



**Invitation**  
**Annual General Meeting 2008**





## **Invitation**

to the shareholders

to the 125th Annual General Meeting  
at 11:00 AM on 20 June 2008  
at Handwerkskammer Hamburg, Holstenwall 12,  
20355 Hamburg.

## A. Agenda

### **1. Presentation of the approved financial statements, the approved consolidated financial statements and the management reports for TAG Tegernsee Immobilien- und Beteiligungs-Aktiengesellschaft and the Group and the report of the Supervisory Board for fiscal 2007 and the explanatory report on the disclosures made in accordance with Sections 289 (4) and 315 (4) of the German Commercial Code**

The documents referred to above may be examined on the Internet at [www.tag-ag.com](http://www.tag-ag.com) and at the Company's offices at Steckelhörn 9, 20457 Hamburg, as well as at Bahnhofspatz 5, 83684 Tegernsee. On request, each shareholder will be sent a copy of the documents referred to above immediately and free of charge.

### **2. Allocation of the unappropriated profit for fiscal 2007**

The Management Board and the Supervisory Board propose that the unappropriated profit as of 31 December 2007 of EUR 3,482,447.02 be allocated as follows:

- a) Payment of a dividend of EUR 0.10 per dividend-entitled share: EUR 3,256,636.40
- b) An amount of EUR 225,810.62 to be carried forward
- c) Unappropriated profit: EUR 3,482,447.02

The dividend will be paid on 23 June 2008.

### **3. Ratification of the actions of the Management Board for fiscal 2007**

The Management Board and the Supervisory Board recommend ratifying the actions of the Management Board.

### **4. Ratification of the actions of the Supervisory Board for fiscal 2007**

The Management Board and the Supervisory Board recommend ratifying the actions of the Supervisory Board.

### **5. Cancellation of existing authorised capital and creation of new authorisation capital (with authorisation to exclude subscription rights) and a corresponding amendment to the Articles of Incorporation**

The authorisation provided for in Article 4 (5) of the Articles of Incorporation to increase the Company's share capital is limited to an amount of EUR 6,278,182.00. Following the increase in capital approved by the shareholders on 30 June 2006 and the resultant equity issue, authorised capital is to be increased to the statutory maximum of 50% of the Company's current share capital. The share capital currently stands at EUR 32,566,364.00 following the official registration on 8 August 2006 of the equity issues approved by the shareholders on 30 June 2006. This means that authorised capital of up to EUR 16,283,182.00 is permissible.

So that the Management Board is able to continue using authorised capital to reinforce the Company's equity base or to make use of opportunities for acquisitions arising in the market in the future and is in a position to choose either a cash or a non-cash equity issue for this purpose, the Management Board and the Supervisory Board recommend that the shareholders pass the following resolution:

- a) The permission granted on 30 June 2006 and not utilised for authorised capital of EUR 6,278,182.00 is cancelled and Article 4 (5) of the Articles of Incorporation suspended.
  
- b) New authorised capital of EUR 16,283,182 will be created including authorisation to exclude subscription rights in the following cases: (i) to eliminate fractional amounts, (ii) in the case of a non-cash equity issue, and (iii) in the case of a cash equity issue of a total of no more than ten percent of the Company's share capital, in accordance in all cases with the following revised version of Article 4 (5) of the Articles of Incorporation.
  
- c) Article 4 (5) of the Articles of Incorporation will be revised to read as follows:  
"5. The Management Board is authorised subject to the Supervisory Board's approval to increase the share capital once or repeatedly on or before 19 June 2012 by a maximum amount of EUR 16,283,182.00 by issuing up to 16,283,182 no-par value shares."

