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### **Vonovia announces takeover offer to all Conwert shareholders to acquire their shares - Conwert Administrative Board in favour of the offer**

- Rolf Buch, CEO of Vonovia SE, says: "The planned takeover of Conwert presents Vonovia with a great opportunity to expand our own portfolio into new dynamic regions and cities. For that reason, we are making an attractive offer to Conwert shareholders and invite them to take part in our success story."
- Conwert shareholders to receive 74 Vonovia shares per 149 Conwert shares; this implies an offer price of €17.58 per Conwert share based on the last Vonovia closing price and a resulting premium of 23.8% based on the six month VWAP of Conwert.
- Conwert's Administrative Board in favor of the offer, subject to legal examination of the offer.
- Adler Real Estate AG supports the offer and will tender its Conwert shares of approx. 26% in exchange for Vonovia shares.
- Complementary Conwert portfolio fits well with Vonovia's strategy; Target: operating synergies of at least €7m and financial synergies of €5m per year.
- The Vienna Headquarters and Conwert's stock listing will remain.
- Tenants will benefit from integration into Vonovia's existing management platform and gain access to various new services.

*Bochum, Wien, 5 September 2016* – The Management Board of Vonovia SE ("Vonovia") and the Administrative Board and Executive Committee of Conwert Immobilien Invest SE ("Conwert") have signed a business combination agreement ("BCA"). Under the terms of this agreement, Vonovia intends to publish an offer to acquire all shares in Conwert. Vonovia intends to offer all Conwert shareholders 74 Vonovia shares for every 149 Conwert shares. This implies a price of €17.58 per Conwert share based on the Vonovia closing price on Friday, 2 September 2016.

This represents a resulting premium of 23.8%, based on the Conwert volume-weighted average share price of the last six months of €14.20

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per share. As an alternative, as legally required in Austria, Vonovia plans to offer Conwert shareholders a cash consideration of €16.16 per share.

The transaction aims to combine the complementary property portfolios of both companies. Managing the portfolios under one roof facilitates significant value creation for tenants and shareholders alike. As a result of this combination, Vonovia will further expand its footprint in the dynamically growing cities of Leipzig, Berlin, Potsdam and Dresden, and add a very attractive presence in the German-speaking city of Vienna to its German portfolio.

Rolf Buch, CEO of Vonovia SE: "The planned takeover of Conwert presents Vonovia with a great opportunity to expand our portfolio in dynamic regions and cities. We are therefore making an attractive offer to Conwert shareholders and invite them to join our success story. Conwert shareholders will benefit from the premium offered, future synergies, and a higher dividend potential and pay-out ratio. Additionally, the takeover of Conwert further strengthens our market position in attractive regions in Germany and expands our footprint to the attractive location of Vienna. Our sophisticated, proven management platform will allow us to integrate Conwert seamlessly for the equal benefit of all shareholders and tenants."

Dr Alexander Proschofsky, Chairman of the Conwert Administrative Board, adds: "Vonovia's offer underlines the successful development Conwert has made in the last year. A merger with Vonovia constitutes an attractive opportunity to further develop Conwert's potential under a new roof. Subject to legal examination, we intend to recommend to our shareholders to accept this offer." Dr Alexander Proschofsky has already declared that he intends to accept the offer and tender all of his Conwert shares.

Adler Real Estate AG, one of the largest Conwert shareholders, has also committed to tendering its entire stake in Conwert into the exchange offer (at least 26.2m shares, representing approx. 26% of fully diluted share capital including treasury shares). Conwert has committed to tendering its treasury shares, subject to its legal check.

Following a successful takeover, Vonovia will be given the opportunity to newly appoint the Administrative Board. For Vonovia, Corporate Governance plays an important role. Vonovia will nominate the majority of the Administrative Board members and has committed to ensure that the minority shareholders will be represented adequately on the Administrative Board. In this respect, Vonovia will support the candidates that will be proposed by the Conwert Administrative Board.

All members of the Conwert Administrative Board have declared that they will vacate their seats, if the takeover offer is successful, and Conwert will call an extraordinary general meeting, at Vonovia's request, for the purpose of assigning new members to the Administrative Board.

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With around 340,000 residential units nationwide, Vonovia has the critical mass needed for the efficient management of Conwert's approximately 24,500 residential units, in particular in the German real estate market. Conwert has very attractive properties in the dynamically developing city of Leipzig, and in growth cities like Berlin, Potsdam and Dresden, as well as in North Rhine-Westphalia. Conwert's Austrian portfolio presents a good opportunity for Vonovia to expand its portfolio into the German-speaking city of Vienna.

The Conwert Headquarters will remain in Vienna. The Austrian property portfolios will continue to be managed by Conwert. Additionally, Conwert will remain listed on the Vienna Stock Exchange.

The consummation of the takeover offer will be subject to reaching the mandatory acceptance threshold of 50% plus 1 share of all Conwert shares as well as certain standard market completion conditions that will be set out in detail in the offer document, which is expected to be published on 17 November 2016.

Following the successful completion of the offer, Conwert shares will be exchanged into Vonovia shares from Vonovia's existing authorised capital. Furthermore, Vonovia has sufficient resources to finance the cash consideration of the offer.

Through the integration, Vonovia plans operational synergies of at least €7m per year, to be fully realised by the end of 2018. By partially refinancing Conwert, Vonovia plans to realise financial synergies of €5m, to be fully realised in the financial year 2017.

The transaction fulfills all of Vonovia's acquisition criteria. Vonovia expects the transaction to be, in particular, NAV per share and FFO per share accretive.

## **About Vonovia**

Vonovia SE is Germany's leading nationwide residential real estate company. Vonovia currently owns and manages around 340,000 residential units in all of Germany's attractive cities and regions. Its portfolio is worth approximately €24 billion. An additional 54,000 or so third-party apartments are also managed by Vonovia. As a modern service company, Vonovia focuses on customer orientation and tenant satisfaction. Offering tenants affordable, attractive and livable homes is a prerequisite for the company's successful development. Accordingly, Vonovia makes long-term investments in the maintenance, modernization and senior-friendly conversion of its properties. The company will also be creating more and more new apartments by realizing infill developments and adding on to existing buildings.

The company, which is based in Bochum, has been listed on the stock exchange since 2013 and on the DAX 30 since September 2015. Vonovia SE is also listed on the international indices STOXX Europe 600, MSCI Germany,

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GPR 250 and EPRA/NAREIT Europe. Vonovia has a workforce of 6,900 employees.

**Additional Information:**

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