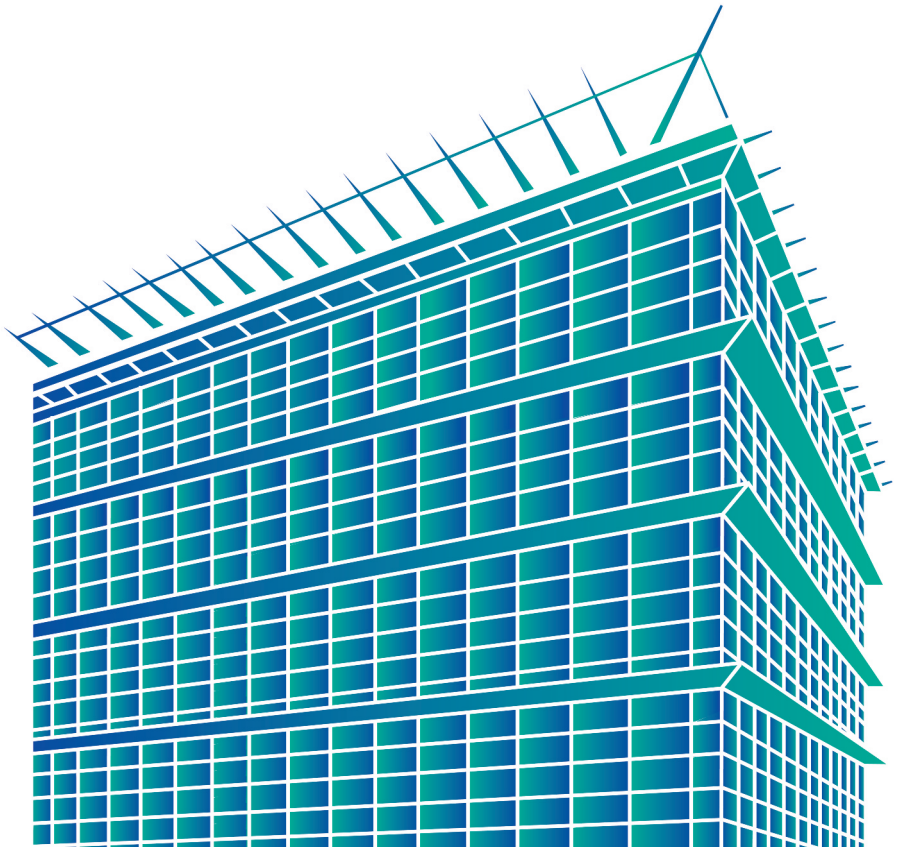


EXTRAORDINARY GENERAL MEETING 2017

VALUABLE GROWTH



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TLG IMMOBILIEN AG

Berlin

ISIN DE000A12B8Z4

WKN A12B8Z

Invitation to the Extraordinary General Meeting 2017

The shareholders of our Company
are hereby invited to attend the

Extraordinary General Meeting 2017

taking place on

Wednesday, November 22, 2017

at 10:00 a.m. (CET)

at Cafe Moskau, Karl-Marx-Allee 34, 10178 Berlin.

I. Agenda

1. Passing of a resolution concerning the approval to enter into a domination agreement between TLG IMMOBILIEN AG und der WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft

On October 5, 2017 TLG IMMOBILIEN AG, Berlin, as the controlling company, entered into a Domination Agreement with WCM Beteiligungs- und Grundbestiz-Aktiengesellschaft, Frankfurt am Main, the controlled company. The Domination Agreement requires an affirmative vote of the general meetings of both of its parties in order to become effective.

The wording of the Domination Agreement is as follows:

“Domination Agreement

between

TLG IMMOBILIEN AG, Berlin, registered in the commercial register of the local court of Charlottenburg under docket number HRB 161314 B

– **“TLG IMMOBILIEN AG”** –

and

WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, Frankfurt am Main,
registered in the commercial register of the local court of Frankfurt am Main under docket number HRB 55695

– **“WCM AG”**–

§ 1 Management and Instructions

- (1) WCM AG submits the management (*Leitung*) of its company to TLG IMMOBILIEN AG. Accordingly, TLG IMMOBILIEN AG is entitled to issue general or individual instructions (*Weisungen*) to the management board of WCM AG with regards to the management of the company. TLG IMMOBILIEN AG will exercise its right to issue instructions through its management board or – insofar as this is legally permissible – through persons given explicit authority by the management board, specifying the extent and duration of such authority.
- (2) No instruction may be given to maintain, amend or terminate this agreement. Instructions must generally be issued in text form (*Textform*) (Section 126b of the German Civil Code (Bürgerliches Gesetzbuch (“BGB”))). In urgent cases, instructions may also be given orally, but must be confirmed by TLG IMMOBILIEN AG in text form (Section 126b BGB) without undue delay.
- (3) The management board of WCM AG is required to comply with the instructions of TLG IMMOBILIEN AG. Notwithstanding the right to issue instructions, the management and representation of WCM AG are still the responsibility of the management board of WCM AG.

§ 2 Right to Information

The management board of WCM AG is required to supply TLG IMMOBILIEN AG with all requested information on all matters relating to WCM AG at any time. TLG IMMOBILIEN AG is entitled to inspect the books and records of WCM AG at any time. Notwithstanding the rights agreed above, WCM AG is required to keep TLG IMMOBILIEN AG continuously informed on the business development, and, specifically, on material transactions.

§ 3 Assumption of Losses

- (1) It is agreed that TLG IMMOBILIEN AG shall assume all losses pursuant to the provisions of Section 302 of the German Stock Corporation Act (*Aktiengesetz* ("AktG")), in their entirety and as amended from time to time.
- (2) The obligation to assume losses applies for the first time for the entire fiscal year of WCM AG during which this agreement becomes effective pursuant to Section 6(2).
- (3) In the event that this agreement is terminated during a fiscal year, and specifically in the event of a termination for good cause (*wichtiger Grund*), TLG IMMOBILIEN AG is required to assume a pro-rata loss of WCM AG as shown in the interim financial statements to be drawn up with a record date as of the date of effectiveness of the termination.

§ 4 Compensation

- (1) TLG IMMOBILIEN AG guarantees to the minority shareholders of WCM AG that for the duration of this agreement it will pay them a fixed annual payment in the form of a guaranteed dividend ("Guaranteed Dividend"), payable for the first time for the fiscal year of WCM AG during which this agreement becomes effective pursuant to Section 6(2). If this agreement ends during a fiscal year of WCM AG or if WCM AG declares an abbreviated fiscal year during the period in which the obligation to assume losses pursuant to Section 3(1) of this agreement is effective, the Guaranteed Dividend for that fiscal year will be reduced pro rata temporis. To the extent that the dividend paid by WCM AG for a given fiscal year (including any partial payments) for each bearer share with a notional share of WCM AG's share capital of EUR 1.00 ("WCM Shares") is lower than the Guaranteed

Dividend, TLG IMMOBILIEN AG will pay each minority shareholder of WCM AG the difference for each WCM Share.

- (2) The gross amount of the Guaranteed Dividend for each entire fiscal year of WCM AG and each WCM Share is EUR 0.13 ("Gross Compensation Amount"), less any corporate income tax (*Körperschaftsteuer*) and solidarity surcharge (*Solidaritätszuschlag*) at the prevailing rate for the relevant fiscal year ("Net Compensation Amount"). Based on the circumstances at the entering into of this agreement, the Gross Compensation Amount is subject to a 15 % corporate income tax plus a 5.5 % solidarity surcharge, or approximately EUR 0.02 for each WCM Share. Based on the circumstances at the time of entering into this agreement, this results in a Net Compensation Amount of EUR 0.11 for each WCM Share for any given full fiscal year of WCM AG. For the avoidance of doubt, it is agreed that any withholding tax (such as capital gains tax (*Kapitalertragsteuer*) plus solidarity surcharge) shall be withheld from the Net Compensation Amount insofar as this is legally required.
- (3) If the share capital of WCM AG is increased through a capital increase from company funds in exchange for the issuance of new shares, the Gross Compensation Amount per WCM Share is reduced to such an extent that the total amount of the Gross Compensation Amount remains unchanged. If the share capital of WCM AG is increased through a capital increase against contributions in cash and/or in kind, the rights under this Section 4 shall also apply to the shares subscribed for by minority shareholders for such capital increase. The rights pursuant to this Section 4 shall commence depending on the timing for dividend rights determined by WCM AG when issuing the new shares.
- (4) If proceedings pursuant to Section 1 no. 1 of the German Act on Appraisal Proceedings (*Spruchverfahrensgesetz* („SpruchG")) are initiated and the court legally binding determines a higher Guaranteed Dividend than agreed

to in this agreement, the minority shareholders may request a corresponding complementary payment in addition to the payments already received by them on the basis of the Guaranteed Dividend, even if they have already been paid off pursuant to Section 5. Likewise, if TLG IMMOBILIEN AG commits to pay a higher Guaranteed Dividend *vis-à-vis* any shareholder of WCM AG in a settlement to avoid or end proceedings pursuant to Section 1 no. 1 SpruchG, all other minority shareholders of WCM AG will participate in such increase.

§ 5 Exit Compensation

- (1) TLG IMMOBILIEN AG undertakes that upon request of a minority shareholder of WCM AG it will acquire such shareholder's WCM Shares in exchange for bearer shares with a notional share in TLG IMMOBILIEN AG's share capital of EUR 1.00 each ("Compensation Shares") at an exchange ratio of 4 Compensation Shares in exchange for every 23 WCM Shares ("Exchange Ratio"). If shareholders of WCM AG exchange their WCM shares for Compensation Shares before receiving a dividend and/or payment under the Guaranteed Dividend for the 2017 fiscal year or subsequent fiscal years, they will, as far as practically and legally possible, be granted Compensation Shares with dividend rights from the beginning of the last fiscal year ended before such shares were created. If shareholders of WCM AG exchange their WCM Shares for Compensation Shares after receiving a dividend and/or payment under the Guaranteed Dividend for the 2017 fiscal year or subsequent fiscal years, or if it is not practically or legally possible to grant shares with dividend rights as described in the previous sentence, such shareholders shall be granted Compensation Shares with dividend rights from the beginning of the fiscal year in which the shares are created.

- (2) Share fractions of Compensation Shares ("Share Fractions") shall be settled in cash. For purposes of the cash settlement, the Share Fractions due to individual shareholders are pooled into full shares for all shares issued at a given date, and the relevant Compensation Shares are sold on the stock exchange by Deutsche Bank Aktiengesellschaft ("Settlement Agent"); holders of Share Fractions receive a compensation in cash equal to their share in the proceeds corresponding to their Share Fractions. To the extent any Share Fractions remain after pooling of Share Fractions, such fractions will be settled through a cash compensation corresponding to the pro-rata closing price of the Compensation Shares in XETRA trading (or a corresponding successor system) on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) two days before such cash payment is credited by the Settlement Agent.
- (3) The obligation of TLG IMMOBILIEN AG to acquire the WCM Shares is limited in time. The limitation period ends two months after the date of the announcement of the registration of the entering of this agreement in the commercial register at the registered seat of WCM AG pursuant to Section 10 of the German Commercial Code (*Handelsgesetzbuch (HGB)*). This does not effect an extension of the limitation period pursuant to Section 305 para. 4 sentence 3 AktG due to a motion for determination of the compensation or exit compensation by the competent court pursuant to Section 2 SpruchG; in such event, the limitation period shall end two months after the date on which the decision on the motion that is resolved last has been announced in the German Federal Gazette (*Bundesanzeiger*).
- (4) If the share capital of WCM AG is increased through a capital increase from company funds in exchange for the issuance of new shares before the expiration of the limitation periods set forth in Section 5(3) of this agreement, the exit compensation per WCM Share is reduced by a corresponding adjustment of the Exchange Ratio to ensure that the total number of Compensation Shares to be offered in exchange remains unchanged. If the share capital of WCM AG is

increased through a capital increase against contributions in cash and/or in kind before the expiration of the limitation periods specified in Section 5(3) of this agreement, the rights under this Section 5 shall also apply to shares subscribed for by minority shareholders as part of such capital increase.

