Financial Indebtedness*. The Guarantor has undertaken in the Guarantee that it will not, and will procure that none of its Subsidiaries will, after the Issue Date, incur any Financial Indebtedness if, immediately after giving effect to the incurrence of such additional Financial Indebtedness and the application of the net proceeds of such incurrence,

(a) the sum of (i) the Consolidated Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Nominal Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published would exceed 60 per cent. of the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published, (y) the purchase price of any Real Estate Property acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (z) the proceeds of any Financial Indebtedness incurred since the immediately preceding Reporting Date for which

§ 11 VERPFLICHTUNGS-ERKLÄRUNGEN

(1) *Beschränkungen für das Eingehen von Finanzverbindlichkeiten.* Die Garantin hat sich in der Garantie verpflichtet, nach dem Begebungstag keine Finanzverbindlichkeiten einzugehen und sicherzustellen, dass ihre Tochtergesellschaften nach dem Begebungstag keine Finanzverbindlichkeiten eingehen, wenn jeweils unmittelbar nach Wirksamwerden des Eingehens solcher weiterer Finanzverbindlichkeiten und der Verwendung des damit erzielten Nettoerlöses eine der folgenden Bedingungen erfüllt wären:

(a) die Summe aus (i) den Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem Nennbetrag der Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, würde einen Betrag in Höhe von 60 % der Summe (unter Ausschluss einer Doppelberücksichtigung) aus (x) der Bilanzsumme zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, (y) dem Kaufpreis für Immobilienvermögen, das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem

Consolidated Financial Statements of the Guarantor have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness); or

Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) dem Erlös aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) übersteigen; oder

(b) the sum of (i) the Consolidated Secured Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Nominal Secured Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published would exceed 45 per cent. of the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published, (y) the purchase price of any Real Estate Property acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor 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 Guarantor

(b) die Summe aus (i) den Besicherten Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem Nennbetrag der Besicherten Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, würde einen Betrag in Höhe von 45 % der Summe (unter Ausschluss einer Doppelberücksichtigung) aus (x) der Bilanzsumme zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, (y) dem Kaufpreis für Immobilienvermögen, das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und

have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness).

(z) dem Erlös aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) übersteigen.

(2) *Maintenance of Consolidated Coverage Ratio.* The Guarantor has undertaken in the Guarantee that on each Reporting Date the Consolidated Coverage Ratio will be at least 1.80 to 1.00.

(2) *Einhaltung des Konsolidierten Deckungsgrads.* Die Garantin hat sich in der Garantie verpflichtet, dass der Konsolidierte Deckungsgrad an jedem Berichtsstichtag mindestens 1,80 zu 1,00 betragen wird.

(3) *Maintenance of Total Unencumbered Assets.* The Guarantor has undertaken in the Guarantee that from the Issue Date the sum of (i) the Unencumbered Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Unencumbered Assets newly recorded since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published will at no time be less than 125 per cent. of the sum of (x) the Unsecured Financial Indebtedness as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (y) the Net Nominal Unsecured Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published.

(3) *Einhaltung des Gesamtbetrags des Unbelasteten Vermögens.* Die Garantin hat sich in der Garantie verpflichtet, dass ab dem Begebungstag die Summe aus (i) dem Unbelasteten Vermögen zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, neu erfassten Unbelasteten Nettovermögen zu keiner Zeit weniger als 125 % der Summe aus (x) den Unbesicherten Finanzverbindlichkeiten zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (y) dem Nennbetrag der Unbesicherten Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, eingegangen wurden, betragen wird.

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

(4) *Berichte.* Solange Schuldverschreibungen ausstehen, veröffentlicht die Garantin die

folgenden Angaben auf ihrer Internetseite:

(a) within 120 days after the end of each of the Guarantor's fiscal years, annual reports containing the following information:

(i) 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 (*Handelsgesetzbuch*);

(ii) in addition to the requirements of IFRS and of the German Commercial Code (*Handelsgesetzbuch*) the management report to the consolidated financial statements should include information on compliance by the Guarantor with the covenants "Limitations on Incurrence of Financial Indebtedness", "Maintenance of Consolidated Coverage Ratio" and "Maintenance of Total Unencumbered Assets"; and

(iii) the audit opinion of the independent auditors on the consolidated financial statements;

(b) within 60 days after the end of each of the first three fiscal quarters in each fiscal year of the Guarantor, unaudited condensed consolidated quarterly financial statements in accordance with IFRS as adopted by the EU and the

(a) innerhalb von 120 Tagen nach dem Ende des Geschäftsjahres der Garantin einen Geschäftsbericht mit den folgenden Angaben:

(i) einem geprüften Konzernabschluss nach den in der EU anwendbaren International Financial Reporting Standards (IFRS) und einen Lagebericht nach § 315 HBG;

(ii) zusätzlich zu den Anforderungen nach IFRS und HGB soll der Lagebericht zum Konzernabschluss Angaben enthalten über die Einhaltung der Verpflichtungserklärungen zu "Beschränkungen für das Eingehen von Finanzverbindlichkeiten", "Einhaltung des Konsolidierten Deckungsgrads" und "Einhaltung des Gesamtbetrags des Unbelasteten Vermögens" durch die Garantin; und

(iii) dem Bestätigungsvermerk des Abschlussprüfers zum Konzernabschluss;

(b) innerhalb von 60 Tagen nach dem Ende jedes der ersten drei Quartale jedes Geschäftsjahres der Garantin einen ungeprüften verkürzten Konzern-Zwischenabschluss nach den in der EU anwendbaren IFRS und den Anforderungen des § 37w

requirements of section 37w of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*), which will include information on compliance with the covenants "Limitations on Incurrence of Financial Indebtedness", "Maintenance of Consolidated Coverage Ratio" and "Maintenance of Total Unencumbered Assets".

Wertpapierhandelsgesetz (WpHG), der Angaben über die Einhaltung der Verpflichtungserklärungen zu "Beschränkungen für das Eingehen von Finanzverbindlichkeiten", "Einhaltung des Konsolidierten Deckungsgrads" und "Einhaltung des Gesamtbetrags des Unbelasteten Vermögens" enthält.

§ 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 the Guarantor or any Affiliate of the Guarantor 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 Guarantor (*provided that* the Guarantor is not the Substitute Debtor) declares that its Guarantee shall with respect to the Notes also apply to the Substitute Debtor (each such declaration a ***Substitution Guarantee***);

(c) the obligations under the Guarantee will not be limited in any way solely as a consequence of the Issuer being substituted by the Substitute Debtor;

(d) the Substitute Debtor, the Issuer

§ 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 die Garantin oder ein mit der Garantin Verbundenes Unternehmen an ihrer Stelle 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 Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) erklärt, dass ihre Garantie im Zusammenhang mit den Schuldverschreibungen auch auf die Nachfolgeschuldnerin Anwendung findet (jede solche Erklärung eine ***Ersetzungsgarantie***);

(c) die Verpflichtungen aus der Garantie in keiner Weise lediglich deshalb beschränkt sind, weil die Emittentin durch die Nachfolgeschuldnerin ersetzt wurde;

(d) die Nachfolgeschuldnerin, die

and the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) have obtained all necessary governmental and regulatory approvals and consents for such substitution and for the issue by the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) of a Substitution Guarantee, 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 and the obligations assumed by the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) under its Substitution Guarantee are, in each case, valid and binding in accordance with their respective terms and enforceable by each Holder;

Emittentin und die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) alle für die Ersetzung und für die Übernahme einer Ersetzungsgarantie durch die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) 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 weiterhin sämtliche dieser Genehmigungen und Zustimmungen in vollem Umfang gültig und wirksam sind und zudem die Verpflichtungen der Nachfolgeschuldnerin aus den Schuldverschreibungen und die von der Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) aus ihrer Ersetzungsgarantie übernommenen Verpflichtungen jeweils gemäß ihren Bestimmungen wirksam und rechtsverbindlich und durch jeden Gläubiger durchsetzbar sind;

(e) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer or the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) has its domicile or tax residence, all amounts required for the fulfilment of the payment

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

obligations arising under the Notes;

(falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) ihren Sitz hat oder steuerlich ansässig ist;

(f) 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; and

(f) 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; und

(g) the Issuer shall have delivered to an agent appointed for that purpose one Opinion of Counsel for each jurisdiction affected of lawyers of recognised standing to the effect that subparagraphs (a) to (f) above have been satisfied.

(g) 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 Absätzen (a) bis (f) erfüllt wurden.

For purposes of this § 12, ***Affiliate*** shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*).

Für die Zwecke dieses § 12 bezeichnet ***Verbundenes Unternehmen*** ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz (AktG).

(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.

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

(3) *Change of References*. Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the Relevant Taxing Jurisdiction with respect to the Issuer shall from then on be deemed to refer to the Relevant Taxing Jurisdiction with respect to the Substitute Debtor. Furthermore, in the event of such substitution, § 10(1)(i) shall be deemed to be amended to the effect that it shall be an Event of Default if a Substitution Guarantee ceases to be valid or binding on or enforceable against the Guarantor (*provided that* the Guarantor is not itself the Substitute Debtor).

(3) *Änderung von Bezugnahmen.* Mit Wirksamwerden der Ersetzung gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Maßgebliche Steuerjurisdiktion im Hinblick auf die Emittentin gilt ab diesem Zeitpunkt als Bezugnahme auf die Maßgebliche Steuerjurisdiktion im Hinblick auf die Nachfolgeschuldnerin. Des Weiteren gilt im Fall einer Ersetzung § 10(1)(i) als in der Form geändert, dass als Kündigungsgrund gilt, wenn eine Ersetzungsgarantie nicht mehr wirksam oder rechtsverbindlich für die Garantin ist

(4) *Release from Obligations*. Upon effective substitution of the Issuer as set forth in this § 12, the Issuer shall be released from any obligation arising from or in connection with the Notes.

(5) *Further Substitution*. At any time after a substitution pursuant to § 12(1) above, the Substitute Debtor may, without the consent of the Holders, effect a further substitution *provided that* all the provisions specified in § 12(1) to § 12(4) 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 effect of releasing the Guarantor from any of its obligations under its Guarantee.

(6) *Transfer of Domicile*. A transfer of domicile of the Issuer to another country or territory is only permissible if the requirements set forth in § 12(1) and (2) above are complied with accordingly. § 12(3) second half-sentence of sentence 1 shall apply *mutatis mutandis*.

§ 13 FURTHER ISSUES, PURCHASES AND CANCELLATION

(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 Issue Date, interest commencement date and/or issue price) so as to form a single series with the Notes.

oder nicht mehr gegen die Garantin durchsetzbar ist (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist).

(4) *Schuldbefreiung*. Nach wirksamer Ersetzung der Emittentin gemäß diesem § 12 ist die Emittentin von allen Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen befreit.

(5) *Weitere Ersetzungen*. Die Nachfolgeschuldnerin ist jederzeit nach einer Ersetzung gemäß vorstehendem § 12(1) berechtigt, ohne die Zustimmung der Gläubiger eine weitere Ersetzung vorzunehmen, wobei alle Bestimmungen der vorstehenden § 12(1) bis § 12(4) sinngemäß Anwendung finden und, ohne hierauf beschränkt zu sein, Bezugnahmen in diesen Emissionsbedingungen auf die Emittentin, sofern der Zusammenhang dies verlangt, als Bezugnahmen bzw. auch als Bezugnahmen auf jede weitere Nachfolgeschuldnerin gelten. Eine Ersetzung gemäß diesem § 12 hat jedoch in keinem Fall zur Folge, dass die Garantin von ihren Verpflichtungen aus ihrer Garantie befreit wird.

(6) *Sitzverlegung*. Eine Verlegung des Sitzes der Emittentin in ein anderes Land oder Gebiet ist nur zulässig, wenn die vorstehend in § 12(1) und (2) genannten Anforderungen entsprechend erfüllt sind. § 12(3) zweiter Halbsatz des ersten Satzes findet entsprechende Anwendung.

§ 13 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

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

Serie bilden.

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

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

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

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

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

§ 14 ÄNDERUNGEN DER EMISSIONSBEDINGUNGEN DURCH BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER

(1) *Amendment of the Terms and Conditions*. The Issuer may agree with the Holders on amendments to the Terms and Conditions or on other matters 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 § 14(2) below. A duly passed majority resolution shall be binding equally upon all Holders.

(1) *Änderung der Emissionsbedingungen.* Die Emittentin kann mit den Gläubigern Änderungen der Emissionsbedingungen oder sonstige Maßnahmen 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 Emissionsbedingungen, einschließlich der in § 5 Abs. 3 SchVG vorgesehenen Maßnahmen durch Beschlüsse mit den in dem nachstehenden § 14(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger gleichermaßen verbindlich.

(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

(2) *Mehrheit.* Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Gläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden

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, or relating to material other matters may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a ***Qualified Majority***).

Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Emissionsbedingungen, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, geändert wird, oder sonstige wesentliche Maßnahmen beschlossen werden bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine ***Qualifizierte Mehrheit***).

(3) *Vote without a meeting*. Subject to § 14(4), resolutions of the Holders shall exclusively be made by means of a vote without a meeting (*Abstimmung ohne Versammlung*) 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. 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(3)(i)(a) and (b) 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 until and including the day the voting period ends.

(3) *Abstimmung ohne Versammlung*. Vorbehaltlich der Bestimmungen von § 14(4) werden Beschlüsse der Gläubiger ausschließlich im Wege der Abstimmung ohne Versammlung nach § 18 SchVG getroffen. Die Aufforderung zur Stimmabgabe enthält die weiteren Einzelheiten zu den Beschlüssen und dem Abstimmungsverfahren. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Gläubigern bekannt gegeben. Die Ausübung der Stimmrechte ist von der vorherigen 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. Die Gläubiger müssen im Rahmen der Anmeldung ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 17(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die Schuldverschreibungen ab dem Tag der Versendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(4) *Second Noteholders' Meeting*. If it is ascertained that no quorum exists for the vote without meeting pursuant to § 14(3), the scrutineer (*Abstimmungsleiter*) 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

(4) *Zweite Gläubigerversammlung*. Wird für die Abstimmung ohne Versammlung gemäß § 14(3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, die als zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG gilt. Die Teilnahme an der zweiten

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(3) (i)(a) and (b) 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 until and including the stated end of the noteholders' meeting.

Gläubigerversammlung und die Ausübung der Stimmrechte sind von der vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Gläubigerversammlung zugehen. Die Gläubiger müssen im Rahmen der Anmeldung ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 17(3) (i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die Schuldverschreibungen ab dem Tag der Versendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) *Holders' representative*. The Holders may by majority resolution provide for the appointment or dismissal of a holders' 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 authorised to consent, in accordance with § 14(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.

(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 Emissionsbedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 14(2) zuzustimmen.

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

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

(7) *Amendments of the Guarantee*. The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Guarantee.

(7) *Änderung der Garantie.* Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen der Garantie.

§ 15 NOTICES

[In the case of Notes which are listed on the Luxembourg Stock Exchange the following applies:

(1) *Publication*. All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) *Notification to Clearing System*. So long as any Notes are listed on the Luxembourg Stock Exchange, § 15(1) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been given on the fifth day after the day on which the said notice was given to the Clearing System.**]**

[In the case of Notes which are unlisted or listed on a stock exchange other than the Luxembourg Stock Exchange the following applies:

(1) All notices concerning the Notes except as stipulated in § 14(6) shall be published electronically in the Federal Gazette (*Bundesanzeiger*) **[**and so long as the Notes are admitted to trading on **[stock exchange other than the Luxembourg Stock Exchange]** and if the rules of such stock exchange so require **[**in/under/●**] [newspaper or website]]**. Any notice so given will be deemed to be validly given 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).

§ 15 MITTEILUNGEN

[Im Falle von Schuldverschreibungen, die an der Luxemburger Börse notiert werden, gilt folgendes:

(1) *Bekanntmachung*. Alle die Schuldverschreibungen betreffenden Mitteilungen sind auf der Internetseite der Luxemburger Börse (www.bourse.lu) elektronisch zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) *Mitteilungen an das Clearingsystem*. Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet § 15(1) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

[Im Falle von Schuldverschreibungen, die nicht oder an einer anderen Börse als die Luxemburger Börse notiert werden, gilt folgendes:

(1) Alle die Schuldverschreibungen betreffenden Mitteilungen, außer nach Maßgabe von § 14(6), sind elektronisch im Bundesanzeiger **[**und, solange die Schuldverschreibungen an der **[andere Börse als die Luxemburger Börse]** zum Handel zugelassen sind und soweit dies die Regeln dieser Börse verlangen, **[**in/unter/●**] [Zeitung oder Internetseite]]** zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Kalendertag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichungen mit dem dritten Kalendertag nach dem Tag der ersten solchen Veröffentlichung) als wirksam

erfolgt.

(2) *Notification to the Clearing System*. The Issuer may, in lieu of publication set forth in § 15(1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Holders, *provided that* the rules of the stock exchange on which the Notes are listed (if applicable) permit such form of notice. Any such notice shall be deemed to have been given to the Holders on the fifth day after the day on which the said notice was given to the Clearing System.**]**

(2) *Mitteilungen an das Clearingsystem.* Die Emittentin ist berechtigt, eine Veröffentlichung nach vorstehendem § 15(1) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger zu ersetzen, vorausgesetzt, dass die Regeln der Börse, an der die Schuldverschreibungen ggf. notiert sind, diese Form der Mitteilung zulassen. Jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

(3) *Notification to the Issuer*. Notices to be given by any Holder to the Issuer shall be made by means of a written declaration to be delivered by hand or registered mail to the Paying Agent.

(3) *Mitteilungen an die Emittentin.* Mitteilungen eines Gläubigers an die Emittentin haben in der Weise zu erfolgen, dass der Gläubiger der Zahlstelle eine entsprechende schriftliche Erklärung übergibt oder durch eingeschriebenen Brief übermittelt.

§ 16 DEFINITIONS

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

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

[If the Notes are subject to Early Redemption at the Option of the Issuer at Call Redemption Amount the following applies:

Applicable Premium has the meaning assigned to such term in § 6(3).

Benchmark Yield has the meaning assigned to such term in § 6(3).**]**

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

[In the case of Early Redemption at the Option of the Issuer at the Call Redemption Amount: *Calculation Agent* has the meaning assigned to such term in § 7(1).**]**

§ 16 DEFINITIONEN

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

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

[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zu zum Wahl-Rückzahlungsbetrag vorzeitig zurück zu zahlen, gilt folgendes:

Anwendbare Prämie hat die diesem Begriff in § 6(3) zugewiesene Bedeutung.

Benchmark-Rendite hat die diesem Begriff in § 6(3) zugewiesene Bedeutung.**]**

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

[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zu zum Wahl-Rückzahlungsbetrag vorzeitig zurück zu zahlen: *Berechnungsstelle* hat die diesem Begriff in § 7(1) zugewiesene

Bedeutung.**]**

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

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

[If the Notes are subject to Early Redemption at the Option of the Issuer at Call Redemption Amount, the following applies:

[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zu zum Wahl-Rückzahlungsbetrag vorzeitig zurück zu zahlen, gilt folgendes:

Call Redemption Amount has the meaning assigned to such term in § 6(3).

Wahl-Rückzahlungsbetrag hat die diesem Begriff in § 6(3) zugewiesene Bedeutung.

Call Redemption Date has the meaning assigned to such term in § 6(3).**]**

Wahl-Rückzahlungstag hat die diesem Begriff in § 6(3) zugewiesene Bedeutung.**]**

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, notes or other securities which are capable of being quoted, listed, dealt in or traded on a stock exchange, over-the-counter-market or other recognised securities market.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder künftige Verbindlichkeit zur Rückzahlung aufgenommener Geldbeträge (einschließlich Verbindlichkeiten aus Garantien oder sonstigen Haftungsvereinbarungen für solche Verbindlichkeiten Dritter), die in Form von Anleihen, Schuldverschreibungen oder sonstigen Wertpapieren, die an einer Börse, einem außerbörslichen Markt oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden können, verbrieft, verkörpert oder dokumentiert ist.

[In case of CBF as Clearing System, the following applies: *CBF* has the meaning assigned to such term in § 1(4).**]**

[Bei CBF als Clearingsystem gilt folgendes: *CBF* hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

[In case of CBL as Clearing System, the following applies: *CBL* has the meaning assigned to such term in § 1(4).**]**

[Bei CBL als Clearingsystem gilt folgendes: *CBL* hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN, the following applies: *CGN* has the meaning assigned to such term in § 1(4).**]**

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine CGN ist gilt folgendes: *CGN* hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

Change of Control has the meaning

Kontrollwechsel hat die diesem Begriff

assigned to such term in § 6[(4)](a).

in § 6[(4)](a) zugewiesene Bedeutung.

Change of Control Put Date has the meaning assigned to such term in § 6[(4)](c).

Kontrollwechsel-Rückzahlungstag hat die diesem Begriff in § 6[(4)](c) zugewiesene Bedeutung.

Change of Control Put Event Notice has the meaning assigned to such term in § 6[(4)](b).

Kontrollwechsel-Rückzahlungsereignis-Mitteilung hat die diesem Begriff in § 6[(4)](b) zugewiesene Bedeutung.

Change of Control Put Notice has the meaning assigned to such term in § 6[(4)](c).

Kontrollwechsel-Ausübungserklärung hat die diesem Begriff in § 6[(4)](c) zugewiesene Bedeutung.

Change of Control Put Option has the meaning assigned to such term in § 6[(4)](a).

Kontrollwechsel-Gläubiger-Rückzahlungswahlrecht hat die diesem Begriff in § 6[(4)](a) zugewiesene Bedeutung.

Change of Control Put Period has the meaning assigned to such term in § 6[(4)](c).

Kontrollwechsel-Ausübungszeitraum hat die diesem Begriff in § 6[(4)](c) zugewiesene Bedeutung.

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

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

Consolidated Adjusted EBITDA means the number set out under the heading "EBITDA (adjusted)" in the Consolidated Financial Statements of the Guarantor covering the applicable Relevant Period.

Konsolidiertes Bereinigtes EBITDA bezeichnet den unter der Überschrift "EBITDA (bereinigt um Sondereinflüsse)" im Konzernabschluss der Garantin für den jeweiligen Maßgeblichen Zeitraum angegebenen Zahlenwert.

Consolidated Coverage Ratio means the ratio of (A) the aggregate amount of Consolidated Adjusted EBITDA in the Relevant Period to (B) the aggregate amount of Net Cash Interest in the Relevant Period.

Konsolidierter Deckungsgrad bezeichnet das Verhältnis (A) des Gesamtbetrags des Konsolidierten Bereinigten EBITDA im Maßgeblichen Zeitraum zu (B) dem Gesamtbetrag des Zinszahlungssaldos im Maßgeblichen Zeitraum.

Consolidated Financial Indebtedness means Financial Indebtedness of the Guarantor and any of its Subsidiaries, on a consolidated basis determined in accordance with IFRS.

Konsolidierte Finanzverbindlichkeiten bezeichnet die nach IFRS ermittelten Finanzverbindlichkeiten der Garantin und ihrer Tochtergesellschaften auf konsolidierter Basis.

Consolidated Financial Statements means, with respect to any Person, collectively, the consolidated financial statements and notes to those financial statements, of that Person and its subsidiaries prepared in accordance with IFRS.

Konzernabschluss bezeichnet in Bezug auf eine Person zusammenfassend den nach IFRS erstellten Konzernabschluss mit Anhang für diese Person und ihre Tochterunternehmen.

Consolidated Secured Financial Indebtedness means that portion of the Consolidated Financial Indebtedness of the Group that is secured by a Lien on properties or other assets of the Guarantor or any of its Subsidiaries.

Besicherte Konsolidierte Finanzverbindlichkeiten bezeichnet den Teil der Konsolidierten Finanzverbindlichkeiten der Gruppe, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Garantin oder ihrer Tochtergesellschaften besichert ist.

Control has the meaning assigned to such term in § 6**[**(4)**]**(a).

Kontrolle hat die diesem Begriff in § 6**[**(4)**]**(a) zugewiesene Bedeutung.

Controlled Subsidiary has the meaning assigned to such term in § 6**[**(4)**]**(a).

Abhängige Tochtergesellschaft hat die diesem Begriff in § 6**[**(4)**]**(a) zugewiesene Bedeutung.

Custodian has the meaning assigned to such term in § 17(3).

Depotbank hat die diesem Begriff in § 17(3) zugewiesene Bedeutung.

Day Count Fraction has the meaning assigned to such term in § 4(4).

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

[If the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable, the following applies:

Determination Date has the meaning assigned to such term in § 4(3).**]**

[Falls die Festgelegte Währung Euro ist, und falls Actual/Actual (ICMA) anwendbar ist, gilt folgendes:

Feststellungstermin hat die diesem Begriff in § 4(3) zugewiesene Bedeutung.**]**

[In case of Euroclear as Clearing System, the following applies: ***Euroclear*** has the meaning assigned to such term in § 1(4).**]**

[Bei Euroclear als Clearingsystem gilt folgendes: ***Euroclear*** hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

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

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

Exchange Date has the meaning assigned to such term in § 1(3)(b)

Austauschtag hat die diesem Begriff in § 1(3)(b) zugewiesene Bedeutung.

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

Finanzverbindlichkeiten bezeichnet (unter Ausschluss einer Doppelberücksichtigung) alle Verbindlichkeiten (ausgenommen solche gegenüber anderen Mitgliedern der Gruppe) für oder in Bezug auf:

(i) money borrowed;

(i) aufgenommene Gelder;

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

(ii) alle aus Akzepten im Rahmen von Akzeptkreditfazilitäten oder dematerialisierten Vergleichbaren

aufgenommenen Beträge;

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

(iii) alle aus Fazilitäten für die Emission kurzfristiger Schuldtitel oder aus der Begebung von Anleihen, Schuldverschreibungen, Commercial Paper oder sonstigen Schuldtiteln oder vergleichbaren Instrumenten aufgenommenen Beträge;

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

(iv) veräußerte oder diskontierte Forderungen (mit Ausnahme von Forderungen, die regresslos verkauft werden);

(v) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, but excluding bank guarantee facilities (as amended from time to time) made or to be made available by financial institutions to the Guarantor or a Subsidiary under which the Guarantor 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 Guarantor or a Subsidiary;

(v) die Aufnahme von Beträgen im Rahmen anderer Transaktionen (einschließlich Terminverkauf oder –kauf), die wirtschaftlich einer Kreditaufnahme gleichkommen, ausgenommen jedoch Bankgarantie-Fazilitäten (wie jeweils geändert), die der Garantin oder einer Tochtergesellschaft von Finanzinstituten gewährt werden oder gewährt werden sollen und in deren Rahmen die Garantin bzw. die jeweilige Tochtergesellschaft die Ausstellung einer oder mehrerer Bankgarantien zugunsten einer Person verlangen kann, die sich zum Erwerb von Immobilienvermögen von der Garantin oder einer Tochtergesellschaft verpflichtet hat;

(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

(vi) einen Aufwendungsersatz-anspruch in Bezug auf eine Bürgschaft, eine Freistellungsverpflichtung, eine Garantie, ein Standby- oder Dokumentenakkreditiv oder ein anderes von einer Bank oder einem Finanzinstitut ausgestelltes Instrument; und

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

(vii) Verbindlichkeiten aus einer Garantie, Bürgschaft oder Freistellungsverpflichtung in Bezug auf Verbindlichkeiten der

(vi) above.

in den vorstehenden Absätzen (i) bis (vi) genannten Art.

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

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

Group means the Guarantor together with its Subsidiaries.

Gruppe bezeichnet die Garantin und ihre Tochtergesellschaften.

Guarantee has the meaning assigned to such term in § 2(2).

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

Guarantor has the meaning assigned to such term in § 2(2).

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

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

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

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

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

[In case of CBL and Euroclear as Clearing System, the following applies: ***ICSD*** and ***ICSDs*** has the meaning assigned to such term in § 1(4).**]**

[Bei CBL und Euroclear als Clearingsystem gilt folgendes: ***ICSD*** und ***ICSDs*** hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

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

IFRS bezeichnet die nach der EU anwendbaren International Financial Reporting Standards des International Accounting Standards Board in jeweils geltender Fassung.

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.

Eingehen bezeichnet in Bezug eine Finanzverbindlichkeit oder eine sonstige Verbindlichkeit einer Person die Begründung, Übernahme, die 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.

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

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

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

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

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

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

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

Lien means (without duplication) 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 setoff 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 interest *in rem* (*dingliches Sicherungsrecht*), 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 (*Abteilung 2*) of a German land register (*Grundbuch*);

(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 securing Financial Indebtedness outstanding on the Issue Date;

(iv) any Lien in respect of which an unconditional deletion consent (*Löschungsbewilligung*) has

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

Sicherungsrecht bezeichnet (unter Ausschluss einer Doppelberücksichtigung) Sicherungsrechte, Grundpfandrechte, Sicherung-Treuhandverträge (*trust-deed* oder *deed of trust*), Sicherungs-Urkunden (*deed*), Pfandrechte, Verpfändungsvereinbarungen, Sicherungsabtretungen, Sicherungsübereignungen, Hinterlegungsvereinbarungen oder sonstige Sicherungsabreden, ausgenommen Rechte zur Aufrechnung, jedoch u. a. einschließlich bedingte Kaufverträge oder Vereinbarungen mit Eigentumsvorbehalt, Finanzierungsleasingverträge, die wirtschaftlich 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 eingetragene 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, die zum Begebungstag ausstehende Finanzverbindlichkeiten besichern;

(iv) Sicherungsrechte, für die dem maßgeblichen Mitglied der Gruppe eine unbedingte

been delivered to the relevant member of the Group;

(v) any Lien arising by operation of law (or by agreement having the same effect) or in the ordinary course of business, *provided that* any Lien arising in the ordinary course of business over Real Estate Property shall not be excluded;

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

(vii) any Lien on bank accounts under general terms and conditions of any provider of such bank accounts.

Material Subsidiary means any Subsidiary of the Guarantor whose total assets are at least equal to 5 per cent. of the total assets of the Group.

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

Net Cash Interest means all interest and other financing charges accrued to persons who are not members of the Group less the amount of any interest and other financing charges accrued to be received 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).

Net Nominal Financial Indebtedness means the nominal amount of Financial Indebtedness incurred minus the nominal amount of Financial Indebtedness repaid.

Net Nominal Secured Financial

Löschungsbewilligung übermittelt wurde;

(v) Sicherungsrechte, die kraft Gesetzes (oder kraft einer Vereinbarung mit derselben Wirkung) oder im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen, wobei im Rahmen der gewöhnlichen Geschäftstätigkeit entstehende Sicherungsrechte an Immobilienvermögen jedoch nicht ausgeschlossen sind;

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

(vii) Sicherungsrechte an Bankkonten nach Maßgabe der allgemeinen Geschäftsbedingungen des Anbieters der Bankkonten.

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Garantin, deren Bilanzsumme mindestens 5 % der Bilanzsumme der Gruppe ausmacht.

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

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

Nennbetrag der Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Finanzverbindlichkeiten.

Nennbetrag der Besicherten

Indebtedness means the nominal amount of Secured Financial Indebtedness incurred minus the nominal amount of Secured Financial Indebtedness repaid.

Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Besicherten Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Besicherten Finanzverbindlichkeiten.

Net Nominal Unsecured Financial Indebtedness means the nominal amount of Unsecured Financial Indebtedness incurred minus the nominal amount of Unsecured Financial Indebtedness repaid.

Nennbetrag der Unbesicherten Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Unbesicherten Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Unbesicherten Finanzverbindlichkeiten.

Net Unencumbered Assets means, on a consolidated basis determined in accordance with IFRS, the value of any Real Estate Property of the Guarantor and its Subsidiaries not subject to any Lien acquired plus the value of all other assets of the Guarantor and its Subsidiaries not subject to any Lien acquired minus the value of such assets which (i) have been disposed of or (ii) have become subject to a Lien.

Unbelastetes Nettovermögen bezeichnet den nach IFRS auf konsolidierter Basis ermittelten Wert des erworbenen Immobilienvermögens der Garantin und ihrer Tochtergesellschaften, das nicht Gegenstand eines Sicherungsrechts ist, zuzüglich des Werts aller sonstigen erworbenen Vermögenswerte der Garantin und ihrer Tochtergesellschaften, die nicht Gegenstand eines Sicherungsrechts sind, abzüglich des Werts solcher Vermögenswerte, die (i) veräußert wurden oder (ii) Gegenstand eines Sicherungsrechts geworden sind.

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is an NGN, the following applies: ***NGN*** has the meaning assigned to such term in § 1(4).**]**

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine NGN ist gilt folgendes: ***NGN*** hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

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

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

Opinion of Counsel means a written opinion from legal counsel. The counsel may be an employee of or counsel to the Guarantor.

Rechtsgutachten bezeichnet ein schriftliches Gutachten eines Rechtsberaters. Der Rechtsberater kann Mitarbeiter oder externer Rechtsberater der Garantin sein.

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

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

Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organisation, limited

Person bezeichnet natürliche Personen, Körperschaften, Personengesellschaften, Joint Ventures, Vereinigungen, Aktiengesellschaften, Trusts, nicht

liability company or government (or any agency or political subdivision thereof) or other entity.

rechtsfähige Vereinigungen, Gesellschaften mit beschränkter Haftung, staatliche Stellen (oder Behörden oder Gebietskörperschaften) oder sonstige Rechtsträger.

Portfolio Restructuring has the meaning assigned to such term in § 6**[**(4)**]**(a).

Portfolio-Restrukturierung hat die diesem Begriff in § 6**[**(4)**]**(a) zugewiesene Bedeutung.

[If the Notes are subject to Early Redemption at the Option of the Holder at specified redemption amount(s) the following applies:

[Falls der Gläubiger ein Wahlrecht hat, die vorzeitige Rückzahlung der Schuldverschreibungen zu einem festgelegten Rückzahlungsbetrag bzw. festgelegten Rückzahlungsbeträgen zu verlangen, gilt folgendes:

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

Gläubigerwahl-Rückzahlungsbetrag hat die diesem Begriff in § 6**[**(5)**]**(a) zugewiesene Bedeutung.

Put Redemption Date has the meaning assigned to such term in § 6**[**(5)**]**(a).

Gläubigerwahl-Rückzahlungstag hat die diesem Begriff in § 6**[**(5)**]**(a) zugewiesene Bedeutung.

Put Redemption Notice has the meaning assigned to such term in § 6**[**(5)**]**(b).**]**

Gläubigerwahl-Rückzahlungs-Ausübungserklärung hat die diesem Begriff in § 6**[**(5)**]**(b) zugewiesene Bedeutung.**]**

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

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

Real Estate Property means the real estate property of such Person and its subsidiaries.

Immobilienvermögen bezeichnet das Immobilienvermögen der betreffenden Person und ihrer Tochterunternehmen.

[If the Notes are subject to Early Redemption at the Option of the Issuer at Call Redemption Amount, the following applies: ***Redemption Calculation Date*** has the meaning assigned to such term in § 6(3).**]**

[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen zu zum Wahl-Rückzahlungsbetrag vorzeitig zurück zu zahlen, gilt folgendes: ***Rückzahlungs-Berechnungstag*** hat die diesem Begriff in § 6(3) zugewiesene Bedeutung.**]**

Relevant Period means the respective most recent four consecutive quarters ending prior to the respective date of determination of the Consolidated Coverage Ratio, provided however, that no quarter ended prior to 30 June 2013 will be taken into account for the purposes of determining the Consolidated Coverage Ratio. If on the

Maßgeblicher Zeitraum bezeichnet die letzten vier vor dem jeweiligen Tag der Feststellung des Konsolidierten Deckungsgrads endenden aufeinanderfolgenden Quartale, wobei jedoch bei dieser Feststellung kein vor dem 30. Juni 2013 endendes Quartal berücksichtigt wird. Falls am jeweiligen Tag der Feststellung des Konsolidierten

relevant date of determination of the Consolidated Coverage Ratio fewer than four consecutive quarters have ended since (and including) the quarter ended 30 June 2013, the Relevant Period shall only comprise the quarter ended 30 June 2013 and any quarter ended subsequently thereto.

Deckungsgrads seit dem am 30. Juni 2013 endenden Quartal (einschließlich dieses Quartals) weniger als vier aufeinanderfolgende Quartale abgelaufen sind, umfasst der Maßgebliche Zeitraum nur das am 30. Juni 2013 endende Quartal und jedes danach abgelaufene Quartal.

Relevant Taxing Jurisdiction has the meaning assigned to such term in § 8.

Maßgebliche Steuerjurisdiktion hat die diesem Begriff in § 8 zugewiesene Bedeutung.

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

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

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

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

Secured Financial Indebtedness means that portion of the aggregate principal amount of all outstanding Financial Indebtedness of the Group that is secured by a Lien on properties or other assets of the Group.

Besicherte Finanzverbindlichkeiten bezeichnet den Teil des Gesamtnennbetrags aller ausstehenden Finanzverbindlichkeiten der Gruppe, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Gruppe besichert ist.

Securities Act means the U.S. Securities Act of 1933, as amended.

Securities Act bezeichnet das US-Wertpapiergesetz von 1933 (U.S. Securities Act of 1933) in seiner jeweils geltenden Fassung.

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

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

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

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

Subsidiary means any Person that must be consolidated with the Guarantor for the purposes of preparing Consolidated

Tochtergesellschaft bezeichnet jede Person, die bei der Erstellung der Konzernabschlüsse der Garantin mit ihr

Financial Statements of the Guarantor.

konsolidiert werden muss.

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

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

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

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

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

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

Terra Firma Group has the meaning assigned to such term in § 6**[**(4)**]**(a).

Terra Firma Group hat die diesem Begriff in §6**[**(4)**]**(a) zugewiesene Bedeutung.

Total Assets means the value of the consolidated total assets of the Guarantor and its Subsidiaries, as such amount appears, or would appear, on a consolidated balance sheet of the Guarantor prepared in accordance with IFRS, *provided that* "*Total Assets*" shall include the proceeds of the Financial Indebtedness or Secured Financial Indebtedness to be incurred.

Bilanzsumme bezeichnet den Wert der konsolidierten Bilanzsumme der Garantin und ihrer Tochtergesellschaften, der in einer nach IFRS erstellten konsolidierten Bilanz der Garantin erscheint oder erscheinen würde, wobei die "*Bilanzsumme*" die Zuflüsse aus den einzugehenden Finanzverbindlichkeiten oder Besicherten Finanzverbindlichkeiten einschließt.

Unencumbered Assets means without duplication, (i) the value of any Real Estate Property, on a consolidated basis determined in accordance with IFRS, of the Guarantor and its Subsidiaries that is not subject to any Lien, plus (ii) the value of all other assets of the Guarantor and its Subsidiaries that is not subject to any Lien (where in case of (i) and (ii) the value of Real Estate Property, on a consolidated basis determined in accordance with IFRS, and other assets shall be equal to such amounts that appear, or would appear, on a consolidated balance sheet of the Guarantor prepared in accordance with IFRS).

Unbelastetes Vermögen bezeichnet ohne doppelte Berücksichtigung (i) den nach IFRS auf konsolidierter Basis ermittelten Wert des Immobilienvermögens der Garantin und ihrer Tochtergesellschaften, das nicht Gegenstand eines Sicherungsrechts ist, zuzüglich (ii) des Werts aller sonstigen Vermögenswerte der Garantin und ihrer Tochtergesellschaften, die nicht Gegenstand eines Sicherungsrechts sind (wobei im Fall von (i) und (ii) der nach IFRS auf konsolidierter Basis ermittelte Wert des Immobilienvermögens und der sonstigen Vermögenswerte dem Betrag entspricht, der in einer nach IFRS erstellten konsolidierten Bilanz der Garantin erscheint oder erscheinen würde).

Unsecured Financial Indebtedness means that portion of the aggregate principal amount of all outstanding Financial Indebtedness of the Group that is not Secured Financial

Unbesicherte Finanzverbindlichkeiten bezeichnet den Teil des Gesamtnennbetrags aller ausstehenden Finanzverbindlichkeiten der Gruppe, bei dem es sich nicht um Besicherte

Indebtedness.

Finanzverbindlichkeiten handelt.

§ 17 APPLICABLE LAW, PLACE OF JURISDICTION, ENFORCEMENT AND PROCESS AGENT

(1) *Applicable Law*. The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws.

(2) *Submission to Jurisdiction*. Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the place of non-exclusive jurisdiction for any action or other legal proceedings in connection with the Notes shall be Frankfurt am Main.

(3) *Enforcement*. Any Holder of Notes may in any proceedings against the Issuer or any Guarantor, or to which such Holder and the Issuer or any Guarantor 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 Note in global form certified as being a true copy by a duly authorised 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 recognised standing authorised to engage in securities custody business with which the Holder maintains

§ 17 ANWENDBARES RECHT, GERICHTSSTAND, GERICHTLICHE GELTENDMACHUNG UND ZUSTELLUNGSBEVOLLMÄCHTIGTER

(1) *Anwendbares Recht*. Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts.

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

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder eine Garantin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin oder eine Garantin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, 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) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original

a securities account in respect of the Notes and includes 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.

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 anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearingsystems. 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.

(4) *Process Agent*. The Issuer has appointed the Guarantor as its agent for service of process (*Zustellungsbevollmächtigter*) in relation to any proceedings before the German courts in connection with the Notes.

(4) *Zustellungsbevollmächtigter*. Die Emittentin hat die Garantin als Zustellungsbevollmächtigte für Verfahren vor deutschen Gerichten im Zusammenhang mit den Schuldverschreibungen bestellt.

§ 18 LANGUAGE

[If the Conditions shall be in the German language with an English language translation the following applies: These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[If the Conditions shall be in the English language with a German language translation the following applies: These Terms and Conditions are written in the English language and provided with German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]**

§ 18 SPRACHE

[Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

[If the Conditions shall be in the German language only the following applies: These Terms and Conditions are written in the German language only.**]**

[Falls die Emissionsbedingungen nur in deutscher Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

[If the Conditions shall be in the English language only the following applies: These Terms and Conditions are written in the English language only.**]**

[Falls die Emissionsbedingungen nur in englischer Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind ausschließlich in englischer Sprache abgefasst.

TERMS AND CONDITIONS OF THE NOTES – OPTION II
NOTES WITH FLOATING INTEREST RATES

Terms and Conditions that apply to Notes with floating interest rates

Emissionsbedingungen für Schuldverschreibungen mit variabler Verzinsung

§ 1 CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination*. This issue of notes (the ***Notes***) of Deutsche Annington Finance B.V., a private company with limited liability incorporated in The Netherlands (the ***Issuer***), is being issued in the aggregate principal amount **[In case the Global Note is an NGN the following applies:** (subject to § 1(6)**]** of **[Specified Currency] [aggregate principal amount]** (in words: **[aggregate principal amount in words]**) in denominations of **[Specified Currency] [Specified Denomination]** (the ***Specified Denomination***) on **[Issue Date]** (the ***Issue Date***).

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

(3) *Temporary Global Note - Exchange*.

(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 Specified Denominations represented by a permanent global note (the ***Permanent Global Note*** and, together with the Temporary Global Note, the ***Global Notes***) without coupons. **[In the case of Euroclear and CBL and if the Global Note is an NGN the following applies:** The details of such exchange shall be entered in the records of the ICSD (as defined below).**]** The Temporary Global Note and

§ 1 WÄHRUNG, STÜCKELUNG, FORM, BESTIMMTE DEFINITIONEN

(1) *Währung; Stückelung*. Diese Emission von Schuldverschreibungen (die ***Schuldverschreibungen***) der Deutsche Annington Finance B.V., einer in den Niederlanden errichteten Gesellschaft mit beschränkter Haftung (die Emittentin) wird am **[Begebungstag]** (der ***Begebungstag***) im Gesamtnennbetrag **[falls die Globalurkunde eine NGN ist gilt folgendes:** (vorbehaltlich § 1(6))**]** von **[Festgelegte Währung] [Gesamtnennbetrag]** (in Worten: **[Gesamtnennbetrag in Worten]**) in einer Stückelung von **[Festgelegte Währung] [Festgelegte Stückelung]** (die ***Festgelegte Stückelung***) begeben.

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

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die ***Vorläufige Globalurkunde***) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in den Festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** und, zusammen mit der Vorläufigen Globalurkunde, die ***Globalurkunden***) ohne Zinsscheine verbrieft sind, ausgetauscht. **[Im Fall von Euroclear und CBL und wenn die Globalurkunde eine NGN ist gilt folgendes:** Die

the Permanent Global Note shall each be signed by two authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive certificates representing individual Notes and interest coupons will not be issued.

Einzelheiten eines solchen Austausches werden in die Register der ICSD (wie nachstehend definiert) eingetragen.**]** Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von dem Fiscal Agent oder in dessen Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the ***Exchange Date***) not later than 180 days after the Issue Date of the Notes. The Exchange Date shall not be earlier than 40 days after the Issue Date. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is not a U.S. person (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 of the Notes will be treated as a request to exchange the Temporary Global Note pursuant to this § 1(3)(b). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 1**[**(7)**]**).

(b) Die Vorläufige Globalurkunde wird an einem Tag (der ***Austauschtag***) gegen die Dauerglobalurkunde ausgetauscht, der nicht mehr als 180 Tage nach dem Begebungstag der Schuldverschreibungen liegt. Der Austauschtag wird nicht weniger als 40 Tage nach dem Begebungstag liegen. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Personen 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 der Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem

§ 1(3)(b) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 1**[**(7)**]** definiert) geliefert werden.

(4) *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 **[in case of more than one Clearing System, the following applies:** each of**]** the following: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**]** **[**Clearstream Banking, société anonyme Luxembourg (***CBL***)**]** **[**and**]** **[**Euroclear Bank S.A./N.V. Brussels as operator of the Euroclear System (***Euroclear***)**]** and any successor in such capacity. **[In the case of CBL and Euroclear as Clearing System the following applies:** ***International Central Securities Depositary*** or ***ICSD*** means each of CBL and Euroclear (together, the ***ICSDs***)**]**.

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is an NGN, the following applies: The Notes are issued in new global note (***NGN***) form and are kept in custody by a common safekeeper on behalf of both ICSDs.**]**

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN, the following applies: The Notes are issued in classical global note (***CGN***) form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

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

(4) *Clearingsystem*. Jede Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. *Clearingsystem* bedeutet **[bei mehr als einem Clearingsystem gilt folgendes:** jeweils**]** folgendes: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**]** **[**Clearstream Banking, société anonyme, Luxemburg (***CBL***)**]** **[**und**]** **[**Euroclear Bank S.A./ N.V. Brüssel, als Betreiberin des Euroclear Systems (***Euroclear***)**]** sowie jeder Funktionsnachfolger. **[Im Falle von CBL oder Euroclear als Clearingsystem, gilt folgendes:** ***International Central Securities Depositary*** oder ***ICSD*** bezeichnet jeweils CBL und Euroclear (zusammen die ***ICSDs***)**]**.

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine NGN ist gilt folgendes: Die Schuldverschreibungen werden in Form einer New Global Note (***NGN***) ausgegeben und von einem Common Safekeeper im Namen beider ICSDs verwahrt.**]**

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine CGN ist gilt folgendes: Die Schuldverschreibungen werden in Form einer Classical Global Note (***CGN***) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) *Gläubiger von Schuldverschreibungen.* ***Gläubiger*** bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen

Notes.

vergleichbaren Rechts an den Schuldverschreibungen.

[In the case the Global Note is an NGN, the following applies:

(6) *Records of the ICSDs*. The 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 principal amount of Notes represented by the Temporary Global Note or the Permanent Global Note, as the case may be, and, for these purposes, a statement issued by an ICSD stating the 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 an installment or 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 or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered pro rata in the records of the ICSDs and, upon any such entry being made, the 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 or by the aggregate amount of such installment so paid.

[Falls die Globalurkunde eine NGN ist, gilt folgendes:

(6) *Register der ICSDs*: Der Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Vorläufige Globalurkunde bzw. die Dauerglobalurkunde verbrieften Schuldverschreibungen und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD.

Bei Rückzahlung oder Zahlung einer Rückzahlungsrate oder Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über jede Rückzahlung und Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunden anteilig in die Register der ICSDs eingetragen werden, und nach dieser Eintragung vom Nennbetrag der in die Register der ICSDs eingetragenen und durch die Globalurkunde verbrieften Schuldschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen bzw. der Gesamtbetrag der so gezahlten Raten abgezogen wird.

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 pro rata in the records of the ICSDs.**]**

Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs anteilig in die Register der ICSDs eingetragen werden.**]**

[(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).

[(7)**]** *Vereinigte Staaten*. Für die Zwecke dieser Emissionsbedingungen 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 Northern Mariana Islands).

§ 2 STATUS, GUARANTEE

§ 2 STATUS, GARANTIE

(1) *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.

(1) *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 diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(2) *Guarantee*. Deutsche Annington Immobilien SE (the ***Guarantor***) has given an unconditional and irrevocable guarantee (the ***Guarantee***) for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Notes. The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with section 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), giving rise to the right of each Holder to require performance of the Guarantee directly from the Guarantor and to enforce the Guarantee directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the specified office of the Fiscal Agent.

(2) *Garantie.* Die Deutsche Annington Immobilien SE (die ***Garantin***) hat eine unbedingte und unwiderrufliche Garantie (die ***Garantie***) für die ordnungsgemäße und pünktliche Zahlung aller Kapital-, Zins- und sonstigen auf die Schuldverschreibungen zahlbaren Beträge übernommen. Die Garantie stellt einen Vertrag zugunsten der Gläubiger als begünstigte Dritte im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Garantin unmittelbar aus der Garantie auf Erfüllung in Anspruch zu nehmen und Ansprüche aus der Garantie unmittelbar gegen die Garantin durchzusetzen. Abschriften der Garantie sind bei der bezeichneten Geschäftsstelle des Fiscal Agent kostenlos erhältlich.

§ 3 NEGATIVE PLEDGE

(1) *Negative Pledge of the Issuer.* 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 Fiscal Agent, not to create or permit to subsist any form of security interest *in rem* (*dingliches Sicherungsrecht*) over its assets to secure any Capital Market Indebtedness other than Securitised Capital Market Indebtedness or to secure any guarantee or indemnity given by the Issuer in respect of Capital Market Indebtedness unless, subject to § 3(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) *Negative Pledge of the Guarantor.* The Guarantor has undertaken in the Guarantee, 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 Fiscal Agent, not to create or permit to subsist, and to procure that none of its Material Subsidiaries will create or permit to subsist, any form of security interest *in rem* (*dingliches Sicherungsrecht*) over its assets to secure any Capital Market Indebtedness other than Securitised Capital Market Indebtedness or to secure any guarantee or indemnity given by the Guarantor or any of its Subsidiaries in respect of Capital Market Indebtedness unless, subject to § 3(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.

§ 3 NEGATIVVERPFLICHTUNG

(1) *Negativverpflichtung der Emittentin.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt wurden, keine dinglichen Sicherungsrechte an ihren Vermögenswerten zur Besicherung von Kapitalmarktverbindlichkeiten (mit Ausnahme Verbriefter Kapitalmarktverbindlichkeiten) oder von durch die Emittentin in Bezug auf Kapitalmarktverbindlichkeiten übernommenen Garantien oder abgegebenen Freistellungserklärungen zu bestellen oder fortbestehen zu lassen, es sei denn, die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden vorbehaltlich § 3(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) *Negativverpflichtung der Garantin.* In der Garantie hat sich die Garantin verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt wurden, keine dinglichen Sicherungsrechte an ihren Vermögenswerten zur Besicherung von Kapitalmarktverbindlichkeiten (mit Ausnahme Verbriefter Kapitalmarktverbindlichkeiten) oder von durch die Garantin oder eine ihrer Tochtergesellschaften in Bezug auf Kapitalmarktverbindlichkeiten übernommenen Garantien oder abgegebenen Freistellungserklärungen zu bestellen oder fortbestehen zu lassen bzw. sicherzustellen, dass keine ihrer Wesentlichen Tochtergesellschaften dies tut, es sei denn, die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden

vorbehaltlich § 3(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.

(3) *Limitation*. The undertakings pursuant to § 3(1) and § 3(2) shall not apply:

(a) to any security interest which is mandatory according to applicable laws or required as prerequisite for governmental approvals; or

(b) with respect to any security right *in rem* (*dingliches Sicherungsrecht*) provided by any Subsidiary over any of such Subsidiary's claims against the Guarantor, which claims arise as a result of the passing on to the Guarantor of the proceeds from the issue by such Subsidiary of any Capital Market Indebtedness, *provided that* any such security serves solely to secure obligations under such Capital Market Indebtedness issued by such Subsidiary.

(3) *Beschränkung.* Die Verpflichtungserklärungen nach § 3(1) und § 3(2) gelten nicht:

(a) für Sicherungsrechte, die nach anwendbarem Recht zwingend vorgeschrieben sind oder Voraussetzung für die Gewährung staatlicher Genehmigungen sind; oder

(b) für dingliche Sicherungsrechte, die von einer Tochtergesellschaft an Forderungen gegen die Garantin bestellt werden, die ihr aufgrund der Weiterleitung von erzielten Erlösen der Tochtergesellschaft aus der Begebung von Kapitalmarktverbindlichkeiten erzielten Erlösen der Tochtergesellschaft an die Garantin zustehen, vorausgesetzt, diese Sicherheiten dienen ausschließlich der Besicherung von Verpflichtungen aus den von dieser Tochtergesellschaft begebenen Kapitalmarktverbindlichkeiten.

(4) *Provision of Additional Security*. Whenever the Issuer or the Guarantor, as the case may be, becomes obligated to secure (or procure that a Material Subsidiary secures) the Notes pursuant to § 3(1) and (2), the Issuer or the Guarantor, as applicable, shall be entitled to discharge such obligation by providing (or procure 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 (*dinglich oder,*

(4) *Bestellung zusätzlicher Sicherheiten*. Entsteht für die Emittentin oder gegebenenfalls die Garantin die Verpflichtung zur Besicherung der Schuldverschreibungen gemäß § 3(1) und (2) (oder entsteht die Verpflichtung, für deren Besicherung durch eine Wesentliche Tochtergesellschaft Sorge zu tragen), so sind die Emittentin bzw. die Garantin berechtigt, diese Verpflichtung dadurch zu erfüllen, dass ein Sicherungsrecht an dem jeweiligen Sicherungsgegenstand zugunsten eines Sicherheitentreuhänders begründet wird (bzw. dadurch, dass sie die betreffende

falls rechtlich nicht möglich, aufgrund schuldrechtlicher Vereinbarung gleichrangig), 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.

Wesentliche Tochtergesellschaft zur Begründung eines solchen Sicherungsrechts veranlassen), und zwar in einer Weise, dass der Sicherheitentreuhänder diesen Sicherungsgegenstand dinglich oder, falls rechtlich nicht möglich, aufgrund schuldrechtlicher Vereinbarung gleichrangig zugunsten der Gläubiger der Schuldverschreibungen und der Gläubiger derjenigen Kapitalmarktverbindlichkeit hält, die aufgrund einer Besicherung mit einem Sicherungsrecht zur Bestellung dieses Sicherungsrechts an dem betreffenden Sicherungsgegenstand führte.

§ 4 INTEREST

(1) *Rate of Interest and Interest Payment Dates*. The Notes shall bear interest on their principal amount from (and including) **[Interest Commencement Date]** (the ***Interest Commencement Date***) to but excluding the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to but excluding the next following Interest Payment Date. Interest on the Notes shall be payable on each Interest Payment Date.

Interest Payment Date means **[in the case of Specified Interest Payment Dates the following applies:** each **[Specified Interest Payment Dates] [in the case of Specified Interest Periods, the following applies:** each date which (except as otherwise provided in these Terms and Conditions) falls **[number] [**weeks**] [**months**] [other specified periods]** after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date**]**.

(2) *Business Day Convention*. If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be: **[in the case of the Modified Following Business Day Convention, the following applies:** postponed to the next day which is a Business Day unless

§ 4 VERZINSUNG

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar vom **[Verzinsungsbeginn]** (der ***Verzinsungsbeginn***) (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich). Zinsen auf die Schuldverschreibungen sind an jedem Zinszahlungstag zahlbar.

Zinszahlungstag bezeichnet **[im Falle von festgelegten Zinszahlungstagen, gilt folgendes:** jeden **[festgelegte Zinszahlungstage] [im Falle von festgelegten Zinsperioden gilt folgendes:** (soweit diese Emissionsbedingungen keine abweichenden Bestimmungen vorsehen) jeweils den Tag, der **[Zahl] [**Wochen**] [**Monate**] [andere festgelegte Zeiträume]** nach dem vorhergehenden Zinszahlungstag oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt**]**.

(2) *Geschäftstagekonvention*. Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachfolgend definiert) ist, so wird der Zinszahlungstag **[im Falle der modifizierten folgender Geschäftstag-Konvention gilt folgendes:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn,

it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.**]** **[in the case of the FRN Convention, the following applies:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[number]** [months**]** **[other specified periods]** after the preceding applicable Interest Payment Date.**]** **[in the case of the Following Business Day Convention, the following applies:** postponed to the next day which is a Business Day.**]** **[in the case of the Preceding Business Day Convention, the following applies:** the immediately preceding Business Day.**]**

jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorhergehenden Geschäftstag vorgezogen.**]** **[Im Falle der FRN-Konvention gilt folgendes:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorhergehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[Zahl]** [Monate**]** **[andere festgelegte Zeiträume]** nach dem vorhergehenden anwendbaren Zinszahlungstag liegt.**]** **[im Falle der folgender Geschäftstag-Konvention gilt folgendes:** auf den nächstfolgenden Geschäftstag verschoben.**]** **[im Falle der vorhergegangener Geschäftstag-Konvention gilt folgendes:** auf den unmittelbar vorhergehenden Geschäftstag vorgezogen.**]**

[In the case the offered quotation for deposits in the Specified Currency is EURIBOR, the following applies:

[Falls der Angebotssatz für Einlagen in der festgelegten Währung EURIBOR ist gilt folgendes:

(3) *Rate of Interest*. The rate of interest (the ***Rate of Interest***) for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (Brussels time) on the Interest Determination Date (as defined below) **[in case of a Margin the following applies: [**plus**]** **[**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent (as defined in § 7).

(3) *Zinssatz*. Der Zinssatz (der ***Zinssatz***) für jede Zinsperiode (wie nachfolgend definiert) ist, sofern nachfolgend nichts Abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zins-Festlegungstag (wie nachfolgend definiert) um 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird **[im Falle einer Marge gilt folgendes: [**zuzüglich**]** **[**abzüglich**]** der Marge (wie nachfolgend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle (wie in § 7 definiert) erfolgen.

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

Zinsperiode bezeichnet jeweils den Zeitraum vom Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils

Interest Payment Date.

darauffolgenden Zinszahlungstag (ausschließlich).

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

Zins-Festlegungstag bezeichnet den zweiten TARGET Geschäftstag vor Beginn der jeweiligen Zinsperiode.

[In case of a Margin the following applies: *Margin* means **[Margin]** per cent *per annum*.**]**

[Im Falle einer Marge gilt folgendes: Die ***Marge*** beträgt **[Marge]**% *per annum*.**]**

Screen Page means EURIBOR01 or any successor page.

Bildschirmseite bedeutet EURIBOR01 oder jede Nachfolgeseite.

