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## INFORMATION FROM LEG IMMOBILIEN AG FOR ITS SHAREHOLDERS WITH REGARD TO THE CHOICE OF RECEIVING THE DIVIDEND FOR THE 2019 FINANCIAL YEAR EITHER IN CASH OR IN THE FORM OF SHARES IN LEG IMMOBILIEN AG

A proposal will be made to the annual general meeting of LEG Immobilien AG on 19 August 2020 under agenda item 2 (resolution on the appropriation of profits for the 2019 financial year of LEG Immobilien AG) to resolve to pay out a dividend in the amount of EUR 3.60 for each no-par value share carrying dividend rights. Subject to the approval of the annual general meeting, the dividend shall be paid, at the discretion of the shareholders, (i) in cash (the "**Cash Dividend**") or (ii) in the form of shares in LEG Immobilien AG (the "**Scrip Dividend**"). The document containing information on the number and nature of shares and a description of the reasons for and details of the offer, which pursuant to Section 1 (4) lit. h), (5) subpara. 1 lit. g) Regulation (EU) 2017/1129 ("**Prospectus Regulation**") exempts from the obligation to publish a prospectus for the public offer and admission to trading, is available on the website of LEG Immobilien AG (<https://www.leg-wohnen.de/en/corporation/investor-relations>) ("**Prospectus Exemption Document**"). The following information is not a substitute for the Prospectus Exemption Document. It has been drawn up to supplementary answer potential questions that our shareholders may have in conjunction with the option to receive dividends as Scrip Dividend. Prior to any decision to invest, each prospective buyer should read the Prospectus Exemption Document and the other documents named therein with due care. Since the details and dates indicated herein may change, we would like to ask you to inform yourself about the current status via the above-mentioned website of LEG Immobilien AG and publications of LEG Immobilien AG in the German Federal Gazette.

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**What do I have to do if I want to receive my dividend in cash?**

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In this case, you do not need to do anything. You can expect to receive your Cash Dividend on 29 September 2020 at the latest.

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**What do I have to do if I want to receive my dividend as Scrip Dividend?**

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In this case, you have to communicate this to your depositary bank, presumably by 7 September 2020 at the latest, during normal business hours. To do so, you have to use the form "Declaration of Subscription and Assignment" provided by your depositary bank for this purpose. By taking this action, you assign your dividend entitlement of EUR 3.60 per no-par value share carrying dividend rights ("**Dividend Entitlement**") to Deutsche Bank Aktiengesellschaft ("**Deutsche Bank AG**") as settlement agent. In return Deutsche Bank AG will transfer new shares to you via your depositary bank ("**New Shares**").

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**Where can I obtain the form "Declaration of Subscription and Assignment" and where do I have to submit it to?**

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You will obtain the form "Declaration of Subscription and Assignment" from your depositary bank from the start of the subscription period, which is expected to be 21 August 2020, and you have to submit it to your depositary bank in accordance with its instruction.

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**May I sell my shares between 20 August 2020 and 29 September 2020? If I do, who guarantees that I receive the dividends on the shares that I owned on 19 August 2020?**

Yes, you may sell your shares during that period. The Dividend Entitlements and the subscription rights will then be posted separately in your depositary account with their own security identification number ("**WKN**"), which differs from the security identification number of the shares. Probably from 20 August 2020 onwards, the existing shares will be listed on the stock exchange "ex dividend" and consequently also "ex subscription right". From this date, any sales of shares over the stock exchange are without Dividend Entitlements or subscription rights. The Dividend Entitlements and the subscription rights remain in your depositary account under their separate WKN. The Dividend Entitlements and the subscription rights that are inseparably linked to the Dividend Entitlements from the shares of LEG Immobilien AG are expected to be posted to the depositary accounts at Clearstream level on 24 August 2020 based on the depositary account balance as of the evening of 21 August 2020 (record date).

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**From when and until when am I able to choose to receive the dividend as Scrip Dividend?**

The subscription period is expected to start on 21 August 2020 and to end on 7 September 2020.

In this context, please also take note of any deadlines set by your depositary bank.

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**Can I change my decision once it is made?**

No, this would cause major additional work for the depositary banks handling the transactions and would thus lead to delays in the overall process. The Declaration of Subscription and Assignment that you submit will therefore be unconditional and irrevocable.

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**How many Dividend Entitlements do I have to "exchange" for one New Share?**

The number of Dividend Entitlements to be contributed in order to receive one New Share has not been determined yet. How many New Shares you receive depends on the subscription price. The subscription price is the result in Euro of dividing the reference price by EUR 3.60 (amount of the Dividend Entitlement), less a discount of presumably 4.0 % of this result, then rounded down to one decimal place after the decimal point and multiplied by EUR 3.60 (the "**Subscription Price**"). The reference price thereby equals the volume-weighted average price of the LEG Immobilien AG shares in Euro in the XETRA trading system of the Frankfurt stock exchange on the trading day before the date on which the Subscription Price is set (the "**Reference Price**"). The relevant trading day for fixing the Reference Price is expected to be 3 September 2020. The Subscription Price is expected to be fixed on 4 September 2020.

