

CORPORATE NEWS

POLIS Immobilien continues its course for growth in third quarter

- **Year-on-year results before tax rise noticeably to 4.7 million euros**
- **Rental income grows by 15 percent to 11.1 million euros**
- **Rental performance continues to be high**

Berlin, November 3, 2011 – Berlin-based POLIS Immobilien AG [ISIN: DE0006913304] profited from the continuing stable demand for commercial property in Germany during the first nine months of the current financial year. With currently 4.7 million euros, the company succeeded in noticeably increasing its year-on-year results before taxes (previous year: -0.2 million euros). During the same period rental income increased by 15 percent to 11.1 million euros (previous year: 9.7 million euros). The results from ongoing property management also developed positively, rising slightly from 7.4 million euros to 7.7 million euros year-on-year, but were, however, influenced at the same time by high rental expenditures, amongst other factors, as a consequence of the good rental results.

"Our focussing on the value increase of commercial property in good inner-city locations has paid off once again," states Dr. Alan Cadmus, spokesperson for the board at POLIS Immobilien AG, commenting on developments in business to-date. The company's portfolio comprises 29 properties at the moment, and was further enhanced through purchases and sales in the current financial year. As recently as at the beginning of the year POLIS Immobilien took over three very promising investment properties in Dresden, with new tenants being found for them immediately after the purchase. The consequence of this transaction was a good evaluation as determined by the external rating agency FERI EuroRating Services. On November 1, 2011 the company also took over a fourth property located at the historical Altmarkt in Dresden.

The external financing linked to the investments in 2011 has impinged upon the interest expense, which rose slightly from 3.5 million euros year-on-year to 4.1 million euros. Together with the higher expenditure for maintaining and managing the properties, which includes the rental costs, this effect also influences the operating result after its adjustment for sales and evaluation changes (FFO = Funds from Operations). The FFO lay at 1.6

million euros (previous year: 2.2 million euros). Owing to the continuing rise in rent revenues and the fall in rental expenditures in 2012, POLIS Immobilien expects a significant rise in the FFO.

Sufficient room for further investments

Owing to sales and strategic cooperations in the current financial year, POLIS Immobilien continues to look upon a solid capital base for future investments. As recently as in July of this year, for instance, a foreign institution made an 85 percent investment in three of the company's investment properties and commissioned POLIS Immobilien to manage the assets over ten years. In the third quarter of 2011 the property being modernized at "Kasernenstraße 1" in Düsseldorf was sold to an institutional investor. "With an equity ratio of 51 percent, sufficient financial room exists to replace those investment properties sold very quickly," accentuates Cadmus. "In addition we would like to strengthen our new Asset Management section by starting new projects and hence increase the assets under management to 350 million euros."

Tenancy rate rises to 75 percent

The tenancy situation for the property portfolio also developed positively as before: during the first nine months of the financial year, the company entered into rental agreements and renewals for a total of around 21,750 square meters, of which 13,600 square meters were for new or extended agreements, and 8,150 square meters for renewals. As of September 30, 2011 the tenancy rate rose by four percent to 75 percent compared year-on-year. By the end of the year the company wants to enter into further rental agreements, which will lead to a tenancy rate of 90 percent being achieved after the new tenants move in. In October a spate of new agreements and renewals comprising 2,147 square meters could already be added. These rental successes, along with the value increases, both produce a positive result according to the German Commercial Code (HGB) in an otherwise unchanged environment. Currently POLIS Immobilien is therefore assuming that, with a dividend, shareholders would be able to benefit from this good development in business, as long as no unexpected events occur.

The quarterly report published on September 30 2011 is available for download on the company's website under <http://www.polis.de/IR/zwischenberichte.php>.

POLIS Immobilien AG, which was founded in Berlin in 1998, is listed real estate company that buys, refurbishes/revitalises, and manages office properties for its own portfolio. The company focuses on one market segment: office properties in inner-city locations at the most important German office centres. The company acquires properties that are either already renovated and are completely let, thereby generating stable cash flow, or properties that are vacant or require modernisation, and which offer specific value appreciation potential. This potential may be realised by corresponding modernisation measures or full revitalisation. As of 30 September 2011, POLIS Immobilien's real estate portfolio comprised a total of 29 properties with a market value of around EUR 264 million. POLIS Immobilien shares are listed on the regulated market (Prime Standard) of the Frankfurt Securities Exchange. Further information can be found at www.polis.de.

Investor Relations:

Dr. Alan Cadmus
POLIS Immobilien AG
Phone: +49 30 225 00 250
Email: ir@polis.de
URL: www.polis.de

Press contact:

Britta Cirkel
HOSCHKE & CONSORTEN Public Relations GmbH
Phone: +49 40 36 90 50- 56
Email: b.cirkel@hoschke.de