

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Subordinated Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Subordinated Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Subordinated Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Subordinated Notes has led to the conclusion that: (i) the target market for the Subordinated Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Subordinated Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Subordinated Notes (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Subordinated Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

FINAL TERMS FOR THE SUBORDINATED NOTES

8 May 2018

CPI PROPERTY GROUP

a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B102254

Legal entity identifier (LEI): 222100CO2ZOTEPGJO223

**Issue of EUR550,000,000 4.375 per cent. Fixed Rate Resetable Undated Subordinated Notes
under the EUR3,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 20 April 2018 which constitutes a base prospectus for the purposes of the Prospectus Directive (the **Base Prospectus**). This document constitutes the Final Terms of the Subordinated Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Subordinated Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of Euronext Dublin (http://www.ise.ie/debt_documents/Final%20Base%20Prospectus%2020.04_04c06e22-1386-4781-

830bd07830aa388a.PDF) and the website of the Issuer
(<http://cpipg.com/uploads/e3eea277d377500214060a8fe118c62ad85da2af.pdf>).

1. Issuer: CPI Property Group
2. (a) Series Number: 2
(b) Tranche Number: 1
(c) Date on which the Subordinated Notes will be consolidated and form a single Series: Not Applicable
3. Specified Currency or Currencies: Euro (**EUR**)
4. Aggregate Nominal Amount:
 - (a) Series: EUR550,000,000
 - (b) Tranche: EUR550,000,000
5. Issue Price: 98.833 per cent. of the Aggregate Nominal Amount
6. (a) Specified Denominations: EUR100,000 and integral multiples of EUR1,000 in excess thereof up to and including EUR199,000.
(b) Calculation Amount (in relation to calculation of interest in global form see Conditions): EUR1,000
7. (a) Issue Date: 9 May 2018
(b) Interest Commencement Date: Issue Date
8. Maturity Date: Undated
9. Interest Basis: 4.375 per cent. Fixed Rate until 9 November 2023, then calculated in accordance with paragraph 13 below
(further particulars specified below)
10. Redemption/Payment Basis: Not Applicable
11. Call Options: Issuer Call
Redemption upon a Tax Deduction Event
Redemption upon a Capital Event
Redemption upon an Accounting Event
Redemption upon a Substantial Repurchase Event
Redemption for Change of Control Event

(further particulars specified below)

12. (a) Status of the Subordinated Notes: Undated Subordinated Notes
- (b) Date Board approval for issuance of Subordinated Notes obtained: 16 April 2018

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Reset Note Provisions

- (a) First Fixed Rate of Interest: 4.375 per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): 9 November in each year from and including 9 November 2018
- There will be a short first coupon from, and including, the Interest Commencement Date to, but excluding, 9 November 2018 (the **Short First Coupon**)
- (c) Fixed Coupon Amount(s) for Subordinated Notes in definitive form (and in relation to Subordinated Notes in global form see Conditions) and in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date: EUR43.75 per Calculation Amount other than in respect of the Short First Coupon (as to which see 13(d) below)
- (d) Broken Amount(s) for Subordinated Notes in definitive form (and in relation to Subordinated Notes in global form see Conditions): In respect of the Short First Coupon, EUR22.05 per Calculation Amount, payable on the Interest Payment Date falling on 9 November 2018
- (e) Day Count Fraction: Actual/Actual (ICMA)
- (f) Determination Date(s): 9 November in each year
- (g) First Reset Date: 9 November 2023
- (h) Reset Date(s): The First Reset Date and each date falling on the fifth anniversary of the First Reset Date
- (i) Subsequent Reset Reference Rate(s) and Relevant Financial Centre: Subsequent Reset Reference Rate: Mid Swaps
Relevant Financial Centre: Brussels
- (j) Margin: In respect of (a) the Reset Period ending on (but excluding) 9 November 2028, 4.148 per cent.;

(b) each Reset Period which falls in the period commencing on (and including) 9 November 2028 and ending on (but excluding) 9 November 2043, 4.398 per cent.; and (c) each Reset Period which falls on or after 9 November 2043, 5.148 per cent.

- (k) Subsequent Reset Reference Rate Screen Page: ICESWAP2
- (l) Mid Swap Maturity: 6 months
- (m) Reset Determination Date(s): The day falling two Business Days prior to the first day of the relevant Reset Date.
- (n) Subsequent Reset Reference Rate Time: 11:00 a.m. (Central European time)
- (o) Step Up after Change of Control Event: Applicable
- (p) Step Up Margin after Change of Control Event: 5 per cent. per annum

PROVISIONS RELATING TO REDEMPTION

14. Notice periods for Condition 6 (Redemption): Minimum period: 30 days
Maximum period: 60 days
- (a) Issuer Call: Applicable
- Optional Redemption Date(s): Any of the 90 days up to and including the First Reset Date and any Interest Payment Date thereafter
- (b) Redemption upon a Tax Deduction Event: Applicable
- (c) Redemption upon a Capital Event: Applicable
- Capital Rating Agency: Moody's Investors Services Limited
Standard & Poor's Rating Services
- (d) Redemption upon an Accounting Event: Applicable
- (e) Redemption upon a Substantial Repurchase Event: Applicable
- Substantial Repurchase Threshold Amount: 75 per cent.
- (f) Redemption for Change of Control Event: Applicable

