



TAG Immobilien AG

Transformation
2011 - 2012





Content

I.	Highlights 2011/ Group overview including DKB	page 3-8
<hr/>		
II.	Portfolio TAG excluding DKB	page 9-19
<hr/>		
III.	TAG Group financials 2011	page 20-21
<hr/>		
IV.	TAG Share 2011	page 22-23
<hr/>		
V.	TAG Acquisitions 2011-2012	page 24-28
<hr/>		
VI.	Outlook	page 29-30
<hr/>		
	Appendix	page 31-36
<hr/>		



Highlights FY 2011 figures

What to expect in 2012?

- Rental income of EUR 115m
- Rental profit of EUR 79m
- EBT of EUR 83m
- **Vacancy reduction residential**
 - TAG and Colonia from 13.3% to 10.2%
 - in Colonia from 16.0% to 14.4%
 - in TAG's existing portfolio from 5.9% to 3.9%
- **NAV of EUR 8.72 per share**
- **Real estate volume more than doubled from EUR 987m to 1,969m**
- **LTV of 59%**

- Rental income of EUR 144m
- Rental profit of EUR 110m
- EBT of EUR 75m
- Operating profit EUR 35m
- Net profit from sales EUR 8m
- FFO of EUR 27m
- Target **EPRA NAV of EUR 9.75 per share**
- **Dividend payment for 2011 EUR 0.20 increasing in 2012**
- all estimates are not including the recent DKB Immobilien AG acquisition
-  the forecast will be revised and possibly adjusted during the course of the year



TAG investment case after the DKB acquisition

I. Solid financing structure

- **Loan to Value 63%** (former 59%), **average loan maturity of 7.3 years (5.4) on TAG side**
- **10 year DKB financing of EUR 680m plus EUR 120m other debt**

II. Team with high expertise; low-cost internal administration

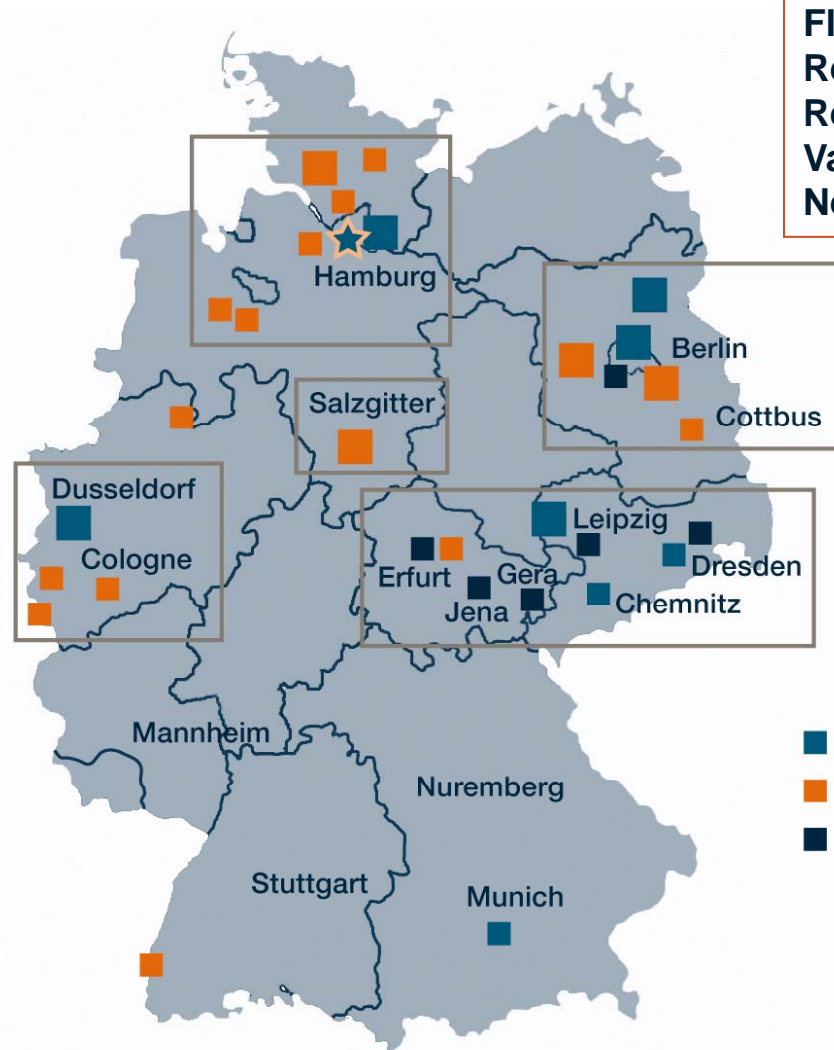
III. Flexible corporate structures, able to swiftly adjust to market changes and act on opportunities

- **Grow profitably**

VI. Considerable potential for increasing values

- **Rental growth**
- **Further vacancy reduction**
- **Sales above book value**
- **Decreasing minorities before book value**

Portfolio combined



	TAG	DKB	Combined
Units	30,960	25,500	56,460
Floor Area sqm	2,268,500	1,500,000	3,768,500
Real Estate Volume TEUR	1,969,350	1,060,000	3,029,350
Rental income in TEUR	134,000	73,200	207,200
Vacancy %	11.1	10.9	
Net Actual Rent EUR/sqm	5.44	4.60	