As a matter of principle, the new shares shall be offered to the shareholders for subscription; they may also be transferred to a bank subject to the obligation that they be offered to the shareholders for subscription. However, the Management Board is authorised to exclude the shareholders' statutory subscription rights subject to the Supervisory Board's approval in the following cases:

- a) to the extent to which this is necessary to eliminate fractional amounts,
- b) to acquire enterprises, parts of enterprises or interests in enterprises through the provision of shares in suitable individual cases (non-cash equity issue),
- c) to the extent to which the new shares for which subscription rights are excluded do not exceed a total of 10 percent of the Company's share capital, even in the event of several increases, and the issue price of the new shares is not significantly lower than the Company's share price within the meaning of Sections 203 (1) and (2), 186 (3) No. 4 of the German Stock Corporation Act. The limit of ten percent of the share capital shall also include the prorated amount of the share capital attributable to shares which are held pursuant to authorisation applicable as of the date on which this authorisation takes effect or pursuant to authorisation replacing it and which are sold outside the stock market subject to the exclusion of subscription rights in accordance with Sections 71 (1) Sentence 1, No. 8, Sentence 5 and 186 (3) Sentence 4 of the German Stock Corporation Act.

The limit of ten percent of the share capital shall additionally include the prorated amount of the share capital attributable to shares to which the holders of convertible or option bonds issued subject to the exclusion of the shareholders' subscription rights in accordance with Sections 221 (4) Sentence 2 and 186 (3) Sentence 4 of the German Stock Corporation Act are entitled to subscribe.

The Management Board decides on the issue of the new shares, the content of the share rights and the terms and conditions of the stock issue, subject to the approval of the Supervisory Board, taking account of the Company's capital requirements and the capital market situation prevailing when the relevant decision is taken.

The Supervisory Board is authorised to adjust the wording of the Articles of Incorporation to reflect the equity issue executed using authorised capital.”

The Management Board has submitted a written report explaining the reasons for the exclusion of the subscription rights pursuant to Sections 203 (2) and 186 (4) Sentence 2 of the German Stock Corporation Act. The contents of such report are disclosed in Part B (1) of this invitation to the annual general meeting. The report will be made available for inspection by the shareholders at the Company's offices as of the day on which the invitation to the annual general meeting is issued. On request, each shareholder will be sent a copy of the report. The report will also be available for inspection during the annual general meeting.



## 6. Elections to the Supervisory Board

The composition of the Supervisory Board is governed by Sections 96 (1), 101 (1) of the Stock Corporations Act and Section 1 (1) in connection with Section 4 (1) (2) of the Act on the One-Third Inclusion of Employees on the Supervisory Board (formerly the Company Constitution Act of 1952). In accordance with Article 7 (1) of the Articles of Incorporation, the Supervisory Board comprises six members.

Section 102 (1) of the Stock Corporations Act stipulates that the office of the previous members of the Supervisory Board representing the shareholders expires at the end of this annual general meeting.

The Supervisory Board recommends that the shareholders elect the following gentlemen to the Supervisory Board to represent the interests of the shareholders for a period ending at the annual general meeting at which a resolution is passed ratifying the actions of the Supervisory Board for the fiscal year ending 31 December 2012:

- a) Dr. Lutz R. Ristow, graduate in business administration, chairman of the Supervisory Board of TAG Tegernsee Immobilien- und Beteiligungs-Aktiengesellschaft, resident in Hamburg,
- b) Prof. Dr. Ronald Frohne, New York, attorney and public auditor, resident in New York,
- c) Rolf Hauschildt, businessman, resident in Düsseldorf,
- d) Dr. Wolfgang Schnell, chemist, resident in Munich.

The elections will be held on an individual basis.

The shareholders are not bound by any election recommendations. The disclosures required by Section 125 (1) Sentence 3 of the Stock Corporations Act are included in Part B (2).

Disclosure in accordance with Article 5.4.3 of the German Corporate Governance Code:

Article 5.4.3 of the German Corporate Governance Code in the version dated 14 June 2007 stipulates that the proposed candidates for the position of chairman of the Supervisory Board should be made known to the shareholders. The Supervisory Board in its present composition assumes that of the candidates proposed in Item 10 a) through d) of the agenda Dr. Lutz R. Ristow will again be proposed for election as chairman of the Supervisory Board.

