

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

The Management Board and the Supervisory Board of Bau-Verein zu Hamburg Aktiengesellschaft, Steckelhörn 5, 20457 Hamburg (hereinafter referred to the "Company") confirm that the Company conforms to the recommendations issued by the German Federal Ministry of Justice and published in the official part of the electronic Bundesanzeiger publication drafted by the Government Commission on the German Corporate Governance Code (hereinafter referred to as "GCGC") in the version dated 6 June 2008 save for the following exceptions:

1. 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.
2. The Management Board does not have a Chairman or Spokesman (Section 4.2.1 of the GCGC) on account of the Company's size and its integration in the Group of TAG Immobilien AG.
3. The Supervisory Board of the Company has not formed any committees at this stage. This particularly refers to the establishment of an audit committee (Section 5.3.2 Sentence 1 of the GCGC) and the establishment of a nomination committee (Section 5.3.3 of the GCGC). The Company's Supervisory Board takes the view that such committees are neither necessary nor appropriate given the Company's specific situation, particularly the size of the Supervisory Board.
4. The Company's consolidated financial statements are not published within 90 days of the end of the fiscal year (Section 7.1.2 of the GCGC). The consolidated financial statements and the interim financial reports are published within the first four months of the conclusion of the financial year or eight weeks after the end of the quarter in accordance with the statutory provisions. The Company's Management Board and Supervisory Board do not consider a shorter publication period to be justified given the expense involved.
5. The Company did not make previous declarations of conformity accessible on its website until the 2005 financial year (Section 3.10 GCGC).

Hamburg, December 2008

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