

TAG



TAG Immobilien AG



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Q1 - Q3 2012





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••• TAG Highlights Q3 2012

- **Rental income of EUR 139.8m** (Q1-Q3)
- **Rental profit of EUR 107.5m** (Q1-Q3)
- **EBT of EUR 139.8m** (Q1-Q3)
- **FFO of EUR 11.2m in Q3** (EUR 10.8m in Q2)

- **Vacancy**
 - residential portfolio 11.1% (11.4% in Q2)
 - Salzgitter 21.7% (22.5% in Q2)
 - East Germany 10.9% (11.4% in Q2)
- **NAV of EUR 9.46 per share**
(post EUR 0.20 dividend)
- **LTV of 62.2%** (ex convertibles) down from 62.5% in Q2



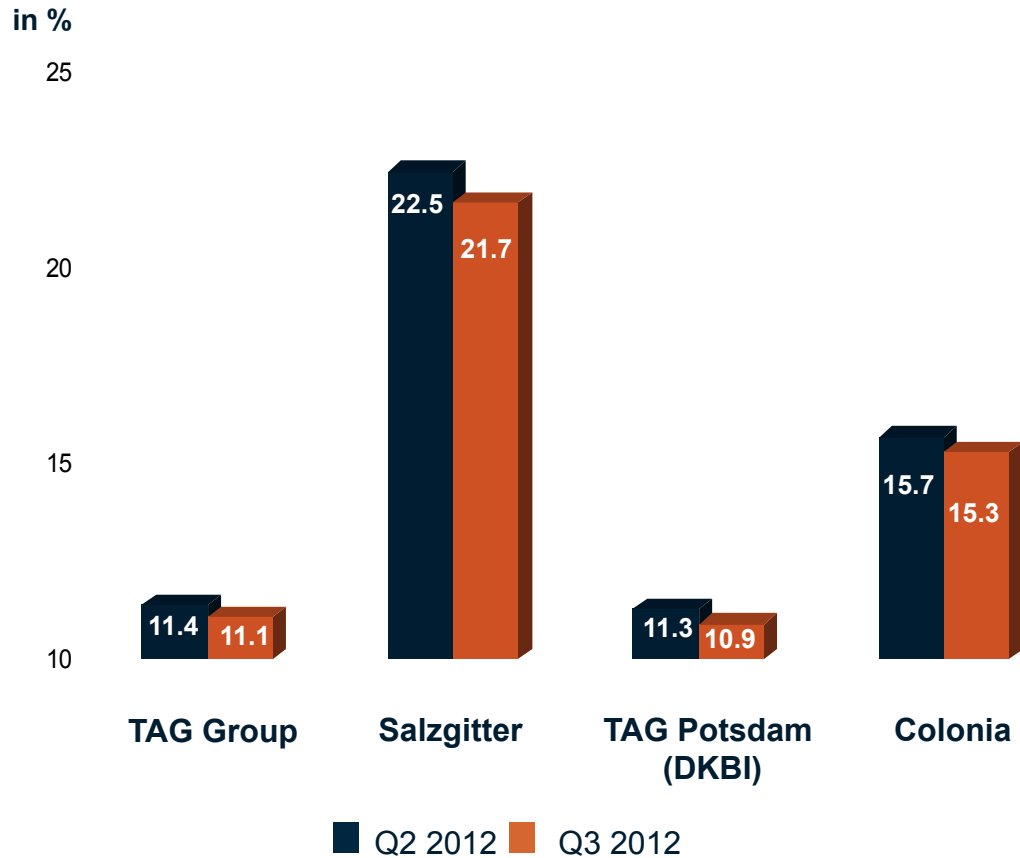


TAG FFO Q3 2012

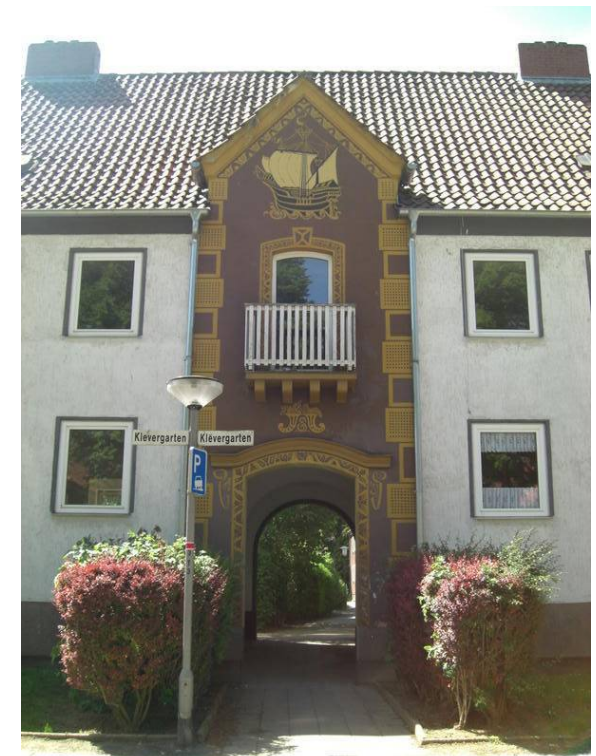
| in EUR m | Q1 2012 | Q2 2012 | H1 2012 | Q3 2012 | Q1-Q3 2012 |
|---|-------------|-------------|-------------|-------------|---------------|
| EBT | 93.4 | 27.2 | 120.6 | 19.2 | 139.8 |
| <u>Adjustment for non-cash items</u> | | | | | |
| valuation result | -6.8 | -3.7 | -10.5 | -11.9 | -22.3 |
| gains from first-time consolidation of DKBI | -83.1 | -16.0 | -99.1 | 0 | -99.1 |
| deconsolidation of POLARES | | | | -5.4 | -5.4 |
| depreciation | 0.4 | 0.4 | 0.8 | 0.4 | 1.2 |
| impairment losses on receivables and inventories | 1.3 | 2.0 | 3.3 | 7.7 | 11.0 |
| non-cash financial expenses/ income | 0.4 | 0.9 | 1.3 | 1.2 | 2.5 |
| sales result | 0.0 | 0.0 | 0.0 | -0.1 | -0.1 |
| | -87.8 | -16.4 | -104.2 | -8.0 | -112.2 |
| FFO | 5.6 | 10.8 | 16.4 | 11.2 | 27.6 |