## **7. Change in Company's name and relocation (amendment to the Articles of Incorporation)**

The Company currently still has its registered offices in Tegernsee but conducts most of its business at its Hamburg branch. Accordingly, it is appropriate for the Company's registered office to be relocated. In this connection, its name is also to be modified in the interests of heightened practicality.

The Management Board and Supervisory Board recommend that the shareholders pass the following resolution: Article 1 (1) and (2) of the Articles of Incorporation will be revised to read as follows:

### **“§ 1 Name, registered office, duration and fiscal year**

1. The Company bears the name  
„TAG-Immobilien AG“
2. Its registered office is in Hamburg”

Article 1 (3) and (4) of the Articles of Incorporation will not be modified.

## **8. Election of financial statement auditors for fiscal 2008**

The Supervisory Board recommends that the shareholders elect Schröder • Nörenberg GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, as the auditors of the financial statements and consolidated financial statements for the 2008 fiscal year.

## **B. Report by the Management Board to the Shareholders on the exclusion of subscription rights – offices**

### **1. Report on item 5 of the agenda – authorised capital**

Report by the Management Board on the exclusion of subscription rights in connection with the newly created authorised capital in accordance with Sections 203 (1) and (2), Sentence 2, 186 (4) Sentence 2 and (3) Sentence 4 of the German Stock Corporation Act:

The Management Board and the Supervisory Board recommend adjusting the Company's current authorised capital to match the now higher share capital and to create authorised capital of EUR 16,283,182.00.

With the new authorised capital in the full amount permitted by the German Stock Corporation Act, the Management Board will receive a flexible instrument adjusted in the light of the constantly changing demands of the capital market for formulating corporate policy and finance.

With the proposed authorised capital, the Management Board will also be able to continue raising the capital required for the Company's further development in the short term by issuing new shares and making swift use of favourable market conditions for covering future financial requirements.

The Management Board is to be authorised to exclude the shareholders' subscription rights for any fractional amounts.

In this way, it will be possible to set simple and practicable subscription ratios in connection with future equity issues. Fractional amounts arise when it is not possible to distribute all new shares evenly to shareholders on account of the subscription ratio or the amount of the equity issue. Fractional amounts are of subordinate importance in the light of the total value of the equity issue. Accordingly, the disadvantages for the shareholders as a result of the exclusion of subscription rights for fractional rights are negligible in the light of the procedural advantages for the Company.

In addition, the Management Board is to be authorised to acquire enterprise, parts of enterprises or interests in enterprises from third parties by issuing shares without resorting to the capital markets. This will heighten the Management Board's flexibility substantially in competition with others as the consideration rendered for the acquisition of business entities and interests is increasingly taking the form of the acquiring party's shares. Given the fact that the enterprises which are the subject of such transactions are increasingly growing in size, it is frequently not possible to render the consideration in cash form without exerting undue pressure on the Company's liquidity or raising unreasonable debt. The use of authorised capital for this purpose is contingent upon the ability to exclude subscription rights. The authorisation being sought here is being requested on a solely precautionary basis. There are currently no specific plans to use it.

If any new shares are issued as consideration for the acquisition of an enterprise or an interest in an enterprise, this is only possible if the current shareholders' subscription rights are excluded. In such cases, the Management Board is therefore to be authorised to exclude the subscription rights.

Finally, Sections 203 (2), 186 (3) Sentence 4 of the German Stock Corporation Act permits the exclusion of subscription rights if the new shares for which the subscription rights are to be excluded do not account for more than ten percent of the Company's share capital and the issue price of the new shares is not materially less than the price at which the Company's shares are trading in the stock market. In this way, the Company's management is able to make use of favourable conditions in the stock market at short notice and thus strengthen the Company's equity base to the greatest possible extent. Experience suggests that by excluding subscription rights it is possible to react substantially more swiftly, something which in turn results in a higher cash inflow than a comparable equity issue with subscription rights. Addition, new shareholder groups can be gained by excluding subscription rights. In this connection, it should also be noted that the limit of ten percent also includes any treasury stock sold by the Company in cases in which the subscription rights have also been excluded. It also includes the shares to which the holders/creditors of convertible or option bonds issued subject to the exclusion of the shareholders' subscription rights in accordance with Sections 221 (4) Sentence 2 and 186 (3) Sentence 4 of the German Stock Corporation Act are entitled to subscribe.

