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Aroundtown SA

(a public limited liability company (*société anonyme*),
established under the laws of the Grand Duchy of Luxembourg,
with registered office at 1, avenue du Bois, L-1251 Luxembourg, Grand Duchy of Luxembourg,
registered with the Luxembourg trade and companies register
(*Registre de commerce et des sociétés*) under number B 217868)

ISIN: LU1673108939

WKN: A2DW8Z

Trading Symbol: AT1 (XETRA)

SUBSCRIPTION OFFER

On 27 June 2018, the Board of Directors of Aroundtown SA (“**Aroundtown**” or the “**Company**”) resolved to partially use the authorised capital in Article 7.1 of the Company’s articles of association (“**Authorised Capital**”) and to increase the share capital from its present amount of EUR 10,606,522.92 through the issuance of additional bearer shares having a nominal value of one cent each (EUR 0.01) (“**New Shares**”) against contribution in kind (“**Capital Increase**”). The final number of New Shares that will be issued in connection with the Capital Increase depends on the Subscription Price and the number of shareholders participating in the Subscription Offer, each as described in more detail herein.

Dividend rights of EUR 0.234 (gross) per share have arisen from the resolution on the distribution of a dividend by the annual general meeting of the shareholders of the Company on 27 June 2018. Shareholders will be able to choose whether to have their dividend paid out (i) in cash only, or (ii) in cash for a portion of the dividend in order to settle tax liabilities and for the remaining portion of the dividend in the form of shares in Aroundtown (“**Scrip Dividend**”), or (iii) in cash for a portion of their shares and as Scrip Dividend for the other portion of their shares. Out of the dividend right of EUR 0.234 (gross) per share, a partial amount of EUR 0.0702 per share (“**Dividend Base Portion**”) is not subject to the shareholder’s right of choice and will consequently in any event be paid in cash to all shareholders – regardless of whether they opted for the dividend in cash only or for the Scrip Dividend – after deduction of withholding tax to be withheld. The purpose of the Dividend Base Portion is to cover the possible tax liability on the part of the shareholder (withholding tax) with regard to the entire dividend right of EUR 0.234 (gross) per share. This ensures that a shareholder who opts for the Scrip Dividend is not required to make any additional cash payment in order to meet the possible tax liability. The remaining partial amount of EUR 0.1638 per share (“**Partial Dividend Right**”) is available as partial dividend right for subscribing to New Shares. After determining the total number of New Shares to be issued, the Board of Directors intends to determine the precise amount of the Capital Increase and the number of New Shares in a resolution, presumably on 13 July 2018. The New Shares will be entitled to dividends as of 1 January 2018.

Shareholders who owned Aroundtown shares at 11:59 p.m. CET on 27 June 2018 and have not already sold them prior to this time are entitled to subscribe to New Shares. The New Shares will be offered to the shareholders in accordance with their respective dividend right at a still-to-be-determined subscription price and at a still-to-be-

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determined subscription ratio ("**Subscription Offer**"). Each existing share carries one subscription right and one dividend right of EUR 0.234 (gross). Each shareholder will only be able to exercise subscription right(s) by commissioning and authorising Joh. Berenberg, Gossler & Co. KG, Neuer Jungfernstieg 20, 20354 Hamburg ("**Berenberg**") as third-party trustee, under cession of the shareholder's Partial Dividend Rights to Berenberg, to subscribe to the New Shares, which the shareholder would like to receive based on the shareholder's subscription right(s), in Berenberg's own name but on the shareholder's account. Such commissioning and authorisation must be made within the subscription period from 28 June 2018 following the publication of the Subscription Offer to 10 July 2018 (inclusively) ("**Subscription Period**") via the shareholder's depository bank during normal office hours, using the form provided by the depository banks for this purpose ("**Declaration of Subscription and Cession**"). Following subscription and execution of the Capital Increase, Berenberg will transfer the New Shares acquired in this process to the clearing system of Clearstream Banking AG, Eschborn, Germany ("**Clearstream**") in favour of the respective shareholder's securities account. Shareholders who make use of their subscription rights must cede their Partial Dividend Rights, that they wish to use to subscribe to New Shares, within the Subscription Period and free from third party rights by submitting a Declaration of Subscription and Cession to Berenberg in due course. The exercise of the subscription rights shall take effect upon the book entry transfer in due course of the relevant Partial Dividend Rights from ISIN LU1833004150 / WKN A2JNCC to ISIN LU1832989336 / WKN A2JNCD.