If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period and in a representative amount to leading banks in the interbank market in the Euro-Zone at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations **[in case of a Margin the following applies: [**plus**] [**minus**]** the Margin**]**, all as determined by the Calculation Agent.

Sollte zu der genannten Zeit die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz angezeigt, wird die Berechnungsstelle von jeder der Referenzbanken (wie nachfolgend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Banken im Interbanken-Markt in der Euro-Zone um ca. 11.00 Uhr (Brüsseler Ortszeit) am Zins-Festlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze **[im Falle einer Marge gilt folgendes: [**zuzüglich**] [**abzüglich**]** der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being

Falls an einem Zins-Festlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) der

rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the interbank market in the Euro-Zone, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks **[in case of a Margin the following applies: [**plus**] [**minus**]** the Margin**]**.

As used herein, ***Reference Banks*** means four major banks in the interbank market in the Euro-Zone.

Euro-Zone means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and the Amsterdam Treaty of 2 October 1997, as further amended from time to time.**]**

[In the case the offered quotation for deposits in the Specified Currency is LIBOR, the following applies:

(3) *Rate of Interest*. The rate of interest (the ***Rate of Interest***) for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (London time) on the Interest Determination Date (as defined below) **[in case of a Margin, the following applies: [**plus**] [**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent (as defined in § 7).

Angebotssätze ermittelt, die von der Berechnungsstelle in angemessener Sorgfalt ausgewählte Großbanken im Interbanken-Markt in der Euro-Zone der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um 11.00 Uhr (Brüsseler Ortszeit) am betreffenden Zins-Festlegungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Europäischen Banken anbieten **[im Falle einer Marge gilt folgendes**: **[**zuzüglich**] [**abzüglich**]** der Marge**].]**

Referenzbanken bezeichnet vier Großbanken im Interbanken-Markt in der Euro-Zone.

Euro-Zone bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992) und den Amsterdamer Vertrag vom 2. Oktober 1997, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.**]**

[Falls der Angebotssatz für Einlagen in der festgelegten Währung LIBOR ist, gilt folgendes:

(3) *Zinssatz*. Der Zinssatz (der ***Zinssatz***) für jede Zinsperiode (wie nachfolgend definiert) ist, sofern nachfolgend nichts Abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zins-Festlegungstag (wie nachfolgend definiert) um 11.00 Uhr (Londoner Ortszeit) angezeigt wird **[im Falle einer Marge gilt folgendes: [**zuzüglich**] [**abzüglich**]** der Marge (wie nachfolgend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle (wie in § 7 definiert) erfolgen.

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

Zinsperiode bezeichnet jeweils den Zeitraum vom Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

Interest Determination Date means the **[**first**]** **[**second**]** **[relevant financial center(s)]** Business Day **[**prior to the commencement**]** of the relevant Interest Period.

Zins-Festlegungstag bezeichnet den **[**ersten**]** **[**zweiten**]** **[relevante(s) Finanzzentrum(en)]** Geschäftstag **[**vor Beginn**]** der jeweiligen Zinsperiode.

[*[Relevant Financial Center(s)] Business Day* means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[relevant financial center(s)]**.**]**

[*[Relevante(s) Finanzzentrum(en)] Geschäftstag* bezeichnet einen Tag (außer einem Samstag oder Sonntag), am dem Geschäftsbanken in **[relevante(s) Finanzzentrum(en)]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.**]**

[In case of a Margin, the following applies: *Margin* means **[Margin]** per cent *per annum*.**]**

[Im Falle einer Marge gilt folgendes: Die ***Marge*** beträgt **[Marge]**% *per annum*.**]**

Screen Page means LIBOR01 or any successor page.

Bildschirmseite bedeutet LIBOR01 oder jede Nachfolgeseite.

If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period and in a representative amount to leading banks in the London interbank market at approximately 11.00 a.m. (London time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations **[in case of a Margin the following applies: [**plus**]** **[**minus**]** the

Sollte zu der genannten Zeit die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz angezeigt, wird die Berechnungsstelle von den Referenzbanken (wie nachfolgend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Banken im Londoner Interbanken-Markt um 11.00 Uhr (Londoner Ortszeit) am Zins-Festlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) dieser

Margin**]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the London interbank market, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11.00 a.m. (London time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks **[in case of a Margin, the following applies: [**plus**] [**minus**]** the Margin**]**.

As used herein, ***Reference Banks*** means four major banks in the London interbank market.**]**

[(4) **In case of a Minimum and/or Maximum Rate of Interest, the following applies: [***Minimum***] [***and***] [***Maximum***]** *Rate of Interest*.

[In case of a Minimum Rate of Interest, the following applies: If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Minimum Rate of Interest]**.**]**

[In case of a Maximum Rate of Interest, the following applies: If the Rate of Interest in respect of any

Angebotssätze **[im Falle einer Marge gilt Folgendes: [**zuzüglich**] [**abzüglich**]** der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zins-Festlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) der Angebotssätze ermittelt, die von der Berechnungsstelle in angemessener Sorgfalt ausgewählte Großbanken im Londoner Interbanken-Markt der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um 11.00 Uhr (Londoner Ortszeit) am betreffenden Zins-Festlegungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Europäischen Banken anbieten **[im Falle einer Marge gilt folgendes**: **[**zuzüglich**] [**abzüglich**]** der Marge**].]**

Referenzbanken bezeichnet vier Großbanken im Londoner Interbanken-Markt.**]**

[(4) **Im Falle eines Mindest- und/oder Höchstzinssatz gilt folgendes**: **[***Mindest***-] [***und***] [***Höchst***-]** *Zinssatz*.**]**

[Im Falle eines Mindestzinssatzes gilt folgendes: Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[Mindestzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Mindestzinssatz]**.**]**

[Im Falle eines Höchstzinssatzes gilt folgendes: Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode

Interest Period determined in accordance with the above provisions is greater than **[Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Maximum Rate of Interest]**.**]]**

ermittelte Zinssatz höher ist als **[Höchstzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz]**.**]**

[(5)**]** *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the ***Interest Amount***) payable on the Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to each Specified Denomination and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(5)**]** *Zinsbetrag*. Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den auf die Schuldverschreibungen zahlbaren Zinsbetrag in Bezug auf jede Festgelegte Stückelung (der ***Zinsbetrag***) für die entsprechende Zinsperiode berechnen. Jeder Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachfolgend definiert) auf jede Festgelegte Stückelung angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

[(6)**]** *Notification of Rate of Interest and Interest Amount*. The Calculation Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and the Guarantor and to the Holders in accordance with § 15 as soon as possible after their determination, but in no event later than the fourth Business Day thereafter and if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are then listed and to the Holders in accordance with § 15.

[(6)**]** *Mitteilung von Zinssatz und Zinsbetrag.* Die Berechnungsstelle wird veranlassen, dass der Zinssatz, jeder Zinsbetrag für die jeweilige Zinsperiode, die jeweilige Zinsperiode und der betreffende Zinszahlungstag der Emittentin und der Garantin sowie den Gläubigern gemäß § 15 baldmöglichst nach ihrer Festlegung, aber keinesfalls später als am vierten auf die Festlegung jeweils folgenden Geschäftstag mitgeteilt werden, sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst nach ihrer Festlegung, aber keinesfalls später als am ersten Tag der jeweiligen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können jeder mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich geändert (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Änderung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Gläubigern gemäß § 15 mitgeteilt.

[(7)**]** *Determinations Binding.* All certificates, communications, options, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 4 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Paying Agent and the Holders.

[(7)**]** *Verbindlichkeit der Festsetzungen*. Alle Bescheinigungen, Mitteilungen, Einschätzungen, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 4 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Garantin, den Fiscal Agent, die Zahlstellen und die Gläubiger bindend.

[(8)**]** *Late Payments*. 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 until (but excluding) the date of actual redemption of the Notes at the default rate of interest established by law[5]. Claims for further damages in case of late payment are not excluded.

[(8)**]** *Zahlungsverzug*. Wenn die Emittentin aus irgendeinem Grund Zahlungen auf die Schuldverschreibungen bei Fälligkeit nicht zahlt, wird der ausstehende Betrag vom Tag der Fälligkeit (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen (ausschließlich) mit dem gesetzlich bestimmten Verzugszins [6] verzinst. Die Geltendmachung eines weitergehenden Schadens ist nicht ausgeschlossen.

[(9)**]** *Day Count Fraction*. ***Day Count Fraction*** means, in respect of the calculation of an amount of interest on any Note for any period of time (the ***Calculation Period***):

[In case of Actual/365 or Actual/Actual (ISDA) the following applies: the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).

[In case of Actual/365 (Fixed) the

[(9)**]** *Zinstagequotient.* ***Zinstagequotient*** bezeichnet in Bezug auf die Berechnung von Zinsbeträgen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der ***Zinsberechnungszeitraum***):

[Im Falle von Actual/365 oder Actual/Actual (ISDA) gilt folgendes: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraumes in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 366, und (B) der tatsächlichen Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums, dividiert durch 365).

[Im Falle von Actual/365 (Fixed) gilt

[5] The default rate of interest established by statutory law is five percentage points above the basis 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*).

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

following applies: the actual number of days in the Calculation Period divided by 365.**]**

[In case of Actual/360 the following applies: the actual number of days in the Calculation Period divided by 360.**]**

[In case of 30/360, 360/360 or Bond Basis the following applies: the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

[In the case of 30E/360 or Eurobond Basis the following applies: the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

folgendes: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365.**]**

[Im Falle von Actual/360 gilt folgendes: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360.**]**

[Im Falle von 30/360, 360/360 oder Bond Basis gilt folgendes: die Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, in welchem Fall der diesen letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

[Im Falle von 30E/360 oder Eurobond Basis gilt folgendes: die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

§ 5 PAYMENTS

(1) *Payment of Principal and Interest*. Payment of principal and interest in respect of Notes shall be made in

§ 5 ZAHLUNGEN

(1) *Zahlung von Kapital und Zinsen.* Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt nach

accordance with § 5(2), 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.

Maßgabe des § 5(2) an die Zahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

Payment of interest on Notes represented by the Temporary Global Note shall be made in accordance with § 5(2), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).

Die Zahlung von Zinsen auf die Schuldverschreibungen, die durch die Vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe des § 5(2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1(3)(b).

(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 the Specified Currency.

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

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

(3) *Erfüllung.* Die Emittentin bzw. die Garantin werden durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(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.

(4) *Geschäftstag.* Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf eine Schuldverschreibung auf einen 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.

For these purposes, ***Business Day*** means

Für diese Zwecke bezeichnet ***Geschäftstag***

[In the case the Specified Currency is Euro the following applies: a day (other than a Saturday or a Sunday) on which banks are open for general business in **[relevant financial center(s)] [**Frankfurt am Main**]** and on which the Clearing System is operational to effect payments and which is a TARGET Business Day.**]**

[Wenn die Festgelegte Währung Euro ist, gilt folgendes: einen Tag (außer einem Samstag oder Sonntag), an dem Banken in **[relevante(s) Finanzzentrum(en)] [**Frankfurt am Main**]** für den allgemeinen Geschäftsverkehr geöffnet sind und an dem das Clearingsystem betriebsbereit ist, um Zahlungen vorzunehmen, und der ein TARGET Geschäftstag ist.**]**

[In the case the Specified Currency is not Euro the following applies: a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in **[relevant financial center(s)]**.**]**

[Wenn die Festgelegte Währung nicht Euro ist, gilt folgendes: einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken und Devisenmärkte in **[relevante(s) Finanzzentrum(en)]** Zahlungen abwickeln.**]**

(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 principal amount per Note, Additional Amounts 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.

(5) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Nennbetrag je Schuldverschreibung, Zusätzliche Beträge und alle Aufschläge oder sonstigen auf die Schuldverschreibungen oder im Zusammenhang damit gegebenenfalls zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen schließen, soweit anwendbar, sämtliche gegebenenfalls gemäß § 8 zahlbaren Zusätzlichen Beträge ein.

(6) *Deposit of Principal and Interest*. The Issuer or the Guarantor, as the case may be, may deposit with the local court (*Amtsgericht*) 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) *Hinterlegung von Kapital und Zinsen.* Die Emittentin bzw. die Garantin 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. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

§ 6 REDEMPTION

§ 6 RÜCKZAHLUNG

(1) *Redemption at Maturity*. Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at principal amount on **[Maturity Date]** (the ***Maturity Date***).

(1) *Rückzahlung bei Endfälligkeit*. Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Nennbetrag am **[Fälligkeitstag]** (der ***Fälligkeitstag***) zurückgezahlt.

(2) *Early Redemption for Reasons of Taxation*. If as a result of any change in, or amendment to, the laws or regulations of the Relevant Taxing Jurisdiction in respect of the Issuer or, as the case may

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können jederzeit insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger

be, the Guarantor 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 last tranche of this series of Notes was issued, the Issuer or, as the case may be, the Guarantor 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 or, as the case may be, the Guarantor, which are, in the judgement of the Issuer or, as the case may be, the Guarantor, 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 Issuer, at any time upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal 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.

als 30 und nicht mehr als 60 Tagen durch Erklärung gegenüber dem Fiscal Agent 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 bzw. die Garantin als Folge einer Änderung oder Ergänzung der Gesetze und Vorschriften der Maßgeblichen Steuerjurisdiktion im Hinblick auf die Emittentin bzw. die Garantin, die Steuern oder die Verpflichtung zur Zahlung von Abgaben jeglicher Art betreffen, oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag der Begebung der letzten Tranche dieser Serie von Schuldverschreibungen wirksam) am nächstfolgenden Zinszahlungstag zur Zahlung von Zusätzlichen Beträgen verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen der Emittentin bzw. der Garantin zur Verfügung stehender Maßnahmen, die nach Auffassung der Emittentin bzw. der Garantin zumutbar sind (wobei jeweils die Interessen der Gläubiger zu berücksichtigen sind) vermieden werden kann.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor 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 darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin bzw. die Garantin 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.

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 in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

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 Umständen

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

(a) If a Change of Control occurs after the Issue Date, 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 at the principal amount per Note together with accrued and unpaid interest up to (but excluding) the Put Date (the ***Put Option***). Such Put Option shall operate as set out below under § 6(3) (b)-(c).

Change of Control shall be deemed to have occurred at each time (whether or not approved by the board of executive directors or supervisory board of the Guarantor) that:

(i) In the event of a public tender offer for shares of the Guarantor a situation arises in which (i) shares already directly or indirectly under the control of the bidder and/or Persons acting in concert with the bidder and shares which have already been tendered in the tender offer, carry in aggregate more than 50 per cent. of the voting rights in the Guarantor and (ii) the offer is or has become unconditional (other than for conditions relating to regulatory, in particular merger control, approvals and other conditions the satisfaction of

darlegt.

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

(a) Tritt nach dem Begebungstag ein Kontrollwechsel ein, so ist jeder Gläubiger berechtigt, aber nicht verpflichtet, von der Emittentin die vollständige oder teilweise Rückzahlung oder, nach Wahl der Emittentin, den vollständigen oder teilweisen Ankauf (oder die Veranlassung eines Ankaufs) seiner Schuldverschreibungen zum Nennbetrag je Schuldverschreibung zuzüglich bis zum Gläubigerwahl-Rückzahlungstag (ausschließlich) aufgelaufener aber noch nicht gezahlter Zinsen zu verlangen (das ***Gläubiger-Rückzahlungswahlrecht***). Dieses Rückzahlungswahlrecht ist wie nachstehend unter § 6(3) (b)-(c) beschrieben auszuüben.

Ein ***Kontrollwechsel*** gilt jedes Mal in einem der folgenden Fälle als eingetreten (unabhängig davon, ob der Vorstand oder der Aufsichtsrat der Garantin zugestimmt hat):

(i) Wenn im Fall eines öffentlichen Übernahmeangebots für Aktien der Garantin die Situation eintritt, dass (i) Aktien, die sich bereits unmittelbar oder mittelbar unter der Kontrolle des Bieters und/oder gemeinsam mit ihm handelnder Personen befinden, und bereits im Rahmen des Übernahmeangebots eingereichte Aktien insgesamt mehr als 50 % der Stimmrechte der Garantin auf sich vereinen und (ii) das Angebot nicht oder nicht mehr von Bedingungen abhängig ist (mit Ausnahme

which may remain pending following the end of the acceptance period pursuant to section 16(1) of the German Takeover Act (*Gesetz zur Regelung von öffentlichen Angeboten zum Erwerb von Wertpapieren und von Unternehmensübernahmen – WpÜG*)), *provided that* if (y) following a public tender offer for shares of the Guarantor any Person or Persons control(s) 30 per cent. or more of the voting shares in the Guarantor, but did not acquire Control and (z) subsequently such Person or Persons acquire(s) Control, a Change of Control shall be deemed to have occurred at the time such Person or Persons acquire(s) Control; or

von Bedingungen hinsichtlich aufsichtsrechtlicher, insbesondere fusionskontrollrechtlicher, Genehmigungen und anderer Bedingungen, deren Erfüllung nach Ende der Annahmefrist gemäß § 16 Abs. 1 des Gesetzes zur Regelung von öffentlichen Angeboten zum Erwerb von Wertpapieren und von Unternehmensübernahmen (WpÜG) noch offen bleiben kann). In diesem Zusammenhang gilt jedoch, dass wenn (y) nach einem öffentlichen Übernahmeangebot für Aktien der Garantin eine oder mehrere Personen mindestens 30 % der stimmberechtigten Aktien der Garantin kontrollieren, aber nicht die Kontrolle erworben haben und (z) diese Person bzw. diese Personen die Kontrolle zu einem späteren Zeitpunkt erwirbt bzw. erwerben, der Kontrollwechsel zu dem Zeitpunkt dieses Kontrollerwerbs eintritt; oder

(ii) the Guarantor sells or otherwise transfers all or substantially all of its assets to any Person (except for any Controlled Subsidiary).

(ii) die Garantin verkauft oder überträgt in sonstiger Weise ihr gesamtes oder im Wesentlichen ihr gesamtes Vermögen an eine Person (die keine Abhängige Tochtergesellschaft ist).

Control means any direct or indirect legal or beneficial ownership or any legal or beneficial entitlement (as defined in section 22 of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*) of, in the aggregate, more than 50 per cent. of the voting shares of the Guarantor which does not constitute, at the same time, a Portfolio Restructuring.

Kontrolle bezeichnet das unmittelbare oder mittelbare rechtliche oder wirtschaftliche Eigentum oder eine rechtliche oder wirtschaftliche Berechtigung (im Sinne von § 22 des Wertpapierhandelsgesetzes (WpHG)) an insgesamt mehr als 50 % der stimmberechtigten Aktien der Garantin, das bzw. die nicht gleichzeitig eine Portfolio-Restrukturierung darstellt.

Controlled Subsidiary means any entity controlled

Abhängige Tochtergesellschaft bezeichnet ein von der Garantin

(*abhängiges Unternehmen*) by the Guarantor within the meaning of section 17 of the German Stock Corporation Act (*Aktiengesetz*).

im Sinne von §17 des Aktiengesetzes (AktG) abhängiges Unternehmen.

Portfolio Restructuring means any sale, assignment, conveyance, transfer, lease or other disposition of voting rights in the Guarantor within the Terra Firma Group.

Portfolio-Restrukturierung bezeichnet einen Verkauf, eine Abtretung, Überlassung, Übertragung, ein Verleihen oder eine anderweitige Verfügung über Stimmrechte an der Garantin innerhalb der Terra Firma Group.

Terra Firma Group means Terra Firma Investments (DA) Limited (TFIDA); Terra Firma Investments (DA) II Limited (TFIDA II); any associate of TFIDA or TFIDA II; any fund managed and/or advised by TFIDA or TFIDA II and/or an associate thereof; and/or any successor of TFIDA and/or TFIDA II as general partner and/or manager of any of all of the Terra Firma Deutschland Annington Funds.

Terra Firma Group bezeichnet Terra Firma Investments (DA) Limited (TFIDA), Terra Firma Investments (DA) II Limited (TFIDA II), mit TFIDA oder TFIDA II verbundene Unternehmen, von TFIDA oder TFIDA II und/oder mit ihnen verbundenen Unternehmen verwaltete und/oder beratene Fonds, und/oder Nachfolger von TFIDA und/oder TFIDA II als Komplementär und/oder Verwaltungsgesellschaft einzelner oder aller Terra Firma Deutschland Annington Fonds.

(b) If a Change of Control occurs, then the Issuer shall, without undue delay, after the Guarantor becoming aware thereof, give notice of the Change of Control (a ***Put Event Notice***) to the Holders in accordance with § 15 specifying the nature of the Change of Control and the procedure for exercising the Put Option contained in this § 6(3) (including the information on the Clearing System account of the Paying Agent for purposes of subparagraph (c)(ii)(x) of this § 6(3)).

(b) Tritt ein Kontrollwechsel ein, so teilt die Emittentin dies unverzüglich, nachdem die Garantin davon Kenntnis erlangt hat, den Gläubigern gemäß § 15 mit (eine ***Gläubigerwahl-Rückzahlungsereignis-Mitteilung***) und gibt dabei die Art des Kontrollwechsels und das in diesem § 6(3) vorgesehene Verfahren zur Ausübung des Gläubiger-Rückzahlungswahlrechts an (mit Angaben zum Clearingsystem-Konto der Zahlstelle für die Zwecke von Teilziffer (c)(ii)(x) dieses § 6(3)).

(c) To exercise the Put Option, the Holder must deliver on any Business Day within 30 days

(c) Zur Ausübung des Gläubiger-Rückzahlungswahlrechts muss der Gläubiger an einem

after a Put Event Notice has been published (the ***Put Period***) (i) to the Fiscal Agent at its specified office a duly signed and completed notice of exercise in the then current form obtainable from the Fiscal Agent (a ***Put Notice***) and (ii) the aggregate Specified Denomination of Notes for which the Holder wishes to exercise its Put Option either by transferring such Notes to the Clearing System account of the Paying Agent or by withdrawal of such Notes from such Holder's account in accordance with the procedures of the Clearing System. The Issuer shall redeem or, at its option, purchase (or procure the purchase of) the relevant Note(s) on the date (the ***Put Date***) seven days after the expiration of the Put Period 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.**]**

Geschäftstag innerhalb von 30 Tagen, nachdem die Gläubiger-Rückzahlungsereignis-Mitteilung bekannt gegeben wurde (der ***Ausübungszeitraum***), (i) bei der bezeichneten Geschäftsstelle des Fiscal Agent eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung in der jeweils bei dem Fiscal Agent erhältlichen maßgeblichen Form einreichen (die ***Ausübungserklärung***) und (ii) Schuldverschreibungen in Höhe des Gesamtbetrags der Festgelegten Stückelung einreichen, für die der Gläubiger sein Gläubiger-Rückzahlungswahlrecht ausüben möchte, und zwar entweder durch Übertragung dieser Schuldverschreibungen auf das Clearingsystem-Konto der Zahlstelle oder durch Ausbuchung dieser Schuldverschreibungen aus dem Wertpapierdepot des Gläubigers gemäß den Verfahren des Clearingsystems. Die Emittentin wird die betreffende(n) Schuldverschreibung(en) sieben Tage nach Ablauf des Ausübungszeitraums (der ***Rückzahlungstag***) 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 Ausübungserklärung ist unwiderruflich.**]**

[If the Notes are subject to Early Redemption in case of minimal outstanding aggregate principal

[Im Falle einer Vorzeitigen Rückzahlung nach Wahl der Emittentin bei geringem

amount of the Notes, the following applies:

(4) *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 then outstanding have been redeemed or purchased by the Issuer, the Guarantor or any direct or indirect Subsidiary of the Guarantor 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 as a whole at the principal amount thereof plus interest accrued to but excluding the date of such redemption.**]**

§ 7 FISCAL AGENT, PAYING AGENT AND CALCULATION AGENT

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

Fiscal Agent and Paying Agent:

Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Federal Republic of Germany

Calculation Agent:

[Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Federal Republic of Germany**] [name and specified office]**

The Fiscal Agent, 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.

ausstehendem Gesamtnennbetrag der Schuldverschreibungen, gilt folgendes:

(4) *Vorzeitige Rückzahlung bei geringem ausstehenden Gesamtnennbetrag der Schuldverschreibungen.* Wenn 80 % oder mehr des Gesamtnennbetrags der zum betreffenden Zeitpunkt ausstehenden Schuldverschreibungen nach diesem § 6 von der Emittentin, der Garantin oder einer direkten oder indirekten Tochtergesellschaft der Garantin 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 alle ausstehenden Schuldverschreibungen zum Nennbetrag zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurück zu zahlen.**]**

§ 7 FISCAL AGENT, ZAHLSTELLE UND BERECHNUNGSSTELLE

(1) *Bestellung; bezeichnete Geschäftsstelle.* Der anfänglich bestellte Fiscal Agent, die anfänglich bestellte Zahlstelle und die anfänglich bestellte Berechnungsstelle und deren anfänglich bezeichneten Geschäftsstellen lauten wie folgt:

Fiscal Agent und Zahlstelle:

Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Bundesrepublik Deutschland

Berechnungsstelle:

[Deutsche Bank Aktiengesellschaft
Große Gallusstraße 10-14
60272 Frankfurt/Main
Bundesrepublik Deutschland**] [Name und bezeichnete Geschäftsstelle]**

Der Fiscal Agent, die Zahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu

ersetzen.

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent or the Calculation Agent and to appoint another Fiscal Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain a Fiscal Agent, a Paying Agent **[**,**][**and**]** a Calculation Agent **[in the case of payments in U.S. dollars the following applies:** and if payments at or through the offices of all Paying Agents outside the United States (as defined in § 1**[**(7)**]**) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollar, a Paying Agent with a specified office in New York City**]**. Any variation, termination, appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 15.

(2) *Änderung oder Beendigung der Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung des Fiscal Agent oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und einen anderen Fiscal Agent oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt einen Fiscal Agent, eine Zahlstelle **[**,**][**und**]** eine Berechnungsstelle **[im Fall von Zahlungen in US-Dollar gilt folgendes:** und falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 1**[**(7)**]** definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City**]** unterhalten. Eine Änderung, Beendigung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 15 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

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

(3) *Erfüllungsgehilfe der Emittentin.* Der Fiscal Agent, 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.

§ 8 TAXATION

All amounts payable in respect of the Notes shall be made, and the Guarantee shall provide that all amounts payable

§ 8 BESTEUERUNG

Alle in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder

in respect of such Guarantee shall be made, without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of any jurisdiction in which the Issuer or the Guarantor, as applicable, is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the Notes or the Guarantee, as applicable, is made or any political subdivision or any authority thereof or therein having power to tax (each, a ***Relevant Taxing Jurisdiction***), unless such withholding or deduction is required by law. If such withholding with respect to amounts payable in respect of the Notes is required by law, the Issuer will pay, and the Guarantee shall provide that, if such withholding with respect to amounts payable in respect of such Guarantee is required by law, the Guarantor will pay, such additional amounts (the ***Additional Amounts***) as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

(a) 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 deduction or withholding by the Issuer or the Guarantor, as applicable, from payments of principal or

Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen eines Landes, in dem die Emittentin bzw. die Garantin gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Schuldverschreibungen bzw. die Garantie geleistet werden, oder einer steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde dieses Landes (jeweils eine ***Maßgebliche Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts an der Quelle auferlegt oder erhoben werden, und die Garantie muss entsprechende Bestimmungen für alle in Bezug auf diese Garantie zu zahlenden Beträge enthalten, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. Ist ein Einbehalt in Bezug auf zu zahlenden Beträge auf die Schuldverschreibungen gesetzlich vorgeschrieben, so wird die Emittentin diejenigen zusätzlichen Beträge (die ***Zusätzlichen Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären – und die Garantie muss eine entsprechende Verpflichtung der Garantin vorsehen, falls ein solcher Einbehalt bei in Bezug auf diese Garantie zu zahlenden Beträge gesetzlich vorgeschrieben ist –; eine Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht für solche Steuern oder Abgaben:

(a) die von einer als Depotbank oder Inkassobeauftragter im Namen eines Gläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin bzw. die Garantin von den von ihr zu leistenden Zahlungen von

interest made by it, or

Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt, oder

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of the Notes or the Guarantee, as applicable, are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Relevant Taxing Jurisdiction, or

(b) die aufgrund einer bestehenden oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Maßgeblichen Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen bzw. die Garantie aus Quellen in der Maßgeblichen Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind, oder

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the Kingdom of the Netherlands 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 or understanding, or

(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) zwischenstaatlicher Abkommen oder Vereinbarungen über deren Besteuerung, an denen die Bundesrepublik Deutschland oder das Königreich Niederlande oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die der Umsetzung dieser Richtlinie, Verordnung oder dieses Abkommens oder dieser Vereinbarung dient, diesen entspricht oder zur Anpassung an diese eingeführt wurde, abzuziehen oder einzubehalten sind, oder

(d) would not have been imposed or withheld but for the failure of the Holder or beneficial owner of Notes (including, for these purposes, any financial institution through which the Holder or beneficial owner holds the Notes or through which payment on the Notes is made), following a written request by or on behalf of the Issuer or the Guarantor addressed to the Holder or

(d) die nicht erhoben oder einbehalten worden wären, wenn es der Gläubiger oder der wirtschaftliche Eigentümer der Schuldverschreibungen (für die vorliegenden Zwecke einschließlich Finanzinstitute, über die der Gläubiger oder wirtschaftliche Eigentümer die Schuldverschreibungen hält oder über die Zahlungen auf die Schuldverschreibungen erfolgen) nicht unterlassen hätte,

beneficial owner (and made at a time that would enable the Holder or beneficial owner acting reasonably to comply with that request, and in all events, at least 30 days before any withholding or deduction would be required), to comply with any certification, identification, information or other reporting requirement whether required by statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction, that is a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction), but in each case, only to the extent the Holder or beneficial owner is legally entitled to provide such certification, information or documentation, or

nach einer an den Gläubiger oder wirtschaftlichen Eigentümer gerichteten schriftlichen Aufforderung der Emittentin, der Garantin oder in deren Namen (die so rechtzeitig erfolgt, dass der Gläubiger bzw. der wirtschaftliche Eigentümer dieser Aufforderung mit zumutbaren Anstrengungen nachkommen kann, in jedem Fall aber mindestens 30 Tage, bevor ein Einbehalt oder Abzug erforderlich wäre), einer aufgrund von Gesetzen, Abkommen, Verordnungen oder der Verwaltungspraxis in einer Maßgeblichen Steuerjurisdiktion vorgeschrieben Bescheinigungs-, Identifizierungs-, Informations-, oder sonstigen Nachweispflicht nachzukommen, die Voraussetzung für eine Befreiung von in der Maßgeblichen Steuerjurisdiktion erhobenen Steuern oder eine Reduzierung der Höhe des Abzugs oder Einbehalts solcher Steuern ist (u. a. eine Bescheinigung, dass der Gläubiger bzw. der wirtschaftliche Eigentümer nicht in der Maßgeblichen Steuerjurisdiktion ansässig ist), jedoch jeweils nur, soweit der Gläubiger bzw. der wirtschaftliche Eigentümer rechtlich berechtigt ist, die Bescheinigung, Information oder Dokumentation vorzulegen, oder

(e) are required to be withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in

(e) deren Einbehalt oder Abzug gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in der jeweils geltenden Fassung (der ***Code***), gegenwärtigen oder künftigen gemäß dem Code erlassenen Regelungen oder seiner offiziellen Auslegung, einer gemäß Section 1471(b) des Code geschlossenen Vereinbarung oder gemäß steuerrechtlichen oder aufsichtsrechtlichen Gesetzen, Regelungen oder

connection with the implementation of such Sections of the Code, or

Verfahrensweisen, die gemäß im Zusammenhang mit der Umsetzung dieser Vorschriften des Code geschlossenen zwischenstaatlichen Vereinbarungen eingeführt wurden, erforderlich ist, oder

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

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

(g) any combinations of items (a)-(f),

(g) jegliche Kombination der Absätze (a)-(f).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer der Zahlung erhält, soweit nach den Gesetzen der Maßgeblichen Steuerjurisdiktion eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder eines Gesellschafters der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer selbst Gläubiger der Schuldverschreibungen wäre.

For the avoidance of doubt, the withholding tax (*Kapitalertragsteuer*) currently levied in the Federal Republic of Germany at the level of the custodian bank and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon pursuant to tax law as in effect as of the Issue Date do not constitute a tax or duty as described above in respect of which Additional Amounts would be

Zur Klarstellung wird festgehalten, dass die gegenwärtig in der Bundesrepublik Deutschland gemäß dem zum Begebungstag geltenden Steuerrecht auf der Ebene der Depotbank erhobene Kapitalertragsteuer und der darauf anfallende Solidaritätszuschlag keine Steuern oder Abgaben der vorstehend beschriebenen Art darstellen, für die von der Emittentin Zusätzliche Beträge zu

payable by the Issuer.

§ 9 PRESENTATION PERIOD

The presentation period provided in section 801 paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years for the Notes.

§ 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 § 10(2) to the Paying Agent its entire claims arising from the Notes and demand immediate redemption thereof at the principal amount together with accrued interest (if any) to (but excluding) the date of repayment. Each of the following is an ***Event of Default***:

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

(b) the Issuer or the Guarantor fails to duly perform any other obligation arising from the Notes or the Guarantee and such failure, if capable of remedy, continues unremedied for more than 60 days after the Paying Agent has received a written request thereof in the manner set forth in § 10(2) from a Holder to perform such obligation; or

(c) (i) any Financial Indebtedness of the Guarantor or any Material Subsidiary (other than under the Notes) becomes due

zahlen wären.

§ 9 VORLEGUNGSFRIST

Die in § 801 Abs. 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 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 § 10(2) gegenüber der Zahlstelle fällig zu stellen und deren unverzügliche Rückzahlung zu ihrem Nennbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung (ausschließlich) aufgelaufener Zinsen zu verlangen. Jedes der folgenden Ereignisse stellt einen ***Kündigungsgrund*** dar:

(a) die Emittentin oder, falls diese nicht leistet, die Garantin zahlt auf die Schuldverschreibungen bzw. die Garantie fällige Kapital- oder Zinsbeträge oder sonstige Beträge nicht innerhalb von 30 Tagen nach Fälligkeit; oder

(b) die Emittentin oder die Garantin erfüllt irgendeine andere Verpflichtung aus den Schuldverschreibungen bzw. der Garantie nicht und die Nichterfüllung dauert – sofern sie geheilt werden kann – jeweils länger als 60 Tage fort, nachdem die Zahlstelle eine schriftliche Aufforderung in der in § 10(2) vorgesehenen Art und Weise von einem Gläubiger erhalten hat, die Verpflichtung zu erfüllen; oder

(c) (i) eine (nicht im Rahmen der Schuldverschreibungen bestehende) Finanzverbindlichkeit der

and payable prior to its specified maturity (whether by declaration, automatic acceleration or otherwise) as a result of an event of default (howsoever described), or (ii) any Financial Indebtedness of the Guarantor or any Material Subsidiary (other than under the Notes) is not paid within 30 days from its due date nor within any originally applicable or subsequently agreed grace period, *provided that* the aggregate amount of Financial Indebtedness falling within (i) and (ii) above amounts to at least EUR 25,000,000 (or its equivalent in other currencies). For the avoidance of doubt, this subparagraph (1)(c) shall not apply, where the Guarantor or the relevant Material Subsidiary contests in good faith that such payment obligation exists or is due; or

Garantin oder einer Wesentlichen Tochtergesellschaft wird infolge eines Kündigungsgrunds (unabhängig von der Bezeichnung) vor ihrer festgelegten Fälligkeit fällig und zahlbar (sei es durch Kündigung, automatische vorzeitige Fälligstellung oder auf andere Weise) oder (ii) eine (nicht im Rahmen der Schuldverschreibungen bestehende) Finanzverbindlichkeit der Garantin oder einer Wesentlichen Tochtergesellschaft wird weder innerhalb von 30 Tagen nach Fälligkeit noch innerhalb einer ursprünglich geltenden oder nachträglich vereinbarten Nachfrist gezahlt, jeweils mit der Maßgabe, dass der Gesamtbetrag der Finanzverbindlichkeiten nach (i) und (ii) mindestens EUR 25.000.000 (oder den Gegenwert in einer anderen Währung) beträgt. Zur Klarstellung wird festgehalten, dass dieser Absatz (1)(c) keine Anwendung findet, wenn die Garantin oder die jeweilige Wesentliche Tochtergesellschaft in gutem Glauben bestreitet, dass diese Zahlungsverpflichtung besteht oder fällig ist; oder

(d) the Guarantor or any Material Subsidiary announces its inability to meet its financial obligations or ceases its payments generally; or

(d) die Garantin oder eine Wesentliche Tochtergesellschaft gibt ihre Zahlungsunfähigkeit bekannt oder stellt ihre Zahlungen generell ein; oder

(e) insolvency proceedings against the Guarantor or any Material Subsidiary are instituted and have not been discharged or stayed within 90 days, or the Guarantor or any Material Subsidiary applies for or institutes such proceedings or offers or makes an arrangement

(e) gegen die Garantin oder eine Wesentliche Tochtergesellschaft wird ein Insolvenzverfahren eingeleitet und nicht innerhalb von 90 Tagen aufgehoben oder ausgesetzt, oder die Garantin oder eine Wesentliche Tochtergesellschaft beantragt die Eröffnung eines solchen

for the benefit of its creditors generally; or

Verfahrens oder leitet ein solches Verfahren ein oder bietet eine allgemeine Schuldenregelung zugunsten ihrer Gläubiger an oder trifft eine solche Schuldenregelung; oder

(f) the Guarantor or the Issuer enters into liquidation unless this is done in connection with a merger or other form of combination with another company and such company assumes all obligations of the Issuer in connection with the Notes or the Guarantor in connection with the Guarantee, as applicable; or

(f) die Garantin oder die Emittentin geht in Liquidation, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit den Schuldverschreibungen bzw. die Garantin im Zusammenhang mit der Garantie eingegangen ist; oder

(g) any governmental order, decree or enactment is made in or by the Federal Republic of Germany or the Kingdom of the Netherlands whereby the Issuer or the Guarantor is prevented from observing and performing in full its obligations under the Notes or the Guarantee and this situation is not cured within 90 days; or

(g) in der Bundesrepublik Deutschland oder dem Königreich Niederlande werden Gesetze, Verordnungen oder behördliche Anordnungen erlassen, aufgrund derer die Emittentin oder die Garantin daran gehindert wird, ihre Verpflichtungen aus den Schuldverschreibungen bzw. der Garantie in vollem Umfang nachzukommen und zu erfüllen und dieser Umstand wird nicht binnen 90 Tagen behoben; oder

(h) cessation of business operations of the Guarantor or the Issuer; or

(h) Einstellung des Geschäftsbetriebs der Garantin oder der Emittentin; oder

(i) the Guarantee ceases to be in full force and effect or is declared null and void in a judicial proceeding.

(i) die Garantie verliert ihre volle Wirkung oder wird in einem Gerichtsverfahren für unwirksam erklärt.

(2) *Termination Notices*. Any notice by a Holder (i) in accordance with § 10(1)(b) or (ii) to terminate its Notes in accordance with § 10 (a ***Termination Notice***) shall be made by means of a written declaration to the Fiscal Agent in the German or English language

(2) *Kündigungserklärungen.* Eine Erklärung eines Gläubigers (i) gemäß § 10(1)(b) oder (ii) zur Kündigung seiner Schuldverschreibungen gemäß § 10 (eine ***Kündigungserklärung***) hat in der Weise zu erfolgen, dass der Gläubiger dem Fiscal Agent eine entsprechende

delivered by hand or registered mail together with evidence by means of a certificate of the Holder's Custodian (as defined in § 17(3)) that such Holder, at the time of such Termination Notice, is a holder of the relevant Notes.

schriftliche Erklärung in deutscher oder englischer Sprache übergibt oder durch eingeschriebenen Brief übermittelt und dabei durch eine Bescheinigung seiner Depotbank (wie in § 17(3) definiert) nachweist, dass er die betreffenden Schuldverschreibungen zum Zeitpunkt der Kündigungserklärung hält.

(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.

(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 wurde.

(4) *Quorum*. In the events specified in § 10(1)(b) and § 10(1)(c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 10(1)(a) and § 10(1)(d)-(i) entitling Holders to declare their Notes due has occurred, become effective only when the Paying Agent has received such default notices from the Holders representing at least 10 per cent. of the aggregate principal amount of the Notes then outstanding.

(4) *Quorum.* In den Fällen gemäß § 10 (1)(b) und § 10(1)(c) wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 10(1)(a) und § 10(1)(d)-(i) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Zahlstelle Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 10 % des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.

§ 11 COVENANTS

§ 11 VERPFLICHTUNGS-ERKLÄRUNGEN

(1) *Limitations on Incurrence of Financial Indebtedness*. The Guarantor has undertaken in the Guarantee that it will not, and will procure that none of its Subsidiaries will, after the Issue Date, incur any Financial Indebtedness if, immediately after giving effect to the incurrence of such additional Financial Indebtedness and the application of the net proceeds of such incurrence,

(1) *Beschränkungen für das Eingehen von Finanzverbindlichkeiten.* Die Garantin hat sich in der Garantie verpflichtet, nach dem Begebungstag keine Finanzverbindlichkeiten einzugehen und sicherzustellen, dass ihre Tochtergesellschaften nach dem Begebungstag keine Finanzverbindlichkeiten eingehen, wenn jeweils unmittelbar nach Wirksamwerden des Eingehens solcher weiterer Finanzverbindlichkeiten und der Verwendung des damit erzielten Nettoerlöses eine der folgenden Bedingungen erfüllt wären:

(a) the sum of (i) the Consolidated Financial Indebtedness of the Group as of the immediately preceding Reporting Date for

(a) die Summe aus (i) den Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar

which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Nominal Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published would exceed 60 per cent. of the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published, (y) the purchase price of any Real Estate Property acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor 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 Guarantor have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness); or

vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem Nennbetrag der Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, würde einen Betrag in Höhe von 60 % der Summe (unter Ausschluss einer Doppelberücksichtigung) aus (x) der Bilanzsumme zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, (y) dem Kaufpreis für Immobilienvermögen, das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) dem Erlös aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) übersteigen; oder

(b) the sum of (i) the Consolidated Secured Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Nominal Secured

(b) die Summe aus (i) den Besicherten Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem Nennbetrag der

Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published would exceed 45 per cent. of the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published, (y) the purchase price of any Real Estate Property acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor 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 Guarantor have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness).

Besicherten Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, würde einen Betrag in Höhe von 45 % der Summe (unter Ausschluss einer Doppelberücksichtigung) aus (x) der Bilanzsumme zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, (y) dem Kaufpreis für Immobilienvermögen, das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) dem Erlös aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) übersteigen.

(2) *Maintenance of Consolidated Coverage Ratio.* The Guarantor has undertaken in the Guarantee that on each Reporting Date the Consolidated Coverage Ratio will be at least 1.80 to 1.00.

(2) *Einhaltung des Konsolidierten Deckungsgrads.* Die Garantin hat sich in der Garantie verpflichtet, dass der Konsolidierte Deckungsgrad an jedem Berichtsstichtag mindestens 1,80 zu 1,00 betragen wird.

(3) *Maintenance of Total Unencumbered Assets.* The Guarantor has undertaken in the Guarantee that from the Issue Date the sum of (i) the Unencumbered Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor

(3) *Einhaltung des Gesamtbetrags des Unbelasteten Vermögens.* Die Garantin hat sich in der Garantie verpflichtet, dass ab dem Begebungstag die Summe aus (i) dem Unbelasteten Vermögen zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein

have been published and (ii) the Net Unencumbered Assets newly recorded since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published will at no time be less than 125 per cent. of the sum of (x) the Unsecured Financial Indebtedness as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (y) the Net Nominal Unsecured Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published.

Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, neu erfassten Unbelasteten Nettovermögen zu keiner Zeit weniger als 125 % der Summe aus (x) den Unbesicherten Finanzverbindlichkeiten zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (y) dem Nennbetrag der Unbesicherten Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, eingegangen wurden, betragen wird.

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

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

(a) within 120 days after the end of each of the Guarantor's fiscal years, annual reports containing the following information:

(a) innerhalb von 120 Tagen nach dem Ende des Geschäftsjahres der Garantin einen Geschäftsbericht mit den folgenden Angaben:

(i) 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 (*Handelsgesetzbuch*);

(i) einem geprüften Konzernabschluss nach den in der EU anwendbaren International Financial Reporting Standards (IFRS) und einen Lagebericht nach § 315 HBG;

(ii) in addition to the requirements of IFRS and of the German Commercial Code (*Handelsgesetzbuch*) the management report to the consolidated financial statements should include information on compliance by the Guarantor with the

(ii) zusätzlich zu den Anforderungen nach IFRS und HGB soll der Lagebericht zum Konzernabschluss Angaben enthalten über die Einhaltung der Verpflichtungserklärungen zu "Beschränkungen für das Eingehen von Finanzverbindlichkeiten", "Einhaltung des

covenants "Limitations on Incurrence of Financial Indebtedness", "Maintenance of Consolidated Coverage Ratio" and "Maintenance of Total Unencumbered Assets"; and

Konsolidierten Deckungsgrads" und "Einhaltung des Gesamtbetrags des Unbelasteten Vermögens" durch die Garantin; und

(iii) the audit opinion of the independent auditors on the consolidated financial statements;

(iii) dem Bestätigungsvermerk des Abschlussprüfers zum Konzernabschluss;

(b) within 60 days after the end of each of the first three fiscal quarters in each fiscal year of the Guarantor, unaudited condensed consolidated quarterly financial statements in accordance with IFRS as adopted by the EU and the requirements of section 37w of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*), which will include information on compliance with the covenants "Limitations on Incurrence of Financial Indebtedness", "Maintenance of Consolidated Coverage Ratio" and "Maintenance of Total Unencumbered Assets".

(b) innerhalb von 60 Tagen nach dem Ende jedes der ersten drei Quartale jedes Geschäftsjahres der Garantin einen ungeprüften verkürzten Konzern-Zwischenabschluss nach den in der EU anwendbaren IFRS und den Anforderungen des § 37w Wertpapierhandelsgesetz (WpHG), der Angaben über die Einhaltung der Verpflichtungserklärungen zu "Beschränkungen für das Eingehen von Finanzverbindlichkeiten", "Einhaltung des Konsolidierten Deckungsgrads" und "Einhaltung des Gesamtbetrags des Unbelasteten Vermögens" enthält.

§ 12 SUBSTITUTION, TRANSFER OF DOMICILE

§ 12 ERSETZUNG, SITZVERLEGUNG

(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 the Guarantor or any Affiliate of the Guarantor as principal debtor in respect of all obligations arising from or in connection with these Notes (the ***Substitute Debtor***) *provided that*:

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

(a) the Substitute Debtor, in a manner legally effective,

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin

assumes all obligations of the Issuer in respect of the Notes;

im Zusammenhang mit den Schuldverschreibungen rechtswirksam übernimmt;

(b) the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) declares that its Guarantee shall with respect to the Notes also apply to the Substitute Debtor (each such declaration a ***Substitution Guarantee***);

(b) die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) erklärt, dass ihre Garantie im Zusammenhang mit den Schuldverschreibungen auch auf die Nachfolgeschuldnerin Anwendung findet (jede solche Erklärung eine ***Ersetzungsgarantie***);

(c) the obligations under the Guarantee will not be limited in any way solely as a consequence of the Issuer being substituted by the Substitute Debtor;

(c) die Verpflichtungen aus der Garantie in keiner Weise lediglich deshalb beschränkt sind, weil die Emittentin durch die Nachfolgeschuldnerin ersetzt wurde;

(d) the Substitute Debtor, the Issuer and the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) have obtained all necessary governmental and regulatory approvals and consents for such substitution and for the issue by the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) of a Substitution Guarantee, 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 and the obligations assumed by the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) under its Substitution Guarantee are, in each case, valid and binding in accordance with their respective terms and enforceable by each Holder;

(d) die Nachfolgeschuldnerin, die Emittentin und die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) alle für die Ersetzung und für die Übernahme einer Ersetzungsgarantie durch die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) 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 weiterhin sämtliche dieser Genehmigungen und Zustimmungen in vollem Umfang gültig und wirksam sind und zudem die Verpflichtungen der Nachfolgeschuldnerin aus den Schuldverschreibungen und die von der Garantin (falls die Garantin nicht selbst die

Nachfolgeschuldnerin ist) aus ihrer Ersetzungsgarantie übernommenen Verpflichtungen jeweils gemäß ihren Bestimmungen wirksam und rechtsverbindlich und durch jeden Gläubiger durchsetzbar sind;

(e) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer or the Guarantor (*provided that* the Guarantor is not the Substitute Debtor) has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

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

(f) 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; and

(f) 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; und

(g) the Issuer shall have delivered to an agent appointed for that purpose one Opinion of Counsel for each jurisdiction affected of lawyers of recognised standing to the effect that subparagraphs (a) to (f) above have been satisfied.

(g) 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 Absätzen (a) bis (f) erfüllt wurden.

For purposes of this § 12, ***Affiliate*** shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*).

Für die Zwecke dieses § 12 bezeichnet ***Verbundenes Unternehmen*** ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz (AktG).

(2) *Notice*. Any substitution of the Issuer

(2) *Bekanntmachung.* Jede Ersetzung der

pursuant to this § 12 and the date of effectiveness of such substitution shall be published in accordance with § 15.

Emittentin gemäß diesem § 12 sowie das Datum, an dem die Ersetzung wirksam wird, ist gemäß § 15 bekannt zu geben.

(3) *Change of References*. Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the Relevant Taxing Jurisdiction with respect to the Issuer shall from then on be deemed to refer to the Relevant Taxing Jurisdiction with respect to the Substitute Debtor. Furthermore, in the event of such substitution, § 10(1)(i) shall be deemed to be amended to the effect that it shall be an Event of Default if a Substitution Guarantee ceases to be valid or binding on or enforceable against the Guarantor (*provided that* the Guarantor is not itself the Substitute Debtor).

(3) *Änderung von Bezugnahmen.* Mit Wirksamwerden der Ersetzung gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Maßgebliche Steuerjurisdiktion im Hinblick auf die Emittentin gilt ab diesem Zeitpunkt als Bezugnahme auf die Maßgebliche Steuerjurisdiktion im Hinblick auf die Nachfolgeschuldnerin. Des Weiteren gilt im Fall einer Ersetzung § 10(1)(i) als in der Form geändert, dass als Kündigungsgrund gilt, wenn eine Ersetzungsgarantie nicht mehr wirksam oder rechtsverbindlich für die Garantin ist oder nicht mehr gegen die Garantin durchsetzbar ist (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist).

(4) *Release from Obligations*. Upon effective substitution of the Issuer as set forth in this § 12, the Issuer shall be released from any obligation arising from or in connection with the Notes.

(4) *Schuldbefreiung*. Nach wirksamer Ersetzung der Emittentin gemäß diesem § 12 ist die Emittentin von allen Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen befreit.

(5) *Further Substitution*. At any time after a substitution pursuant to § 12(1) above, the Substitute Debtor may, without the consent of the Holders, effect a further substitution *provided that* all the provisions specified in § 12(1) to § 12(4) 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 effect of releasing the Guarantor from any of its obligations under its Guarantee.

(5) *Weitere Ersetzungen*. Die Nachfolgeschuldnerin ist jederzeit nach einer Ersetzung gemäß vorstehendem § 12(1) berechtigt, ohne die Zustimmung der Gläubiger eine weitere Ersetzung vorzunehmen, wobei alle Bestimmungen der vorstehenden § 12(1) bis § 12(4) sinngemäß Anwendung finden und, ohne hierauf beschränkt zu sein, Bezugnahmen in diesen Emissionsbedingungen auf die Emittentin, sofern der Zusammenhang dies verlangt, als Bezugnahmen bzw. auch als Bezugnahmen auf jede weitere Nachfolgeschuldnerin gelten. Eine Ersetzung gemäß diesem § 12 hat jedoch in keinem Fall zur Folge, dass die Garantin von ihren Verpflichtungen aus ihrer Garantie befreit wird.

(6) *Transfer of Domicile*. A transfer of domicile of the Issuer to another country or territory is only permissible if the

(6) *Sitzverlegung.* Eine Verlegung des Sitzes der Emittentin in ein anderes Land oder Gebiet ist nur zulässig, wenn die

requirements set forth in § 12(1) and (2) above are complied with accordingly. § 12(3) second half-sentence of sentence 1 shall apply *mutatis mutandis*.

vorstehend in § 12(1) und (2) genannten Anforderungen entsprechend erfüllt sind. § 12(3) zweiter Halbsatz des ersten Satzes findet entsprechende Anwendung.

§ 13 FURTHER ISSUES, PURCHASES AND CANCELLATION

(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 Issue Date, interest commencement date and/or issue price) so as to form a single series with the Notes.

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

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

§ 13 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

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

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

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

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

(1) *Amendment of the Terms and Conditions*. The Issuer may agree with the Holders on amendments to the Terms and Conditions or on other matters by virtue of a majority resolution of the Holders pursuant to sections 5 et seqq. of the German Act on

§ 14 ÄNDERUNGEN DER EMISSIONSBEDINGUNGEN DURCH BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER

(1) *Änderung der Emissionsbedingungen.* Die Emittentin kann mit den Gläubigern Änderungen der Emissionsbedingungen oder sonstige Maßnahmen durch Mehrheitsbeschluss der Gläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus

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 § 14(2) below. A duly passed majority resolution shall be binding equally upon all Holders.

Gesamtemissionen (***SchVG***) in seiner jeweils geltenden Fassung beschließen. Die Gläubiger können insbesondere einer Änderung wesentlicher Inhalte der Emissionsbedingungen, einschließlich der in § 5 Abs. 3 SchVG vorgesehenen Maßnahmen durch Beschlüsse mit den in dem nachstehenden § 14(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger gleichermaßen verbindlich.

(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, or relating to material other matters may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a ***Qualified Majority***).

(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 Emissionsbedingungen, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, geändert wird, oder sonstige wesentliche Maßnahmen beschlossen werden bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine ***Qualifizierte Mehrheit***).

(3) *Vote without a meeting*. Subject to § 14(4), resolutions of the Holders shall exclusively be made by means of a vote without a meeting (*Abstimmung ohne Versammlung*) 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. 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

(3) *Abstimmung ohne Versammlung.* Vorbehaltlich der Bestimmungen von § 14(4) werden Beschlüsse der Gläubiger ausschließlich im Wege der Abstimmung ohne Versammlung nach § 18 SchVG getroffen. Die Aufforderung zur Stimmabgabe enthält die weiteren Einzelheiten zu den Beschlüssen und dem Abstimmungsverfahren. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Gläubigern bekannt gegeben. Die Ausübung der Stimmrechte ist von der vorherigen 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. Die Gläubiger müssen im Rahmen der Anmeldung ihre Berechtigung zur

§ 17(3)(i)(a) and (b) 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 until and including the day the voting period ends.

Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 17(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die Schuldverschreibungen ab dem Tag der Versendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(4) *Second Noteholders' Meeting*. If it is ascertained that no quorum exists for the vote without meeting pursuant to § 14(3), the scrutineer (*Abstimmungsleiter*) 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(3)(i)(a) and (b) 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 until and including the stated end of the noteholders' meeting.

(4) *Zweite Gläubigerversammlung*. Wird für die Abstimmung ohne Versammlung gemäß § 14(3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, die als zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG gilt. Die Teilnahme an der zweiten Gläubigerversammlung und die Ausübung der Stimmrechte sind von der vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Gläubigerversammlung zugehen. Die Gläubiger müssen im Rahmen der Anmeldung ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 17(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die Schuldverschreibungen ab dem Tag der Versendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) *Holders' representative*. The Holders may by majority resolution provide for the appointment or dismissal of a holders' 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'

(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

Representative may only be passed by a Qualified Majority if such Holders' Representative is to be authorised to consent, in accordance with § 14(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.

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

(7) *Amendments of the Guarantee*. The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Guarantee.

Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt werden soll, Änderungen des wesentlichen Inhalts der Emissionsbedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 14(2) zuzustimmen.

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

(7) *Änderung der Garantie*. Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen der Garantie.

§ 15 NOTICES

[In the case of Notes which are listed on the Luxembourg Stock Exchange the following applies:

(1) *Publication*. All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) *Notification to Clearing System*. So long as any Notes are listed on the Luxembourg Stock Exchange, § 15(1) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been given on the fifth day after the day on which the said notice was given to the Clearing System.**]**

[In the case of Notes which are unlisted or listed on a stock exchange other than the Luxembourg Stock

§ 15 MITTEILUNGEN

[Im Falle von Schuldverschreibungen, die an der Luxemburger Börse notiert werden, gilt folgendes:

(1) *Bekanntmachung*. Alle die Schuldverschreibungen betreffenden Mitteilungen sind auf der Internetseite der Luxemburger Börse (www.bourse.lu) elektronisch zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) *Mitteilungen an das Clearingsystem*. Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet § 15(1) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

[Im Falle von Schuldverschreibungen, die nicht oder an einer anderen Börse als die Luxemburger Börse notiert

Exchange the following applies:

(1) All notices concerning the Notes except as stipulated in § 14(6) shall be published electronically in the Federal Gazette (*Bundesanzeiger*) **[**and so long as the Notes are admitted to trading on **[stock exchange other than the Luxembourg Stock Exchange]** and if the rules of such stock exchange so require **[**in/under/●**] [newspaper or website]]**. Any notice so given will be deemed to be validly given 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*. The Issuer may, in lieu of publication set forth in § 15(1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Holders, *provided that* the rules of the stock exchange on which the Notes are listed (if applicable) permit such form of notice. Any such notice shall be deemed to have been given to the Holders on the fifth day after the day on which the said notice was given to the Clearing System.**]**

(3) *Notification to the Issuer*. Notices to be given by any Holder to the Issuer shall be made by means of a written declaration to be delivered by hand or registered mail to the Paying Agent.

§ 16 DEFINITIONS

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

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

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

Calculation Agent has the meaning

werden, gilt folgendes:

(1) Alle die Schuldverschreibungen betreffenden Mitteilungen, außer nach Maßgabe von § 14(6), sind elektronisch im Bundesanzeiger **[**und, solange die Schuldverschreibungen an der **[andere Börse als die Luxemburger Börse]** zum Handel zugelassen sind und soweit dies die Regeln dieser Börse verlangen, **[**in/unter/●**] [Zeitung oder Internetseite]]** zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Kalendertag nach dem Tag der Veröffentlichung (oder bei mehrfacher Veröffentlichungen mit dem dritten Kalendertag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) *Mitteilungen an das Clearingsystem.* Die Emittentin ist berechtigt, eine Veröffentlichung nach vorstehendem § 15(1) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger zu ersetzen, vorausgesetzt, dass die Regeln der Börse, an der die Schuldverschreibungen ggf. notiert sind, diese Form der Mitteilung zulassen. Jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

(3) *Mitteilungen an die Emittentin.* Mitteilungen eines Gläubigers an die Emittentin haben in der Weise zu erfolgen, dass der Gläubiger der Zahlstelle eine entsprechende schriftliche Erklärung übergibt oder durch eingeschriebenen Brief übermittelt.

§ 16 DEFINITIONEN

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

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

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

Berechnungsstelle hat die diesem

assigned to such term in § 7(1)

Begriff in § 7(1) zugewiesene Bedeutung.