- (5) If proceedings pursuant to Section 1 no. 1 SpruchG are initiated and the court legally binding determines a higher exit compensation, even shareholders who have already received their exit compensation are entitled to demand a corresponding supplement to their already received exit compensation. Likewise, if TLG IMMOBILIEN AG commits to a higher exit compensation by adjusting the Exchange Ratio or by paying an additional cash payment *vis-à-vis* any shareholder of WCM AG in a settlement to avoid or end proceedings pursuant to Section 1 no. 1 SpruchG, all other minority shareholders of WCM AG will participate in such increase.
- (6) The transfer of WCM Shares in exchange for Compensation Shares will be free of charge for minority shareholders of WCM AG, provided that such shareholders have a domestic securities deposit account.

§ 6 Effectiveness

- (1) This agreement requires the approval of the shareholders' meetings of WCM AG and TLG IMMOBILIEN AG.
- (2) This agreement shall become effective upon registration in the commercial register at the registered seat of WCM AG.

§ 7 Term of Agreement, Termination

- (1) This agreement is entered into for an indefinite period of time. This agreement may be terminated with a notice period of three months with effect from the end of each fiscal year of WCM AG.
- (2) This does not affect the right to termination for good cause (*wichtiger Grund*) and without notice. The following circumstances, in particular, shall be considered good cause
 - a) any event, due to which TLG IMMOBILIEN AG no longer directly holds the majority of the voting rights from shares of WCM AG or an agreement with which it has undertaken to transfer WCM Shares to a third party with the result that upon execution of the agreement, even if such execution depends on the fulfillment of external conditions, it no longer directly or indirectly holds the majority of the voting rights from shares of WCM AG;
 - b) the conclusion of a combined domination and profit and loss transfer agreement or an isolated profit and loss transfer agreement between TLG IMMOBILIEN AG and WCM AG or between WCM AG and a company controlled by TLG IMMOBILIEN AG (excluding WCM AG and companies controlled by WCM AG);
 - c) any change in tax laws or case law affecting the existence or absence of a fiscal union between TLG IMMOBILIEN AG and WCM AG; or
 - d) a transformation of WCM AG or TLG IMMOBILIEN AG, particularly through a division (*Spaltung*), merger (*Verschmelzung*) or change of legal form.

- (3) In the event of a termination for good cause without notice, this agreement shall lapse at the end of the date stated in the notice of termination, provided that such date is no earlier than the date on which the notice of termination is received.
- (4) If this agreement ends, TLG IMMOBILIEN AG shall furnish security to creditors of WCM AG pursuant to Section 303 AktG.
- (5) Any notice of termination shall be given in writing.

§ 8 Final provisions

- (1) This agreement is exclusively governed by German law, under exclusion of the reference provisions of German international private law.
- (2) Amendments and supplements to this agreement shall only be made in writing to be effective. This specifically applies to this written form clause. Apart from that, Section 295 AktG shall apply.
- (3) Should any provision of this agreement be or becomes invalid or infeasible in full or in part, or if there is a gap in this agreement, this does not affect the validity of the other provisions of this agreement. In place of the invalid or infeasible provision, or in order to remedy any gap in this agreement, an appropriate provision shall apply which corresponds as far as legally permissible to what TLG IMMOBILIEN AG and WCM AG based on the intent and purpose of this agreement intended, or would have intended, if they had been aware of this issue.

- (4) TLG IMMOBILIEN AG and WCM AG explicitly declare that the present agreement is not intended to form a legal unity (*rechtliche Einheit* (Section 139 BGB)) with any agreements concluded between them in the past or which may be concluded between them in the future.
- (5) As far as legally permissible, Frankfurt am Main shall be the place of performance for the mutual obligations under this agreement and the exclusive legal venue for all disputes arising from this agreement.

The Management Board and Supervisory Board thus propose to pass the following resolutions:

a) Approval of Domination Agreement

Approval is granted for the conclusion of the Domination Agreement between TLG IMMOBILIEN AG as the dominant company and WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft as the dependent company, dated October 5, 2017.

b) Conditional Capital 2017/III

The share capital of the Company is conditionally increased by up to EUR 5.000.000,00 by the issuance of up to 5.000.000 new, no-par value bearer shares (Conditional Capital 2017/III). The conditional capital increase is for the purpose of granting compensation in shares of the Company to the external shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft in accordance with the provisions of the Domination Agreement at the exchange ratio set forth in Section 5 para. 1 of the Domination Agreement, or as adjusted in accordance with Section 5 para. 5 of the Domination Agreement. To the extent necessary under Section 5 para. 2 of the

Domination Agreement, the Company will compensate for share fractions in cash.

In the event that external shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft exchange their shares for shares of the Company before receiving a dividend and/or consideration based on the guaranteed dividend on their shares for the financial year 2017 or subsequent financial years, they shall – as far as practically and legally possible – be granted shares in the Company that participate in profit from the start of the last financial year that ended before they were created. In the event that minority shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft exchange their shares for shares of the Company after receiving a dividend and/or consideration based on the guaranteed dividend on their shares for the financial year 2017 or subsequent financial years or to the extent it is not practically or legally possible to grant shares featuring a right to participate in profit as described in the previous sentence, they shall be granted shares in the Company that participate in profit from the start of the financial year in which they are created.

New shares shall be issued in return for the transfer of shares in WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft by the external shareholders who have accepted the compensation offer. The issue price of the new shares is EUR 1,00 per share. The difference between the issue price of the new shares and the value of the shares in WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft which are to be contributed shall be treated as a voluntary additional payment made on a contractual basis. The conditional capital increase shall only be executed to the extent that external shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft exercise their right to compensation.

The Management Board is authorized, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.

c) Insertion of Section 7a of the Articles of Association

A new Section 7a of the Articles of Association will be inserted for the Conditional Capital 2017/II:

- “7a.1 The share capital of the Company is conditionally increased by up to EUR 5.000.000,00 by the issuance of up to 5.000.000 new, no-par value bearer shares (Conditional Capital 2017/II).
- 7a.2 The conditional capital increase is for the purpose of granting compensation in shares of the Company to the external shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft in accordance with the provisions of the Domination Agreement between the Company and WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, dated October 5, 2017 (the “Domination Agreement”), at the exchange ratio set forth in Section 5 para. 1 of the Domination Agreement, or as adjusted in accordance with Section 5 para. 5 of the Domination Agreement. To the extent necessary under Section 5 para. 2 of the Domination Agreement, the Company will compensate for share fractions in cash.
- 7a.3 In the event that minority shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft exchange their shares for shares of the Company before receiving a dividend and/or consideration based on the guaranteed dividend on their shares for the financial

year 2017 or subsequent financial years, they shall – as far as practically and legally possible – be granted shares in the Company that participate in profit from the start of the last financial year that ended before they were created. In the event that minority shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft exchange their shares for shares of the Company after receiving a dividend and/or consideration based on the guaranteed dividend on their shares for the financial year 2017 or subsequent financial years or to the extent it is not practically or legally possible to grant shares featuring a right to participate in profit as described in the previous sentence, they shall be granted shares in the Company that participate in profit from the start of the financial year in which they are created.

- 7a.4 Under the conditional capital increase against contribution in kind, new shares will be issued in return for the transfer of shares in WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft by its external shareholders who have accepted the compensation offer pursuant to Section 5 para. 1 of the Domination Agreement. The issue price of the new shares is EUR 1,00 per share. The difference between the issue price of the new shares and the value of the shares in WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft which are to be contributed shall be treated as a voluntary additional payment made on a contractual basis. The conditional capital increase shall only be executed to the extent that external shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft exercise their right to compensation. The Management Board is authorized, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation."

Once the General Meeting has been convened, the following documents together with this invitation will be available on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“)

and will be available for inspection by the shareholders at the offices of TLG IMMOBILIEN AG in Berlin (Hausvogteiplatz 12, 10117 Berlin):

- the domination agreement between TLG IMMOBILIEN AG and WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, dated October 5, 2017;
- the annual financial statements and consolidated financial statements of TLG IMMOBILIEN AG for the financial years ending on December 31, 2014, 2015 and 2016 as well as the management reports and group management reports of TLG IMMOBILIEN AG for the financial years ending on December 31 2014, 2015 and 2016;
- the annual financial statements and consolidated financial statements of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft for the financial years ending on December 31, 2014, 2015 and 2016 as well as the management reports and group management reports of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft for the financial years ending on December 31 2014, 2015 and 2016;
- the joint report under Section 293a of the German Stock Corporation Act (*Aktiengesetz*, hereinafter: AktG) issued by the management board of TLG IMMOBILIEN AG and the management board of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft (along with the expert opinion of ValueTrust

Financial Advisors SE to determine the enterprise value of TLG IMMOBILIEN AG and of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft as of November 17, 2017 attached in the appendix); and

- the report prepared by the court appointed auditor BBWP GmbH Wirtschaftsprüfungsgesellschaft under Section 293e AktG on the review of the domination agreement between TLG IMMOBILIEN AG and WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft.

The aforementioned documents will also be accessible during the General Meeting on Wednesday, November 22, 2017. In addition, the documents will be sent upon request once for free and promptly via simple mail to each shareholder.

d) Registration for entry in the commercial register

The Management Board is instructed to apply for entry in the commercial register of the new Conditional Capital 2017/III resolved under lit. c).

The Management Board is authorized to apply for the new Conditional Capital 2017/III to be entered into the commercial register regardless of any other resolutions passed by the General Meeting.

2. Resolution on the creation of the new Authorized Capital 2017/II with the possibility to exclude subscription rights, and the cancellation of the existing Authorized Capital, and the corresponding amendment to the Articles of Association

By means of the resolution of the General Meeting of October 22, 2014, the Management Board was authorized, with the consent of the Supervisory Board, to increase the share capital of the Company, once or several times during the period until October 21, 2019, by up to EUR 30.651.163,00 by issuing up to 30.651.163,00 new, no-par value bearer shares in return for contributions in cash and/or in kind (Authorized Capital 2014/II).

By making partial use of this authorization, the Company in November 2015 increased its share capital against cash contributions by EUR 6.130.00,00. In addition, the Company increased its share capital in October 2017 in the course of the execution of the takeover offer made to the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft for all shares of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft by EUR 20.435.708,00 against contributions in kind in the form of shares in WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft tendered by the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft. Therefor, the Authorized Capital 2014/II currently amounts to EUR 4.085.455,00.

The Management Board was also authorized by resolution of the General Meeting on May 23, 2017, with the consent of the Supervisory Board, to increase the share capital of the Company, once or several times during the period until May 22, 2022, by up to EUR 12.566.616,00 by issuing up to 12.566.616 new no-par value bearer shares against contributions in cash (Authorized Capital 2017). The existing Authorized Capital 2017 exclusively provides for the possibility to issue new shares against contributions in cash.

In order for the Company to remain flexible in the future to increase its equity capital against contributions in cash and/or in kind as necessary, the existing Authorized Capital 2014/II as well as the Authorized Capital 2017 are to be canceled and a new Authorized Capital 2017 is to be resolved. The new Authorized Capital 2017/II shall provide flexibility to the Company also through the possibility of the issuance of shares against contributions in cash with the exclusion of subscription rights pursuant to Section 186 para. 3 sentence 4 AktG, provided that the pro rata amount of the share capital attributable to the new shares excluded from subscription rights does not exceed 10% of the Company's share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. Apart from that, it shall enable the Company to utilize attractive investment opportunities by providing the ability to exclude subscription rights in the issuance of shares against contributions in kind, provided that during the term of the Authorized Capital 2017/II the total pro rata amount of the share capital attributable to the new shares excluded from subscription rights does not exceed 20% of the Company's share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. By creating the new Authorized Capital 2017/II the Company gains the necessary flexibility to continue implementing its concept of growth which it has successfully been pursuing since its initial public offering.