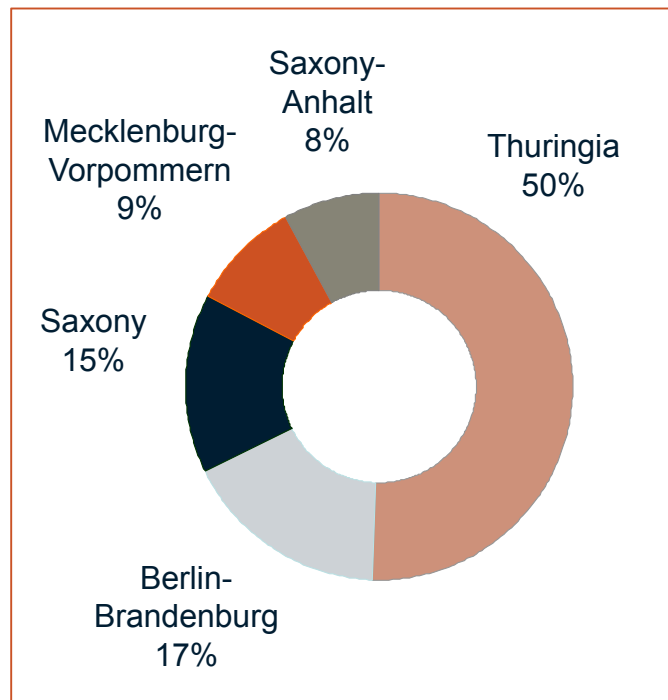
- Metropolitan regions of Berlin, Hamburg, Thuringia- Saxony, Düsseldorf and Salzgitter
- Strategic rationale to grow in order to benefit from operational leverage
- Most of DKB portfolio is in proximity of existing TAG offices in Berlin and Eastern Germany

Acquisition 2012 - DKB

History of the portfolio

1995 DKB Immobilien was founded
2007 DKB and GBW legally separated

Break down by region



Leipzig



Berlin



Dresden

Quality

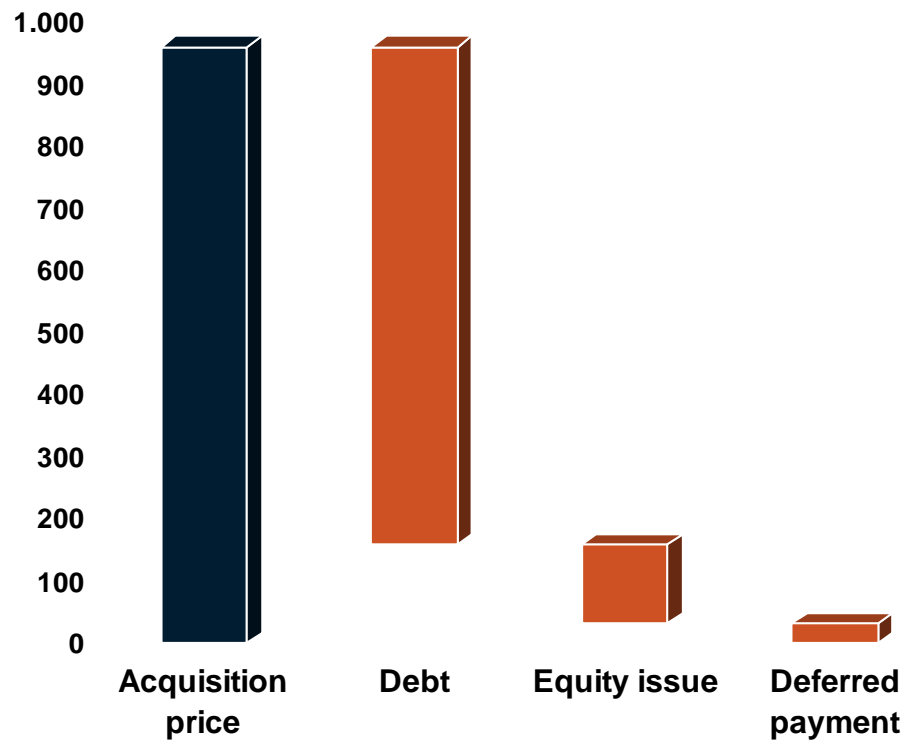
85%	refurbished
9%	newly built
6%	unrefurbished
15%	conventional buildings
60%	pre fabricated units
35%	settlement buildings
19%	rental upside to local market