In this way the dilution effect sustained by the shareholders whose subscription rights are excluded is minimised. Given the limited size of the equity issue, the shareholders concerned can restore their share quotas by buying additional shares in the stock markets.

The report will be made available for inspection by the shareholders at the Company's offices as of the day on which the invitation to the annual general meeting is issued. On request, each shareholder will be sent a copy of the report. The report will also be available for inspection during the annual general meeting.



**2. Details of the offices held in comparable domestic and non-domestic corporate bodies by the gentlemen proposed for election to the Supervisory Board in accordance with Section 125 (1) Sentence 3 of the Stock Corporations Act (Items 6 a) through d) of the agenda)**

**a) Dr. Lutz R. Ristow**

- Bau-Verein zu Hamburg Aktien-Gesellschaft, Hamburg (chairman of the Supervisory Board)
- TAG Gewerbeimmobilien-Aktiengesellschaft (chairman of the Supervisory Board)

**b) Prof. Dr. Ronald Frohne**

- Eckert & Ziegler Medizintechnik AG, Berlin
- Würzburger Versicherungs-AG, Berlin
- Medienboard Berlin-Brandenburg GmbH, Potsdam
- TELLUX-Beteiligungsgesellschaft mbH, Munich
- AGICOA, Geneva
- CAB, Copenhagen

**c) Rolf Hauschildt**

- Germania Epe AG, Gronau-Epe
- Bau-Verein zu Hamburg Aktien-Gesellschaft, Hamburg (deputy chairman of the Supervisory Board)

**d) Dr. Wolfgang Schnell**

- Bau-Verein zu Hamburg Aktien-Gesellschaft

## **C. Participation in the annual general meeting**

### **1. Eligibility to attend**

Shareholders who register with the Company at the following address by no later than Friday, 13 June 2008, are eligible to take part in the annual general meeting and exercise their voting rights:

**Norddeutsche Landesbank Girozentrale  
Friedrichswall 10  
30159 Hannover**

Shareholders registering for the annual general meeting must also provide proof of their eligibility to attend and exercise their voting rights. Such proof must be provided in written form in German or English in the form of a certificate issued by the custodian bank at which the shares in the Company are held as of the 21st day prior to the date of the annual general meeting ("record date"), i.e. midnight Central European Summer Time on 30 May 2008.

Proof of shares not held on a collective basis may also be provided in the form of a certificate in German or English issued by the Company, a notary or a bank within the European Union upon the shares being lodged with the Company or such bank or notary.

Registration for attendance does not operate to block the shares; accordingly, the shareholders may continue to freely dispose of their shares are registering.

Shareholders wishing to attend the annual general meeting are asked to notify their custodian bank as quickly as possible. The custodian bank will send the registration and proof of shares in the necessary form to the registration office, which will issue the admission tickets for the annual general meeting.

## **2. Proxy voting**

The shareholders may also vote by proxy at the annual general meeting by authorising an agent such as the custodian bank, a shareholders' interest association or any other person of their choice to exercise their voting rights on their behalf. The Company offers to nominate proxies, who will exercise voting rights in accordance with shareholders' specific instructions, prior to the annual general meeting. Shareholders wishing to authorise proxies nominated by the Company to vote on their behalf require an entry ticket to the annual general meeting. Proxies must be issued in writing.

The necessary documents and information will be sent to the shareholders together with the admission ticket.