The Management Board and Supervisory Board therefore propose to pass the following resolution:

a) Creation of a new Authorized Capital 2017/II with the possibility of excluding subscription rights

The Management Board is authorized, with the consent of the Supervisory Board, to increase the Company's share capital, once or several times in the period until November 21, 2022, by up to EUR 47.305.633, 00 by issuing up to 47.305.633 new no-par value bearer shares against contributions in cash and/or kind (Authorized Capital 2017/II).

Shareholders are to be granted subscription rights in principle. Pursuant to Section 186 para. 5 AktG the shares may also be underwritten by one or several credit institutions with the obligation to offer such shares to the Company's shareholders for subscription ("indirect subscription right").

The Management Board is, however, authorized, subject to the consent of the Supervisory Board, to exclude shareholders' subscription rights for one or more capital increases from the Authorized Capital 2017/II,

- aa) to exclude fractional amounts from subscription rights;
- bb) insofar as it is necessary to grant holders or creditors of convertible bonds, bonds with warrants, participation rights and/or participating bonds (or combinations of these instruments) (hereinafter referred to collectively as "bonds") which are carrying conversion or option rights, or conversion or option obligations, already issued or to be issued by the Company, an entity dependent on the Company, or an entity in which the Company holds a direct or indirect majority interest, a subscription

right to new, no-par value bearer shares of the Company to the extent to which such holders or creditors would be entitled as shareholders after exercising their option or conversion rights, or fulfilling their conversion or option obligations;

- cc) to issue shares in return for contributions in cash, provided the issue price of the new shares is not significantly lower than the market price of the shares already listed within the meaning of Section 203 para. 1 and para 2 and Section 186 para. 3, sentence 4 AktG, and the pro rata amount of the share capital attributable to the new shares excluded from subscription rights according to Section 186 para. 3, sentence 4 AktG does not exceed 10 % of the Company's share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. This restriction to 10% of the share capital shall also include shares that were issued to service bonds carrying conversion or option rights, or conversion or option obligations, or are to be issued based on the conversion price prevailing at the time of the resolution of the Management Board on the utilization of the Authorized Capital 2017/II, insofar as these bonds were issued, as specified by Section 186 para. 3 sentence 4 AktG, during the term of this authorization with the exclusion of subscription rights. Furthermore, this limit of 10 % of share capital shall also include the Company's treasury shares that were sold within the term of this authorization with the exclusion of shareholders' subscription rights pursuant to Section 71 para. 1 No. 8 sentence 5 clause 2, in conjunction with Section 186 para. 3 sentence 4 AktG, and

- dd) to issue shares against contributions in kind, especially for the purpose of the (direct or indirect) acquisition of companies, parts of companies, participations in companies, or other assets (in particular real estate portfolios and shares in real estate companies) or to service bonds that will be issued against contributions in kind.

The aforementioned authorizations for excluding subscription rights may not, in sum, exceed 20% of the share capital, at the date on which the authorization becomes effective or at the date on which such authorization is exercised. This 20 % limit shall also include treasury shares sold during the term of this authorization with the exclusion of subscription rights as well as those shares that are issued to service bonds (including participation rights) carrying conversion or option rights and/or a conversion obligation (or a combination of these instruments) or are to be issued based on the conversion price prevailing at the time of the Management Board's resolution on the utilization of the Authorized Capital 2017/II, provided that the bonds or participation rights were issued with the exclusion of shareholders' subscription rights during the term of this authorization. The abovementioned 20 % limit shall also include those shares that are to be issued from conditional capital to service stock option rights, provided that the stock option rights were granted during the term of this authorization.

The Management Board shall also be authorized, subject to the consent of the Supervisory Board, to determine the further details of share rights (including the new shares' profit participation deviating from Section 60 para. 2 sentence 3 AktG) and the terms of share issuance.

b) Amendment to Section 6 of the Articles of Association

Section 6 of the Company's Articles of Association shall be revised as follows for the Authorized Capital 2017/II:

„Section 6 Authorized Capital

- 6.1 The Management Board is authorized, with the consent of the Supervisory Board, to increase the Company's share capital, on one or several occasions in the period until November 21, 2022, by up to EUR 47.305.633,00 by issuing up to 47.305.633 new, no-par value bearer shares in return for contributions in cash and/or in kind (Authorized Capital 2017/II).
- 6.2 Shareholders shall be granted subscription rights in principle. Pursuant to Section 186 para. 5 AktG, the shares may also be underwritten by one or several banks, provided that the bank or banks undertake to offer these shares to the Company's shareholders for subscription ("indirect subscription right"). The Management Board shall, however, be authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights for one or more capital increases in connection with the authorized capital,
- (a) to exclude fractional amounts from subscription rights;

- (b) insofar as it is necessary to grant holders or creditors of convertible bonds, bonds with warrants, participation rights and/or participating bonds (or combinations of these instruments) (hereinafter referred to collectively as "bonds"), which are carrying conversion or option rights, or conversion or option obligations and were or are still to be issued by the Company, an entity dependent on the Company, or an entity in which the Company holds a direct or indirect majority interest, a subscription right to new, no-par value bearer shares of the Company to the extent to which such holders or creditors would be entitled as shareholder after exercising their option or conversion rights, or fulfilling their conversion or option obligations;

- (c) to issue shares against contributions in cash, provided that the issue price of the new shares is not significantly lower than the market price of the shares already listed within the meaning of Section 203 para. 1 and para. 2 and Section 186 para. 3 sentence 4 AktG and the pro rata amount of the new shares excluded from subscription rights according to Section 186 para. 3 sentence 4 AktG does not exceed 10% of the Company's share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. This restriction to 10% of the share capital shall also include shares that were issued to service bonds carrying conversion or option rights, or conversion or option obligations, or are to be issued based on the conversion price prevailing at the time of the resolution of the Management Board on the utilization of the Authorized Capital 2017/II, insofar as these bonds were issued, as specified by Section 186 para. 3 sentence 4 AktG, during the term of this authorization with the exclusion of subscription rights. This upper limit of 10% of the share capital

shall also include those treasury shares of the Company that were sold during the term of this authorization with the exclusion of shareholders' subscription rights pursuant to Section 71 para. 1 No. 8 sentence 5 clause 2, in conjunction with Section 186 para. 3 sentence 4 AktG, and

- (d) to issue shares in return for contributions in kind, especially for the purpose of (direct or indirect) acquisition of companies, parts of companies, participations in companies, or other assets (in particular real estate portfolios and shares in real estate companies) or to service bonds issued against contributions in kind.

6.3 The authorizations contained in Section 6.2 to exclude subscription rights for capital increases in return for contributions in cash and/or in kind may not, in sum, exceed 20 % of the share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. This 20% limit shall also include treasury shares sold during the term of this authorization with the exclusion of subscription rights as well as those shares that are issued to service bonds (including participation rights) carrying conversion or option rights and/or a conversion obligation (or a combination of these instruments) or are to be issued based on the conversion price prevailing at the time of the Management Board's resolution on the utilization of the Authorized Capital 2017/II, provided that the bonds or participation rights were issued with the exclusion of shareholders' subscription rights during the term of this authorization. Furthermore, the abovementioned 20% limit shall also include those shares that are or are to be issued from conditional capital to service stock option rights, provided that the stock option rights were granted during the term of this authorization.

6.4 The Management Board shall also be authorized, with the consent of the Supervisory Board, to determine the further details of share rights (including the new shares' profit participation deviating from Section 60 para. 2 sentence 3 AktG) and the terms of share issuance."

c) Cancellation of the Authorized Capital 2014/II as well as the existing Authorized Capital 2017

The authorization granted by the General Meeting on October 22, 2014, expiring on October 21, 2019, to increase the share capital in accordance with Section 6 paras. 1 to 3 of the Articles of Association as well as the authorization granted by the General Meeting on May 23, 2017, expiring on May 22, 2022, to increase the share capital in accordance with Section 6 paras. 4 to 6 of the Articles of Association shall be canceled once the new Authorized Capital 2017/II takes effect.

d) Application for entry in the commercial register

The Management Board is instructed to apply for entry in the commercial register of the cancellation, resolved under Agenda Item 2. lit. c), of the Authorized Capital 2014/II contained in Section 6 paras. 1 to 3 of the Articles of Association and of the Authorized Capital 2017/II contained in Section 6 paras. 4 to 6 of the Articles of Association, and of the new Authorized Capital 2017/II, resolved under Agenda Items 2. lit. a) and lit. b), with the proviso that the cancellation is entered first but only if the new Authorized Capital 2017/II is entered immediately afterwards.

Subject to the preceding paragraph, the Management Board is authorized to apply for the Authorized Capital 2017/II to be entered into the commercial register regardless of any other resolutions passed by the General Meeting.

3. Resolution on the granting of a new authorization to issue convertible bonds, bonds with warrants, participation rights, and/or participating bonds (or combinations of these instruments) with the possibility to exclude subscription rights; creation of a new Conditional Capital 2017/II, cancellation of the existing authorization to issue convertible bonds and bonds with warrants and of the existing Conditional Capital 2017 and corresponding amendments to the Articles of Association

By means of the resolution of the General Meeting of May 23, 2017, the Management Board was authorized, subject to the consent of the Supervisory Board, to issue, on one or several occasions in the period until May 22, 2022, convertible bonds, bonds with warrants, participation rights and/or participating bonds (or a combination of these instruments) (hereinafter referred to collectively as “bonds”) with a total nominal value of up to EUR 750.000.000,00 with or without limitation on maturities. A Conditional Capital 2017 in the amount of EUR 37.087.779,00 was created to service those instruments (Section 7 of the Articles of Association).

The existing authorization to issue bonds allows for the issuance of bonds with the exclusion of subscription rights with rights to shares which represent a pro rata amount of the share capital that does not exceed 20 % of the share capital at the date of effectiveness or at the date of exercise of this authorization. According to the General Meeting’s authorization of May 23, 2017 to issue bonds, this shall include in particular shares issued with the exclusion of subscription rights from authorized capital during the term of the authorization. Due to the Company’s capital increase carried out in October 2017 in order to execute of the voluntary public takeover offer for all shares of the WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, the existing authorization to issue bonds with the exclusion of subscription rights is completely utilized.

In order for the Company to remain flexible in the future to issue bonds (including the issuance with the exclusion of subscription rights) when necessary and to be able to back these with shares to service the resulting option or conversion rights, the authorization of May 23, 2017 as well as the existing Conditional Capital 2017 shall be canceled and replaced with a new authorization and a new Conditional Capital 2017/II.

The Management Board and Supervisory Board therefore propose to pass the following resolution:

a) Authorization to issue bonds and to exclude subscription rights

aa) Nominal amount, authorization period, number of shares

The Management Board shall be authorized, with the consent of the Supervisory Board, to issue, on one or several occasions in the period until November 21, 2022, convertible bearer or registered bonds, bonds with warrants, participation rights and/or participating bonds (or combinations of these instruments) (hereinafter referred to collectively as "bonds") in a nominal amount of up to EUR 1.000.000.000,00 with or without a limitation on maturities and to grant the creditors or holders of the bonds conversion or option rights to shares of the Company with a pro rata amount of up to EUR 42.305.633,00 of the share capital, as set out in the terms and conditions of such bonds with warrants, convertible bonds and participation rights (hereinafter referred to as the "Terms and Conditions"). The relevant Terms and Conditions may also stipulate mandatory conversions at maturity or at other times, including an obligation to exercise the conversion or option right. Bonds may also be issued against a contribution in kind.