Capex EUR 18/sqm
EUR 185m over the last 5 y

Covenant in the legal documents for
Capex agreed EUR 7/sqm

Funding of the DKB acquisition

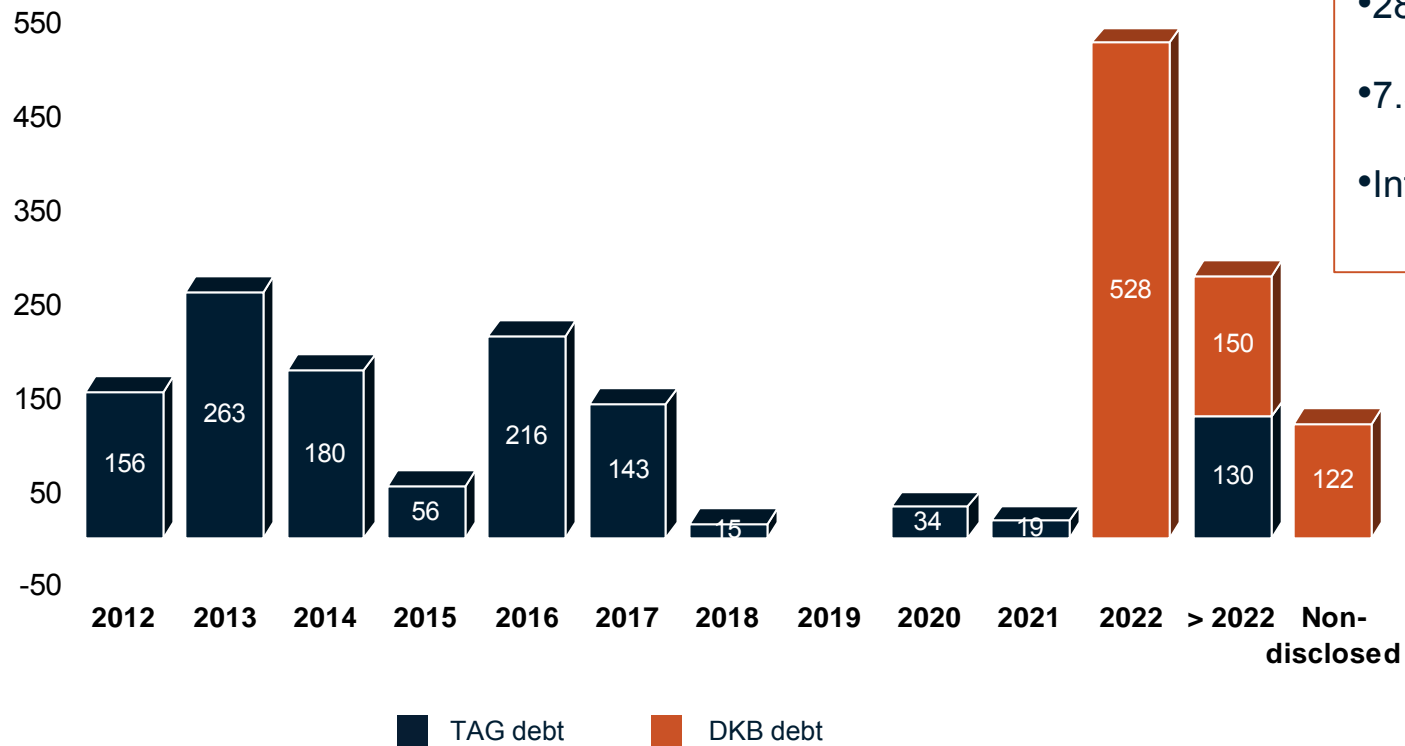
in EUR million



- Total acquisition of cEUR 960m
- Debt of cEUR 800m
- Equity from rights issue cEUR 127m
- Deferred payment from DKB up to cEUR 60m
 - To be refinanced within 18 months
 - EUR 33m cash at YE11
 - Proceeds from sales

TAG's debt maturity will improve

in EUR million



Debt structure at Q1 2012

- EUR 2,006m
- 28 German Banks
- 7.3 years \varnothing maturity
- Interest costs of 4.0%



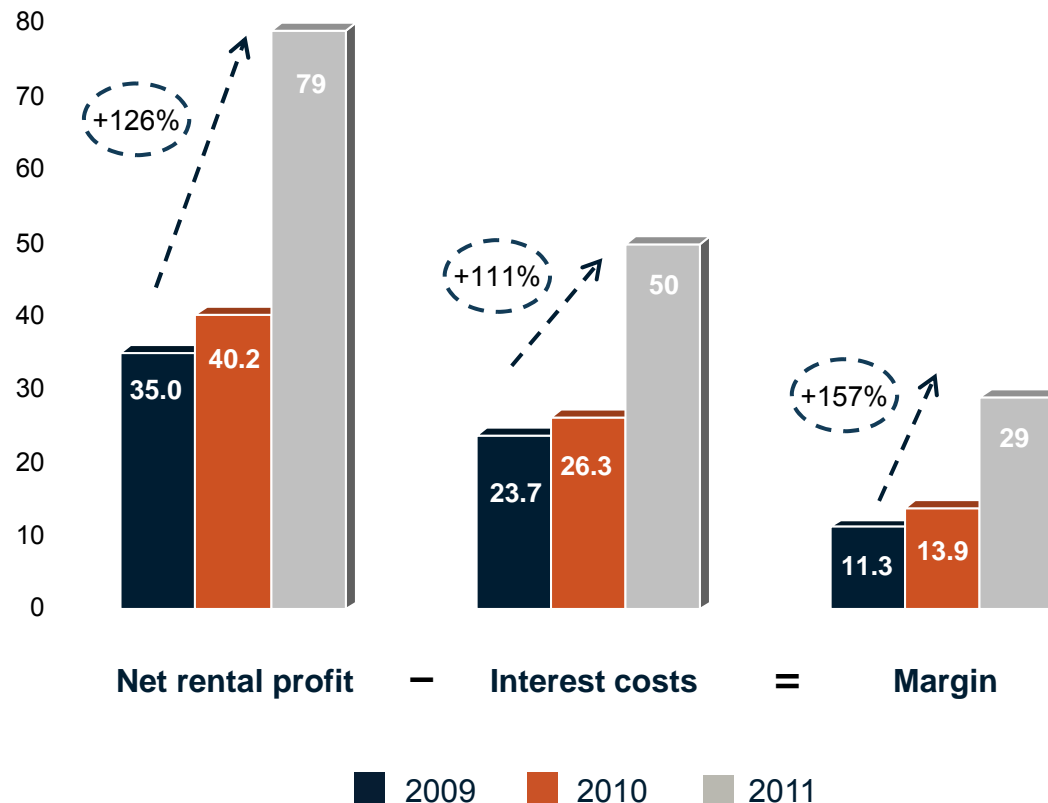
Content

I. Highlights 2011/ Group overview including DKB page 3-8

II. **Portfolio TAG excluding DKB** page 9-19

Why we have grown: Net rental profit outpacing interest costs also resulting in higher margins

in EUR million



- Cash flow from EUR -36m 2009:
 - TAG EUR -17m
 - Colonia EUR -15m
 - Francono EUR -4m
 back to black in 2011: EUR +4m
- Portfolio growth from 2009: 4,000 units to 2011: 32,000 units
- Personnel Cost efficiency/ scale effects from 2009: EUR 10m to 2011: EUR 10.5m

- Vacancy reduction
- Better cost structure
- Carry after interest shows that growth is profitable

Portfolio TAG in total 2011

Portfolio	Numbers of buildings	Units	Floor area sqm	Vacancy sqm	Vacancy %	Annualised net actual rental TEUR	Net actual EUR/sqm	Target rent TEUR p.a.	Book value TEUR	Maintenance costs EUR/sqm p.a.	Management costs EUR/sqm p.a.	Return on target rent p.a. at IFRS book value %
Commercial portfolio												
2011	30	30	348,403	28,463	8.2	28,847	7.51	30,636	467,066	8.58	6.17	6.6
2010	32	32	335,688	12,625	3.8	25,974	6.70	27,012	404,973	7.26	5.07	6.7
Residential portfolio												
2011	1,075	30,697	1,898,890	220,624	11.6	101,488	5.04	113,121	1,449,428	10.41	9.15	7.8
2010	293	7,512	465,663	30,038	6.5	29,182	5.58	31,175	460,371	11.54	7.86	6.8
Subtotal portfolio												
2011	1,105	30,697	2,247,293	249,087	11.1	130,335	5.44	143,757	1,916,494	10.10	8.64	7.5
2010	325	7,512	801,351	42,663	5.3	55,157	6.05	58,187	865,344	9.71	6.66	6.7
Others*												
2011	18	261	21,157			3,665		3,623	52,859			
2010	16	199	44,852			5,781		6,883	113,294			
Overall portfolio												
2011	1,123	30,958	2,268,450			134,000		147,380	1,969,353			
2010	341	7,711	846,203			60,938		65,070	978,638			