Sample calculation (not based on the current share price of LEG Immobilien AG):

- Reference Price: e.g. EUR 106.55 (Adj. EPRA NAV per share, diluted as of 31 March 2020)
- Subscription Price: Calculation: Result of dividing EUR 106.55 by EUR 3.60 which equals 29.5972, less 4.0%, equals 28.4133, rounded down to one decimal place after the decimal point: 28.4, multiplied by EUR 3.60. This leads to a Subscription Price of EUR 102.24.
- Subscription ratio: 28.4 : 1, i.e., one New Share can be subscribed to for 28.4 existing shares (and 28.4 Dividend Entitlements as contribution in-kind).
- If a shareholder assigns Dividend Entitlements from 30 shares, he assigns 1.6 Dividend Entitlements too many based on this sample calculation. 1.6 Dividend Entitlements equal EUR 5.76 (1.6 x EUR 3.60 = EUR 5.76). This amount (if necessary rounded down to whole euro cents) shall be paid out to the shareholder in cash. In this example, the shareholder therefore receives one New Share and EUR 5.76 in cash in exchange for 30 Dividend Entitlements. Further explanations of the calculation logic can be found in the Prospectus Exemption Document, which can be found on <https://www.leg-wohnen.de/en/corporation/investor-relations>.

<b>Do I have to choose uniformly for all my shares?</b>	No, you do not need to choose uniformly for all your shares (even if they are held on a single depository account). You are free to choose to receive the dividend in cash or as a Scrip Dividend for each share separately. For the dividend of each single share, however, only either (i) cash payment or (ii) the Scrip Dividend can be requested.
<b>Do I incur costs if I receive my dividend as Scrip Dividend?</b>	LEG Immobilien AG will reimburse the depository banks for their services with a payment that refers to market practice. Nevertheless, shareholders who opt to receive the Scrip Dividend may incur depository bank fees. Please consult your depository bank about the details. Fees and costs which you are charged as securities depository account customers by depository banks cannot be refunded by LEG Immobilien AG or by Deutsche Bank AG as settlement agent and have to be borne by you.
<b>When and where will I find out how many New Shares I will receive?</b>	The Subscription Price will be published probably on 4 September 2020 at around 3 p.m. CEST, in the German Federal Gazette and on the LEG Immobilien AG website <a href="https://www.leg-wohnen.de/en/corporation/investor-relations">https://www.leg-wohnen.de/en/corporation/investor-relations</a> .
<b>When will I receive the New Shares?</b>	Due to the technical settlement process, you will probably receive the New Shares on 29 September 2020 at the latest.
<b>When will I receive the payment of the Cash Dividend where the Dividend Entitlements do not allow for one New Share?</b>	You should receive the corresponding Cash Dividend on 29 September 2020 at the latest.
<b>What Dividend Entitlement will the New Shares carry?</b>	The New Shares will carry full Dividend Entitlement for the financial year 2020. No difference will be made between new and existing shares.
<b>Will the New Shares be admitted to trading on the stock exchange?</b>	<p>Yes. Admission of the New Shares to trading on the regulated market and on the regulated market sub-segment with additional post-admission obligations (Prime Standard) of the Frankfurt stock exchange is expected to take place on 25 September 2020 at the latest, subject to the entry of the execution of the Rights Issue Capital Increase in the commercial register.</p> <p>Listing of the New Shares on the regulated market of the above mentioned stock exchange is expected subsequent to admission on 29 September 2020 at the latest, when the New Shares are incorporated in the listing of the existing shares.</p>
<b>How will the Cash and Scrip Dividend be treated for tax purposes?</b>	<p><b><i>The following statement of the tax treatment of the dividend does not claim to provide all the necessary information and is no substitute for consultation with a tax advisor.</i></b></p> <p>The dividend for the 2019 financial year will be paid in full from the tax contribution account within the meaning of Section 27 Corporation Tax Act (<i>Körperschaftsteuergesetz</i>) (contributions not paid into the nominal capital). Therefore, no capital gains tax (<i>Kapitalertragsteuer</i>), solidarity surcharge (<i>Solidaritätszuschlag</i>) or possible church tax (<i>Kirchensteuer</i>) will be deducted. Dividends paid out in cash to shareholders in Germany are thus not subject to taxation. This applies likewise to dividends paid out in the form of shares (shareholders in Germany are not subject to taxation). Dividends do not entitle recipients to tax refunds or tax credits. In the German tax authorities' view, the dividend payment reduces the acquisition costs of the share for tax purposes. If the dividend payment exceeds the shareholder's acquisition costs, the resulting profit is taxable.</p>

This document is neither a prospectus nor does it constitute an offer to sell or the solicitation of an offer to purchase the shares or other securities of LEG Immobilien AG. The document which, according to Sections 1 (4) lit. h), (5) subpara. 1 lit. g) Regulation (EU) 2017/1129 (Prospectus Regulation), releases from the obligation to publish a prospectus, the "**Prospectus Exemption Document**", will be available on the website of

LEG Immobilien AG <https://www.leg-wohnen.de/en/corporation/investor-relations>. The shares and subscription rights will be offered exclusively in Germany on the basis of the Prospectus Exemption Document.

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