| plus liquidity from sales | 12.8 | 4.3 | 17.1 | 4.2 | 21.3 |
| FFO II | 18.4 | 15.1 | 35.5 | 15.4 | 48.9 |

- TAG well on track for target FFO of EUR 40m for 2012
- Run rate already above EUR 40m p.a. (this is largely pre synergies from DKBI acquisition)

● TAG Vacancy Q3 2012 residential portfolio



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



••• TAG Strategic achievements Q3 2012

- Improved company structure: Bau-Verein Squeeze Out November 2012
- Further focus on residential: POLARES GmbH Management Buy Out October 2012
- TAG shares have been upgraded to MDAX since end of September 2012



••• TAG investment case

- I. Focus on growth and profitability
 - Strategy: grow to become more efficient
 - TAG has grown considerably over the last 3 years – while protecting and increasing the NAV per share
 - Interest, costs and vacancy have been reduced at the same time
 - Efficiency and sustainability: high quality, high yield, actively managed real estate

- II. Integration and Synergies: a proven track record
 - Colonia acquisition brought annualised savings of EUR 35m
 - DKBI acquisition EUR 12m p.a. visible from 2013 onwards

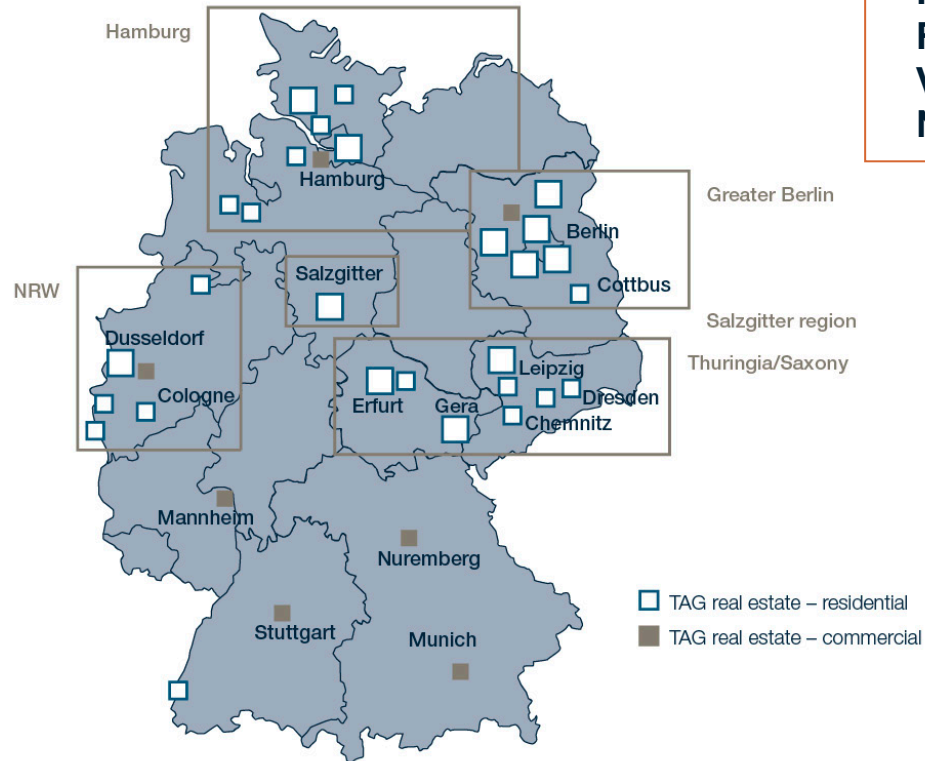
- III. Solid and stable financing structure
 - Loan to Value 62%, average loan maturity of 9.4 years
 - 10 year DKB financing of EUR 800m at favourable conditions
 - All of four Convertible Bonds are trading in or close to the money