The following text does not form part of the

Conditions: The Issuer intends (without thereby assuming a legal or contractual obligation) that for so long as the Subordinated Notes remain outstanding, if (i) a Change of Control Event occurs and (ii) the Issuer elects to redeem the Subordinated Notes pursuant to Condition 6.8 (Redemption for Change of Control Event), it will launch a tender offer for all outstanding unsubordinated debt securities (which do not contain a contractual right of the holders of such debt securities for such securities to be redeemed or repurchased as a result of the events giving rise to the Change of Control Event) at a price equal to not less than their aggregate principal amount plus accrued and unpaid interest as soon as reasonably practicable following such event. The Issuer also intends (without thereby assuming a legal or contractual obligation) to launch such tender offer in such a way as to ensure that the repurchase of any unsubordinated debt securities tendered to it will be effected prior to any redemption of the Subordinated Notes pursuant to Condition 6.8 (Redemption for Change of Control Event).

15. Final Redemption Amount: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE SUBORDINATED NOTES

16. Form of Subordinated Notes:

(a) Form: Registered Subordinated Notes:

Global Subordinated Note registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg

(b) New Global Note: No

17. Additional Financial Centre(s): Not Applicable

18. Talons for future Coupons to be attached to Definitive Subordinated Notes: No

Signed on behalf of CPI Property Group:

By: 
MARTIN NEMECEK, CEO & MANAGING DIRECTOR
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Subordinated Notes to be admitted to trading on the regulated market of the Euronext Dublin) and listing on the Official List of the Euronext Dublin with effect from 9 May 2018
- (ii) Estimate of total expenses related to admission to trading: EUR600

2. RATINGS

Ratings: The Subordinated Notes to be issued have been rated:

Ba2 by Moody's Investors Services Limited (**Moody's**) and BB+ by Standard & Poor's Rating Services Europe Limited (**S&P**)

Each of Moody's and S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).

Replacement Intention:

For the avoidance of any doubt, the following text does not form part of the Conditions: Unless (a) the rating assigned by S&P to the Issuer is at least BBB (or such similar nomenclature then used by S&P) and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase; or (b) the Subordinated Notes are not assigned an "equity credit" (or such similar nomenclature then used by S&P), at the time of such redemption or repurchase; or (c) in the case of a repurchase, such repurchase is in an amount necessary to allow the Issuer's aggregate principal amount of hybrid capital remaining outstanding after such repurchase to remain below the maximum aggregate principal amount of hybrid capital to which S&P would assign equity content under its prevailing methodology, the Issuer intends (without thereby assuming a legal obligation), during the period from and including the issue date of the Subordinated Notes to but excluding the Reset Date falling on 9 November 2043, in the event of:

- (a) an early redemption of the Subordinated Notes pursuant to Condition 6.2 (Issuer's

Call Option) of the Subordinated Notes; or

- (b) a repurchase of the Subordinated Notes of more than (a) 10 per cent. of the aggregate principal amount of the relevant Subordinated Notes originally issued in any period of 12 consecutive months or (b) 25 per cent. of the aggregate principal amount of the relevant Subordinated Notes originally issued in any period of ten consecutive years,

to redeem or repurchase such Subordinated Notes only to the extent that such part of the aggregate principal amount of the relevant Subordinated Notes to be redeemed or repurchased as was characterised as equity by S&P at the time of their issuance (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Subordinated Notes) does not exceed such part of the net proceeds which is received by the Issuer or any Subsidiary of the Issuer prior to or on the date of such redemption or repurchase from the sale or issuance by the Issuer or any Subsidiary of the Issuer to third party purchasers (other than Subsidiaries of the Issuer) of securities as is characterised by S&P, at the time of sale or issuance, as equity, such that the replacement securities represent an aggregate amount of S&P equity credit that is at least equal to the aggregate amount of equity credit assigned to the Subordinated Notes by S&P that are to be redeemed or repurchased at such time.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Subordinated Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

Indication of yield: 4.625 per cent. per annum

The yield is calculated at the Issue Date for the period until the First Reset Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (i) ISIN: XS1819537132
- (ii) Common Code: 181953713
- (iii) CFI: DTFXFB
- (iv) FISN: CPI PROPERTY GR/1EMTN 20520509
- (v) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable

6. DISTRIBUTION

- (i) Method of distribution: Syndicated
- (ii) If syndicated, names of Managers: *Sole Structuring Agent to the Issuer*
J.P. Morgan Securities plc
Joint Bookrunners and Joint Lead Managers
Barclays Bank PLC
Deutsche Bank AG, London Branch
J.P. Morgan Securities plc
UniCredit Bank AG
Co-Managers
Credit Suisse Securities (Europe) Limited
Société Générale
- (iii) Date of Subscription Agreement: 8 May 2018
- (iv) Stabilisation Manager(s) (if any): J.P. Morgan Securities plc
- (v) If non-syndicated, name of relevant Dealer: Not Applicable
- (vi) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable
- (vii) Prohibition of Sales to EEA Retail Investors: Applicable