In addition to EUR, the bonds may also be issued in the official currency of any OECD country – provided the corresponding EUR equivalent is not exceeded. The bonds may also be issued by dependent companies or enterprises in which the Company has a direct or indirect majority stake; in this case, the Management Board shall be authorized to guarantee the bonds on behalf of the dependent or majority-owned company and to grant the creditors of such bonds conversion or option rights to the Company's shares. When the bonds are issued, they may be/are usually divided into multiple partial bonds with equal rights.

bb) Granting of subscription rights, exclusion of subscription rights

Shareholders shall be granted a subscription right to the bonds in principle. The bonds may also be underwritten by one or more credit institutions, subject to the proviso that the credit institutions offer these indirectly to the shareholders for subscription ("indirect subscription right") pursuant to Section 186 para. 5 AktG. The Management Board shall, however, be authorized, with the consent of the Supervisory Board, to exclude the shareholders' subscription rights:

- (1) to exclude fractional amounts from subscription rights;
- (2) insofar as it is necessary to grant holders of bonds already issued or to be issued by the Company, or an entity in which the Company directly or indirectly holds a majority interest, a subscription right to the extent to which such holders would be entitled as shareholders after exercising their option or conversion rights, or fulfilling their conversion or option obligations;

- (3) insofar as the bonds carrying conversion or option rights, or conversion or option obligations are issued against cash, and the issue price is not significantly below the theoretical value of the partial bonds determined using recognized actuarial principles, pursuant to Section 221 para. 4 sentence 2 and Section 186 para. 3 sentence 4 AktG. However, this authorization to exclude subscription rights shall apply only to the extent that bonds with rights to shares do not represent more than 10% pro rata of the share capital at the date of effectiveness or at the date of exercise of this authorization. This restriction shall also include the sale of treasury shares, insofar as they are sold during the term of this authorization with the exclusion of subscription rights pursuant to Section 71 para. 1 No. 8 sentence 5 clause 2, in conjunction with Section 186 para. 3 sentence 4 AktG. Furthermore, this restriction shall also include those shares that were issued during the term of this authorization from authorized capital with the exclusion of subscription rights pursuant to Section 203 para. 2 sentence 2, in conjunction with Section 186 para. 3 sentence 4 AktG, and
- (4) insofar as the bonds are issued against contributions in kind, provided that the value of the contribution in kind is commensurate with the market value of the bonds as determined in the manner described lit. (a), bb), (3) above.

The aforementioned authorizations for excluding subscription rights may not, in sum, exceed 20% of the share capital, at the date of effectiveness or at the date of exercise of such authorization. This 20% limit shall also include treasury shares that were sold during the term of this authorization with the exclusion of subscription rights as well as such shares that have been issued from authorized capital during the

term of this authorization with exclusion of shareholders' subscription rights. The above-mentioned 20% limit shall also include those shares that were or are to be issued from conditional capital to service stock option rights, provided that the stock option rights were granted during the term of this authorization.

Insofar as participation rights or participating bonds bearing no conversion or option rights, or conversion or option obligations are issued, the Management Board shall also be authorized, with the consent of the Supervisory Board, to completely exclude shareholders' subscription rights if these participation rights or participating bonds carry similar rights to other bonds, i.e., they do not convey membership rights in the Company, nor do they grant a share in the proceeds of a liquidation and the interest yield is not calculated based on the amount of net income for the year, net retained profits or the dividend. In addition, the interest yield and the issuing amount of the participation rights or participating bonds in this case must correspond with prevailing market conditions for similar borrowing at the time of issuance.

cc) Conversion and option rights

If bonds featuring conversion rights are issued, the creditors may convert their bonds into shares in the Company according to the Terms and Conditions. The conversion ratio is calculated by dividing the nominal amount of one partial bond by the fixed conversion price for one share of the Company. The conversion ratio can also be determined by dividing the issue price of a partial bond, which is lower than the nominal value, by the fixed conversion price for one share of the Company. The conversion ratio may be rounded up or down to a whole number; moreover, an additional cash payment may be determined.

Furthermore, provision may be made that fractions shall be combined and/or compensated for in cash. The terms may also provide for a variable conversion ratio. The proportionate amount of the share capital of each partial bond to the purchased shares shall not exceed the nominal value of each partial bond.

If bonds with warrants are issued, one or more warrants shall be attached to each partial bond, entitling the bearer to purchase shares in the Company pursuant to the provisions of the Terms and Conditions as stipulated by the Management Board. The option provisions may also allow for the option price to be settled in full or in part through the transfer of partial bonds. The subscription ratio is calculated by dividing the nominal amount of one partial bond by the option price for one share of the Company. The subscription ratio may be rounded up or down to a whole number; moreover, an additional cash payment may be provided for. Furthermore, it may be provided that fractional amounts may be combined and/or settled in cash. The Terms and Conditions may also provide for a variable subscription ratio. The proportionate amount of the share capital represented by the shares to be subscribed to per partial bond must not exceed the nominal value of the individual partial bond.

dd) Conversion and option obligations

The Terms and Conditions of the bonds may also establish a conversion or option obligation at the end of the term or at another point in time (also referred to in each case as “maturity”) or may provide for the right of the Company to grant the bond holders Company shares in lieu of part or all of the cash amount due at maturity. In such cases, the conversion or option price for one share may conform to the volume-weighted

average of the closing rates of the Company's share in Xetra trading (or an equivalent successor system) on the Frankfurt Stock Exchange during the ten (10) successive days of trading before or after the maturity date, even if this is lower than the minimum price referred to in lit. a) ee) below.

The proportionate amount of the share capital represented by the shares to be subscribed to per bond at maturity must not exceed the nominal value of the individual partial bond. Section 9 para. 1, in conjunction with Section 199 para. 2 AktG shall be complied with.

ee) Conversion or option price

The conversion or option price to be set for a share must – with the exception of cases where there is provision for an option or conversion obligation – amount to either at least 80% of the volume-weighted average closing prices of the Company's share in XETRA trading (or an equivalent successor system) during the ten (10) trading days in Frankfurt am Main prior to the date the Management Board makes its final decision on the placement of bonds or on the assumption or allocation by the Company of bonds as part of a placement, or – in the case of a subscription right being granted – at least 80% of the volume-weighted average closing prices of the Company's share in XETRA trading (or an equivalent successor system) during (i) the days on which the subscription rights are traded on the Frankfurt Stock Exchange, excluding the last two trading days of subscription rights, or (ii) the days between the start of the subscription period and the date and time at which the final subscription price is set. Section 9 para. 1 and Section 199 AktG shall remain unaffected.

In the case of bonds carrying conversion or option rights, or conversion or option obligations, the conversion or option price, Section 9 para. 1 AktG notwithstanding, may, based on a dilution clause, be reduced in accordance with the Terms and Conditions if the Company increases its share capital during the conversion or option term, granting subscription rights to its shareholders in the process, or if the Company issues additional bonds or grants or guarantees other option rights, and the bearers of bonds carrying conversion or option rights or conversion or option obligations are not granted subscription rights to the extent that would be due to them after exercising their conversion or option rights, or after fulfillment of conversion or option obligations. Pursuant to the specific provisions of the Terms and Conditions of the bonds, the reduction in the option or conversion price may also be fulfilled by a cash payment upon exercise of the option or conversion right, or upon fulfillment of conversion or option obligations. The Terms and Conditions may also provide for a value-preserving adjustment of the conversion or option price if other measures are implemented that may lead to a dilution in the value of the conversion or option rights (e.g. payment of a dividend). In any case, the proportionate amount of the share capital of the shares to be subscribed to per partial bond must not exceed the nominal value of the respective partial bond.

ff) Other possible structures

The Terms and Conditions may stipulate that treasury shares, shares from the Company's authorized capital, or other forms of compensation may also be granted where conversion or option rights are exercised, or option and conversion obligations are fulfilled. Furthermore, it may be stipulated that the Company shall not grant the holders of bonds any Company shares in the event of the exercise of conversion or option

rights, or the fulfillment of option and conversion obligations, but shall instead pay the equivalent value in cash or grant listed shares in another company.

Conversely, the Terms and Conditions may also give the Company the right, upon maturity of the bonds, to grant the holders of the bonds shares in the Company or listed shares in another company in lieu of part or all of the cash payment due.

The Terms and Conditions of the bonds may also provide for the number of shares to be subscribed to upon exercise of the conversion or option rights or upon fulfillment of the conversion or option obligations to be variable and/or for the conversion or option price to be subject to change within a range to be determined by the Management Board, depending on the development of the share price or as a result of anti-dilution clauses during the term to maturity.

gg) Authorization to stipulate the further terms and conditions of the bonds

The Management Board shall be authorized to stipulate the further details concerning the issue and structure of the bonds, specifically the interest rate, issue price, term and denomination, conversion or option price and the conversion or option term, and/or to determine these in agreement with the executive bodies of the company issuing the bonds, the dependent company or the directly or indirectly majority-owned company.

b) New Conditional Capital 2017/II

The share capital is conditionally increased by up to EUR 42.305.633,00 by the issuance of up to 42.305.633 new, no-par value bearer shares with participation rights (Conditional Capital 2017/II). The conditional capital increase serves to grant shares – upon exercise of conversion or option rights, or upon fulfillment of conversion or option obligations – to the holders or creditors of convertible bonds, bonds with warrants, participation rights and/or participating bonds (or combinations of these instruments) (hereinafter collectively referred to as “bonds”), issued on the basis of the aforementioned authorization.

The new shares shall be issued at the conversion or option price to be fixed in accordance with the aforementioned authorization. The conditional capital increase shall only be executed to the extent to which the holders of bonds issued or guaranteed by the Company, a company dependent on the Company or a company majority-owned by the Company based on the aforementioned authorization resolution, exercise their conversion or option rights, or fulfill conversion obligations, or to the extent to which the Company exercises its optional right to grant shares in the Company in lieu of payment of the cash amount due.

The new shares shall participate in profits from the start of the financial year in which they are created; deviating from this, the Management Board may, with the consent of the Supervisory Board and as far as legally permissible, determine with respect to bonds issued or guaranteed on the basis of the authorization resolution of the General Meeting of November 22, 2017, that the new shares shall participate in profits from the start of the financial year for which, at the date of the exercise of conversion or option rights, or the fulfillment of conversion obligations, or the exercise of the Company's

optional right, the General Meeting has not yet passed any resolution on the appropriation of balance sheet profits. The Management Board shall be authorized to determine the further details of the execution of the conditional capital increase.

c) Cancellation of the authorization of May 23, 2017 and the existing Conditional Capital 2017

The authorization of the Management Board of May 23, 2017 to issue convertible bonds, bonds with warrants, participation rights and/or participating bonds (or combinations of these instruments) shall be canceled with effect as of the registration of the amendment of the Articles of Association as proposed under Agenda Item 3 d). The existing Conditional Capital 2017 pursuant to Section 7 of the Articles of Association in the amount of EUR 37.087.779,00, created through resolution of the General Meeting of May 23, 2017, shall also be canceled with effect as of the registration of the amendment of the Articles of Association as proposed under Agenda Item 3 d).

d) Amendment to Section 7 of the Articles of Association

Section 7 of the Articles of Association shall be revised as follows for the Conditional Capital 2017/II:

“Section 7 Conditional Capital

- 7.1 The share capital is conditionally increased by up to EUR 42.305.633,00 by the issuance of up to 42.305.633 new, no-par value bearer shares with participation rights (Conditional Capital 2017/II).
- 7.2 The conditional capital increase shall only be executed to the extent to which the holders of conversion or option rights arising from or in connection with bonds, participation rights and participating bonds, or creditors of bonds carrying conversion obligations (or combinations of these instruments), issued on the basis of the authorization resolution of the General Meeting of November 22, 2017 by the Company or a company dependent on the Company or a company majority-owned by the Company, make use of their conversion or option rights, or fulfill conversion obligations, or to the extent to which the Company exercises its optional right to grant shares in the Company in lieu of payment of the cash amount due.
- 7.3. The new shares shall participate in profits from the start of the financial year in which they are created; deviating from this, the Management Board may, with the consent of the Supervisory Board and to the extent legally permissible, determine with respect to bonds issued or guaranteed on the basis of the authorization resolution of the General

Meeting of November 22, 2017, that the new shares shall participate in profits from the start of the financial year for which, at the date of the exercise of conversion or option rights, or the fulfillment of conversion obligations, or the exercise of the Company's optional right, the General Meeting has not yet passed any resolution on the appropriation of balance sheet profits.