- IV. Considerable potential
 - Strong like-for-like rental growth (currently approx. 3.1% p.a.)
 - Further potential to reduce vacancies in acquired portfolios
 - FFO profitability rising strongly
 - Interest costs set to fall further



TAG Portfolio Q3 2012

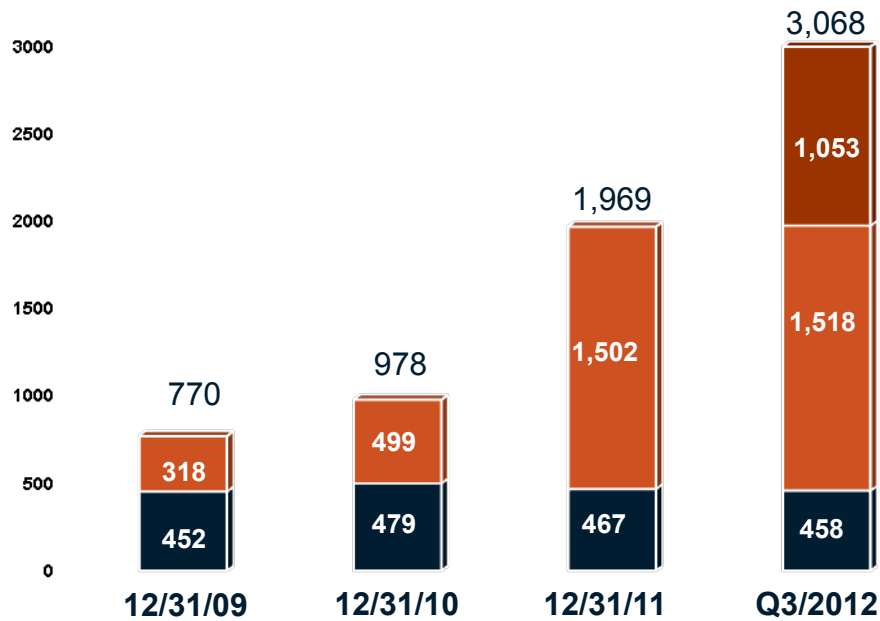
| | |
|---|-----------|
| Units | 57,270 |
| Floor Area sqm | 3,826,526 |
| Real Estate Volume TEUR | 3,068,415 |
| Rental income in TEUR (annualised) | 211,833 |
| Vacancy % | 10.8 |
| Net Actual Rent EUR/sqm | 5.17 |



TAG Portfolio Q3 2012

Real estate volume

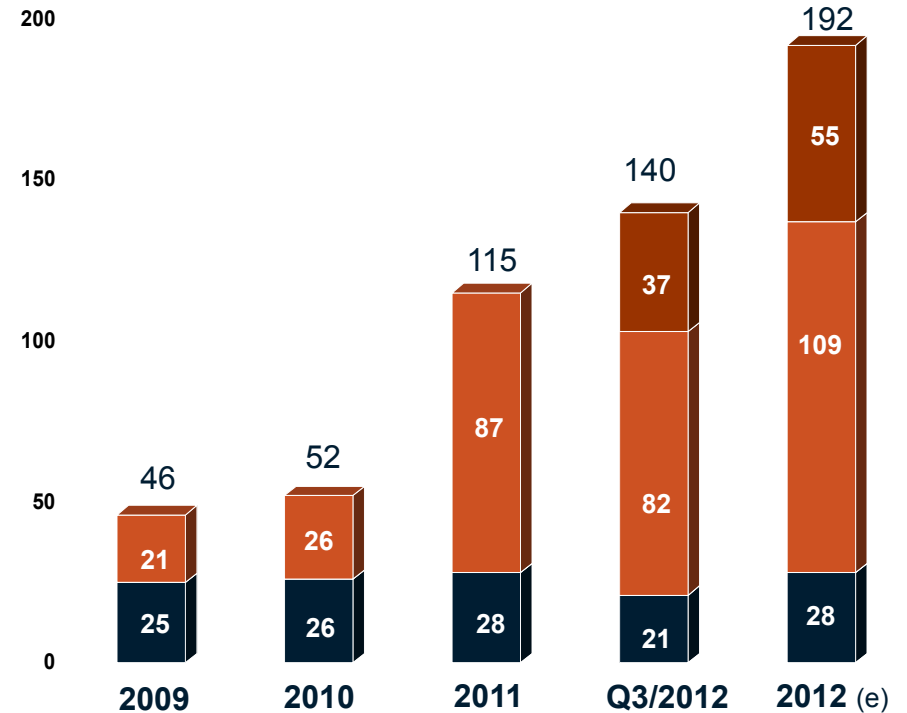
Volumen in EUR million



- TAG Potsdam (DKBI) in total
- TAG Portfolio of residential real estate
- TAG Portfolio of commercial real estate

