



Invitation

**to the ordinary General Meeting
on 4 July 2008**

**POLIS Immobilien AG
Berlin**

WKN 691330 and AOLR6W

ISIN DE0006913304 and DE000AOLR6W2

Translation of German original, for convenience purposes only

We hereby invite our shareholders to attend the ordinary **General Meeting** on

Friday, 4 July 2008, at 11:00 a.m.
at the Ludwig Erhard Haus (large conference room)
at Fasanenstrasse 85, 10623 Berlin (Germany).

Agenda

- 1. Presentation of the approved annual financial statements of POLIS Immobilien AG including the management report and of the consolidated financial statements including the group management report as at 31 December 2007 as well as of the report of the Supervisory Board for the financial year 2007, the proposal of the Management Board for the appropriation of net income and the report of the Management Board regarding the information provided in accordance with Section 289 subsection 4 and Section 315 subsection 4 HGB [*Handelsgesetzbuch*, German Commercial Code]**

- 2. Resolution on the appropriation of the net income for the year**

The Management Board and the Supervisory Board propose the ratification of the following resolution:

"The net income totalling EUR 669,007.15 as shown in the balance sheet of the approved financial statements of POLIS Immobilien AG shall be retained in full."

- 3. Resolution on the ratification of the acts of the members of the Management Board**

The Management Board and the Supervisory Board propose the ratification of the following resolution:

"The acts of the members of the Management Board in the fiscal year 2007 shall be ratified for that period."

- 4. Resolution on the ratification of the acts of the members of the Management Board**

The Management Board and the Supervisory Board propose the ratification of the following resolution:

"The acts of the members of the Supervisory Board in the fiscal year 2007 shall be ratified for that period."

5. Resolution on the appointment of the auditor and of the group auditor for the 2007 fiscal year

The Supervisory Board proposes that the following resolution be adopted:

"KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft in Berlin shall be appointed auditor and group auditor for the fiscal year 2008."

6. Election to the Supervisory Board

The term of office of all members of the Supervisory Board expires effective at the end of the General Meeting on 4 July 2008. Pursuant to Section 12 subsection 1 of the Articles of Association in conjunction with Section 95 subsection 1, Section 96 subsection 1 AktG [Aktiengesetz, German Stock Corporation Act], the Supervisory Board is comprised of six members who are elected by the General Meeting. The General Meeting is not obliged to elect nominated candidates.

The Supervisory Board proposes that the following resolution be adopted:

- a) "Mr. Carl-Matthias von der Recke, Consultant, residing in Frankfurt/Main, is elected as member of the Supervisory Board. The term of office shall commence as of the closing of the ordinary General Meeting of the Company on 4 July 2008 and end as of the closing of the ordinary General Meeting which passes a resolution on the exoneration from liability for acts occurring in the fourth fiscal year after the start of the term of office. The fiscal year in which the term of office commences will not be counted for this purpose."

- b) “Mr. Klaus R. Müller, member of the management of Mann Immobilien-Verwaltung AG, Karlsruhe, residing in Germersheim, is elected as member of the Supervisory Board. The term of office shall commence as of the closing of the ordinary General Meeting of the Company on 4 July 2008 and end as of the closing of the ordinary General Meeting which passes a resolution on the exoneration from liability for acts occurring in the fourth fiscal year after the start of the term of office. The fiscal year in which the term of office commences will not be counted for this purpose.”
- c) “Mr. Ralf Schmechel, member of the management of Mann Management GmbH, Karlsruhe, residing in Malsch, is elected as member of the Supervisory Board. The term of office shall commence as of the closing of the ordinary General Meeting of the Company on 4 July 2008 and end as of the closing of the ordinary General Meeting which passes a resolution on the exoneration from liability for acts occurring in the fourth fiscal year after the start of the term of office. The fiscal year in which the term of office commences will not be counted for this purpose.”
- d) “Mr. Arnoldus Brouns, Director International Markets of Bouwfonds Asset Management, Hoevelaken/ The Netherlands, residing in Maastricht / The Netherlands, is elected as member of the Supervisory Board. The term of office shall commence as of the closing of the ordinary General Meeting of the Company on 4 July 2008 and end as of the closing of the ordinary General Meeting which passes a resolution on the exoneration from liability for acts occurring in the fourth fiscal year after the start of the term of office. The fiscal year in which the term of office commences will not be counted for this purpose.”
- e) “Mr. Jürgen von Wendorff, Member of the Board of Management / General Manager of HANNOVER Finanz GmbH, Commerz Unternehmensbeteiligungs AG and the HF Fonds VII GmbH, Hannover / Frankfurt, residing in Ingeln, is elected as member of the Supervisory Board. The term of office shall commence as of the closing of the ordinary General Meeting of the Company on 4 July 2008 and end as of the closing of the ordinary General Meeting which passes a resolution on the exoneration from liability for acts occurring in the fourth fiscal year after the start of the term of office. The fiscal year in which the term of office commences will not be counted for this purpose.”
- f) “Mr. Benn Wilhelm Walter Stein, Attorney at Law, Specialist Lawyer for Tax Law and Certified Auditor, CT legal Stein und Partner, Hamburg, residing in Hamburg, is elected as member of the Supervisory Board. The term of office shall commence as of the closing of the ordinary General Meeting of the Company on 4 July 2008 and end as of the closing of the ordinary General Meeting which passes a resolution on the exoneration from liability for acts occurring in the fourth fiscal year after the start of the term of office. The fiscal year in which the term of office commences will not be counted for this purpose.”