- 7.4. The Management Board shall be authorized to determine the further details of the execution of the conditional capital increase."

e) Registration for entry in the commercial register, authorization to amend Articles of Association

The Management Board is instructed to apply for entry in the commercial register of the cancellation and revision, resolved in accordance with the preceding Agenda Items 3. lit. c) and d), of the existing Conditional Capital 2017 contained in Section 7 of the Articles of Association, and of the new Conditional Capital 2017/II in accordance with the preceding Agenda Items 3 lit. b) and d), with the proviso that the cancellation of the existing Conditional Capital 2017 is entered first but only if the Conditional Capital 2017/II is entered immediately afterwards.

Subject to the preceding paragraph, the Management Board is authorized to apply for the Conditional Capital 2017/II to be entered into the commercial register regardless of any other resolutions passed by the General Meeting.

II. Management Board Reports

1. Management Board Report on Agenda Item 2 (passing of a resolution on the creation of new Authorized Capital 2017/II with the possibility of excluding subscription rights, and the cancellation of the existing Authorized Capital, and the corresponding amendment to the Articles of Association)

With regard to Agenda Item 2 of the General Meeting on November 22, 2017, the Management Board and the Supervisory Board propose to cancel the existing Authorized Capital 2017 and replace it with a new authorized capital 2017 (Authorized Capital 2017/II). Pursuant to Section 203 para. 2 sentence 2, in conjunction with Section 186 para. 4 sentence 2 AktG, the Management Board is providing this report on Agenda Item 2 concerning the reasons for authorizing the exclusion of shareholders' subscription rights when issuing new shares:

By means of the resolution of the General Meeting of October 22, 2014, the Management Board was authorized, with the consent of the Supervisory Board, to increase the share capital of the Company, on one or several occasions during the period until October 21, 2019, by up to EUR 30.651.163,00 by issuing up to 30.651.163 new, no-par value bearer shares in return for contributions in cash and/or in kind (Authorized Capital 2014/II).

Partially utilizing this authorization, the Company in November 2015 increased its share capital against contributions in cash by EUR 6.130.00,00. In addition, the Company increased its share capital in October 2017 in the course of the execution of the takeover offer to the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft for all shares of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft by EUR 20.435.708,00 against contributions in kind in the form of shares of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft tendered by the shareholders of WCM Beteiligungs- und Grundbesitz-

Aktiengesellschaft. Therefore, the Authorized Capital 2014/II currently amounts to EUR 4.085.455,00.

The Management Board was also authorized by resolution of the General Meeting of May 23, 2017, with the consent of the Supervisory Board, to increase the share capital of the Company, once or several times during the period until May 22, 2022, by up to EUR 12.566.616,00 by issuing up to 12.566.616 new, no-par value bearer shares in return for contributions in cash (Authorized Capital 2017). The existing Authorized Capital 2017 provides exclusively for the possibility to issue new shares against contributions in cash and is not yet adjusted to the share capital existing after the execution of the takeover offer for all shares of WCM Beteteiligungs- und Grundbesitz-Aktiengesellschaft in October 2017.

In order for the Company to remain flexible in the future to increase its equity capital in return for contributions in cash and/or in kind when necessary, the Authorized Capital 2014/II as well as the Authorized Capital 2017 are to be canceled and a new Authorized Capital 2017/II is to be resolved. The new Authorized Capital shall authorize the Management Board, with the consent of the Supervisory Board, to increase the Company's share capital, on one or several occasions during the period until November 21, 2022, by up to EUR 47.305.633,00 by issuing up to 47.305.633 new no-par value bearer shares in return for contributions in cash and/or in kind (Authorized Capital 2017/II).

The new Authorized Capital 2017/II shall offer flexibility to the Company through the possibility of the issuance of new shares in return for contributions in cash with the exclusion of subscription rights pursuant to Section 186 para. 3 sentence 4 AktG, provided that the pro rata amount of the share capital attributable to the new shares excluded from subscription rights does not exceed 10% of the Company's share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. Apart from that, it shall enable the Company to utilize attractive investment opportunities by providing the ability to exclude subscription rights in the issuance of shares against contributions in kind, provided that during the term of the Authorized Capital 2017/II the total pro rata amount of the share capital attributable to the new shares excluded from subscription rights does not exceed 20% of the Company's share capital at the date of effectiveness or at the date of exercise of such authorization. By creating the new Authorized Capital 2017/II the Company gains the necessary flexibility to continue implementing its concept of growth which it has successfully been pursuing since its initial public offering.

The Authorized Capital 2017/II will enable the Company to continue to raise the capital it needs for its further development on the capital markets in the short term by issuing new shares, and to be flexible enough to benefit promptly from a market environment favorable for covering future financing requirements. As decisions regarding the coverage of any future capital requirements generally have to be taken at short notice, it is important that the Company is not dependent on the frequency of the General Meetings or on the long period of notice required for an Extraordinary General Meeting. In designing the instrument of an "Authorized Capital", legislation has taken such needs into account.

Upon utilization of the Authorized Capital 2017/II for the issuance of shares against contributions in cash, shareholders shall have subscription rights in principle (Section 203 para. 1 sentence 1, in conjunction with Section 186 para. 1

AktG), although indirect subscription rights within the meaning of Section 186 para. 5 AktG shall also suffice. According to the law, the issuance of shares with the granting of such an indirect subscription right is not deemed to be an exclusion of subscription rights. Shareholders are ultimately granted the same subscription rights as in case of a direct subscription. For technical settlement-related reasons, only one or several credit institutions are involved in the settlement. The Management Board shall, however, with the consent of the Supervisory Board, be able to exclude subscription rights in certain cases:

- (i) The Management Board shall, with the consent of the Supervisory Board, be able to exclude subscription rights for fractional amounts. The aim of this exclusion of subscription rights is to simplify the process of issuing new shares with general shareholders' subscription rights, as this makes a technically feasible subscription ratio possible. The value of the fractional amount for each shareholder is usually low; therefore, the potential dilutive effect is likewise considered to be low. On the other hand, the cost of issuing shares without such exclusion is significantly higher. The exclusion therefore serves to ensure that an issuance is practical and easier to carry out. The fractions of new shares excluded from the shareholders' subscription rights will be realized either by sale on a stock exchange or in any other manner so as to best further the Company's interests. For these reasons, the Management Board and the Supervisory Board deem the potential exclusion of subscription rights as objectively justified and reasonable in consideration of shareholder interests.

- (ii) The Management Board shall, with the consent of the Supervisory board, also be able to exclude subscription rights to the extent necessary to provide holders or creditors of convertible bonds, bonds with warrants, participation rights and/or participating bonds (or combinations of these instruments) ("bonds") with subscription rights to new shares. The terms and conditions of issuance for bonds with conversion or option rights, or conversion or option obligations, regularly contain a dilution protection provision, which grants the holders or creditors a subscription right to new shares in the event of subsequent share issuances and certain other measures. They will thus be treated as though they were already shareholders. In order to be able to provide bonds with such dilution protection, shareholders' subscription rights must be excluded from these shares. This facilitates the placement of the bonds and thus fulfills the shareholders' interests in the Company having an optimal financial structure. Furthermore, the exclusion of subscription rights in favor of the holders or creditors of bonds offers the advantage that, in the case of the authorization being exercised, the option or conversion price for the holders or creditors of existing bonds does not have to be discounted in accordance with the respective terms and conditions of the bonds.
- (iii) Subscription rights can also be excluded in the event of cash capital increases, if the shares are issued at a price that is not significantly lower than the market price and such an increase in capital does not exceed 10% of the share capital (simplified exclusion of subscription rights in accordance with Section 186 para. 3 sentence 4 AktG). The authorization enables the Company to respond flexibly to any favorable capital market situations that arise and to flexibly place new shares at very short notice (i.e. without having to offer subscriptions for at least two weeks). The exclusion of subscription rights allows for an extremely quick response and placement close to the market price and therefore avoids the usual discount for issuing subscriptions. This lays the foundations for achieving the highest possible disposal amount and

for increasing equity as much as possible. The authorization for the simplified exclusion of subscription rights is objectively justified not least by the fact that often an increased cash inflow can be generated.

Such a capital increase must not exceed 10% of the share capital that exists at the date on which the authorization becomes effective or at the date on which it is exercised. The resolution proposal also provides for a deduction clause. The restriction to a maximum of 10% of the share capital, to which this exclusion of subscription rights relates, shall include shares that were issued to service bonds with conversion or option rights, or conversion or option obligations, pursuant to Section 221 para. 4 sentence 2, in conjunction with Section 186 para. 3 sentence 4 AktG, during the term of this authorization with the exclusion of subscription rights, or which are to be issued based on the conversion price prevailing at the time of the resolution of the Management Board concerning the utilization of the Authorized Capital 2017/II, insofar as these bonds were issued, as specified by Section 186 para. 3 sentence 4 AktG, during the term of this authorization with the exclusion of subscription rights. The sale of treasury shares shall also be included, insofar as they are sold during the term of this authorization based on an authorization pursuant to Section 71 para. 1 No. 8 sentence 5 clause 2, in conjunction with Section 186 para. 3 sentence 4 AktG, with the exclusion of subscription rights.

The simplified exclusion of subscription rights strictly requires that the issue price of the new shares is not significantly lower than the market price. Any discount on the prevailing market price or the volume-weighted market price during an appropriate period prior to the final fixing of the issue amount shall, with the exception of special circumstances in individual cases, presumably be no more than approx. 5% of the relevant market price. This also takes into account the shareholders' protection requirement in terms of a dilution of the

value of their shareholding. Fixing the issue price close to the market price of the shares of the Company ensures that the value a subscription right to the new shares would have is effectively very low. In addition, shareholders have the option to maintain their relative shareholding by acquiring the requisite number of shares on the stock exchange.

- (iv) Subscription rights can also be excluded for capital increases against contributions in kind. The Company should also be able to continue to make acquisitions, in particular of companies, parts of companies, participations, or other assets (in particular real estate portfolios and shares in real estate companies), or respond to acquisition and merger offers, in order to strengthen its competitiveness and increase the profitability and value of the Company. Furthermore, the exclusion of subscription rights shall also be used to service conversion or option rights, or conversion or option obligations, arising from bonds issued against contributions in kind.

Experience shows that shareholders of attractive acquisition targets will sometimes have a strong interest – e.g. in order to maintain a certain influence over the contribution in kind – in acquiring no-par value shares in the Company as compensation. The option to use other means of payment, rather than just cash, but also shares, or exclusively shares, also has the advantage – from the perspective of achieving an optimum financing structure – of protecting the Company's liquidity and avoiding borrowing to the extent that new shares can be used as acquisition currency, and allowing the seller to participate in future share performance. This results in an improvement in the Company's competitive position in terms of acquisitions.

The option to use Company shares as acquisition currency thus gives the Company the necessary scope to seize such acquisition opportunities quickly

and flexibly, and allows the Company to acquire even larger entities, portfolios, or assets in return for shares. In both cases, it must be possible to exclude shareholders' subscription rights. Given that such acquisitions often have to be made at short notice, it is important that these decisions are not generally resolved at General Meetings which are held only once a year. This requires an authorized capital which the Management Board is able to access quickly with the consent of the Supervisory Board.

The same applies to the servicing of conversion or option rights, or conversion or option obligations, arising from bonds, which are likewise issued for the purpose of acquiring companies, parts of companies, participations in companies, or other assets, with the exclusion of shareholders' subscription rights. New shares are issued in return for contributions in kind, either in the form of the bond to be provided or in the form of the contribution in kind made on the bond. This increases the Company's flexibility with respect to servicing the conversion or option rights, or conversion or option obligations. Offering bonds instead of, or in addition to granting shares or cash contributions can be an attractive alternative which increases the Company's competitive position in terms of acquisitions due to the additional flexibility. The shareholders are protected by the subscription right allocated to them upon the issuance of the bonds with conversion or option rights, or conversion or option obligations.