Portfolio TAG residential 2011

Region	Units	Floor area sqm	Va-cancy sqm	Va-cancy %	Annua-lised net actual rental TEUR	Net actual EUR/sqm	Target rent TEUR p.a.	Book value TEUR	Main-tenance costs EUR/sqm p.a.	Ma-nage-ment costs EUR/sqm p.a.	Return on tar-get rent p.a. at IFRS book value %
Overall portfolio	30,697	1,898,890	220,624	11.6	101,488	5.04	113,121	1,449,428	10.41	9.15	7.8
Hamburg	6,326	389,637	35,866	9.2	21,828	5.14	23,554	312,225	10.84	8.96	7.5
Berlin	8,255	495,905	25,893	5.2	27,118	4.81	28,238	399,553	9.39	5.11	7.1
Leipzig/Dresden	2,497	158,394	15,831	10.0	7,647	4.47	8,321	108,904	12.86	5.17	7.6
Munich	133	9,183	999	10.9	909	9.25	986	20,377	26.59	9.96	4.8
NRW	3,158	202,279	13,386	6.6	12,173	5.37	13,228	179,041	7.78	6.83	7.39
Salzgitter/Wolfs-burg/Magdeburg	9,603	586,277	127,364	21.7	27,983	5.08	34,879	375,030	10.37	13.22	9.3
Others	725	57,214	1,284	2.2	3,830	5.71	3,915	54,298	7.35	10.46	7.2

Portfolio residential by region - Hamburg



- Strong need for new residential units
- Increase of single tenant and elderly people households
- Homeownership 22%
- Strong spillover effects into periphery / commuter towns.

- Biggest vacancy upside in commuter town north of Hamburg (Elmshorn)
 - From Colonia portfolio
 - One entirely empty block, plan was to tear it down...

- Average asset rent: EUR 5.14
- Number of accommodation units: 6,326
- 22% of the residential portfolio (by book value)
- Vacancy 9.2%



Portfolio residential by region - Berlin



- Average asset rent: EUR 4.81
- Number of accommodation units: 8,255
- 28% of the residential portfolio (by book value)
- Vacancy 5.2%



- Increasing lack of new residential units
- Average letting size 54 sqm
- Strong like-for-like rental growth.

- 11% homeowner ship in Berlin
- Berlin is growing and increasingly attracting people
- Building substance not good as in the rest of Germany
 - This often implies that capex can yield much higher returns and rents can be increased faster
- Last acquisition 1070 units in Eberswalde (north of Berlin)

Portfolio residential by region - Berlin

- TAG is in Berlin regions where demographics show a growing population
- TAG is happy to buy in the centre as well in the outskirts as long as the relative value is right.
- In 2011 TAG bought for over 9% gross yield in Berlin



10,000 units as of Jan 2012

- Existing TAG Portfolio
- New Acquisitions in 2011/2012
- DKBI Portfolio

Portfolio residential by region – Saxony/Leipzig



- Average asset rent: EUR 4.47
- Number of accommodation units: 2,497
- 8% of the residential portfolio (by book value)
- Vacancy 10.0%

- Very attractive concentration of B cities between Leipzig and Dresden.
- Good infrastructure, good demographics (again) and strong economic growth.
- A very exciting regional cluster for TAG as the region is likely to grow in strategic importance in the real estate market

Portfolio residential by region - Salzgitter



- Average asset rent: EUR 4.76
- Number of accommodation units: 8,741
- 22% of the residential portfolio (by book value)
- Vacancy 21.7%

Vacancy reduction

- Overall vacancy in Salzgitter: 10%
- Vacancy in our portfolio 21.7% (from 24.4%)
- We are in above-average location
- 2,000 units are missing for elderly tenants
- Chances/angles for marketing:
 - having a decent product
 - take tenants from neighbouring parts

Cost efficiency/Scale effects

Cash Flow positive during half a year TAG management

Rent increases in 2011

- from 4.41 EUR/sqm to EUR 4.91 EUR/sqm
- The rent can be hiked in Lebenstedt
- Generally in studios and 1 bedroom apartments

Portfolio residential by region – North Rhine Westphalia



- Agglomeration of at least 30 cities
(29 of 80 metropolises in Germany)
- 22% of the German GDP (BIP)
- Centres of economic growth
- Homeownership 39%

