



PRESS INFORMATION

## **Petrus Follows ISS Recommendation**

**London (OTS), 25 May 2015** – Petrus Advisers are pleased with the decision by the Institutional Shareholder Service (ISS) to recommend Erich Kandler for the election to the administrative board of conwert Immobilien SE (conwert). We believe Erich Kandler will significantly contribute to conwert's progress thanks to his exceptional qualifications, experience and reputation.

Concurrently, Klaus Umek announces that he will no longer run for a seat on conwert's administrative board. He comments: "I accept the votum of ISS as an advocate of transparency and value creation and the shareholder democracy's key voice." ISS has spoken out against the election of the two candidates with direct ties to key shareholder MountainPeak and Petrus Advisers, and has recommended that the administrative board of conwert be composed of members who are as much as possible independent from major shareholders, in order to take conwert to its full potential.

MountainPeak controls 24% of conwert and has proposed three candidates for election into the five-member board: Maureen Harris, Phillip Burns and Barry Gilbertson. Petrus Advisers in principle agrees with MountainPeak's proposals for conwert's strategy as those are by and large in line with our value creation strategy that has been advocated for some time. However, it is imperative for no shareholder to seek or be allocated a majority of administrative board seats without offering all other shareholders to exit the company via a mandatory public takeover offer. Against this background, the election of Erich Kandler appears even more relevant for minority shareholders.

Strong and professional corporate governance practice and transparency remain a key demand for Petrus Advisers. We have had positive feedback and support from other shareholders with respect to our demand to ban related party transactions going forward and to value real estate in line with market practices and values. We are worried that the current administrative board chaired by Kerstin Gelbmann might manipulate the AGM in a similar way to 2014. She has threatened to not include our motions into the agenda in which case we will take them to court.

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