When opportunities arise to merge with other companies or to acquire companies, parts of companies, participations in companies, or other assets, the Management Board will carefully check in each case whether it should make use of the authorization to increase capital by granting new shares. This also includes, in particular, reviewing the valuation ratio between the company and the investment made in the company or other assets as well as the setting of the issue price for new shares and the other terms of share

issuance. The Management Board will use the new Authorized Capital 2017/II only if it is confident that the merger with or acquisition of the company or part of the company or the acquisition of a shareholding in return for the granting of new shares is in the best interests of the Company and its shareholders. The Supervisory Board shall only grant its required consent if it is of the same opinion.

The aforementioned authorizations for excluding subscription rights may not, in sum, exceed 20% of the share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. This 20% limit shall also include treasury shares sold during the term of this authorization with the exclusion of subscription rights as well as those shares issued during the term of this authorization from authorized capital with the exclusion of shareholders' subscription rights. Furthermore, the above-mentioned 20% restriction shall also include those shares issued from conditional capital to service stock option rights, provided that the stock option rights are granted during the term of this authorization. This restriction also limits any potential dilution of voting rights of shareholders excluded from subscription rights. In consideration of all of these circumstances, the authorization to exclude subscription rights within the outlined limits is necessary, commensurate, appropriate and in the interest of the Company.

If, during the course of a financial year, the Management Board exercises one of the aforementioned authorizations to exclude subscription rights as part of a capital increase from the Authorized Capital 2017/II, the Management Board will report on this matter at the next General Meeting.

2. Management Board Report on Agenda Item 3 (passing of a resolution on the granting of a new authorization to issue convertible bonds, options with warrants, participation rights and/or participating bonds (or combinations of these instruments), with the possibility to exclude subscription rights; creation of a new Conditional Capital 2017/II, cancellation of the existing authorization to issue convertible bonds or options with warrants and of the existing Conditional Capital 2017, and corresponding amendment to the Articles of Association)

With regard to Agenda Item 3 of the General Meeting on November 22, 2017, the Management Board and Supervisory Board propose the cancellation of the existing authorizations to issue convertible bonds and/or bonds with warrants and/or participation rights with option or conversion rights (or a combination of these instruments) (hereinafter collectively referred to as “bonds”) and the existing Conditional Capital 2017 and the creation of a new authorization and new Conditional Capital 2017/II. In accordance with Section 221 para. 4 sentence 2, in conjunction with Section 186 para. 4 sentence 2 AktG, the Management Board is providing this report on Agenda Item 3 of the General Meeting concerning the reasons for authorizing the exclusion of shareholders’ subscription rights when issuing new bonds:

By means of the resolution of the General Meeting of May 23, 2017, the Management Board was authorized, with the consent of the Supervisory Board, to issue, on one or several occasions in the period until May 22, 2022, bonds in a nominal amount of up to EUR 750.000.000,00 with or without a limitation on maturity. A Conditional Capital in the amount of EUR 37.087.779,00 was created to service the bonds (Section 7 of the Articles of Association).

The existing authorization to issue bonds allows for the issuance of bonds with the exclusion of subscription rights with rights to shares, that represent a pro rata

amount of the share capital that does not exceed 20 % of the share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. According to the General Meeting's authorization of May 23, 2017 to issue bonds, this shall include in particular shares issued with the exclusion of subscription rights from authorized capital during the term of the authorization. Due to the Company's capital increase carried out in October 2017 in order to execute of the voluntary public takeover offer for all shares of the WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, the existing authorization to issue bonds with the exclusion of subscription rights is completely utilized.

The Management Board and the Supervisory Board therefore deem it appropriate to completely cancel the existing authorization to issue bonds as well as the existing Conditional Capital 2017 and to replace them with a new authorization and a new Conditional Capital 2017/II.

In order to be able to make proper use of the spectrum of capital market instruments available to securitize conversion or option rights, it seems appropriate to set the permissible issue volume in the authorization at EUR 1.000.000.000,00. The conditional capital that serves to fulfill the conversion or option rights, or conversion or option obligations, shall amount to EUR 42.305.633,00. This shall ensure that the full scope of this authorization can be utilized. The number of shares necessary to service conversion or option rights, conversion or option obligations, or to grant shares in lieu of the cash amount due from a bond with a certain issue volume, generally depends on the market price of the Company's share at the date of issuance of the bond. When sufficient conditional capital is available, this ensures that full use can be made of the authorization scope for the issuance of bonds.

Adequate capital resources are a basic requirement for the development of the Company. By issuing convertible bonds and bonds with warrants, the Company

can exploit attractive financing options, depending on the market situation, to acquire capital at low interest rates. By issuing participation rights carrying conversion or option rights, the interest rate, for example, can also be linked to the Company's current dividend. The generated conversion and option premiums accrue to the Company upon issuance. Practice shows that some financing instruments can only be placed by way of granting option or conversion rights.

In principle, shareholders shall have subscription rights upon the issuance of bonds (Section 221 para. 4 in conjunction with Section 186 para. 1 AktG). The Management Board may make use of the option to issue bonds to one or several credit institutions with the obligation to offer shareholders the bonds in line with their subscription right (indirect subscription right pursuant to Section 186 para. 5 AktG). This is not a limitation of the subscription rights of shareholders. Shareholders are ultimately granted the same subscription rights as in case of a direct subscription. For technical settlement-related reasons, only one or several credit institutions are involved in the settlement.

The Management Board shall, however, with the approval of the Supervisory Board, be able to exclude subscription rights in certain cases:

- (i) The Management Board shall, with the approval of the Supervisory Board, be able to exclude subscription rights for fractional amounts. The aim of this exclusion of subscription rights is to simplify the process of issuing new shares with general shareholders' subscription rights, as this makes a technically feasible subscription ratio possible. The value of the fractional amount for each shareholder is usually low; therefore, the potential dilutive effect is likewise considered to be low. On the other hand, the cost of issuing shares without such an exclusion is significantly higher. The exclusion therefore serves to ensure that an issuance is practical and easier to carry out. For

these reasons, the Management Board and the Supervisory Board deem the potential exclusion of subscription rights as objectively justified and reasonable in consideration of shareholder interests.

- (ii) The Management Board shall, with the consent of the Supervisory Board, also be authorized to exclude shareholders' subscription rights, in order to grant holders or creditors of bonds a subscription right to the extent to which they would have been entitled after exercising their conversion or option rights, or upon fulfillment of their conversion or option obligations. This offers the possibility to offer the holders or creditors of bonds already issued at this point, or bonds that still have to be issued, a subscription right as a means of protection against dilution, instead of a discount on the option or conversion price. It is in line with the market standard to provide bonds with such dilution protection.
- (iii) Pursuant to Section 186 para. 3 sentence 4 AktG, the Management Board shall, with the approval of the Supervisory Board, also be authorized to exclude this subscription right for an issuance of bonds against contributions in cash if the issue price of the bonds is not significantly lower than their market value. This may be appropriate in order to be able to quickly exploit favorable stock market situations and place a bond quickly and flexibly on the market at attractive conditions. As the stock markets can be volatile, achieving the most advantageous issuance result possible increasingly depends on the ability to react quickly to market developments. Favorable conditions that are as close to the market as possible can generally only be established if the Company is not tied to these for an excessively long offer period. In case of subscription rights issuances, a significant haircut is usually necessary to ensure the issuance's chances of success for the entire offer period. Section 186 para. 2 AktG permits publication of the subscription price (and therefore in case of convertible bonds and bonds with warrants the

terms and conditions of this bond) up until the third-to-last day of the subscription period; however, in view of the volatility of the stock markets, there is also a market risk for several days, which leads to deductions of safety margins in the setting of bonds' terms and conditions. In addition, when a subscription right is granted, an alternative placement with third parties is more difficult and/or incurs additional expense due to the uncertainty that the rights will be exercised (subscription behavior). Finally, when granting a subscription right the Company cannot react quickly to a change in market conditions due to the length of the subscription period, and this can lead to the Company raising capital at less favorable conditions.

The interests of the shareholders are protected because the bonds are not issued significantly below the market value. The market value must be calculated in accordance with recognized actuarial principles. When pricing the bond, the Management Board shall keep the discount on the market value as low as possible, taking the prevailing capital market situation into account. This means that the calculated value of a subscription right will be so low that the shareholders will not suffer any material economic disadvantage due to the exclusion of the subscription right.

Setting the conditions in line with the market and therefore avoiding a significant dilution of value can, inter alia, also be achieved if the Management Board carries out a book-building process. In this process, investors are asked to submit purchase applications based on provisional bond terms and conditions, and to specify, for example, the interest rate deemed to be in line with the market and/or other economic components. At the end of the book-building period, the conditions that were previously still pending, such as the interest rate, will be stipulated in accordance with supply and demand on the market on the basis of the purchase applications submitted by investors. This means that the total value of the bonds will be

determined in line with the market. The Management Board can therefore, inter alia, use this kind of book-building process to ensure that there will be no significant dilution of the share value as a result of the exclusion of subscription rights.

The shareholders shall also have the opportunity to maintain their share of the Company's share capital at virtually the same conditions through acquisition on the stock exchange. As a result, their financial interests will be adequately protected. The authorization to exclude subscription rights pursuant to Section 221 para. 4 sentence 2, in conjunction with Section 186 para. 3 sentence 4 AktG, applies only to bonds with rights to shares representing no more than 10 % of the share capital, at the date on which the authorization becomes effective or at the date on which such authorization is exercised.

This 10% restriction shall also include the sale of treasury shares, insofar as they are sold during the term of this authorization with the exclusion of subscription rights pursuant to Section 71 para. 1 No. 8 sentence 5 clause 2, in conjunction with Section 186 para. 3 sentence 4 AktG. This restriction shall also include shares that are issued from authorized capital during the term of this authorization with the exclusion of subscription rights pursuant to Section 203 para. 2 sentence 1, in conjunction with Section 186 para. 3 sentence 4 AktG. Including these shares is in the interests of shareholders, to ensure the smallest possible dilution of their shareholding.

- (iv) Bonds may also be issued against contributions in kind, provided that this is in the Company's interests. In such cases, the Management Board shall, with the consent of the Supervisory Board, be authorized to exclude shareholders' subscription rights, provided that the value of the contribution in kind is commensurate with the theoretical market value of the bonds calculated in

accordance with recognized actuarial principles. This opens up the possibility to also use bonds as acquisition currency in appropriate individual cases (for example in connection with the acquisition of companies, shares in companies, or other assets). It has been shown in practice that it is frequently necessary to provide the consideration not in cash but also, or exclusively, in another form. The possibility to offer bonds as a consideration therefore creates an advantage in the competition for attractive acquisition targets and provides the necessary scope to exploit opportunities that arise to purchase companies, shares in companies, or other assets, also on a larger scale, while preserving liquidity. This can also be sensible from the perspective of achieving an optimal financing structure. The Management Board shall carefully assess in each individual case whether it will exercise its authorization to issue bonds against contributions in kind with the exclusion of subscription rights. It shall only do this if it is in the interests of the Company and therefore its shareholders.

The aforementioned authorizations for excluding subscription rights may not, in sum, exceed 20 % of the share capital at the date on which the authorization becomes effective or at the date on which such authorization is exercised. The above-mentioned 20% limit shall also include treasury shares that are sold during the term of this authorization with exclusion of subscription rights as well as those shares that have been issued during the term of this authorization from other authorized capitals with the exclusion of shareholders' subscription rights. In addition, the aforementioned 20% limit shall include those shares that were or are to be issued from conditional capital to service stock option rights, provided that the stock option rights were granted during the term of this authorization. This restriction also limits any potential dilution of voting rights of shareholders excluded from subscription rights. In consideration of all of these circumstances, the authorization to exclude subscription rights within the outlined limits is necessary, commensurate, appropriate and in the interest of the Company.