Portfolio of TAG in

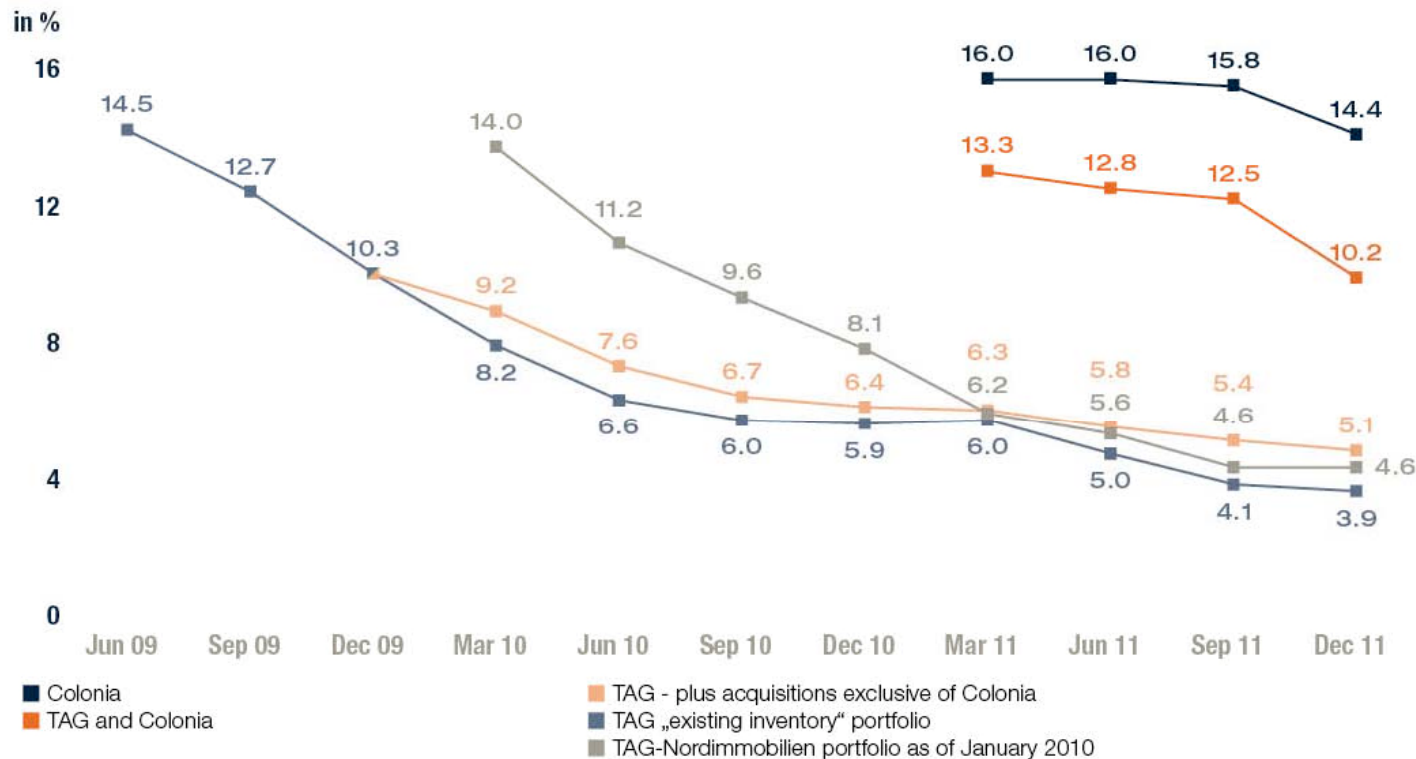
- Düsseldorf, Leverkusen
- Dortmund, Köln
- Siegburg, Moers

- Average asset rent: EUR 5.37
- Number of accommodation units: 3,158
- 12% of the residential portfolio (by book value)
- Vacancy 6.6%





Portfolio – vacancy rate reduction – residential*



* Not including vacancy due to construction measures

Proven track record of reducing vacancies rapidly and steadily in new acquisitions

