

Declaration of Conformity with the Corporate Governance Code

On March 25, 2010, the Executive and Supervisory Boards of IFM Immobilien AG declared that they have complied and will comply with the recommendations of the Government Commission on the German Corporate Governance Code, with the following exceptions. The following declaration pertains to the extent to which the suggestions of the Code were adhered to in the past insofar as the declaration relates to this topic. The most recent Declaration of Conformity was based on the then-current version of the Code published on June 6, 2008, however taking any changes made in that year into account which were released in the version of June 18, 2009 and published on August 5, 2009 in the electronic version of the Federal Gazette. In the future, the Declaration shall refer solely to the June 18, 2009 version of the Code.

– Item 2.3.2 of the Code: The company considers publishing the invitation to the annual shareholders' meeting in the electronic version of the Federal Gazette to be sufficient.

– Item 3.8 of the Code: The existing D&O insurance policy for the Executive and Supervisory Boards, which was taken out prior to the changes to the Stock Corporation Act, does not include a retained amount. The company does not believe that a retained amount could further boost the motivation and responsibility with which the members of the Executive and Supervisory Boards perform their duties. The D&O insurance foremost safeguards the company's own substantial risk. Secondly, it serves to protect the personal assets of the members of the decision-making bodies. The company will agree to a retained amount in the future for the members of the Executive Board in accordance with the provisions of the law. For the members of the Supervisory Board there will be no retained amount in the future, too, for the aforementioned reasons.

– Items 4.2.3, 4.2.4, 4.2.5, 5.4.6, 7.1.3 of the Code: In line with the decision of the annual shareholders' meeting of July 18, 2008, the company refrains from disclosing the individual compensation of the members of the Executive Board. Thus, the corporate governance report does not include a compensation report. In addition to non-disclosure of the individual Executive Board salaries, the company also refrains from disclosing individual remuneration and company benefits for services performed by the individual members of the Supervisory Board, as permitted by the law. Apart from the mandatory

declarations required by the law, the company has no intention to publish any actual details of stock option programs, similar stock-based incentive schemes at the company or comparable compensation schemes with long-term risks and incentives. The Executive and Supervisory Boards believe that the mandatory declarations provide investors and the general public with sufficient information.

– Item 4.2.3 of the Code: Contracts for Executive Board members do not include a cap limiting variable types of compensation in extraordinary circumstances which could not be foreseen. When extending Executive Board contracts or signing new Executive Board contracts, the company will comply with any changes resulting from changes to the Stock Corporation Act, however reserving the right to stray from any potential changes. The contracts of employment for Executive Board members do not contain any provisions to the effect that a member of the Executive Board who terminates his contract prematurely without good cause may not receive severance payment exceeding two years salary including incidental benefits (severance payment cap) or that they may only be remunerated for the remaining term of the contract. The company believes that including an explicit, fixed severance payment cap in employment contracts for members of the Executive Board would restrict the freedom of the Supervisory Board and would not be appropriate for each individual case.

– Item 4.3.1 of the Code: Due to the nature of their contracting duties and based on the decision of the Group's Supervisory Board, the CEO is entitled to certain exemptions from the anti-competition clause as stipulated by the law. The company does not believe that this arrangement will pose any significant disadvantages to the company.

- Item 5.1.2 Para. 2 Clause 3 of the Code: The Supervisory Board has not set an age limit for members of the Executive Board. The members of the Supervisory Board believe that an individual's suitability to manage the company depends greatly on individual abilities.

– Item 5.4.3 Clause 1 and 3 of the Code: In the past, members were sometimes elected to the Supervisory Board by way of a list based system or by voting for candidates en bloc in accordance with the relevant provisions of case law. The company would like to have the option to use these methods for selection of Supervisory Board members in future as well for reasons of efficiency. Candidates for election as the chairman of the

Supervisory Board will not be announced so that the Supervisory Board can continue to elect a chairman on an unbiased basis.

- Item 5.6 of the Code: No formal tests of efficiency have ever been performed for the Supervisory Board as the company does not believe that the time and expense that would be required and/or the inclusion of outside consultants for this would be reasonable compared with the anticipated benefits for the company. The company will reassess this decision in due time. However, the company will in all likelihood continue to forgo formal tests of efficiency in the future.

- Item 6.6 of the Code: The company considers the legal requirements of reporting and publication of stock transactions by members of the Executive and Supervisory Boards to be sufficient.

- Item 7.1.2 Clause 3 of the Code: The company will undertake to follow the recommendation that interim reports be made available to the public within forty five (45) days following the end of the reporting period. However, the company cannot guarantee that this recommendation will be fulfilled due to the large scope of consolidation.

The Declaration of Conformity is to be published on the website of IFM Immobilien AG at www.ifm.ag for a period of five years.

Annual Document as per § 10 of the German Securities Prospectus Act

The German Securities Prospectus Act (WpPG) has been in effect since 2005. Section 10 requires that parties issuing securities for trade in an organized market prepare a document each year informing the public of or referring to all details the company has published or otherwise made available to the public over the past twelve months pertaining to various capital market laws and regulations.

IFM Immobilien AG publishes the annual document including all notifications it contains relating to the laws of trade and securities on the Internet at www.ifm.ag. The annual document can also be requested directly from IFM Immobilien AG.

Stock Option Plans

Based on the authorization of the annual shareholders' meeting of April 24, 2006, the Supervisory Board of IFM Immobilien AG has set up a stock option plan for members of the Executive Board under the name of SOP 2006 A and SOP 2006 B. The Supervisory Board decided to issue a first tranche comprising 120,000 stock options. Under this plan, 80,000 stock options were issued to the CEO, Mr. Georg Glatzel and 40,000 to Mr. Bernd Weber, a member of the Executive Board at the time. As of December 31, 2009, 120,000 stock options were issued. With the authorization of the annual shareholders' meeting of July 20, 2007, the Supervisory Board of the company decided to set up an additional stock option plan entitled SOP 2007 for acting members of the Executive Board based on a decision of August 24, 2007. The Supervisory Board approved a total of 292,000 stock options to be issued in a first tranche on September 13, 2007, a total of 292,000 stock options in a second tranche on February 20, 2008, and a total of 146,000 stock options in a third tranche on April 3, 2009. A total of 625,400 stock options were issued to Mr. Georg Glatzel and 104,600 to Mr. Marcus Schmitz. As of December 31, 2009, a total of 790,000 options had been issued in three tranches.

For details on the stock option plans, refer to Item 3020, Letter d in the Notes to the Annual Financial Statements.

Frankfurt, 22nd March of 2010