Insofar as participation rights or participating bonds bearing no conversion or option rights, or conversion or option obligations, are to be issued, the Management Board shall, with the consent of the Supervisory Board, be authorized to completely exclude shareholders' subscription rights if these participation rights or participating bonds carry similar rights to other bonds (i.e. they do not convey membership rights in the Company, nor do they grant a share in the proceeds of a liquidation, and the rate of interest is not calculated on the basis of net income for the year, net retained profits or the dividend). In addition, the interest rate and the issuing amount of the participation rights or participating bonds must be in line with prevailing market conditions for similar borrowing at the time of issuance. If the above requirements are fulfilled, the exclusion of subscription rights will not have any adverse effects for the shareholders since the participation rights or participating bonds do not convey any entitlement to membership rights, a share in the proceeds of any liquidation, or the Company's profits. Although it is possible to stipulate that the interest yield be dependent on the achievement of a net income for the year, a net retained profit or a dividend, it would not be permissible to create a regulation whereby a higher net income for the year, a higher net retained profit or a higher dividend would result in a higher interest yield. Therefore, the issuance of participation rights or participating bonds shall not change or dilute either the voting rights or the stake of the shareholders in the Company or its profits. In addition, the market-driven issuing conditions, which are mandatory for this case of subscription rights exclusion, do not give rise to any notable subscription right value.

The planned conditional capital serves to fulfill conversion or option rights to shares of the Company, or to fulfill conversion or option obligations, or to grant the creditors or holders of bonds shares in the Company in lieu of payment of the cash amount due. It is also stipulated that conversion or option rights, or conversion or option obligations, may also be serviced instead by the provision of treasury shares or shares from authorized capital, or by other means of compensation.

If, during the course of a financial year, the Management Board exercises one of the aforementioned authorizations to exclude subscription rights as part of a bond issue, the Management Board shall report on this matter at the next General Meeting.

3. Report of the Management Board on the partial utilization of the Authorized Capital 2014/II against contributions in kind with the exclusion of shareholders' subscription rights in October 2017

On June 27, 2017, the Company submitted a takeover offer in the form of a swap offer (the "Takeover Offer") to the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, a corporation under German law, seated in Frankfurt am Main and registered under HRB 55695, in accordance with Sections 29 et seq. of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz, hereinafter: WpÜG) to acquire all of the shares held by them in WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, each with a nominal value of EUR 1,00 [the "WCM-Shares"]. Through the Takeover Offer, the Company offered each shareholder of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft to receive 4 new no-par value bearer shares in Company, each with a calculated stake in the share capital of the Company of EUR 1,00 EUR, in return for every 23 submitted WCM-Shares.

For the purpose of the execution of the Takeover Offer, the Management Board resolved in resolutions of May 10, 2017 and October 4, 2017 to increase the Company's share capital from EUR 74.175.558,00 by EUR 20.435.708,00 against contributions in kind to EUR 94.611.266,00 by issuing 20.435.708 new no-par value bearer shares from the Authorized Capital 2014/II with a pro rata amount of the share capital of EUR 1,00 per share and an issue price of EUR 1,00 per non-par value share and a profit participation right as of January 1, 2017 (the "New Shares") with the exclusion of shareholders subscription rights (the "Takeover Capital Increase"). The Supervisory Board of the Company approved the Takeover Capital Increase by its resolutions of May 10, 2017 and October 4, 2017.

The execution of the Takeover Capital Increase was entered into the commercial register on October 5, 2017, and the share capital of the Company was increased from EUR 74.175.558,00 by EUR 20.435.708,00 to the current share capital in an amount of EUR 94.611.266,00.

UBS Europe SE, Opernturm, Bockenheimer Landstraße 2-4, 60306 Frankfurt am Main (telefax: +49 69 21798896), in its function as settlement agent and exchange trustee for the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft accepting the Takeover Offer (the "Exchange Trustee") subscribed the 20.435.708 New Shares at the issue price of EUR 1,00 per non-par value share (i.e. in sum EUR 20.435.708,00) against contributions in kind.

Contributions in kind on the New Shares in connection with the Takeover Capital Increase were rendered by the contribution of 117.435.708 WCM-Shares, which were transferred to the Exchange Trustee on behalf of the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft. According to a contribution agreement concluded on October 4, 2017, the Exchange Trustee transferred the WCM-Shares to be contributed as contribution in kind to the Company upon the registration of the Takeover Capital Increase.

On the basis of the Company's consideration of 4 New Shares of the Company for each 23 WCM-Shares, an offer consideration of about 0,174 New Shares for each WCM-Share (equals $4/23^{\text{rd}}$ rounded) is calculated.

If the consideration consists of shares (as it is the case here), Section 31 paras. 1, 2 and 7 WpÜG, in conjunction with Sections 7, 5 paras. 1 and 3 of the German regulation on the contents of offer documents, the consideration related to takeover bids and mandatory offers and exemptions from the obligation to publish and to make an offer (*Verordnung über den Inhalt der Angebotsunterlage, die Gegenleistung bei Übernahmeangeboten und Pflichtangeboten und die Befreiung von der Verpflichtung zur Veröffentlichung und zur Abgabe eines Angebots*, hereinafter: WpÜG-Angebotsverordnung), stipulates that the value of the offered shares which is required to determine the minimum consideration must be ascertained on the basis of the three-months average market price. According to a communication from the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) to the Company of May 17, 2017, the three-month average market price of a share of the Company on the reference day, May 9, 2017, amounted to EUR 18,13.

The three-month average market of a share of the Company of EUR 18,13 multiplied by the fractional amount of roundly 0,174 (equals $4/23^{\text{rd}}$ rounded) of shares which is offered as offer consideration accounts for roundly EUR 3,15 per share. Thus, the value of the offer consideration of 0,174 (equals $4/23^{\text{rd}}$ rounded) New Shares which is to be calculated in accordance with Section 31 paras. 1, 2 and 7 WpÜG, in conjunction with Sections 7, 5 paras. 1 and 3 WpÜG-Angebotsverordnung, accounts for roundly EUR 3,15 per WCM-Share.

BaFin on May 17, 2017 notified the Company that the three-month average market price of the WCM-Shares accounted for EUR 3,03 per WCM-Share on the reference day, May 9, 2017. The offered consideration of EUR 3,15 per WCM-Share, thus, contains a premium of roundly EUR 0,12 or roundly 4,06 % in addition to the three-month average market price of the EUR 3,03 of the WCM-Shares.

The Company has ascertained the offer consideration on the basis of the historical development of the market price of the WCM-Shares. The market price is a widely accepted basis for the determination of the adequacy of the consideration for listed shares.

WCM-Shares are admitted to trading on the regulated market of the Frankfurt Stock Exchange and in the sub-section of the regulated market with additional post-admission obligations (Prime Standard) as well as at the stock exchanges in Hamburg and Stuttgart. Prior to the setting of the offer consideration, WCM-Shares were listed in the SDAX, CDAX, DIMAX and FTSE EPRA/NAREIT Developed Europe and showed a functioning stock trading with a significant free float as well as adequate trading activities and volumes.

Prior to the relevant adoption of the resolution on the utilization of the Authorized Capital 2014/II, the Management Board and the Supervisory Board conducted intensive examination concerning the adequacy of the consideration for the issuance of the New Shares.

In the opinion of the Management Board and the Supervisory Board, the premium rendered in addition to the mandatory minimum market price was adequate in order to ensure a reasonable transactional security and was made considering the economical results of the transaction expected for the setting of the offer consideration:

- The transaction strengthens the position of TLG at the already existing portfolio locations Berlin, Dresden, Leipzig and Frankfurt am Main. The properties of the WCM-Group are likewise generally situated in attractive locations and thus fit well the existing portfolio of TLG. At the same time, TLG expands its portfolio with respect to Western Germany's growth markets and reinforces its regional presence in the Rhine-Main area by taking over WCM's offices in Frankfurt am Main.
- TLG maintains its balanced portfolio structure as part of the acquisition of the WCM-Group with a focus on office and retail properties offering an attractive combination of return, stable cash flows and value enhancement potential. The portion of office properties of the company emerging from the execution of the takeover offer will account for roundly 45 % while the portion of retail properties will account for roundly 44 % of the entire portfolio value. This combined company has a net base rent return of 6,7 % and offers additional value enhancement potential. Furthermore, it will be characterized by a German market-leading weighted average lease term (WALT) of 6,6 years and an EPRA vacancy quota of merely 3,7 % (based on the financial information published in the quarterly financial report of the Company as of March 31, 2017, and in the WCM-Group quarterly report for the three-month period ending on March 31, 2017).
- The successful execution of the takeover offer will accelerate the expansion of TLG's established business model on a Germany-wide basis. Based on the portfolio and the existing platform of the WCM-Group, the local penetration of the market in Western Germany will be reinforced, serving as a catalyst for the intended portfolio growth. The Germany-wide acquisition pipeline of the company emerging from the execution of the takeover offer will consist of properties in all strategic asset classes in attractive locations and is believed to enable TLG to rapidly promote growth in Western Germany.

The established acquisition competences of TLG and WCM as well as TLG's access to growth capital enables this combined company to realize further continuous portfolio growth throughout Germany in accordance with TLG's existing acquisition criteria.

- The successful execution of the takeover offer will in addition allow for the realization of cost synergies which will presumably account for EUR 5 million per annum after complete integration. These synergies can be achieved, in particular, by anticipated reductions of administrative costs as well as from improvements and efficiency increases regarding computing systems. Furthermore, flexibility and efficiency regarding the financing of the company emerging from the execution of the takeover offer will increase in the medium term. Apart from that, additional revenue synergies are anticipated due to increased acquisition capacities of the combined company whereby this company will benefit from WCM's existing tax loss carryovers in future acquisitions.
- The structure of this takeover offer as a purely share-based swap offer allows TLG to maintain the defensive balance-sheet profile with a conservative net debt ratio also for the company emerging from the execution of the takeover offer. The financing structure will continue to have a balanced maturity profile with an attractive term and low average interest costs.

The fact, that the market price of the shares of the Company has increased between the setting of the offer consideration and the issuance of the New Shares, equally leading to an increase of the consideration for the shareholders of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft, does not affect the original adequacy of the consideration and the justification for the exclusion of shareholders' subscription rights as the relevant point of time for setting the offer consideration is the last relevant administrative decision on May 10, 2017

It follows from the above considerations that the exclusion of subscription rights, partially utilizing the Authorized Capital 2014/II and exercised in accordance with the provisions thereof, was altogether objectively justified.

III. Additional information on convening the General Meeting

1. Total number of shares and voting rights at the time of convening the General Meeting

At the time of convening the General Meeting the Company's share capital amounts to EUR 94.611.266,00 and is divided in 94.611.266 no-par value shares. Each no-par value share carries one vote at the General Meeting. The total number of shares with participation and voting rights at the time of convening the General Meeting amounts to 94.611.266 shares. The Company does not hold treasury shares as of the convening of the General Meeting.

2. Requirements for attending the General Meeting and exercising voting rights

Only those holders of bearer shares who have registered to attend on time are entitled to attend the General Meeting and exercise their voting right. The registration forms must therefore have been received by the Company by no later than on Wednesday, November 15, 2017 at 24:00 CET at the following address

TLG IMMOBILIEN AG
c/o Commerzbank AG
GS-MO 3.1.1 General Meetings
60261 Frankfurt am Main
Telefax: +49 (0) 69 136-26351
E-mail: hv-eintrittskarten@commerzbank.com

and the holders of bearer shares must verify to the Company that by the beginning of Wednesday, November 1, 2017, i.e. 0:00 CET (record date), they were shareholders of the Company. A special shareholding certificate issued by the custodian bank shall suffice as proof of share ownership.