Rental income per segment

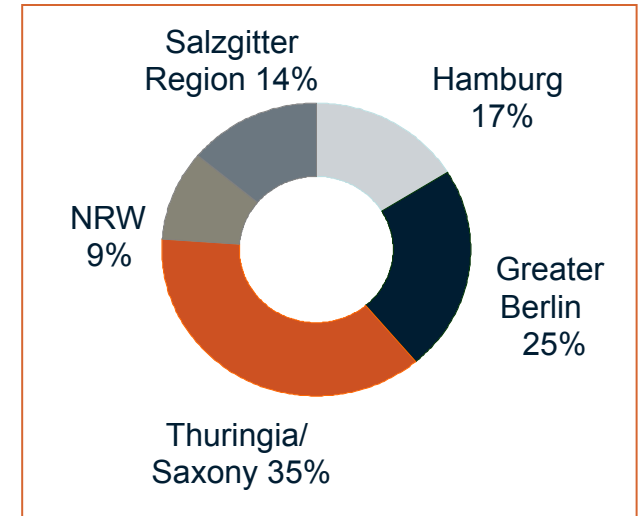
in EUR million



- TAG Potsdam (DKBI) in total
- TAG Residential real estate
- TAG Commercial real estate

••• TAG Portfolio residential by region

| Region | Portfolio | | Vacancy | | Net actual | | Target rent | Book value |
|-----------------------|-----------|----------------|----------------|------|------------|-----------|-------------|------------|
| | Units | Floor area sqm | Floor area sqm | in % | Ø EUR/sqm | TEUR p.a. | TEUR p.a. | TEUR |
| | 57,132 | 3,469,912 | 385,098 | 11.1 | 4.87 | 180,459 | 199,102 | 2,570,806 |
| Hamburg region | 8,832 | 536,731 | 47,198 | 8.8 | 5.08 | 29,822 | 32,259 | 432,251 |
| Berlin region | 12,638 | 770,106 | 43,216 | 5.6 | 4.86 | 42,415 | 44,388 | 632,472 |
| Thuringia/Saxony | 22,464 | 1,331,044 | 156,067 | 11.7 | 4.55 | 64,140 | 70,546 | 897,150 |
| Northrhine-Westphalia | 3,995 | 267,089 | 15,700 | 5.9 | 5.59 | 16,865 | 18,033 | 255,515 |
| Salzgitter region | 9,203 | 564,943 | 122,918 | 21.7 | 5.13 | 27,217 | 33,877 | 353,417 |