Calculation Period has the meaning assigned to such term in § 4(9).

Zinsberechnungszeitraum hat die diesem Begriff in § 4(9) zugewiesene Bedeutung.

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, notes or other securities which are capable of being quoted, listed, dealt in or traded on a stock exchange, over-the-counter-market or other recognised securities market.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder künftige Verbindlichkeit zur Rückzahlung aufgenommener Geldbeträge (einschließlich Verbindlichkeiten aus Garantien oder sonstigen Haftungsvereinbarungen für solche Verbindlichkeiten Dritter), die in Form von Anleihen, Schuldverschreibungen oder sonstigen Wertpapieren, die an einer Börse, einem außerbörslichen Markt oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden können, verbrieft, verkörpert oder dokumentiert ist.

[In case of CBF as Clearing System, the following applies: *CBF* has the meaning assigned to such term in § 1(4).**]**

[Bei CBF als Clearingsystem gilt folgendes: *CBF* hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

[In case of CBL as Clearing System, the following applies: *CBL* has the meaning assigned to such term in § 1(4).**]**

[Bei CBL als Clearingsystem gilt folgendes: *CBL* hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN, the following applies: *CGN* has the meaning assigned to such term in § 1(4).**]**

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine CGN ist gilt folgendes: *CGN* hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

Change of Control has the meaning assigned to such term in § 6(3)(a).

Kontrollwechsel hat die diesem Begriff in § 6(3)(a) zugewiesene Bedeutung.

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

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

Consolidated Adjusted EBITDA means the number set out under the heading "EBITDA (adjusted)" in the Consolidated Financial Statements of the Guarantor covering the applicable Relevant Period.

Konsolidiertes Bereinigtes EBITDA bezeichnet den unter der Überschrift "EBITDA (bereinigt um Sondereinflüsse)" im Konzernabschluss der Garantin für den jeweiligen Maßgeblichen Zeitraum angegebenen Zahlenwert.

Consolidated Coverage Ratio means the ratio of (A) the aggregate amount of Consolidated Adjusted EBITDA in the Relevant Period to (B) the aggregate amount of Net Cash Interest in the Relevant Period.

Konsolidierter Deckungsgrad bezeichnet das Verhältnis (A) des Gesamtbetrags des Konsolidierten Bereinigten EBITDA im Maßgeblichen Zeitraum zu (B) dem Gesamtbetrag des Zinszahlungssaldos im Maßgeblichen Zeitraum.

Consolidated Financial Indebtedness means Financial Indebtedness of the Guarantor and any of its Subsidiaries, on a consolidated basis determined in accordance with IFRS.

Konsolidierte Finanzverbindlichkeiten bezeichnet die nach IFRS ermittelten Finanzverbindlichkeiten der Garantin und ihrer Tochtergesellschaften auf konsolidierter Basis.

Consolidated Financial Statements means, with respect to any Person, collectively, the consolidated financial statements and notes to those financial statements, of that Person and its subsidiaries prepared in accordance with IFRS.

Konzernabschluss bezeichnet in Bezug auf eine Person zusammenfassend den nach IFRS erstellten Konzernabschluss mit Anhang für diese Person und ihre Tochterunternehmen.

Consolidated Secured Financial Indebtedness means that portion of the Consolidated Financial Indebtedness of the Group that is secured by a Lien on properties or other assets of the Guarantor or any of its Subsidiaries.

Besicherte Konsolidierte Finanzverbindlichkeiten bezeichnet den Teil der Konsolidierten Finanzverbindlichkeiten der Gruppe, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Garantin oder ihrer Tochtergesellschaften besichert ist.

Control has the meaning assigned to such term in § 6(3)(a).

Kontrolle hat die diesem Begriff in § 6(3)(a) zugewiesene Bedeutung.

Controlled Subsidiary has the meaning assigned to such term in § 6(3)(a).

Abhängige Tochtergesellschaft hat die diesem Begriff in § 6(3)(a) zugewiesene Bedeutung.

Custodian has the meaning assigned to such term in § 17(3).

Depotbank hat die diesem Begriff in § 17(3) zugewiesene Bedeutung.

Day Count Fraction has the meaning assigned to such term in § 4(9).

Zinstagequotient hat die diesem Begriff in § 4(9) zugewiesene Bedeutung.

[In case of Euroclear as Clearing System, the following applies: ***Euroclear*** has the meaning assigned to such term in § 1(4).**]**

[Bei Euroclear als Clearingsystem gilt folgendes: ***Euroclear*** hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

[In the case the offered quotation for deposits in the Specified Currency is EURIBOR, the following applies: ***Euro-Zone*** has the meaning assigned to such term in § 4(3).**]**

[Falls der Angebotssatz für Einlagen in der festgelegten Währung EURIBOR ist gilt folgendes: ***Euro-Zone*** hat die diesem Begriff in § 4(3) zugewiesene Bedeutung.**]**

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

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

Exchange Date has the meaning assigned to such term in § 1(3)(b)

Austauschtag hat die diesem Begriff in § 1(3)(b) zugewiesene Bedeutung.

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

Finanzverbindlichkeiten bezeichnet (unter Ausschluss einer Doppelberücksichtigung) alle Verbindlichkeiten (ausgenommen solche gegenüber anderen Mitgliedern der Gruppe) für oder in Bezug auf:

(i) money borrowed;

(i) aufgenommene Gelder;

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

(ii) alle aus Akzepten im Rahmen von Akzeptkreditfazilitäten oder dematerialisierten Vergleichbaren aufgenommenen Beträge;

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

(iii) alle aus Fazilitäten für die Emission kurzfristiger Schuldtitel oder aus der Begebung von Anleihen, Schuldverschreibungen, Commercial Paper oder sonstigen Schuldtiteln oder vergleichbaren Instrumenten aufgenommenen Beträge;

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

(iv) veräußerte oder diskontierte Forderungen (mit Ausnahme von Forderungen, die regresslos verkauft werden);

(v) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, but excluding bank guarantee facilities (as amended from time to time) made or to be made available by financial institutions to the Guarantor or a Subsidiary under which the Guarantor 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

(v) die Aufnahme von Beträgen im Rahmen anderer Transaktionen (einschließlich Terminverkauf oder –kauf), die wirtschaftlich einer Kreditaufnahme gleichkommen, ausgenommen jedoch Bankgarantie-Fazilitäten (wie jeweils geändert), die der Garantin oder einer Tochtergesellschaft von Finanzinstituten gewährt werden oder gewährt werden sollen und in deren Rahmen die Garantin bzw. die jeweilige Tochtergesellschaft

the Guarantor or a Subsidiary;

die Ausstellung einer oder mehrerer Bankgarantien zugunsten einer Person verlangen kann, die sich zum Erwerb von Immobilienvermögen von der Garantin oder einer Tochtergesellschaft verpflichtet hat;

(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

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

(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.

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

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

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

Group means the Guarantor together with its Subsidiaries.

Gruppe bezeichnet die Garantin und ihre Tochtergesellschaften.

Guarantee has the meaning assigned to such term in § 2(2).

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

Guarantor has the meaning assigned to such term in § 2(2).

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

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

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

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

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

[In case of CBL and Euroclear as Clearing System, the following applies: ***ICSD*** and ***ICSDs*** has the meaning assigned to such term in § 1(4).**]**

[Bei CBL und Euroclear als Clearingsystem gilt folgendes: ***ICSD*** und ***ICSDs*** hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

IFRS means the International Financial Reporting Standards as adopted by the

IFRS bezeichnet die nach der EU anwendbaren International Financial

European Union and as published by the International Accounting Standards Board, as in effect from time to time.

Reporting Standards des International Accounting Standards Board in jeweils geltender Fassung.

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.

Eingehen bezeichnet in Bezug eine Finanzverbindlichkeit oder eine sonstige Verbindlichkeit einer Person die Begründung, Übernahme, die 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.

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

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

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

Zins-Festlegungstag hat die diesem Begriff in § 4(3) zugewiesene Bedeutung.

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

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

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

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

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

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

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

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

Lien means (without duplication) 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 setoff 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 interest *in rem* (*dingliches Sicherungsrecht*), to a Person that is not a member of the Group, in each case to secure outstanding Financial Indebtedness, but in each case excluding

Sicherungsrecht bezeichnet (unter Ausschluss einer Doppelberücksichtigung) Sicherungsrechte, Grundpfandrechte, Sicherung-Treuhandverträge (*trust-deed* oder *deed of trust*), Sicherungs-Urkunden (*deed*), Pfandrechte, Verpfändungsvereinbarungen, Sicherungsabtretungen, Sicherungsübereignungen, Hinterlegungsvereinbarungen oder sonstige Sicherungsabreden, ausgenommen Rechte zur Aufrechnung, jedoch u. a. einschließlich bedingte Kaufverträge oder Vereinbarungen mit Eigentumsvorbehalt, Finanzierungsleasingverträge, die wirtschaftlich 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) any encumbrance registered in department 2 (*Abteilung 2*) of a German land register (*Grundbuch*);	(i) in Abteilung 2 eines deutschen Grundbuchs eingetragene Belastungen;
(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;	(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) any Lien securing Financial Indebtedness outstanding on the Issue Date;	(iii) Sicherungsrechte, die zum Begebungstag ausstehende Finanzverbindlichkeiten besichern;
(iv) any Lien in respect of which an unconditional deletion consent (*Löschungsbewilligung*) has been delivered to the relevant member of the Group;	(iv) Sicherungsrechte, für die dem maßgeblichen Mitglied der Gruppe eine unbedingte Löschungsbewilligung übermittelt wurde;
(v) any Lien arising by operation of law (or by agreement having the same effect) or in the ordinary course of business, *provided that* any Lien arising in the ordinary course of business over Real Estate Property shall not be excluded;	(v) Sicherungsrechte, die kraft Gesetzes (oder kraft einer Vereinbarung mit derselben Wirkung) oder im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen, wobei im Rahmen der gewöhnlichen Geschäftstätigkeit entstehende Sicherungsrechte an Immobilienvermögen jedoch nicht ausgeschlossen sind;
(vi) any cash collateral posted in connection with cross-currency and interest rate hedging transactions; and	(vi) Barsicherheiten, die im Zusammenhang mit Währungs- und Zinsabsicherungsgeschäften gestellt werden; und
(vii) any Lien on bank accounts under general terms and conditions of any provider of such bank accounts.	(vii) Sicherungsrechte an Bankkonten nach Maßgabe der allgemeinen Geschäftsbedingungen des Anbieters der Bankkonten.

Material Subsidiary means any Subsidiary of the Guarantor whose total assets are at least equal to 5 per cent. of the total assets of the Group.

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Garantin, deren Bilanzsumme mindestens 5 % der Bilanzsumme der Gruppe ausmacht.

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

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

[in case of a Margin, the following applies: ***Margin*** has the meaning assigned to such term in § 4(3).**]**

[im Falle einer Marge gilt Folgendes: ***Marge*** hat die diesem Begriff in § 4(3) zugewiesene Bedeutung.**]**

[in case of a Maximum Rate of Interest, the following applies: ***Maximum Rate of Interest*** has the meaning assigned to such term in § 4(4).**]**

[im Falle eines Höchstzinssatzes, gilt folgendes: ***Höchstzinssatz*** hat die diesem Begriff in § 4(4) zugewiesene Bedeutung.**]**

[in case of a Minimum Rate of Interest, the following applies: ***Minimum Rate of Interest*** has the meaning assigned to such term in § 4(4).**]**

[im Falle eines Mindestzinssatzes, gilt folgendes: ***Mindestzinssatz*** hat die diesem Begriff in § 4(4) zugewiesene Bedeutung.**]**

Net Cash Interest means all interest and other financing charges accrued to persons who are not members of the Group less the amount of any interest and other financing charges accrued to be received 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).

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

Net Nominal Financial Indebtedness means the nominal amount of Financial Indebtedness incurred minus the nominal amount of Financial Indebtedness repaid.

Nennbetrag der Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Finanzverbindlichkeiten.

Net Nominal Secured Financial Indebtedness means the nominal amount of Secured Financial Indebtedness incurred minus the nominal amount of Secured Financial Indebtedness repaid.

Nennbetrag der Besicherten Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Besicherten Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Besicherten Finanzverbindlichkeiten.

Net Nominal Unsecured Financial Indebtedness means the nominal amount of Unsecured Financial Indebtedness incurred minus the nominal amount of Unsecured Financial Indebtedness repaid.

Nennbetrag der Unbesicherten Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Unbesicherten Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Unbesicherten Finanzverbindlichkeiten.

Net Unencumbered Assets means, on a consolidated basis determined in accordance with IFRS, the value of any Real Estate Property of the Guarantor and its Subsidiaries not subject to any Lien acquired plus the value of all other assets of the Guarantor and its Subsidiaries not subject to any Lien acquired minus the value of such assets which (i) have been disposed of or (ii) have become subject to a Lien.

Unbelastetes Nettovermögen bezeichnet den nach IFRS auf konsolidierter Basis ermittelten Wert des erworbenen Immobilienvermögens der Garantin und ihrer Tochtergesellschaften, das nicht Gegenstand eines Sicherungsrechts ist, zuzüglich des Werts aller sonstigen erworbenen Vermögenswerte der Garantin und ihrer Tochtergesellschaften, die nicht Gegenstand eines Sicherungsrechts sind, abzüglich des Werts solcher Vermögenswerte, die (i) veräußert wurden oder (ii) Gegenstand eines Sicherungsrechts geworden sind.

[In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is an NGN, the following applies: ***NGN*** has the meaning assigned to such term in § 1(4).**]**

[Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und falls die Globalurkunde eine NGN ist gilt folgendes: ***NGN*** hat die diesem Begriff in § 1(4) zugewiesene Bedeutung.**]**

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

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

Opinion of Counsel means a written opinion from legal counsel. The counsel may be an employee of or counsel to the Guarantor.

Rechtsgutachten bezeichnet ein schriftliches Gutachten eines Rechtsberaters. Der Rechtsberater kann Mitarbeiter oder externer Rechtsberater der Garantin sein.

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

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

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

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.

Portfolio Restructuring has the meaning assigned to such term in § 6(3)(a).

Portfolio-Restrukturierung hat die diesem Begriff in § 6(3)(a) zugewiesene Bedeutung.

Put Date has the meaning assigned to such term in § 6(3)(c).

Rückzahlungstag hat die diesem Begriff in § 6(3)(c) zugewiesene Bedeutung.

Put Event Notice has the meaning assigned to such term in § 6(3)(b).

Gläubigerwahl-Rückzahlungsereignis-Mitteilung hat die diesem Begriff in § 6(3)(b) zugewiesene Bedeutung.

Put Notice has the meaning assigned to such term in § 6(3)(c).

Ausübungserklärung hat die diesem Begriff in § 6(3)(c) zugewiesene Bedeutung.

Put Option has the meaning assigned to such term in § 6(3)(a).

Gläubiger-Rückzahlungswahlrecht hat die diesem Begriff in § 6(3)(a) zugewiesene Bedeutung.

Put Period has the meaning assigned to such term in § 6(3)(c).

Ausübungszeitraum hat die diesem Begriff in § 6(3)(c) zugewiesene Bedeutung.

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

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

Real Estate Property means the real estate property of such Person and its subsidiaries.

Immobilienvermögen bezeichnet das Immobilienvermögen der betreffenden Person und ihrer Tochterunternehmen.

Reference Banks has the meaning assigned to such term in § 4(3).

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

[In the case the offered quotation for deposits in the Specified Currency is LIBOR, the following applies: *[Relevant Financial Center(s)] Business Day* has the meaning assigned to such term in § 4(3).**]**

[Falls der Angebotssatz für Einlagen in der festgelegten Währung LIBOR ist, gilt folgendes: *[Relevante(s) Finanzzentrum(en)] Geschäftstag* hat die diesem Begriff in § 4(3) zugewiesene Bedeutung.**]**

Relevant Period means the respective most recent four consecutive quarters ending prior to the respective date of determination of the Consolidated Coverage Ratio, provided however, that no quarter ended prior to 30 June 2013 will be taken into account for the purposes of determining the Consolidated Coverage Ratio. If on the relevant date of determination of the Consolidated Coverage Ratio fewer than four consecutive quarters have ended since (and including) the quarter ended 30 June 2013, the Relevant

Maßgeblicher Zeitraum bezeichnet die letzten vier vor dem jeweiligen Tag der Feststellung des Konsolidierten Deckungsgrads endenden aufeinanderfolgenden Quartale, wobei jedoch bei dieser Feststellung kein vor dem 30. Juni 2013 endendes Quartal berücksichtigt wird. Falls am jeweiligen Tag der Feststellung des Konsolidierten Deckungsgrads seit dem am 30. Juni 2013 endenden Quartal (einschließlich dieses Quartals) weniger als vier aufeinanderfolgende Quartale abgelaufen sind, umfasst der

Period shall only comprise the quarter ended 30 June 2013 and any quarter ended subsequently thereto.

Relevant Taxing Jurisdiction has the meaning assigned to such term in § 8.

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

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

Screen Page has the meaning assigned to such term in § 4(3).

Secured Financial Indebtedness means that portion of the aggregate principal amount of all outstanding Financial Indebtedness of the Group that is secured by a Lien on properties or other assets of the Group.

Securities Act means the U.S. Securities Act of 1933, as amended.

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

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

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

Substitute Debtor has the meaning

Maßgebliche Zeitraum nur das am 30. Juni 2013 endende Quartal und jedes danach abgelaufene Quartal.

Maßgebliche Steuerjurisdiktion hat die diesem Begriff in § 8 zugewiesene Bedeutung.

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

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

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

Besicherte Finanzverbindlichkeiten bezeichnet den Teil des Gesamtnennbetrags aller ausstehenden Finanzverbindlichkeiten der Gruppe, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Gruppe besichert ist.

Securities Act bezeichnet das US-Wertpapiergesetz von 1933 (U.S. Securities Act of 1933) in seiner jeweils geltenden Fassung.

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

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

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

Nachfolgeschuldnerin hat die diesem

assigned to such term in § 12(1).

Begriff in § 12(1) zugewiesene Bedeutung.

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

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

[In the case the Specified Currency is Euro and/or the offered quotation for deposits in the Specified Currency is EURIBOR the following applies: ***TARGET Business Day*** means a day on which all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer system (TARGET2) are operational to effect payments.**]**

[Wenn die Festgelegte Währung Euro ist und/oder der Angebotssatz für Einlagen in der festgelegten Währung EURIBOR ist, gilt folgendes: ***TARGET Geschäftstag*** ist ein Tag, an dem alle maßgeblichen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2) betriebsbereit sind, um Zahlungen vorzunehmen.**]**

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

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

Terra Firma Group has the meaning assigned to such term in § 6(3)(a).

Terra Firma Group hat die diesem Begriff in § 6(3)(a) zugewiesene Bedeutung.

Total Assets means the value of the consolidated total assets of the Guarantor and its Subsidiaries, as such amount appears, or would appear, on a consolidated balance sheet of the Guarantor prepared in accordance with IFRS, *provided that* "*Total Assets*" shall include the proceeds of the Financial Indebtedness or Secured Financial Indebtedness to be incurred.

Bilanzsumme bezeichnet den Wert der konsolidierten Bilanzsumme der Garantin und ihrer Tochtergesellschaften, der in einer nach IFRS erstellten konsolidierten Bilanz der Garantin erscheint oder erscheinen würde, wobei die "*Bilanzsumme*" die Zuflüsse aus den einzugehenden Finanzverbindlichkeiten oder Besicherten Finanzverbindlichkeiten einschließt.

Unencumbered Assets means without duplication, (i) the value of any Real Estate Property, on a consolidated basis determined in accordance with IFRS, of the Guarantor and its Subsidiaries that is not subject to any Lien, plus (ii) the value of all other assets of the Guarantor and its Subsidiaries that is not subject to any Lien (where in case of (i) and (ii) the value of Real Estate Property, on a consolidated basis determined in accordance with IFRS, and other assets shall be equal to such amounts that appear, or would appear, on a consolidated balance sheet of the Guarantor prepared in accordance with IFRS).

Unbelastetes Vermögen bezeichnet ohne doppelte Berücksichtigung (i) den nach IFRS auf konsolidierter Basis ermittelten Wert des Immobilienvermögens der Garantin und ihrer Tochtergesellschaften, das nicht Gegenstand eines Sicherungsrechts ist, zuzüglich (ii) des Werts aller sonstigen Vermögenswerte der Garantin und ihrer Tochtergesellschaften, die nicht Gegenstand eines Sicherungsrechts sind (wobei im Fall von (i) und (ii) der nach IFRS auf konsolidierter Basis ermittelte Wert des Immobilienvermögens und der sonstigen Vermögenswerte dem Betrag entspricht, der in einer nach IFRS erstellten konsolidierten Bilanz der

Unsecured Financial Indebtedness means that portion of the aggregate principal amount of all outstanding Financial Indebtedness of the Group that is not Secured Financial Indebtedness.

§ 17 APPLICABLE LAW, PLACE OF JURISDICTION, ENFORCEMENT AND PROCESS AGENT

(1) *Applicable Law*. The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws.

(2) *Submission to Jurisdiction*. Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the place of non-exclusive jurisdiction for any action or other legal proceedings in connection with the Notes shall be Frankfurt am Main.

(3) *Enforcement*. Any Holder of Notes may in any proceedings against the Issuer or any Guarantor, or to which such Holder and the Issuer or any Guarantor 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 Note in global form certified as being a true copy by a duly authorised officer of the Clearing

Garantin erscheint oder erscheinen würde).

Unbesicherte Finanzverbindlichkeiten bezeichnet den Teil des Gesamtnennbetrags aller ausstehenden Finanzverbindlichkeiten der Gruppe, bei dem es sich nicht um Besicherte Finanzverbindlichkeiten handelt.

§ 17 ANWENDBARES RECHT, GERICHTSSTAND, GERICHTLICHE GELTENDMACHUNG UND ZUSTELLUNGSBEVOLLMÄCHTIGTER

(1) *Anwendbares Recht*. Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts.

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

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder eine Garantin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin oder eine Garantin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, 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

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 recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes 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.

gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, 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 anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearingsystems. 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.

(4) *Process Agent*. The Issuer has appointed the Guarantor as its agent for service of process (*Zustellungsbevollmächtigter*) in relation to any proceedings before the German courts in connection with the Notes.

(4) *Zustellungsbevollmächtigter*. Die Emittentin hat die Garantin als Zustellungsbevollmächtigte für Verfahren vor deutschen Gerichten im Zusammenhang mit den Schuldverschreibungen bestellt.

§ 18 LANGUAGE

[If the Conditions shall be in the German language with an English language translation the following applies: These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[If the Conditions shall be in the English language with a German language translation the following applies: These Terms and Conditions are written in the English language and

§ 18 SPRACHE

[Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind in

provided with German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]**

englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

[If the Conditions shall be in the German language only the following applies: These Terms and Conditions are written in the German language only.**]**

[Falls die Emissionsbedingungen nur in deutscher Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

[If the Conditions shall be in the English language only the following applies: These Terms and Conditions are written in the English language only.**]**

[Falls die Emissionsbedingungen nur in englischer Sprache abgefasst sind, gilt folgendes: Diese Emissionsbedingungen sind ausschließlich in englischer Sprache abgefasst.

FORM OF GUARANTEE

GUARANTEE

of

Deutsche Annington Immobilien SE,
Düsseldorf,
Federal Republic of Germany
(the ***Guarantor***)

for the benefit of the holders of Notes (the "**Notes**")
issued by

Deutsche Annington Finance B.V.,
Amsterdam,
The Netherlands
(the ***Issuer***)

under the
EUR 4,000,000,000 Debt Issuance Programme
of Deutsche Annington Finance B.V.
guaranteed by Deutsche Annington Immobilien SE
(as amended, supplemented or restated from time to time) (the ***Programme***)

§ 1
GUARANTEE, STATUS

(1) The Guarantor hereby unconditionally and irrevocably guarantees by way of an independent payment obligation (*selbständiges Zahlungsversprechen*) to each holder of a Note, issued by the Issuer on or after the date of this Guarantee under the Programme, (the **Holders**) the due and punctual payment of principal of, and interest on, and any other amounts payable under the relevant Notes (the ***Guarantee***). This Guarantee shall be separate and independent from the obligations of the Issuer and shall exist irrespective of the validity and enforceability of the obligations of the Issuer.

GARANTIE

der

Deutsche Annington Immobilien SE,
Düsseldorf,
Bundesrepublik Deutschland
(die ***Garantin***)

zugunsten der Gläubiger von Schuldverschreibungen (die ***Schuldverschreibungen***)
emittiert durch

Deutsche Annington Finance B.V.,
Amsterdam
Niederlande
(die ***Emittentin***)

im Rahmen des
EUR 4.000.000.000 Debt Issuance Programme
der Deutsche Annington Finance B.V. garantiert durch die
Deutsche Annington Immobilien SE
(wie jeweils abgeändert, ergänzt oder neu gefasst) (das ***Programm***)

§ 1
GARANTIE, STATUS

(1) Die Garantin garantiert hiermit unbedingt und unwiderruflich im Wege eines selbständigen Zahlungsversprechens gegenüber jedem Gläubiger einer Schuldverschreibung, die an oder zu irgendeinem Zeitpunkt nach dem Datum dieser Garantie von der Emittentin im Rahmen des Programms begeben wird, (die ***Gläubiger***) die ordnungsgemäße und pünktliche Zahlung aller Kapital-, Zins- und sonstigen auf die Schuldverschreibungen zahlbaren Beträge (die ***Garantie***). Diese Garantie besteht selbständig und unabhängig von den Verbindlichkeiten der Emittentin und gilt unabhängig von der Wirksamkeit und Durchsetzbarkeit der Verbindlichkeiten der Emittentin.

(2) The intent and purpose of this Guarantee is to ensure that the Holders under all circumstances, whether factual or legal, and regardless of the validity and enforceability of the obligations of the Issuer or of any other grounds on the basis of which the Issuer may fail to effect payment, shall receive the amounts payable as principal, interest and other amounts to the Holders pursuant to the Conditions on the due dates as provided for in the Conditions.

(2) Sinn und Zweck dieser Garantie ist es, sicherzustellen, dass die Gläubiger unter allen Umständen tatsächlicher oder rechtlicher Art und unabhängig von der Wirksamkeit und Durchsetzbarkeit der Verbindlichkeiten der Emittentin oder sonstiger Gründe, auf deren Basis die Emittentin Zahlungen möglicherweise nicht leistet, die in Form von Kapital- oder Zinszahlungen oder sonstigen Zahlungen gemäß den Emissionsbedingungen an die Gläubiger zu leistenden Beträge bei Fälligkeit nach Maßgabe der Emissionsbedingungen erhalten.

(3) The Guarantor hereby explicitly waives any personal defences of the Issuer (*Einreden des Hauptschuldners*) as well as any defences arising out of the Issuer's right of revocation (*Anfechtbarkeit*) or set-off (*Aufrechenbarkeit*) with respect to the Notes. This waiver shall not apply to any defences relating to any right of set-off with counterclaims that are (i) uncontested (*unbestritten*) or (ii) based on an unappealable (*rechtskräftig festgestellt*) court decision.

(3) Die Garantin verzichtet hiermit ausdrücklich auf alle der Emittentin zustehenden persönlichen Einreden des Hauptschuldners sowie auf alle der Emittentin zustehenden Einreden der Anfechtbarkeit oder Aufrechenbarkeit im Hinblick auf die Schuldverschreibungen. Dieser Verzicht auf die Einrede der Aufrechenbarkeit gilt nicht für (i) unbestrittene oder (ii) rechtskräftig festgestellte Gegenforderungen.

(4) The Guarantor expressly consents to the Guarantee being independent from any other security granted in connection with the Notes and waives any right which might result from the release of any such other security.

(4) Die Garantin erklärt ausdrücklich, dass die Garantie unabhängig von allen anderen im Zusammenhang mit den Schuldverschreibungen gestellten Sicherheiten besteht, und verzichtet auf alle etwaigen aus einer Freigabe solcher anderen Sicherheiten entstehenden Rechte.

(5) The Guarantor's payment obligations under this Guarantee become automatically due and payable if and when the Issuer does not make a payment with respect to the Notes when such payment is due and payable pursuant to the Conditions.

(5) Die Zahlungsverpflichtungen der Garantin aus dieser Garantie werden automatisch fällig und zahlbar, sofern und sobald die Emittentin eine Zahlung auf die Schuldverschreibungen nicht bei Fälligkeit gemäß den Emissionsbedingungen leistet.

(6) The obligations of the Guarantor under this Guarantee shall rank at least *pari passu* with all other unsubordinated obligations of the Guarantor, unless such obligations are accorded priority under mandatory provisions of statutory law.

(6) Die Verbindlichkeiten der Garantin aus dieser Garantie sind mit allen anderen nicht nachrangigen Verbindlichkeiten der Garantin mindestens gleichrangig, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(7) This Guarantee is discharged upon the full and irrevocable satisfaction of all claims guaranteed pursuant to this § 1 (the

(7) Diese Garantie ist mit der vollständigen und unwiderruflichen Befriedigung aller gemäß diesem § 1 garantierten Ansprüche (die

Guaranteed Obligations). However, if any of the Guaranteed Obligations was only temporarily satisfied or may be set aside by an insolvency administrator (*Anfechtungsrecht*) or may otherwise be avoided, the Guarantee shall continue in full force and effect.

(8) The Guarantor shall ensure that, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, the Issuer or, as applicable, the Substitute Debtor is at all times an Affiliate of the Guarantor.

Garantierten Verpflichtungen) abschließend erfüllt. Sollten Garantierte Verpflichtungen jedoch nur vorläufig erfüllt oder Gegenstand eines Anfechtungsrechts eines Insolvenzverwalters oder anderweitig anfechtbar sein, so bleibt die Garantie weiterhin in Kraft.

(8) Solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt wurden, wird die Garantin sicherstellen, dass die Emittentin bzw. die Nachfolgeschuldnerin stets ein Verbundenes Unternehmen der Garantin ist.

§ 2
NEGATIVE PLEDGE

(1) *Negative Pledge of the Guarantor.* The Guarantor 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 Fiscal Agent, not to create or permit to subsist, and to procure that none of its Material Subsidiaries will create or permit to subsist, any form of security interest *in rem* (*dingliches Sicherungsrecht*) over its assets to secure any Capital Market Indebtedness other than Securitised Capital Market Indebtedness or to secure any guarantee or indemnity given by the Guarantor or any of its Subsidiaries in respect of Capital Market Indebtedness unless, subject to § 2(2), 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 § 2(1) shall not apply:

(a) to any security interest which is mandatory according to applicable laws or required as prerequisite for

§ 2
NEGATIVVERPFLICHTUNG

(1) *Negativverpflichtung der Garantin.* Die Garantin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt wurden, keine dinglichen Sicherungsrechte an ihren Vermögenswerten zur Besicherung von Kapitalmarktverbindlichkeiten (mit Ausnahme Verbriefter Kapitalmarktverbindlichkeiten) oder von durch die Garantin oder eine ihrer Tochtergesellschaften in Bezug auf Kapitalmarktverbindlichkeiten übernommenen Garantien oder abgegebenen Freistellungserklärungen zu bestellen oder fortbestehen zu lassen bzw. sicherzustellen, dass keine ihrer Wesentlichen Tochtergesellschaften dies tut, es sei denn, die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden vorbehaltlich § 2(2) 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 § 2(1) gelten nicht:

(a) für Sicherungsrechte, die nach anwendbarem Recht zwingend vorgeschrieben sind oder Voraussetzung

governmental approvals; or

(b) with respect to any security right *in rem* (*dingliches Sicherungsrecht*) provided by any Subsidiary over any of such Subsidiary's claims against the Guarantor, which claims arise as a result of the passing on to the Guarantor of the proceeds from the issue by such Subsidiary of any Capital Market Indebtedness, *provided that* any such security serves solely to secure obligations under such Capital Market Indebtedness issued by such Subsidiary.

(3) *Provision of Additional Security*. Whenever the Guarantor becomes obligated to secure (or procure that a Material Subsidiary secures) the Notes pursuant to this § 2 (1) and (2), the Guarantor shall be entitled to discharge such obligation by providing (or procure that the relevant Material Subsidiary provide) 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 (*dinglich oder, falls rechtlich nicht möglich, aufgrund schuldrechtlicher Vereinbarung gleichrangig*), 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.

§ 3
TAXATION

All amounts payable in respect of this Guarantee shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by

für die Gewährung staatlicher Genehmigungen sind; oder

(b) für dingliche Sicherungsrechte, die von einer Tochtergesellschaft an Forderungen gegen die Garantin bestellt werden, die ihr aufgrund der Weiterleitung von erzielten Erlösen der Tochtergesellschaft aus der Begebung von Kapitalmarktverbindlichkeiten erzielten Erlösen der Tochtergesellschaft an die Garantin zustehen, vorausgesetzt, diese Sicherheiten dienen ausschließlich der Besicherung von Verpflichtungen aus den von dieser Tochtergesellschaft begebenen Kapitalmarktverbindlichkeiten.

(3) *Bestellung zusätzlicher Sicherheiten.* Entsteht für die Garantin die Verpflichtung zur Besicherung der Schuldverschreibungen gemäß diesem § 2 (1) und (2) (oder die Verpflichtung, für deren Besicherung durch eine Wesentliche Tochtergesellschaft Sorge zu tragen), so ist die Garantin berechtigt, diese Verpflichtung dadurch zu erfüllen, dass ein Sicherungsrecht an dem jeweiligen Sicherungsgegenstand zugunsten eines Sicherheitentreuhänders begründet wird (bzw. dadurch, dass sie die betreffende Wesentliche Tochtergesellschaft zur Begründung eines solchen Sicherungsrechts veranlasst), und zwar in einer Weise, dass der Sicherheitentreuhänder diesen Sicherungsgegenstand dinglich oder, falls rechtlich nicht möglich, aufgrund schuldrechtlicher Vereinbarung gleichrangig zugunsten der Gläubiger der Schuldverschreibungen und der Gläubiger derjenigen Kapitalmarktverbindlichkeit hält, die aufgrund einer Besicherung mit einem Sicherungsrecht zur Bestellung dieses Sicherungsrechts an dem betreffenden Sicherungsgegenstand führte.

§ 3
BESTEUERUNG

Alle in Bezug auf diese Garantie zu zahlenden Beträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen

or on behalf of any jurisdiction in which the Guarantor is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the Guarantee is made or any political subdivision or any authority thereof or therein having power to tax (each, a ***Relevant Taxing Jurisdiction***), unless such withholding or deduction is required by law. If such withholding with respect to amounts payable in respect of this Guarantee is required by law, the Guarantor will pay such additional amounts (the ***Additional Amounts***) as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

eines Landes, in dem die Garantin gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Garantie geleistet werden, oder einer Gebietskörperschaft oder einer Steuerbehörde dieses Landes (jeweils eine ***Maßgebliche Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts an der Quelle auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. Ist ein Einbehalt in Bezug auf diese Garantie zu zahlenden Beträge gesetzlich vorgeschrieben, so wird die Garantie diejenigen zusätzlichen Beträge (die ***Zusätzlichen Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; eine Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht für solche Steuern oder Abgaben:

(a) 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 deduction or withholding by the Guarantor from payments of principal or interest made by it, or

(a) die von einer als Depotbank oder Inkassobeauftragter im Names eines Gläubigers handelnden Person zu entrichten sind oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Garantin von den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt, oder

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of this Guarantee are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Relevant Taxing Jurisdiction, or

(b) die aufgrund einer bestehenden oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Maßgeblichen Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf diese Garantie aus Quellen in der Maßgeblichen Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind, oder

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany, or the Kingdom of The Netherlands 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 or

(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) zwischenstaatlicher Abkommen oder Vereinbarungen über deren Besteuerung, an denen die Bundesrepublik Deutschland oder das Königreich Niederlande oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die der Umsetzung dieser Richtlinie, Verordnung

understanding, or

oder dieses Abkommens oder dieser Vereinbarung dient, diesen entspricht oder zur Anpassung an diese eingeführt wurde, abzuziehen oder einzubehalten sind, oder

(d) would not have been imposed or withheld but for the failure of the Holder or beneficial owner of Notes (including, for these purposes, any financial institution through which the Holder or beneficial owner holds the Notes or through which payment on the Notes is made), following a written request by or on behalf of the Issuer or a Guarantor addressed to the Holder or beneficial owner (and made at a time that would enable the Holder or beneficial owner acting reasonably to comply with that request, and in all events, at least 30 days before any withholding or deduction would be required), to comply with any certification, identification, information or other reporting requirement whether required by statute, treaty, regulation or administrative practice of a Relevant Taxing Jurisdiction, that is a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction), but in each case, only to the extent the Holder or beneficial owner is legally entitled to provide such certification, information or documentation, or

(d) die nicht erhoben oder einbehalten worden wären, wenn es der Gläubiger oder der wirtschaftliche Eigentümer der Schuldverschreibungen (für die vorliegenden Zwecke einschließlich Finanzinstitute, über die der Gläubiger oder wirtschaftliche Eigentümer die Schuldverschreibungen hält oder über die Zahlungen auf die Schuldverschreibungen erfolgen) nicht unterlassen hätte, nach einer an den Gläubiger oder wirtschaftlichen Eigentümer gerichteten schriftlichen Aufforderung der Emittentin, einer Garantin oder in deren Namen (die so rechtzeitig erfolgt, dass der Gläubiger bzw. der wirtschaftliche Eigentümer dieser Aufforderung mit zumutbaren Anstrengungen nachkommen kann, in jedem Fall aber mindestens 30 Tage, bevor ein Einbehalt oder Abzug erforderlich wäre), einer aufgrund von Gesetzen, Abkommen, Verordnungen oder der Verwaltungspraxis in einer Maßgeblichen Steuerjurisdiktion vorgeschrieben Bescheinigungs-, Identifizierungs-, Informations-, oder sonstigen Nachweispflicht nachzukommen, die Voraussetzung für eine Befreiung von in der Maßgeblichen Steuerjurisdiktion erhobenen Steuern oder eine Reduzierung der Höhe des Abzugs oder Einbehalts solcher Steuern ist (u. a. eine Bescheinigung, dass der Gläubiger bzw. der wirtschaftliche Eigentümer nicht in der Maßgeblichen Steuerjurisdiktion ansässig ist), jedoch jeweils nur, soweit der Gläubiger bzw. der wirtschaftliche Eigentümer rechtlich berechtigt ist, die Bescheinigung, Information oder Dokumentation vorzulegen, oder

(e) are required to be withheld or deducted pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental

(e) deren Einbehalt oder Abzug gemäß *Sections* 1471 bis 1474 des *U.S. Internal Revenue Code* von 1986 in der jeweils geltenden Fassung (der ***Code***), gegenwärtigen oder künftigen gemäß dem Code erlassenen Regelungen oder seiner offiziellen Auslegung, einer gemäß *Section* 1471(b) des Code geschlossenen Vereinbarung oder gemäß steuerrechtlichen

agreement entered into in connection with the implementation of such Sections of the Code, or

oder aufsichtsrechtlichen Gesetzen, Regelungen oder Verfahrensweisen, die gemäß im Zusammenhang mit der Umsetzung dieser Vorschriften des Code geschlossenen zwischenstaatlichen Vereinbarungen eingeführt wurden, erforderlich ist, oder

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

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

(g) any combinations of items (a)-(f),

(g) jegliche Kombination der Absätze (a)-(f).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer der Zahlung erhält, soweit nach den Gesetzen der Maßgeblichen Steuerjurisdiktion eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder eines Gesellschafters der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer selbst Gläubiger der Schuldverschreibungen wäre.

For the avoidance of doubt, the withholding tax (*Kapitalertragsteuer*) currently levied in the Federal Republic of Germany at the level of the custodian bank and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon pursuant to tax law as in effect as of the Issue Date do not constitute a tax or duty as described above in respect of which Additional Amounts would be payable by the Issuer.

Zur Klarstellung wird festgehalten, dass die gegenwärtig in der Bundesrepublik Deutschland gemäß dem zum Begebungstag geltenden Steuerrecht auf der Ebene der Depotbank erhobene Kapitalertragsteuer und der darauf anfallende Solidaritätszuschlag keine Steuern oder Abgaben der vorstehend beschriebenen Art darstellen, für die von der Emittentin Zusätzliche Beträge zu zahlen wären.

§ 4
COVENANTS

(1) *Limitations on Incurrence of Financial Indebtedness*. The Guarantor undertakes that it will not, and will procure that none of its Subsidiaries will, after the Issue Date,

§ 4
VERPFLICHTUNGSERKLÄRUNGEN

(1) *Beschränkungen für das Eingehen von Finanzverbindlichkeiten.* Die Garantin verpflichtet sich, nach dem Begebungstag keine Finanzverbindlichkeiten einzugehen

incur any Financial Indebtedness if, immediately after giving effect to the incurrence of such additional Financial Indebtedness and the application of the net proceeds of such incurrence,

und sicherzustellen, dass ihre Tochtergesellschaften nach dem Begebungstag keine Finanzverbindlichkeiten eingehen, wenn jeweils unmittelbar nach Wirksamwerden des Eingehens solcher weiterer Finanzverbindlichkeiten und der Verwendung des damit erzielten Nettoerlöses eine der folgenden Bedingungen erfüllt wären:

(a) the sum of (i) the Consolidated Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Nominal Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published would exceed 60 per cent. of the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published, (y) the purchase price of any Real Estate Property acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor 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 Guarantor have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness); or

(a) die Summe aus (i) den Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem Nennbetrag der Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, würde einen Betrag in Höhe von 60 % der Summe (unter Ausschluss einer Doppelberücksichtigung) aus (x) der Bilanzsumme zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, (y) dem Kaufpreis für Immobilienvermögen, das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) dem Erlös aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) übersteigen; oder

(b) the sum of (i) the Consolidated Secured Financial Indebtedness of the Group as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Nominal

(b) die Summe aus (i) den Besicherten Konsolidierten Finanzverbindlichkeiten der Gruppe zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem

Secured Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published would exceed 45 per cent. of the sum of (without duplication) (x) Total Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published, (y) the purchase price of any Real Estate Property acquired or contracted for acquisition since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor 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 Guarantor have been published (but only to the extent such proceeds were not used to acquire Real Estate Property or to reduce Financial Indebtedness).

Nennbetrag der Besicherten Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, würde einen Betrag in Höhe von 45 % der Summe (unter Ausschluss einer Doppelberücksichtigung) aus (x) der Bilanzsumme zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, (y) dem Kaufpreis für Immobilienvermögen, das seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, erworben wurde oder für dessen Erwerb seit diesem Zeitpunkt eine Verpflichtung eingegangen wurde, und (z) dem Erlös aus Finanzverbindlichkeiten, die seit dem unmittelbar vorangegangenen Berichtsstichtag eingegangen wurden, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde (jedoch nur soweit dieser Erlös nicht zum Erwerb von Immobilienvermögen oder zur Verringerung von Finanzverbindlichkeiten verwendet wurde) übersteigen.

(2) *Maintenance of Consolidated Coverage Ratio*. The Guarantor undertakes that on each Reporting Date the Consolidated Coverage Ratio will be at least 1.80 to 1.00.

(2) *Einhaltung des Konsolidierten Deckungsgrads.* Die Garantin verpflichtet sich, dass der Konsolidierte Deckungsgrad an jedem Berichtsstichtag mindestens 1,80 zu 1,00 betragen wird.

(3) *Maintenance of Total Unencumbered Assets.* The Guarantor undertakes that from the Issue Date the sum of (i) the Unencumbered Assets as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (ii) the Net Unencumbered Assets newly recorded since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published will at no time be less than 125 per cent. of the sum of (x) the Unsecured Financial Indebtedness as of the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published and (y)

(3) *Einhaltung des Gesamtbetrags des Unbelasteten Vermögens.* Die Garantin verpflichtet sich, dass ab dem Begebungstag die Summe aus (i) dem Unbelasteten Vermögen zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, und (ii) dem seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, neu erfassten Unbelasteten Nettovermögen zu keiner Zeit weniger als 125 % der Summe aus (x) den Unbesicherten Finanzverbindlichkeiten zum unmittelbar vorangegangenen Berichtsstichtag, zu dem ein

the Net Nominal Unsecured Financial Indebtedness incurred since the immediately preceding Reporting Date for which Consolidated Financial Statements of the Guarantor have been published.

Konzernabschluss der Garantin veröffentlicht wurde, und (y) dem Nennbetrag der Unbesicherten Finanzverbindlichkeiten (netto), die seit dem unmittelbar vorangegangenen Berichtsstichtag, zu dem ein Konzernabschluss der Garantin veröffentlicht wurde, eingegangen wurden, betragen wird.

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

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

(a) within 120 days after the end of each of the Guarantor's fiscal years, annual reports containing the following information:

(a) innerhalb von 120 Tagen nach dem Ende jedes Geschäftsjahres einen Geschäftsbericht der Garantin mit den folgenden Angaben:

(i) 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 (*Handelsgesetzbuch*);

(i) einem geprüften Konzernabschluss nach den in der EU anwendbaren International Financial Reporting Standards (IFRS) und einen Lagebericht nach § 315 HBG;

(ii) in addition to the requirements of IFRS and of the German Commercial Code (*Handelsgesetzbuch*) the management report to the consolidated financial statements should include information on compliance by the Guarantor with the covenants "Limitations on Incurrence of Financial Indebtedness", "Maintenance of Consolidated Coverage Ratio" and "Maintenance of Total Unencumbered Assets"; and

(ii) zusätzlich zu den Anforderungen nach IFRS und HGB soll der Lagebericht zum Konzernabschluss Angaben enthalten über die Einhaltung der Verpflichtungserklärungen zu "Beschränkungen für das Eingehen von Finanzverbindlichkeiten", "Einhaltung des Konsolidierten Deckungsgrads" und "Einhaltung des Gesamtbetrags des Unbelasteten Vermögens" durch die Garantin; und

(iii) the audit opinion of the independent auditors on the consolidated financial statements;

(iii) dem Bestätigungsvermerk des Abschlussprüfers zum Konzernabschluss;

(b) within 60 days after the end of each of the first three fiscal quarters in each fiscal year of the Guarantor, unaudited condensed consolidated quarterly financial statements in accordance with IFRS as adopted by the EU and the requirements of section 37w of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*),

(b) innerhalb von 60 Tagen nach dem Ende jedes der ersten drei Quartale jedes Geschäftsjahres der Garantin einen ungeprüften verkürzten Konzern-Zwischenabschluss nach den in der EU anwendbaren IFRS und den Anforderungen des § 37w Wertpapierhandelsgesetz (WpHG), der Angaben über die Einhaltung der

which will include information on compliance with the covenants "Limitations on Incurrence of Financial Indebtedness", "Maintenance of Consolidated Coverage Ratio" and "Maintenance of Total Unencumbered Assets".

Verpflichtungserklärungen zu "Beschränkungen für das Eingehen von Finanzverbindlichkeiten", "Einhaltung des Konsolidierten Deckungsgrads" und "Einhaltung des Gesamtbetrags des Unbelasteten Vermögens" enthält.

§ 5
RESOLUTIONS OF HOLDERS — AMENDMENTS TO THE GUARANTEE

The Holders of each series of Notes may consent to amendments of this Guarantee in respect of the respective series of Notes by majority resolution passed in accordance with § 14 of the Conditions, provided that no obligation to make any payment or render any other performance shall be imposed on any Holder by majority resolution.

Majority resolutions shall be binding on all Holders of the respective series of Notes. Resolutions which do not provide for identical conditions for all Holders of the respective Series of Notes are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

§ 5
BESCHLÜSSE DER GLÄUBIGER – ÄNDERUNGEN DER GARANTIE

Die Gläubiger jeder Serie von Schuldverschreibungen können durch Mehrheitsbeschluss gemäß § 14 der Emissionsbedingungen Änderungen dieser Garantie im Hinblick auf die jeweilige Serie von Schuldverschreibungen zustimmen. Eine Verpflichtung zur Leistung kann für die Gläubiger durch Mehrheitsbeschluss nicht begründet werden.

Mehrheitsbeschlüsse sind für alle Gläubiger der jeweiligen Serie von Schuldverschreibungen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

§ 6
DEFINITIONS

Unless otherwise defined in this Guarantee, terms used herein and defined in the Conditions shall have the meaning attributed to them in the Conditions.

Additional Amounts has the meaning assigned to such term in § 3.

Affiliate means any affiliated company (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*).

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, notes or other securities which are capable of being quoted, listed, dealt in or

§ 6
DEFINITIONEN

Soweit diese Garantie keine anderslautenden Definition enthält, haben hierin verwendete Begriffe, die in den Emissionsbedingungen definiert sind, jeweils die ihnen in den Emissionsbedingungen zugewiesene Bedeutung.

Zusätzliche Beträge hat die diesem Begriff in § 3 zugewiesene Bedeutung.

Verbundenes Unternehmen bezeichnet ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz (AktG).

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder künftige Verbindlichkeit zur Rückzahlung aufgenommener Geldbeträge (einschließlich Verbindlichkeiten aus Garantien oder sonstigen Haftungsvereinbarungen für solche Verbindlichkeiten Dritter), die in Form von Anleihen, Schuldverschreibungen oder sonstigen Wertpapieren, die an einer Börse,

traded on a stock exchange, over-the-counter-market or other recognised securities market.

einem außerbörslichen Markt oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden können, verbrieft, verkörpert oder dokumentiert ist.

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

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

Conditions means the terms and conditions of the relevant Notes issued under the Programme, as annexed to the relevant Global Note.

Emissionsbedingungen bezeichnet die der jeweiligen Globalurkunde beigefügten Emissionsbedingungen der jeweiligen unter dem Programm begebenen Schuldverschreibungen.

Consolidated Adjusted EBITDA means the number set out under the heading "EBITDA (adjusted)" in the Consolidated Financial Statements of the Guarantor covering the applicable Relevant Period.

Konsolidiertes Bereinigtes EBITDA bezeichnet den unter der Überschrift "EBITDA (bereinigt um Sondereinflüsse)" im Konzernabschluss der Garantin für den jeweiligen Maßgeblichen Zeitraum angegebenen Zahlenwert.

Consolidated Coverage Ratio means the ratio of (A) the aggregate amount of Consolidated Adjusted EBITDA in the Relevant Period to (B) the aggregate amount of Net Cash Interest in the Relevant Period.

Konsolidierter Deckungsgrad bezeichnet das Verhältnis (A) des Gesamtbetrags des Konsolidierten Bereinigten EBITDA im Maßgeblichen Zeitraum zu (B) dem Gesamtbetrag des Zinszahlungssaldo im Maßgeblichen Zeitraum.

Consolidated Financial Indebtedness means Financial Indebtedness of the Guarantor and any of its Subsidiaries, on a consolidated basis determined in accordance with IFRS.

Konsolidierte Finanzverbindlichkeiten bezeichnet die nach IFRS ermittelten Finanzverbindlichkeiten der Garantin und ihrer Tochtergesellschaften auf konsolidierter Basis.

Consolidated Financial Statements means, with respect to any Person, collectively, the consolidated financial statements and notes to those financial statements, of that Person and its subsidiaries prepared in accordance with IFRS.

Konzernabschluss bezeichnet in Bezug auf eine Person zusammenfassend den nach IFRS erstellten Konzernabschluss mit Anhang für diese Person und ihre Tochterunternehmen.

Consolidated Secured Financial Indebtedness means that portion of the Consolidated Financial Indebtedness of the Group that is secured by a Lien on properties or other assets of the Guarantor or any of its Subsidiaries.

Besicherte Konsolidierte Finanzverbindlichkeiten bezeichnet den Teil der Konsolidierten Finanzverbindlichkeiten der Gruppe, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Garantin oder ihrer Tochtergesellschaften besichert ist.

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

Finanzverbindlichkeiten bezeichnet (unter Ausschluss einer Doppelberücksichtigung) alle Verbindlichkeiten (ausgenommen solche gegenüber anderen Mitgliedern der Gruppe) für oder in Bezug auf:

(i) money borrowed;

(i) aufgenommene Gelder;

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

(ii) alle aus Akzepten im Rahmen von Akzeptkreditfazilitäten oder dematerialisierten Vergleichbaren

aufgenommenen Beträge;

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

(iii) alle aus Fazilitäten für die Emission kurzfristiger Schuldtitel oder aus der Begebung von Anleihen, Schuldverschreibungen, Commercial Paper oder sonstigen Schuldtiteln oder vergleichbaren Instrumenten aufgenommenen Beträge;

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

(iv) veräußerte oder diskontierte Forderungen (mit Ausnahme von Forderungen, die regresslos verkauft werden);

(v) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, but excluding bank guarantee facilities (as amended from time to time) made or to be made available by financial institutions to the Guarantor or a Subsidiary under which the Guarantor 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 Guarantor or a Subsidiary;

(v) die Aufnahme von Beträgen im Rahmen anderer Transaktionen (einschließlich Terminverkauf oder –kauf), die wirtschaftlich einer Kreditaufnahme gleichkommen, ausgenommen jedoch Bankgarantie-Fazilitäten (wie jeweils geändert), die der Garantin oder einer Tochtergesellschaft von Finanzinstituten gewährt werden oder gewährt werden sollen und in deren Rahmen die Garantin bzw. die jeweilige Tochtergesellschaft die Ausstellung einer oder mehrerer Bankgarantien zugunsten einer Person verlangen kann, die sich zum Erwerb von Immobilienvermögen von der Garantin oder einer Tochtergesellschaft verpflichtet hat;

(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

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

(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.

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

Group means the Guarantor together with its Subsidiaries.

Gruppe bezeichnet die Garantin und ihre Tochtergesellschaften.

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

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

Guaranteed Obligations has the meaning assigned to such term in § 1(7).

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

Guarantor means Deutsche Annington Immobilien SE, Düsseldorf, Federal Republic of

Garantin bezeichnet die Deutsche Annington Immobilien SE, Düsseldorf, Bundesrepublik

Germany.

Deutschland.

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

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

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

IFRS bezeichnet die nach der EU anwendbaren International Financial Reporting Standards des International Accounting Standards Board in jeweils geltender Fassung.

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.

Eingehen bezeichnet in Bezug eine Finanzverbindlichkeit oder eine sonstige Verbindlichkeit einer Person die Begründung, Übernahme, die 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.

Issue Date means the issue date of the relevant Notes.

Begebungstag bezeichnet den Tag der Begebung der jeweiligen Schuldverschreibungen.

Issuer means Deutsche Annington Finance B.V., Amsterdam, The Netherlands.

Emittentin bezeichnet die Deutsche Annington Finance B.V., Amsterdam, Niederlande.

Lien means (without duplication) 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 setoff 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 interest *in rem* (*dingliches Sicherungsrecht*), to a Person that is not a member of the Group, in each case to secure outstanding Financial Indebtedness, but in each case excluding

Sicherungsrecht bezeichnet (unter Ausschluss einer Doppelberücksichtigung) Sicherungsrechte, Grundpfandrechte, Sicherung-Treuhandverträge (*trust-deed* oder *deed of trust*), Sicherungs- Urkunden (*deed*), Pfandrechte, Verpfändungsvereinbarungen, Sicherungsabtretungen, Sicherungsübereignungen, Hinterlegungsvereinbarungen oder sonstige Sicherungsabreden, ausgenommen Rechte zur Aufrechnung, jedoch u. a. einschließlich bedingte Kaufverträge oder Vereinbarungen mit Eigentumsvorbehalt, Finanzierungsleasingverträge, die wirtschaftlich 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) any encumbrance registered in department 2 (*Abteilung 2*) of a German land register (*Grundbuch*);

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

(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;

(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) any Lien securing Financial Indebtedness outstanding on the Issue Date;

(iii) Sicherungsrechte, die zum Begebungstag ausstehende Finanzverbindlichkeiten besichern;

(iv) any Lien in respect of which an unconditional deletion consent (*Löschungsbewilligung*) has been delivered to the relevant member of the Group;

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

(v) any Lien arising by operation of law (or by agreement having the same effect) or in the ordinary course of business, *provided that* any Lien arising in the ordinary course of business over Real Estate Property shall not be excluded;

(v) Sicherungsrechte, die kraft Gesetzes (oder kraft einer Vereinbarung mit derselben Wirkung) oder im Rahmen der gewöhnlichen Geschäftstätigkeit entstehen, wobei im Rahmen der gewöhnlichen Geschäftstätigkeit entstehende Sicherungsrechte an Immobilienvermögen jedoch nicht ausgeschlossen sind;

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

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

(vii) any Lien on bank accounts under general terms and conditions of any provider of such bank accounts.

(vii) Sicherungsrechte an Bankkonten nach Maßgabe der allgemeinen Geschäftsbedingungen des Anbieters der Bankkonten.

Material Subsidiary means any Subsidiary of the Guarantor whose total assets are at least equal to 5 per cent. of the total assets of the Group.

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Garantin, deren Bilanzsumme mindestens 5 % der Bilanzsumme der Gruppe ausmacht.

Net Cash Interest means all interest and other financing charges accrued to persons who are not members of the Group less the amount of any interest and other financing charges accrued to be received 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).

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

Net Nominal Financial Indebtedness means the nominal amount of Financial Indebtedness incurred minus the nominal amount of Financial

Nennbetrag der Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Finanzverbindlichkeiten

Indebtedness repaid.

abzüglich des Nennbetrags der zurückgezahlten Finanzverbindlichkeiten.

Net Nominal Secured Financial Indebtedness means the nominal amount of Secured Financial Indebtedness incurred minus the nominal amount of Secured Financial Indebtedness repaid.

Nennbetrag der Besicherten Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Besicherten Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Besicherten Finanzverbindlichkeiten.

Net Nominal Unsecured Financial Indebtedness means the nominal amount of Unsecured Financial Indebtedness incurred minus the nominal amount of Unsecured Financial Indebtedness repaid.

Nennbetrag der Unbesicherten Finanzverbindlichkeiten (netto) bezeichnet den Nennbetrag der eingegangenen Unbesicherten Finanzverbindlichkeiten abzüglich des Nennbetrags der zurückgezahlten Unbesicherten Finanzverbindlichkeiten.

Net Unencumbered Assets means, on a consolidated basis determined in accordance with IFRS, the value of any Real Estate Property of the Guarantor and its Subsidiaries not subject to any Lien acquired plus the value of all other assets of the Guarantor and its Subsidiaries not subject to any Lien acquired minus the value of such assets which (i) have been disposed of or (ii) have become subject to a Lien.

Unbelastetes Nettovermögen bezeichnet den nach IFRS auf konsolidierter Basis ermittelten Wert des erworbenen Immobilienvermögens der Garantin und ihrer Tochtergesellschaften, das nicht Gegenstand eines Sicherungsrechts ist, zuzüglich des Werts aller sonstigen erworbenen Vermögenswerte der Garantin und ihrer Tochtergesellschaften, die nicht Gegenstand eines Sicherungsrechts sind, abzüglich des Werts solcher Vermögenswerte, die (i) veräußert wurden oder (ii) Gegenstand eines Sicherungsrechts geworden sind.

Notes means the notes issued under the Programme by the Issuer from time to time.

Schuldverschreibungen bezeichnet die von der Emittentin jeweils im Rahmen des Programms begebenen Schuldverschreibungen.

Paying Agent means, subject to any variation, termination, appointment or change in accordance with § 7 of the Conditions, Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany.