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Mssrs. von der Recke, Müller, Schmechel, Brouns and von Wendorff are currently members of the Supervisory Board of the Company. The Supervisory Board has not yet passed a resolution regarding the appointment of the future Chairman of the Supervisory Board.

At the date of publication of the invitation to this General Meeting, Mr. von der Recke is not a member of any supervisory board which is formed pursuant to law or a member of any comparable national or foreign supervisory body.

At the date of publication of the invitation to this General Meeting, Mr. Müller is not a member of any supervisory board which is formed pursuant to law or a member of any comparable national or foreign supervisory body.

At the date of publication of the invitation to this General Meeting, Mr. Ralf Schmechel is not a member of any supervisory board which is formed pursuant to law or a member of any comparable national or foreign supervisory body.

At the date of publication of the invitation to this General Meeting, Mr. Arnoldus Brouns is not a member of any supervisory board which is formed pursuant to law or a member of any comparable national or foreign supervisory body.

At the date of publication of the invitation to this General Meeting, Mr. Ralf Schmechel is not a member of any supervisory board which is formed pursuant to law or a member of any comparable national or foreign supervisory body.

At the date of publication of the invitation to this General Meeting, Mr. von Wendorff is a member of the following supervisory boards which are formed pursuant to law or comparable national or foreign supervisory bodies:

- Member of the Supervisory Board of GBK Beteiligungen AG
- Member of the Advisory Board of BAG Lich GmbH
- Chairman of the Advisory Board of Neuman und Esser Verwaltungs GmbH
- Member of the Advisory Board of Hego Partner Holding GmbH
- Member of the Advisory Board of PARTE GmbH

At the date of publication of the invitation to this General Meeting, Mr. Stein is not a member of any supervisory board which is formed pursuant to law or a member of any comparable national or foreign supervisory body.

7. Authorization to purchase and dispose of Company shares

The Management Board and the Supervisory Board propose the ratification of the following resolution:

„ The Company is authorized to purchase shares of POLIS Immobilien AG. The authorization is limited to the purchase of own shares with a proportion of the share capital not exceeding a total of EUR 11,051,000.00. The authorization can be utilized in whole or in part, once or more than once. The authorization is valid until December 31, 2009.

The purchase shall be executed over the stock market or in the context of a public repurchase offering.

In the event that the purchase of own shares is executed via the stock exchange, the purchase price paid by the Company (excluding ancillary purchase costs) may not exceed the opening share price on the Xetra exchange (or any functionally comparable trading system succeeding the Xetra system) by more than 10% or amount to less than 10%

thereof. In the event that the purchase is executed in the context of a public repurchase offering to the shareholders of the Company, the offered share price or the offered purchase price spread per share (excluding ancillary purchase costs) may not exceed by 20 % or fall short of 20% of the average closing price on the Xetra trading system (or any functionally comparable trading system succeeding the Xetra system) on the Frankfurt Stock Exchange during a period of 4 to 10 trading days prior to the day the offering is announced. The size of the offer may be limited. In the event that the total amount of shares accepted under the offer exceeds this amount, the acceptance declarations are in principle to be considered on a pro rata basis. It is permissible to provide preferential treatment to small shareholdings numbering up to 100 shares per shareholder for the purchase of own shares of the Company tendered for sale.