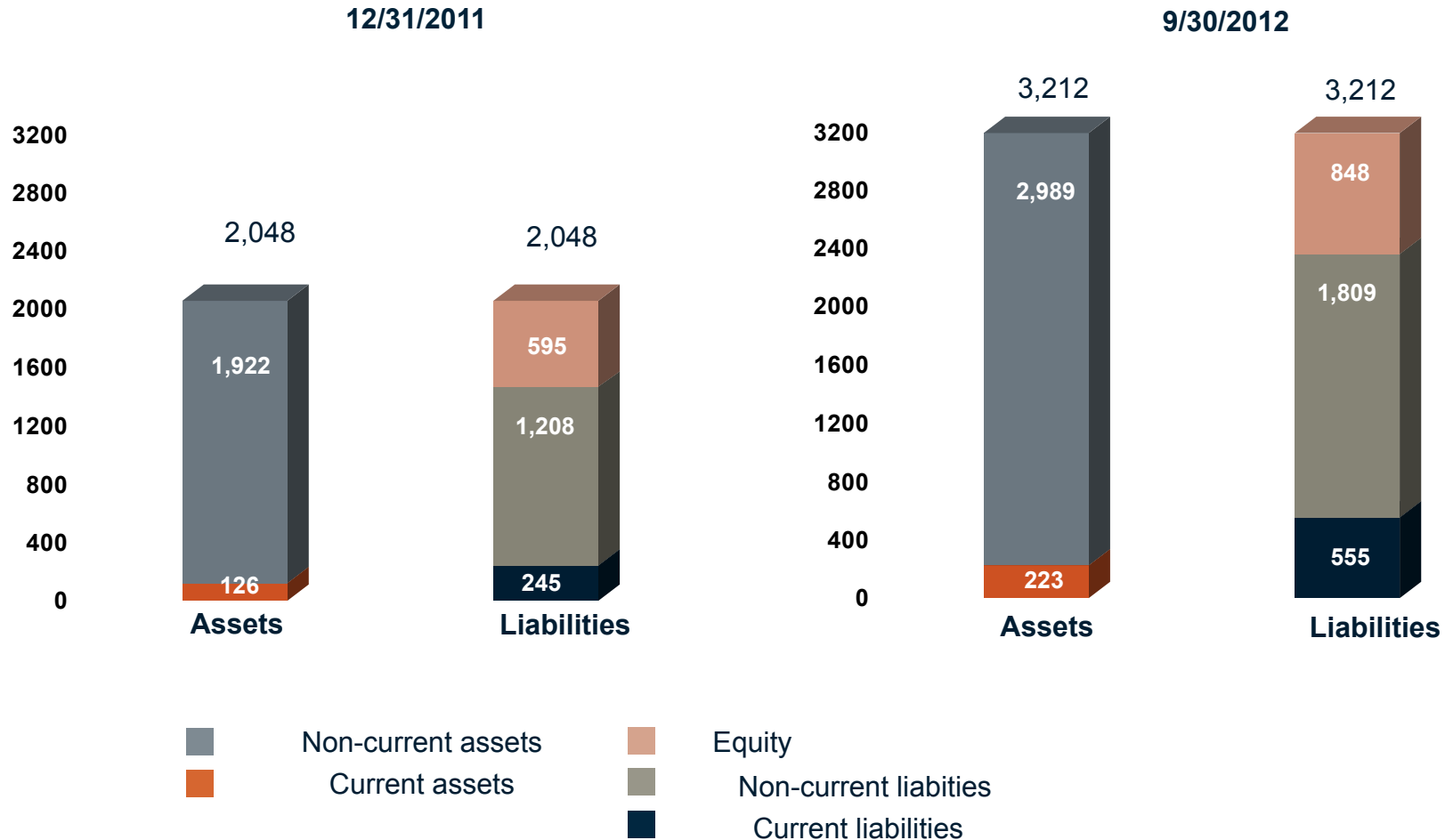


*as of 9/30/12 by book value



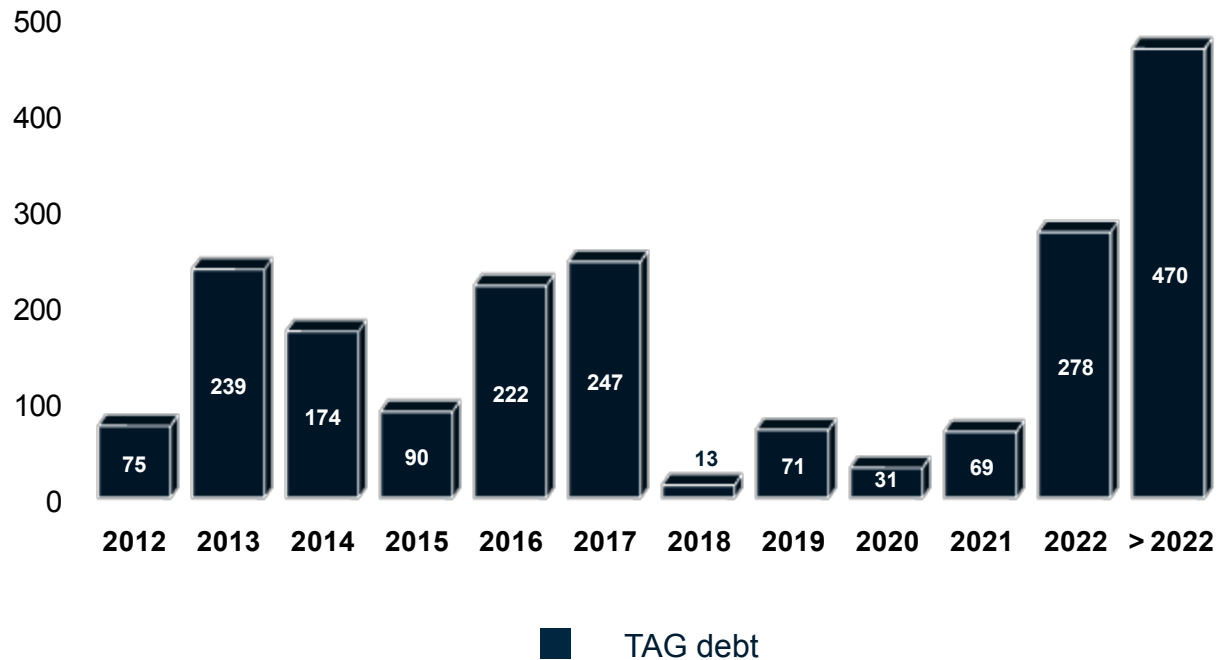
TAG Group financials (IFRS)

Consolidated balance sheet (in EUR m)