Zahlstelle bezeichnet vorbehaltlich einer Änderung, Abberufung, Bestellung oder eines Wechsels nach § 7 der Emissionsbedingungen die Deutsche Bank Aktiengesellschaft, Frankfurt am Main, Bundesrepublik Deutschland.

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

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.

Real Estate Property means the real estate property of such Person and its subsidiaries.

Immobilienvermögen bezeichnet das Immobilienvermögen der betreffenden Person und ihrer Tochterunternehmen.

Relevant Period means the respective most recent four consecutive quarters ending prior to

Maßgeblicher Zeitraum bezeichnet die letzten vier vor dem jeweiligen Tag der Feststellung des

the respective date of determination of the Consolidated Coverage Ratio, provided however, that no quarter ended prior to 30 June 2013 will be taken into account for the purposes of determining the Consolidated Coverage Ratio. If on the relevant date of determination of the Consolidated Coverage Ratio fewer than four consecutive quarters have ended since (and including) the quarter ended 30 June 2013, the Relevant Period shall only comprise the quarter ended 30 June 2013 and any quarter ended subsequently thereto.

Konsolidierten Deckungsgrads endenden aufeinanderfolgenden Quartale, wobei jedoch bei dieser Feststellung kein vor dem 30. Juni 2013 endendes Quartal berücksichtigt wird. Falls am jeweiligen Tag der Feststellung des Konsolidierten Deckungsgrads seit dem am 30. Juni 2013 endenden Quartal (einschließlich dieses Quartals) weniger als vier aufeinanderfolgende Quartale abgelaufen sind, umfasst der Maßgebliche Zeitraum nur das am 30. Juni 2013 endende Quartal und jedes danach abgelaufene Quartal.

Relevant Taxing Jurisdiction has the meaning assigned to such term in § 3.

Maßgebliche Steuerjurisdiktion hat die diesem Begriff in § 3 zugewiesene Bedeutung.

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

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

Secured Financial Indebtedness means that portion of the aggregate principal amount of all outstanding Financial Indebtedness of the Group that is secured by a Lien on properties or other assets of the Group.

Besicherte Finanzverbindlichkeiten bezeichnet den Teil des Gesamtnennbetrags aller ausstehenden Finanzverbindlichkeiten der Gruppe, der mit Sicherungsrechten an Immobilien oder sonstigen Vermögenswerten der Gruppe besichert ist.

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

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

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

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

Total Assets means the value of the consolidated total assets of the Guarantor and its Subsidiaries, as such amount appears, or would appear, on a consolidated balance sheet of the Guarantor prepared in accordance with IFRS, *provided that* "*Total Assets*" shall include the proceeds of the Financial Indebtedness or Secured Financial Indebtedness to be incurred.

Bilanzsumme bezeichnet den Wert der konsolidierten Bilanzsumme der Garantin und ihrer Tochtergesellschaften, der in einer nach IFRS erstellten konsolidierten Bilanz der Garantin erscheint oder erscheinen würde, wobei die "*Bilanzsumme*" die Zuflüsse aus den einzugehenden Finanzverbindlichkeiten oder Besicherten Finanzverbindlichkeiten einschließt.

Unencumbered Assets means without duplication, (i) the value of any Real Estate

Unbelastetes Vermögen bezeichnet ohne doppelte Berücksichtigung (i) den nach IFRS

Property, on a consolidated basis determined in accordance with IFRS, of the Guarantor and its Subsidiaries that is not subject to any Lien, plus (ii) the value of all other assets of the Guarantor and its Subsidiaries that is not subject to any Lien (where in case of (i) and (ii) the value of Real Estate Property, on a consolidated basis determined in accordance with IFRS, and other assets shall be equal to such amounts that appear, or would appear, on a consolidated balance sheet of the Guarantor prepared in accordance with IFRS).

Unsecured Financial Indebtedness means that portion of the aggregate principal amount of all outstanding Financial Indebtedness of the Group that is not Secured Financial Indebtedness.

§ 7
APPLICABLE LAW, PLACE OF JURISDICTION, LANGUAGE AND ENFORCEMENT

(1) *Applicable Law*. This Guarantee, as to form and content, and all rights and obligations of the Holders and the Guarantor, shall be governed by the laws of the Federal Republic of Germany, without giving effect to the principles of conflict of laws.

(2) *Submission to Jurisdiction*. The place of non-exclusive jurisdiction for any action or other legal proceedings or in connection with this Guarantee shall be Frankfurt am Main.

(3) *Original Text of Guarantee.* The original of this Guarantee shall be delivered to, and kept by, Deutsche Bank Aktiengesellschaft in its capacity as Fiscal Agent under the Programme. The Fiscal Agent does not act as agent, fiduciary or in any other similar capacity for the Holders.

(4) *Holders Third Party Beneficiaries*. This Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328(1) of the German Civil Code (*Bürgerliches Gesetzbuch*) giving rise to the right of each Holder to require performance of this Guarantee directly from the

auf konsolidierter Basis ermittelten Wert des Immobilienvermögens der Garantin und ihrer Tochtergesellschaften, das nicht Gegenstand eines Sicherungsrechts ist, zuzüglich (ii) des Werts aller sonstigen Vermögenswerte der Garantin und ihrer Tochtergesellschaften, die nicht Gegenstand eines Sicherungsrechts sind (wobei im Fall von (i) und (ii) der nach IFRS auf konsolidierter Basis ermittelte Wert des Immobilienvermögens und der sonstigen Vermögenswerte dem Betrag entspricht, der in einer nach IFRS erstellten konsolidierten Bilanz der Garantin erscheint oder erscheinen würde).

Unbesicherte Finanzverbindlichkeiten bezeichnet den Teil des Gesamtnennbetrags aller ausstehenden Finanzverbindlichkeiten der Gruppe, bei dem es sich nicht um Besicherte Finanzverbindlichkeiten handelt.

§ 7
ANWENDBARES RECHT, GERICHTSSTAND, SPRACHE UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt dieser Garantie sowie die Rechte und Pflichten der Gläubiger und der Garantin bestimmen sich nach dem Recht der Bundesrepublik Deutschland, unter Ausschluss des internationalen Privatrechts.

(2) *Gerichtsstand*. Frankfurt am Main ist nicht ausschließlicher Gerichtsstand für sämtliche im Zusammenhang mit dieser Garantie entstehende Klagen oder sonstige Verfahren.

(3) *Originaltext der Garantie.* Das Original dieser Garantie wird der Deutsche Bank Aktiengesellschaft in ihrer Eigenschaft als Fiscal Agent unter dem Programm ausgehändigt und von dieser verwahrt. Der Fiscal Agent handelt nicht als Beauftragter, Treuhänder oder in einer ähnlichen Eigenschaft für die Gläubiger.

(4) *Gläubiger als begünstigte Dritte.* Diese Garantie stellt einen Vertrag zugunsten der Gläubiger als begünstigte Dritte im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Garantin unmittelbar aus dieser Garantie auf Erfüllung in Anspruch zu nehmen und Ansprüche aus dieser Garantie unmittelbar

Guarantor and to enforce this Guarantee directly against the Guarantor.

(5) *Language*. This Guarantee is written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

(6) *Enforcement*. Any Holder of Notes may in any proceedings against the Guarantor, or to which such Holder and the Guarantor are parties, protect and enforce in his own name his rights arising under this Guarantee on the basis of a copy of this Guarantee certified by an authorised person of the Paying Agent without presentation of the original Guarantee.

gegen die Garantin durchzusetzen.

(5) *Sprache*. Diese Garantie ist in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

(6) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Garantin oder in jedem Rechtsstreit, in dem der Gläubiger und die Garantin Partei sind, seine Rechte aus dieser Garantie im eigenen Namen auf der Grundlage einer Kopie dieser Garantie, deren Übereinstimmung mit dem Original von einer dazu von der Zahlstelle ermächtigten Person bestätigt wurde, geltend zu machen, ohne dass eine Vorlage des Originals der Garantie erforderlich wäre.

Düsseldorf, 26 September 2013

Deutsche Annington Immobilien SE

By: _____

Name:
Position:

By: _____

Name:
Position:

We accept the terms of the above Guarantee without recourse, warranty or liability and without acting as agent, fiduciary or in any similar capacity for any Holder.

Frankfurt am Main, 26 September 2013

Deutsche Bank Aktiengesellschaft

By: _____

Düsseldorf, 26. September 2013

Deutsche Annington Immobilien SE

Durch: _____

Name:
Position:

Durch: _____

Name:
Position:

Wir nehmen die Bedingungen der vorstehenden Garantie ohne Obligo, Gewährleistung oder Haftung und ohne als Beauftragter, Treuhänder oder in einer ähnlichen Eigenschaft für einen Gläubiger zu handeln, an.

Frankfurt am Main, 26. September 2013

Deutsche Bank Aktiengesellschaft

Durch: _____

Name:
Position:

By: _____

Name:
Position:

Name:
Position:

Durch: _____

Name:
Position:

In case of Notes listed on the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms of Notes will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu). In the case of Notes listed on any other stock exchange or publicly offered in one or more member states of the European Economic Area other than the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of Deutsche Annington (www.deutsche-annington.com).

FORM OF FINAL TERMS (MUSTER – ENDGÜLTIGE BEDINGUNGEN)

[Date]
[*Datum***]**

Final Terms

Endgültige Bedingungen

Deutsche Annington Finance B.V.

[Title of relevant Series of Notes**]**
[*Bezeichnung der betreffenden Serie der Schuldverschreibungen***]**

issued pursuant to the
begeben aufgrund des
EUR 4,000,000,000
Debt Issuance Programme
of
der
Deutsche Annington Finance B.V.

dated **[●]**
vom **[●]**

guaranteed by Deutsche Annington Immobilien SE
garantiert durch die Deutsche Annington Immobilien SE

Issue Price: **[●]**%
Ausgabepreis: **[●]***%*

Issue Date: **[●]**[7]
Begebungstag: **[●]**

Series No.: **[●]**
Serie Nr.: **[●]**

Tranche No.: **[●]**
Tranche Nr.: **[●]**

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[7] The ***Issue Date*** is the date of payment and settlement of the Notes. In the case of free delivery, the Settlement Date is the delivery date. *Der* ***Tag der Begebung*** *ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.*

These Final Terms have been prepared for the purpose of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 (the ***Prospectus Directive***), and must be read in conjunction with the Base Prospectus dated 26 September 2013 (the ***Prospectus***) pertaining to the EUR 4,000,000,000 Debt Issuance Programme of Deutsche Annington Finance B.V. (the ***Programme***) guaranteed by Deutsche Annington Immobilien SE **[**and the supplement**[**(s)**]** thereto dated **[●]]**. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of the Prospectus and these Final Terms. The Prospectus and any supplement thereto are available for viewing in electronic form on the website of Deutsche Annington Immobilien SE (www.deutsche-annington.com) and, if the Notes are listed on the Luxembourg Stock Exchange, in addition on the website of the Luxembourg Stock Exchange (www.bourse.lu), and copies may be obtained from Deutsche Annington Immobilien SE, Vogelsanger Weg 80, 40470 Düsseldorf, Federal Republic of Germany. **[**A summary of the individual issue of the Notes is annexed to these Final Terms.**]**[8]

Diese Endgültigen Bedingungen werden für die Zwecke des Artikels 5 Absatz 4 der Richtlinie 2003/71/EC, in der durch die Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010 geänderten Fassung, (die ***Prospektrichtlinie****) abgefasst und sind in Verbindung mit dem Basisprospekt vom 26. September 2013 (der* ***Prospekt****) über das EUR 4.000.000.000 Debt Issuance Programme der Deutsche Annington Finance B.V. (das* ***Programme****) garantiert durch die Deutsche Annington Immobilien SE* **[***und* **[***dem Nachtrag***]** **[***den Nachträgen***]** *dazu vom* **[●]]** zu lesen*. Vollständige Information in Bezug auf die Emittentin, die Garantin und das Angebot der Schuldverschreibungen ergibt sich zusammen aus dem Prospekt und diesen Endgültigen Bedingungen. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Deutsche Annington Immobilien SE (www.deutsche-annington.com) und, sofern die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert werden, auf der Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu) eingesehen werden. Kopien sind erhältlich bei der Deutsche Annington Immobilien SE, Vogelsanger Weg 80, 40470 Düsseldorf, Bundesrepublik Deutschland.* **[***Eine Zusammenfassung der einzelnen Emission der Schuldverschreibungen ist diesen Endgültigen Bedingungen angefügt.***]**

Part I: Terms and Conditions
Teil I: Emissionsbedingungen

[A. In the case the options applicable to the relevant Tranche of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, and completing the relevant placeholders, insert:[9]

A. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Platzhalter vervollständigt werden, einfügen:

The Terms and Conditions applicable to the Notes (the ***Conditions***) and the **[**German**]** **[**English**]** language translation thereof, are as set out below.

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[8] Not applicable in the case of an issue of Notes with a minimum denomination of at least EUR 100,000.
Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer Mindeststückelung in Höhe von mindestens EUR 100.000.

[9] To be determined in consultation with the Issuer. It is anticipated that this type of documenting the Conditions will be required where the Notes are to be publicly offered, in whole or in part, or to be initially distributed, in whole or in part, to non-qualified investors. Delete all references to B. Part I of the Final Terms including numbered paragraphs and subparagraphs of the Terms and Conditions.
In Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, dass diese Form der Dokumentation der Bedingungen erforderlich ist, wenn die Schuldverschreibungen insgesamt oder teilweise anfänglich an nicht qualifizierte Anleger verkauft oder öffentlich angeboten werden. Alle Bezugnahmen auf B. Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Anleihebedingungen entfernen.

*Die für die Schuldverschreibungen geltenden Emissionsbedingungen (die **Bedingungen**) sowie die **[**deutschsprachige**]** **[**englischsprachige**]** Übersetzung sind wie nachfolgend aufgeführt.*

[in the case of Notes with fixed interest rates replicate here the relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders**]**

[*im Fall von Schuldverschreibungen mit fester Verzinsung hier die betreffenden Angaben der Option I (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Platzhalter vervollständigen***]**

[in the case of Notes with floating interest rates replicate here the relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders**]**

[*im Fall von Schuldverschreibungen mit variabler Verzinsung hier die betreffenden Angaben der Option II (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Platzhalter vervollständigen***]]**

[B. In the case the options applicable to the relevant Tranche of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, insert:

B. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen, die durch Verweisung auf die betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Notes with **[**fixed**]** **[**floating**]** interest rates (the ***Terms and Conditions***) set forth in the Prospectus as **[**Option I**]** **[**Option II**]**. Capitalised terms shall have the meanings specified in the Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Emissionsbedingungen, der auf Schuldverschreibungen mit **[**fester**]** **[**variabler**]** Verzinsung Anwendung findet (die **Emissionsbedingungen**), zu lesen, der als **[**Option I**]** **[**Option II**]** im Prospekt enthalten ist. Begriffe, die in den Emissionsbedingungen definiert sind, haben dieselbe Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

All references in these Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

Bezugnahmen in diesen Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.

The blanks in the provisions of the Terms and Conditions, which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions. All provisions in the Terms and Conditions corresponding to items in these Final Terms which are indicated as " not applicable" shall be deemed to be deleted from the Terms and Conditions applicable to the Notes (the ***Conditions***).

*Die Platzhalter in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Emissionsbedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Platzhalter in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen, die als "nicht anwendbar" gekennzeichnet sind, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die **Bedingungen**) gestrichen.*

CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)
WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)

Currency and Denomination
Währung und Stückelung

Specified Currency *Festgelegte Währung*	**[ ]** **[ ]**
Aggregate Principal Amount *Gesamtnennbetrag*	**[ ]** **[ ]**
Aggregate Principal Amount in words *Gesamtnennbetrag in Worten*	**[ ]** **[ ]**
Specified Denomination[10] *Festgelegte Stückelung*	**[ ]** **[ ]**
Issue Date *Begebungstag*	**[ ]** **[ ]**

Global Note
Global Note

☐ Classical Global Note

☐ New Global Note

Certain Definitions
Definitionen

Clearing System
Clearingsystem

☐ Clearstream Banking AG
Neue Börsenstraße 1
60487 Frankfurt am Main
Germany

☐ Clearstream Banking, société anonyme
42 Avenue JF Kennedy
1855 Luxembourg
The Grand Duchy of Luxembourg

☐ Euroclear Bank S.A./N.V., as Operator of the Euroclear System
1 Boulevard du Roi Albert II
1210 Brussels
Kingdom of Belgium

[10] The minimum denomination of the Notes issued will be EUR 1,000 or an amount in any other currency which is at least equivalent on the issue date.
Die Mindeststückelung der Schuldverschreibungen, die begeben werden, ist EUR 1.000 oder ein am Tag der Begebung diesem Betrag mindestens entsprechender Betrag in einer anderen Währung.

INTEREST (§ 4)
ZINSEN (§ 4)

☐ **Fixed Rate Notes (Option I)**
Festverzinsliche Schuldverschreibungen (Option I)

Rate of Interest and Interest Payment Dates
Zinssatz und Zinszahlungstage

Rate of Interest *Zinssatz*	**[ ]**% per annum **[ ]***% per annum*
Interest Commencement Date *Verzinsungsbeginn*	**[ ]**
Interest Payment Date(s) *Zinszahlungstag(e)*	**[ ]**
First Interest Payment Date *Erster Zinszahlungstag*	**[ ]**
Initial Broken Amount per Specified Denomination *Anfänglicher Bruchteilzinsbetrag je Festgelegte Stückelung*	**[ ]**
Last Interest Payment Date preceding the Maturity Date *Letzter Zinszahlungstag, der dem Fälligkeitstag vorangeht*	**[ ]**
Final Broken Amount per Specified Denomination *Abschließender Bruchteilzinsbetrag je Festgelegte Stückelung*	**[ ]**
Number of regular Interest Payment Dates per calendar year[11] *Anzahl der regulären Zinszahlungstage im Kalenderjahr*	**[ ]** **[ ]**

Day Count Fraction
Zinstagequotient

☐ Actual/365 or Actual/Actual (ISDA)

☐ Actual/Actual (ICMA)

☐ Actual/365 (Fixed)

☐ Actual/360

☐ 30/360 or 360/360 or Bond Basis

☐ 30E/360 or Eurobond Basis

[11] only relevant where the Specified Currency is Euro and the Date Count Fraction is Actual/Actual (ICMA).
nur einschlägig, falls die festgelegte Währung Euro ist und der Zinstagequotient Actual/Actual (ICMA) anwendbar ist.

☐ **Floating Rate Notes (Option II)**
Variabel verzinsliche Schuldverschreibungen (Option II)

Interest Payment Dates
Zinszahlungstage

	[ ]
Interest Commencement Date *Verzinsungsbeginn*	**[ ]**
Specified Interest Payment Dates *Festgelegte Zinszahlungstage*	**[ ]** **[ ]**
Specified Interest Period(s) *Festgelegte Zinsperiode(n)*	**[ ]** [weeks/months] **[ ]** [*Wochen/Monate*]

Business Day Convention
Geschäftstagskonvention

☐ Modified Following Business Day Convention
Modifizierte-Folgender-Geschäftstag-Konvention

☐ FRN Convention (specify period(s)) **[ ]** [months]
FRN Konvention (Zeitraum angeben) **[ ]** [*Monate*]

☐ Following Business Day Convention
Folgender-Geschäftstag-Konvention

☐ Preceding Business Day Convention
Vorangegangener-Geschäftstag-Konvention

Relevant Financial Center(s) Business Day
Relevante(s) Finanzzentrum(en) Geschäftstag

☐ **Relevant Financial Center(s) Business Day**
Relevante(s) Finanzzentren(um) Geschäftstag

Relevant Financial Centers *Relevante Finanzzentren*	**[ ]** **[ ]**

Rate of Interest
Zinssatz

☐ EURIBOR *EURIBOR*	**[ ]** **[ ]**
☐ LIBOR	**[ ]**
	Interest Determination Date: **[**first**]** **[**second**]** **[relevant financial center(s)]** Business Day **[**prior to commencement**]** of Interest Period
LIBOR	**[ ]**

Zins-Festlegungstag: **[***erster***]** **[***zweiter***]** **[*relevante(s) Finanzzentrum(en)*]** *Geschäftstag* **[***vor Beginn***]** *der jeweiligen Zinsperiode*

Margin **[ ]**% per annum
Marge **[ ]***% per annum*

☐ plus
plus

☐ minus
minus

Minimum and Maximum Rate of Interest **[Yes/No]**
Mindest- und Höchstzinssatz **[*Ja/Nein*]**

☐ Minimum Rate of Interest **[ ]**% per annum
Mindestzinssatz **[ ]***% per annum*

☐ Maximum Rate of Interest **[ ]**% per annum
Höchstzinssatz **[ ]***% per annum*

Day Count Fraction
Zinstagequotient

☐ Actual/365 or Actual/Actual (ISDA)

☐ Actual/365 (Fixed)

☐ Actual/360

☐ 30/360 or 360/360 or Bond Basis

☐ 30E/360 or Eurobond Basis

PAYMENTS (§ 5)
ZAHLUNGEN (§ 5)

Business Day
Geschäftstag

☐ TARGET **[ ]**
TARGET **[ ]**

☐ Relevant Financial Centre(s) **[ ]**
Relevante(s) Finanzzentrum(en) **[ ]**

REDEMPTION (§ 6)

RÜCKZAHLUNG (§ 6)

Final Redemption
Rückzahlung bei Endfälligkeit

☐	Maturity Date *Fälligkeitstag*	**[ ]** **[ ]**

Early Redemption
Vorzeitige Rückzahlung

Early Redemption at the Option of the Issuer at Call Redemption Amount[12] ***Vorzeitige Rückzahlung nach Wahl der Emittentin zum Wahl-Rückzahlungsbetrag***	**[**Yes/No**]** **[***Ja/Nein***]**
Margin *Marge*	**[ ]** **[ ]**
General type of benchmark security *Allgemeine Art des Benchmark-Wertpapiers*	**[ ]** **[ ]**
Benchmark security *Benchmark-Wertpapier*	**[ ]** **[ ]**
Benchmark statistics *Benchmark statistische Informationen*	**[ ]** **[ ]**
Date for availability of statistics *Datum der Verfügbarkeit der Benchmark statistische Informationen*	**[ ]** **[ ]**
Early Redemption at the Option of a Holder[13] ***Vorzeitige Rückzahlung nach Wahl eines Gläubigers***	**[**Yes/No**]** **[***Ja/Nein***]**
Put Redemption Date(s) *Wahlrückzahlungstag(e) (Put)*	**[ ]** **[ ]**
Put Redemption Amount(s) *Wahlrückzahlungsbetrag/-beträge (Put)*	**[ ]** **[ ]**
Early Redemption at the Option of the Issuer for Reasons of Minimal Outstanding Principal Amount ***Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringen ausstehenden Gesamtnennbetrag***	**[**Yes/No**]** **[***Ja/Nein***]**

[12] Complete for fixed rate Notes
Für festverzinzliche Schuldverschreibungen auszufüllen

[13] Complete for fixed rate Notes
Für festverzinsliche Schuldverschreibungen auszufüllen

AGENTS (§ 7)
AGENTS (§ 7)

Calculation Agent/specified office *Berechnungsstelle/bezeichnete Geschäftsstelle*	**[**Not applicable**] [**Deutsche Bank Aktiengesellschaft**] [name and specified office]** **[***Nicht anwendbar***] [***Deutsche Bank Aktiengesellschaft***] [*****Name und bezeichnete Geschäftsstelle*** **]**

NOTICES (§ 15)
MITTEILUNGEN (§ 15)

☐	Listing on Luxembourg Stock Exchange *Listing an der Luxemburger Börse*	
☐	Listing on exchange other than Luxembourg Stock Exchange / No listing *Notierung an einer anderen Börse als die Luxemburger Börse / Keine Notierung*	**[stock exchange other than the Luxembourg Stock Exchange]** **[**in/under/●**] [newspaper or website]** **[andere Börse als die Luxemburger Börse]** **[**in/unter/●**] [Zeitung oder Internetseite]]**

LANGUAGE (§ 18) [14]
SPRACHE (§ 18)

☐ German and English (German binding)
Deutsch und Englisch (deutscher Text maßgeblich)

☐ English and German (English binding)
Englisch und Deutsch (englischer Text maßgeblich)

☐ German only
ausschließlich Deutsch

☐ English only
ausschließlich Englisch

[14] To be determined in consultation with the Issuer. In the case of Notes in bearer form publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of Deutsche Annington Immobilien SE.
In Abstimmung mit der Emittentin festzulegen. Falls Inhaberschuldverschreibungen insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht qualifizierte Investoren in der Bundesrepublik Deutschland verkauft werden, wird die deutsche Sprache maßgeblich sein. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Investoren die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Hauptgeschäftsstelle der Deutsche Annington Immobilien SE erhältlich sein.

Part II:Other Information[15]
Teil II: Andere Angaben

A. Essential information
Grundlegende Informationen

Interest of natural and legal persons involved in the issue/offer
Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind

☐ Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

Mit Ausnahme der im Prospekt im Abschnitt "Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind" angesprochenen Interessen besteht bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin kein wesentliches Interesse an dem Angebot.

☐ Other interest (specify)
Andere Interessen (angeben)

Reasons for the offer[16] ***Gründe für das Angebot***	**[**specify details**]** **[***Einzelheiten einfügen***]**
Estimated net proceeds[17] *Geschätzter Nettobetrag der Erträge*	**[ ]** **[ ]**
Estimated total expenses of the issue Geschätzte Gesamtkosten der Emission	**[ ]** **[ ]**

15 There is no obligation to complete Part II of the Final Terms in its entirety in case of Notes with a Specified Denomination of at least EUR 100,000 or its equivalent in any other currency, provided that such Notes will not be listed on any regulated market within the European Economic Area. To be completed in consultation with the Issuer.
Es besteht keine Verpflichtung, Teil II. der Endgültigen Bedingungen bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 100.000 oder dem Gegenwert in einer anderen Währung vollständig auszufüllen, sofern diese Schuldverschreibungen nicht an einem geregelten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden. In Absprache mit der Emittentin auszufüllen.
Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.

16 See "Use of Proceeds" wording in the Base Prospectus. If reasons for the offer is different from making profit and /or hedging certain risks include those reasons here.
Siehe "Verwendung des Erlöses" im Basisprospekt. Sofern die Gründe für das Angebot nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken bestehen, sind die Gründe hier anzugeben.

17 If proceeds are intended for more than one use will need to split out and present in order of priority.
Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.

B. Information concerning the securities to be offered /admitted to trading
Informationen über die anzubietenden bzw. zum Handel zuzulassenden Wertpapiere

Securities Identification Numbers
Wertpapierkennnummern

ISIN Code *ISIN Code*	**[ ]**
Common Code *Common Code*	**[ ]**
German Securities Code *Wertpapierkennnummer (WKN)*	**[ ]**
Any other securities number *Sonstige Wertpapierkennnummer*	**[ ]**

Historic Interest Rates[18]
Zinssätze der Vergangenheit

Details of historic **[**EURIBOR**] [**LIBOR**]** rates can be obtained from *Einzelheiten der Entwicklung der* **[***EURIBOR***] [***LIBOR***]** *Sätze in der Vergangenheit können abgerufen werden unter*	Reuters **[**EURIBOR01**]** **[**LIBOR01**]** *Reuters* **[***EURIBOR01***]** **[***LIBOR01***]**

Yield[19] ***Rendite***	**[ ]** **[ ]**

Resolutions, authorisations and approvals by which the Notes will be created. *Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Schuldverschreibungen bilden.*	**[**specify details**]** **[***Einzelheiten einfügen***]**

C. Terms and Conditions of the offer[20]
Bedingungen und Konditionen des Angebots

C.1 Conditions, offer statistics, expected timetable and action required to apply for the offer

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18 Only applicable for Floating Rate Notes. Not required for Notes with a Specified Denomination of at least EUR 100,000.
Nur bei variabel verzinslichen Schuldverschreibungen anwendbar. Nicht anwendbar auf Schuldverschreibungen mit einer Stückelung von mindestens EUR 100.000.

19 Only applicable for Fixed Rate Notes.
Nur bei festverzinslichen Schuldverschreibungen anwendbar.

20 Complete with respect to a public offer of Notes with a Specified Denomination of less than EUR 100,000.
Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.

Angebotsstatistiken, erwarteter Zeitplan und erforderliche Maßnahmen für die Antragstellung

Conditions to which the offer is subject *Bedingungen, denen das Angebot unterliegt*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
Total amount of the offer and description of the arrangements and time for announcing to the public the amount of the offer *Gesamtsumme des Angebots und Beschreibung der Vereinbarungen und des Zeitpunkts für die Ankündigung des endgültigen Angebotsbetrags an das Publikum*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
Time period, including any possible amendments, during which the offer will be open *Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
Description of the application process *Beschreibung des Prozesses für die Umsetzung des Angebots*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants *Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest) *Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
Method and time limits for paying up the notes and for delivery of the notes *Methode und Fristen für die Bedienung der Schuldverschreibungen und ihre Lieferung*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
Manner and date in which results of the offer are to be made public *Art und Weise und Termin, auf die bzw. an dem die Ergebnisse des Angebots offen zu legen sind*	**[**Specify details**]** **[***Einzelheiten einfügen***]**
The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised. *Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*	**[**Specify details**]** **[***Einzelheiten einfügen***]**

C.2 Plan of distribution and allotment[21]
Plan für die Aufteilung der Wertpapiere und deren Zuteilung

If the Offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate such tranche	**[**Specify details**]**
Erfolgt das Angebot gleichzeitig auf den Märkten zwei oder mehrerer Ländern und wurde/ wird eine bestimmte Tranche einigen dieser Märkte vorbehalten, Angabe dieser Tranche	**[***Einzelheiten einfügen***]**
Various categories of potential investors to which the notes are offered	**[**qualified investors pursuant to the Prospectus Directive**]** **[**and**]** **[**non-qualified investors**]**
Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden	**[***Qualifizierte Anleger im Sinne der Prospektrichtlinie***]** **[***und***]** **[***Nicht-qualifizierte Anleger***]**
Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made	**[**Specify details**]**
Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist	**[***Einzelheiten einfügen***]**

☐ Public offer in Luxembourg
Öffentliches Angebot in Luxemburg

Requires a notice before the commencement of the offer to be published on the website "www.bourse.lu" of the Luxembourg Stock Exchange
Bedarf einer Mitteilung vor Beginn des Angebots auf der Internetseite "www.bourse.lu" der Luxemburger Börse

C.3 Pricing[22]
Kursfeststellung

Issue Price	**[ ]**%
Ausgabepreis	**[ ]***%*
Expected price at which the notes will be offered	**[**Not applicable**]**
Kurs, zu dem die Schuldverschreibungen angeboten werden	**[**Specify details**]**

[21] Complete with respect to a public offer of Notes with a Specified Denomination of less than EUR 100,000.
Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.

[22] Only required for syndicated issues and Notes with a Specified Denomination of less than EUR 100,000.
Nur erforderlich bei syndizierten Ziehungen und Schuldverschreibungen mit einer Stückelung von weniger als EUR 100.000.

[*Nicht anwendbar***]**
[*Einzelheiten einfügen***]**

Amount of expenses and taxes charged to the subscriber / purchaser *Kosten/Steuern, die dem Zeichner/Käufer in Rechnung gestellt werden*	**[**Specify details**]** **[***Einzelheiten einfügen***]**

C.4 Placing and underwriting[23]
Platzierung und Emission

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place. *Name und Anschrift des Koordinator/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern der Emittentin oder dem Bieter bekannt – Angaben zu den Platzeuren in den einzelnen Ländern des Angebots*	**[**Specify details**]** **[***Einzelheiten einfügen***]**

Method of distribution
Vertriebsmethode

☐ Non-syndicated
Nicht syndiziert

☐ Syndicated
Syndiziert

Subscription Agreement
Übernahmevertrag

Date of Subscription Agreement[24] *Datum des Übernahmevertrages*	**[ ]** **[ ]**
Material Features of the Subscription Agreement *Hauptmerkmale des Übernahmevertrages*	**[ ]** **[ ]**

Management Details including form of commitment[25]
Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme

Dealer/Management Group (specify name(s) and address(es))
Platzeur/Bankenkonsortium (Name(n) und Adresse(n) angeben)

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23 Only required for syndicated issues and Notes with a Specified Denomination of less than EUR 100,000.
Nur erforderlich bei syndizierten Ziehungen und Schuldverschreibungen mit einer Stückelung von weniger als EUR 100.000.

24 Only required for syndicated issues and Notes with a Specified Denomination of less than EUR 100,000.
Nur erforderlich bei syndizierten Ziehungen und Schuldverschreibungen mit einer Stückelung von weniger als EUR 100.000.

25 Not required for Notes with a Specified Denomination of at least EUR 100,000.
Nicht erforderlich bei Schuldverschreibungen mit einer Stückelung von mindestens EUR 100.000.

☐ Firm commitment **[ ]**
feste Zusage **[ ]**

☐ No firm commitment/best efforts arrangements **[ ]**
Keine feste Zusage/zu den bestmöglichen Bedingungen **[ ]**

Commissions[26]
Provisionen

Management/Underwriting Commission (specify) **[ ]**
Management- und Übernahmeprovision (angeben) **[ ]**

Selling Concession (specify) **[ ]**
Verkaufsprovision (angeben) **[ ]**

Listing Commission (specify) **[ ]**
Börsenzulassungsprovision (angeben) **[ ]**

Stabilising Dealer/Manager **[**Insert details**]**
Kursstabilibisierender Dealer/Manager **[**None**]**
[*Einzelheiten einfügen***]** **[***keiner***]**

D. Admission to Trading and Dealing Arrangements
Zulassung zum Handel und Handelsregeln

Listing(s) **[**Yes**]** **[**No**]**
Börsenzulassung(en) **[***Ja***]** **[***Nein***]**

☐ Luxembourg Stock Exchange
Luxemburger Börse

☐ **[**other stock exchange**]** **[ ]**
[*andere Wertpapierbörse***]** **[ ]**

Expected Date of admission[27] **[ ]**
Erwarteter Termin der Zulassung **[ ]**

Estimate of the total expenses related to admission to trading **[ ]**
Geschätzte Gesamtkosten für die Zulassung zum Handel **[ ]**

Regulated markets or equivalent markets on which, to the knowledge of

[26] Not required for Notes with a Specified Denomination of at least EUR 100,000.
Nicht erforderlich bei Schuldverschreibungen mit einer Stückelung von mindestens EUR 100.000.

[27] To be completed only, if known.
Nur auszufüllen, sofern *bekannt*

the Issuer, notes of the same class of the notes to be offered or admitted to trading are already admitted to trading.[28] *Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie, die zum Handel angeboten oder zugelassen werden sollen, bereits zu Handel zugelassen sind.*	**[ ]** **[ ]**
☐ Regulated Market "Bourse de Luxembourg" *Geregelter Markt "Bourse de Luxembourg"*	
☐ **[**other stock exchange**]** **[***andere Wertpapierbörse***]**	
Name and address of the entities which have commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment[29] *Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandelt tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*	**[**not applicable**]** **[**specify details**]** **[***nicht anwendbar***]** **[***Einzelheiten einfügen***]**

E. Additional Information
Zusätzliche Informationen

Rating[30] ***Rating***	**[ ]** **[ ]**

[[Specify whether the relevant rating agency is established in the European Community and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of 11 March 2011, (the ***CRA Regulation***).**]**

The European Securities and Markets Authority (***ESMA***) publishes on its website (www.esma.europa.eu) 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 Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

[*Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Gemeinschaft hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16.*

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[28] Only to be completed in case of an increase. In case of a fungible issue, need to indicate that the original notes are already admitted to trading. Not required for Notes with a Specified Denomination of at least EUR 100,000.
Nur auszufüllen im Falle einer Aufstockung. Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungible ist, ist die Angabe erforderlich, dass die ursprünglichen Schuldverschreibungen bereits zum Handel zugelassen sind. Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens EUR 100.000.

[29] Not required for Notes with a Specified Denomination of at least EUR 100,000.
Nicht erforderlich bei Schuldverschreibungen mit einer Stückelung von mindestens EUR 100.000.

[30] Do not complete, if the Notes are not rated on an individual basis. In case of Notes with a Specified Denomination of less than EUR 100,000, need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider.
Nicht auszufüllen, wenn kein Einzelrating für die Schuldverschreibungen vorliegt. Bei Schuldverschreibungen mit einer Stückelung von weniger als EUR 100.000, kurze Erläuterung der Bedeutung des Ratings, wenn dieses unlängst von der Ratingagentur erstellt wurde.

September 2009 über Ratingagenturen, geändert durch Verordnung (EU) Nr. 513/2011 des Europäischen Parlaments und des Rates vom 11. Mai 2011, (die ***Ratingagentur-Verordnung****) registriert ist oder die Registrierung beantragt hat.***]**

*Die Europäische Wertpapier und Marktaufsichtsbehörde (****ESMA****) veröffentlicht auf ihrer Internetseite (www.esma.europa.eu) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.***]**

F. Information to be provided regarding the consent by the Issuer or person responsible for drawing up the Prospectus
Zur Verfügung zu stellende Informationen über die Zustimmung der Emittenten oder der für die Erstellung des Prospekts zuständigen Person

Final placement of the Notes in the following jurisdictions	**[**Luxembourg**] [**,**]** **[**and**] [**Austria**] [**,**]** **[**and**] [**Germany**]** **[**and**] [**The Netherlands**]**
Endgültige Platzierung der Schuldverschreibungen in den folgenden Jurisdiktionen	**[***Luxemburg***] [**,**]** **[***und***] [***Österreich***] [**,**]** **[***und***] [***Deutschland***]** **[***und***] [***die Niederlande***]**
Offer period during which subsequent resale or final placement of the Notes by Dealers and/or further financial intermediaries can be made *Angebotsfrist, während derer die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch die Platzeure oder weitere Finanzintermediäre erfolgen kann*	**[**Not applicable**]** **[**Specify offer period**]** **[***Nicht anwendbar***]** **[***Einzelheiten zur Angebotsfrist einfügen***]**

The above Final Terms comprise the details required to list this issue of Notes (as from **[insert Issue Date for the Notes])** pursuant to the EUR 4,000,000,000 Debt Issuance Programme of Deutsche Annington Finance B.V.

Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Zulassung dieser Emission von Schuldverschreibungen unter dem EUR 4.000.000.000,- Debt Issuance Programme der Deutsche Annington Finance B.V. (ab dem **[*Tag der Begebung der Schuldverschreibungen einfügen*]***) erforderlich sind.*

[Third Party Information
Informationen von Dritter Seite

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is

able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.]

Deutsche Annington Finance B.V.

(as Issuer)
(als Emittentin)

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The German Act on Issues of Debt Securities of 5 August 2009, as amended (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*; ***SchVG***) provides that noteholders may with the consent of the issuer (where required) amend the terms and conditions or resolve on other matters concerning the debt securities by way of majority resolutions. A majority resolution in accordance with the SchVG is binding for all holders of one series of the 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 SchVG can also be applied to amend guarantees.

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 of the Notes, it is possible to extensively change and therefore restructure the Terms and Conditions of the Notes and to adopt further measures concerning the Notes (where required) with the Issuer's consent. 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 of the Notes also provide for the appointment of a holders' representative for the Holders.

Individual subjects of resolutions

As provided for by the SchVG, the Notes do not provide for an exclusive list of admissible amendments to the Terms and Conditions or other measures on which the Holders may take a resolution. In accordance with Section 5 para. 3 sentence 1 numbers 1-10 SchVG, the individual subjects for resolutions may include (but are not limited to):

(a) amendments to the principal claim (due date, amount, currency, rank, debtors, object of performance);

(b) amendments to or removal of ancillary conditions of the Notes;

(c) modification or waiver of a right of termination and removal of the effect of the collective right of termination;

(d) substitution and release of security;

(e) amendments to legal transactions with joint obligors; and

(f) 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 on the subjects below:

(g) exchange of the Notes for other debt securities or shares; and

(h) appointment, duties and removal of a holders' representative.

Relevant Majorities of the SchVG

The Terms and Conditions apply 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 as listed in Section 5 para. 3 sentence 1 numbers 1-9 SchVG, require a majority of at least 75 per cent. of the votes participating in the vote (a ***Qualified Majority***). All other resolutions may generally be passed with a simple majority of 50 per cent. of the participating votes.

Procedures for taking Holder Resolutions

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

The Issuer or a holders' representative may convene a vote without a meeting and Holders who together hold 5 per cent. of the outstanding nominal amount of the Notes for specified reasons permitted by the SchVG may demand in writing that a vote without a meeting shall take place.

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.

The vote without a meeting will be convened by way of a notice given to the Holders to solicit their votes (*Aufforderung zur Stimmabgabe*) not 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, the Holders may cast their votes to the scrutineer. Each Holder may be represented by proxy.

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

Within one year following the end of the voting period, each Holder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer. Each Holder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the scrutineer. If the scrutineer remedies the objection, the scrutineer shall promptly publish the result. If the scrutineer does not remedy the objection, it shall promptly inform the objecting Holder in writing.

(b) If the quorum of 50 per cent. of the outstanding Notes is not met, the scrutineer may convene a 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 per cent., of the outstanding Notes. Such a physical meeting may be convened not less than 14 days prior to the date of the meeting. Attendance and exercise of voting rights at the meeting may be made subject to prior registration of Holders. The convening notice will provide what proof will be required for attendance and voting at the meeting. The place of the meeting is the place of the Issuer's registered offices, provided, however, that where the Notes are listed on a stock exchange within the European Union, the convening notice shall be made publicly available together with the agenda of the meeting setting out the proposals for resolution.

(c) The Issuer bears the costs of the vote and, if the court has convened a meeting, also the costs of such proceedings.

(d) 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.

(e) If a resolution constitutes a breach of the SchVG or the Terms and Conditions, Holders who have filed a complaint within 14 days 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.

Holders' Representative (*gemeinsamer Vertreter*)

A holders' representative may 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.

Alternatively, a holders' representative may be designated in the Terms and Conditions of the Notes. The duties, rights and functions of the holders' representative are determined by the relevant provisions of the Terms and Conditions.

The Holders may at any time and without reason terminate the appointment of the holders' representative by majority resolution with 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 the majority resolution of the Holders provides otherwise. The holders' representative's liability may be restricted in accordance with the SchVG.

DESCRIPTION OF THE ISSUER

General information

The Issuer was incorporated on 21 June 2013 under the laws of The Netherlands as a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*). Its first fiscal year shall end on 31 December 2013. Each following fiscal year will be the calendar year.

The Issuer has its corporate seat in Amsterdam, The Netherlands and is registered in the Dutch Trade Register of the Chamber of Commerce for Gooi-, Eem- and Flevoland, The Netherlands under number 58224416. The address of the Issuer's registered office is Bramenberg 14 A, K5, 3755 BZ Eemnes, The Netherlands, telephone number: + 31 35 7 505 101. Deutsche Annington Finance B.V. is the Issuer's legal and commercial name.

Corporate Business

Pursuant to Article 3 of the articles of association of the Issuer, the objects of the Issuer are:

- to participate in, finance or hold any other interest in, or to conduct the management of, other legal entities, partnerships or enterprises;
- to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidences of indebtedness, as well as to enter into agreements in connection with the aforementioned;
- to furnish guarantees, provide security, warrant performance or in any other way assume liability, whether jointly and severally or otherwise, for or in respect of obligations of group companies or other parties; and
- to do anything which, in the widest sense of the words, is connected with or may be conducive to the attainment of these objects.

Organizational structure

The Issuer is a wholly owned subsidiary of Deutsche Annington. The Issuer does not have any subsidiaries of its own. The Issuer is dependent upon the administrative and management services provided by the Guarantor.

Management, Corporate governance

The current members of the Issuer's managing board are as follows:

Lars Schnidrig, employee of Deutsche Annington; and

Mark Ennis, employee of Deutsche Annington.

The current members of the managing board of the Issuer can be contacted at the address of the registered office of the Issuer. The Issuer has no supervisory board.

There are no conflicts of interest between the duties of the members of the managing board of the Issuer and their respective private interests or other duties.

No specific rules apply to the Issuer under the Dutch corporate governance code, because the Dutch corporate governance code only applies to companies whose share are listed.

Share capital

The issued capital of Deutsche Annington Finance B.V. amounts to €18,000, divided into 18,000 registered shares of common stock with a par value of €1 each, which are all held by Deutsche Annington. The capital is fully issued and paid-up. The Issuer does not have authorized but unissued capital.

Investments

The Issuer has made no material investments since the date of its incorporation and, as at the date of this Prospectus, its management has made no firm commitments on such material investments in the future.

Business Overview

Pursuant to its corporate purpose, the Issuer acts as financing subsidiary of the Guarantor, the principal activity of the Issuer is the provision of loans to members of the Group financed with funds acquired from the capital market, bank loans and loans from other companies of the Group.

Because of its purely internal purpose, the Issuer does not have any markets in which it competes and, therefore, the Issuer cannot make a statement regarding its competitive position in any markets.

Legal and Arbitration Proceedings

There are currently no, and the Issuer has not been involved in any, governmental, legal or arbitration proceedings during the last twelve months, against or affecting the Issuer, nor is the Issuer aware of any pending or threatened proceedings, which (in either case) may have or have had in the recent past significant effects on the financial position or profitability or results of operations of the Issuer.

Material Contracts

In July 2013, the Issuer issued the Existing Notes (see under "*Description of the Guarantor and the Group - Material agreements - Existing Notes*").

The Issuer intends to issue the US Dollar Notes in October 2013 (see under "*Description of the Guarantor and the Group - Material agreements – US Dollar Notes*") and to enter into a USD/EUR currency swap transaction regarding payments under the US Dollar Notes with J.P. Morgan Securities plc and Morgan Stanley & Co. International plc.

Other than these Existing Notes, the US Dollar Notes and the control and profit and loss transfer agreement with the Guarantor as controlling entity, the Issuer has not entered in any material contract in the ordinary course of its business, which could result in any Group company (including the Issuer) being under an obligation or entitlement that is material to the ability of the Issuer or the Guarantor to meet its obligation to security holders in respect of the securities being issued.

Recent Developments

Other than the intended issue of the US Dollar Notes (see under "*Description of the Guarantor and the Group – Recent Developments*", there are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the solvency of the Issuer.

Trend Information and Significant Changes

There has been no material adverse change in the prospects of the Issuer since 31 August 2013 and no significant change in the financial or trading position of since 31 August 2013.

Auditors

The auditor of the Issuer's balance sheet as of 31 August 2013 is PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands

(***PwC***). PwC are independent auditors of which the responsible partner is a member of the NBA (*Nederlandse Beroepsorganisatie van Accountants* = The Netherlands Institute of Chartered Accountants).

Selected Financial Information for the Issuer

The following selected financial information for the Issuer is based on the balance sheet of the Issuer as of 31 August 2013 (the ***Balance Sheet****), which is reproduced elsewhere or incorporated by reference in this Programme, and should be read together with it. The Balance Sheet was prepared in accordance with Dutch GAAP.*

Balance Sheet

	(in €)	**As of August 31, 2013**
A.	Total non current assets…….....	1,298,307,038.69
B.	Total current assets…….....……	13,664.07
	Total Assets……..	**1,298,320,702.76**
A.	Total Equity…….	309,779.97
B.	Total non current liabilities……....	1,294,582,361.15
C.	Total current liabilities…….....	3,428,561.64
	Total equity and liabilities……..	**1,298,320,702.76**

DESCRIPTION OF THE GUARANTOR AND THE GROUP

The Guarantor's legal name is Deutsche Annington Immobilien SE (***Deutsche Annington***). The Guarantor is the Group's holding company; the Group primarily operates under the commercial name "Deutsche Annington".

Formation, Incorporation, Commercial Name, Fiscal Year, Registered Office, Corporate Purpose and Structure of the Group

The Guarantor was formed as a limited liability company (*Gesellschaft mit beschränkter Haftung*) under German law by a memorandum of association dated 17 June 1998. Its legal name was "Deutsche Annington Immobilien GmbH" with its registered office in Frankfurt/Main, Germany, registered under the docket number HRB 45366 with the commercial register at the local court (*Amtsgericht*) of Frankfurt/Main, Germany. The Guarantor moved its headquarters to Mainz by decision of its shareholders dated 22 February 2001, and was registered with the commercial register at the local court (*Amtsgericht*) of Mainz, Germany under the docket number HRB 7562.

On 31 July 2001, the shareholders' meeting decided to relocate the Guarantor's registered office to Düsseldorf, Germany. On 6 September 2001, the Guarantor was registered with the commercial register at the local court of Düsseldorf, Germany under the docket number HRB 41246. On 17 January 2012, the shareholders' meeting approved a resolution to change the Guarantor's legal form to a stock corporation (*Aktiengesellschaft*) organised under German law and its legal name to "Deutsche Annington Immobilien AG". The change in legal form and name was registered with the commercial register at the local court (*Amtsgericht*) of Düsseldorf on 1 March 2012 under docket number HRB 67443. On 11 June 2012, the shareholders' meeting approved a resolution to change the Guarantor's legal form to a European company (*Societas Europaea – SE*) governed by German and European law and its legal name to "Deutsche Annington Immobilien SE". All these changes were effected in accordance with the applicable provisions of the German Reorganisation and Transformation Act (*Umwandlungsgesetz*). The change in legal form and name was registered with the commercial register at the local court (*Amtsgericht*) of Dusseldorf on 21 June 2012 under the docket number HRB 68115.

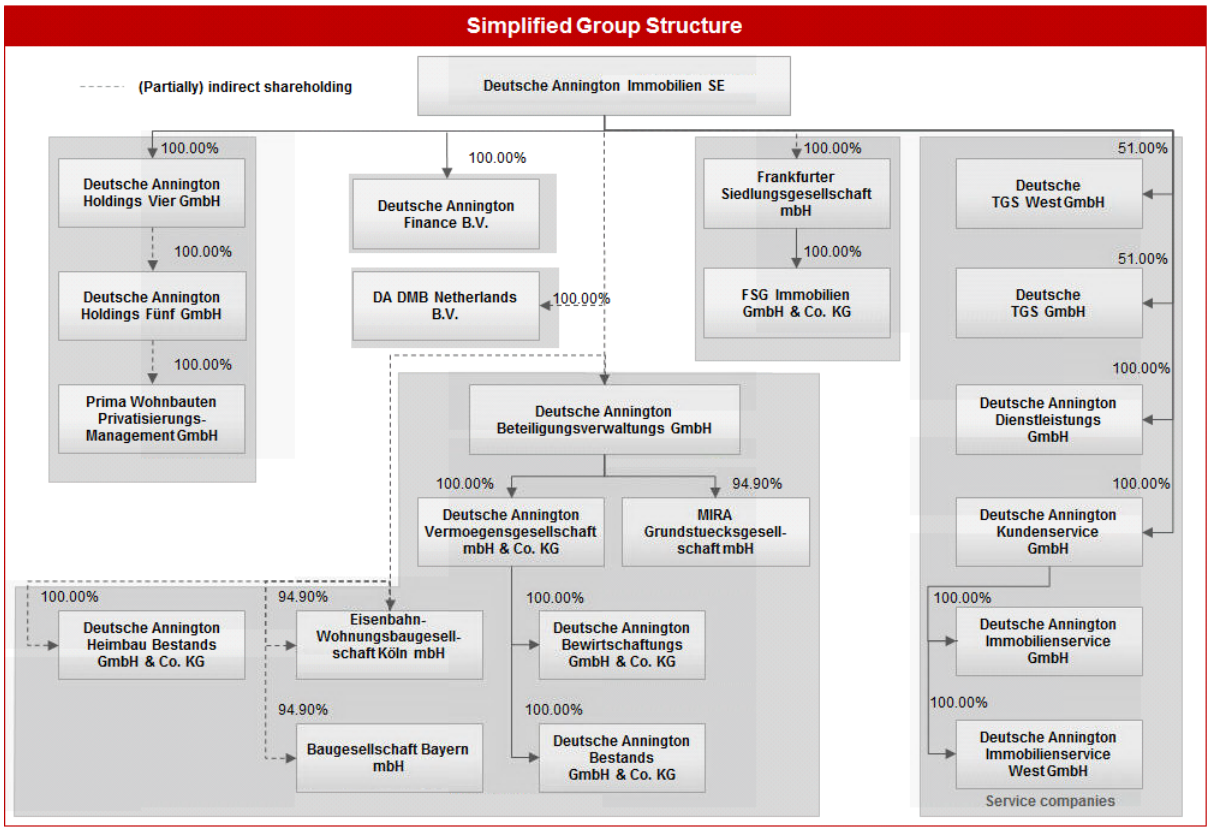
The Guarantor's fiscal year is the calendar year.

The Guarantor's registered office is at Vogelsanger Weg 80, 40472 Dusseldorf, Germany (tel. +49 (0) 234-314-0).

The Guarantor manages the operations of the Group as parent company.

Pursuant to Article 2 of the articles of association of the Guarantor, the corporate purpose of the Guarantor is the conduct of real estate business and any related business of any kind, in particular the acquisition, the administration and the sale of developed and undeveloped properties and rights equivalent to title rights in real estate in Germany and abroad. Moreover, the Guarantor may acquire, hold or dispose of shares in German and foreign companies and partnerships that conduct the aforementioned business dealings.

The following diagram sets forth a summary (in simplified form) of the Deutsche Annington's significant subsidiaries as of the date of this Prospectus taking into account the relevant successive interests (*durchgerechneter Beteiligungsanteil*). The shareholdings presented also include shareholdings of affiliated companies pursuant to Sections 15 et seq. German Stock Corporation Act (*Aktiengesetz*).



Deutsche Annington considers itself Germany's largest private-sector residential real estate company in terms of portfolio value and number of units owned. As of 30 June 2013, Deutsche Annington owned around 180,000 residential units with an aggregate Fair Value of €10.4 billion. Deutsche Annington is one of the top ten listed European real estate companies and the largest listed German residential real estate company in terms of portfolio value.

Although Deutsche Annington owns properties throughout Germany, approximately 97% of its portfolio as measured by Fair Value is situated in the old German federal states (*Alte Bundesländer*) including Berlin. On average, Deutsche Annington's residential units contain 2-3 rooms and have an overall size of 64 sqm, which means that Deutsche Annington is well situated to benefit from the growth of one- and two-person households in Germany, which is expected to be particularly strong in Germany's metropolitan areas (*Source: BBSR – Regional Planning 2030*). As of 30 June 2013, Deutsche Annington's vacancy rate was approximately 3.9%, and its residential units had a residential in-place rent of €5.35 per sqm per month.

Deutsche Annington follows a clear portfolio strategy with a disciplined approach and a track record in value creation. Deutsche Annington classifies its properties into five portfolio segments: (i) Operate, (ii) Upgrade Buildings (energy efficiency measures carried out by the Group to increase the economic value of properties), (iii) Optimize Apartments (senior living/other major residential unit refurbishment), (iv) Privatize and (v) Non-Core, for each of which Deutsche Annington follows a dedicated strategy. 95% of the portfolio comprises core assets where Deutsche Annington believes that it can add value. Only 5% of the portfolio is considered as Non-Core with insufficient medium to long-term growth prospects. Deutsche Annington aims to sell these Non-Core assets in the medium-term at prices around Fair Value. In the core 95% of the portfolio, Deutsche Annington intends to add value through three main levers:

- Operational value generation, such as rental growth, vacancy reduction, effective and sustainable maintenance spending and cost efficiencies through scaling;

- Additional value generation through a dedicated investment program, which is mainly based on energy-efficient modernizations of buildings, the modernization of individual apartments for senior

living and high standard refurbishments in markets where fully refurbished apartments deliver a rental premium. From 2009 to 2011, Deutsche Annington invested more than €100 million and generated an average return of 7% on the invested capital. Going forward, Deutsche Annington has identified additional investment opportunities with a volume exceeding €800 million across 37% of the overall portfolio and intends to invest approximately €150 million per year from 2014 onwards. Deutsche Annington expects to be able to finance these investments partly through the use of debt finance some of which may be made available through publicly funded debt subsidy programs;

- Additional value generation through privatization of condominium units and single-family houses at a premium. These units amount to 14% of the total portfolio and Deutsche Annington has sold about 2,500 apartments on average at average prices of more than 20% above Fair Value in the last three years.

The cash generated from the sale of privatization and Non-Core assets may be redeployed either to fund investments in the residential units designated for building or apartment upgrades, to reduce debt, to fund dividend payments, or to fund acquisitions.

Using a well-balanced mix of local and centralised operational structures, Deutsche Annington manages its assets in an efficient, integrated and industrialised manner. While the processes that capture economies of scale are performed on a centralised basis, processes that require in-depth knowledge of an individual local market or that require close interaction with Deutsche Annington's customers are performed through Deutsche Annington's 37 local business units organized in the four regional clusters South/Southwest, Ruhr/Rhineland, North/East and Westphalia, which are situated in proximity of its assets and customers throughout Germany.

The Group capitalizes on its size in order to complement its property rental activities with selected value-add services to improve customer satisfaction. In cooperation with one of Germany's biggest craftsmen companies, B&O Service & Messtechnik AG, as joint venture partner, Deutsche Annington has established a craftsmen organization comprised of more than 950 people who are solely dedicated to the performance of maintenance work related to Deutsche Annington's portfolio, in addition to a caretaker organization that employs more than 330 people who perform on-site services. Deutsche Annington's rental-related services range from ancillary cost savings from bulk purchases of utilities, to providing fiber-optic television and internet access, to the negotiation of discounts on purchases from selected service providers.

History and development

Deutsche Annington can trace its roots to the end of the nineteenth century. Deutsche Annington Immobilien GmbH (the legal predecessor of the Guarantor), however, was officially founded in 1998, but remained dormant until the end of 2000. The Guarantor then acquired between 94.1% and 94.9% of the shares in ten regional German Railroad housing companies, which represented 65,000 housing units of the BEV (***EWGs***).

Later on, the Guarantor indirectly acquired a majority shareholding in BIG-Heimbau AG, Kronshagen/Kiel, with some 10,000 residential units in 2003. Another 4,500 residential units were acquired from RWE Systems Immobilien GmbH & Co. KG, Essen, at the end of 2004.

In 2005, the Guarantor acquired Viterra AG, the largest German housing company at the time with approximately 138,000 housing units. Viterra AG itself can trace its residential property portfolio back to the establishment of Urbana in 1895, Veba Immobilien in 1910 and Deutschbau in 1923. This acquisition established the Guarantor, with its approximately 220,000 residential units, as the leading company in the German residential real estate industry and as a major player on the European level.

During 2006, the Guarantor focused on implementing and optimizing the acquired structures, and thus completed its integration of Viterra AG by the end of that year.

The following years were dedicated to enhancing the Guarantor's overall efficiency and maintaining its growth, particularly by way of acquiring a majority shareholding of 94.5% in Prima Wohnbauten Privatisierungs- Management GmbH, constituting 4,500 residential units in 2009, and by acquiring several small housing portfolios, which resulted in a total of 16,500 newly acquired housing units. Additionally, sales helped concentrate the property portfolio in metropolitan areas. In 2011, the percentage of the Guarantor's housing units located in cities with a population of over 100,000 reached approximately 69%. This concentration of units supported a reliable and stable increase in the company's profits by further simplifying services and maintenance.