### 3. Motions

Shareholder motions against a proposal of the Management Board and the Supervisory Board with respect to a specific item of the agenda must be sent solely to the following address in accordance with Sections 126 et seq. of the German Stock Corporation Act:

**TAG Tegernsee Immobilien-  
und Beteiligungs-Aktiengesellschaft**  
**Investor Relations**  
**Steckelhörn 9**  
**20457 Hamburg**  
**Telefax +49 40 380 32 - 390**  
**info@tag-ag.com**

Motions received at this address at least two weeks before the date of the annual general meeting, will be made available to the other shareholders on the Internet at

**[www.tag-ag.com/investor-relations/  
hauptversammlung](http://www.tag-ag.com/investor-relations/hauptversammlung)**

Motions sent to other addresses or not possessing the requisite form will be ignored.

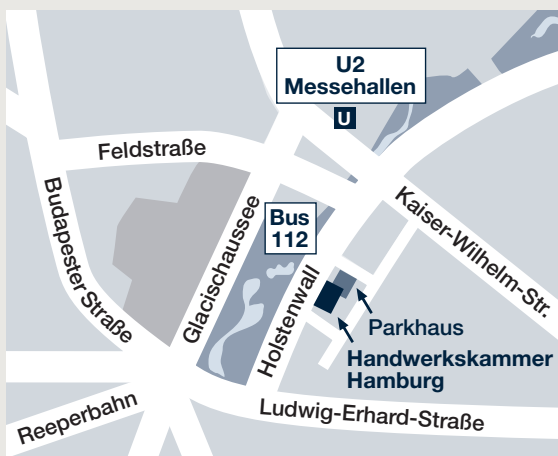
## **D. Disclosure of the total number of shares and voting rights**

In accordance with Section 30 b (1) No. 1 of the Securities Trading Act, we hereby state that the Company has share capital of EUR 32,566,364.00, which is divided into 32,566,364 no par value shares with the same number of voting rights. As of the date on which this invitation was issued, the Company did not hold any treasury stock.

Tegernsee, May 2008

TAG Tegernsee Immobilien- und Beteiligungs-  
Aktiengesellschaft

The Management Board



## How to get to Handwerkskammer Hamburg

Holstenwall 12, 20355 Hamburg  
(Central Hamburg)

### By car:

- A7: Leave at the Othmarschen, Bahrenfeld or Schnelsen exits. Follow the signs to “Centrum”.
- A1: From Lübeck, leave at the Hamburg-Horn exit. Follow the signs to “Centrum” via **Siebekingsallee**, **Bürgerweide**, turn right into **Wallstraße** and drive until the end of **Sechlingspforte**. Then veer left. Drive along the **Alster** (lake) until **Ferdinandstor** and turn right onto the **Lombardsbrücke** (bridge). Keep driving straight ahead down **Esplanade**, **Gorch-Fock-Wall** until you reach **Holstenwall**.

**By bus:**

**Station:** Take the 112 bus from Hamburg central station or Altona station. The trip takes about 9 minutes. The bus station is called “Handwerkskammer Hamburg” and is located directly in front of the main entry.

**Urban or underground rail:**

- U2:** Messehallen station  
Use the Wallanlagen exit, walk past the court buildings and turn right into Holstenwall. The distance on foot is around 400 m.
- U3:** St. Pauli station  
Use the Millerntor exit. From there it is a walk of around 5 minutes to Holstenwall.
- S-Bahn:** Stadthausbrücke station  
Line S1 and S3  
Use the Michaelisstraße exit. Climb up the hill until Großneumarkt, which you cross and then turn left into Neuer Steinweg and then right into Neanderstraße. On the left you cross Enckeplatz, where you will find Holstenwall on your right.



## **TAG Tegernsee Immobilien- und Beteiligungs-Aktiengesellschaft**

Steckelhörn 9  
20457 Hamburg  
Telefon +49 40 380 32 -300  
Telefax +49 40 380 32 -390  
[info@tag-ag.com](mailto:info@tag-ag.com)  
[www.tag-ag.com](http://www.tag-ag.com)