

Declaration of conformance in accordance with Section 161 of the German Stock Corporation Act

Bau-Verein zu Hamburg Aktien-Gesellschaft, Steckelhörn 5, 20457 Hamburg (HRB 23 65, AG Hamburg), complied with the recommendations of the German Corporate Governance Code in the version dated 14 June 2007 throughout 2006 and continues to do so with the following exceptions:

There is a directors and officers policy in force covering the members of the Management Board and the Supervisory Board with a small deductible (Section 3.8 of the Code). This is a group policy which also covers other management staff. A distinction between members of the Company's corporate bodies and employees is not considered to be appropriate.

The Company's Management Board does not have a chairman or spokesman (Section 4.2.1 of the Code).

In view of the size of the Company and the size of its supervisory board, there is no audit committee (Section 5.3.2 and 5.3.3 of the Code). For this reason, it is not possible to comply with the recommendation in the Corporate Governance Code in the version dated 14 June 2007 with respect to the qualifications of the chairman of such audit committee.

The consolidated financial statements as of 31 December 2007 are not published within 90 days of the end of the financial year (Section 7.1.2 of the Code). The Company complies with the statutory disclosure duties, which provide for the publication of the annual financial statements within four months of the conclusion of the year to which they relate. Interim reports are published within six weeks of the end of the quarter to which they relate. The Company's Management Board and Supervisory Board do not consider a shorter publication period to be justified. The Company did not make previous declarations of conformity accessible on its website until the 2005 financial year (Section 3.10 of the Code).

Hamburg, 12 December 2007.

The Management Board and the Supervisory Board of Bau-Verein zu Hamburg Aktien-Gesellschaft