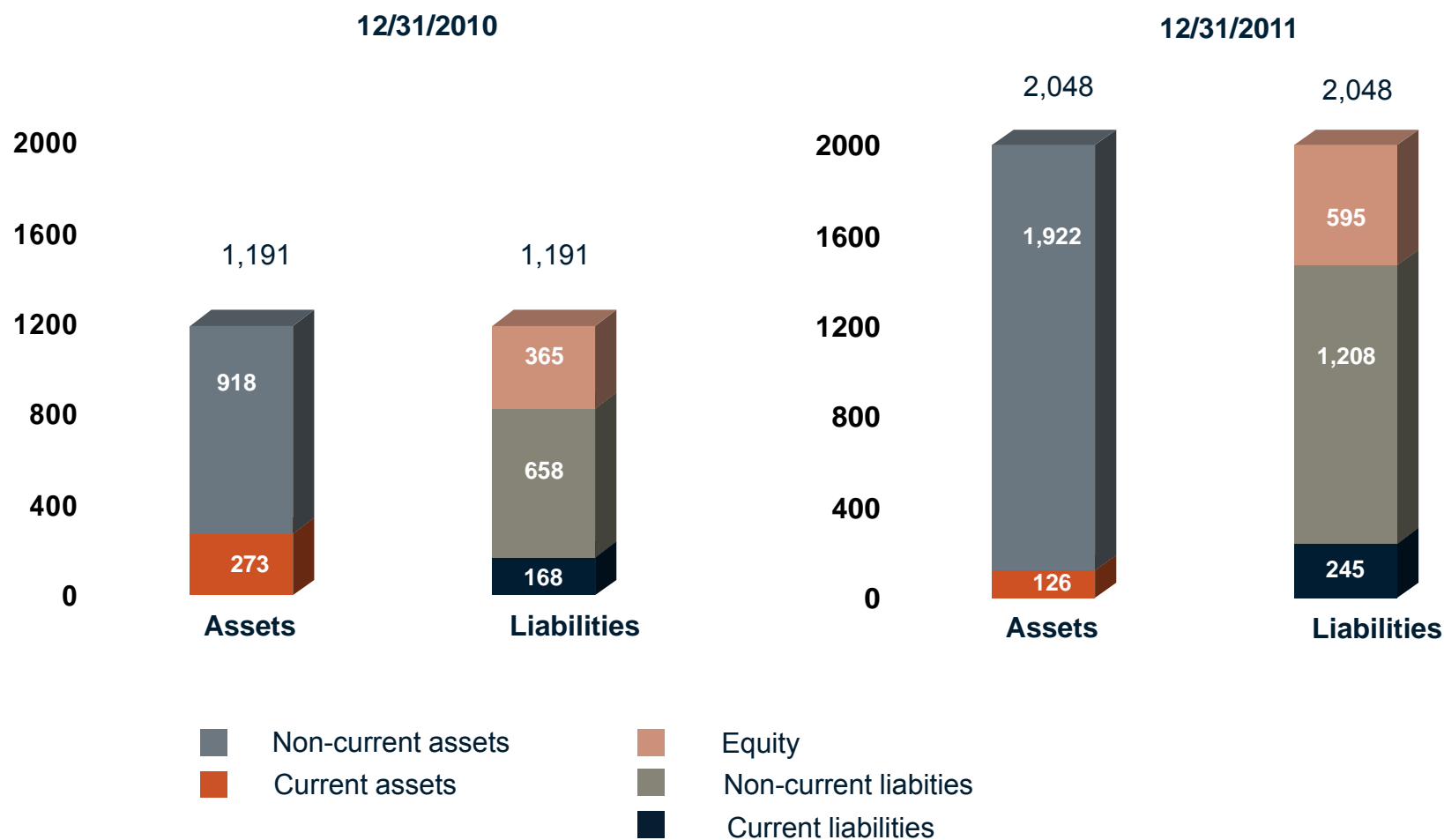


Content

I.	Highlights 2011/ Group overview including DKB	page	3-8
<hr/>			
II.	Portfolio TAG excluding DKB	page	9-19
<hr/>			
III.	TAG Group financials 2011	page	20-21
<hr/>			

Group financials (IFRS)

Consolidated balance sheet (in EUR m)





Content

I.	Highlights 2011/ Group overview including DKB	page 3-8
<hr/>		
II.	Portfolio TAG excluding DKB	page 9-19
<hr/>		
III.	TAG Group financials 2011	page 20-21
<hr/>		
IV.	TAG Share 2011	page 22-23
<hr/>		

Stock market data TAG as of Q1/2012

High/Low (Q1-Q4 2011) EUR 7.39/EUR 5.70

Number of shares 74.905m/ 96.428m

Market capitalisation EUR 461m/666m

Stock exchange SDAX/EPRA

Free Float * 96%

* Deutsche Börse definition including institutional investors

Shareholder structure

Ruffer LLP, UK*	18%
IP Concept, FvS Strategie SICAV, L*	10%
Taube Hodson Stonex, UK*	5%
Threadneedle, UK*	5%
DWS Fund, D*	5%
Scottish Value Management, UK*	3%
Scottish Widows Group Ltd., UK*	3%
Skagen AS, N*	3%
Group of investors Dr. Ristow, D	4%





Content

I.	Highlights 2011/ Group overview including DKB	page 3-8
<hr/>		
II.	Portfolio TAG excluding DKB	page 9-19
<hr/>		
III.	TAG Group financials 2011	page 20-21
<hr/>		
IV.	TAG Share 2011	page 22-23
<hr/>		
V.	TAG Acquisitions 2011-2012	page 24-28
<hr/>		

Acquisitions 2010

TAG Nordimmobilien Berlin

Properties	37
Units	789
Floor area in sqm	51,300
Net rental EUR/sqm	5.08
Vacancy	from 14.0% to 5.8%
Purchase price EUR/m	43



FranconoWest AG

Units	1,525
Floor area sqm	96,848
Vacancy	from 6.8% to 5.8%
Region	NRW



TAG Sachsenimmobilien GmbH

Units	436
Floor area in sqm	29,104
Vacancy	from 9.6% to 7.2%
Region	Saxony



Purchase price: EUR/m 31.3



Acquisition 2011

Portfolio	Closing when	Number of Units	Purchase price incl. ancillary costs	sqm	Price per sqm	Annualised net actual rental	Initial yield (gross on pp incl. ac)	NCR Multiplier	Impact on NAV per share (in Cent)
Colonia	15.02.2011	18.888	716.670.000	1.162.749	616	56.988.000	8,0%	12.6x	81
Marzahn	01.06.2011	612	25.240.000	43.600	579	2.296.608	9,1%	11.0x	5
Hellersdorf	30.09.2011	461	18.656.000	26.900	694	1.740.077	9,3%	10.7x	6
Dresden	30.09.2011	156	7.700.000	11.400	675	610.047	7,9%	12.6x	2
Norther Germany, Saxony	01.11.2011	3.343	151.110.000	208.300	725	13.709.337	9,1%	11.0x	17
Chemnitz	31.01.2012	429	23.750.000	32.200	738	1.794.000	7,6%	13.2x	2
Total		23.889	943.126.000	1.485.149	635	77.138.069	8,2%	12.2x	112



EPRA NAV 2011

EPRA NAV - TAG Group		12/31/2011	12/31/2010
Equity before non-controlling interests		547,392	356,461
Correction for derivatives	Receivables from derivatives	-489	-16
	Liabilities from derivatives	39,601	25,289
Correction for deferred taxes	Deferred income tax assets	-118	-3,996
	Deferred income tax liabilities	66,884	12,894
EPRA NAV		653,270	390,632
Number of shares		74,905,174	58,566,364
NAV per share		8.72	6.67

Acquisition 2011

Marzahn/DOM Portfolio

Units	612
Floor area in sqm	43,591
Net rental EUR/sqm	4.29
Vacancy	1.47%
Purchase price EUR/m	25.2



Chemnitz

Units residential	420
Floor area in sqm	32,000
Net rental EUR/sqm	5.55
Vacancy	4.0%
Purchase price EUR/m	23.75



Hellersdorf/Marzahn

Units	461
Floor area in sqm	26,921
Net rental EUR/sqm	5.20
Vacancy	6%
Purchase price EUR/m	17.6



North Germany/Saxony

Units residential	3,267
Units commercial	76
Floor area in sqm	208,757
Net rental EUR/sqm	5.44
Vacancy	6.2%
Purchase price EUR/m	150



