

General Meeting of IVG Immobilien AG on 20 May 2010

Explanations pursuant to section 121 (4) no. 3 on the rights of shareholders pursuant to section 122 (3), section 126 (1), section 127 and section (1) German Stock Corporation Act (AktG)

The invitation convening the General Meeting contains information on rights of shareholders in accordance with section 122 (2), section 126 (1), sections 127, 131 (1) AktG. The following information provides further explanations of these regulations.

I. Additions to the agenda in accordance with section 122 (2) AktG

Shareholders whose aggregate holdings amount to 5 % of the share capital or a pro rata amount of share capital of €500,000 can request that items be added to the agenda and announced. Such requests must be made to the Board of Management of the company under

IVG Immobilien AG
Board of Management
Communication & Marketing
Zanderstraße 5
53177 Bonn
Germany

and must be received by the company at least 30 days before the General Meeting not including the day it is received and the day of the General Meeting. The last possible date for submissions is therefore midnight CEST on Monday, 19 April 2010. Each new item must be accompanied by a reason or a resolution proposal.

Applicants must prove that they have held the minimum number of shares for at least three months before the date of their application (i.e. the date said application is received by the company) (see section 142 (2) sentence 2 AktG in conjunction with section 122 (1) sentence 3, (2) sentence 1 AktG). Entitlement may be demonstrated by the relevant confirmation of the custodian bank.

The right to demand transfer of title from a bank, financial services institution or a company doing business in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act (KWG) shall be deemed equivalent to ownership. The period during which a predecessor in title owned a share shall be attributed to the shareholder if it has received the share without consideration from its fiduciary as universal successor as a result of the dissolution of joint ownership or a transfer of assets in accordance with section 14 of the German Insurance Supervision Act or section 14 of the German Building Loan and Savings Association Act (see section 70 AktG).

Additions to the agenda to be announced – provided they have not been announced when convening the General Meeting– directly after receipt of the request shall be transferred for publication in the electronic Federal Gazette and such media in which it can be assumed that

the information is disseminated in the whole European Union. They will also be announced on the company's website at <http://www.ivg.de/en/generalmeeting2010.html> and passed on to the shareholders in accordance with section 125 (2) no. 3 AktG.

The regulations of the German Stock Corporation Act on which the shareholders rights are based are as follows:

Section 122 (1) and (2) AktG

- (1) A shareholders' meeting shall be called if shareholders whose aggregate holdings amount to at least one-twentieth of the share capital request such a meeting in writing, stating the purpose and reasons for such meeting; such request shall be addressed to the Board of Management . The Articles of Association may provide that the right to request a shareholders' meeting may require the holding of a smaller proportion of the share capital. Section 142 (2) sentence 2 applies accordingly
- (2) Shareholders whose aggregate holdings amount to at least one-twentieth of the share capital or the pro rata amount of share capital of €500,000 may likewise request that certain items be included on the published agenda. Each new item must be accompanied by a reason or a resolution proposal. The request in terms of sentence 1 must be received by the company at least 24 days, with listed companies at least 30 days before the meeting, not including the day it is received.

Section 142 (2) 2 AktG

- (2) If the shareholder meeting rejects a motion to appoint special auditors to audit any matter relating to the formation of the stock corporation or the management of the stock corporation's business within the last five years, upon petition by shareholders whose aggregate holdings amount to at least one hundredth of the share capital or a pro rata amount of €100,000, the court shall appoint a special auditor provided there are facts which give reason to suspect that improprieties or gross breaches of the law or the Articles of Association have occurred with such matter. The petitioners must prove that they have been holders of the shares for at least three months prior to the date of the General Meeting and that they hold the shares until the decision on the application. Section 149 also applies to an agreement to avoid such a special audit.

II. Motions and nominations by shareholders in accordance with sections 126 (1) and 127 AktG

Shareholders can bring motions on individual items of the agenda (see section 126 AktG); this also applies to nominations for the election of members of the Supervisory Board or auditors (see section 127 AktG). In accordance with section 126 (1) AktG, motions by shareholders, including the name of the shareholder, his grounds and any statement by the management to the entitled parties listed in section 125 (1) to (3) AktG must be made accessible under the requirements there and on the Internet site of the company if the shareholder submits a counter-motion, with grounds, to a proposal by the Board of Management and/or Supervisory Board on a specific item of the agenda to the address shown below at least 14 days before the

General Meeting of the company. The day it is received and the day of the General Meeting are not included in this period. The last possible date for submissions is therefore midnight CEST on Wednesday, 5 May 2010.