EWGs

At the end of the 19th century, the influx of people from rural areas and an increasing birth rate resulted in both the rapid growth of the urban population and the scarcity of residential housing. In response, the German Railroad company eventually founded 18 housing companies and cooperatives (EWGs) that built affordable accommodation for the blue- and white-collar workers and civil servants of the German Railroad. These companies were included in the BEV and their housing capacity amounted to approximately 115,000 housing units. At the end of 2000, the German Parliament approved the privatization of the EWGs and the federal government sold the companies to various bidders. The ten companies holding the majority of housing units, approximately 65,000 apartments, were purchased by the Deutsche Annington Immobilien GmbH. 5.1% of the shares of the companies remained with the BEV.

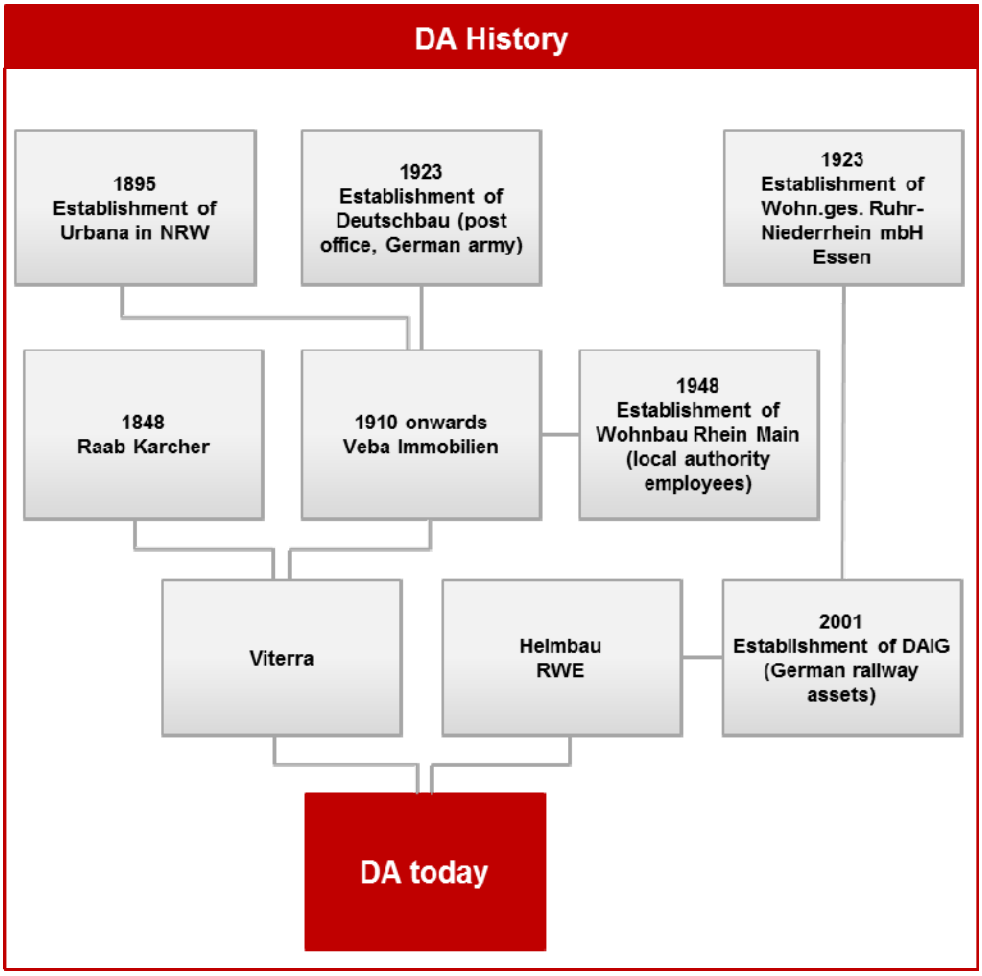
Viterra AG

Viterra AG, which accounts for the majority of housing units in the Guarantor's portfolio, was the result of a merger between Veba Immobilien AG and Raab Karcher AG in 1998. The Viterra Portfolio comprised about 138,000 owned or managed residential units geographically dispersed throughout Germany, a portfolio of approximately 40 residential and commercial development projects, and a portfolio of approximately 70 commercial and logistics assets.

Its origins, however, lie in the Rheinisch-Westfälische Wohnstätten AG, another housing company founded in 1933 for blue and white-collar workers. Viterra AG therefore builds upon a historical background similar to that of Deutsche Annington.

In 1993, the company, now part of the Unternehmensgruppe Wohnstätten (a merger between Rheinisch-Westfälische Wohnstätten AG and three other housing companies), changed its name to Veba Immobilien AG, and added commercial real estate and development to its business areas. In 1997, it acquired 50.0% of shares of the Deutschbau-Holding GmbH, the holding company of the Deutschbau- Group.

After the merger with Raab Karcher AG in 1998, and the change of name to Viterra AG in 1999, Viterra adjusted its strategy and sold its non-residential real estate business units. It also acquired new residential real estate participations by purchasing 94.99% of WohnBau Rhein-Main AG in 2001, 99.7% of Frankfurter Siedlungsgesellschaft mbH in 2003 and 49.1% of Deutschbau-Holding GmbH in 2004, resulting in a shareholding of 99.1% of Deutschbau-Holding GmbH. In 2005, Viterra AG was acquired by Deutsche Annington.



Deutsche Annington's Portfolio

Deutsche Annington's business focuses on its housing activities, and particularly on the management of its residential portfolio.

Overview

As of 30 June 2013, the Group held a real estate portfolio comprised of 179,358 residential units, 41,548 garages and parking spaces, as well as 1,076 commercial units. It managed 27,024 apartments for other owners. Deutsche Annington's portfolio is dispersed throughout Germany and its locations are spread across approximately 550 cities and communities.

The majority of Deutsche Annington's portfolio consists of multi-family properties. Approximately 89% of these properties have eight or fewer residential units per property. Both prospective tenants and purchasers typically view residential units in smaller properties as more attractive than those in larger properties (e.g. with 20 or more residential units per property).

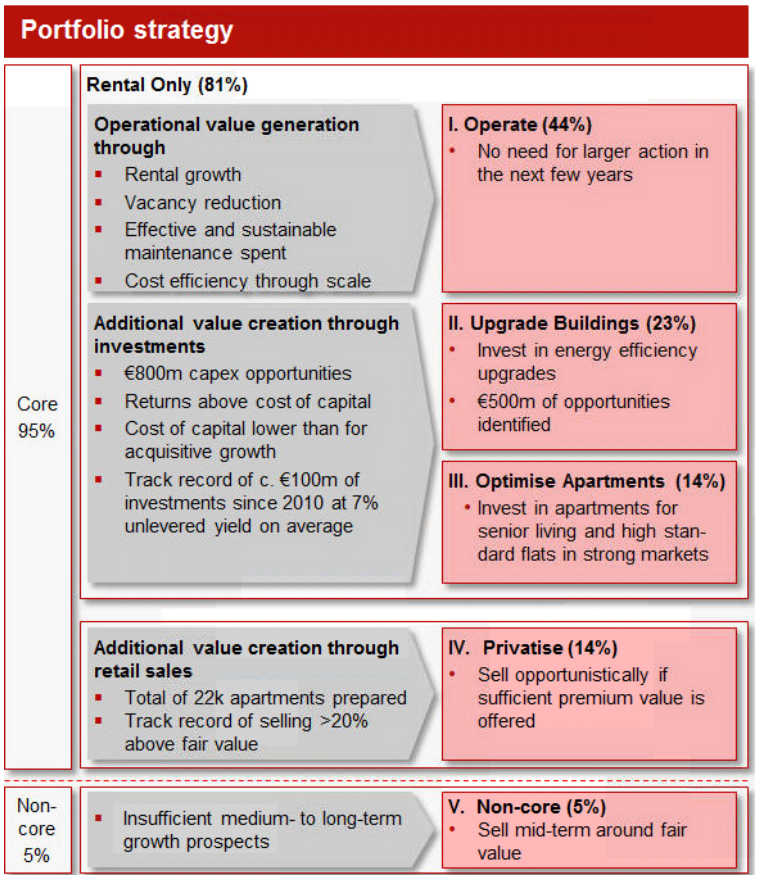
As of 30 June 2013, the aggregate living area of Deutsche Annington's portfolio amounted to 11,447,005 sqm, with an average unit size of 64 sqm. An average unit consists of two or three rooms plus kitchen and bathroom. As of 30 June 2013, Deutsche Annington had leased approximately 96% of its residential units and generated an average residential in-place rent of €5.35 per sqm per month. The EPRA vacancy rate as of 30 June 2013 was 3.4%. For the entire portfolio, Deutsche Annington estimates that its tenants lease a residential unit for approximately 14.5 years on average.

Portfolio Segmentation

Deutsche Annington has divided its portfolio into five segments: (i) Operate, (ii) Upgrade Buildings, (iii) Optimize Apartments, (iv) Privatize and (v) Non-Core.

Each of the five strategic portfolio segments is subject to a set of specific strategic actions. Deutsche Annington allocates assets to these strategic portfolio segments based on the local knowledge of and individual economic assessments by Deutsche Annington's local business managers and reviews this classification on an annual basis. The following main criteria are typically used to allocate units to one of the various strategic portfolio segments: (i) economic outlook for the properties on a micro level, (ii) long-term demographic and rental developments, (iii) efficiency of operations, and (iv) potential for value-enhancing measures.

The following chart provides an overview of Deutsche Annington's portfolio segmentation and strategy:



"*Operate.*" As of 30 June 2013, 78,762 of Deutsche Annington's residential units with a residential in-place rent of €5.40 per sqm and a vacancy rate of 3.1% were allocated to the "Operate" portfolio segment. These are assets for which, in Deutsche Annington's view, no significant portfolio actions, such as large investments or disposals, are required in the medium-term. The strategic focus in this segment is on continuous improvement, for example balancing rent increase, vacancy reduction, well-prioritized maintenance spending as well as customer satisfaction increase. The sub-segment also includes assets that have already undergone energy efficiency measures in the past.

"*Upgrade Buildings.*" As of 30 June 2013, 43,533 of Deutsche Annington's residential units with a residential in-place rent of €5.29 per sqm and a vacancy rate of 3.0% were classified as "Upgrade Buildings." In this portfolio sub-segment, Deutsche Annington includes the properties which have been earmarked for projects to improve energy efficiency over the medium-term, depending on the availability of sufficient capital.

Deutsche Annington believes that the investments in the earmarked buildings may require capital expenditures of about €500 million. The investments in buildings, if pursued, are expected to be funded largely by public KfW Bank-loans; in addition thereto, Deutsche Annington plans to use cash generated by the Group's business. When deciding upon an investment in buildings, the Group targets an average return of 7% on the invested capital. In addition, the Group expects that the valuation of the properties will disproportionately benefit from the investments in buildings. Typical measures are aimed at reducing energy consumption through better insulation and more efficient heating systems. Such investments usually result in lower pass-through utility and ancillary charges (*Nebenkostenabrechnungen*) for Deutsche Annington's customers as well.

In the fiscal years 2009, 2010 and 2011 Deutsche Annington invested a total of €101.0 million in energy-efficient modernizations in approximately 7,000 units across Germany, which contributed to an approximate 40% reduction in vacancy rates in these units and thus generated returns of approximately 7% on the invested capital on average.

"*Optimize Apartments.*" As of 30 June 2013, 21,367 of Deutsche Annington's residential units with a residential in-place rent of €6.03 per sqm and a vacancy rate of 2.1% were classified as "Optimize Apartments." In this portfolio segment, Deutsche Annington included all apartments which have been earmarked for major apartment upgrades upon fluctuation. On the one hand, this includes refurbishments of units to facilitate low-barrier access for senior living in return for an increased new letting rent; on the other hand, it comprises value-enhancing refurbishments of apartments in markets that allow for additional rent increases. All these residential units are suitable for refurbishment from both a technical and an economic standpoint.

In order to implement Deutsche Annington's strategy to optimize the assets allocated to the Optimize Apartments portfolio segment, an investment of approximately €300 million is required. For these investments, Deutsche Annington targets an average return of 7% on the invested capital. In 2012, Deutsche Annington ran pilot projects that generated such returns. The investments are expected to be funded largely by KfW Bank-loans; in addition, Deutsche Annington plans to use cash generated by its business. For 2013, Deutsche Annington plans to optimize up to 1,000 residential units.

The first three segments combined are a "Rental Only" sub-portfolio and units may be allocated to different portfolio segments within this sub-portfolio subject to the status of modernization measures.

"*Privatize.*" As of 30 June 2013, 21,753 of Deutsche Annington's residential units with a residential in-place rent of €5.28 per sqm and a vacancy rate of 5.2% were classified as "Privatize." Privatize stock comprises condominium units and single-family homes that have previously been prepared for sale to homeowners and small capital investors. Deutsche Annington aims to sell these units on average at prices of 20% above Fair Value in the long-term and considers its privatization strategy to be a sustainable element of value generation over this time span. In 2012, Deutsche Annington sold 2,784 units (2011: 2,503 units) in the course of its privatization program and realised a Fair Value step-up of 22.2% (2011: 20.1%).

"*Non-Core.*" As of 30 June 2013, 13,943 of Deutsche Annington's residential units with a residential in-place rent of €4.27 per sqm and a vacancy rate of 11.4% were classified as "Non-Core." These buildings are located in cities or regions with a minimal Deutsche Annington presence, or are situated in a macro or micro location with a negative future outlook and structurally low rent levels or high vacancy rates, or a combination thereof. In addition, this segment includes large commercial units with a commercial floor area of typically above 500 square meters, which Deutsche Annington considers as non-core. Deutsche Annington seeks to sell these buildings at approximately Fair Value over the medium-term. In the first half of 2013, Deutsche Annington sold houses and commercial units with 1,130 residential units (2012: 2,035 residential units) in the course of its Non-Core divestiture program and realised a Fair Value step-up of 4.5% (2012: 19.5%). The figures also include the disposal of plots of undeveloped land.

The following table summarizes portfolio segment data as of 30 June 2013.

	Operate	Upgrade Buildings	Optimize Apartments	Rental Only	Privatize	Non-Core	Total[1]
Residential Units							
Residential	78,762	43,533	21,367	143,662	21,753	13,943	179,358
Commercial	643	109	0	752	99	225	1,076
Total	**79,405**	**43,642**	**21,367**	**144,414**	**21,852**	**14,168**	**180,434**
Area (in thousand sqm)							
Residential	4,998	2,746	1,335	9,079	1,490	878	11,447
Commercial	77	10	0	87	12	109	208
Total	**5,076**	**2,756**	**1,335**	9,166	**1,501**	**987**	**11,665**
In-Place Rent[2]							
In € million							
Residential	314.0	168.9	94.5	577.3	89.6	39.7	706.7
Commercial	5.7	0.8	0	6.5	1.0	6.1	13.6
Other	10.8	0.3	0	11.0	1.0	0.6	12.6
Total	**330.5**	**169.9**	**94.5**	**594.9**	**91.6**	**46.4**	**732.9**
In € per sqm							
Residential	5.40	5.29	6.03	5.46	5.28	4.27	5.35
Commercial	6.98	7.10	0	6.99	8.79	5.32	6.20
Total	**5.61**	**5.29**	**6.03**	**5.58**	**5.36**	**4.44**	**5.46**

(1) Includes special and large commercial buildings, but excludes 2.4 million sqm land bank valued at €45 million and fair value leasehold of €10 million.

(2) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs, divided by the residential floor area of rented residential units.

Total portfolio overview

Total portfolio by segments

The following table sets forth key data relating to Deutsche Annington's total portfolio.

	As of and for the six-month period ended 30 June	As of and for the year ended 31 December	
	2013	2012	2011
	(unaudited)	(unaudited)	
I. OPERATE			
Number of residential units at period end	78,762	77,560	76,202
Number of commercial units at period end	643	631	626
Residential floor area at period end (in thousand sqm)	4,998	4,917	4,831
Commercial floor area at period end (in thousand sqm)	77	76	75
Residential in-place rent at period end (per month in € per sqm)[1]	5.40	5.34	5.24
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	5.40	5.34	5.24
Vacancy rate at period end (in % of units)[3]	3.1%	3.0%	3.0%
II. UPGRADE BUILDINGS			
Number of residential units at period end	43,533	46,409	48,900
Number of commercial units at period end	109	120	145
Residential floor area at period end (in thousand sqm)	2,746	2,927	3,082
Commercial floor area at period end (in thousand sqm)	10	11	14

	As of and for the six-month period ended 30 June	As of and for the year ended 31 December	
	2013	2012	2011
	(unaudited)	(unaudited)	
Residential in-place rent at period end (per month in € per sqm)[1]	5.29	5.25	5.14
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	5.29	5.25	5.14
Vacancy rate at period end (in % of units)[3]	3.0%	2.8%	2.6%
III. OPTIMISE APARTMENTS			
Number of residential units at period end	21,367	19,744	18,638
Number of commercial units at period end	0	3	5
Residential floor area at period end (in thousand sqm)	1,335	1,237	1,169
Commercial floor area at period end (in thousand sqm)	–	–	–
Residential in-place rent at period end (per month in € per sqm)[1]	6.03	5.88	5.67
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	6.03	5.88	5.67
Vacancy rate at period end (in % of units)[3]	2.1%	2.0%	1.8%
RENTAL ONLY SUB-PORTFOLIO			
Number of residential units at period end	143,662	143,713	143,740
Number of commercial units at period end	752	754	776
Residential floor area at period end (in thousand sqm)	9,079	9,081	9,082
Commercial floor area at period end (in thousand sqm)	87	88	89
Residential in-place rent at period end (per month in € per sqm)[1]	5.46	5.39	5.26
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	5.46	5.38	5.26
Vacancy rate at period end (in % of units)[3]	2.9%	2.8%	2.7%
IV. PRIVATISE			
Number of residential units at period end	21,753	23,214	25,952
Number of commercial units at period end	99	102	112
Residential floor area at period end (in thousand sqm)	1,490	1,590	1,777
Commercial floor area at period end (in thousand sqm)	12	12	13
Residential in-place rent at period end (per month in € per sqm)[1]	5.28	5.24	5.19
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	5.28	5.23	5.13
Vacancy rate at period end (in % of units)[3]	5.2%	5.8%	5.6%
V. NON-CORE			
Number of residential units at period end	13,943	15,027	17,143
Number of commercial units at period end	225	233	265
Residential floor area at period end (in thousand sqm)	878	941	1,070
Commercial floor area at period end (in thousand sqm)	109	121	147
Residential in-place rent at period end (per month in € per sqm)[1]	4.27	4.26	4.22
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	4.27	4.24	4.21
Vacancy rate at period end (in % of units)[3]	11.4%	11.1%	13.5%
TOTAL PORTFOLIO			
Number of residential units at period end[4]	179,358	181,954	186,835
Number of commercial units at period end	1,076	1,089	1,153
Residential floor area at period end (in thousand sqm)[4]	11,447	11,612	11,929
Commercial floor area at period end (in thousand sqm)[4]	208	220	249
Residential in-place rent at period end (per month in € per sqm)[1]	5.35	5.28	5.17

	As of and for the six-month period ended 30 June	As of and for the year ended 31 December	
	2013	2012	2011
	(unaudited)	(unaudited)	
Like-for-like residential in-place rent at period end (per month in € per sqm)[2]	5.35	5.28	5.17
Vacancy rate at period end (in % of units)[3]	3.9%	3.9%	4.1%
Fair Value of properties at period end (in € million)	**10,327.5**	**9,930.6**	**9,987.3**
Fair Value per sqm (in €)	**886.1**	**839.3**	**812.0**
Fair Value undeveloped land at period end (in € million)	56.1	56.1	56.1
Fair Value Total at period end (in € million)	**10,381.8**	**9,982.0**	**9,939.6**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 31 December 2011 and 2012 and 30 June 2012 and 2013, respectively, before deducting non-transferable operating costs, divided by the residential floor area of rented residential units as of the same dates. Residential in-place rent is often also referred to as "net cold rent."

(2) Residential like-for-like rent in € per month and sqm is defined as the in-place rent as of 31 December 2011 and 2012 and 30 June 2013, respectively, taking into account the rental income of the portfolio that has been consistently in operation.

(3) Number of vacant residential units as of 30 June 2013 or 31 December 2012, 2011, respectively, divided by total residential units.

(4) For portfolio data purposes, the Group classifies approximately 300 units in students' dormitories and housing for British armed forces as residential units; for accounting and controlling purposes, these are classified as commercial units.

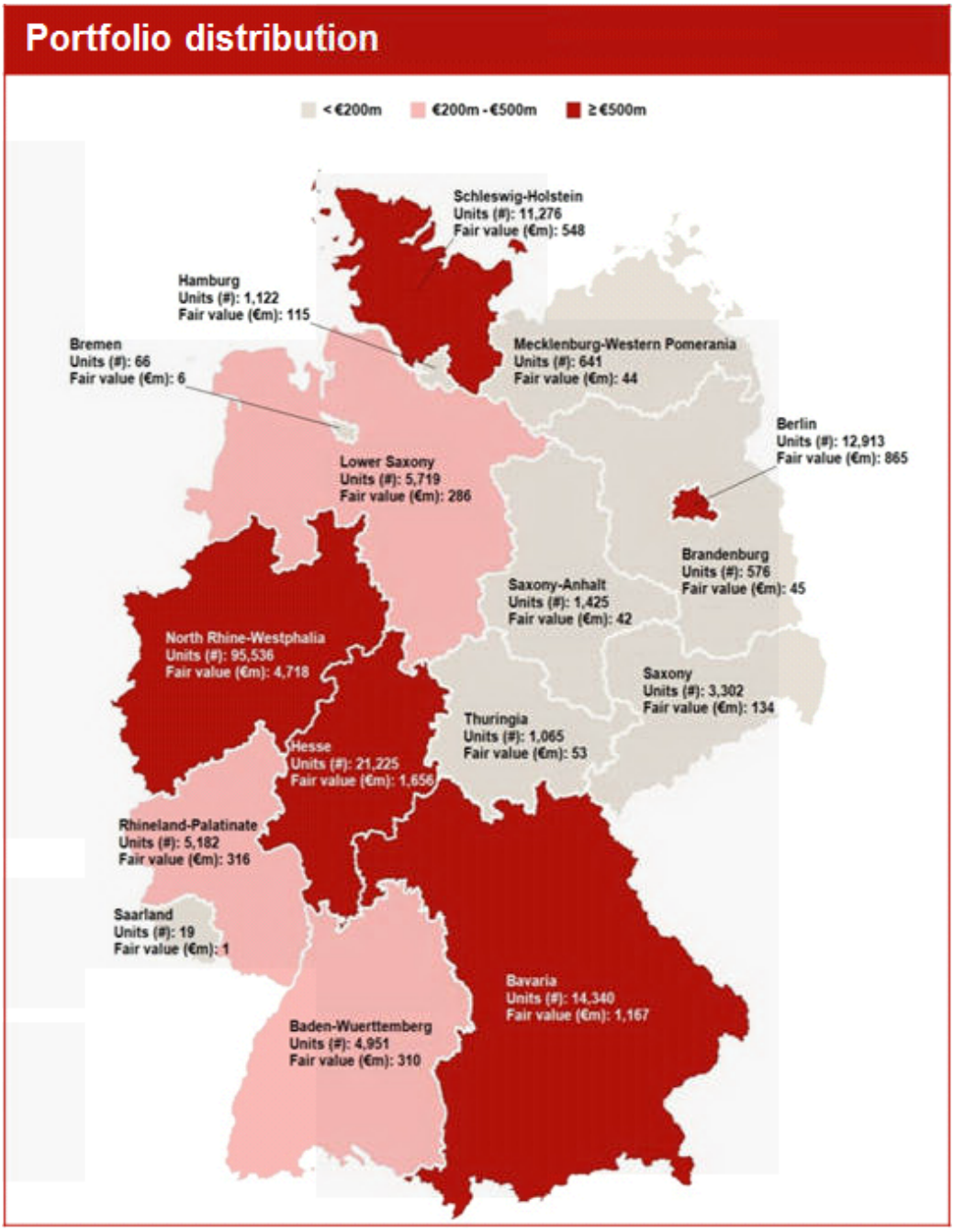
Total portfolio by federal states

The following table provides an overview of the geographical distribution of Deutsche Annington's Total Portfolio split by federal states and sorted according to the number of Deutsche Annington residential units as of 30 June 2013.

	Residential				
		Area	Vacancy	In-Place Rent[(1)]	
	Residential Units	(in thousand sqm)	(in %)	(in € million)	(in € per sqm)
North Rhine Westphalia	95,536	5,980	4.3%	348.1	5.07
Hesse	21,225	1,344	1.7%	103.3	6.51
Bavaria	14,340	953	2.1%	61.5	5.50
Berlin	12,913	832	1.2%	56.2	5.70
Schleswig-Holstein	11,276	703	4.3%	41.2	5.12
Lower Saxony	5,719	386	8.2%	21.7	5.08
Rhineland-Palatinate	5,182	369	2.8%	22.1	5.14
Baden-Württemberg	4,951	346	2.7%	21.6	5.36
Saxony	3,302	206	10.8%	10.7	4.84
Saxony-Anhalt	1,425	96	21.1%	4.1	4.47
Hamburg	1,122	65	1.9%	5.6	7.35
Thuringia	1,065	69	5.9%	4.0	5.19
Mecklenburg-Western Pomerania	641	49	2.2%	3.3	5.72
Brandenburg	576	42	4.0%	2.9	5.84
Bremen	66	5	3.0%	0.3	5.83
Saarland	19	1	5.3%	0.1	4.76
Total	**179,358**	**11,447**	**3.9%**	**706.7**	**5.35**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

The following map provides an overview of the major locations of DA's total portfolio as of 30 June 2013.



Total portfolio by 25 largest cities

The following table provides an overview of the geographical distribution of the total portfolio split into the 25 largest cities (in terms of Deutsche Annington residential units) as of 30 June 2013.

	Residential				
		Area	Vacancy	In-Place Rent[(1)]	
	Residential Units	(in thousand sqm)	(in %)	(in € million)	(in € per sqm)
Dortmund	17,632	1,075	2.8%	59.7	4.76
Berlin	12,913	832	1.2%	56.2	5.70
Essen	10,091	618	6.0%	36.0	5.18
Frankfurt am Main	10,029	621	0.6%	52.4	7.08
Gelsenkirchen	7,872	482	6.9%	24.7	4.59
Bochum	7,631	440	2.6%	26.2	5.10
Duisburg	4,738	282	4.2%	15.9	4.91
Munich	4,674	311	0.6%	23.2	6.26
Herne	4,583	281	4.5%	15.1	4.69
Bonn	4,261	299	2.3%	21.0	6.00
Cologne	4,007	264	2.5%	19.7	6.35
Gladbeck	3,272	200	3.0%	11.4	4.88
Herten	2,722	175	4.2%	9.2	4.55
Marl	2,514	168	7.9%	9.4	5.10
Dusseldorf	2,489	163	2.3%	13.2	6.89
Aachen	2,186	145	1.7%	9.1	5.35
Wiesbaden	2,073	138	2.0%	11.8	7.29
Bergkamen	2,020	134	8.5%	6.5	4.49
Geesthacht	1,999	114	4.5%	7.2	5.54
Bottrop	1,925	121	4.1%	7.1	5.06
Kassel	1,867	116	3.0%	6.5	4.83
Castrop-Rauxel	1,707	100	4.7%	5.8	5.10
Recklinghausen	1,658	110	3.6%	6.0	4.76
Nuremberg	1,632	112	1.2%	7.7	5.80
Flensburg	1,602	106	4.3%	5.8	4.80
Subtotal	**118,097**	**7,408**	**3.3%**	**467.0**	**5.43**
Remaining other locations	61,261	4,039	5.0%	239.6	5.20
Total	**179,358**	**11,447**	**3.9%**	**706.7**	**5.35**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Statistical asset profile data for total portfolio

Unit size

Because Deutsche Annington's residential units are proportionally smaller than average, they are primarily suitable for one- or two-person households (size of residential units ranging from 40 to 70 sqm). In the first half of 2013, 85.9% of Deutsche Annington's apartments were rented to one- and two-person households, while the average national distribution for one- and two-person households is 80.8**%** for all rental units (*Source: Federal Statistical Office, Microcensus, Supplementary Survey 2010*). The following table shows the unit size of the residential units in Deutsche Annington's portfolio as of 30 June 2013:

Size of residential units in sqm	Number of units	% of total
< 40	8,707	4.9%
40 – 59	66,444	37.0%
60 – 79	79,725	44.5%
80 – 99	21,040	11.7%
100 – 119	2,770	1.5%
> 119	672	0.4%
Total	**179,358**	**100.0%**

Construction year

As of 30 June 2013, approximately 63% of Deutsche Annington's residential units are located in buildings constructed between 1949 and 1970. The following table shows the year of construction for the residential units in Deutsche Annington's full portfolio:

Year of construction	Number of units	% of total
Before 1949	27,769	15.5%
1949 – 1959	66,136	36.9%
1960 – 1970	46,312	25.8%
1971 – 1980	23,968	13.4%
1981 – 1990	7,592	4.2%
After 1990	7,581	4.2%
Total	**179,358**	**100.0%**

Number of stories per building

As of 30 June 2013, approximately 89.7% of Deutsche Annington's properties had five or fewer stories (including the ground floor). The following table shows the number of stories per building in Deutsche Annington's portfolio:

Number of stories per building	Number of residential units	% of total
0 – 5	160,882	89.7%
6 – 10	16,296	9.1%
11 – 15	1,705	1.0%
16 – 20	475	0.3%
Total	**179,358**	**100.0%**

Asset type

As of 30 June 2013, approximately 95% of Deutsche Annington's portfolio was comprised of multi-family properties while the remaining 5% was comprised of single/dual family properties.*Subsidized Residential Units*

In Germany, landlords may receive governmental subsidies in the form of low-interest rate loans and direct payments for the construction or modernization of residential real estate. Subsidized residential real estate is subject to statutory occupancy restrictions as well as occupancy restrictions pursuant to the terms and conditions of public grants. There are two principal requirements applicable to subsidized residential real estate: (i) the tenant occupying the subsidized residential unit must provide a housing eligibility certificate (Wohnberechtigungsschein) and (ii) rents are limited to certain rent restrictions during the statutorily specified funding period.

As of 30 June 2013, approximately 16% of DA's portfolio was subsidized. The following table shows the maturity of the restrictions:

Maturing in	2013	2014	2015	2016	2017	2018	2019	2020	2021 et seq.
Number of rent-restricted units	616	1,354	330	1,177	617	2,367	506	455	20,727

Rental only sub-portfolio

Deutsche Annington combines the three portfolio segments Operate, Upgrade Buildings and Optimize Apartments in the Rental Only sub-portfolio. The following section provides an overview of certain key data related to this sub-portfolio.

Rental only sub-portfolio by federal states

The following table provides an overview of the geographical distribution of the Rental Only portfolio split by federal states and sorted according to the number of Deutsche Annington residential units as of 30 June 2013.

	Residential				
	Residential Units	Area	Vacancy	In-Place Rent[(1)]	
		(in thousand sqm)	(in %)	(in € million)	(in € per sqm)
North Rhine Westphalia	78,434	4,853	3.6%	288.0	5.13
Hesse	17,633	1,110	1.4%	86.4	6.58
Berlin	12,479	803	1.1%	54.4	5.71
Bavaria	10,197	674	1.7%	45.5	5.73
Schleswig-Holstein	9,007	548	3.6%	32.4	5.13
Rhineland-Palatinate	3,907	273	1.9%	16.7	5.20
Baden-Württemberg	3,710	266	1.3%	17.7	5.61
Saxony	2,823	178	8.1%	9.6	4.89
Lower Saxony	1,894	136	3.0%	9.7	6.08
Hamburg	1,118	64	1.8%	5.6	7.35
Thuringia	797	53	3.6%	3.3	5.45
Mecklenburg-Western Pomerania	641	49	2.2%	3.3	5.72
Saxony-Anhalt	503	34	5.8%	2.0	5.22
Brandenburg	469	34	1.3%	2.5	6.08
Bremen	50	3	2.0%	0.3	6.51
Saarland	-	-	-	-	-
Total	**143,662**	**9,079**	**2.9%**	**577.3**	**5.46**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Rental only sub-portfolio by 25 largest cities

As of 30 June 2013, approximately 69% of Deutsche Annington's "Rental Only" portfolio segment, measured by Fair Value, was located in 25 German cities. The remaining approximately 31% of this portfolio was dispersed throughout the rest of Germany. Although Deutsche Annington owns properties

throughout Germany, 97% of its Rental Only sub-portfolio as measured by Fair Value is situated in the old German federal states (*Alte Bundesländer*) including Berlin.

The following table provides an overview of the geographical distribution of the Rental Only portfolio split into the 25 largest cities (in terms of Deutsche Annington residential units) as of 30 June 2013.

	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
Dortmund	15,755	955	2.5%	53.2	4.77
Berlin	12,479	803	1.1%	54.4	5.71
Frankfurt am Main	8,752	534	0.6%	45.6	7.16
Essen	7,798	469	5.2%	27.8	5.23
Bochum	6,959	398	2.2%	23.8	5.09
Gelsenkirchen	6,106	367	6.8%	19.5	4.76
Munich	3,935	259	0.5%	18.9	6.12
Herne	3,817	235	4.2%	12.6	4.69
Bonn	3,810	267	1.9%	18.7	5.94
Duisburg	3,325	190	4.2%	11.0	5.04
Cologne	3,051	199	1.8%	14.9	6.35
Gladbeck	2,709	164	2.3%	9.7	5.05
Aachen	2,073	138	1.6%	8.7	5.36
Herten	2,046	127	3.6%	7.1	4.85
Dusseldorf	2,033	133	1.5%	10.8	6.86
Marl	1,948	127	6.2%	7.2	5.09
Wiesbaden	1,730	114	1.7%	9.7	7.23
Bergkamen	1,729	112	6.2%	5.6	4.48
Kassel	1,679	103	3.3%	5.8	4.84
Geesthacht	1,577	87	4.9%	5.5	5.55
Castrop-Rauxel	1,518	88	4.2%	5.1	5.10
Recklinghausen	1,509	99	3.6%	5.5	4.80
Kiel	1,492	89	1.4%	5.4	5.15
Flensburg	1,390	89	4.5%	5.0	4.87
Bottrop	1,278	79	2.5%	4.9	5.34
Subtotal	**100,498**	**6,222**	**2.8%**	**396.6**	**5.47**
Remaining	43,164	2,857	3.2%	180.8	5.45
Total	**143,662**	**9,079**	**2.9%**	**577.3**	**5.46**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Portfolio segments

The following section provides information on the geographical distribution of Deutsche Annington's portfolio segments.

Operate

The following table provides an overview of the geographical distribution of the Operate portfolio, a sub-segment of the Rental Only portfolio segment, split into the 25 largest cities (in terms of Deutsche Annington residential units, data as of 30 June 2013).

	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
Dortmund	6,956	426	2.3%	24.1	4.83
Berlin	5,948	376	1.0%	26.2	5.85
Essen	4,677	279	5.5%	16.9	5.37
Bochum	3,988	220	2.6%	13.2	5.11
Gelsenkirchen	3,590	210	6.7%	11.3	4.80
Herne	3,177	194	4.4%	10.4	4.68
Frankfurt am Main	1,900	121	0.6%	9.6	6.61
Cologne	1,791	119	1.7%	8.9	6.32
Gladbeck	1,680	101	2.6%	6.1	5.17
Munich	1,617	108	0.1%	7.3	5.64
Bergkamen	1,449	93	5.5%	4.7	4.44
Flensburg	1,379	89	4.4%	4.9	4.87
Herten	1,237	74	2.6%	4.1	4.71
Geesthacht	1,188	65	5.2%	4.1	5.57
Wiesbaden	1,180	77	1.9%	6.8	7.58
Castrop-Rauxel	1,171	68	4.2%	4.0	5.13
Duisburg	1,153	65	4.8%	3.6	4.78
Recklinghausen	1,089	71	3.3%	4.0	4.82
Leipzig	1,047	66	7.4%	3.7	5.10
Bonn	988	76	1.7%	4.8	5.36
Kiel	972	58	1.5%	3.4	5.03
Marl	955	63	6.1%	3.7	5.21
Dusseldorf	819	56	1.6%	4.6	6.98
Bottrop	792	49	2.1%	3.2	5.49
Darmstadt	777	59	1.0%	5.0	7.18
Subtotal	**51,520**	**3,183**	**3.2%**	**198.5**	**5.37**
Remaining	27,242	1,815	3.0%	115.5	5.46
Total	**78,762**	**4,998**	**3.1%**	**314.0**	**5.40**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Upgrade Buildings

The following table provides an overview of the geographical distribution of the Upgrade Buildings portfolio, a sub-segment of the Rental Only portfolio segment, split by cities with more than 500 Deutsche Annington residential units as of 30 June 2013.

	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
Dortmund	5,690	337	3.2%	18.1	4.62
Berlin	4,164	278	1.4%	18.4	5.60
Frankfurt am Main	2,734	161	0.7%	13.5	7.05
Essen	2,407	149	5.0%	8.2	4.85
Bochum	2,172	127	1.7%	7.7	5.12
Gelsenkirchen	1,910	115	7.9%	5.9	4.62
Bonn	1,787	120	2.3%	8.2	5.83
Munich	1,451	98	0.6%	6.4	5.46
Kassel	1,043	61	3.4%	3.4	4.75
Duisburg	916	54	4.7%	2.9	4.60
Aachen	910	58	1.5%	3.7	5.40
Marl	887	56	6.5%	3.1	5.01
Cologne	760	50	1.8%	3.8	6.41
Gladbeck	681	38	1.9%	2.2	4.96
Dusseldorf	557	36	1.1%	2.7	6.34
Hattingen	518	25	2.5%	1.5	5.18
Subtotal	**28,587**	**1,764**	**2.8%**	**109.7**	**5.33**
Remaining	14,946	982	3.3%	59.2	5.20
Total	**43,533**	**2,746**	**3.0%**	**168.9**	**5.29**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Optimize Apartments

The following table provides an overview of the geographical distribution of the Optimize Apartments portfolio, a sub-segment of the Rental Only portfolio segment, split by cities with exactly or more than 500 Deutsche Annington residential units as of 30 June 2013.

	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
Frankfurt am Main	4,118	252	0.5%	22.6	7.49
Dortmund	3,109	191	1.8%	11.0	4.89
Berlin	2,367	149	1.0%	9.8	5.58
Duisburg	1,256	70	3.3%	4.6	5.63
Bonn	1,035	71	1.3%	5.7	6.75
Munich	867	53	0.9%	5.2	8.32
Bochum	799	50	1.9%	2.9	4.95
Essen	714	42	3.9%	2.7	5.63
Dusseldorf	657	41	1.7%	3.5	7.15
Gelsenkirchen	606	41	3.8%	2.3	4.96
Aachen	566	41	2.1%	2.7	5.71
Cologne	500	30	2.2%	2.2	6.34
Subtotal	**16,594**	**1,031**	**1.6%**	**75.3**	**6.19**
Remaining	4,773	304	3.7%	19.2	5.47
Total	**21,367**	**1,335**	**2.1%**	**94.5**	**6.03**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Privatize

The following section provides information on the geographical distribution of the Privatize portfolio segment.

Privatize portfolio by federal states

The following table provides an overview of the geographical distribution of the Privatize portfolio segment split by federal states as of 30 June 2013.

	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
North Rhine Westphalia	12,332	826	6.2%	45.8	4.91
Hesse	3,095	213	1.9%	15.8	6.32
Bavaria	2,422	172	1.5%	11.5	5.65
Schleswig-Holstein	1,207	86	6.0%	5.3	5.57
Lower Saxony	829	56	5.8%	3.5	5.48
Baden-Wuerttemberg	666	48	8.6%	2.4	4.57
Rhineland-Palatinate	607	48	5.9%	3.0	5.47
Berlin	411	27	4.9%	1.7	5.32
Saxony	59	4	13.6%	0.2	5.47
Saxony-Anhalt	47	4	21.3%	0.1	3.82
Thuringia	40	3	12.5%	0.1	4.53
Saarland	19	1	5.3%	0.1	4.76
Bremen	16	2	6.3%	0.1	4.31
Brandenburg	2	0	0.0%	0.0	2.32
Hamburg	1	0	0.0%	0.0	5.88
Mecklenburg-Western Pomerania	-	-	-	-	-
Total	**21,753**	**1,490**	**5.2%**	**89.6**	**5.28**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Privatize portfolio cities with more than 500 units

The following table provides an overview of the geographical distribution of the Privatize portfolio segment split by cities with more than 500 units as of 30 June 2013.

	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
Dortmund	1,800	116	4.9%	6.2	4.68
Essen	1,601	108	8.3%	6.1	5.12
Frankfurt am Main	1,277	87	1.0%	6.8	6.58
Duisburg	1,172	78	4.3%	4.2	4.66
Gelsenkirchen	1,058	72	6.3%	3.2	3.94
Cologne	861	60	4.3%	4.4	6.43
Nuremberg	792	56	1.5%	3.5	5.38
Munich	733	52	1.4%	4.3	6.98
Herten	654	47	6.1%	2.0	3.74
Bottrop	612	40	7.4%	2.0	4.52
Bochum	579	38	6.6%	2.2	5.24
Subtotal	**11,139**	**753**	**4.8%**	**44.9**	**5.21**
Remaining	10,614	737	5.5%	44.7	5.35
Total	**21,753**	**1,490**	**5.2%**	**89.6**	**5.28**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Non-Core

The following table provides an overview of the geographical distribution of the Non-Core portfolio segment split by federal states as of 30 June 2013.

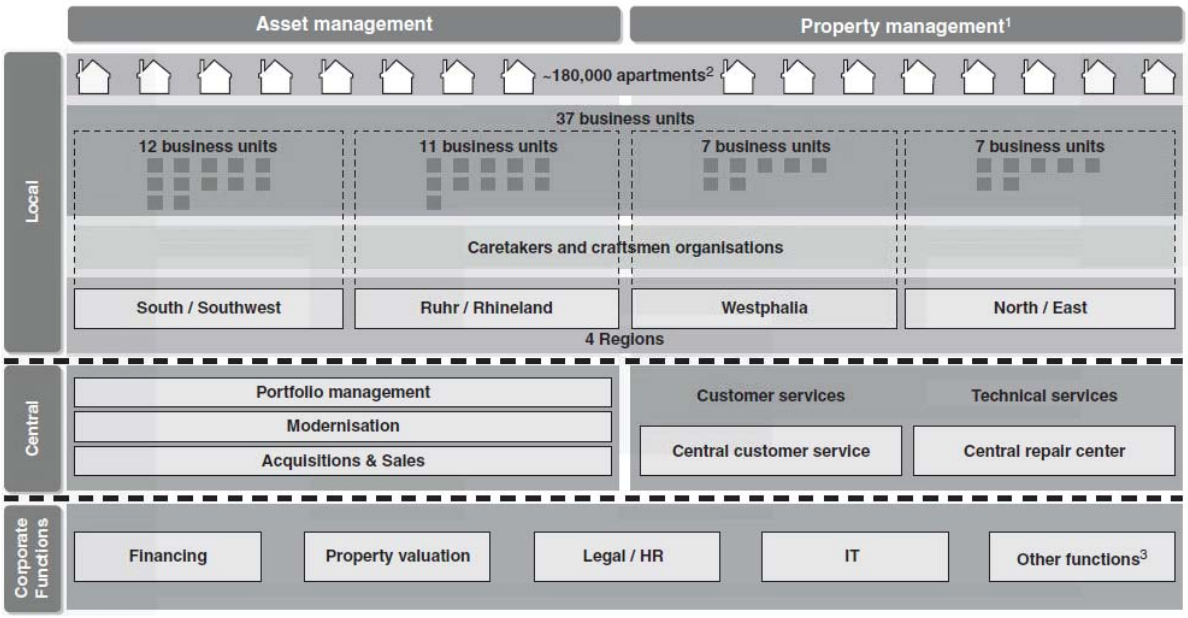
	Residential				
	Residential Units	**Area**	**Vacancy**	**In-Place Rent[(1)]**	
		(in thousand sqm)	**(in %)**	**(in € million)**	**(in € per sqm)**
North Rhine Westphalia	4,770	301	10.2%	14.3	4.45
Lower Saxony	2,996	194	12.1%	8.5	4.18
Bavaria	1,721	108	5.9%	4.5	3.73
Schleswig-Holstein	1,062	70	8.2%	3.5	4.48
Saxony-Anhalt	875	58	29.9%	2.0	3.93
Rhineland-Palatinate	668	47	5.2%	2.4	4.44
Baden-Wuerttemberg	575	32	5.4%	1.5	4.30
Hesse	497	21	10.9%	1.1	4.87
Saxony	420	25	28.3%	0.9	4.26
Thuringia	228	13	12.7%	0.6	4.18
Brandenburg	105	8	16.2%	0.4	4.68
Berlin	23	1	4.3%	0.1	4.82
Hamburg	3	0	33.3%	0.0	6.75
Saarland	-	-	-	-	-
Bremen	-	-	-	-	-
Mecklenburg-Western Pomerania	-	-	-	-	-
Total	**13,943**	**878**	**11.4%**	**39.7**	**4.27**

(1) Residential in-place rent (per month in € per sqm) is defined as the current gross rental income per month for rented residential units as agreed in the corresponding rent agreements as of 30 June 2013, before deducting non-transferable operating costs divided by the residential floor area of rented residential units; in-place rent is often also referred to as net cold rent.

Business operations

Deutsche Annington considers residential real estate to be a decisively local business, which requires strong local market intelligence and an in-depth knowledge about its own assets and customers. Therefore, Deutsche Annington manages its core operating business through 37 local business units in four regions.

The following chart provides an overview of the Deutsche Annington operating model.



(1) Also includes external management of condominiumized apartments, environment, health & safety.

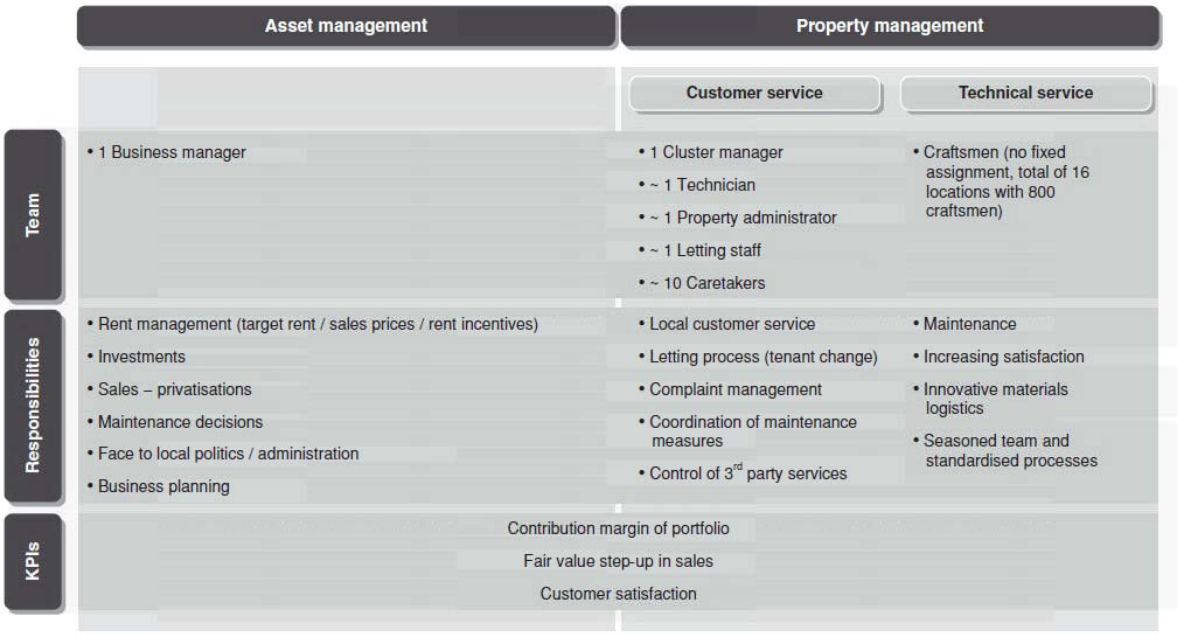
(2) Number of units as of June 30, 2013, in addition, approx. 24,000 units administered on behalf of 3rd parties.

(3) Other corporate functions include accounting, capital markets, communications, controlling, insurance, procurement, PR, tax, internal audit.

While, as a matter of principle, Deutsche Annington delivers its services locally, it has centralised all tasks that can be performed more cost-efficiently on a national level, e.g. the billing of utility and ancillary costs as well as the administrative management of rental contracts.

In accordance with this general principle, Deutsche Annington has divided its portfolio into 37 business units, each responsible for an average of approximately 5,000 residential units. On the local level, approximately 20 employees are assigned to each business unit and work out of eleven branches that are located near Deutsche Annington's geographic portfolio concentrations. The local teams collect and process local knowledge related to Deutsche Annington's central functions and source central services to the extent required for the best and most cost-efficient performance of their services on the ground. While the local teams have a large degree of autonomy, the performance of each individual business unit is regularly monitored centrally on the basis of key performance indicators, such as customer satisfaction and the profitability of the individual portfolio.

The following table provides an overview of the organization, responsibilities and performance indicators of a typical local team, which consists of both asset and property management functions:



Deutsche Annington's business processes are characterized by their high level of industrialization and full integration. In order to illustrate the interplay between asset and property management functions, as well as between central and local units, two core residential processes, rent management and maintenance, are described below:

Rent management process. Based on their knowledge of local micro-markets and the condition of their apartments, and taking into account current vacancy rates and maintenance requirements, the local business managers periodically update the target rent for new lettings in the SAP system. The new letting rent automatically appears in all customer-facing marketing materials (e.g. exposés). The local rent index is calculated by the SAP system based on the physical configuration of the flat which in turn is updated each time a Deutsche Annington employee is inside the flat and is prompted for an update through his tablet PC. Based on this information, the SAP system is also able to automatically generate the monthly rent increase potential within the applicable legal framework. Based on this information, approximately 50,000 individual rent increase notifications are automatically sent per year to customers in accordance with their individual lease agreements; in the past, approximately 90% of these rent increases were accepted without further negotiations. Remaining questions or objections to the rent increases are handled by personnel within the central customer service unit who have all relevant data on their screens.

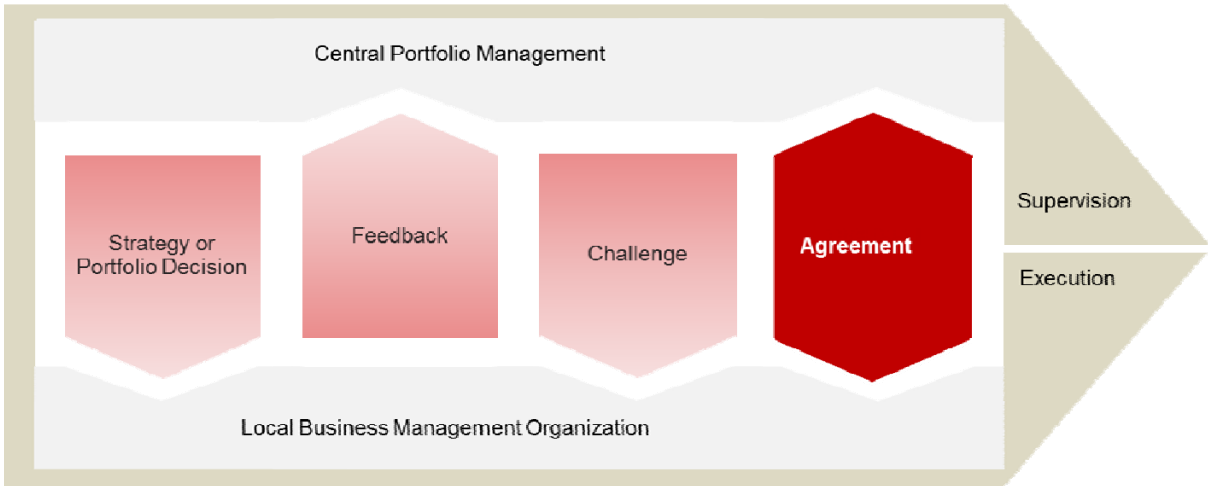
Maintenance process. Customers calling the central customer service with regard to required repairs are transferred to the central repair center. Below a threshold of between €500 and €1,000, depending on the type of maintenance, repairs are commissioned directly to the local craftsmen organization if Deutsche Annington is responsible for the repairs. Above that threshold, a local customer service agent verifies the need for repairs on-site and enters the required measures via his tablet PC in a "car configurator" type application which includes all flat configuration data and the required bills of material to execute the work. It then appears in the local business manager's inbox for approval and subsequently is commissioned to the local craftsmen organization.

Asset management

The asset management function comprises all owner-related competencies within the Group and is responsible for portfolio strategy, implementation of investment and sales programs and portfolio operations. It is based on the interplay between the central portfolio management unit and the local business management organization. It follows the principle that all tasks that can be performed using standardized and scalable procedures should be carried out centrally, by the portfolio management unit, while all tasks that

require local knowledge, or that cannot be handled efficiently on a central basis, should be performed locally by business managers at the business unit level.

The following chart describes the decision-making process both for setting the overall asset management strategy and for individual portfolio decisions:



For a description of the tasks and responsibilities of the local business management organization see "— *Local business management organization*" below.

Portfolio management

The core of the Group's strategic portfolio management is the segmentation of the portfolio into manageable strategic segments, the decision to sell units and the design of investment programs for the further development of its existing portfolio.

Segmentation of the portfolio. The segmentation of the portfolio into five segments is based on an in-depth, building-by-building evaluation performed by local business managers. This information is collected, consolidated, and validated by the central strategic portfolio management team, which defines the overall portfolio strategy. In order to manage its portfolio efficiently, Deutsche Annington strives to concentrate its portfolio in select locations that have a positive demographic outlook and are attractively situated given their macroeconomic environment and the local neighborhood.

Portfolio development. Deutsche Annington considers its portfolio development efforts an important part of its strategy. To this end, Deutsche Annington capitalizes on major societal trends to guide its portfolio development efforts. The trends that Deutsche Annington has identified are climate change and energy efficiency, on the one hand, and demographic trends such as the expected increase in one- to two-person households and the aging population, on the other hand. All of Deutsche Annington's major investment programs are designed to respond to demand generated by these trends. In co-operation with the German Energy Agency (*Deutsche Energie Agentur*) (*dena*), Deutsche Annington developed a long-term energy efficiency roadmap towards meeting the German Federal Government's climate goals by 2050, which will serve as strategic blueprint for Deutsche Annington's energy efficiency program in the future.

Portfolio operations. The main responsibilities of portfolio operations include the business management of Deutsche Annington's undeveloped plots of land and its large commercial properties, decision support for the whole asset management organization and process improvements.

A dedicated team is responsible for the business management of Deutsche Annington's undeveloped land and commercial properties. Deutsche Annington's strategy is to sell these assets on economically reasonable terms where possible and to maintain their profitability in those cases where a sale is not economically viable. Deutsche Annington continuously improves the quality of these assets in order to achieve an

attractive market price. Deutsche Annington refrains from developing building plots (*Neubau*), but applies for the relevant building permits in advance, in order to be in a position to sell the plots of undeveloped land ready for construction at a premium.

Based on the principle of standardization and economies of scale through centralization, the management decision support team serves the asset management function. It provides a wide range of market data and research services, ranging from the national level down to selected regions or cities, and thus helps the strategic portfolio management team and local business managers make decisions on a sound and well-informed basis. Additional support services range from offering standardized tools and procedures for sales price analysis to IT-based solutions for specific projects. Deutsche Annington's management decision support team is also responsible for continuous process improvements. For example, the team commissions surveyor reports for municipalities without rent indices in order to identify the appropriate level of rents.

Investments

Deutsche Annington continues to invest in its existing real estate portfolio, having spent a total of €101.0 million on energy-efficient modernizations over the three-year period from 2009 to 2011. Modernization measures are mainly investments that trigger the statutory right to increase rents with respect to the modernized unit or building under the applicable legal framework. Deutsche Annington's management believes that with an average investment return of approximately 7% on investments from rent increases and vacancy reduction between 2009 and 2011 it has an excellent investment track record.

The following table shows the Group's investments in energy-efficient modernizations and their effect on the vacancy rate and in-place rent in the periods indicated:

			Vacancy Rate (%)		In-place Rent (€ per sqm)	
Program Year[1]	**Amount Invested (€ million)**	**Number of Units**	**Before[2]**	**After[3]**	**Before[2]**	**After[3]**
2009[4]	26.5	2,160	6.3	3.3	5.14	6.23
2010[5]	33.8	2,050	5.6	3.0	5.28	6.53
2011[6]	40.7	2,660	4.9	2.4	5.51	6.70
Total/Average	**101.0**	**6,870**	**5.6**	**2.9**	**5.32**	**6.50**

(1) Data refers to the program year, not the calendar year. The majority of the investment budget for each program year is invested in the corresponding calendar year; there may, however, be some spillover to the next year.

(2) Data for the year immediately preceding the year in which the investments were made.

(3) Data for the year following the year in which the investments were made.

(4) In 2009, Deutsche Annington invested €1.5 million in other modernization measures such as major upgrades of apartments. Total modernization measures in 2009 amounted to €28.0 million.

(5) In 2010, Deutsche Annington invested €1.6 million in other modernization measures such as major upgrades of apartments. Total modernization measures in 2010 amounted to €35.4 million.

(6) In 2011, Deutsche Annington invested €6.9 million in other modernization measures of which €5.9 million was spent for complying with the Energy Savings Ordinance (*Energieeinsparverordnung*). Total modernization measures in 2011 amounted to €47.6 million.

Deutsche Annington applies strict criteria when selecting investment opportunities and concentrates primarily on those opportunities that promise a disproportionate increase in property value. This is generally achieved by balancing the following three factors:

- Tenant perspective: Affordability and fit-for-purpose measures;
- Technical perspective: Mix of necessary and value-creating measures; and
- Economic perspective: Adequate returns.

The entire investment process, from project selection through post-completion audit, is supervised by the respective central portfolio management unit. All departments involved in the process contribute their expert knowledge in order to ensure the project's successful completion, e.g. the modernization function takes care of cost calculation and supervision of works.

Deutsche Annington focuses on two major investment programs: (i) its energy efficient modernization program and (ii) its program to convert units into residential units suitable for senior living. Both investment programs are eligible for subsidized loans from KfW Bank.

For 2013, the Guarantor resolved to invest approximately €80 million in buildings and apartments. In particular, Deutsche Annington plans to improve the energy efficiency of buildings with approximately 2,500 units, to upgrade up to 1,000 residential units and to modernize the heating systems of various buildings. The Group plans to fund these investments largely through subsidized loans from KfW Bank and the remainder through cash generated by Deutsche Annington's business operations. As of the date of this Prospectus, the Group is modernizing approximately 1,000 units; heating systems are currently not being modernized.

All of the Guarantor's investments are geographically concentrated in Germany.

Acquisitions & sales

Deutsche Annington targets profitable growth through selective acquisitions and seizes market opportunities by disposing of residential units from its Privatize and Non-Core portfolio segment in accordance with its overall portfolio strategy.