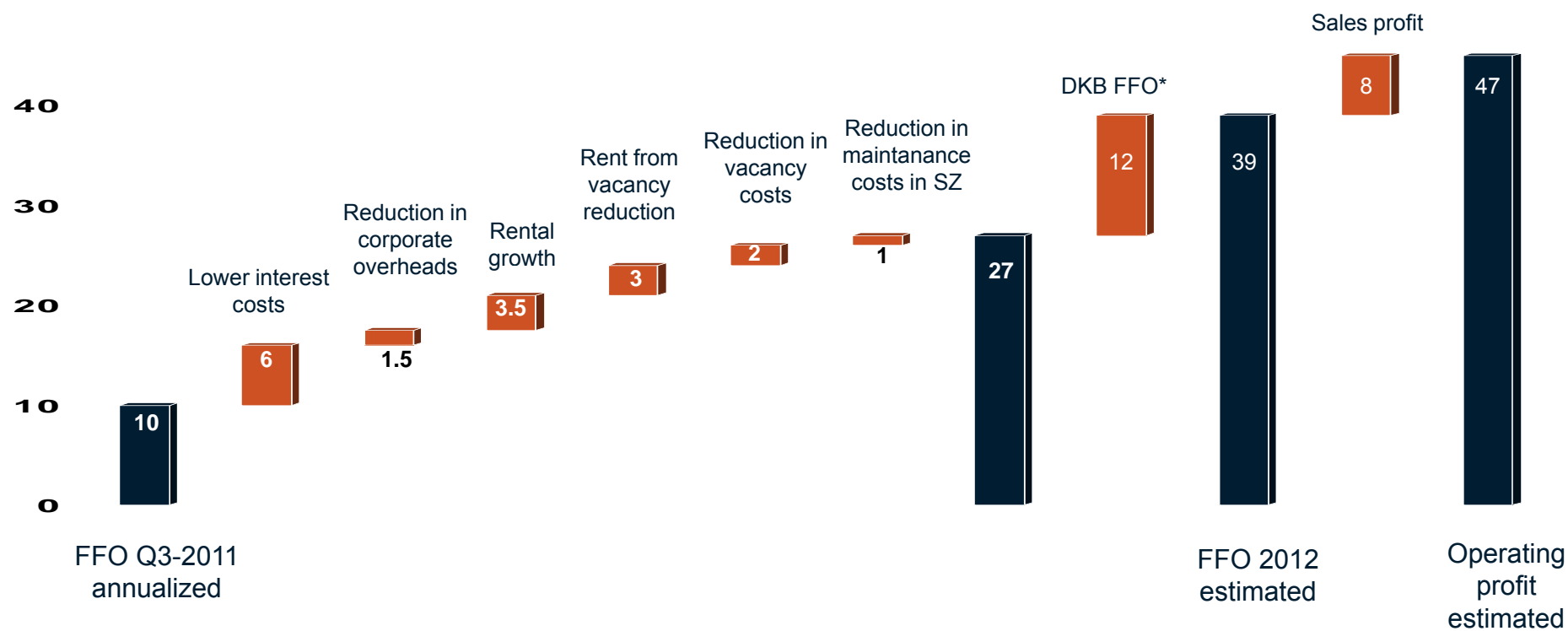


Content

I.	Highlights 2011/ Group overview including DKB	page 3-9
<hr/>		
II.	Portfolio TAG excluding DKB	page 9-19
<hr/>		
III.	TAG Group financials 2011	page 20-21
<hr/>		
IV.	TAG Share 2011	page 22-23
<hr/>		
V.	TAG Acquisitions 2011-2012	page 24-28
<hr/>		
VI.	Outlook	page 29-30
<hr/>		

FFO guidance 2012 including DKB

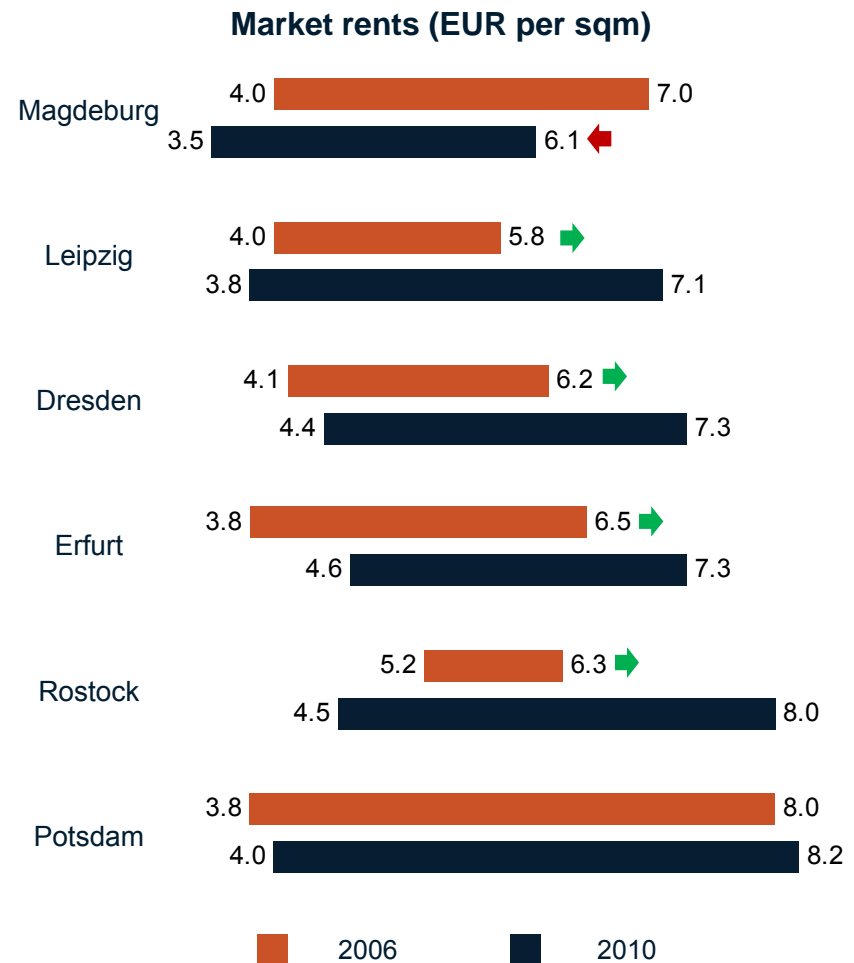
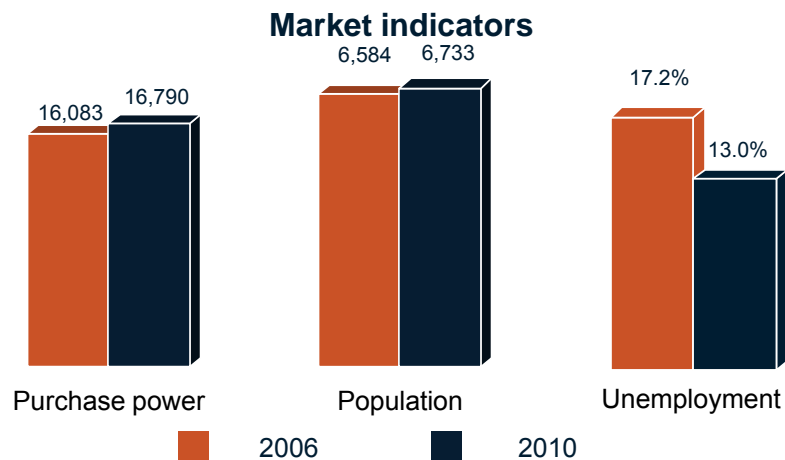
in EUR million