The Management Board is authorized to dispose, upon approval by the Supervisory Board, the shares of POLIS Immobilien AG in addition to selling them on the stock market as follows:

- to cancel the shares purchased while simultaneously reducing the share capital of the Company without such cancellation requiring a further resolution of the General Meeting;
- thirdly, to offer the shares as compensation in the context of a merger or the purchase (directly or indirectly) of real estate, companies or shareholdings in companies; the pre-emptive rights to the shareholders for the own shares will accordingly be excluded;
- to sell at a price which does not significantly fall below the Company's share price; this authorization only applies, however, under the condition that the proportion of the share capital purchased pursuant to § 186 Section 3 Sentence 4 AktG [*Aktiengesetz*, German Stock Corporation Act] may not exceed 10 % of the share capital, or the equivalent of EUR 11,051,000.00; with respect to the question of

utilizing the 10% limit, the exclusion of the pre-emptive rights pursuant to §186 Section 3 Sentence 4 of the AktG [*Aktengesetz*, German Stock Corporation Act] is to be considered; pre-emptive rights of the shareholders on own shares are excluded.

The above authorization regarding the disposal of the purchased own shares can be exercised in whole or in part, individually or jointly.

The Management Board will inform the General Meeting of the grounds and purpose of purchasing own shares, of the number of shares purchased and their proportion of the share capital as well as the amounts paid for the shares.

8. Resolution on the abolition of the authorization to issue bonds with warrants and the abolition of the conditional capital including amendments to the articles of association

The Management Board and the Supervisory Board propose the ratification of the following resolution:

- “a) The authorization provided by the General Meeting of the Company on 23 January 2007 to issue bonds with warrants, the conditional capital 2007/1 and §4 Section 3 of the Articles of Association is abolished.
- b) §4 Section 4 of the Articles of Association (authorized capital) becomes §4 Section 3 of the Articles of Association.”

9. Resolution on the authorization to issue stock options to members of the Management Board and employees of POLIS Immobilien AG in the context of a stock option plan and the creation of conditional capital

The Management Board and the Supervisory Board propose the ratification of the following resolution:

- “a) Authorization to issue stock options

The Management Board is authorized with the consent of the Supervisory Board to implement a stock option plan of POLIS Immobilien AG pursuant to the following terms and to grant options (warrants) to purchase up to 130,000 shares of POLIS Immobilien AG with no par value to those entitled. To the extent that members of the Management Board are affected, the Supervisory Board is entitled accordingly.

- 1) Beneficiaries / Distribution of the stock options

The group of beneficiaries of the stock options consist of members of the Management Board and managers of POLIS Immobilien AG. The right of selecting the beneficiaries among the managers within the group of the employees of the Company is reserved to the Management Board.

The entire volume of stock options is distributed among the beneficiaries such that up to 100,000 stock options are granted to the members of the Management Board and 30,000 stock options to managers of POLIS Immobilien AG.

2) Allotment of the stock options / Allotment dates / Own investment

Stock options can be offered for purchase to the beneficiaries in several annual tranches up to 31.12.2012.

The purchase of stock options from the first tranche can only take place within 20 days on which trading occurs on the Frankfurt Stock Exchange following the General Meeting which creates the conditional capital of POLIS Immobilien AG and authorizes the Management Board and Supervisory Board to implement the stock option plan. The purchase of stock options from further tranches can only take place between the 11th and 26th trading day on the Frankfurt Stock Exchange after publication of the respective Group financial statements of POLIS Immobilien AG.

The allotment of the stock options is conditional upon the fact that the respective beneficiary from within the Management Board buys or has bought at least three shares of POLIS Immobilien AG for each full 10 stock options at his own expense and the respective beneficiary among the managers of POLIS Immobilien AG buys or has bought at least one share of POLIS Immobilien AG for each full 10 stock options at his own expense and such shares are held until the stock options are exercised.

The allotment of the stock options occurs without charge.

3) Content of the stock options

Each stock option entitles the holder to the purchase of one unit share of POLIS Immobilien AG.

4) Term of the stock options

The term of the stock options totals a period of five years commencing at the date of allotment. Options which are not exercised by the end of the term expire.

5) Waiting period

Stock options cannot be exercised prior to the end of a three year waiting period following allotment. After the end of the waiting period, the stock options are exercisable in every permissible exercise period during the term of the stock options, in part or in full.

6) Exercisable and non-exercisable periods

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7) Performance Targets

7.1) Stock options from the first tranche may only be exercised if the share price of POLIS Immobilien AG exceeds EUR 14.50 (absolute hurdle) within a period of six weeks prior to the first day of the first exercise period ("reference period")

7.2) Stock options from other tranches may only be exercised if since the respective date of allocation of the stock options, a further increase in the accumulated performance of POLIS Immobilien AG by 24 percentage points has been reached. The standard for determining the share price increase is the comparison between the basis share price of POLIS Immobilien AG at the respective date of the allocation which for the purpose of this comparison must equate to a minimum of the share price of EUR 14.50 stated in Sentence 7.1 and the highest weighted average closing price which is reached on five consecutive trading days on the Frankfurt Stock Exchange during a period of six weeks prior to the first day of the respective first exercise period ("reference period"). Dividend payments and pre-emptive rights arising from capital increases and other special rights arising during the waiting period will be considered and reflected by a corresponding increase to the actual share price in favour of the beneficiaries.