According to Deutsche Annington's business strategy, Deutsche Annington intends to grow its property portfolio via acquisitions of additional property portfolios and real estate companies. Therefore, Deutsche Annington constantly evaluates opportunities to identify suitable targets for its existing property portfolio and specific opportunities for value creation and growth. Deutsche Annington's constant analysis of the relevant real estate markets may lead to prompt and significant further acquisitions of property portfolios and real estate companies in the near future.

Acquisitions

Deutsche Annington's acquisition team consists of a small number of experienced professionals, dedicated to profitably growing Deutsche Annington's business through acquisitions. This team analyses, underwrites, and competes for almost all large as well as select small- to medium-sized deals in Germany. In addition to the expertise available within the corporate functions, particularly Finance, Legal, Tax, Human Resources and Accounting the Acquisition team's analysis and underwriting processes make extensive use of the know-how and local knowledge available within the 37 business units that are spread nationally.

The local business unit assesses portfolios based on local market information and market trends. As a result of their analysis, target portfolios can be classified into the segment descriptions utilised by portfolio management: Operate, Upgrade Buildings, Optimize Apartments, Privatize, and Non-Core. The acquisition team aims to expand its existing portfolio concentrations via medium to large deals and to potentially create new portfolio concentrations through the acquisition of large corporations as well as via the takeover of smaller companies and management platforms or residential portfolios. Additionally, the Guarantor considers smaller portfolio purchase opportunities if they could enhance its current portfolio in attractive micro locations.

Acquisitions follow a standard process. After initial screening, the Acquisition team analyses the offered portfolio in depth, preparing an indicative offer which is sent to the seller subject to Management Board approval. Provided this offer is accepted, a binding offer stage is normally initiated involving confirmatory due diligence as well as negotiations on financing, if appropriate. Between 2006 and 2012, Deutsche Annington screened portfolios consisting in total of over 2.3 million residential units and analysed portfolios

with around 690,000 residential units in detail. The Guarantor issued indicative offers on around 370,000 units and binding bids on approximately 125,000 units.

Since 2006, Deutsche Annington acquired and integrated new portfolios with a total of approximately 16,000 residential units. The individual portfolios ranged from 50 to 4,500 units in size and were located mainly within Deutsche Annington's defined business hubs to strengthen operational efficiency. Deutsche Annington's acquisition team aims to realize economies of scale by fully integrating newly acquired companies at marginal cost and to avail of synergies particularly utilizing the Guarantor's craftsmen's organization. Depending on the size and location of a portfolio, the Guarantor estimates its marginal management costs for asset deals at between zero and €240 per residential unit per year. This is based on the view that units can be added at low incremental costs within business units. Once a critical mass of around 5,000 units is reached, it is generally assumed that a new business unit will have to be added. Based on the current cost structure, such additions result in average management costs, including central support, of €240 per residential unit per year. These costs exclude corporate costs including accounting, cash management, IT systems, and portfolio management. Each potential acquisition is, however, judged on its own particular circumstances and may have higher management costs than those generally assumed.

Sales

Deutsche Annington uses different sales channels for privatizations and non-core divestitures. Depending on the characteristics of the unit earmarked for sale, the targeted sales channels are identified and appropriate marketing measures implemented. The sales management team is divided into seven regions (Westphalia, North, East, South, Southwest, and Ruhr and Rhineland) and operates from eight offices. The lean-staffed sales management team is responsible for managing the approximately 90 independent real estate brokers working in the local sales organization. The entire contract management for the real estate purchase agreements is handled centrally by the back office. A strong focus on mass processes and standardized contract forms enables the sales back office to deliver high-quality contracts in an efficient manner.

The central functions are supported by the local sales organization. Ninety self-employed and independent real estate brokers working under the Deutsche Annington brand with access to Deutsche Annington's IT platform and latest sales data run Deutsche Annington's residential units sales efforts. Each real estate broker is allocated to a certain portfolio and works on a non-exclusive basis for Deutsche Annington. The minimum prices for the residential units earmarked for sale are set by the local business management team, which benefits from its local expertise. The real estate brokers receive an incentive fee based on the list price of the residential unit upon the successful completion of a transaction. The incentive fee structure of the brokers is controlled by the sales management team.

Deutsche Annington believes that its local sales force is not only highly cost efficient but also scalable. In the last two years, Deutsche Annington was able to take advantage of favourable market opportunities by increasing its unit sales by 86% from 2010 to 2012, while costs associated with these sales only increased by 31% during the same period.

Local business management organization

Within the asset management function, 37 local business managers, organized in four regions (*Geschäftsbereiche*), act as the asset owners of their local portfolios (totalling approximately 5,000 units on average) and bear responsibility for the profitability of their local portfolio. The business managers represent the asset management function locally and are responsible for all owner-related decisions that are executed by the local business units.

A major focus of the business managers is on operational decisions, such as setting target rents, rental incentives, and rental deposits for each individual rental unit, as well as deciding on individual maintenance measures that exceed certain thresholds (usually over €1,000). To this end, the business managers closely monitor market prices and customer demand to optimize successful re-letting of the properties for which they are responsible.

Another major focus is supporting strategic decisions on investments and disposals. Based on their in-depth knowledge of their respective local portfolios, asset conditions and tenant structures, the business managers prepare detailed investment and sales proposals on a house-by-house basis within the framework of Deutsche Annington's overall strategy. Furthermore, the business managers are responsible for budgeting and medium-term planning for their respective local portfolios and their performance is measured on the basis of customer satisfaction and the financial performance of their portfolios. In addition, the business managers represent Deutsche Annington vis-à-vis local stakeholders, e.g. local politicians or administrative bodies, and also participate in assemblies of local home owners' associations (*Wohnungseigentümergemeinschaften*) as Deutsche Annington's representative.

Property management

The property management function includes the tenancy-related administrative functions within the group. It is steered by highly integrated interdisciplinary processes comprising local and central functions, and benefits from the expertise of the asset management function. Deutsche Annington's property management function manages Deutsche Annington's (i) customer services, encompassing the letting process and customer requests management and (ii) technical services, including the central repair center, the modernization team, environmental, health and safety (***EHS***) compliance.

Customer services

Central customer service

Central customer service is divided into four geographic regions, each of which is managed by its own management team. Deutsche Annington's employees are permanently assigned to one of these four geographic regions (Westphalia, South/Southwest, Ruhr/Rhineland and North/East), mirroring the structure of the asset management organization. 150 service center staff members are employed by tariff-free companies.

Central customer service gives Deutsche Annington's customers the opportunity to contact Deutsche Annington via a low-cost regional phone number, e-mail, fax or mail. It is the back-office for all customer requests and complaints, e.g. contract cancellations, viewing appointments for new tenants, contract management, problems with neighbours and customer requests. The customer service is tailored towards the individual customer needs, where tailoring includes, amongst other things, the use of English- or Turkish-speaking telephone operators. Tenants can furthermore utilize its online platform, which provides access to contract details and additional functions 24-hours-a-day and has been in use since 2011. Deutsche Annington's customer service settles approximately 87% of all incoming phone enquiries directly.

Service center

The service center handles all lease agreement-related tasks centrally. It is responsible for all mass processes, including:

- Pass through utility and ancillary cost billing;
- Operational execution of rent management;
- Dunning;
- Accounts receivable management.

Ancillary cost billing. Deutsche Annington has made various efforts to enhance the transparency of its ancillary costs (*Erlöse aus abrechenbaren Betriebskosten*) statements. Since 2010, the Group was able to reduce the number of customer complaints relating to ancillary cost bills by more than half. These efforts have also been met with outside recognition. In 2011, Deutsche Annington was awarded the Geislinger Convention quality seal and ISO 9001:20008 certification by TÜV Rheinland.

Furthermore, Deutsche Annington aims to reduce ancillary costs (*Erlöse aus abrechenbaren Betriebskosten*) for its entire real estate portfolio to minimize tenants' overall expenses. To this end, Deutsche Annington negotiated group discounts with leading utility providers for its large customer base.

Operational execution of rent management. The operational execution of rent management tasks is handled centrally by the service center. Deutsche Annington's computer system notifies the service center immediately if the potential to raise rents for residential units arises in accordance with the applicable rent indices (*Mietspiegel*). The realization of economies of scale is achieved, among other things, through the use of standardized contracts, letters, and processes.

Dunning. Similar to rent management, Deutsche Annington's dunning process is executed centrally. The computer-based dunning system allows for a highly standardized and therefore efficient procedure.

Accounts receivable management. The Group strictly monitors its overdue rent. Deutsche Annington established a consequent arrears management process including specified dunning letters, outbound calls, SMS, email, and on-site visits. In addition, Deutsche Soziale Wohnen GmbH contacts defaulting tenants seeking to act in a socially responsible manner. Given the fact that some of Deutsche Annington's tenants are low income earners or social welfare recipients, account managers may give tenants the option of a deferred payment and/or refer tenants to Deutsche Annington's debt counseling, which may include the provision of assistance in applying for social security benefits. In addition to such services, the Group also provides special counseling to tenants who are facing eviction after falling behind with rent payments. To provide this service, Deutsche Annington currently employs approximately 80 on-site social managers who can give tenants expert advice and who can negotiate individually tailored solutions in order to avoid costly eviction proceedings for all parties involved. In 2012, Deutsche Annington's on-site social managers were able to ward off approximately 570 evictions.

Local customer service

Local customer service operates through the 37 business units. The Group's local operations are an important tool for the re-letting of residential units. As of 30 June 2013, Deutsche Annington operated 57 rental points (*Vermietungspunkte*) that are dispersed throughout all local business units. These rental points may be opened and closed on a highly flexible basis in response to changing needs for local marketing.

Deutsche Annington has set up a caretaker organization to insource its on-site support as opposed to relying on external third-party service providers. This gives Deutsche Annington proximity to its clients and improves the quality of its customer service. Furthermore, the insourcing of services through tariff-free subsidiaries allows Deutsche Annington to save the VAT on all personnel services delivered to its customers.

Deutsche Annington's caretakers each service approximately 500 units and deal with tenant inquiries and requests which the central customer service is unable to address on the phone. As of 30 June 2013, Deutsche Annington had 331 caretakers responsible for 179,358 of Deutsche Annington's residential units, working at eleven locations throughout Germany. Deutsche Annington's caretakers are charged with various day-to-day tasks, e.g. customer management, small maintenance works and, to a certain degree, service provider supervision. Deutsche Annington's customers are given the address and phone number of the caretaker responsible for their residential unit. Based on local demand, a caretaker offers an on-site service hour (*Kundensprechstunde*) on a weekly to monthly basis that allows customers to discuss and resolve any matter in person at the office. While there are smaller maintenance problems the caretaker may be able to solve on his own, he forwards more complicated repair work to the local craftsmen organization.

Deutsche Annington has also engaged Alba Facility Services as its sole contractor for the provision of additional services, such as gardening work, winter service, street, pavement, and house cleaning. Deutsche Annington currently considers it the most suitable solution to have these services performed by companies specialised in the provision of such services.

DASG (Management of Home Owners' Associations). Deutsche Annington also offers customers condominium administration services through its wholly owned subsidiary Deutsche Annington

Service GmbH (***DASG***), which operates in six regional teams in 14 office locations throughout Germany. The condominium accounting team is located in Bochum. Additional technical advisors are located in Bochum and offer expertise on technical projects to homeowners.

DASG is one of the largest condominium managers in Germany. DASG has also begun to service third-party condominiums by managing common property in accordance with the Condominium Act as well as by offering full management service for separate properties. In addition to these services, Deutsche Annington provides its customers with access to nationwide framework agreements for craftsmen and other services on special conditions. Furthermore, Deutsche Annington offers these third-party owners technical building evaluation services. The evaluation it performs is designed to give an overview of the measures that are necessary or recommended for saving energy effectively and maintaining or increasing the value of a given property.

As of 30 June 2013, DASG supervised 1,145 home owners' associations (*Wohnungseigentümergemeinschaften*) with 38,674 residential and commercial units, of which 14,344 units were owned by Deutsche Annington. In the first half of 2013, DASG generated revenues of €4.6 million (2012: €4.8 million) through condominium administration services.

Technical services

Deutsche Annington's technical services are primarily comprised of four central functions: (i) central repair center, (ii) modernization team, (iii) EHS, and (iv) mining team. The central functions are complemented by the craftsmen organization on a local level.

Central repair center

The repair center reacts to customer requests that it receives from central customer service. It decides whether to send its own craftsmen to the site, or whether to contract a third-party expert if special expertise is required. The repair center manages the process of scheduling the on-site visits of the respective local craftsmen. It inspects the work delivered by third-party service providers, ensures that all work is done on a timely basis, and determines whether contractual claims may exist.

Modernization team

Deutsche Annington's modernization team consists of a group of highly specialised architects who are tasked with the planning of modernization work as well as construction supervision. The modernization team is specifically in charge of operationally delivering the Group's annual energy efficiency investment program. Deutsche Annington believes that its internal modernization team has acquired a unique set of planning and supervision skills specifically tailored to the type of modernization projects that Deutsche Annington conducts, and that its management team can therefore handle modernization tasks more efficiently than external service providers.

EHS

Furthermore, Deutsche Annington's technical services department is responsible for ensuring that Deutsche Annington complies with environmental, health and safety regulations by scheduling regular safety inspections conducted by external service providers at all of its units every two years and implementing remedial measures where necessary. It also actively monitors changes in the EHS-related legal environment and immediately plans the implementation of new measures to the extent required.

Mining team

A dedicated mining team monitors Deutsche Annington's buildings with regards to potential damages and hazards arising from, and in connection with, former mining activities, particularly in the Ruhr area. In accordance with a mining action plan which was first introduced in 2003, the mining team supervises

external experts who inspect the respective properties on an annual or bi-annual basis. Furthermore, the mining team drafts a comprehensive mining risk management report on an annual basis.

Local craftsmen organization

Deutsche Annington started its own local craftsmen organization in 2011. Since then, it has successively taken over almost all repair and maintenance work formerly carried out by third parties and will furthermore handle large parts of the optimize apartments program from 2013 onwards.

All repair processes are structured in a paperless way. Customers may sign contracts delivered to the local craftsman by the repair center on the craftsman's tablet PC. Through electronic notification, the central repair center instantly receives the message that the job has been performed and may assign the respective craftsman to his next assignment. The craftsmen do not have their own offices. They are equipped with a corporate van instead. In the evening, the craftsmen park their cars in front of their private homes. There, the craftsmen' vans are refilled over night with the necessary materials for the centrally scheduled assignments which are mailed by the central repair center directly onto the craftsman's tablet PC, thus combining elements of the just-in-time and Kanban principles, a management tool that is designed to prevent bottlenecks.

The implementation of the local craftsmen organization is aimed at saving costs, while further increasing the quality of Deutsche Annington's customer service. On the cost side, Deutsche Annington's craftsmen organization saves Deutsche Annington the VAT on personnel costs and creates full cost transparency for Deutsche Annington's management. Furthermore, purchasing advantages through bundling and standardization may be realised. Additionally, from a customer satisfaction point of view, Deutsche Annington's direct grasp on quality and time awareness may also improve the customer experience.

The Group founded two joint ventures with a leading residential unit service provider, B&O Service & Messtechnik, in each of which Deutsche Annington holds 51%. These joint ventures provide Deutsche Annington's customers with on-site repair and maintenance services. In the first half of 2013, Deutsche Annington's craftsmen organization performed roughly 134,000 (for the year ended 2012: 198,000) minor repairs and renovated some 2,100 (for the year ended 2012: 4,000) vacant residential units. As of 30 June 2013, 968 (for the year ended 2012: 695) employees worked at ten locations throughout Germany and were responsible for 179,358 of Deutsche Annington's residential units.

Procurement

Deutsche Annington's procurement functions use its bargaining power to achieve economies of scale by procuring amongst other things Deutsche Annington's maintenance and repair supplies. To this end, Deutsche Annington's procurement functions have developed a catalogue with standard prices for approximately 11,000 products and services needed for performing repairs and maintenance jobs as well as for executing modernization projects. Central procurement sets the strategy for sourcing each service and material and aims to ensure best prices and highest standards through bundling and industry knowledge. Deutsche Annington's management believes that its strategy to procure third-party supplies centrally and to deliver these products through overnight-refill to, amongst others the local craftsmen, rather than instructing Deutsche Annington's local service staff to buy their supplies separately in local stores, results in cost savings, both with regards to material costs as well as personnel costs and ensures that repair work in all of Deutsche Annington's residential units is performed using the same materials.

Furthermore, Deutsche Annington's procurement functions take advantage of Deutsche Annington's size by purchasing third-party services centrally and by bundling Deutsche Annington's purchase orders with select suppliers. For example, together with its partner RWE AG, Deutsche Annington was able to offer its customers an attractive electricity rate last year. Furthermore, Deutsche Annington negotiated a deal with Deutsche Telekom, under which Deutsche Telekom has begun working on modernizing internet and telephone cable connections in order to equip 145,000 of Deutsche Annington's units with state-of-the-art fiber-optic cables.

Corporate functions

The corporate functions serve as the Group's logistical backbone for its operations and handle the financing, property valuation, legal and human resources, IT, and procurement functions of the Group.

Financing

The in-house finance and treasury department is structured and oriented towards large industrial corporations and is defined by its standardized and highly integrated processes. At the end of fiscal year 2012, the finance and treasury department introduced significant organizational changes, which are already partially operational, such as the newly integrated refinancing deal teams, and will be fully implemented by the end of 2013 or the beginning of 2014. The reorganization is intended to ensure the industrialised management of a steady flow of refinancing activities over the next years and to ensure the execution of refinancing activities within six to nine months after initiation of the process.

The finance and treasury department, once fully set-up, will be divided into three units: front office, middle office, and back office:

- The front office will consist of the cash and liquidity management department and the finance/capital markets and funding department. The cash and liquidity management department will be, *inter alia*, responsible for cash management, account clearing, payments, handling of checks, liquidity forecasting, and covenant-related bank reporting. The finance/capital markets and funding department will be responsible, *inter alia*, for structuring and negotiating financing transactions and execution of contracts as well as creditor relations;

- The middle office will handle the calculation of market values, transaction evaluation, hedge effectiveness tests, risk management, covenant reporting and management, and interest payment dates; and

- The back office will be, *inter alia*, responsible for the administration of loans, bonds and guarantees, the release and encumbrance process of land charges (*Grundschulden*) and mortgages (*Hypotheken*) for re-financing processes as well as the administration of collateral provided by Deutsche Annington. Deutsche Annington is, to its knowledge, the only residential housing company, whose back office may draw on direct electronic access to the land registry (*Grundbuchamt*) for these tasks.

Following a conservative approach, Deutsche Annington's finance and treasury department has a track record of refinancing its outstanding debt six to nine months prior to maturity.

On the operational side, the finance and treasury department works in three interdisciplinary deal teams consisting of at least one specialist from each of the following expert groups:

- Finance expert;

- Attorney;

- Real estate appraiser;

- Controller; and

- Real estate administrator.

All these team members have substantial prior work experience in reputable firms specializing in these respective areas. These deal teams are physically placed together, constitute the finance and treasury

department on the working group level and are each tasked with selected projects. The entire refinancing process is supported by a fully integrated project office that provides various back-up services.

The finance and treasury department makes use of a whole variety of refinancing structures, including securitisations (commercial mortgage-backed securities programs), unsecured bonds, covered bonds (*Pfandbriefe*) eligible mortgage loans and classic loans granted by banks as well as innovative funding sources, such as insurance companies and pension funds (*Versorgungswerke*). Counterparts in these transactions are a variety of global and local debt lenders, including commercial banks, covered bond banks (*Pfandbriefbanken*), local saving banks (*Sparkassen*) and insurance companies.

Property valuation

The central property valuation team comprises internal as well as external valuation functions. The internal property valuation team assesses the fair market value of Deutsche Annington's properties on an annual basis with quarterly updates. The property valuation team collects, processes, and quality assures relevant market data. Furthermore, the local business managers provide detailed and specific information regarding the individual residential units, which is collected, processed and stored by the internal property valuation team. The internal valuation team quickly adapts to changes relevant for valuation purposes and is able to reflect these alterations in internal valuations. Parts of the internal valuations are examined and checked by external property appraisers. The external property valuation team, however, is responsible for the management of external property valuations conducted by third parties, e.g. banks and real property appraisers.

Legal & human resources

Legal

Deutsche Annington's legal functions consist of an approximately 15-lawyer strong in-house team which handles large parts of Deutsche Annington's legal work and supervises third-party legal service providers. Most of Deutsche Annington's in-house lawyers have been working as partners, counsels, or associates in major law firms prior to joining the Guarantor. In 2013, Deutsche Annington's legal team has been honored with the "In-house Team of the Year" award by leading German legal market observer JUVE.

Human Resources

Deutsche Annington's human resources department is responsible for hiring and integrating new employees and the development of existing employees. The department's capabilities are underlined by recruiting more than 1,000 new employees for the Group's newly established craftsmen and caretaker organizations.

Human Resources Development. Deutsche Annington offers a wide range of training programs for its staff. These are designed to maintain and improve the quality of Deutsche Annington's services and particularly include special communication training for the staff at the customer center. Furthermore, Deutsche Annington gives high-potential employees at all levels numerous opportunities to develop their personal skills and professional competencies. The possibilities range from targeted individual programs, including the Annington Summer School, to training courses and the participation in network programs.

These efforts have been met with outside recognition. In 2012, Deutsche Annington's human resources team won the employer award "Best Apprentice Training Company" (*AGV Wohnungswirtschaft*), the ABSOLVENTA prize of the nationwide distributed newspaper *Süddeutsche Zeitung* in the category trainee programs and the silver human resources award of the Federal Association of HR-Managers (*Bundesverband der Personalmanager*) and *Süddeutsche Zeitung* for Deutsche Annington's education program "Annington Summer School."

Health & Social Affairs Department. The Health & Social Affairs department, which was established in 2012, is responsible for active health and social management. All measures intended to promote health-conscious behaviour are pooled under the title Balance Body & Mind. Since 2007, Deutsche

Annington has regularly received the certificate "Audit Work and Family" (*Hertie-Stiftung*) for its family friendly personnel policy and health management.

Information technology

Deutsche Annington's IT activities are managed by Deutsche Annington Informationssysteme GmbH (***DAIS***). DAIS operates Germany's largest SAP-based real estate information system which is, to Deutsche Annington's knowledge, the only "SAP Customer Center of Expertise (CCoE)" for real estate worldwide. Deutsche Annington's IT system facilitates the integration of other IT systems used by acquired companies.

Deutsche Annington runs an online portal for prospective tenants with appointment options and runs an up-to-date customer relationship management system. It also employs system-guided identification tools for prospects and customer quality. The systematic use of high tech equipment such as tablets, digital pens and handwriting recognition allows the speeding up of viewing appointments.

Deutsche Annington believes that it runs a technologically advanced and highly integrated IT platform which assures highly efficient mass processes. These IT processes are inextricably linked to Deutsche Annington's almost fully automated letting activities, e.g. once a termination notice goes into the system, other processes are automatically activated, including automatic advertisements on real estate websites. This way, Deutsche Annington handles approximately two million flat huntings and approximately 68,000 viewing appointments leading to more than 20,000 lettings per year. The advanced IT support allows Deutsche Annington to further offer available apartments for letting within one day and to start a rental on any given day.

Other functions

Deutsche Annington's other corporate functions include accounting, capital markets, communications, controlling, insurance, tax, and internal audit.

Employees

Headcount

The following table provides a breakdown of the number of Group employees, in terms of headcount and in terms of full-time employees, for the periods presented (in each case as of the end of period).

	As of 30 June		As of 31 December			
	2013		2012		2011	
	Head-count	Full-time employees	Head-count	Full-time employees	Head-count	Full-time employees
Total	2,560	2,505.3	2,260	2,204.4	1,279	1,229.5

As of the date of this Prospectus, the number of employees did not change significantly compared to the number given as of 30 June 2013.

In order to implement the insourcing initiative, the Group sharply increased its headcount beginning in fiscal year 2011 and it expects further growth in workforce in the coming years. Since fiscal year 2010, the Group's headcount in terms of both full-time employees and total headcount more than doubled. Most of these newly hired employees can be attributed to the local caretaker and craftsmen organizations that were setup in fiscal year 2011 and continuously expanded through fiscal year 2012.

Compensation

The employees' efforts to obtain higher qualification and develop their knowledge are reflected in the management instrument "Management by Objectives" ("*Führen mit Zielen*" ***MBO***) at Deutsche Annington. This performance-based payment system is applied to Deutsche Annington's pay-scale as well as non-pay-

scale employees. It is geared towards breaking down the implementation of the Group's strategy on a company level through target agreements. Meeting individual targets and company performance goals is rewarded in the form of variable payment. The MBO process is conducted annually and starts with target agreement interviews, in which managers and staff agree on qualitative and quantitative targets. For non-pay-scale employees, there is also a fringe benefit package, which covers special benefits such as a company car. Furthermore, Deutsche Annington has set up a special long-term-incentive-program for key employees below the senior management and management board level (see "*Management—Long-term incentive programs—Key employees below Management Board level*").

As of 31 December 2012, the average annual wage per employee was €45,558 (excluding social security benefits).

Pensions

In the past, Deutsche Annington and its predecessor companies made pension commitments to their employees and built up provisions for these commitments. The corresponding pension plans were discontinued gradually until 2003. Currently, only a deferred compensation plan has continued in its 2003 form. Since 2003, pension commitments financed through such pension provisions are only made to non-pay-scale employees by way of deferred compensation.

As of 31 December 2012, Deutsche Annington services a total of 2,569 commitments, of which, however, only 298 relate to current employees. The remaining commitments relate to 2,271 former employees, 1,649 of which already received pensions as of 31 December 2012. Included are 314 commitments for which a former subsidiary, Raab Karcher Baustoffe, has assumed joint liability (*Schuldbeitritt*). The settlement and performance of these commitments is assumed by its acquirer, the Saint Gobain Group. Nonetheless, these commitments are accounted for on the Guarantor's balance sheet.

As of 30 June 2013, the defined benefit obligation (***DBO***) for pension commitments amounted to €310.3 million, of which €11.4 million refer to commitments to current and former members of the Management Board. The DBO is calculated by using the discount rate of 3.3% as of 30 June 2013, but is based on the number of commitments outstanding as of 31 December 2012. Provisions recognized in this respect amounted to €292.1 million as of 30 June 2013. No pension provisions are recognized for members of the Supervisory Board.

Since 2003, employer-funded commitments of pension are only offered through external service providers. Such plans included, in the case of Deutsche Annington, a reinsured support fund (*rückgedeckte Unterstützungskasse*) with salary-based premiums and, in the case of Viterra AG, a fixed premium paid to a pension fund with a monthly contribution amounting to €51 for full-time employees. Following the acquisition of Viterra AG in 2005, this arrangement now applies to the entire Group since 2007 and extends only to pay-scale employees. Since 2007, non-pay-scale employees can only acquire such entitlements to a company pension under the model "pension benefits instead of cash." As of 31 December 2012, 233 current and former employees were entitled to commitments amounting to €34.2 million under this plan.

Intellectual property, trademarks and domains

Deutsche Annington Group does not hold any patents. The following trademarks are currently registered in favor of the Group at the German Patent and Trademark Office in Munich:

- a word/mark logo "*DEUTSCHE ANNINGTON IMMOBILIEN GMBH*", registered on 10 April 2002;
- a word logo "*DAIG*", registered on 2 April 2002;
- a word/mark logo "*AUF DEM RICHTIGEN GLEIS*", registered on 28 October 2002; the registration will not be prolonged;

- a word logo "*Schön hier zu wohnen. Deutsche Annington*", registered on 1 January 2004;
- a word/mark logo "*DEUTSCHE ANNINGTON*", registered on 22 September 2004;
- a word logo "*Annington Wohnen Plus*", registered on 30 July 2008;
- a word logo "*Deutsche TGS*", registered on 7 October 2011; and
- a word/mark logo "*Deutsche Wohn-Inkasso GmbH*", registered on 2 November 2011.

The Group's most significant internet domain is: http://www.deutsche-annington.com.

Apart from the intellectual property rights mentioned above, and not taking into consideration Deutsche Annington's information technology systems, Deutsche Annington holds no significant intellectual property rights and does not depend on patents or license materials for conducting its business.

Insurance coverage

Deutsche Annington has purchased various operating insurance policies, which include, among others: business and environmental liability coverage, electronic data processing equipment insurance, motor vehicle insurance, General Equal Treatment Act insurance, employee accident insurance, employee fraud insurance, and property damage and third-party liability insurance, which covers fire, lightning and explosion, water damage, damage from storms and hail, natural hazards including, e.g. floods and earthquakes, broken glass and vandalism as well as statutory liability as a property owner.

Deutsche Annington has taken out a directors and officers (***D&O***) insurance policy for the members of its Management and Supervisory Boards and managing directors, and the equivalent corporate bodies of its significant subsidiaries, with a total coverage of up to €100 million annually and per claim; the D&O insurance policy was entered into with a consortium of three insurance companies. The D&O insurance contracts provide for a deductible for all of the Guarantor's Management Board members in line with the respective provisions of the German Stock Corporation Act (*Aktiengesetz*) in conjunction with the SE-Regulation. The D&O insurance policies cover financial losses arising from a breach of duty by the Guarantor's Management and Supervisory Board members in the course of their duties.

Legal proceedings

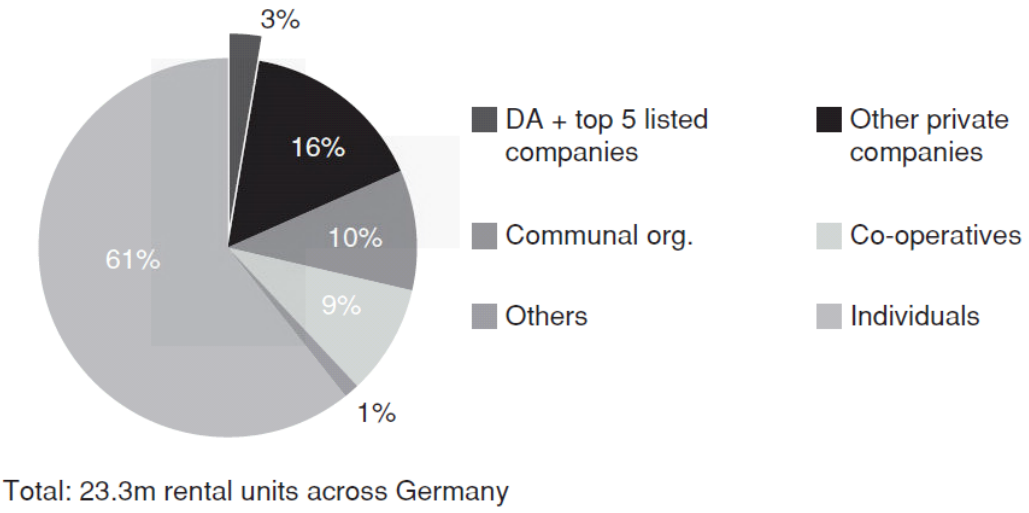
During the ordinary course of its business activities, Deutsche Annington is regularly involved in legal proceedings, both as a claimant and as a defendant. These proceedings are routine matters of tenancy and other laws, and do not have a significant impact on the Group's business.

The Group companies are not and were not party to any governmental, legal or arbitration proceedings (including any pending or threatened proceedings) during the previous 12 months, which may have, or have had, significant effects on the Guarantor or the Group's financial position or profitability.

As of the date of the Prospectus there are no legal and regulatory proceedings and claims pending that Deutsche Annington currently believes could have a significant effect on Deutsche Annington financial position or profitability.

Competition

The German residential real estate market is comprised of approximately 40.1 million residential units (excluding student housing and dormitories), approximately 16.8 million (or 42%) of which are owner-occupied and 23.3 million (or 58%) of which are rental residential units. The rental residential unit market is highly fragmented, as is reflected by the pie chart below:



(*Source: GdW, in addition to GAGFAH Group, LEG, Deutsche Wohnen, TAG AG and GSW Immobilien AG*)

The majority of residential units are managed by many different small private or individual lessors. Large private companies, the market segment in which Deutsche Annington operates, only account for 4.3 million units or almost 19% of the rental housing stock. In over 80% of the cases, cooperatives, communal organizations and small private lessors – often individuals – constitute the relevant local competition in the rental segment (*Source: GdW*).

In a few instances, Deutsche Annington competes with other large listed and privately held companies (presented in the overview below in order of portfolio size as of 31 December 2012 according to the respective company's 2012 annual report, unless noted otherwise), but competition with the following revolves primarily around capital and resources:

	Number of Units								
Company	**Residential**	**Commercial**	**Other[1]**	**Floor Area (in million sqm)**	**Employees**	**Tenants**	**EBIT (in € million)**	**Net Result (in € million)**	**Net Asset Value (in € million)**
GAGFAH Group	145,035	n/a	7,782	9.15	1,465[2]	Approx. 300,000	335.1	47.7	2,598.7
Vivawest Wohnen GmbH	127,809[3]	539[3]	35,556[3]	8.01[3]	976	Approx. 300,000[4]	262.5	n/a	4,109.0[3]
LEG Immobilien AG	90,926	986	21,596	6.04	901	Approx. 250,000	310.1	112.1	2,085.5
Deutsche Wohnen AG	82,738	Approx. 1,000	n/a	5.07	1,417	n/a	312.6	145.5	1,824.4[5]
TAG Immobilien AG	68,781	738	142	4.56	508	Approx. 175,000	289.1	177.9	1,302.3[5]
GSW Immobilien AG	58,668	993	9,502	3.65	557	Approx. 130,000[4]	214.4	143.3	1,441.0

(*Source: GAGFAH Group, Evonik, Vivawest, LEG, Deutsche Wohnen, TAG AG and GSW Immobilien AG*)

(1) Includes parking spaces and garages.

(2) Figure represents annual average and not an exact amount as of 31 December 2012.

(3) Figures reflect Vivawest GmbH (formerly Evonik Immobilien) and THS GmbH residential real estate portfolios as of 31 December 2012 and are taken from and calculated on the basis the Evonik Industries AG listing prospectus from 22 April 2013, unless noted otherwise.

(4) Figures for 2012 from company website – information not available in annual report.

(5) Refers to the net asset value as determined in accordance with the definitions published by EPRA.

Material agreements

The following section provides a summary of material agreements to which any member of the Group is a party.

Term Loan

On 3 June 2013, the Guarantor entered into the €2.5 billion term loan agreement with J.P. Morgan Limited and Morgan Stanley Bank International Limited, wich are affiliates of the Arrangers, as arrangers and (several) original lenders (as amended from time to time, the ***Term Loan***). The Term Loan was approved by the Guarantor's supervisory board and the shareholders on 9 and 10 June 2013, respectively. Under such term loan, an amount of €2.3 billion has been utilised for the repayment in full of the GRAND Securitisation. Tranche A of the Term Loan, which amounts to €1.3 billion has been repaid in full by way of the proceeds of the Existing Notes and some of the IPO proceeds.

The borrower under the term loan agreement is the Guarantor. The Term Loan, which is unsecured, is guaranteed by certain of the Guarantor's material subsidiaries. These are (i) Deutsche Annington Beteiligungsverwaltungs GmbH, (ii) Deutsche Annington Vermögensgesellschaft mbH & Co. KG, (iii) Deutsche Annington Bestands GmbH & Co. KG, (iv) Deutsche Annington Bewirtschaftungs GmbH & Co. KG, (v) Deutsche Annington WOGE Vier Bestands GmbH & Co. KG, (vi) Deutsche Annington WOGE Vier GmbH & Co. KG (***WOGE Vier***), (vii) Viterra Holdings Eins GmbH, (viii) Viterra Holdings Zwei GmbH and (ix) Deutsche Annington Finance B.V.

The Term Loan may be syndicated and the lenders may transfer the Term Loan to banks and financial institutions (either to certain banks and financial institutions that the parties to the loan agreement have agreed upon in advance or to other banks and financial institutions subject to the Guarantor's consent).

The Term Loan consists of two tranches: one tranche of up to €1.5 billion Tranche A with a maximum term of 18 months (from the date on which the offering of the shares in the Guarantor has raised gross proceeds of not less than €400 million and the shares in the Guarantor are listed on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (***IPO Date***)) and one tranche of up to €1.0 billion Tranche B with a maximum term of 36 months (from the IPO Date). However, utilization of the Term Loan beyond one month and thereafter at specified dates triggers extension fees (see "*—Margin/Fee structure*").

Tranche A under the Term Loan has been repaid in full and cannot be re-drawn. After the draw down of the Term Loan on 18 July 2013 in the amount of €2.3 billion, the remaining commitments of the lenders under the Term Loan were automatically cancelled, so that the Guarantor may not request further draw downs under the Term Loan.

Mandatory prepayment

Generally, the Term Loan must be prepaid using proceeds from asset disposals or proceeds generated by incurring financial indebtedness (such as the issuance of debt securities and the contracting of bank loans). Such proceeds have to be used for the prepayment as follows:

Unsecured refinancings. Proceeds from unsecured refinancing transactions have to be (i) fully used for the prepayment of the €1.5 billion tranche, (ii) after which 50% of any further prepayment proceeds from unsecured refinancing transactions must be used for the prepayment of the €1.0 billion tranche, until the aggregate amount used for any such prepayment is equal to €200.0 million, and (iii) after which 100% of additional refinancing proceeds must be used for the prepayment of the latter tranche.

Secured refinancings. To the extent permitted, proceeds from secured refinancing transactions incurred by (i) a Group entity that has not previously provided security for financial indebtedness (other than any senior debt and debt for modernization works) and (ii) a Group entity that had previously provided security for financial indebtedness (other than any senior debt and debt for modernization works) have to be fully used

for repayment to the extent that financial indebtedness has been increased through the secured refinancing transaction.

Other debt. Proceeds (i) from debt for modernization works exceeding €150 million in any financial year, (ii) from working capital facilities which have a final maturity date before the final maturity dates of the tranches under the Term Loan or otherwise which are in excess of €100 million and (iii) from acquisition debt (after the repayment of the €1.5 billion tranche in full, the Group may incur acquisition debt of up to €100 million without triggering prepayment obligations).

Disposal proceeds. Net proceeds from the disposal of properties, or shares or interests in companies or partnerships that hold properties, must be used for the prepayment of the loans under the Term Loan agreement to the extent that these are not required for the repayment of indebtedness resulting from the disposal, and for proceeds in 2013 only to the extent that the disposal proceeds exceed €175 million and for proceeds in 2014 only to the extent that the disposal proceeds exceed €250 million.

Further, the lenders may call for repayment in case of a change of control. For this purpose, a change of control is defined as a person or persons acting in concert, excluding Terra Firma Investments (DA) Limited, Terra Firma Investments (DA) II Limited or any associate of these companies, any fund managed or advised by them or any successor of these companies as general partner and/or manager of Terra Firma Deutsche Annington L.P., Terra Firma Deutsche Annington - II L.P., Terra Firma Deutsche Annington - III L.P., Terra Firma Deutsche Annington - IV L.P. or Terra Firma Deutsche Annington - V L.P., acquiring 30% or more of the voting share capital in the Guarantor.

The Guarantor shall pay break costs if a prepayment is made before the next interest payment date.

The proceeds of the issuance of the Existing Notes in the aggregate amount of €1.3 billion by Deutsche Annington Finance B.V. in July 2013 were used to partially repay the Term Loan. The proceeds of the issuance of the US Dollar Notes in the aggregate amount of $992.2 million by Deutsche Annington Finance B.V. will be used in October 2013 to partially repay the Term Loan.

Margin/Fee structure

The interest payable under the Term Loan is based on the applicable EURIBOR rate plus a specified margin. The applicable EURIBOR rate is based on the interest payment period, which the Guarantor sets as one or three months or, with the lenders' consent, any other period. Margins increase in steps over the course of term of the Term Loan tranches:

Margin for	
1st month (from 15 July 2013):	0.50% p.a.
from 2nd to 6th month (from 15 July 2013):	1.25% p.a.
from 7th to 12th month (from 15 July 2013):	1.75% p.a.
from 13th to 18th month (from 15 July 2013):	2.50% p.a.
from 19th month (from 15 July 2013) on:	2.75% p.a.

A downgrade of the Guarantor's corporate or issuer rating or unsecured bond rating with Standard & Poor's to "BBB−" would trigger a margin step-up of 0.5% p.a. A further downgrade to "BB+" or lower, or a case where no such rating is available, would trigger an additional margin step-up of 0.75% p.a.

The Term Loan may be drawn until 18 October 2013. The Term Loan is subject to an underwriting fee of a specified fraction of the respective margin which is payable from 2 August 2013 (to the extent the commitment has not been cancelled at this stage).

Extension fees incentivize the early repayment of the Term Loan. They are triggered and payable if the Guarantor decides to utilize the tranches for more than one, six, twelve or twenty-four months from the IPO

Date, respectively. Depending on the amount drawn under the Term Loan, the extension fees may amount to a substantial million euro amount per fiscal year.

The arrangers have the right to unilaterally amend certain terms of the financing, including increasing the margin, within certain limits to facilitate syndication of the Term Loan pursuant to the terms of the syndication and fee letter relating to the Term Loan.

Financial covenants

The loan agreement contains financial covenants:

- The Loan-to-Value Ratio must be less than or equal to 60% at all times;
- The Interest-Coverage Ratio (which is tested quarterly) must be less than or equal to 1.40:1 for the second and third quarter of 2013, 1.80:1 for the fourth quarter of 2013 and 2.00:1 for the periods thereafter; and
- The Fair Value of Unencumbered Assets must, at all times, amount to at least 30% of the Fair Value of the Group's properties at any time from the date of the first utilization onwards. The Group may fall below this ratio if (i) secured debt was created during periods of Reduced Market Capacity and (ii) the incurrence of secured debt does not adversely affect the Loan-to-Value Ratio.

For this purpose, the following definitions apply:

Loan-to-Value Ratio is defined as the ratio of the value of a specified net debt calculation for the Group and the Fair Value of the Group's properties;

Interest-Coverage Ratio is defined as the Adjusted Rental EBITDA for the previous four quarters divided by the net cash interest incurred in the same period. The second quarter of 2013 will be the first quarter that is used for the calculation of Adjusted Rental EBITDA and net cash interest, which means that quarters from 1 April 2013 will be annualised if the period between the testing date and 1 April 2013 is shorter than twelve months. Net cash interest refers to the balance of interest paid (less one-off financing charges) and interest received.

Unencumbered Assets is defined as (i) properties not encumbered by any kind of security interest securing any financial indebtedness owed to a third party (subject to some specified exemptions); and (ii) equity interests, intra-group loans owed, bank accounts and rental income of any of the Group entities that directly or indirectly own these properties are, subject to some specified exemptions, also not encumbered by any kind of security.

Reduced Market Capacity with respect to a period is defined by reference to the volume of large fixed rate investment grade rated bonds issued by non-financial corporates eligible for the index iBOXX EUR and is triggered if, in the two months period prior to the relevant testing date, the volume of such bonds issued is at 30% (or such lower percentage) of the average volume of the 12 months period prior to such date.

Breaches of the financial covenants may lead to an event of default, upon which the lenders may terminate the Term Loan and demand early repayment thereof.

Further material undertakings

The Guarantor and the guarantors have undertaken to refrain from granting further security interests over the Group's assets apart from specific cases which include, among others, security securing existing debt, securing debt if the proceeds of such debt is used for mandatory repayment and security arising as a result of a disposal of the property in the ordinary course of business.

The Term Loan agreement contains further customary undertakings and restrictions, in particular with respect to corporate transactions such as mergers and change of business, on insurance cover and on new

indebtedness incurred and guarantees granted by subsidiaries and not permitted under the Term Loan agreement.

Termination rights

The Term Loan contains customary rights for an early termination by the banks. In particular, termination rights exist if payments are not made when due, financial covenant thresholds are not complied with, a material Group member becomes insolvent or defaults on other financial liabilities (exceeding €50 million), representations or warranties turn out to have been incorrect, a change-of-control has occurred (see above, "*—Mandatory prepayment*"), a guarantor ceases to be a subsidiary of the Guarantor, (other) material contractual obligations are not complied with (unless the respective violation is cured within a specified period) or a material adverse change has occurred.

Existing Notes

On 25 July 2013, Deutsche Annington Finance B.V. issued the Existing Notes comprising €700,000,000 senior unsecured notes due 2016 (the ***2016 Notes***) and €600,000,000 senior unsecured notes due 2019 (the ***2019 Notes***, together with the 2016 Notes, the ***Existing Notes***) governed by German law. The Guarantor has given a guarantee (the ***Existing Notes Parent Guarantee***) for the payment of principal and interest together with all other sums payable by the Issuer under the Existing Notes. In addition, (i) Deutsche Annington Beteiligungsverwaltungs GmbH, (ii) Deutsche Annington Vermögensgesellschaft mbH & Co. KG, (iii) Deutsche Annington Bestands GmbH & Co. KG and (iv) Deutsche Annington Bewirtschaftungs GmbH & Co. KG have given a guarantee (each an ***Existing Notes Initial Subsidiary Guarantee***) for the payment of principal and interest together with all other sums payable by the Issuer under the Existing Notes, the enforcement of which is subject to certain limitations set out in the terms of the Existing Notes Initial Subsidiary Guarantees. Furthermore, the Guarantor has undertaken in the Existing Notes Parent Guarantee to procure that on the date on which any of (i) Deutsche Annington WOGE Vier Bestands GmbH & Co. KG, (ii) Deutsche Annington WOGE Vier GmbH & Co. KG, (iii) Viterra Holdings Eins GmbH and (iv) Viterra Holdings Zwei GmbH grants a guarantee to secure the Term Loan, such subsidiary will concurrently give an unconditional and irrevocable guarantee on substantially the same terms as the guarantee granted to secure the Term Loan for the due and punctual payment of any amounts payable under the Existing Notes. All of these additional subsidiary guarantees have been given in the meantime. The aforementioned subsidiary guarantees will be automatically released upon, among other things, the release of the guarantee granted by the respective subsidiary guarantor to secure the Term Loan, or the repayment of the Term Loan in full.

Interest on the 2016 Notes accrues at the rate of 2.125% per annum and interest on the 2019 Notes accrues at the rate of 3.125% per annum. Interest on the Existing Notes is payable annually in July, commencing in July 2014.

The terms and conditions of the Existing Notes are, except for the maturity, the subsidiary guarantee structure (subject to its release) and the interest rate, substantially identical to those in the "*Terms and Conditions of the Notes*." Therefore, Deutsche Annington is subject to the following covenants:

- *Limitation of Incurrence of Financial Indebtedness*: The Existing Notes Parent Guarantee restricts the Guarantor's ability to incur additional indebtedness and to create liens on its assets. The Existing Notes Parent Guarantee provides that the Guarantor will, and will procure that its subsidiaries will, during the term of the Existing Notes, incur any financial indebtedness, only if certain ratios are not breached, subject to certain exceptions (each identical to those in the "*Terms and Conditions of the Notes*").

- *Maintenance of Consolidated Coverage Ratio*: The Guarantor has further undertaken in the Existing Notes Parent Guarantee that during the term of the Existing Notes, the coverage ratio of the Group (being the ratio between the Group's earnings before interest and taxes of one period and the Group's interest expenses of the same period) does not fall below a specified minimum value, subject to certain exceptions (each identical to those in the "*Terms and Conditions of the Notes*").

- *Maintenance of Total Unencumbered Assets*: The Guarantor has further undertaken in the Existing Notes Parent Guarantee that during the term of the Existing Notes, the unencumbered assets of the Parent Guarantor and its subsidiaries will at no time be less a specified minimum value, subject to certain exceptions (each identical to those in the "*Terms and Conditions of the Notes*").

Upon the occurrence of a certain change of control event or of an event of default, each holder of the Existing Notes is entitled to require the Issuer of the Existing Notes to redeem, in whole or in part, the Existing Notes at their principal amount, together with accrued interest. The Existing Notes can be redeemed prior to their stated maturity at the option of the Issuer of the Existing Notes for taxation reasons and for reasons of minimal outstanding aggregate principal amount, together with accrued interest, and at the option of the Issuer upon giving notice within the specified notice period to the holders of the Existing Notes at their principal amount plus an applicable premium, together with accrued interest.

The Group used the net proceeds from the sale of the Existing Notes for the partial repayment of the Term Loan.

US Dollar Notes

Deutsche Annington Finance B.V. intends to issue the US Dollar Notes comprising $750,000,000 senior unsecured notes due 2017 (the ***2017 US Dollar Notes***) and $250,000,000 senior unsecured notes due 2023 (the ***2023 US Dollar Notes***, together with the 2017 US Dollar Notes, the ***US Dollar Notes***) governed by New York law. The Guarantor has given a guarantee in the indenture relating to the US Dollar Notes (the ***US Dollar Notes Parent Guarantee***) for the payment of principal and interest together with all other sums payable by the Issuer under the US Dollar Notes. In addition, (i) Deutsche Annington Beteiligungsverwaltungs GmbH, (ii) Deutsche Annington Vermögensgesellschaft mbH & Co. KG, (iii) Deutsche Annington Bestands GmbH & Co. KG, (iv) Deutsche Annington Bewirtschaftungs GmbH & Co. KG, (v) Deutsche Annington WOGE Vier Bestands GmbH & Co. KG, (vi) Deutsche Annington WOGE Vier GmbH & Co. KG, (vii) Viterra Holdings Eins GmbH and (viii) Viterra Holdings Zwei GmbH have given a guarantee (each an ***US Dollar Notes Subsidiary Guarantee***) for the payment of principal and interest together with all other sums payable by the Issuer under the US Dollar Notes, the enforcement of which is subject to certain limitations set out in the terms of the US Dollar Notes Subsidiary Guarantees. The US Dollar Notes Subsidiary Guarantees will be automatically released upon, among other things, the release of the guarantee granted by the respective subsidiary guarantor to secure the Term Loan, or the repayment of the Term Loan in full.

The US Dollar Notes were priced on 25 September 2013. The settlement of the US Dollar Notes is scheduled for 2 October 2013.

Interest on the 2017 US Dollar Notes accrues at the rate of 3.20% per annum and interest on the 2023 US Dollar Notes accrues at the rate of 5.00% per annum. Interest on the US Dollar Notes will be payable semi-annually in 2 April and 2 October, commencing in 2 April 2014.

The terms and conditions of the US Dollar Notes will be, except for the subsidiary guarantor structure (subject to its release), the maturity and the interest rate, substantially identical to those of the Notes to be issued under the Programme. Therefore, Deutsche Annington is subject to the following covenants:

- *Limitation of Incurrence of Financial Indebtedness*: The US Dollar Notes Parent Guarantee restricts the Guarantor's ability to incur additional indebtedness and to create liens on its assets. The US Dollar Notes Parent Guarantee provides that the Guarantor will, and will procure that its subsidiaries will, during the term of the US Dollar Notes, incur any financial indebtedness, only if certain ratios are not breached, subject to certain exceptions (each identical to those in the "*Terms and Conditions of the Notes*").

- *Maintenance of Consolidated Coverage Ratio*: The Guarantor has further undertaken in the US Dollar Notes Parent Guarantee that during the term of the US Dollar Notes, the coverage ratio of the Group (being the ratio between the Group's earnings before interest and taxes of one period and the

Group's interest expenses of the same period) does not fall below a specified minimum value, subject to certain exceptions (each identical to those in the "*Terms and Conditions of the Notes*").

- *Maintenance of Total Unencumbered Assets*: The Guarantor has further undertaken in the US Dollar Notes Parent Guarantee that during the term of the US Dollar Notes, the unencumbered assets of the Guarantor and its subsidiaries will at no time be less a specified minimum value, subject to certain exceptions (each identical to those in the "*Terms and Conditions of the Notes*").

Upon the occurrence of a certain change of control event or of an event of default, each holder of the US Dollar Notes is entitled to require the Issuer of the US Dollar Notes to redeem, in whole or in part, the US Dollar Notes at their principal amount, together with accrued interest. The US Dollar Notes can be redeemed prior to their stated maturity at the option of the Issuer of the US Dollar Notes for taxation reasons and for reasons of minimal outstanding aggregate principal amount, together with accrued interest, and at the option of the Issuer upon giving notice within the specified notice period to the holders of the US Dollar Notes at their principal amount plus an applicable premium, together with accrued interest.

In addition, the Issuer intends to enter into a USD/EUR currency swap transaction relating payments under the US Dollar Notes with J.P. Morgan Securities plc and Morgan Stanley & Co. International plc which will be subject to a guarantee by the Guarantor.

The Group will use the net proceeds from the sale of the US Dollar Notes for the partial repayment of the Term Loan.

Large bank loans

Other debt financing was granted by way of bank loans for the purpose of property (re)financing where the (re)financed property portfolios are used as collateral (in form of individual and comprehensive land charges) for the individual loans. Some of the loans were used in accordance with the contractual purpose for acquisitions; others are utilised for capital expenditures on the property portfolios.

The table below provides an overview of debt financings with a volume of more than €30 million, excluding the Term Loan and the Existing Notes, that are summarized (as of 31 August 2013) in the subsequent sections:

	Banks	Borrowing Group Entities	Contractual loan amount (in € million, rounded)	Nominal loan amount outstanding plus accrued interest as of 31 August 2013 (in € million, rounded)	Final maturity (year)
1)	Landesbank Hessen-Thüringen Girozentrale/SEB AG	(i) Deutsche Annington Holdings Zwei GmbH; (ii) Deutsche Annington WOGE Fünf Bestands GmbH &Co. KG; (iii) Deutsche Annington WOGE Fünf Bewirtschaftungs GmbH &Co. KG; (iv) DA DMB Netherlands B.V.; and (v) Deutsche Annington DMB Eins GmbH	300	249.4	2015
2)	Corealcredit Bank AG	FSG Immobilien GmbH & Co. KG	178.4	164.1	2018
3)	Norddeutsche Landesbank Girozentrale	PRIMA Wohnbauten Privatisierungs-Management GmbH (formerly PRIMA Immobilien GmbH Co. KG)	111	111	2018
4)	Norddeutsche Landesbank Girozentrale	PRIMA Wohnbauten Privatisierungs-Management GmbH (formerly PRIMA Immobilien GmbH & Co. KG)	39.3	34.7	2018
5)	Berlin-Hannoversche Hypothekenbank AG	(i) Deutsche Annington EWG Köln Bestands GmbH &Co. KG; (ii) Deutsche Annington EWG Köln Bewirtschaftungs GmbH &Co. KG; (iii) Eisenbahn-Wohnungsbaugesellschaft Köln mbH; (iv) Deutsche Annington EWG München Bestands GmbH &Co. KG; (v) Deutsche Annington EWG München Bewirtschaftungs GmbH &Co. KG; (vi) Baugesellschaft Bayern mbH; (vii) Deutsche Annington EWG Augsburg GmbH &Co. KG; and (viii) Eisenbahn-Siedlungsgesellschaft Augsburg mbH (Siegau)	88.8	88.4	2018
6)	Berlin-Hannoversche Hypothekenbank AG and members of the association of the German savings banks (Sparkassen-finanzgruppe)[(1)]	(i) Deutsche Annington EWG Köln Bestands GmbH &Co. KG; (ii) Deutsche Annington EWG Köln Bewirtschaftungs GmbH &Co. KG; (iii) Eisenbahn-Wohnungsbaugesellschaft Köln mbH; (iv) Deutsche Annington EWG München Bestands GmbH &Co. KG; (v) Deutsche Annington EWG München Bewirtschaftungs GmbH &Co. KG; (vi) Baugesellschaft Bayern mbH; (vii) Deutsche Annington EWG Augsburg GmbH &Co. KG; and (viii) Eisenbahn-Siedlungsgesellschaft	270.8[(2)]	270.7	2018

	Banks	Borrowing Group Entities	Contractual loan amount (in € million, rounded)	Nominal loan amount outstanding plus accrued interest as of 31 August 2013 (in € million, rounded)	Final maturity (year)
		Augsburg mbH (Siegau)			
7)	Berlin-Hannoversche Hypothekenbank AG and members of the association of the German savings banks (Sparkassen-finanzgruppe)[1]	(i) Deutsche Annington MIRA Bestands GmbH &Co. KG; (ii) Deutsche Annington MIRA Bewirtschaftungs GmbH &Co. KG; and (iii) MIRA Grundstücksgesellschaft mbH	296.9[2]	294.9	2018
8)	Nordrheinische Ärzteversorgung	Deutsche Annington DEWG GmbH & Co. KG	39.5	39.0	2022
9)	Deutsche Pfandbriefbank AG	(i) Eisenbahn-Wohnungsbau-Gesellschaft Karlsruhe GmbH; (ii) Deutsche Annington EWG Karlsruhe Bewirtschaftungs GmbH &Co. KG; and (iii) Deutsche Annington EWG Karlsruhe Bestands GmbH &Co. KG	113[3]	103.0	2018
10)	Deutsche Pfandbriefbank AG	(i) "Siege" Siedlungsgesellschaft für das Verkehrspersonal mbH Mainz; and (ii) Deutsche Annington EWG Mainz GmbH & Co. KG.	95[4]	90.5	2018
11)	Syndicated Loan[5] (i) Berlin-Hannoversche Hypothekenbank AG (40%); (ii) Landesbank Berlin AG (10%); and (iii) Landesbank Baden-Württemberg (50%)	(i) Deutsche Annington EWG Frankfurt Bestands GmbH &Co. KG; (ii) Deutsche Annington EWG Frankfurt Bewirtschaftungs GmbH &Co. KG; (iii) BWG Frankfurt am Main Bundesbahn-Wohnungsgesellschaft mbH; (iv) Deutsche Annington EWG Essen Bestands GmbH &Co. KG; (v) Deutsche Annington EWG Essen Bewirtschaftungs GmbH &Co. KG; (vi) Wohnungsgesellschaft Ruhr-Niederrhein mbH Essen; (vii) Deutsche Annington EWG Regensburg GmbH &Co. KG; (viii) Bundes-Wohnungsbaugesellschaft Regensburg mbH; (ix) Deutsche Annington EWG Nürnberg GmbH &Co. KG; and (x) Eisenbahn-Wohnungsbaugesellschaft Nürnberg	288.2	279.4	2020
12)	Syndicated Loan[6] (i) Berlin-Hannoversche Hypothekenbank AG (40%); (ii) Landesbank Berlin AG (10%); and (iii) Landesbank	(i) Deutsche Annington EWG Frankfurt Bestands GmbH &Co. KG; (ii) Deutsche Annington EWG Frankfurt Bewirtschaftungs GmbH &Co. KG; (iii) BWG Frankfurt am Main Bundesbahn-Wohnungsgesellschaft mbH;	201.9	190.7	2020

	Banks	Borrowing Group Entities	Contractual loan amount (in € million, rounded)	Nominal loan amount outstanding plus accrued interest as of 31 August 2013 (in € million, rounded)	Final maturity (year)
	Baden-Württemberg (50%)				
		(iv) Deutsche Annington EWG Essen Bestands GmbH &Co. KG; (v) Deutsche Annington EWG Essen Bewirtschaftungs GmbH &Co. KG; (vi) Wohnungsgesellschaft Ruhr-Niederrhein mbH Essen; (vii) Deutsche Annington EWG Regensburg GmbH &Co. KG; (viii) Bundes-Wohnungsbaugesellschaft Regensburg mbH; (ix) Deutsche Annington EWG Nürnberg GmbH &Co. KG; and (x) Eisenbahn-Wohnungsbaugesellschaft Nürnberg			
13)	Norddeutsche Landesbank Girozentrale	Deutsche Annington McKinley Eins GmbH & Co. KG Bochum (company resulting from McKinley split)	94	86.5	2023
14)	Norddeutsche Landesbank Girozentrale	Deutsche Annington McKinley Eins GmbH & Co. KG Bochum (company resulting from McKinley split)	45.5	43.8	2020
15)	Société Générale	Deutsche Annington Wohnungsgesellschaft I mbH (additional guarantors: (i) Deutsche Annington WOGE Eins Verwaltungs GmbH and (ii) Deutsche Annington Wohnungsgesellschaft I Bestands GmbH & Co. KG)	75	72.3	2018
16)	Société Générale	Deutsche Annington Rhein - Ruhr GmbH & Co. KG (additional guarantors: (i) Deutsche Annington Zweite Beteiligungsgesellschaft mbH, (ii) Deutsche Annington Rheinland Immobiliengesellschaft mbH and (iii) Deutsche Annington Fundus Immobiliengesellschaft mbH)	104	104	2018

(1) Berlin-Hannoversche Hypothekenbank AG as lender may assign and transfer up to 49.9% of the loan to members of the association of the German savings banks (Sparkassenfinanzgruppe). Berlin-Hannoversche Hypothekenbank AG acts as loan manager also for the assigned and transferred lender tranches.

