

To the Bondholders in:

Stockholm, 10 December 2018

ISIN: SE0011337054 - Hertha BSC GmbH & Co. KGaA (the “**Issuer**”) up to EUR 40,000,000 senior unsecured callable bonds with (the “**Bonds**”)

Notice of amendment to the Terms and Conditions

Nordic Trustee & Agency AB (publ) is the appointed agent (the “**Agent**”) under the terms and conditions for the Bonds (the “**Terms and Conditions**”).

This notice is distributed to the Bondholders in accordance with Clause 18(c) of the Terms and Conditions.

We refer to the Terms and Conditions that was entered into between the Issuer and the Agent on 6 November 2018.

At the request of the Issuer, the Agent has agreed to make certain clarifying amendments to the Terms and Conditions of the Bonds in accordance with Clause 18.1(a)(i) of the Terms and Conditions.

The Issuer has in accordance with the Terms and Conditions issued Bonds in the amount of EUR 40,000,000 on 6 November 2018. In connection with the affiliation of the Bonds to Euroclear Sweden AB unclarity has been noted in the definition of "Interest Payment Dates" and "Interest Periods" of the Terms and Conditions. The existing wording of the foregoing definitions indicate that the Interest Periods are adjusted and not unadjusted, which was the intention, as such is market practice for fixed-rate bonds. Furthermore, adjusted interest periods would run contrary to what is stated in Clause 8(d) of the Terms and Conditions - that interest is to be calculated on the assumption that each month consists of 30 days. In order to eliminate any ambiguities in regard to unadjusted interest periods and adjusted interest payment dates under the Bonds, the Issuer has requested that such definitions are amended and by further adding the definition "CSD Business Day".

Further, the Issuer has noted a typo in Clause 10.1 (e)(i) as the current wording refers to paragraph (e) under the definition of "Permitted Debt" which was not the intention of the paragraph as such Clause should refer to paragraph (g) under the definition of "Permitted Debt".

Since the Issuer and the Trustee have deemed that the proposed amendments are made solely for the purpose of rectifying an obvious error and mistake, the Issuer and the Agent have agreed to the amendments set out in the table below.

| Existing wording: | New wording (added wording underlined and removed wording crossed over): |
|---|---|
| <p>"Interest Payment Date"</p> <p>"Interest Payment Date" means 8 February, 8 May, 8 August and 8 November each year. The first Interest Payment Date shall be 8 February 2019. The last Interest Payment Date shall be the</p> | <p>"Interest Payment Date"</p> <p>"Interest Payment Date" means 8 February, 8 May, 8 August and 8 November each year. The first Interest Payment Date shall be 8 February 2019. The last Interest Payment Date shall be the</p> |

| | |
|--|--|
| <p>applicable Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a CSD Business Day, the first following day that is a CSD Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day.</p> | <p>applicable Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a CSD Business Day, the first following day that is a CSD Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day.</p> |
| <p>"Interest Period"</p> <p>"Interest Period" means (i) in respect of the first Interest Period, the period from (but excluding) the Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).</p> | <p>"Interest Period"</p> <p>"Interest Period" means (i) in respect of the first Interest Period, the period from (but excluding) the Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant). <u>An Interest Period shall not be adjusted due to an application of the CSD Business Day Convention.</u></p> |
| <p>N/A</p> | <p>"CSD Business Day Convention"</p> <p><u>"CSD Business Day Convention" means the first following day that is a CSD Business Day.</u></p> |
| <p>Clause 10.1(e)(i)</p> <p>(e) The Issuer shall submit a duly executed Compliance Certificate to the Agent:</p> <p>(i) in connection with the incurrence of Financial Indebtedness under item (e) in the definition of "Permitted Debt"; and</p> | <p>Clause 10.1(e)(i)</p> <p>(e) The Issuer shall submit a duly executed Compliance Certificate to the Agent:</p> <p>(i) in connection with the incurrence of Financial Indebtedness under item (e)(g) in the definition of "Permitted Debt"; and</p> |

The above amendments has become effective as of 10 December 2018.

This notice will be sent by regular mail to the Bondholders in accordance with the Terms and Conditions.

Kind regards,

Nordic Trustee & Agency AB (publ)