As with the registration form, the proof of share ownership must also have been received by the Company at the above address by no later than on Wednesday, November 15, 2017 at 24:00 CET. The registration and the proof of ownership must be in writing (Section 126 b of the German Civil Code (Bürgerliches Gesetzbuch, in the following BGB) and must be either in German or in English.

Importance of the record date:

In relation to the Company, only those who have provided proof of their shareholdings shall be considered shareholders of the company. The right to attend and the scope of the voting rights shall be based only on the shareholding as of the record date. The record date for furnishing proof of shareholdings does not restrict the disposability of shareholdings. Even in the case of a complete or partial disposal of the shareholding after the record date, participation in the General Meeting and the scope of voting rights shall be determined only by the shareholder's shareholdings as of the record date. This means that disposals of shares after the record date shall have no influence on the shareholder's right

to attend or the scope of the shareholder's voting rights. The same applies for purchases of shares after the record date. Persons who do not hold shares at the record date and only become shareholders thereafter shall not be eligible to attend the meeting or exercise voting rights, unless they obtain power of attorney or are authorized to exercise such rights.

3. Procedure for voting by proxy

Shareholders can also have their voting right exercised in the General Meeting by a proxy after delegation of authority, e.g. through a credit institution, a shareholders association or another third party. Even if a shareholder is represented by a proxy, the shareholder's attendance must be registered and the ownership proven on time, as described above.

The granting of proxy, revocation of proxy and proof of proxy authorization vis-à-vis the Company shall be submitted in writing, unless either a credit institution, a shareholders' association or persons, institutes, companies or associations equivalent to these pursuant to Section 135 para. 8 or Section 135 para. 10, in conjunction with Section 125 para. 5 AktG, are granted proxy voting rights.

Where proxy powers are granted to credit institutions, shareholders' associations or persons, institutes, companies or associations equivalent to these pursuant to Section 135 para. 8 or Section 135 para. 10, in conjunction with Section 125 para. 5 AktG, there is no written form requirement; however, the proxy must retain the letter of authority as verification. In addition, it must be complete and may only contain declarations relating to the exercise of the voting rights. We therefore ask shareholders who wish to grant proxy voting rights to a credit institution, a shareholders' association or persons, institutes, companies or associations equivalent to these pursuant to Section 135 para. 8 or Section 135

para. 10, in conjunction with Section 125 para. 5 AktG, to agree the form of proxy with the intended proxy.

If the shareholder grants power of proxy to more than one person, the Company may reject one or more of these proxies.

Shareholders who wish to authorize a proxy are requested to issue the authorization using the form provided for this by the Company. The proxy form will be provided by the Company after registration of attendance together with the entry card. In addition, a form for granting a proxy will be available for download on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“).

Proof of the appointment of a proxy can also be sent to the Company electronically to the following e-mail address:

inhaberaktien@linkmarketservices.de

4. Procedure for voting through proxies appointed by the Company

In addition, the Company again offers shareholders the possibility to grant power of proxy to employees appointed by the Company, who shall vote according to the respective shareholder's instructions. The proxies must vote according to the instructions they are given; they cannot exercise the voting rights at their own discretion. Please note that the Company-appointed proxies can only exercise voting rights on agenda items for which shareholders have given them clear

instructions, and that proxies cannot accept instructions pertaining to procedural motions either prior to or during the General Meeting. Similarly, proxies appointed by the Company cannot accept requests to address the General Meeting, raise objections to resolutions passed at the General Meeting or to ask questions or to propose notions.

Such proxy, accompanied by instructions for the Company-appointed proxies, can be granted prior to the General Meeting only by way of the proxy and instruction form which the shareholders receive together with the entry card for the General Meeting. The relevant form can also be downloaded from the Company's website at

<http://www.ir.tlg.eu>

(under „General Meetings“ >

„Extraordinary General Meeting 2017“)

The authorization for the Company's proxy and the issuing of instructions must have been received by the Company by Tuesday, November 21, 2017 at 24:00 CET; they must be in writing. Proxy authorization and instructions to the Company-appointed proxies by post, fax, or e-mail must be sent to the following address:

TLG IMMOBILIEN AG

c/o Link Market Services GmbH

Landshuter Allee 10

80637 München

Telefax: +49 (0) 89 210 27 289

E-mail: inhaberaktien@linkmarketservices.de

5. Other shareholders rights

a) Motions by shareholders to add items to the agenda pursuant to Section 122 para. 2 AktG

Shareholders whose collective holdings equate to one twentieth of the share capital or the proportionate amount of EUR 500,000.00 (equal to 500,000 shares) may request that items be placed on the agenda and published. Each new agenda item must be accompanied by a statement of reasons or a draft resolution.

Such a Request to add an item to the agenda shall be addressed to the Management Board in writing and must be received by the Company at least 30 days prior to the General Meeting, not including the date of receipt and the date of the General Meeting. The last possible date for submissions is therefore Sunday, October 22, 2017 at 24:00 CEST. Requests that do not arrive by this deadline will not be considered.

The affected shareholders shall verify that they have been holders of the shares for at least 90 days prior to the date of the General Meeting and that they will continue to hold the shares until a decision has been made by the Management Board about the request for the addition to the agenda, whereby the holding period is calculated pursuant to Section 70 AktG. A rescheduling from a Sunday, a Saturday, or a holiday to a chronologically prior or subsequent workday is ruled out. Sections 187 to 193 BGB do not apply accordingly.

Please send any requests to add agenda items to the following address:

TLG IMMOBILIEN AG
Management Board
Büro Außerordentliche Hauptversammlung 2017
Hausvogteiplatz 12
10117 Berlin

b) Countermotions by shareholders pursuant to Section 126 AktG

Every shareholder has the right to file a countermotion against proposals made by the Management Board and/or the Supervisory Board at the General Meeting on certain items of the Agenda. Such countermotions must be accompanied by a statement of reasons.

Countermotions received by the Company at the address below by at least 14 days prior to the General Meeting, not including the date of receipt and the date of the General Meeting, i.e. by Tuesday, November 7, 2017 at 24:00 CET, will promptly be published, along with the shareholder' name, the statement of reasons for the countermotion and the position of management, on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“)

(see Section 126 para. 1 sentence 3 AktG).

Section 126 para. 2 AktG states cases in which a countermotion and the reasons for it do not have to be published on the website. These are described on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“).

In particular, the statement of reasons for a countermotion does not need to be published if the length exceeds 5,000 characters.

Countermotions and the statement of reasons for them must be sent to the following address:

TLG Immobilien AG
Investor Relations
Hausvogteiplatz 12
10117 Berlin
Fax: + 49 (0) 30 2470 7446
E-mail: ir@tlg.de

Countermotions sent to a different address will not be published.

Countermotions shall be deemed to have been submitted only if they are proposed during the General Meeting. This does not affect the right of any shareholder to propose countermotions to the various agenda items during the General Meeting, even without prior and timely submission of such countermotions to the Company.

c) Candidate nominations by shareholders pursuant to Section 127 AktG

Every shareholder has the right at the General Meeting to nominate candidates for election as auditor and members of the Supervisory Board

Candidate nominations by shareholders that are received by the Company at the address below at least 14 days prior to the General Meeting, not including the date of receipt and the date of the General Meeting, i.e. by Tuesday November 7, 2017 at 24:00 CET, will promptly be published on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“).

Candidate nominations by shareholders do not need to be published if they do not include the name, profession and place of residence of the proposed candidate. Candidate nominations do not require justification.

Section 127 para. 1 AktG, in conjunction with Section 126 para. 2 and Section 127 sentence 3, in conjunction with Section 124 para. 3 sentence 4, Sentence 125 para. 1 sentence 5 AktG, state additional reasons why candidate nominations by shareholders do not need to be published on the website. These are described on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“).

Candidate nominations must be sent to the following address:

TLG Immobilien AG
Investor Relations
Hausvogteiplatz 12
10117 Berlin
Fax: + 49 (0) 30 2470 7446
E-mail: ir@tlg.de

Candidate nominations sent to a different address will not be published.

The right of every shareholder to nominate candidates at the General Meeting shall remain unaffected. Candidate nominations shall be deemed to have been submitted only if they are proposed during the General Meeting.

d) Information right of shareholders pursuant to Section 131 para. 1 AktG

Pursuant to Section 131 para. 1 AktG, the Management Board shall, upon request during the General Meeting, provide each shareholder with information concerning the Company's affairs, insofar as such information is necessary to make a proper assessment of the agenda item in question. This disclosure obligation of the Management Board also extends to the Company's legal and business relations with affiliates and to the position of the Group and the consolidated companies.

The Management Board may refuse to provide information in certain circumstances described in more detail in Section 131 para. 3 AktG. Additional information on the conditions under which the Management Board may make such a refusal can be found on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“).

6. Publications on the website/Display of documents at the Company's premises/Additional information pursuant to Section 124a AktG

Once the General Meeting has been convened, in particular the following documents, in addition to this Invitation to the General Meeting, will be available on the Company's website at

<http://www.ir.tlg.eu>
(under „General Meetings“ >
„Extraordinary General Meeting 2017“)

and will be available for inspection by shareholders at the offices of TLG IMMOBILIEN AG in Berlin (Hausvogteiplatz 12, 10117 Berlin):

Regarding Agenda Item 1

- The domination agreement between TLG IMMOBILIEN AG and WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft dated October 5, 2017;
- The annual financial statements and consolidated financial statements of TLG IMMOBILIEN AG for the financial years ending on December 31, 2014, 2015 and 2016 as well as the management reports and group management reports of TLG IMMOBILIEN AG for the financial years ending on December 31 2014, 2015 and 2016;

- The annual financial statements and consolidated financial statements of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft for the financial years ending on December 31, 2014, 2015 and 2016 as well as the management reports and group management reports of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft for the financial years ending on December 31 2014, 2015 and 2016;
- The joint report under Section 293a AktG issued by the management board of TLG IMMOBILIEN AG and the management board of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft (along with the expert opinion of ValueTrust Financial Advisors SE to determine the enterprise value of TLG IMMOBILIEN AG and of WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft as of November 17, 2017 attached in the appendix); and
- The report prepared by the court appointed auditor BBWP GmbH Wirtschaftsprüfungsgesellschaft under Section 293e AktG on the review of the domination agreement between TLG IMMOBILIEN AG and WCM Beteiligungs- und Grundbesitz-Aktiengesellschaft.

Regarding Agenda Item 2:

- The report of the Management Board pursuant to Section 203 para. 2 sentence 2, in conjunction with Section 186 para. 4 sentence 2 AktG.

Regarding Agenda Item 3:

- The report of the Management Board pursuant to Section 221 para. 4 sentence 2, in conjunction with Section 186 para. 4 sentence 2 AktG.

The aforementioned documents will also be accessible during the General Meeting on Wednesday, November 22, 2017. With accessibility on the Company's website all legal obligations are satisfied. In addition, the documents will be sent upon request once for free and promptly via simple mail to each shareholder.

Any countermotions, candidate nominations and requests to add items to the agenda made by shareholders will also be published via the aforementioned Company website, provided they reach the Company by the deadlines specified above and are subject required to disclosure.

This invitation has been forwarded for publication to such media that can be expected to disseminate this information throughout the European Union.

Berlin, in Oktober 2017

TLG IMMOBILIEN AG

The Management Board

IV. Travel Directions



Cafe Moskau is centrally located in Berlin, only a five minutes walk from Alexanderplatz directly at U-Schillingstraße

Public transport

- From Alexanderplatz: U5, one stop direction Hönow to U-Schillingstraße
- From Hauptbahnhof: S-Bahn S3 or S5 or S7 to S-Alexanderplatz, then U5, one stop direction Hönow to U-Schillingstraße
- From Airport Tegel (TXL): Bus TXL to Alexanderplatz, then U5, one stop direction Hönow to U-Schillingstraße

Taxi

- Airport Tegel (TXL) 30 minutes
- Airport Schönefeld (SXF) 45 minutes

Public parking

There are parking spaces in the immediate vicinity available.