TAG Financial structure - debt maturity significantly improved

in EUR million

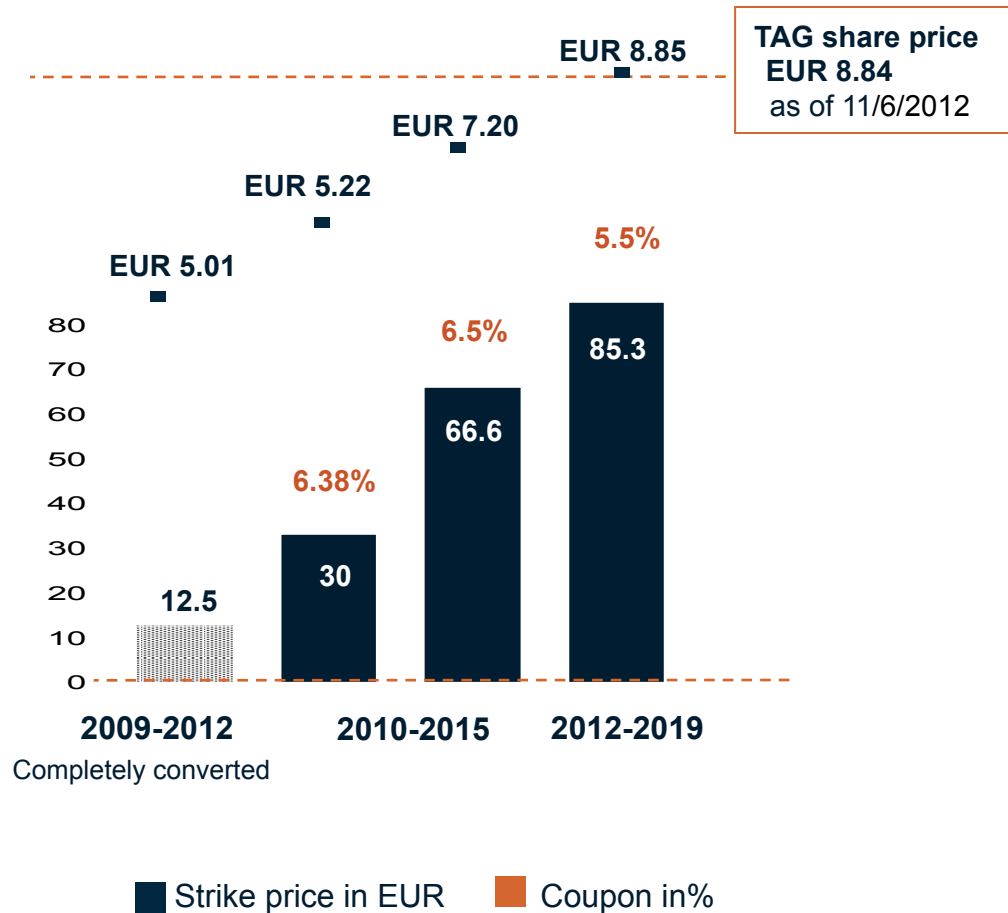


Debt structure at Q3 2012

- EUR 1,979m
- 38 German Banks
- 9.39 years \varnothing maturity
- Interest costs of 4.2%

TAG Financial structure – Convertible Bonds

in EUR million



TAG share price
EUR 8.84
as of 11/6/2012

- all 4 Convertibles are trading in or close to the money
- the first has been converted in July this year ahead of maturity
- Convertibles have enabled TAG to grow in a capital efficient and NAV accretive manner