Berenberg will process the Subscription Offer as a settlement agent based on a transaction and subscription agreement concluded on 28 June 2018 ("**Transaction Agreement**") for shareholders who would like to exercise their subscription rights, subject to the conditions specified in the section "Other important information" below. In particular, Berenberg agreed in the Transaction Agreement to transfer to the Company as a contribution in kind the Partial Dividend Rights ceded to it in accordance with the Subscription Price and the Subscription Ratio (each as defined herein), both of which as yet to be determined, to subscribe to the New Shares in its own name but for the account of those shareholders who wish to exercise their subscription rights, and to deliver the New Shares to the relevant shareholders. It is expected that Berenberg will subscribe to the New Shares on 13 July 2018. The execution of the Capital Increase is expected to occur on 13 July 2018.

The number of subscription rights to which the shareholders are entitled depends on the number of shares of the Company in the respective depository account as at the evening of 29 June 2018 (since the technical settlement of share transfers regarding the securities accounts takes two trading days, such deposit of the securities account reflects the shareholder position as at the evening of 27 June 2018). The subscription rights can be exercised from the beginning of the subscription period on 28 June 2018, even though their technical delivery to the depository banks by Clearstream only occurs on 2 July 2018 at the latest. The delivered Partial Dividend Rights include the associated subscription rights and are inseparably associated with them. The depository banks are responsible for delivering the subscription rights to the depository accounts of the individual shareholders.

Our shareholders have the option to exercise their subscription rights for the New Shares during the period

from 28 June 2018, following the publication of the subscription offer, to 10 July 2018 (incl.)

via their depository bank via the settlement agent named below, using the Declaration of Subscription and Cession provided by the depository banks and to cede to Berenberg the Partial Dividend Rights that are to be contributed as contribution in kind. Subscription rights that are not exercised within the prescribed period will expire without compensation. If subscription rights are not exercised or not exercised in time, the dividend shall be paid in cash only, without further action being required.

The exercise of subscription rights is contingent upon the execution of the resolutions of the board of directors resolving on the capital increase under the Authorised Capital and the issuance of the New Shares.

Settlement agent and paying agent

The settlement agent is Berenberg.

The paying agent for the Company's dividend for the 2017 financial year is Quirin Privatbank AG, Kurfürstendamm 119, 10711 Berlin, Germany.

Important note

The Company asks its shareholders to note that the subscription price per New Share and the subscription ratio will not be published until shortly before the end of the Subscription Period, expected to be on 5 July 2018. Holders of subscription rights who do not or not in full exercise the latter, will receive the dividend of EUR 0.234 (gross) per share in cash only for each share held, for which the subscription right was not exercised, less withholding tax to be withheld, if any. This dividend is expected to be paid on 17 July 2018 through their depository banks.

Subscription ratio

The subscription ratio together with the subscription price is expected to be published on 5 July 2018, i.e. three business days prior to the end of the Subscription Period, on the Aroundtown website (www.aroundtown.de/investor-relations). The subscription ratio is the relation of (i) the result of dividing the Reference Price (as defined below) by the Partial Dividend Right, less a discount of presumably 3.0% of this result and rounded down to four decimal places, to (ii) one New Share ("**Subscription Ratio**"). The Subscription Ratio indicates how many existing shares are required – and at the same time how many Partial Dividend Rights must be ceded and contributed – in order to acquire one New Share.

Subscription price

The subscription price corresponds to the number of Partial Dividend Rights that need to be ceded and contributed in order to subscribe to one New Share multiplied by EUR 0.1638 (value of the Partial Dividend Right per share) and rounded down to four decimal places ("**Subscription Price**"). The reference price is the volume-weighted average price of Aroundtown shares in EUR in the Xetra trading system on the Frankfurt Stock Exchange on the last trading day before the date on which the Subscription Price is set, expected to be 4 July 2018 ("**Reference Price**"). To the extent a shareholder has ceded Partial Dividend Rights which in total (calculated by multiplying the number of shares for which the Scrip Dividend was chosen by the Partial Dividend Right) exceed an integer multiple of the Subscription Price, the difference between the largest possible integer multiple of the Subscription Price and the total of the ceded Partial Dividend Rights as calculated above ("**Residual Balance**") shall be paid out in cash. Portions of Partial Dividend Rights cannot be ceded and contributed in order to subscribe to New Shares.

Subscription rights trading

Neither the Company nor Berenberg intend to have the subscription rights traded on a stock exchange and neither the Company nor Berenberg will organize such trading. An application for the subscription rights to be quoted on a stock exchange has also not been made. Therefore, it is not possible for subscription rights to be purchased or sold on a stock exchange in the regulated market. Furthermore, neither the Company nor Berenberg will arrange for any such purchases or sales. However, the subscription rights to which a shareholder is entitled can be freely transferred together with the Partial Dividend Rights with which they are inseparably associated. From the start of the Subscription Period, i.e. from 28 June 2018, the Company's existing shares will be listed "**ex subscription rights**" and "**ex dividend**".

Form and certification of the New Shares

In accordance with the Company's currently applicable articles of association, the New Shares will be issued as bearer shares. The New Shares together with the existing shares of the Company are exclusively represented by two bearer share certificates in global form, both deposited with Clearstream.