The entitled parties listed in section 125 (1-3):

1. Section 125 (1) of the AktG Banks and shareholder associations which exercised shareholder voting rights at the last General Meeting or requested notification.
2. Section 125 (2) of the AktG Shareholders who requested notification.
3. Section 125 (3) of the AktG
Each Supervisory Board member may request that the Board of Management provide him with the same information.

A counter-motion does not have to be published if one of the reasons for exclusion stated under section 126 (2) AktG applies. Section 126 (2) AktG reads as follows:

- (2) Information about a counter-motion and the grounds therefore need not be given,
 1. if the Board of Management would become liable to prosecution by giving out such information
 2. if the countermotion would result in a resolution of the shareholders' meeting resolution that would be contrary to law or the Articles of Association
 3. if the grounds contains statements which are obviously false or misleading in material respects or defamatory
 4. if information about the same counter-motion of such shareholder on essentially identical grounds was already given pursuant to section 125 to at least two shareholder's meetings of the stock corporation within the last five years and less than one-twentieth of the share capital represented voted in favour of such counter-motion at such meetings
 6. the shareholder indicates that it will neither attend nor be represented at the shareholders' meeting or
 7. if, the shareholder has failed to propose a countermotion it communicated or failed to have such counter-motion proposed on its behalf within the last two years at two shareholders' meetings.

Information about the statement of the grounds need not be given if it exceeds 5,000 characters.

Nominations by shareholders under section 127 AktG do not require the support of a statement of the grounds. Nominations do not have to be published if they do not include the name, profession or place of residence of the proposed person (with legal entities the company and the head office) and, if electing members of the Supervisory Board, information on their

memberships in other legally required supervisory boards; information on their membership in comparable German and foreign supervisory bodies of commercial enterprises should be included (see section 127 sentence 3 AktG in conjunction with section 124 (3) and section 125 (1) sentence 5 AktG). Otherwise, the requirements and regulations for the publication of motions of section 126 AktG apply; in particular the above stated reasons of exclusion apply in accordance to section 126 (2) AktG.

The right of each shareholder to bring counter-motions or nominations for various items of the agenda during the General Meeting even without prior notification of the company remains unaffected. This right results from section 124 (4) No. 2 AktG. This states that no publication is required on resolutions to motions put forward relating to items on the agenda.

Please note that counter-motions and nominations sent to the company in advance and on time will only be acknowledged in the General Meeting if made verbally.

Any motions (with grounds) and nominations by shareholders in accordance with section 126 (1) and section 127 AktG should be sent to:

IVG Immobilien AG
Communication & Marketing
Zanderstraße 5
53177 Bonn
or by fax: 0228/ 844 - 338
or by e-mail: ivghv2010@ivg.de

Any motions or nominations by shareholders to be published (including the name of the shareholder and – for motions – the grounds) will be published on the Internet at <http://www.ivg.de/en/generalmeeting2010.html> after being received. Any statements by the management will also be published at this Internet address.

The regulations of the German Stock Corporation Act on which the shareholders rights are based are as follows (with the exception of the cited section 126 (2) AktG):

Section 126 (1) and (3) AktG

- (1) Motions by shareholders, including the name of the shareholder, his grounds and any statement by the management to the entitled parties listed in section 125 (1) to (3) AktG must be made accessible under the requirements there if the shareholder submits to the address stated in the convening invitation a counter-motion, with grounds, to a proposal by the Board of Management and Supervisory Board on a specific item of the agenda to the address shown below at least 14 days before the meeting of the company. The day it is received is not included in this period. For listed company, the publication shall take place on the company's website.
- (3) If several shareholders make countermotions on the same item, the Board of Management can combine the countermotions and their reasons.

Section 127 AktG

Section 126 shall apply analogously to the nomination by a shareholder proposal for the election of a member of the Supervisory Board or auditors. Such nomination need not be supported by a statement of the grounds. Moreover, the Board of Management does not need to give information about such nomination if it fails to contain the particulars in line with 124 (3) sentence 3 and section 125 (1) sentence 5.