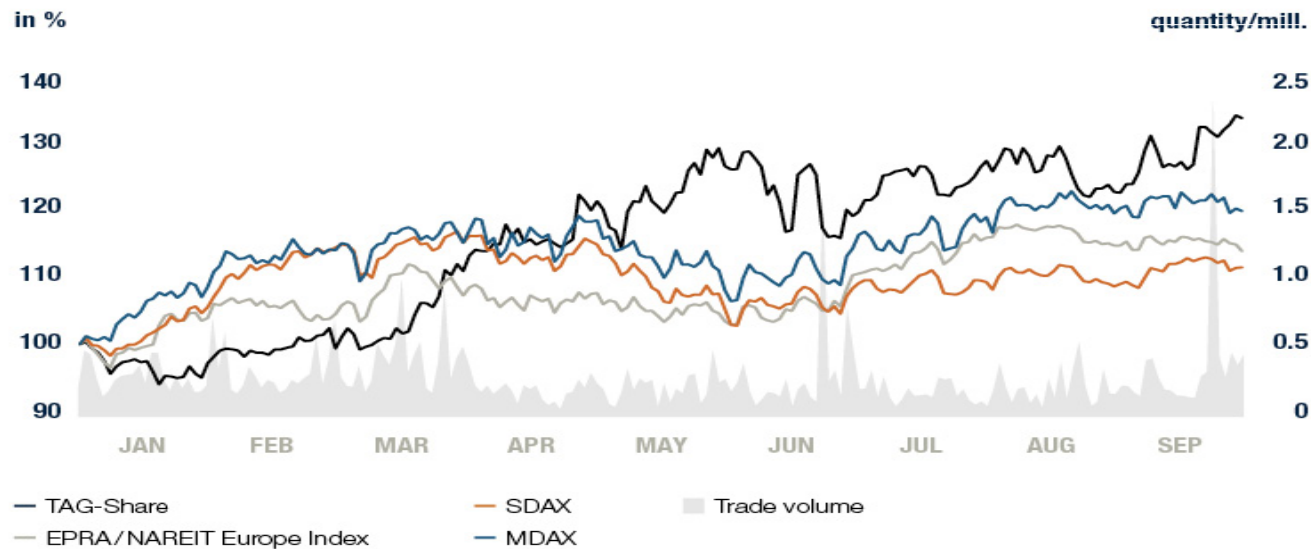
TAG Stock market data Q3 2012

| | |
|------------------------------|-------------------|
| High/Low (Q3 2012) | EUR 8.31/EUR 5.77 |
| Number of shares | 98.921m |
| Market capitalisation | 819,068EUR m |
| Stock indices | MDAX/EPRA |
| Free Float * | 97% |

* Deutsche Börse definition including institutional investors

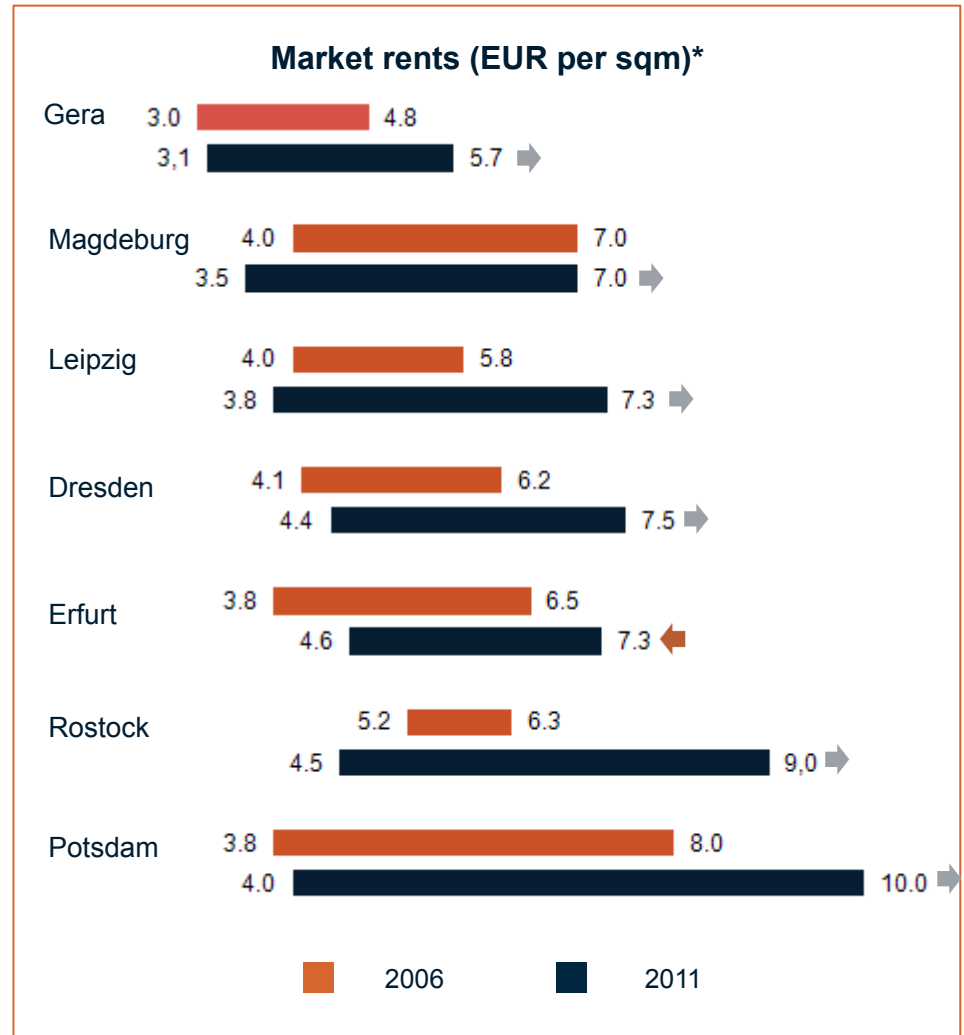
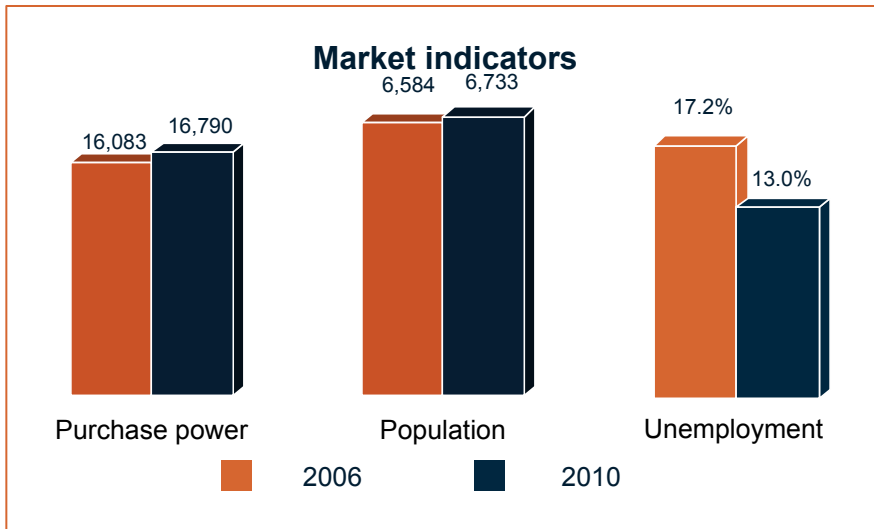
Shareholder structure acc. to the notifications to the company