7.3) In addition, stock options may only be issued if the accumulated percentage performance of the share of POLIS Immobilien AG in the period between the allotment of the stock options and the date of exercise has developed by more than five percentage points better than the benchmark DAXsubsector Real Estate Performance Index of the Deutsche Börse Group (relative hurdle).

The standard for comparing the development of the benchmark on the one hand and the share price of POLIS Immobilien AG on the other is the difference (in percentage points) between each beginning value 1 and 2 and each closing value 1 and 2, based on each waiting period.

This condition is cumulative, i.e. it complements the terms of exercise pursuant to sentence 7.1 and 7.2.

7.4) Definitions:

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8) Exercise price, Limitation possibilities

8.1) The purchase of unit shares of POLIS Immobilien AG takes place at the exercise price.

The exercise price per share corresponds to the basis share price, provided this amounts to at least EUR 14.50. If the basis share price is less than EUR 14.50, the exercise price amounts to EUR 14.50.

8.2) If and to the extent that the total remuneration of a stock option beneficiary as of the date of the first possible exercise of the stock options in view of prevailing legal regulations should prove to be unreasonable or to the extent that extraordinary, unforeseen developments, in particular a significant deterioration in the conditions of POLIS Immobilien AG should arise, the Supervisory Board is entitled with respect to the members of the Management Board and the Management Board is entitled with the consent of the Supervisory Board with respect to beneficiaries among managers to increase the exercise price accordingly. Unreasonable is defined as an increase in the remuneration to the extent that the annual fixed salary is exceeded by 50% with respect to a member of the Management Board and by 25% with respect to a beneficiary among the managers.

9) Adjustments arising from measures related to capital, structure or comparable matters

9.1) If prior to the exercise of the stock options, the Company increases its share capital by issuing new shares against cash contribution while granting a direct or indirect pre-emptive right, the exercise price will be reduced according to the stock option terms.

A reduction in the exercise price will not occur if the beneficiary receives a pre-emptive right whose value corresponds to the value of the pre-emptive right of the shareholders.

9.2) The stock option terms may stipulate adjustment terms for other cases of capital, structural or other measures.

9.3) § 9 AktG [*Aktiengesetz*, German Stock Corporation Act] remains unaffected.

10) Fulfillment of the stock options

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11) Further terms of exercise

...

b) Conditional capital

The share capital of POLIS Immobilien AG is conditionally increased to a nominal amount of EUR 1,300,000.00.

The conditional capital increase serves solely to issue up to 130,000 bearer shares with a share in profits starting in the fiscal year in which the shares in POLIS Immobilien AG are issued in order to fulfil the stock option rights in the context of the stock option plan of POLIS Immobilien AG to employees and members of the Management Board of POLIS Immobilien AG (stock option beneficiaries).

c) Amendments to the Articles of Association

The following new paragraph will be added to § 4 (share capital) of the Articles of Association:

“4) The share capital is conditionally increased by up to EUR 1,300,000.00, distributed in up to 130,000 bearer shares (conditional capital 2008/1). The conditional capital increase serves solely to fulfil the stock option rights of members of the Management Board and managers of the Company which were granted by the Company under the authority of the General Meeting of 4 July 2008 up to 31 December 2012.”

d) Authorization of the Supervisory Board to amend the Articles of Association

The Supervisory Board is authorized to amend the current version of § 4 (share capital) of the Articles of Association to reflect the prevailing utilization of the conditional capital.”

Report of the Management Board

Report of the Management Board regarding agenda item 7

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The Management Board issued a written report on the proposal contained in agenda item 7 involving the exclusion of the pre-emptive rights pursuant to §§ 71 Section 1 No. 8, 186 Section 4 Sentence 2 AktG [*Aktiengesetz*, German Stock Corporation Act]. The main aspects of the report are publicised below:

“With the proposed resolution under agenda item 7, the Management Board is expected to be authorized among other things to, with the consent of the Supervisory Board, sell on the stock exchange Company shares which have already been bought or to cancel such shares. In addition, the Management Board is expected to be authorized to dispose of these shares in other manners while excluding the pre-emptive rights. It is in the interest of the Company to exclude these pre-emptive rights.