* pre synergies

Markets in key Eastern German cities have improved

- Purchase power, population and employment have improved since 2006
- Average population growth of 4.2% expected for Dresden, Erfurt, Jena, Leipzig, Potsdam and Weimar until 2025
- Market rents have improved since 2006

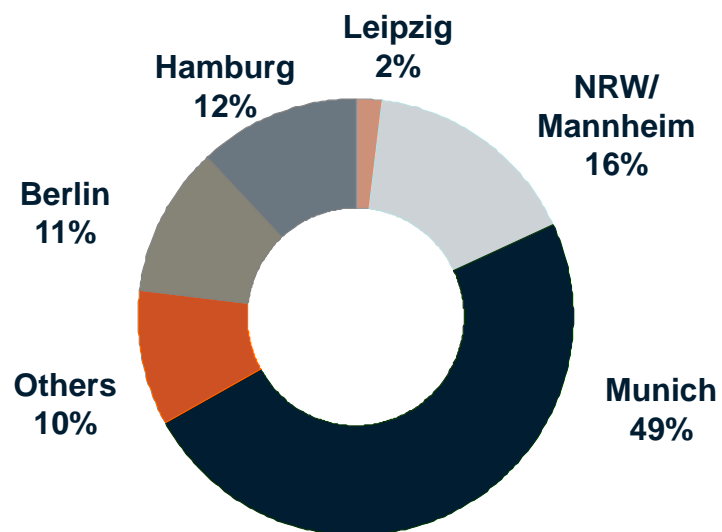


Source: TLG

Portfolio commercial

	12/31/2009	12/31/2010	09/30/2011	12/31/2011
• sqm total	342,911 sqm	335,686 sqm	323,902 sqm	348,403 sqm
• sqm rental	324,971 sqm	323,063 sqm	298,944 sqm	319,940 sqm
• current rental p.a. net of charged costs (EUR m)	26.6	26,0	25.9	28.8
• current rental net of charged costs (EUR/sqm)	6.81	6.70	7.23	7.51
• vacancy	5.2%	3.8%	7.7%	8.2%

Real estate portfolio by region*



*as of 12/31/2011 by book value



Siemensdamm, Berlin



Management Board

Rolf Elgeti, CEO

- Colonia Real Estate AG, Management Board since February 2011
- TAG Immobilien AG, Management Board (since July 2009), Supervisory Board from 2008 onwards
- Bau-Verein zu Hamburg AG, Management Board (since July 2009)
- Founder of Elgeti Ashdown Advisors Ltd. (2007)
- Setting up and management of various German real estate investment funds (since 2003)
- UBS Warburg, Commerzbank, ABN Amro: (chief) equity strategist, London (1999 – 2007)

Hans-Ulrich Sutter, CFO

- Colonia Real Estate AG, Management Board since February 2011
- TAG Immobilien AG, Management Board (since April 2008)
- Bau-Verein zu Hamburg AG, Management Board (since October 2008)
- Deutsche Real Estate AG, CFO until 09/2007
- GSW Gemeinnützige Siedlungs- und Wohnungsbaugesellschaft, responsible for financial matters until 03/2006
- CFO in DAX 30 Company (Fresenius Medical Care, 1998) as well as in large Multinationals (Coca Cola Germany, Procter & Gamble Germany)

Dr. Harboe Vaagt

- Management Board since April 2011 in TAG Immobilien AG, Bau-Verein zu Hamburg AG
- Head of Legal Department of TAG for over 12 years

Supervisory Board

Dr. Lutz R. Ristow, Chairman of the Supervisory Board TAG (since 2007), Colonia (since 4/2011)

Prof. Dr. Ronald Frohne (since 2001), **Rolf Hauschildt** (since 2001), **Andrés Cramer** (since 2009)

Employee representative: Wencke Röckendorf (since 2010), **Andrea Mäckler** (since 2010)



Contacts

TAG Immobilien AG

Steckelhörn 5
20457 Hamburg

Telefon: +49 40 380 32-0
Telefax: +49 40 380 32-388

www.tag-ag.com
info@tag-ag.com

Rolf Elgeti CEO

Telefon: +49 40 380 32-307
Telefax: +49 40 380 32-388
ir@tag-ag.com

Britta Lackenbauer/ Dominique Mann Investor & Public Relations

Telefon: +49 40 380 32-386 / -305
Telefax: +49 40 380 32-388
ir@tag-ag.com



Disclaimer

Disclaimer and Copyright

This document (presentation) does not constitute an offer or invitation or form part of an offer or invitation to subscribe for or purchase any securities and, neither this document or anything contained herein shall form the basis of any contract of commitment whatsoever.

We make every effort to keep the information in this document (presentation) current, but accept no liability whatsoever for the content provided.

The content and works provided in this document (presentation) are governed by the copyright laws of Germany. Duplication, processing, distribution or any form of commercialization of the material beyond the scope of the copyright law shall require our prior written consent.