| | |
|--|-----|
| Ruffer LLP, UK* | 15% |
| IP Concept, Flossbach von Storch SICAV, L* | 10% |
| Taube Hodson Stonex LLP, UK* | 5% |
| DWS Investment GmbH, D * | 5% |
| Sun Life Financial, MFS Group, Canada/USA* | 5% |
| Threadneedle, UK * | 3% |
| Scottish Widows Group Ltd., UK* | 3% |
| Skagen AS Stavanger, N* | 3% |
| Group of investors Dr. Ristow, D | 3% |



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: Property Market in Eastern Germany 2011/2012, TLG

* for refurbished conventional buildings

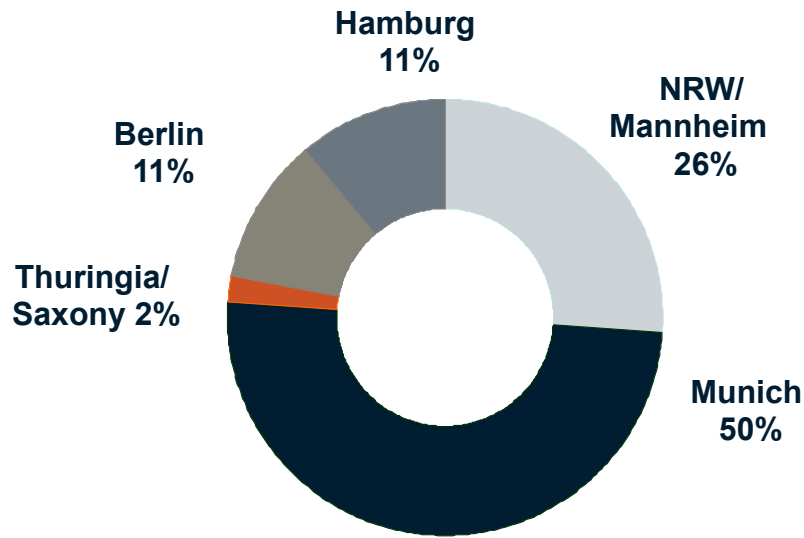


TAG Portfolio commercial

- sqm total
- sqm rental
- current rental income p.a. net of charged costs (EUR m)
- current rent net of charged costs (EUR/sqm)
- vacancy

| | 12/31/2009 | 12/31/2010 | 12/31/2011 | 9/30/2012 |
|---|-------------|-------------|-------------|-------------|
| sqm total | 342,911 sqm | 335,686 sqm | 348,403 sqm | 348,528 sqm |
| sqm rental | 324,971 sqm | 323,063 sqm | 319,940 sqm | 318,719 sqm |
| current rental income p.a. net of charged costs (EUR m) | 26.6 | 26.0 | 28.8 | 28.2 |
| current rent net of charged costs (EUR/sqm) | 6.81 | 6.70 | 7.51 | 7.38 |
| vacancy | 5.2% | 3.8% | 8.2% | 8.6% |

Real estate portfolio by region*



*as of 9/30/2012 by book value



Siemensdamm, Berlin



TAG Management Board

Rolf Elgeti, CEO

- TAG Immobilien AG, Management Board (since July 2009), Supervisory Board from 2008 onwards
- Setting up and management of various German real estate investment funds (since 2003)
- UBS Warburg, Commerzbank, ABN Amro: (chief) equity strategist, London (1999 – 2007)

Georg Griesemann, CFO from June 2012 onwards

- TAG Immobilien AG responsible for finance (since June 2011)
- 10 years successive positions at KPMG

Claudia Hoyer, COO from July 2012 onwards

- DKBI Management Board (since July 2010)
- 10 years in successive positions at Deutsche Kreditbank AG

Dr. Harboe Vaagt, Board Member

- Management Board since April 2011 in TAG Immobilien 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 2011)
Prof. Dr. Ronald Frohne (since 2001), Andrés Cramer (since 2009), Bettina Stark (since 2012)
Employee representative: Wencke Röckendorf (since 2010), Andrea Mäckler (since 2010)



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