Delivery of the New Shares subscribed for on the basis of the Subscription Offer and payment of the Residual Balance

The New Shares for which subscription rights were exercised in accordance with the Subscription Offer are expected to be delivered to the depository banks via collective safe custody credit with Clearstream on 23 July 2018.

The Residual Balance, Partial Dividend Rights for which the Scrip Dividend was not chosen and the Dividend Base Portion, less withholding tax to be withheld, if any, are expected to be paid through the depository banks, on 17 July 2018.

Commission for depository banks

The depository banks may charge commissions for the subscription to New Shares. Aroundtown will not cover the cost of depository bank services. Please consult your depository bank in advance for details.

Admission to the stock exchange and listing of the New Shares

The admission to trading on the regulated market of the Frankfurt Stock Exchange as well as to the sub-segment of the regulated market with additional post-admission obligations (*Prime Standard*) is expected to be applied for on 29 June 2018, subject to the execution of the Capital Increase. The New Shares are expected to be included in the existing quotation of the Company's shares on 23 July 2018.

Other important information

In accordance with article 5 (3) lit. d) of the Luxembourg law of 10 July 2005 on prospectuses for securities, as amended ("Luxembourg Prospectus Law") and § 4 (1) No. 4 and (2) No. 5 German Securities Prospectus Act ("WpPG"), no securities prospectus will be prepared for purposes of the Subscription Offer and the admission of the New Shares to trading; instead, there will be a single document prepared for information purposes in accordance with article 5 (3) lit. d) of the Luxembourg Prospectus Law and § 4 (1) No. 4 and (2) No. 5 WpPG ("Prospectus-Exemption Document"). Before making a decision on whether to exercise their subscription right, interested shareholders should carefully read the Prospectus-Exemption Document (available at www.aroundtown.de/investor-relations) and inform themselves about the Company in detail. It is recommended, also with regard to potential risks, that they visit the Company's website (www.aroundtown.de/investor-relations) and read the available financial reports including the Company's financial statements for the 2017 financial year and the interim financial information for the three months ended 31 March 2018 as well as the other information on the Company's website, and take them into account when making a decision.

The obligations of Berenberg under the Transaction Agreement to conclude a contribution agreement and to subscribe for the New Shares and thus ultimately to implement this Subscription Offer are subject to a series of conditions precedent. These conditions include in particular that all representations and warranties of the Company in the Transaction Agreement are accurate and complete and the Company has fulfilled all its obligations under the Transaction Agreement to be fulfilled prior to the conclusion of the contribution agreement and subscription to the New Shares. The exercise of subscription rights is contingent upon the execution of the resolutions of the board of directors on the Capital Increase, the increase of the capital of the Company under the Authorised Capital and the issuance of the New Shares.

If Berenberg determines, before the execution of the Capital Increase by the Board of Directors, that one (or more) of the conditions has not been fulfilled (in time), it can terminate the Transaction Agreement. Under certain conditions, the Company is entitled to terminate the Transaction Agreement as well. In the event that the Transaction Agreement is terminated before the execution of the Capital Increase, the subscription rights of the shareholders will be cancelled. In such circumstances, shareholders will receive their dividends in the amount of EUR 0.234 (gross) per share in cash only (less any applicable withholding tax). Once the execution of the Capital Increase has occurred, there is no longer any such right of termination and the shareholders who have exercised their subscription right in accordance with the above requirements will receive the New Shares at the Subscription Price.

Sales restrictions

The New Shares will be offered to the public exclusively in the Grand Duchy of Luxembourg and Germany. Neither the subscription rights nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 as amended ("**Securities Act**") or with the securities regulators of any state or other jurisdiction of the United States of

America. At no time may the subscription rights and new shares be directly or indirectly offered, sold, exercised, pledged, transferred or delivered within or into the United States of America, except to “qualified institutional buyers” as defined in Rule 144A of the Securities Act, in accordance with Section 4(a)(2) of the Securities Act or on the basis of an applicable exemption, or in a transaction not subject to the registration requirements of the Securities Act, provided that there is no breach of applicable securities legislation in the individual states of the United States of America.

Availability of the Prospectus-Exemption Document

The Subscription Offer is made on the basis of the Prospectus-Exemption Document. There is no obligation to publish a prospectus for the public offering pursuant to article 5 (3) lit. d) of the Luxembourg Prospectus Law and § 4 (1) No. 4 WpPG, and for the admission to trading, pursuant to § 4 (2) No. 5 WpPG, of dividends paid out to shareholders in the form of shares “provided that a document is made available to the interested parties containing information on the number and nature of the securities and the reasons for and details of the offer”. The Prospectus-Exemption Document is published at www.aroundtown.de/investor-relations.

Luxembourg, 28 June 2018

Aroundtown SA

The Board of Directors