(2) These loans are split into two tranches, respectively, one for secured claims that are eligible for the cover-pool (*deckungsstockfähige*) of Pfandbriefe (German covered bonds) and one for secured loan claims that are not eligible for this.

(3) This facility consists of two tranches: €103,000,000 as senior term facility and €10,000,000 as capex facility.

(4) This facility consists of two tranches: €90,500,000 as senior term facility and €4,500,000 as capex facility.

(5) Properties from the financed portfolio shall be sold only under extraordinary circumstances (hold-on portfolio).

(6) Regular amortization payments shall be made from disposal proceeds (privatization portfolio).

The following sections summarize the large bank loans if and to the extent the loans have been utilised as of 30 June 2013:

Joint liability of several borrowers/guarantees

If a loan is provided to several borrowers, either the borrowing entities are jointly liable for the obligations under the loan (with limitations due to statutory capital maintenance provisions) or a joint parent guarantees their obligations.

DAIG Immobilien GmbH as legal predecessor of the Guarantor has issued a guarantee payable on first demand (*Garantie auf erstes Anfordern*) for the fulfillment of the obligations under the loan among Landesbank Hessen-Thüringen Girozentrale and SEB AG on one side and Deutsche Annington Holdings Zwei GmbH, Deutsche Annington WOGE Fünf Bestands GmbH & Co. KG, Deutsche Annington WOGE Fünf Bewirtschaftungs GmbH & Co. KG, DA DMB Netherlands B.V. and Deutsche Annington DMB Eins GmbH on the other side; this guarantee can be enforced in case of financial covenant breaches and is limited to an amount of €10 million.

Interest/interest rate hedging

The listed loans bear interest at fixed rates from 3.20% to 3.49% p.a. or at variable rates of three- or six-month EURIBOR plus margin. The margins (on EURIBOR or cost of interest payable by the bank) depend, among other things, on the quality of the financed portfolio, the market conditions when the loan was raised, the term and the leverage (LTV-Ratio), and range from approximately 50 basis points to approximately 225 basis points with a volume-weighted average margin of approximately 127 basis points (as of 30 June 2013; including the funding cost of the bank, respectively). The margins can increase if extraordinary events occur.

With respect to variable interest-rate loans, the borrowers have entered into interest rate hedging agreements (fixed-for-floating swaps) to offset most of the interest rate risks from the variable EURIBOR rates (total outstanding amount of EURIBOR bank loans: €1,121.4 million as of this date; amount of related hedged items: €1,014.7 million). All of the hedging instruments have been concluded with the respective lenders (or their affiliates). In line with certain trigger points, the borrowers reduce (and are obliged to do so) the hedging volume as the outstanding loan amounts decrease.

Regular amortization

The terms of the aforementioned loans provide for regular repayments of the loan amount during their terms. The loan agreements contain different repayment provisions including straight-line fixed amortization rates of up to 1.7% p.a. (higher for some sub-tranches), amortization in accordance with set schedules, amortization from assumed disposal proceeds (with a set minimum, irrespective of disposals) and amortization that leads to (decreasing) LTV levels scheduled over the loan term. The amortization payments (prior to final maturity) under the loans listed amounted to € 8.4 million or 1.0% of the contractual total loan amount in the calendar year 2012 (€10.3 million or 1.2% of the contractual total loan amount in 2011). Remaining loan balances have to be repaid at the end of the fixed terms (as shown in the table above).

Prepayment

Most loan agreements allow (partial) voluntary prepayments and provide for a mandatory (partial) prepayment of the loan amounts in certain cases.

Most of the loan agreements explicitly allow the sale of the financed properties. In this event, the loan documents usually require that the borrowing entity repay certain amounts of the loan from the sales proceeds; in some loan agreements, each financed property is allocated a loan amount and the loan agreements set forth a certain percentage of such allocated loan amounts (>100%) that has to be prepaid if the property is sold against collateral release before the final maturity. In 2012, a total of €8.9 million of the loans was prepaid as a consequence of property sales.

If properties are destroyed or damaged, insurance proceeds have to be used for the reconstruction of the units or the partial prepayment of the loan. In 2012, no loan amounts were prepaid as a consequence of property destruction or damage.

If financial thresholds in the loan agreements are breached, the borrowers are obligated to (partially) repay the respective loan in order to cure the breach and, thus, to avoid termination rights of the bank (see "—*Financial covenants*").

Some loans shall be prepaid pursuant to the loan agreement to the extent this is necessary under regulatory law (Barclays).

The borrower is responsible for paying compensation for the interest damages until the end of the (current) fixed-interest period (and, in some cases, a prepayment fee) as well as close-out costs for the interest hedges.

Collateral

Land charges have been granted over the (re)financed properties as security and are (fully or partly) enforceable without an additional enforcement order.

In addition to the land charges, the loans are typically secured by pledges or assignments of the claims under the interest hedging instruments relating to the respective loan and assignments of portfolio-related rent revenues, claims from the sale of properties and insurance claims.

Most of the loan agreements also provide for pledges of the rent collection accounts as well as of special purpose accounts (for instance for the collection of sales proceeds, see "—*Prepayment*"; or for reserve accounts in cash trap events, see "—*Financial covenants*").

Many of the listed loan agreements require that the shares or the partnership interests in the borrowing companies be pledged to the bank as security. Some loan agreements also require the subordination of other group companies' claims against certain borrowers.

Further contractual arrangements serve as security: Deutsche Annington Immobilien GmbH as legal predecessor of the Guarantor has issued a guarantee payable on first demand (*Garantie auf erstes Anfordern*) for the fulfillment of the obligations under the loan among Landesbank Hessen-Thüringen Girozentrale/SEB AG on one side and Deutsche Annington Holdings Zwei GmbH, Deutsche Annington WOGE Fünf Bestands GmbH &Co. KG, Deutsche Annington WOGE Fünf Bewirtschaftungs GmbH &Co. KG, DA DMB Netherlands B.V. and Deutsche Annington DMB Eins GmbH on the other side. This guarantee can be enforced in case of financial covenant breaches and is limited to an amount of €10 million. The loan agreements with between Norddeutsche Landesbank Girozentrale and the legal successors to PRIMA Immobilien GmbH & Co. KG require that the borrower has to be member of a Deutsche Annington cash pool over the term of the loan. The provision of new collateral to other lenders or creditors is usually not allowed.

Financial covenants

The loan agreements contain various financial covenants customary for residential real estate borrowing, with respect to loan-to-value ratio, debt-service-cover ratio, interest-cover ratio and debt-to-rent ratio.

Most loan agreements require certain maximum loan-to-value ratios (LTVs), 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, in most cases, may be determined again later at the bank's request. The maximum LTVs allowed depend on the quality and size of the financed portfolio, the market conditions at time when the loan was provided and the lender, and range from 55% to 80% unless extraordinary events occur.

The majority of the loan agreements also contain liquidity-related financial covenants: The interest (service) cover ratio is the quotient of net rental and lease income of borrowing companies (after deduction of operating cost as defined in the respective loan agreement) and the interest payable by these companies (also

considering payments from interest hedges and interest on other senior or equally-ranking debt as well as, in one case, the scheduled amortization of senior or equally-ranking debt) (***ICR***). The debt service cover ratio is the quotient of the net rental and lease income of the borrowing companies (after deduction of operating cost as defined in the respective loan agreement) and the debt service for the loan and senior and equally-ranking loans (***DSCR***). Both ratios must reach a certain level: the required minimum ICRs range from 105% to 180%; the required DSCRs range from 110% to 125%.

Some loan agreements require a maximum debt-to-rent ratio (***DRR***), the quotient of all financial indebtedness of the borrowers and the annual actual net rents (as defined in the respective loan agreement), of between 8.75 and 9.5 (with respect to financed borrowing companies).

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 voluntary (partial) repayment or a cash injection for a liquidity shortage within a short cure period (see "*—Termination rights*").

Some of the loan agreements (Barclays, Coreal, Helaba, Deutsche Pfandbriefbank and Société Générale) contain a second set of financial covenants which would be breached more easily and the breach of which does not result in a bank's termination right, but only in cash restrictions. In such case, the rental income has to be collected on an account pledged in favor of the financing bank (cash trap) and used for prepayment of the loan (cash sweep) until the financial covenants are met again in which case the restrictions no longer apply (see "*—Prepayment*").

At this stage, no financial covenants are breached.

Representation/warranties

The loan agreements contain several customary representations given at signing and at each drawdown. There is no indication that any representations or warranties have been breached.

Termination rights

The loan agreements contain customary rights of the banks to terminate loan facilities early. In particular, termination rights exist if (interest, amortization or other) payments are not made when due, financial covenant thresholds 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 the borrower, a change-of-control has occurred or (other) material contractual obligations are not complied with (unless the respective violation can be and is cured within a contractually specified period) or (other) specified adverse events have occurred.

In some cases, loan agreements also incorporate the respective bank's general terms and conditions 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 the security is realised.

Change of control provisions

Almost all larger loan agreements contain change-of-control clauses. These clauses stipulate consent requirements or renegotiation obligations if the current majority holdings in the borrowing group companies (or the majority of voting rights) change. The change-of-control clauses have different forms: Holding always refers to direct holdings of its respective shareholders and, for some loan agreements, also to indirect holdings by other group companies. In two cases, a change-of-control event could also occur if holdings in the Guarantor change, namely (i) if the ownership structure materially changes (Coreal); and (ii) if a person or a group of persons jointly acting acquires, directly or indirectly, 50% or more of the shares or voting rights in the borrower (Helaba/SEB). The respective lender has an extraordinary termination right if there is no lender consent to or agreement on the change of control.

Additional undertakings

The loan agreements listed above include maintenance obligations for the property portfolio securing the respective loan where the borrower generally has to keep its property portfolio in good condition. Some loan agreements contain quantified average maintenance and/or modernization obligations (ranging for various portfolios from €7 to €12 per sqm and year); if these sums are not spent, the differences have to be transferred to a bank account pledged to the lender and used for maintenance and/or modernization at a later stage.

Pursuant to the loan agreements, the borrowing entities have undertaken to insure the financed properties against standard risks (for instance fire and common natural hazards).

The borrowers have to provide financial and other information to the respective lenders periodically and at the banks' request.

Some of the loan agreements listed require that a Deutsche Annington group company be responsible for the property management of the respective borrowing entity.

There is no indication that any of these or further contractual undertakings have been violated in the past.

Purchase agreements

Residential real estate transactions often include contractual clauses that restrict a buyer's right to divest the acquired portfolio. Furthermore, sellers will often restrict a buyer's right to terminate existing leases, which reduces the attractiveness of such units for prospective owner-occupants. The aforementioned restrictions are especially common in the privatization of government property, where the selling party intends to mitigate potential social effects of such transactions or when these portfolios are sold on to third parties. Deutsche Annington has regularly been required to consent to such contractual obligations during the course of key acquisitions.

In several of its key acquisitions, Deutsche Annington had to accept restrictions on the termination of lease agreements. These limitations include complete bans on the termination of leases for certain groups of tenants, such as tenants older than 65 years and tenants that are (former) employees of certain companies as well as modifications of German tenancy law, such as the exclusion of the tenant's right to terminate a lease agreement for reason of personal or, as the case may be, adequate economic utilization.

Most of the applicable restrictions result from Deutsche Annington's two most significant transactions, the Bundeseisenbahnvermögen acquisition and the Viterra purchase.

Bundeseisenbahnvermögen

Based on an agreement dated 14/15 December 2000, as amended, Deutsche Annington acquired from Bundeseisenbahnvermögen (***BEV***) a portfolio of almost 65,000 units. As of 30 June 2013, the portfolio comprised about 38,000 units. The purchase agreement sets forth the following restrictions:

No more than 70% of all units per BEV-company may be sold before 31 December 2016.

About 7,000 BEV-units can only be sold to third parties if the tenants do not exercise their pre-emptive purchase rights to acquire their apartments with a 10% discount to the fair market value of the vacated unit.

Multi-family houses may only be sold to third parties without the consent of that specified group of tenants, if they make up less than half of the building's tenant base.

Renovations that upgrade units above the market level (*Luxussanierungen*) are only permitted after tenants' approval.

All BEV-companies are obliged to spend at least €12.78 per square meter/year on average for maintenance until 31 December 2016.

Tenants, who belong to one of the specified groups of former employees and retirees of BEV and its affiliates, or who otherwise specifically benefit from this protection, may not be terminated for reason of personal use or adequate economic utilization. This limitation must also be imposed on potential purchasers.

Deutsche Annington has agreed to certain restrictions regarding the dismissal of former BEV-employees due to business operations and personal conditions (e.g. absence due to illness) as well as the transfer of employment contracts (*Betriebsübergang*). As of 30 June 2013, more than 125 employees fell within the scope of these special contractual protections. In the event of an infringement of these covenants, Deutsche Annington is required to pay a contract penalty of €500,000.00 per employee per month. The penalty only becomes due when the alleged breach of the covenant is reported within a two-month period following the event giving rise to damage payments occurred. The breach, however, may be retroactively cured within a six-month period in order to avoid the penalty. These special employee protections will end on 8 February 2020.

Deutsche Annington has set up internal governance structures to ensure and monitor full compliance with these contractual covenants. To this end, Deutsche Annington has established procedures, including internal approval and notification obligations, which are specified in an internal BEV-handbook. The articles of association of the BEV-companies provide for consent requirements of the supervisory board for various business decisions; the BEV supervisory board members are internally bound to adhere to the agreement as summarized above.

Viterra

By agreement dated 17 May 2005, Deutsche Annington acquired Viterra, a residential real estate portfolio that comprised approximately 138,000 units. In the context of this acquisition, Deutsche Annington accepted the terms of a so-called voluntary commitment (*Freiwillige Selbstverpflichtung*), dated 17 August 2004. As of 30 June 2013, 64,000 units were subject to this commitment. The following restrictions apply to this commitment:

Single as well as house sales of multi-family houses are governed by certain rules of procedure that provided for preferential treatment of certain groups of purchasers and the protection of tenants. Certain units are subject to preferential occupancy rights (*Belegungsrechte*) of employees and retirees of certain selling entities. These tenants may not receive a notice to vacate for reason of personal use or adequate economic utilization.

Some units are subject to certain preferential residency rights (*Ruhrkohle-Belegungsrechte*) under a separate agreement (*Ruhrkohle-Gründungsvertrag 1969*).

In the event of individual sales of buildings comprising less than three residential units, tenants have to receive pre-emptive purchase rights.

Tenants may not receive a notice to vacate for reason of personal or adequate economic utilization for ten years following the conversion into condominiums and sale of their residential unit.

Tenants may not receive a notice to vacate for reason of personal use or adequate economic utilization, if they are 65 years or older on the date of the purchase.

Certain units that Viterra acquired from Wohnbau Rhein-Main in 1999 are subject to declarations of commitment (*Verpflichtungserklärungen*) that restrict, for example, Deutsche Annington's ability to terminate lease agreements of tenants older than 60 years at the time of the acquisition and require pre-emptive purchase rights to be granted to certain tenants in the event of a conversion of residential units into condominiums. Renovations that upgrade units above the market level (*Luxussanierungen*) are prohibited.

Deutsche Annington has set up internal governance structures to ensure and monitor full compliance with these contractual covenants. To this end, Deutsche Annington has published internal guidelines that are specified in an internal handbook covering all restrictions from acquisition agreements.

Agreements with Deutsche Telekom Group

On 30 November 2011, Deutsche Multimedia Service GmbH (***DMS***), a wholly owned subsidiary of Deutsche Annington Immobilien SE, and Telekom Deutschland GmbH (***TDG***) entered into three separate agreements regarding (i) the basic supply of television and radio signals, (ii) the construction, use and maintenance of fiber-optic networks and (iii) a marketing cooperation between DMS and TDG for TDG's telephone, internet and television products.

Basic supply of television and radio signals

Pursuant to the agreement on basic supply of television and radio signals, TDG's primary obligation is to provide the signal transfer points (*Übertragungspunkte*) for failure-free television and radio signals to at least 145,000 of Deutsche Annington's residential units. DMS's obligations are: (i) to order, accept and pay for the signal supply for at least 145,000 residential units; (ii) to acquire the right to access and use the cable network within its residential units and (iii) to terminate the signal distribution contracts with existing signal providers. Under the agreement, DMS is obligated to pay a fixed monthly fee for each supplied residential unit, irrespective of Deutsche Annington's ability to on-sell television and radio signals to its tenants. Monthly fees to be paid will be increased following three, six and nine years after 1 January 2013. Furthermore, DMS agreed to pay a staggered share of those costs that may be required for modernizing the cable network according to mandatory legal requirements. The Guarantor assumes joint liability (*Schuldbeitritt*) for DMS's obligations under this cooperation if certain conditions are met.

The residential units that are subject to the contract are divided into four clusters; for each cluster a specific changeover period has been agreed, the latest of which lasts until 31 December 2024. From the changeover date onwards, TDG and DMS will have to perform their obligations for the respective units.

The contract term of the agreement is indefinite. The contract can only be terminated without cause (*ordentliche Kündigung*) 15 years and after the beginning of the changeover period for the respective cluster.

Construction, use and maintenance of fiber-optic networks

Pursuant to the agreement on construction, use and maintenance of fiber-optic networks, TDG undertakes to construct and maintain fiber-optic networks for 45% of Deutsche Annington's housing units free of charge. In the case of a successful marketing of fiber-optic network related services, TDG intends to provide fiber-optic networks for up to an additional 45% of Deutsche Annington's housing units.

The agreement may be terminated 20 years after the completed construction of the fiber-optic network for the respective housing unit.

Marketing cooperation

Pursuant to the marketing cooperation agreement, DMS is required to regularly address and inform Deutsche Annington's tenants about TDG's offers for phone and internet services (double play) or phone, internet and television services (triple play). The agreement entered into force on 1 January 2013 and has a duration of 15 years.

Joint Venture Agreement

Pursuant to a joint venture agreement dated 30 September 2011 (the ***TGS West Joint Venture Agreement***), Deutsche Annington and B&O Service und Messtechnik AG (***B&O***) jointly formed Deutsche TGS West GmbH (***TGS West***). Pursuant to an additional joint venture agreement, dated 22 June 2012 (the ***TGS Joint Venture Agreement*** and together with the TGS West Joint Venture Agreement, the ***Joint Venture Agreements***), this cooperation was extended by forming another joint venture, Deutsche TGS GmbH (***TGS***).

Deutsche Annington owns 51% and B&O owns 49% of each joint venture. TGS and TGS West are responsible for, among other things, conducting minor and major repair work (including decorative repairs), in addition to the renovation, maintenance and modernization of vacant units. In addition, a subsidiary of TGS West, TGS Dienstleistungs GmbH is obligated to provide repair-related billing services and undertakes to operate a service center for tenants' repair requests under a service agreement with TGS.

Under the Joint Venture Agreements, Deutsche Annington guarantees B&O a minimum dividend expressed as a specified percentage of the Joint Venture's annual revenues. Pursuant to separate service level agreements, both parties provide certain services to TGS, for which TGS pays a fee to the respective service provider. B&O provides TGS with recruiting and IT support services as well as the introduction and maintenance of the electronic repair order and processing system GEMAS, while Deutsche Annington provides various services, e.g. controlling, accounting, human resources and legal services to TGS.

The management of TGS and TGS West consists of two managing directors, each. Deutsche Annington and B&O, each have the right to designate one managing director. In the event of a disagreement between the managing directors and depending on certain conditions, Deutsche Annington is entitled to exercise its right of final decision in the shareholders' meeting (*Gesellschafterversammlung*) with regard to certain matters of particular importance or in the *advisory* board (*Beirat*).

The terms of the TGS West Joint Venture Agreement and the TGS Joint Venture Agreement expire on 30 September 2019 and 30 June 2020, respectively, and extend by further one-year periods unless terminated on one year's notice.

Beginning 31 December 2014 (TGS West) and 30 June 2015 (TGS), respectively, the contract can be terminated six months prior to the end of the fiscal year. In the event the agreement is terminated, the terminating party is required to sell its stake to the remaining party, and the remaining party undertakes to purchase such stake, at a price equal to TGS's equity capital as accounted for in its last annual financial statement subject to certain conditions.

Management of the Guarantor

The Guarantor's governing bodies are the Management Board (*Vorstand*), the Supervisory Board (*Aufsichtsrat*) and the general shareholders' meeting (*Hauptversammlung*). The Guarantor has a two-tier management and control system, consisting of the Management Board and the Supervisory Board. The powers of these governing bodies are determined by SE-Regulation and the German Act on the SE-Implementation (*SE-Ausführungsgesetz*), the German Stock Corporation Act (*Aktiengesetz*), the Articles of Association and the internal rules of procedure of both the Supervisory Board and Management Board.

The Management Board is responsible for managing the Guarantor in accordance with applicable law, the Articles of Association and its internal rules of procedure, including the schedule of responsibilities. The Management Board represents the Guarantor in dealings with third parties.

Simultaneous management and supervisory board membership in a European company (SE) is not permitted under the SE-Regulation; however, simultaneous membership of a member of the supervisory board taking a vacant seat on the management board of the same European company (SE) is permissible. During this period, such individual may not perform any duties for the supervisory board. Such stand-in arrangement is limited in time for a maximum period of one year if the European company is domiciled in Germany.

The Supervisory Board determines the exact number of members of the Management Board. Pursuant to the Articles of Association, the Management Board comprises at least two members and the Supervisory Board determines the exact number of the members of the Management Board. The Supervisory Board also appoints the members of the Management Board and is entitled to dismiss each of them under certain circumstances. As set out in Article 40 of the SE-Regulation together with the German Stock Corporation Act (*Aktiengesetz*), the Supervisory Board advises on, and oversees, the Management Board's administration of the Guarantor, but is not itself authorized to manage the Guarantor. The articles of association of a

company and the supervisory board may, however, designate the types of transactions that may only be made with the approval of the Supervisory Board. In addition, the Supervisory Board may itself make certain types of transactions subject to its consent. Matters subject to the prior consent of the Supervisory Board or of a committee of the Supervisory Board pursuant to Section 8.5 of the Articles of Association and Section 8.1 of the internal rules of procedure of the Guarantor's Management Board currently include, in particular (matters listed not only in Section 8.1 of the internal rules of procedure of the Guarantor's Management Board but also in Section 8.4 of the Articles of Association are denoted with an "*"):

- the adoption of the business plan (including capital expenditures, personnel and finance plan) for the Deutsche Annington Immobilien Group for the next business year (budget)*;

- other capital expenditures which are not included in the Guarantor's business plan and which exceed an amount of €5 million per transaction;

- the establishment or liquidation of companies and partnerships and the acquisition or sale of participation in companies or business operations, if the value (including the assumption of liabilities) exceeds an amount of €20 million per transaction*;

- the conclusion, amendment or termination of affiliation agreements pursuant to Art. 9(1) lit. c(ii) of the SE Regulation in conjunction with Sections 291, 292 of the German Stock Corporation Act (*Aktiengesetz*)*;

- the execution of significant measures pursuant to the German Reorganization and Transformation Act (*Umwandlungsgesetz*);

- the commencement of significant new, and the abandonment of significant existing, areas of activity;

- the purchase or sale of land, the creation, acquisition or divestment of hereditary building rights or rights equivalent to title rights in real estate (or the incurrence of a respective obligation), if the amount of investment or divestment exceeds an amount of €20 million per transaction;

- the acquisition and divestiture of material corporate premises with a value per transaction exceeding an amount of €5 million;

- the requesting, extension or termination of credit facilities or loans exceeding a nominal value of €100 million per transaction;

- the provision of collateral or securities of any kind or the assumption of contractual liabilities of third parties exceeding €20 million per transaction;

- approval of investments or divestments with the Group per transaction, for each transaction exceeding €20 million;

- the trading of speculative financial instruments of any kind and derivative transactions outside of the ordinary course of business; the trading of financial instruments is considered speculative if it is not based on respective operating business and thus does not serve the reasonable hedging of existing risks; financial investments in funds rated lower than "Investment Grade" are also considered speculative financial instruments;

- the initiation of litigation — including pre- and non-procedural dispute resolution — of fundamental importance for the Guarantor, in particular, but not limited to, litigation and disputes with major customers with an amount in dispute of more than €5 million;

- the establishment of, or the material amendment of existing employee- participation programs, profit sharing or similar incentive programs;

- any fundamental change of the valuation methods used in the context of the financial reporting of the Guarantor;

- approval of contracts with auditors concerning additional advisory services, if the cumulative fees for these services exceed or are expected to exceed 50% of the remuneration for the annual audit; and

- conclusion of or amendment to consulting, advisory or other service agreements exceeding €2 million per year.

In addition to the thresholds for individual transactions as stated above, Section 8.1 of the internal rules of procedure of the Guarantor's Management Board and Section 8.4 of the Articles of Association also provide for aggregate thresholds for series of linked transactions in a fiscal year (this also applies to Section 11.4 of the internal rules of procedure for the Guarantor's Supervisory Board).

The Management Board is also required to obtain the prior approval of the Supervisory Board (or of a committee which might have been appointed for these purposes), if it becomes involved in transactions substantially similar to those described above at affiliated companies through instructions, approvals, votes, or in any other manner. The Management Board is also required to ensure, to the extent legally permissible, that most of the aforementioned measures in affiliated companies require the Management Board's prior approval and may only be granted after having obtained the approval by the Supervisory Board. The Supervisory Board may issue a general authorization for a specific type of business in the event that the individual type of business meets certain requirements in advance.

Each member of the Management Board and Supervisory Board owes a duty of loyalty and due care to the Guarantor. Each member of these bodies must consider a broad spectrum of interests, particularly those of the Guarantor and its shareholders, employees and creditors. In addition, the Management Board must also take into consideration the shareholders' rights to equal treatment and equal access to information. If members of the Management Board or Supervisory Board breach their duties, they may be individually or jointly and severally liable with the other members of the Management Board or the Supervisory Board to the Guarantor for compensatory damages, as the case may be.

Under German law, a shareholder generally has no right to proceed directly against members of the Management Board or Supervisory Board if he believes they have breached their duties to the Guarantor. In general, only the Guarantor has the right to enforce claims for damages against the members of the Management Board or Supervisory Board. With respect to claims against Supervisory Board members, the Guarantor is represented by the Management Board, and with respect to claims against Management Board members, the Guarantor is represented by the Supervisory Board. Under a decision of the German Federal Court of Justice (*Bundesgerichtshof*), the Supervisory Board is required to assert damages claims against the Management Board if they are likely to succeed unless significant interests of the Guarantor conflict with the pursuit of such claims and outweigh the reasons for bringing such claim. If the governing body authorized to represent the Guarantor decides not to pursue a claim, the Guarantor's claims for damages against members of the Management Board or Supervisory Board must nevertheless be asserted if the general shareholders' meeting adopts a resolution to this effect by a simple majority. The general shareholders' meeting may appoint a special representative (*besonderer Vertreter*) to assert the claims. Shareholders whose shares cumulatively make up 10% of the share capital or a pro rata share of €1 million may also petition the court to appoint a special representative. In addition, the general shareholders' meeting may appoint special auditors (*Sonderprüfer*) to audit transactions, particularly management transactions, by simple majority vote. If the general shareholders' meeting rejects a motion to appoint a special auditor, the court must appoint a special auditor upon the petition of shareholders whose shares cumulatively constitute 1% of the share capital at the time the petition is filed or constitute a pro rata share of €100,000 if facts exist that justify the suspicion that the transaction was accompanied by dishonesty or gross violations of the law or the articles of association. If

the general shareholders' meeting appoints a special auditor, the court must appoint another special auditor upon the petition of shareholders whose shares cumulatively constitute 1% of the share capital at the time the petition is filed or constitute a pro rata share of €100,000 if this appears necessary due to the identity of the special auditor who was appointed.

Shareholders and shareholder associations can solicit other shareholders to file a petition, jointly or by proxy, for a special audit, for the appointment of a special representative, or to convene a general shareholders' meeting or exercise voting rights in a general shareholders' meeting in the shareholders' forum of the German Federal Gazette (*Bundesanzeiger*), which is also accessible via the website of the German Company Register (*Unternehmensregister*). If there are facts that justify the suspicion that the Guarantor was harmed by dishonesty or a gross violation of law or the articles of association, shareholders who collectively hold 1% of the share capital or a pro rata share of €100,000 may also, under certain further conditions, seek damages from members of the Guarantor's governing bodies in their own names through court proceedings seeking leave to file a claim for damages. Such claims, however, become inadmissible if the Guarantor itself files a claim for damages.

The Guarantor may only waive or settle claims for damages against members of the Management Board or Supervisory Board three years after such claims arose if the shareholders grant their consent at the general shareholders' meeting by simple majority vote unless a minority of the shareholders whose shares cumulatively constitute 10% of the share capital objects to the minutes.

Under German law, individual shareholders and all other persons are prohibited from using their influence on the Guarantor to cause a member of the Management Board or the Supervisory Board to take an action detrimental to the Guarantor. A shareholder with a controlling influence may not use that influence to cause the Guarantor to act contrary to its own interests unless there is a domination agreement (*Beherrschungsvertrag*) between the shareholder and the Guarantor and the influence remains within the bounds of certain mandatory provisions of law or compensation is paid for the disadvantages that arise. Any person who uses his influence on the Guarantor to cause a member of the Management Board or the Supervisory Board, an authorized signatory (*Prokurist*), or an authorized agent (*Handlungsbevollmächtigter*) to act to the detriment of the Guarantor or its shareholders may be liable to compensate the Guarantor and the affected shareholders, respectively, for the resulting losses. Moreover, in this context, the members of the Management Board and Supervisory Board are jointly and severally liable if their actions or omissions amount to a violation of their duty of due care.

Management Board

Current composition of the Management Board

Under 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 appoints members of the Management Board for a period not exceeding six years. The Supervisory Board may appoint a chairperson of the Management Board as well as a deputy chairperson of the Management Board. Currently, the Guarantor's Management Board consists of three members, with Rolf Buch appointed as chairman.

Reappointment for a term not exceeding six 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 general 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 Management Board members and, in general, for representing the Guarantor in and out of court against the Management Board. The Management Board is directly responsible for managing the Guarantor.

In the event that the Management Board consists of at least three members, Management Board meetings are *quorate* if all Management Board members have been invited and at least half of the members (including the chairman or a member of the Management Board appointed by him or her) participate in the meeting either

in person or through, e.g. electronic means. Members who abstain from voting are also considered to be participating. The chairman of the Management Board has the right to object to any of the Management Board's resolutions (veto right). Besides this, the Management Board generally adopts resolutions by a majority of the votes cast by the participating members. In case of a tie of votes, the chairperson of the Management Board has a casting vote. Further details, particularly regarding composition, duties, overall responsibility, allocation of responsibility for particular functions and internal organization are governed by the rules of procedure for the Management Board which were issued by the Supervisory Board on 4 June 2013 and entered into force on 12 June 2013.

The Guarantor is represented vis-à-vis third parties and in court proceedings by two members of the Management Board jointly or by a member of the Management Board jointly with a holder of a statutory power of attorney (*Prokurist*). The Supervisory Board may determine that one or all members of the Management Board are authorized to represent the Guarantor individually.

The internal rules of procedure for the Management Board require that the delegation of responsibilities to individual Management Board members is established on the basis of the business distribution plan (*Geschäftsverteilungsplan*). The business distribution plan is part of the rules of procedure for the Management Board and is prepared by the Supervisory Board.

The table below lists the current members of the Guarantor's Management Board.

Name	Age	Member since	Appointed until	Responsibilities
Rolf Buch	48	1 April 2013	28 February 2018	Chief Executive Officer
Dr. A. Stefan Kirsten	52	1 January 2011[(1)]	31 December 2015	Chief Financial Officer
Klaus Freiberg	51	1 February 2010[(1)]	31 January 2017	Chief Operating Officer

(1) Until the transformation into a stock corporation or a European company the listed board member held the position of a Managing Director.

The Guarantor has established a code of conduct, which does not permit donations to political organizations.

The following description provides summaries of the *curricula vitae* of the current members of the Guarantor's Management Board and indicates their principal activities outside the Group to the extent those activities are significant with respect to the Group.

Rolf Buch was born in 1965 in Weidenau, Germany. Mr. Buch studied mechanical engineering and business administration at RWTH Aachen University from 1986 to 1990. Upon graduation, Mr. Buch joined Bertelsmann AG in 1991. During his 21-year employment with Bertelsmann, Mr. Buch held various positions. In 1999 Mr. Buch was appointed chief executive officer of Bertelsmann Services Group (formerly Bertelsmann Distribution GmbH) where he was responsible for all activities in Western Europe and several direct marketing activities in Germany. From 2002 through 2007, he was member of the executive board of Arvato AG and chief executive officer of Arvato Direct Services GmbH. In January 2008, Mr. Buch became chief executive officer of Arvato AG and was appointed as a member of the executive board of Bertelsmann AG (now Bertelsmann SE & Co. KGaA).

Alongside his office as the Guarantor's chief executive officer and chairman of the Management Board, Mr. Buch is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

BITKOM e. V. (member of the presiding committee);

GSB Gesellschaft zur Sicherung von Bergmannswohnungen mbH (member of the supervisory board);

Phone Assistance S.A. (member of the board);

Phone Group S.A. (member of the board);

Phone Serviplus S.A. (member of the board); and

Woldemar-Winkler Stiftung der Sparkasse Gütersloh (member of the board of trustees).

Previously:

Arvato AG (chief executive officer and member of the executive board);

arvato digital services Canada, Inc. (director);

arvato Limited (director);

arvato services (East Riding) Limited (director);

arvato services Limited (director);

arvato services spain, S.A.U. (member of the board);

alsf - arvato logistique services France SARL (managing director);

ase - arvato strategie & expertises SARL (managing director);

asf - arvato services France SARL (managing director);

Berryville Graphics, Inc. (chairman of the board and director);

Bertelsmann SE & Co. KGaA (member of the executive board of Bertelsmann Management SE and limited partner of Bertelsmann SE & Co. KGaA);

Coral Graphic Services of Kentucky, Inc. (chairman of the board and director);

Coral Graphic Services of Virginia, Inc. (chairman of the board and director);

Coral Graphic Services, Inc. (chairman of the board and director);

Deutsche Bank AG (member of the advisory board);

Duacom SARL (managing director);

Dynamic Graphic Finishing, Inc. (director);

inmediaONE GmbH (chairman of the executive board);

Istituto Italiano d'Arti Grafiche S.p.A. (chairman of the board);

Jubii Europe N.V. (member of the supervisory board);

maul + co – Chr. Belser GmbH (managing director);

Media Finance Holding, S.L. (chairman of the board);

Offset Paperback Mfrs., Inc. (director);

PRINoTec GmbH (managing director);

PRINOVIS Limited (director chairman and director);

Printer Industria Grafica Newco, S.L. (chairman of the board);

Stampers, LTD. (director);

Windsong Holdings Limited (director chairman); and

Zweite BAG Beteiligungs GmbH (managing director).

Other than listed above, Mr. Buch has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Klaus Freiberg was born in 1962 in Bendorf, Germany. He studied history, social sciences and economics at the University of Münster up to 1990. From 1995 through 2010, Mr. Freiberg worked in various positions at Arvato Group, including as managing director of Arvato Services. Mr. Freiberg is Chief Operating Officer of the Guarantor and responsible for the property management, including customer care service, management and letting of the portfolio.

Alongside his office as the Guarantor's Chief Operating Officer and member of the Management Board, Mr. Freiberg was within the last five years a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Previously:

1 18 18 Auskunft GmbH (managing director);

arvato backoffice services Erfurt GmbH (managing director);

arvato direct services Brandenburg GmbH (managing director);

arvato direct services Dortmund GmbH (managing director);

arvato direct services Eiweiler GmbH (managing director);

arvato direct services Potsdam GmbH (managing director);

arvato direct services Stralsund GmbH (managing director);

arvato direct services telco Neubrandenburg GmbH (managing director);

arvato services Chemnitz GmbH (managing director);

arvato services Erfurt GmbH (managing director);

arvato services Freiburg GmbH (managing director);

arvato services Göppingen GmbH (managing director);

arvato services Neubrandenburg GmbH (managing director);

arvato services Potsdam GmbH (managing director);

arvato services Rostock GmbH (managing director);

arvato services Schwerin GmbH (managing director);

arvato services Stralsund GmbH (managing director);

arvato services Stuttgart GmbH (managing director); and

arvato telco services Erfurt GmbH (managing director).

Other than listed above, Mr. Freiberg has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Dr. A. Stefan Kirsten was born in 1961 in Berlin, Germany. Dr. Kirsten completed his Master's degree in Business Economics from 1981 to 1986 at the FernUniversität Hagen and the University of Göttingen and received his Doctorate degree in Business Law from the University of Luneburg. Before being appointed to the Guarantor's Management Board as Chief Financial Officer, Dr. Kirsten occupied various management positions at other companies. From 2000 to 2002, Dr. Kirsten was a management board member of METRO AG, and from 2002 through 2006 he was a management board member of ThyssenKrupp AG; in both positions he served as the chief financial officer. From 2007 until 2009, he served as chief financial officer and later chief executive officer at Majid Al Futtaiim Group LLC, a family holding with significant retail and real estate interests in the Emirates.

Since 1995, Dr. Kirsten has taught at different universities in Germany and abroad. In 2001, Dr. Kirsten was appointed as honorary professor at the Westfälische Hochschule in Gelsenkirchen.

Alongside his office as the Guarantor's chief financial officer and member of the Management Board, Dr. Kirsten is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

AVW Versicherungsmakler GmbH (member of the supervisory board); and

VBW Bauen und Wohnen GmbH (member of the supervisory board).

Previously:

Jerónimo Martins SGPS (member of the supervisory board); and

Majid Al Futtaim Group LLC (chief executive officer).

The members of the Management Board may be reached at the Guarantor's office at Philippstrasse 3, 44803 Bochum, Germany (tel. +49 (0) 234-314-0).

Management service agreements

Under the service agreements with the Guarantor, Mr. Buch is employed until 28 February 2018, Mr. Freiberg is employed until 31 January 2017 and Dr. Kirsten is employed until 31 December 2015. If a Management Board member's service agreement is validly terminated by the Guarantor for cause (*Kündigung aus wichtigem Grund*) in accordance with Section 626 of the German Civil Code (*Bürgerliches Gesetzbuch*), the Guarantor's obligation to pay a base salary, a bonus or any fringe benefits ends with immediate effect. Further, the service agreements end in the event that a Management Board member becomes permanently unable to perform his duties due to disability or illness (upon expiration of a twelve-month sick leave period). In the event of a termination of the Management Board member's office (*Abberufung*) by the Supervisory Board for reasons that do not justify a termination of the underlying service agreement for cause in accordance with Section 626 of the German Civil Code, payments to the Management Board member are capped at the lower of (i) two years' total compensation (including all benefits and bonuses) and (ii) the total compensation for the remainder of the term of the contract (***Severance Cap***). Upon removal from office (*Abberufung*) the Management Board member may terminate the service relation at any time with a written notice of three months. In such case, the Management Board member is generally entitled

to a payment equivalent to the Severance Cap, payable in two equal installments. In the event that one or more investors (apart from Terra Firma and its affiliates) acting in concert acquire a controlling stake in the Guarantor (***Change of Control***), the Management Board members are entitled to an extraordinary termination right with a three-month notice period, that must be exercised within three months following the Change of Control. In such case, the Severance Cap is increased to the lower of (i) 150% of the Severance Cap and (ii) the total compensation for the remainder of the term of the contract. However, any rights or entitlements under the long term incentive agreement (see "*—Long-term incentive programs—Management Board members*"), remain generally unaffected.

With the exception of Mr. Buch, who is subject to a 12-month non-compete obligation following the termination of his service agreement, the members of the Management Board are not bound by such restrictions and may therefore engage in competing activities following the end of their office and the termination of their service agreements.

Remuneration and other benefits of the Management Board members

On 10 May 2012, the Guarantor's general shareholders' meeting resolved that the remuneration granted by the Guarantor to the members of the Management Board will not be disclosed individually in the annual financial statements and the consolidated financial statements of the Guarantor for the fiscal year commencing on 1 January 2012 and for the following four fiscal years. The Management Board and the Supervisory Board of the Guarantor intend to issue a joint proposal at the 2014 shareholders' meeting to repeal this non-disclosure resolution from fiscal year 2014 onwards. For fiscal year 2013, the members of the Management Board have voluntarily agreed to disclose their base salary, maximum bonus entitlements and the grants under the new long-term incentive plan on an individual basis. In fiscal year 2012, the aggregate total remuneration of the Management Board, the composition and membership of which changed during the past three years, amounted to €3.4 million, of which €1.3 million was variable remuneration (fiscal year 2011: €3.9 million, of which €1.6 million was variable remuneration). The amount disclosed in accordance with IAS 24.17d (termination benefits) is €3.0 million, of which €1.5 million will only be paid out in subsequent years. The total amount includes remuneration for the performance of responsibilities at subsidiaries.

Under the service agreements, Mr. Buch's base salary amounts to €900,000 and an annual bonus of up to €700,000, Mr. Freiberg's base salary amounts to €550,000 and an annual bonus of up to €440,000 and Dr. Kirsten's base salary amounts to €518,000 and an annual bonus of up to €400,000. Depending on whether certain pre-agreed key performance indicators and personal targets are met, each Management Board member receives a bonus that is capped at a maximum amount. These key performance targets are set annually by the Supervisory Board; for fiscal year 2013, the members of the Supervisory Board (the composition of which differed from its current composition at the time of such decision) determined that 40% of the bonus is subject to the achievement of the Group's AFFO budgeted targets, 15% to the Group's Adjusted EBITDA Sales budgeted targets and 15% to CSI (the Group's customer satisfaction index as measured on a semi-annual basis by an external service provider) targets with the balance of the bonus subject to the achievement of personal targets.

Additionally, Management Board members are entitled to ancillary benefits that include, among others, a life insurance policy, which also covers private accidents. The Guarantor bears 50% of the cost of the Management Board members' private health insurance, however, not more than the cost that would occur in the public health insurance system. Management Board members are entitled to a pension allowance of 20% of their fixed remuneration which is paid into the Guarantor's deferred compensation plan ("*Versorgungsbezüge anstelle von Barbezügen*") or, if a Management Board member so chooses, paid out to the member of the Management Board.

All Management Board members receive a company car for business and private use and are reimbursed for business-related travel expenses. In the event of a temporary incapacity to work as a result of health or other reasons, all Management Board members' service agreements provide that the relevant base salary will continue to be paid for up to twelve months, however, not beyond the expiry of the service agreement.

Finally, in the case of a Management Board member's death, the board member's widowed spouse or, in the absence thereof, the common law spouse or the dependents of the board member, are entitled to the relevant base salary for the remainder of the month of death and the following six months.

The members of the Management Board are covered by directors and officers (***D&O***) insurance policies with coverage for up to a total of €100 million per insured event and year, the costs of which are borne by the Guarantor. The D&O insurance provides for a deductible for all of the Guarantor's Management Board members in line with the respective provisions of the German Stock Corporation Act (*Aktiengesetz*). The D&O insurance policies cover financial losses arising from a breach of duty on part of the Guarantor's Management and Supervisory Board members in the course of their duties.

Shareholdings of the Management Board members

Dr. A Stefan Kirsten acquired 47,091 shares on 11 July 2013, 2,099 shares on 12 August 2013, and 810 shares on 13 August 2013. Rolf Buch acquired 74,333 shares on 11 July 2013. Klaus Freiberg acquired 50,000 shares on 11 July 2013. In addition on the first day of trading of Deutsche Annington's shares (11 July 2013) Mr. Buch received 400,000 notional shares in the Guarantor and Mr. Freiberg and Dr. Kirsten each received 265,515 notional shares in the Guarantor. The plan will end after five years with a cliff vesting of 20% per calendar year, where the first vesting occurs on 28 February 2014 for Mr. Buch and the anniversary of the commencement of trading for Mr. Freiberg and Dr. Kirsten. The LTIP is fully dividend protected and vested tranches are accrued at the end of the relevant vesting period and adjusted by a factor ranging from 0.9 to 1.1, depending on the achievement of the following defined key performance indicator targets, as described under "*—Long-term incentive programs—Management Board members.*"

Supervisory Board

In accordance with the Articles of Association and Article 40(3) and 9(1) lit. c(i) of the SE-Regulation together with Section 17 of the SE Implementation Act (*SE-Ausführungsgesetz*) and Sections 95 and 96 of the German Stock Corporation Act (*Aktiengesetz*), the Supervisory Board consists of nine members. All members of the Supervisory Board are appointed by the Guarantor's general shareholders' meeting. The general shareholders' meeting may appoint substitute members for individual or all Supervisory Board members, who, in accordance with specific determinations by the general shareholders' meeting, may become members of the Supervisory Board if the elected Supervisory Board members leave office before the end of their term. The term of the substitute member expires as soon as a successor for the departing Supervisory Board member is appointed by a majority of at least 75% of the votes cast, but no later than the expiration of the departing Supervisory Board member's term. Re-election of members of the Supervisory Board is possible. According to the Supervisory Board's internal rules of procedure, persons having reached the age of 75 at the time of the election should generally not be proposed as candidates.

Unless the general shareholders' meeting has set a shorter term, the term of each Supervisory Board member, as well as the term of each substitute member, if elected, expires at the end of the annual general shareholders' meeting discharging the members of the Supervisory Board for the fourth fiscal year following the commencement of the member's term of office, not including the fiscal year in which the term commences. The appointment of a successor for a member leaving his or her office before the end of his or her term of office is valid for the remainder of the term of office of the departing member, provided that the general shareholders' meeting has not determined a shorter term of office for the successor.

Supervisory Board members elected by the general shareholders' meeting may be removed by a resolution of the general shareholders' meeting if such resolution is approved by at least 75% of the votes cast. In addition, regular and substitute members of the Supervisory Board may resign, without good cause, by giving two weeks' notice to the Guarantor, represented by a member of the Management Board. The right to resign for good cause without any notice period remains unaffected by the foregoing. Following the general shareholders' meeting, in the course of which the members of the Supervisory Board are elected by the general shareholders' meeting for a new term, the Supervisory Board will elect a chairman and a deputy

chairman from among its members to serve for the duration of those members' terms. Should the chairman or deputy chairman leave office prior to the expiration of his or her term, the Supervisory Board must elect a new chairman or a deputy chairman from among its members without delay, to complete the remaining term of the departing chairman or deputy chairman.

Under mandatory statutory provisions and the Articles of Association, the Supervisory Board is authorized to establish internal rules of procedure and form committees made up of at least four individuals from its members. The Supervisory Board's internal rules of procedure were approved by the Supervisory Board on 4 June 2013 and have taken effect as of 12 June 2013. The Supervisory Board is authorized to make amendments to the Articles of Association that only affect their wording. The Supervisory Board must hold at least three meetings within each half calendar year. Meetings of the Supervisory Board are usually called by its chairman with 14 days' advance notice in writing, by e-mail or facsimile. The day on which the notice is sent and the day of the meeting itself are not included when calculating this period. In urgent cases, the chairman can shorten the notice period to a minimum of two banking days.

The rules of procedure for the Supervisory Board provide that all Supervisory Board members must have been invited and at least half of the Supervisory Board members must participate in voting on a resolution to constitute a quorum. Any member that is present but abstains from voting is deemed to have participated in the vote for purposes of the required quorum. Absent members may participate in the casting of votes pursuant to Article 9(1) lit. c(ii) of the SE-Regulation together with Section 108(3) of the German Stock Corporation Act (*Aktiengesetz*). Resolutions of the Supervisory Board are passed by a simple majority of the votes cast. For purposes of passing a resolution, abstentions do not count as votes cast. If a vote in the Supervisory Board results in a tie, the chairman has a casting vote. The rules of procedure for the Supervisory Board provide that, per the chairman's instruction, resolutions may be passed by submitting votes to the chairman in writing, by telephone or facsimile, or by equivalent means of communication. The Supervisory Board's internal rules of procedure exclude the right of a member of the Supervisory Board to object to such instruction by the chairman.

Members of the Guarantor's Supervisory Board

The table below lists the current members of the Guarantor's Supervisory Board.

Name	Age	Member since[(1)]	Appointed until[(2)]	Principal occupation outside of Deutsche Annington
Dr. Wulf H. Bernotat Chairman	66	18 June 2013	2018	Managing director and partner of Bernotat & Cie. GmbH
Robert Nicolas Barr[(3)] Deputy chairman	55	11 November 2009	2018	Operational managing officer of Terra Firma Capital Partners Limited
Arjan Breure	39	2 December 2010	2018	Financial managing director of Terra Firma Capital Partners Limited
Fraser Duncan	53	7 February 2001	2018	Business consultant
Dr. Edgar Ernst	61	18 June 2013	2018	President of Deutsche Prüfstelle für Rechnungslegung
Hildegard Müller	46	18 June 2013	2018	Chairwoman of the executive board of Bundesverband der Energie- und Wasserwirtschaft

Name	Age	Member since[(1)]	Appointed until[(2)]	Principal occupation outside of Deutsche Annington
Tim Pryce	48	18 June 2013	2018	Chief executive officer of Terra Firma Capital Partners Limited
Dr. Klaus Rauscher	64	1 August 2008	2018	Business consultant
Clara-Christina Streit	44	18 June 2013	2018	Senior advisor to McKinsey & Company

(1) Prior to the Guarantor's most recent change in legal form into a European company (*Societas Europaea — SE*), the Supervisory Board membership refers to the Supervisory Board of Deutsche Annington Immobilien AG and the optional Supervisory Board of Deutsche Annington Immobilien GmbH.

(2) The Supervisory Board members are appointed until the end of the annual shareholders' meeting that resolves on the release (*Entlastung*) for the fourth fiscal year after appointment (i.e. in 2018).

(3) Mr. Barr did not exercise his Supervisory Board functions between 25 September 2012 and 20 May 2013, during his secondment as the Guarantor's interim CEO.

The following description provides summaries of the curricula vitae of the current members of the Guarantor's Supervisory Board, and indicates their principal activities outside the Group to the extent those activities are significant with respect to the Group.

Dr. Wulf H. Bernotat was born in 1948 in Göttingen, Germany. He studied Law at the University of Göttingen. Dr. Bernotat completed the first state examination (*Staatsexamen*) in 1974 and the second state examination (*Staatsexamen*) in 1976 and received his doctorate in the same year. In 1976, Dr. Bernotat began his career at Shell AG, where he spent the next twenty years holding various positions, functioning among others as counsel in the legal department in Germany, business development manager for Eastern Europe, general manager for Portugal, and as a member of the management board from 1995 to 1996. In 1996, he then joined VEBA OEL AG as a member of the management board. In 1998, he was appointed chairman of the management board of Stinnes AG (formerly part of the VEBA Group). He remained a member of the management board of the VEBA Group throughout this time, until 2000. In 2003, Dr. Bernotat joined E.ON AG (a power utilities supplier that came into existence in 2000 through the merger of energy companies VEBA AG and VIAG AG), where he served as chairman of the management board until 2010. In 2011, Dr. Bernotat founded the mentoring company Bernotat & Cie. GmbH of which he is a managing director and partner.

Alongside his office as the chairman of the Guarantor's Supervisory Board, Dr. Bernotat is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Allianz (vice chairman of the supervisory board);

Bernotat & Cie. GmbH (managing director);

Bertelsmann SE & Co. KGaA (member of the supervisory board);

Bertelsmann Management SE (member of the supervisory board);

Deutschland Telekom AG (member of the supervisory board); and

Metro AG (member of the supervisory board).

Previously:

E.ON Energie AG (chairman of the supervisory board);

E.ON Ruhrgas AG (chairman of the supervisory board);

E.ON Nordic AB (chairman of the supervisory board);

E.ON Sverige AB (chairman of the supervisory board); and

E.ON US Investment Corp. (chairman of the supervisory board).

Robert Nicolas Barr was born in Oxford, England in 1958. Mr. Barr holds a Masters degree in Mathematics from Magdalen College, Oxford University and is a Fellow of the Institute of Chartered Accountants in England and Wales. Between 1993 and 2008, Mr. Barr held a number of senior positions at Vodafone Group plc, including the role of group financial controller and regional chief financial officer for Vodafone's businesses outside Western Europe. In 2009, Mr. Barr joined Terra Firma as the chief financial officer. In 2011, he became the chief operating officer of Terra Firma and since October 2012, he has served as an operational managing director. In 2009, Mr. Barr joined Deutsche Annington's Supervisory Board and between September 2012 and May 2013, he was seconded to the Management Board.

Alongside his office as the deputy chairman of the Guarantor's Supervisory Board, Mr. Barr is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Odeon and UCI Cinemas Holdings Limited (chairman); and

Terra Firma Capital Partners Limited (director).

Previously:

Annington Developments (Holdings) Limited (director);

Annington Rentals (Holdings) Limited (director);

AWAS Aviation Capital Limited (director);

Cellco Partnership (director);

Infinis Holdings (director);

Infinis Investments 2 Limited (director);

Le Grand Annington Limited (director);

Terra Firma Investments (DA) Limited (director);

Terra Firma Investments (DA) II Limited (director);

Terra Firma Investments (GP) 2 Limited (director);

Terra Firma Investments (GP) 3 Limited (director);

Terra Firma Investments (Special Opportunities I) Limited (director);

Vodafone Australia Pty Limited (director);

Vodafone Czech Republic a.s. (director);

Vodafone Egypt Telecommunications S.A.E. (director);

Vodacom Group Limited (director);

Vodafone Group Services Limited (director);

Vodafone Group Services No 2 Limited (director);

Vodafone Group Services Limited (director);

Vodafone Group Share Schemes Trustee Limited (director);

Vodafone India Limited (director);

Vodafone Magyarorszag Mobile Tavkozlesi Zartkoruen Mukodo Reszvenytarsasag (director);

Vodafone New Zealand Limited(director);

Vodafone Romania S.A. (director); and

Vodafone Telekomunikasyon A.S. (director).

Arjan Breure was born in 1973 in Ter Aar, The Netherlands. Mr. Breure received a Masters of Business Administration Degree from the European Institute for Business Administration (INSEAD) and a Master's degree in Economic History from the University of Utrecht. Mr. Breure's work experience includes positions with Cherokee Investment Partners, Prudential Securities Merchant Banking and Rabobank International. Prior to joining Terra Firma in 2008, where he serves today as financial managing director, Mr. Breure was head of asset management in Europe at Citi Property Investors.

Alongside his office as a member of the Guarantor's Supervisory Board, Mr. Breure is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Elli Group (UK) Limited (director);

Elli Finance (UK) plc (director);

Elli Management Limited (director);

Maltby Capital Limited (director); and

Maltby Holdings Limited (director).

Previously:

Maltby Publishing Holdings Limited (director); and

Maltby Publishing Limited (director).

Fraser Duncan was born in 1960 in Edinburgh, Scotland. Mr. Duncan graduated in 1981 from York University with a degree in Economics and Statistics. Mr. Duncan was chief operating officer of Nomura's Principal Finance Group when the group decided to spin-out from Nomura to form Terra Firma Capital Partners Limited. From 1997 to 2009, Mr. Duncan worked for Terra Firma Capital Partners Limited, most

recently as managing director of portfolio businesses and a member of the investment advisory committee. He was also a member of the general partner boards of the Terra Firma funds. Since 2009, Mr. Duncan has worked as a business consultant and on a restaurant chain start-up.

Alongside his office as a member of the Guarantor's Supervisory Board, Mr. Duncan is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Annington Ltd (director);

Aurelius Property LLP (chairman);

Metellus Property LLP (chairman); and

Odeon and UCI Holdings plc (director).

Previously:

Annington Management Limited (director);

Maltby Capital Limited (director);

Terra Firma Investments (DA) Limited (director);

Terra Firma Investments (DA) 2 Limited (director);

Terra Firma Investments (GP) 2 Limited (director); and

Terra Firma Investments (GP) 3 Limited (director).

Dr. Edgar Ernst was born in 1952, in Oberlahnstein, Germany. He studied Mathematics and Business Administration at the University of Cologne and received his Masters Degree in 1977. From 1977 to 1980, he studied Operations Research at the University of Aachen and obtained a Masters Degree in 1980. In 1982 he received his PhD in Economics. From 1983 to 1986, Dr. Ernst worked as a management consultant for McKinsey & Company. From 1986 to 1990, he was the executive director of corporate development at Quelle, Gustav Schickedanz KG. From 1990 to 2007, Dr. Ernst held various positions at Deutsche Post AG, beginning with his position as executive director of planning and controlling, and moving on to become a member of the board and the chief financial officer of Deutsche Post AG from 1991 to 2007. Since 2011, Dr. Ernst is the president of the German Financial Reporting Enforcement Panel (*Deutsche Prüfstelle für Rechnungslegung*) (DPR).

In 2007, Dr. Ernst was appointed honorary professor for economics at the WHU Otto Beisheim School of Management, Vallendar.

Alongside his office as a member of the Guarantor's Supervisory Board, Dr. Ernst is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Deutsche Prüfstelle für Rechnungslegung (president);

Deutsche Postbank AG (member of the supervisory board);

Gildemeister AG (member of the supervisory board);

TUI AG (member of the supervisory board);

Wincor Nixdorf AG/Wincor Nixdorf International GmbH (member of the supervisory board).

Previously:

Deutsche Post AG (member of the management board, chief financial officer);

Österreichische Post AG (member of the supervisory board).

