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**Declaration of Conformity with the German Corporate Governance Code for Fiscal 2011 by the Managing Board and Supervisory Board of PATRIZIA Immobilien AG pursuant to Section 161 of the German Stock Corporation Law**

In accordance with Article 161 of the Aktiengesetz (AktG – German Stock Corporation Act), the Managing Board and Supervisory Board of PATRIZIA Immobilien AG declare that:

In fiscal year 2010, PATRIZIA Immobilien AG complied with the recommendations of the German Corporate Governance Code, in the version of June 18, 2009, until July 1, 2010. Since July 2, 2010 it has complied with the recommendations of the German Corporate Governance Code in the version of May 26, 2010, as published on July 2, 2010 in the official portion of the electronic German Federal Gazette, with the exceptions set forth below. Starting in the 2011 fiscal year, it will comply with the recommendations of the German Corporate Governance Code in the version of May 26, 2010 with the following exceptions:

**No electronic transmission of the documents for convening the Annual General Meeting (section 2.3.2 of the Code)**

For reasons of cost and practicality, the Company did not send notification of convening the 2010 Annual General Meeting together with the convening documents to all domestic and foreign financial services providers, shareholders and shareholders' associations by electronic means.

**No deductible for D&O insurance policies for the Supervisory Board (section 3.8, paragraph 3 of the Code)**

According to section 3.8, paragraphs 2 and 3 of the German Corporate Governance Code, a suitable deductible should be agreed if the Company takes out a D&O policy for the Managing Board and the Supervisory Board. Pursuant to the stipulations of Article 93 (2) third sentence of the AktG, a deductible has been agreed for the Managing Board as of July 1, 2010. There will be no deductible for the Supervisory Board now or in the future. The Managing Board and Supervisory Board of the Company do not believe that a deductible affects the sense of responsibility and loyalty with which the committee members fulfil the duties and functions assigned to them.

**No formation of committees in the Supervisory Board (section 5.2, paragraph 2 and section 5.3 of the Code)**

In accordance with section 5.2, paragraph 2 and section 5.3 of the Corporate Governance Code, the Supervisory Board should form committees. The Supervisory Board of PATRIZIA Immobilien AG comprises three members. Due to the number of members, it is neither necessary, nor does it make sense, for the Supervisory Board to form committees; this would make the work of the Supervisory Board unnecessarily difficult. Thus the recommendations on forming committees and chairing the committees of the Supervisory Board bear no relevance to the Company.

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### **No diversity in the composition of the Managing Board (section 5.1.2., second sentence of the Code, as amended May 26, 2010)**

The current members of the Managing Board were appointed before the new recommendation in 5.1.2. of the Code was published. The Supervisory Board and Managing Board expressly welcome all efforts to combat discrimination on the basis of gender or otherwise, and to appropriately support diversity. However, when appointing Managing Board members, the Supervisory Board emphasizes only the special skills and qualifications; additional characteristics like gender or national origin were, and remain, irrelevant to appointment decisions.

### **No diversity in the composition of the Supervisory Board (section 5.4.1., paragraphs 2 and 3 of the Code, as amended May 26, 2010):**

The composition of the company's Supervisory Board must focus on the company interests and must ensure the effective monitoring and advisement of the Managing Board. Therefore, when nominating candidates at the Annual General Meeting, the Supervisory Board will examine only their professional skills and experience; additional characteristics like gender or national origin were and remain irrelevant to these nominations. The Supervisory Board does not feel a fixed quota system is appropriate, and in the interest of the company, it will not neglect the consistency of its personnel. Accordingly, PATRIZIA Immobilien AG's Supervisory Board will not define any specific targets for the composition of the Supervisory Board under section 5.4.1, paragraph 2 of the Code, and will also not report on this in the Corporate Governance report.

### **Compensation of the Supervisory Board (section 5.4.6 of the Code)**

In accordance with section 5.4.6, paragraph 1, sentence 3 of the German Corporate Governance Code, the compensation of the Supervisory Board should take the chair as well as the deputy chair and membership in the committees into account. The compensation regulation for the Supervisory Board of PATRIZIA Immobilien AG takes the chair of the Supervisory Board into account but does not distinguish between deputy chairmen of the Supervisory Board and a simple member of the Board due to its number of three members. No committees are formed. To increase transparency and comprehensively illustrate the importance of the Corporate Governance Code for PATRIZIA Immobilien AG, in this Declaration of Conformity we also state our position on compliance with the proposals of the Code. With the exception of the following recommendations, all recommendations of the version of the Code dated May 26, 2010 were complied with in the 2010 fiscal year or are to be complied with in 2011:

### **Transmission of the Annual General Meeting on the Internet (section 2.3.4 of the Code)**

Due to cost reasons the 2010 Annual General Meeting was not broadcast on the Internet. Also due to cost reasons, there are likewise no plans to broadcast part or all of the 2011 Annual General Meeting on the Internet.

### **Components of performance-related compensation of the Supervisory Board based on the Company's long-term performance (section 5.4.6 of the Code)**

The Supervisory Board's performance-related compensation is based on the amount of the dividends for the fiscal year in question and thus does not contain any components based on the Company's long-term performance.

# Declaration of Conformity 2011



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Augsburg, (Germany) – January 26, 2011

**On behalf of the Managing Board**

Wolfgang Egger

Arwed Fischer

Klaus Schmitt

**On behalf of the Supervisory Board:**

Dr. Theodor Seitz

Chairman of the Supervisory Board