III. Shareholders' right to information in accordance with section 131 (1) AktG

Each shareholder and shareholder representative can request information from the Board of Management at the General Meeting on the affairs of the company to the extent that such information is necessary for a proper evaluation of an item on the agenda (see section 131 (1) AktG. The right to information also extends to the company's legal and business relationships with any affiliated company and the position of the Group and the companies included in the consolidated financial statements.

Requests for information must be made verbally at the General Meeting during the discussion.

The information must comply with the principles of conscientious and accurate accounting. The Board of Management can refuse to provide information under the requirements listed in section 131 (3) AktG. Section 131 (3) AktG reads as follows:

- (3) The Board of Management may refuse to provide information,
1. if according to sound business judgement, such information is likely to cause considerable damage to the stock corporation or an affiliated company;
 2. if such information relates to tax valuations or the amount of individual taxes,
 3. on the difference between the value at which items are shown in the annual balance sheet and a higher value of such items, unless the shareholders' meeting is to approve the annual financial statements;
 4. on the methods of accounting and valuation, if disclosure of such methods in the notes suffices to provide a true and fair view of the net assets, financial position and profitability of the company in line with section 264 (2) of the German Commercial Code; the foregoing does not apply if the shareholders' meeting is to approve the annual financial statements
 5. if the Board of Management would thereby become liable to prosecution
 6. If, in the case of credit institutions or financial services institutions, information need not be given on the applied methods of accounting and valuation and on setoffs made in the annual financial statements, the management report, consolidated financial statements or the group management report;

7. if the information has been continuously accessible on the company's website at least seven days before the start of or in the General Meeting.

The provision of Information may not be refused for other reasons.

In accordance with article 20 (3) of the Articles of Association, at the beginning of the General Meeting the Chairman can impose appropriate time limits on the rights of shareholders to speak and ask questions; in particular, he is entitled to set an appropriate time limit for the entire General Meeting, for individual items of the agenda, for individual speakers or persons asking questions or for individual contributions or questions.

The regulations of the German Stock Corporation Act and the Articles of Association on which the shareholders rights are based are as follows (with the exception of the cited section 131 (3) AktG):

Section 131 (1, 2, 4 and 5) AktG.

- (1) Upon request, each shareholder shall be provided at the shareholders' meeting by the Board of Management on the stock corporation to the extent that such information is necessary for a proper evaluation of the item on the agenda. The duty to provide information shall also extend to the stock corporation's legal and business relationships with any affiliate company. If a stock corporation makes use of the simplified accounting procedure pursuant to section 266 (1) sentence 2, section 276 or section 288 of the German Commercial Code, at the shareholders' meeting on the annual financial statements, each shareholder may request that it be presented with the annual financial statements in the unabridged form in which the accounts would have been if such provisions had not been applied. The duty of the Board of Management of a consolidated group of companies to provide information (section 290 (1, 2) of the German Commercial Code) in the shareholders' meeting which is presented the consolidated financial statements and the consolidated management report, also covers the situation of the group and the companies consolidated in the group financial statements.
- (2) The information provided shall comply with the principles of conscientious and accurate accounting. In line with section 129, the Articles of Association or the Rules of Procedure can also entitle the chairman of the meeting to apply appropriate time limits to the right of the shareholder to ask questions and specify more details in this respect.
- (4) If a shareholder has been provided information as a shareholder outside the General Meeting, at his request in the General Meeting all other all shareholders are to be provided this information, even if it is not required to make an appropriate assessment of the item on the agenda. In line with section 3 (1) no. 1 to 4, the Board of Management may not refuse to provide information. Sentences 1 and 2 do not apply if a subsidiary (section 290 (1, 2) of the German Commercial Code), a joint venture (section 310 (1) of the German Commercial Code) or an associated company (section 311 (1) of the German Commercial Code) provides information to a parent company (section 290 (1, 2) of the German Commercial Code) for the purpose of including the company in the group financial statements of the parent company and the information is required for this purpose.

- (5) If a shareholder is refused information, he can request that his question and the reason for the refusal of the information be included in the minutes on the meeting.

Article 20 (3) of the Articles of Association of the company reads:

- (3) The Chairman can apply an appropriate limit to the right of shareholders to ask questions and speak. In particular, at the beginning of or during the General Meeting the Chairman is authorised to set an appropriate time limit for the entire General Meeting, for individual agenda items or for individual speakers or persons asking questions or for individual contributions or questions.