Hildegard Müller was born in 1967 in Rheine, Germany. She began her career as an apprentice at Dresdner Bank AG from 1987 to 1989, and then proceeded to study business administration at the Heinrich-Heine University in Dusseldorf from 1989 to 1994. In 1995, Ms. Müller returned to Dresdner Bank AG, a position as a division manager, that she held until 2008. From 1998 to 2002, Ms. Müller was the Federal chairwoman of the Young Union (*Junge Union*), the youth organization of Germany's Christian Democrats and represented Dusseldorf in German Federal Parliament (*Bundestag*). In 2005, she was appointed Minister of State in the Federal Chancellery (*Staatsminister beim Bundeskanzler*), where her responsibilities included coordinating the cooperation between Germany's federal and state governments, as well as managing the efforts to reduce bureaucracy and administrative burdens. In October 2008, Ms. Müller resigned finally from her position at Dresdner Bank AG and as Minister of State in the Federal Chancellery and as Member of Parliament in order to become chairwoman of the executive board of the German Federation of Energy and Water Management (*Bundesverband der Energie- und Wasserwirtschaft - BDEW*).

Alongside her office as a member of the Guarantor's Supervisory Board, Ms. Müller is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Bundesverband der Energie- und Wasserwirtschaft (chairwoman of the executive board).

Previously:

WestLB AG (member of the supervisory board).

Tim Pryce was born in 1965 in Cleethorpes, England. He studied English and French law at King's College, London, from 1984 to 1986 and at the Panthéon-Sorbonne from 1986 to 1988. He has an LLB (English law) and an Associateship from King's College, London and a Maîtrise (French Law) from the Panthéon-Sorbonne, Paris. In 1991, he was admitted as a solicitor by the Supreme Court of England and Wales and in 1995, he was admitted to the Paris bar as an avocat. From 1989 to 1996, Mr. Pryce was an assistant solicitor at Slaughter & May. From 1996 to 1998, he joined GE Capital as its general counsel (European auto consumer finance division). From 1998 to 2000, he was legal director and general counsel (European commercial finance division) at Transamerica and from 2000 to 2002, Mr. Pryce was the section head, transaction management at the Principal Finance Group of Nomura International plc (private equity investment division). In 2002, Mr. Pryce joined Terra Firma Capital Partners as a founder member and as its general counsel. In 2007, he became a member of the UK Society of Investment Professionals. Since 2009, he is chief executive officer of Terra Firma Capital Partners.

Alongside his office as member of the Guarantor's Supervisory Board, Mr. Pryce is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Terra Firma Capital Partners Limited (member of the board of directors);

Terra Firma Investments (DA) Limited (executive director);

Terra Firma Investments (DA) II Limited (executive director);

Terra Firma Investments (GP) 2 Limited (executive director);

Terra Firma Investments (GP) 3 Limited (executive director);

Terra Firma Investments (RE) Limited (executive director); and

Terra Firma Investments (Special Opportunities I) Limited (executive director).

Apart from his current positions, Mr. Pryce has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Prof. Dr. Klaus Rauscher was born in 1949, in Lorenzreuth, Germany. He studied Law at the University of Erlangen from 1968 to 1971 and in 1975 received his Doctorate in Law. From 1975 to 1988, Prof. Dr. Rauscher served in the Bavarian Ministry of Finance, later as director of the Department of Economics. From 1988 to 1990, he was Minister of the Bavarian State Chancellery. From 1991 to 2001, Dr. Rauscher was a member of the management board of the Bayerische Landesbank. In 2001, he was appointed chairman of the management board at HEW GmbH & Co. KG (Hamburg's electricity supplier) and from 2002 to 2007, he served as chief executive officer at Vattenfall Europe AG (successor of HEW after a merger with eastern German utilities companies).

In 2007, Dr. Rauscher was appointed honorary professor for mechanical engineering at the Technical University of Dresden.

Alongside his office as a member of the Guarantor's Supervisory Board, Dr. Rauscher is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Drägerwerk AG & Co. KGaA (member of the supervisory board);

Dräger Medical GmbH (member of the supervisory board);

Dräger Safety GmbH (member of the supervisory board);

Drägerwerk Verwaltungs AG (member of the supervisory board); and

Endi AG (member of the supervisory board).

Previously:

ThyssenKrupp Technologies AG (member of the supervisory board).

Clara-Christina Streit was born in 1968 in Syracuse, New York (USA). In 1991, she completed her Master's degree in Business Administration at the University of St. Gallen, Switzerland. She began her career as a Consultant at McKinsey & Company in 1992, and has held various positions at McKinsey & Company since. She was elected to Principal (Partner) in 1997 and to Director (Senior Partner) in 2003. Since 2012, she acts as senior advisor to McKinsey & Company. Ms. Streit specializes in financial institutions consulting. In 2011, Ms. Streit also became a member of the supervisory board of Vontobel Holding, Switzerland. In 2013, she was elected to the supervisory board of Delta Lloyd N.V., The Netherlands. In 2013, Ms. Streit became an Adjunct Professor of Management at the LisbonMBA, Nova and Catolica Universities in Lisbon, Portugal.

Alongside her office as a member of the Guarantor's Supervisory Board, Ms. Streit is, or has been within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Group:

Currently:

Delta Lloyd N.V. (member of the supervisory board);

Vontobel Holding AG (member of the administrative board);

Adjunct Professor of Management, the LisbonMBA, Nova and Catolica Universities, Lisbon, Portugal.

Previously:

McKinsey & Company (Partner).

The members of the Supervisory Board can be reached at the Guarantor's office at Philippstrasse 3, 44803 Bochum, Germany (tel. +49 (0) 234-314-0).

Supervisory Board Committees

Under the Guarantor's Articles of Association, the Supervisory Board may form committees from among its members. According to the Supervisory Board's rules of procedure (Sections 8 through 11), the Supervisory Board shall form an Audit Committee, an Executive and Nomination Committee and a Finance Committee from among its members. Other committees may be formed, if necessary. 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*), which shall consist of a minimum of four members is concerned, in particular, with the oversight of the Guarantor'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 group 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 Guarantor's Management Board whose appointment ended less than two years prior to his appointment as chairman of the Audit Committee.

The current members of the **Audit Committee** are:

Name	Responsibilities
Dr. Edgar Ernst	Chairman
Robert Nicolas Barr	Member
Dr. Wulf H. Bernotat	Member
Fraser Duncan	Member

In accordance with Section 107(4) of the German Stock Corporation Act (*Aktiengesetz*) require the Guarantor 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(5) of the German Stock Corporation Act (*Aktiengesetz*). Members of the Supervisory Board and the audit committee are considered to be independent if such members have no business or personal relations with the Guarantor, its Management Board, controlling shareholders or related parties which could cause a substantial and not merely temporary conflict

of interest. As concerns the Supervisory Board and audit committee of the Guarantor, Dr. Ernst and Dr. Bernotat are considered to possess the respective expertise and independence.

The **Executive and Nomination Committee** (*Präsidial- und Nominierungsausschuss*), which shall consist of the chairman and the deputy chairman of the Supervisory Board and two additional members to be elected by the Supervisory Board, 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 remuneration and reductions in remuneration. 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 the establishment of or material amendment of existing employee participation and incentive programs.

The current members of the Executive and Nomination Committee are:

Name	Responsibilities
Dr. Wulf H. Bernotat	Chairman
Robert Nicolas Barr	Member
Arjan Breure	Member
Hildegard Müller	Member

The **Finance Committee** (*Finanzausschuss*), which shall consist of the chairman or the deputy chairman of the Supervisory Board and three additional members to be elected by the Supervisory Board, shall prepare the Supervisory Board's resolutions on the financial and investment policy, including the capital structure of Group companies and the payment of dividends as well as on the general acquisition and divestiture policy including the acquisition and sale of individual participations of strategic importance. The Finance Committee shall further resolve on (i) the Guarantor's financial strategy and the general guidelines and policies for implementing this strategy including the management of foreign exchange, interest rate, liquidity and other financial risks and the management of credit risk, (ii) the raising of external financing by any member of the Group and/or the issuance of guarantees by any member of the Group on behalf of other members of the Group (in each case) in an amount ranging from €100 million to €200 million, (iii) the granting of securities, guarantees and indemnities (or any other form of contingent commitment) and the issuance of letters of comfort or declarations of patronage or commitment by any member of the Group on behalf of third parties, with the exception of securities, guarantees, and letters of comfort or declarations of patronage or commitment given in the ordinary course of business, as well as the assumption of contractual liabilities of third parties by any member of the Group in an amount ranging from €20 million to €50 million, (iv) the approval of investments or divestments within the Group in an amount ranging from €20 million to €50 million for individual transactions, (v) the formation or liquidation of companies and partnerships and the purchase or sale of shares or of businesses, if the value (including the assumptions of liabilities) per transaction amounts to between €20 million and €50 million, (vi) the purchase or sale of land, or rights equivalent to title rights in real estate, if the volume of the investment or disinvestment is between €20 million and €50 million and (vii) the acquisition and divestiture of material corporate premises, amounts to between €5 million and €10 million. In addition to the thresholds stated for individual transactions, the internal rules of procedure of the Guarantor's Supervisory Board also provide for aggregate thresholds for series of linked transactions in a fiscal year.

The current members of the Finance Committee are:

Name	Responsibilities
Clara-Christina Streit	Chairwoman
Robert Nicolas Barr	Member
Dr. Wulf H. Bernotat	Member
Arjan Breure	Member

Remuneration of the members of the Supervisory Board

The remuneration of the Guarantor's Supervisory Board members is regulated by Section 13 of the Guarantor's Articles of Association and is comprised of fixed annual payments. The Supervisory Board members' remuneration takes into account the responsibilities and scope of their activities as well as the economic situation of the Guarantor. The members of the Supervisory Board receive an annual fixed payment of €100,000. The chairman of the Supervisory Board receives twice the amount and the deputy chairman of the Supervisory Board receives one and a half times this amount. Besides this, the Audit Committee members receive an additional annual fixed compensation in the amount of €40,000, the Executive and Nomination Committee and the Finance Committee members in the amount of €20,000; the chairpersons receive, in each case, twice the amount. The total remuneration payable to Supervisory Board members (including any compensation for the membership in supervisory boards and similar controlling bodies of Group companies) is capped at €300,000 per Supervisory Board member and per calendar year.

Supervisory Board members are also reimbursed for their out of-pocket expenses and are covered by D&O insurance as described under "*Business—Insurance coverage.*"

In fiscal year 2012, the aggregate remuneration and reimbursements of the Supervisory Board, which went through changes in terms of its composition during the past three years, totaled €194,000 (for 2011: €237,000).

Shareholdings of the Supervisory Board Members

Currently, no member of the Supervisory Board directly or indirectly holds any shares in the Guarantor or options on shares in the Guarantor.

Share Participation Plan and Employee Offering

Share Participation Plan

Deutsche Annington has introduced a long-term compensation component for certain senior employees, who are currently not participating in any long-term incentive plan (***LTI 2013***) to be settled in equity. Certain senior employees who are currently participating in long-term incentive plans have been given the option to switch to the LTI 2013. In total, 25 senior employees were entitled to participate in the LTI 2013.

Under the terms of the LTI 2013, plan participants are granted a certain number of virtual shares annually based on individual performance which vest after a three-year performance period, subject to possible adjustments based on key performance indicators. Final payout under the LTI 2013 for each tranche of granted virtual shares will depend on the target achievement of the key performance indicators after a three-year performance period and may vary between 0% and 150%. The LTI 2013 is settled in cash.

Employee Offering

Deutsche Annington intends to offer, on an annual basis, to all its employees shares on a discounted basis. Depending on the amount of shares purchased by each employee, Deutsche Annington intends to offer new shares to participants at a discount of up to 50% which discount can radically degress to 20% based on the amount of shares purchased. According to the current plans, employees with a maximum annual gross salary of €27,000 shall receive shares free of charge in an aggregate value of €360. The maximum investment amount per employee shall be capped at €50,000. Shares allocated to the employees under the program shall be subject to a three-year lock-up. The Guarantor intends to utilize its authorized capital to create these employee shares. As of the date of this prospectus the negotiations with the participating employee representatives are being conducted.

Certain information regarding the members of the Management Board and the Supervisory Board

In the last five years, no member of the Management Board or the Supervisory Board has been convicted of fraudulent offences. In the last five years, no member of the Management Board or the Supervisory Board has been associated with any bankruptcy, receivership or liquidation acting in its capacity as a member of any administrative, management or supervisory body or as a senior manager. In the last five years, no official public incriminations and/or sanctions have been made by statutory or legal authorities (including designated professional bodies) against the members of the Management Board or the Supervisory Board, nor have sanctions been imposed by the aforementioned authorities. No court has ever disqualified any of the members of either board from acting as a member of the administrative, management, or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

The members of the Supervisory Board Messrs, Barr, Breure and Pryce simultaneously perform executive functions at Terra Firma Capital Partners Limited which is affiliated with Monterey, while Mr. Duncan and Dr. Rauscher are advisors to the managers of the Terra Firma funds; if the interests of Monterey should diverge from those of the Guarantor, conflicts of interest may arise for Messrs. Barr, Breure, Duncan, Dr. Rauscher and Pryce. There are no conflicts of interest or potential conflicts of interest between the members of the Management Board and the Supervisory Board vis-à-vis the Guarantor and their private interests, membership in governing bodies of companies, or other obligations.

None of the Guarantor's Management or Supervisory Board members have entered into a service agreement with a Group company that provides for benefits upon termination of employment or office. The Guarantor only provides for severance payments to its executives in the case of an early termination of the service agreement (including, amongst others, a termination following a change of control), which, under all circumstances, are capped at the amount of compensation owed under the remaining contractual term of the respective service agreement. With the exception of Mr. Buch, the members of the Management Board are not bound by restrictive covenants and may therefore engage in competing activities following the end of their office and the termination of their service agreements, it being understood that the members of the Management Board participate in long-term incentive programs (see "*—Long-term incentive programs*" and *"—Share Participation Plan and Employee Offering*").

There are no family relationships between the members of the Management Board and the Supervisory Board, either among themselves or in relation to the members of the other body.

Corporate governance

The German Corporate Governance Code as amended on 13 May 2013 (the ***Code***) makes proposals concerning the management and supervision of German-listed companies. It is based on internationally and nationally recognized standards of good, responsible governance. The Code contains recommendations ("shall provisions") and suggestions ("should provisions") for corporate governance in relation to shareholders and the general shareholders' meeting, the management board and the supervisory board, transparency and accounting and auditing of financial statements. Compliance with the Code's recommendations or suggestions is not obligatory. German stock corporation law only requires the management board and the supervisory board of a listed company to provide an annual statement regarding whether or not the recommendations in the Code were complied with, or explain which recommendations have not been complied with and are not being applied and the reasons underlying this non-compliance. It is possible to deviate from the suggestions contained in the Code without disclosure. The declaration of compliance must be publicly available on the Guarantor 's website at all times. The current version of the Code was adopted on 13 May 2013 and published in the German Federal Gazette (*Bundesanzeiger*) on 10 June 2013.

The Guarantor currently complies with all recommendations in the Code.

Compliance with the newly introduced Section 4.2.5 of the Code regarding the individual disclosure of the remuneration of the members of the Management Board, which will be applicable for the first time for the Group's annual financial report for the year 2014, which will be published in 2015, depends on a corresponding vote of the shareholders' meeting of the Guarantor, that repeals the non-disclosure resolution that has been in force since 2012.

Long-term incentive programs

Management Board members

The Management Board participates in long-term incentive agreements. Under this compensation scheme, Mr. Buch received 400,000 notional shares in the Guarantor and Mr. Freiberg and Dr. Kirsten each received 265,515 notional shares in the Guarantor. The plan will end after five years with a cliff vesting of 20% per calendar year, where the first vesting occurs on 28 February 2014 for Mr. Buch and the anniversary of the commencement of trading for Mr. Freiberg and Dr. Kirsten. The LTIP is fully dividend protected and vested tranches are accrued at the end of the relevant vesting period and adjusted by a factor ranging from 0.9 to 1.1, depending on the achievement of the following defined key performance indicator targets:

Key performance indicator	**Definition**
AFFO percentage	Defined as the actual AFFO as calculated by the Group for the relevant year against the AFFO target for the same year in the Group's internal five-year plan.
Total Shareholder Return (***TSR***) percentage	Defined as the Group's TSR per share for the relevant year against the average TSR per share of listed German peers over the same period (and weighted by their average market capitalization over the relevant period). TSR per share is calculated on the basis of the share price at the end of the relevant year (taking into account any dividend payouts) compared to the share price at the beginning of such year. The listed German peer group (***Comparator Group***) is comprised of Deutsche Wohnen AG, GAGFAH S.A., GSW Immobilien AG, LEG Immobilien AG and TAG Immobilien AG.
EPRA NAV percentage	Defined as the growth of the Guarantor's EPRA NAV per share for the relevant year against the average growth of the net asset values per share of the Comparator Group for the same year (weighted by their average market capitalization over the relevant period).

The performance percentage for the respective tranche is calculated by summing up the weighted AFFO percentage, TSR percentage and EPRA NAV percentage, divided by three. Vested tranches will be paid out if and when Terra Firma's (including Terra Firma affiliates) shareholding in Deutsche Annington falls below 30% (***Liquidity Event***) and, thereafter, on each subsequent vesting date. All notional shares will fully vest and will be paid-out if, at a time when Terra Firma's indirect shareholding in the Guarantor is above 50%, Terra Firma transfers such part of its shareholding to a third party, so that Terra Firma loses and the third party gains control over the Guarantor.

In the event that no Liquidity Event or change of control occurs before 30 September 2019, vested tranches will be paid out following this date subject to certain conditions. Under certain circumstances, Management Board members may lose their entitlements under the LTIP.

Key employees below Management Board level

Deutsche Annington has introduced different incentive programs for key employees below the Management Board level.

In 2007, Deutsche Annington introduced a long-term incentive plan for its top 25 employees below the Management Board level (***LTIP 25***), that was succeeded by a comparable long-term incentive plan in 2010 (***LTIP 2010***). The programs have both a term of seven years and each year a specified amount of the total bonus payable under the plan accrues. Based on their individual performance in the preceding year, participants are annually classified into three classes, each class having different annual bonus entitlements. Under the LTIP 25, the bonus will be distributed to the plan participants upon expiration of the program or upon the occurrence of defined events. In the latter case, 33% of the accumulated bonuses saved up by this date will be paid out to the plan participants. Pursuant to the LTIP 2010, the total amount of the accumulated bonuses was due and payable immediately after the commencement of trading following the Guarantor's initial public offering. Five years thereafter, or by the expiry date of the LTIP 2010 at the latest, the bonuses that have accumulated since the initial public offering, become due. In addition, some of the employees participating in one of the Group's long-term incentive plans are entitled to the receipt of a grant.

For key employees below the top management and Management Board level, the Guarantor set up a special long-term incentive program in 2008. This program will be phased out in 2014.

Share Capital

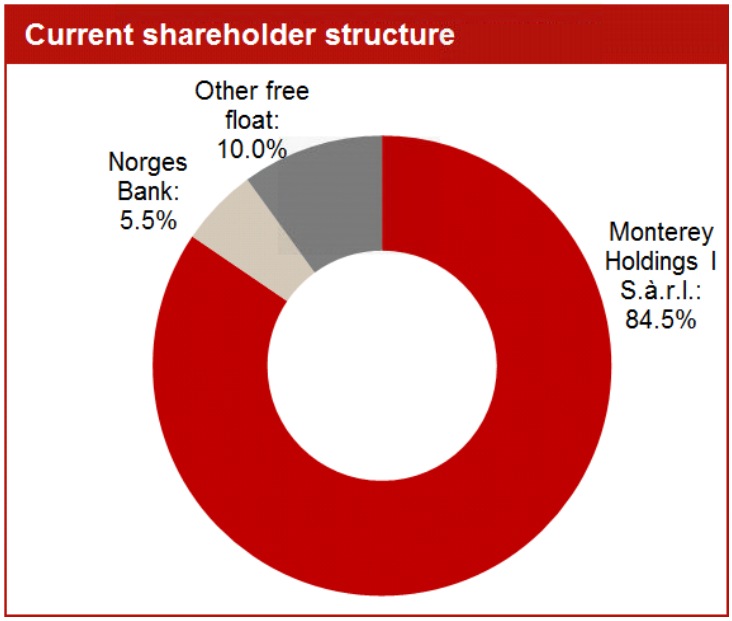
The issued and fully paid-up share capital of the Guarantor amounts to EUR 224,242,425 (in words: Euro two hundred twenty four million two hundred fourty two thousand four hundred twenty five) and is divided into 224,242,425 no-par-value shares (shares without a nominal value).

Principal shareholders

The shareholder of Deutsche Annington Immobilien SE is Monterey Holdings I S.à r.l., registered with the Luxembourg Trade and Company Register (*Registre de Commerce et des Sociétés, Luxembourg*) under B 109.057, having its registered office at 1-3 Boulevard de la Foire, L-1528, Luxembourg (***Monterey***), which holds 84.5% of the shares in the Guarantor.

The following table sets forth the Guarantor's shareholding as of the date of this Prospectus.

Shareholder	Actual (direct) ownership of Deutsche Annington Immobilien SE
Monterey	84.5%
Public float	10.0%
Norges Bank	5.5%



The following chart sets forth the direct ownership of Deutsche Annington Immobilien SE.

The Guarantor is directly controlled by Monterey due to Monterey's ownership in the Guarantor and, resulting therefrom, its power to govern the financial and operating policies of the Guarantor. Monterey is held by, in the aggregate ten limited partnerships or limited companies, each of which individually holds less than a 25% interest in Monterey. General partner to four of the limited partnerships, which hold, in the aggregate, 75.09% in Monterey, is Terra Firma Investments (DA) Limited. Ultimately, Terra Firma Investments (DA) Limited is indirectly held by Mr. Guy Hands. Terra Firma Investments (DA) II Limited, which is indirectly held by Mr. Guy Hands, is general partner to another of these limited partnerships, holding 10.24% in Monterey.

Material Investments since last published Financial Statements

The Guarantor has made no material investments since the date of its last published financial statements and, as at the date of this Prospectus, its management has made no firm commitments on such material investments in the future.

Recent Developments

On 10 June 2013, Deutsche Annington communicated its intention to fully repay collateralised real estate funding notes (the ***REF Notes***) issued by several entities of the Deutsche Annington Immobilien Group (the ***REF Note Issuers***) to an Irish limited liability 'pass-through' entity, German Residential Asset Note Distributor P.L.C. (***GRAND***) by 21 October 2013, at the latest.

On 11 July 2013 the Guarantor listed its shares on the regulated market segment (regulierter Markt) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the sub-segment thereof with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The Guarantor received gross proceeds of €400 million with the placement of new shares to be used to reduce its debt, including the repayment of the loan in an amount of €218.6 million taken out by Deutsche Annington WOGE Vier GmbH & Co. KG and Deutsche Annington WOGE Vier Bestands GmbH & Co. KG. Monterey, received the rest of the proceeds.

On 18 July 2013, Deutsche Annington repaid all nominal amounts outstanding under the REF Notes and all interest accrued thereon to GRAND, utilizing €2.3 billion, of its Term Loan to fund the repayment of GRAND. Upon receipt of the payment, GRAND released the collateral granted by the REF Note Issuers and

redeemed all outstanding notes issued by GRAND on 22 July 2013. On 25 July 2013 Deutsche Annington partially repaid the draw-downs made under the Term Loan following the issuance of the Existing Notes by the Issuer.

Deutsche Annington has priced the US Dollar Notes. Deutsche Annington intends to use the net proceeds from this issue of the US Dollar Notes mainly to repay the Term Loan and for general corporate purposes.

Trend Information and Significant Changes

There has been no material adverse change in the prospects of the Guarantor since 31 December 2012.

Except for the listing of the Guarantor's shares on 11 July 2013, the repayment of the nonimal amounts outstanding under the REF Notes on 18 July 2013, the issuance of the Existing Notes and the partial repayment of the Term Loan on 25 July 2013 and the pricing of the US Dollar Notes on 25 September 2013 (see under "*Description of the Guarantor and the Group – Recent Developments*"), there has been no significant change in the financial or trading position of the Guarantor since 30 June 2013.

Ratings[31]

Standard & Poor's Credit Market Services Europe Limited (***Standard & Poor's***)[32] has assigned the long-term credit rating "BBB"[33] (outlook stable) to the Guarantor.

Auditors

The auditor of the Deutsche Annington's annual and consolidated financial statements for the 2011 and 2012 fiscal years as well as the unaudited condensed consolidated interim financial statement for the half year ended 30 June 2013 is KPMG AG Wirtschaftsprüfungsgesellschaft, Alfredstrasse 277, 45133 Essen, Germany, (***KPMG***). The annual financial statements according to HGB, as well as the consolidated financial statements of Deutsche Annington according to IFRS for the 2011 and 2012 fiscal years, were audited by KPMG and each provided with an unqualified auditor's opinion. The unaudited condensed consolidated interim financial statement for the half year ended 30 June 2013 was reviewed by KPMG and provided with a review report. KPMG is a member of the German Chamber of Auditors (*Wirtschaftsprüferkammer*).

Selected Consolidated Financial Information for the Guarantor

*The following selected historical financial information for the Group is based on the audited consolidated financial statements of Deutsche Annington Immobilien SE for the fiscal years ended 31 December 2011 and 2012 (**Consolidated Annual Financial Statements**) and the unaudited condensed consolidated interim financial statements for the half year ended 30 June 2013 (**Consolidated Interim Financial Statement**) all of which are reproduced elsewhere or incorporated by reference in this Programme, and should be read together with them. The Consolidated Annual Financial Statements and the Consolidated Interim Financial*

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31 Rating information is merely an aid for investors for the purposes of decision-making and cannot replace an individual judgment to be made by the investor and may not be taken as a recommendation to purchase or sell certain Notes. Ratings are merely intended as a support when making an investment decision and are only one of the factors relevant to an evaluation, which factor must be seen and weighted in the context of other factors. As ratings often are amended only after the creditworthiness of an issuer or guarantor has changed, investors have to make their own judgments although a rating may exist.

32 Standard & Poor's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of March 11, 2011 (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 Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

33 Standard & Poor's defines "BBB" as follows: "An obligor rated 'BBB' has an adequate capacity to meet financial commitments, but more subject to adverse economic conditions.. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or (-) sign to show relative standing within the major rating categories."
Holders should be aware that a credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union. The Consolidated Annual Financial Statements were audited by KPMG AG Wirtschaftsprüfungsgesellschaft and issued in each case with an unqualified auditor's opinion. The Consolidated Annual Financial Statements were prepared using the cost of sales method, that is expenses are classified according to their function (production, marketing and sales, administration and research and development) and the costs directly incurred to generate the sales for the reporting period are presented as cost of sales. The Consolidated Interim Financial Statement was reviewed by KPMG AG Wirtschaftsprüfungsgesellschaft and issued with a review report.

Consolidated income statement data

	For the six-month period ended 30 June		For the year ended 31 December	
(in € million)	**2013**	**2012**	**2012**	**2011[1]**
	(unaudited)		**(audited)**	
Income from property management	**532.2**	**541.1**	**1,064.9**	**1,078.3**
Profit on disposal of properties (IFRS)	**24.0**	**31.2**	**51.6**	**67.6**
Net income from fair value adjustments of investment properties	**523.9**	**80.7**	**205.6**	**246.7**
Changes in value of trading properties	0.0	0.0	0.0	204.5
Cost of materials	(237.4)	(266.0)	(519.5)	(548.6)
Personnel expenses	(70.4)	(48.7)	(112.1)	(90.8)
Depreciation and amortization	(2.8)	(2.9)	(6.1)	(6.2)
Other operating income	19.2	14.2	43.5	44.4
Other operating expenses	(41.9)	(32.7)	(81.2)	(70.6)
Financial income	7.1	2.3	12.3	14.7
Financial expenses	(128.4)	(163.0)	(443.2)	(362.1)
Profit before tax	**625.5**	**156.2**	**215.8**	**577.9**
Income tax	(185.3)	(44.7)	(43.6)	(154.3)
Profit for the period	**440.2**	**111.5**	**172.2**	**423.6**

(1) Figures extracted from the Guarantor's 2012 audited consolidated financial statements. Figures for 2011 have been restated in accordance with the accounting principles in effect in 2012, which resulted in a decrease in revenues from property letting and income from property management and a corresponding decrease in cost of materials in the amount of €4.3 million compared to the figures reported in the 2011 consolidated financial statements. In addition, the application of the 2012 accounting principles led to an increase in profit on disposal of properties and a corresponding decrease in net income from fair value adjustments of investment properties in the amount of €2.7 million for fiscal year 2011.

Consolidated balance sheet data

	As of June 30	As of December 31	
(in € million)	**2013**	**2012**	**2011[1]**
	(unaudited)	**(audited)**	
Total non-current assets	10,621.0	9,946.8	9,971.9
Total current assets	413.3	661.5	411.1
Total assets	**11,034.3**	**10,608.3**	**10,383.0**
Total equity attributable to the Deutsche Annington's shareholders	3,395.5	2,666.4	2,216.3
Total equity	3,409.9	2,677.4	2,229.8
Total non-current liabilities	6,892.9	6,940.5	7,245.9
Other liabilities	41.7	48.6	27.6

(in € million)	As of June 30 2013	As of December 31 2012	2011[1]
	(unaudited)	(audited)	
Total current liabilities	**731.5**	**990.4**	**907.3**
Total liabilities	**7,624.4**	**7,930.9**	**8,153.2**
Total equity and liabilities	**11,034.3**	**10,608.3**	**10,383.0**

(1) Figures extracted from the Deutsche Annington's 2012 audited consolidated financial statements. Figures for 2011 have been restated in accordance with the accounting principles in effect in 2012, which resulted in a decrease in inventories, total current assets and total assets and a corresponding decrease in total current liabilities, total liabilities and total equity and liabilities in the amount of €313.9 million, comprised of a €345.6 million decrease in other liabilities partially offset by a €31.7 million increase in provisions, compared to the figures reported in the 2011 consolidated financial statements. In addition, the application of the 2012 accounting principles led to a decrease in retained earnings and a corresponding increase in other reserves in the amount of €0.4 million for fiscal year 2011.

USE OF PROCEEDS

The net proceeds from each issue of Notes by the Issuer will generally be used for general corporate and financing purposes of the Deutsche Annington Group. These general corporate and financial purposes may include, among other things, the refinancing of existing indebtedness, acquisitions, the underpinning of pension obligations and general working capital requirements. If in respect of any particular issue there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

TAXATION

The following discussion of the tax consequences of an investment in the Notes is based on the laws in force on the date of this Prospectus. We emphasise that the tax implications can be subject to alteration due to future changes in law, possibly with retroactive or retrospective effect.

Although this discussion reflects the opinion of the Issuer, it should not be misunderstood as a guarantee in an area of law which is not free from doubt. Further, this discussion is not intended as the sole basis for an investment in the Notes as the individual tax position of the Holder needs to be investigated. Therefore, this statement is confined to a general discussion of certain Luxembourg tax, Austrian tax, Netherlands tax and German income tax consequences of an investment in the Notes.

Prospective Holders are recommended to consult their own tax advisors as to the tax consequences to them of the investment.

Grand Duchy of Luxembourg

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to certain Luxembourg tax issues only and prospective investors in the Notes should therefore consult their own professional advisors as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

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 withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

(i) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005, as amended (the ***Laws***), 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.

Under the Laws implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the ***Savings Directive***) and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the ***Territories***), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity (within the meaning of the Laws), which is resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the competent Luxembourg fiscal authority in order for such information to be communicated to the competent tax authorities of the beneficiary's country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. 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 Laws will be subject to a withholding tax at a rate of 35%.

In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Savings Directive.

(ii) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the ***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 Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is resident of Luxembourg or to a residual entity (within the meaning of the Laws) established in an EU Member State (other than Luxembourg) or one of the Territories and securing such payments for the benefit of such individual beneficial owner will be subject to a withholding tax of 10%. 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 Law will be subject to a withholding tax at a rate of 10%.

Inheritance and Gift Tax

Where a holder of Notes is a resident of Luxembourg for inheritance 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.

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 of legal proceedings before Luxembourg courts or in case the Notes must be produced before an official Luxembourg authority, or in the case of a registration of the Notes on a voluntary basis.

Federal Republic of Germany

The following is a general discussion of certain German tax consequences of the acquisition, holding and disposal of the Notes. It does not purport to be a comprehensive description of all German tax considerations that may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This discussion of the tax consequences of an investment in the Notes is based on the tax laws of Germany currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

As each Series or Tranche of Notes may be subject to a different tax treatment due to the specific terms of such Series or Tranche of Notes as set out in the respective Final Terms, the following section only provides some general information on the possible tax treatment.

Tax resident holders of the Notes

The section "Tax Residents" refers to persons who are tax residents of Germany (i.e. persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany).

Withholding Tax on ongoing payments and capital gains

Ongoing payments received by an individual Holder of the Notes will be subject to German withholding tax if the Notes are kept in a custodial account with a German branch of a German or non-German credit institution, financial services institution, a German securities trading company or a German securities trading bank (each a ***Disbursing Agent***, *inländische auszahlende Stelle*). The tax rate is 25% (plus 5.5% solidarity surcharge thereon, the total withholding being 26.375%). If the individual Holder is subject to church tax, a church tax surcharge may also be withheld. In relation to interest received on the Notes after 31 December 2014, the church tax, if applicable, is collected for the individual investor by way of withholding as a standard procedure unless the Holder of the Notes has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

The same treatment applies to capital gains (i.e. the difference between the proceeds from the disposal, redemption, repayment or assignment after deduction of expenses directly related to the disposal, redemption, repayment or assignment and the cost of acquisition) derived by an individual Holder provided the Notes have been held in a custodial account with the same Disbursing Agent since the time of their acquisition. Where Notes are acquired and/or sold in a currency other than Euro, the sales/redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale or redemption date and the acquisition date respectively. If interest coupons or interest claims are disposed of separately (i.e. without the Notes), the proceeds from the disposition are subject to withholding tax. The same applies to proceeds from the redemption of interest coupons or interest claims if the Notes have been disposed of separately.

To the extent the Notes have not been kept in a custodial account with the same Disbursing Agent since the time of their acquisition, upon the disposal, redemption, repayment or assignment withholding tax applies at a rate of 26.375% (including solidarity surcharge) on 30% of the disposal proceeds (plus interest accrued on the Notes (***Accrued Interest***, *Stückzinsen*), if any), unless the current Disbursing Agent has been notified of the actual acquisition costs of the Notes by the previous Disbursing Agent or by a statement of a bank or financial services institution within the European Economic Area or certain other countries in accordance with Art. 17 para. 2 of the EU Savings Tax Directive (e.g. Switzerland or Andorra).

In computing any German tax to be withheld, the Disbursing Agent may generally deduct from the basis of the withholding tax negative investment income realised by the individual Holder of the Notes via the Disbursing Agent (e.g. losses from sale of other securities with the exception of shares). The Disbursing Agent may also deduct Accrued Interest on the Notes or other securities paid separately upon the acquisition of the respective security via the Disbursing Agent. In addition, subject to certain requirements and restrictions the Disbursing Agent may credit foreign withholding taxes levied on investment income in a given year regarding securities held by the individual Holder in the custodial account with the Disbursing Agent.

Individual Holders may be entitled to an annual allowance (Sparer-Pauschbetrag) of EUR 801 (EUR 1,602 for married couples filing jointly) for all investment income received in a given year. Upon the individual Holder filing an exemption certificate (Freistellungsauftrag) with the Disbursing Agent, the Disbursing Agent will take the allowance into account when computing the amount of tax to be withheld. 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 competent local tax office.

German withholding tax will not apply to gains from the disposal, redemption, repayment or assignment of Notes held by a corporation as Holder while ongoing payments, such as interest payments, are subject to withholding tax (irrespective of any deductions of foreign tax and capital losses incurred). The same may apply where the Notes form part of a trade or business, subject to further requirements being met.

Neither the Issuer nor the Guarantor, unless either of them qualifies as disbursing agent, is obliged under German law to withhold any withholding tax (*Kapitalertragsteuer*) on interest payments and upon the sale or redemption of the Notes.

Taxation of current income and capital gains

The personal income tax liability of an individual Holder deriving income from capital investments under the Notes is, in principle, settled by the tax withheld. To the extent withholding tax has not been levied, such as in the case of Notes kept in custody abroad or if no Disbursing Agent is involved in the payment process, the individual Holder must report his or her income and capital gains derived from the Notes on his or her tax return and then will also be taxed at a rate of 25% (plus solidarity surcharge and church tax thereon, where applicable). If the withholding tax on a disposal, redemption, repayment or assignment has been calculated from 30% of the disposal proceeds (rather than from the actual gain), an individual Holder may and in case the actual gain is higher than 30% of the disposal proceeds must also apply for an assessment on the basis of his or her actual acquisition costs. Further, an individual Holder may request that all investment income of a given year is taxed at his or her lower individual tax rate based upon an assessment to tax with any amounts over withheld being refunded. In each case, the deduction of expenses (other than transaction costs) on an itemised basis is not permitted.

Losses incurred with respect to the Notes can only be off-set against investment income of the individual Holder realised in the same or the following years.

Where Notes form part of a trade or business the withholding tax, if any, will not settle the personal or corporate income tax liability. Where Notes form part of a trade or business, interest (accrued) must be taken into account as income. The respective Holder will have to report income and related (business) expenses on the tax return and the balance will be taxed at the Holder's applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the Holder. Where Notes form part of a German trade or business the current income and gains from the disposal, redemption, repayment or assignment of the Notes may also be subject to German trade tax.

Non-resident Holders of the Notes

Interest, including Accrued Interest, and capital gains are not subject to German taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the Holder or (ii) the income otherwise constitutes German-source income. In cases (i) and (ii) a tax regime similar to that explained above under "Tax resident holders of the Notes" applies.

Non-residents of Germany are, in general, exempt from German withholding tax on interest and the solidarity surcharge thereon. However, where the interest is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax may be levied under certain circumstances. Where Notes are not kept in a custodial account with a Disbursing Agent and interest or proceeds from the sale or redemption of a Note or an interest coupon are paid by a Disbursing Agent to a non-resident Holder upon delivery of the Notes or interest coupons, withholding tax generally will apply. The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

Substitution of the Issuer

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 like the Notes. In particular, such a substitution could result in the recognition of a taxable gain or loss for any Holder of a Note.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Notes will arise under the laws of Germany, if, in the case of inheritance tax, neither the deceased nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Note is 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 from this rule apply to certain German expatriates.

Other Taxes

No stamp, issue or registration taxes or such duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, neither a net assets tax nor a financial transaction tax is levied in Germany.

EU Savings Directive

By legislative regulations dated 26 January 2004 the German Federal Government enacted provisions implementing the EU Savings Tax Directive into German law. These provisions apply from 1 July 2005.

Republic of Austria

The following discussion of the tax consequences of an investment in the Notes outlines of Austrian taxation in relation to the acquisition, the holding and the disposition of the Notes based on applicable laws. However, they do not purport to be a comprehensive description of all tax aspects that could potentially be relevant with respect to the Notes; in particular, no specific relations or circumstances relating to an individual investor shall be taken into consideration. Further, the laws may be subject to amendments at any time after the publication of this prospectus. The following outline of tax law principles may and shall not substitute the individual advice of any investor.

Resident Holders

Individuals with a domicile or habitual abode in Austria and corporate entities with their legal seat or effective place of management in Austria are regarded as residents for Austrian income and corporate income tax law purposes, respectively.

Notes held privately by Austrian resident Individuals

Generally income arising with respect to the Notes in the form of either

(i) interest payments (*Zinserträge*) or

(ii) realised capital gains (*Einkünfte aus realisierten Wertsteigerungen*)

qualifies as 'investment income' (*Einkünfte aus Kapitalvermögen*) and, as such, is taxed under a special regime at a flat 25% rate. Realised capital gains are the difference between (a) the amount realised (e.g., the sale proceeds, the redemption or other pay-off amount, or the fair market value in case of a deemed realisation) and (b) the acquisition costs; in both cases (amount realised and acquisition costs) including accrued interest, if any.

For Notes held as private assets, the acquisition costs do not include ancillary acquisition costs (*Anschaffungsnebenkosten*). An average price is determined regarding Notes not acquired at the same time, but held in the same securities account with the same securities identification number. Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with investment income are not tax effective.

Capital gains are not only taxed upon an actual disposition or redemption of the Notes, but also upon a deemed realisation, particularly upon giving up the residency status in Austria (i.e. move abroad) or upon withdrawals (*Entnahmen*) and other transfers of Notes from one securities account to another one. In both cases exemptions apply, regarding the loss of the residency status if the Holder moves to an EU Member State and regarding withdrawals and other transfers from a securities account if an information procedure is fulfilled.

If an Austrian custodian (*depotführende Stelle*) or an Austrian paying agent (*auszahlende Stelle*) is involved in paying investment income (interest or capital gains), 25% withholding tax is to be deducted. The 25% withholding tax generally results in a final income taxation; an option to assess the income at the progressive income tax rate exists (in particular relevant for investors whose regular personal income tax rate is lower than 25%). If no withholding tax is imposed (e.g., because the Notes are held through a foreign paying agent), the investment income arising from the Notes generally has to be included in the Holder's income tax return in accordance with the law, but nevertheless subject to the 25% flat tax.

Losses from Notes held as private assets may only offset investment income (excluding, inter alia, interest income from bank deposits and other claims against banks) and must not offset any other income. Mandatory loss-offsetting rules to be handled by Austrian custodians apply. A carry-forward of losses is not possible in this context.

Notes held as business assets by Austrian resident Individuals

Generally, the same rules as described in the previous heading apply regarding Notes that are held as business assets by tax residents who are individuals. The most important differences are the following:

- Realised capital gains, contrary to interest income, have to be included in the tax return, since despite a 25% withholding taxation that is also imposed in the context of Notes held as business assets if an Austrian custodian is involved, no final income taxation applies.

- Write-downs and realised losses regarding the Notes held as business assets may be offset with positive income from realised capital gains of such financial assets, income from derivatives and with income from appreciations in value of such assets in the first place; 50% of the remaining losses may be offset against other income or carried forward. The custodian agent does not implement the offsetting of losses (as mentioned above) with respect to deposit accounts that are not privately held; instead losses are taken into account upon assessment.

- The acquisition costs of Notes held as business assets may also include ancillary costs incurred upon the acquisition.

It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income are also not tax effective in case the Notes are held as business assets.

Notes held by Austrian resident corporations

Corporate Holders deriving business income from the Notes may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian withholding tax agent. Income derived from the Notes by corporate Holders (including any capital gains) is subject to corporate income tax at the general corporate income tax rate of 25%

Non-resident Holders

Investment income derived by investors that are not tax-resident in Austria is generally not taxable in Austria. An Austrian paying agent (Austrian bank or Austrian branch of a non-Austrian bank or investment service provider domiciled in the EU) nevertheless has to retain withholding tax if the Holder has not

provided evidence that he is not resident in Austria. A limited Austrian tax liability however applies if the Notes are attributed to an Austrian permanent establishment. A special withholding tax of 35% on interest payments as well as other provisions potentially applies to individuals that are residents of another EU Member State (see hereafter under the heading Savings Directive).

Substitution of the Issuer

If the Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for Austrian tax law purposes, be treated as an exchange of notes triggering realized capital gains at the level of the Holders and could therefore result in the recognition of a taxable gain or loss for any Holder of a Note.

EU Savings Directive

EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (***EU Savings Directive***) provides for an exchange of information between the authorities of EU Member States regarding interest payments made in one Member State to beneficial owners who are individuals and resident for tax purposes in another Member State. Austria has implemented the Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*) which provides for a withholding tax as an alternative to an exchange of information if the individual Holder decides to remain anonymous. Such EU Withholding tax is generally levied on interest payments within the meaning of the EU Withholding Tax Act from a paying agent located in Austria to an individual resident for tax purposes in another Member State of the European Union or certain dependent associated territories, unless specific information is disclosed (see below). The EU Withholding Tax rate amounts to 35%.

Withholding tax is due on actual or deemed interest payments as well as on accrued interest upon transfer, settlement or redemption of debt claims. Further, withholding tax will be deducted - on a pro rata temporis basis - in case of changes of the individual's tax status such as his country of residence or transfer of his securities to a non-Austrian account. The scope of the definition of interest payments for EU Withholding Tax purposes may differ from the scope of interest payments for Austrian income and withholding tax purposes. The interest derived from any form of debt claims (including bonds and debentures) is generally covered.

The EU Withholding Tax does however not apply if the Holder submits a certificate issued by the competent tax authority of his Member State of residence to the paying agent disclosing specific personal data, such as the beneficial owner's name, address and tax or other identification number or, failing such, his date and place of birth, further the name and address of the paying agent, and the account number of the beneficial owner or, where there is none, the identification of the Notes; such certificate shall be valid for a period not exceeding three years.

Inheritance and Gift Tax

The Austrian inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) was abolished in 2008. However, certain gift notification obligations may apply in case gratuitous transfers of assets exceed specific thresholds.

Other Taxes

The gratuitous transfer of assets to (Austrian or foreign) private law foundations and comparable legal estates is subject to foundation tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Tax Act (*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the foundation at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in case of a transfer mortis causa of financial assets (except for participations in corporations) if income from such financial assets is subject to the special tax rate of 25%

The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate is in general 2.5%, with a higher rate of 25% applying in special cases.

The Netherlands

The following discussion outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations in relation thereto. This discussion is intended as general information only for holders of Notes who are residents or deemed residents of The Netherlands for Netherlands tax purposes. Each prospective investor should consult a professional tax advisor with respect to the tax consequences of an investment in the Notes.

This discussion is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This discussion does not address The Netherlands tax consequences for:

(i) investment institutions (*fiscale beleggingsinstellingen*);

(ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are exempt from Netherlands corporate income tax;

(iii) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Notes of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or of 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;

(iv) persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);

(v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the Notes are attributable; and

(vi) holders of Notes which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Notes or of the benefits derived from or realised in respect of these Notes.

Where this section refers to The Netherlands, such reference is restricted to the part of the Kingdom of The Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Netherlands Withholding Tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Notes do not in fact function as equity of

the Issuer within the meaning of article 10, paragraph 1, under d of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Netherlands Corporate and Individual Income Tax

If a holder of Notes is a resident or deemed to be a resident of The Netherlands for Netherlands corporate income tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in The Netherlands (at up to a maximum rate of 25%).

If an individual is a resident or deemed to be a resident of The Netherlands for Netherlands tax purposes (including an individual who has opted to be taxed as a resident of The Netherlands), income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 52%) under the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), if:

(i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or

(ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance by the individual of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Notes, must determine taxable income with regard to the Notes on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a rate of 4% of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold. The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Notes will be included as an asset in the individual's yield basis. The 4% deemed return on income from savings and investments is taxed at a rate of 30%

Netherlands Gift and Inheritance Tax

Netherlands gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

(i) the holder of a Note is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

Other Netherlands Taxes and Duties

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of a cash payment made under the Notes, or in respect of a transfer of Notes and no registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in The Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

European Savings Tax Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Directive.

The European Commission has proposed certain amendments to the directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (***FATCA***) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or ***FFI*** (as defined by FATCA)) that does not become a ***Participating FFI*** by entering into an agreement with the U.S. Internal Revenue Service (***IRS***) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of the Issuer (a ***Recalcitrant Holder***). The Issuer may be classified as FFIs.

The new withholding regime will be phased in beginning 1 July 2014 for payments from sources within the United States and will apply to ***foreign passthru payments*** (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the ***grandfathering date***, which is the later of (a) 1 July 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an ***IGA***). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a ***Reporting FI*** not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being ***FATCA Withholding***) from payments it makes. The Model 2 IGA leaves open the possibility that a Reporting FI might in the future

be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Germany have entered into an agreement based largely on the Model 1 IGA.

If the Issuer become Participating FFIs under FATCA the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisors on how these rules may apply to payments they may receive in connection with the Notes.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The proposed financial transactions tax (*FTT*)

The European Commission has published a proposal for a Directive for a common financial transactions tax (***FTT***) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the ***participating Member States***).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Underwriting

The Notes may be issued on a continuous basis to one or more of the Dealers and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. Notes may be distributed by way of public offers to qualified investors pursuant to the Prospectus Directive and/or non-qualified investors, as specified in the relevant Final Terms, or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche of Notes will be stated in the relevant Final Terms.

The Issuer, the Guarantor and the Dealers have entered into a dealer agreement dated 26 September 2013 (the ***Dealer Agreement***) which sets out, *inter alia*, the arrangements under which Notes, issued under the Programme, may from time to time be agreed to be purchased by any one or more Dealers from the Issuer. Any such agreement will, *inter alia*, contain provisions dealing with the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealer(s) and the commissions or any other agreed deductibles payable or allowable by the Issuer in respect of such purchase. Further, the Dealer Agreement provides for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. A subscription agreement prepared in relation to a particular Tranche of Notes will typically be dated on or about the date of the relevant Final Terms applicable to such Tranche of Notes.

Method for determining the issue price and the process for its disclosure

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Selling Restrictions

European Economic Area – Public Offer Selling Restriction Under the Prospectus Directive

In relation to each Member State of the European Economic Area (the EU plus Iceland, Norway and Liechtenstein) which has implemented the Prospectus Directive (each, a ***Relevant Member State***), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the ***Relevant Implementation Date***) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a ***Non-exempt Offer***), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision,

(i) the expression an ***offer of Notes to the public*** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State,

(ii) the expression ***Prospectus Directive*** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State, and

(iii) the expression ***2010 PD Amending Directive*** means Directive 2010/73/EU.

United States of America

(a) 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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented, warranted and undertaken that it has not offered or sold, and will not offer or sell, any Note constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has further represented, warranted and undertaken that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note. Terms used in this paragraph shall have the same meanings given to them by Regulation S.

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 United States person, except in transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder.

In addition, until 40 days after the commencement of the offering, 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.

(b) From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representation set out in the Dealer Agreement, each Dealer (i) has acknowledged that 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 certain transactions exempt from the registration requirements of the Securities Act; (ii) has represented, warranted and undertaken that it has not offered, sold or delivered any Notes, and will not offer, sell or deliver any Notes, (x) as part of its distribution at any time or (y) otherwise until 40 days after the later of the commencement of the offering and closing date, except in accordance with Rule 903 of

Regulation S under the Securities Act; and accordingly, (iii) further has represented, warranted and undertaken that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirements of Regulation S; and (iv) also agrees that, at or prior to confirmation of any sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Notes covered hereby have not been registered under the U. S. Securities Act of 1933, as amended (the ***Securities Act***), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii) of Regulation S under the Securities Act (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act"

(c) Notes, other than Notes with an initial maturity at original issue of one year or less, will be issued in accordance with the provisions of United States Treasury Regulation § 1.163- 5(c)(2)(i)(D) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the ***TEFRA D Rules***), or immobilised with a clearing organisation or its depositary in accordance with procedures sufficient to cause such Notes to be treated as issued in registered form for United States federal tax purpose, as specified in the applicable Final Terms.

In addition, in respect of Notes issued in accordance with the TEFRA D Rules, each Dealer has represented, warranted and undertaken that:

(i) except to the extent permitted under the TEFRA D Rules (x) it has not offered or sold, and during the restricted period will not offer or sell, directly or indirectly, Notes to a person who is within the United States or its possessions or to a United States person, and (y) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;

(ii) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

(iii) if such Dealer is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance and not for the purpose of resale directly or indirectly to a person within the United States or its possessions or to a United States person and if such Dealer retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation § 1.163-5(c)(2)(i)(D)(6) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010);

(iv) with respect to each affiliate that acquires from such Dealer Notes for the purposes of offering or selling such Notes during the restricted period, such Dealer either (x) repeats and confirms the agreements contained in subparagraph (i), (ii) and (iii) on such affiliate's or distributor's behalf or (y) agrees that it will obtain from such affiliate or distributor for the

benefit of the relevant Issuer the representations, undertakings and agreements contained in subparagraph (i), (ii) and (iii); and

(v) it shall obtain for the benefit of the relevant Issuer the representations, undertakings and agreements contained in subclauses (i), (ii), (iii) and (iv) from any person other than its affiliate with whom it enters into a written contract (a ***distributor*** as defined in United States Treasury Regulation § 1.163-5(c)(2)(i)(D)(4) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010)), for the offer or sale during the restricted period .

In addition, each Note issued in accordance with the TEFRA D Rules will bear the following legend:

"ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA) WHO HOLDS THIS OBLIGATION, DIRECTLY OR INDIRECTLY, WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA."

Terms used in this paragraph (c) have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and Treasury Regulations there under, including the TEFRA D Rules.

United Kingdom of Great Britain and Northern Ireland (United Kingdom)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) with respect to any Tranche of Notes having a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business, and (b) it has not offered or sold and will not offer or sell any such Notes other than to persons:

(i) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business; or

(ii) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their business, where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended (the ***FSMA***) by the Issuer.

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor, and

(c) 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.

General

In addition to the specific restrictions set out above, the Dealers have agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all applicable securities

laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries.

GENERAL INFORMATION

Application has been made to the CSSF, which is the Luxembourg competent authority for the purpose of the Prospectus Directive for its approval 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.

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

Certain of the Dealers and their affiliates may be customers of, borrowers from or creditors of the Issuer and the Guarantor and/or their affiliates. In particular the Arrangers are arranger of, and original lenders under, the Term Loan. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and the Guarantor and/or their affiliates in the ordinary course of business.

The Final Terms may, if relevant, contain any further information about conflicts of interest regarding the Issuer, the Guarantor or any other person involved in the issuance of the Notes or may state that there are no further conflicts of interest of persons involved in the offer of the Notes.

Authorisation

The establishment of the Programme of EUR 4,000,000,000 was authorised by the management board of the Issuer on 24 September 2013 and by the shareholder of the Issuer on 25 September 2013 and the Management Board and Supervisory Board of the Guarantor on 25 September 2013. Any issue of Notes under the Programme will be authorised as stated in the Final Terms.

Listing and admission to trading of Notes

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments) and to be listed on the Official List of the Luxembourg Stock Exchange.

The Programme provides that Notes may be listed on other or further stock exchanges, as may be agreed between the Issuer and the relevant Dealer(s) in relation to each issue. Notes may further be issued under the Programme which will not be listed on any stock exchange.

Documents available

So long as Notes issued under the Programme are outstanding, copies of the following documents will be available from the registered office of the Issuer and from the specified offices of the Paying Agents:

(a) the articles of association of the Issuer;

(b) the audited non-consolidated balance sheet of the Issuer as of 31 August 2013;

(c) the audited consolidated annual financial statements of the Guarantor for the fiscal year ended 31 December 2011 and the fiscal year ended 31 December 2012, and the future consolidated audited annual financial statements of the Guarantor with an English translation thereof);

(d) the unaudited condensed consolidated interim financial statements of the Guarantor for the half year ended 30 June 2013 and the future unaudited semi-annual interim financial statements of the Guarantor (with an English translation thereof);

(e) a copy of this Prospectus; and

(f) any future information memoranda and supplements including Final Terms (save that a Final Terms relating to an unlisted Note will only be available for inspection by a Holder of such Note and such Holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) to this Prospectus and any other documents incorporated herein or therein by reference.

Copies of the Guarantee may be obtained free of charge at the specified office of the Fiscal Agent.

This Prospectus, each Final Terms relating to those Notes admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments) as well as the documents incorporated by reference in this Prospectus are available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Clearing Systems

The Notes have been accepted for clearance through Clearstream Banking AG, Frankfurt am Main (***CBF***), Clearstream Banking société anonyme, Luxembourg (***CBL***) and Euroclear Bank S.A./N.V. as operator of the Euroclear system (***Euroclear***). The appropriate German securities number (***WKN***) (if any), Common Code and ISIN for each Tranche of Notes allocated by CBF, CBL and Euroclear will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative Clearing System the appropriate information will be specified in the applicable Final Terms.

DOCUMENTS INCORPORATED BY REFERENCE

The pages set out in the "Table of documents incorporated by reference" below which are extracted from the following documents shall be deemed to be incorporated in, and to form part of, this Prospectus: (a) the audited non-consolidated balance sheet of the Issuer as of 31 August 2013; (b) the audited consolidated financial statements for the fiscal year ended 31 December 2011 and the fiscal year ended 31 December 2012 of the Guarantor, including the audited consolidated financial statements of the Guarantor for the fiscal years ending 31 December 2011 and 31 December 2012, in each case including the respective auditor's report opinion; (c) the unaudited condensed consolidated interim financial statements of the Guarantor for the half year ended 30 June 2013, and the review report thereon; and (d) the condensed valuation report (***Valuation Report***) of the determination of Fair Value carried out by CBRE in accordance with the International Financial Reporting Standards (IFRS), the International Standards for the Valuation of Real Estate for Investment Purposes (***International Valuation Standards***) and the Valuation Professional Standards (March 2012) of the Royal Institution of Chartered Surveyors, in connection with the initial public offering by Deutsche Annington Immobilien SE.

Any information not incorporated by reference into 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.

The Issuer will provide, without charge, upon written or oral request, a copy of any or all of the documents incorporated herein by reference. Requests for such documents should be directed to either Issuer at their registered offices set out at the end of this Prospectus.

Table of documents incorporated by reference:

Deutsche Annington Finance B.V.

(1) Audited non-consolidated balance sheet (prepared in accordance with Dutch GAAP) of the Issuer as of 31 August 2013

Balance Sheet as of August 31, 2013 ..... page 2

General Information ..... page 4

Accounting policies for the balance sheet as at 31 August 2013 ..... page 4

Loans to affiliated companies ..... page 5

Cash and cash equivalents ..... page 5

Share capital ..... page 5

Bond ..... page 6

Current liabilities ..... page 6

Independent auditor's report ..... page 7

Deutsche Annington Immobilien SE

(1) Audited consolidated financial statements (prepared in accordance with IFRS) of the Guarantor as of and for the fiscal year ended 31 December 2011 (Extracted from the English language Annual Report)

Consolidated Income Statement ..... page 50
Consolidated Statement of Comprehensive Income ..... page 50
Consolidated Balance Sheet..... page 51
Consolidated Cash Flow Statement ..... page 52
Consolidated Statement of Changes in Equity..... page 53
Notes ..... page 54
List of DAIG Holdings ..... page 114
Auditor's Report..... page 117

(2) Audited consolidated financial statements (prepared in accordance with IFRS) of the Guarantor as of and for the fiscal year ended 31 December 2012 (Extracted from the English language Annual Report)

Consolidated Income Statement ..... page 52
Consolidated Statement of Comprehensive Income ..... page 52
Consolidated Balance Sheet..... page 53
Consolidated Cash Flow Statement ..... page 54
Consolidated Statement of Changes in Equity..... page 55
Notes ..... page 56
List of DAIG Holdings ..... page 116
Auditor's Report..... page 119

(3) Unaudited consolidated interim financial statements (prepared in accordance with IFRS) of the Guarantor as of 30 June 2013 (Extracted from the English language Interim Report)

Consolidated Income Statement ..... page 35
Consolidated Statement of Comprehensive Income ..... page 35
Consolidated Balance Sheet..... page 36
Consolidated Cash Flow Statement ..... page 37
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Valuation Report of the determination of Fair Value in connection with the initial public offering by Deutsche Annington Immobilien SE as of 31 March 2013

Basis of Valuation ..... page V-7

Asset Holdings ..... page V-11

Explanation of Valuation ..... page V-22

Valuation conclusions ..... page V-33

Valuation Key Definitions ..... page V-38

NAMES AND ADDRESSES

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