To the extent that the Management Board is authorized to exclude the purchasing right (pre-emptive right) of the shareholders in the case that the purchased shares are offered as compensation to third parties in connection with mergers or the purchase (directly or indirectly) of real estate, companies or shareholdings in companies, this will make possible the purchase of real estate or a merger via an exchange of shares or a combination of counter values. Frequently, the sellers of properties, companies or shareholdings in companies are interested in participating in the success of the purchaser and buy shares. The proposal set forth here to authorize an exclusion of the pre-emptive rights in the disposal of own shares will enable the Management Board to use own shares for such purposes.

In addition, the Management Board will be authorized with the consent of the Supervisory Board to exclude the pre-emptive rights while observing the requirements of § 186 Section 3 Sentence 4 AktG [*Aktiengesetz*, German Stock Corporation Act]. This will enable the Company to quickly take advantage of favourable situations on the stock market and by setting a price close to the market price generate a possibly high price per share and thus the highest amount of sales proceeds as possible. The use of this possibility for own shares opens the way for the strengthening of the capital structure of the Company. The authorization ensures that pursuant to this resolution and along with utilizing authorized and conditional capital not more than 10% of the share capital can be sold or issued pursuant to § 186 Section 3 Sentence 4 AktG [*Aktiengesetz*, German Stock Corporation Act]. The management will keep the discount to the share price as low as possible in compliance with legal requirements. It is expected to be limited to 3%, at the most not more than 5%.

Finally, the authorization to exclude pre-emptive rights on own shares is in the interest of the Company and its shareholders and is necessary and appropriate since by using already existing shares a dilution of the shareholders' share in the Company does not occur as it otherwise would if a capital increase was used to achieve the aforesaid purpose and the number of shares were increased.

Further, at present it is not possible to state what sales prices could be achieved since it is uncertain when or to what extent the authorization to dispose the shares will be used. To the

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extent that the exclusion of the pre-emptive rights is not carried out in compliance with § 186 Section 3 Sentence 4 AktG [*Aktiengesetz*, German Stock Corporation Act], the Management Board will determine the amount on a reasonable basis giving due consideration to the interests of the Company and its shareholders and the relevant purpose.

Report of the Management Board regarding agenda item 9

The Management Board issued a written report on the proposal contained in agenda item 9 involving the proposed stock option plan. The main aspects of the report are publicised below:

“§ 192 Section 2, No. 3 AktG [*Aktiengesetz*, German Stock Corporation Act] empowers corporations upon authorization by the General Meeting to grant employees and members of the Management Board stock options for up to 10% of the share capital (stock options) which are to be created by a conditional increase in capital. Agenda item 9 contains the proposal to grant such authorization. This authorization is intended to enable the Supervisory Board and the Management Board upon consent of the Supervisory Board to grant stock options for the purchase of up to 130,000 unit shares with no par value of POLIS Immobilien AG in the context of a stock option plan, thereof stock options for up to 100,000 unit shares to members of the Management Board and stock options for up to 30,000 unit shares for selected managers.

In the draft resolution, which was agreed with the Supervisory Board, all major terms and conditions of the respective stock option program have been set forth in writing. Accordingly, the following only illustrates the main terms and conditions:

1. Objective

It has become a common international method of compensation to provide stock options or warrants to members of a board of management or a select number of managers which entitle them under certain terms to obtain shares in the company. Stock option programs have increasingly been implemented in Germany over the past few years. By providing stock options, an incentive is created to increase the market value of a company as a result of exceptional performance and thereby in the interest of the shareholders foster the stock market price of the company, also in comparison to other companies in the sector.

The stock option program provides the participating beneficiaries the possibility of an additional compensation component based on the performance of the share of POLIS Immobilien AG on the stock market in absolute terms and in comparison with the DAXsubsector Real Estate Performance Index of the Deutsche Boerse Group (benchmark index).

In addition, the possibility will be created to keep up with the international competition for exceptional managers and to retain them at the Company in Germany. Providing stock options to members of the Management Board and a select group of managers of POLIS Immobilien AG reflects the expectations of the capital market since that way the success based

compensation of the Management Board and a select number of managers will be augmented – in the interest of generating an even stronger motivation - with a success based component which is related to long-term targets. Due to this objective, the stock option plan should be restricted to members of the Management Board and a select number of managers of POLIS Immobilien AG.

2. Allocation of the stock options

Due to the long-term objective of this component of compensation, the stock options in the context of the stock option program should be allocated to the two groups of beneficiaries in a period covering 5 fiscal years up to 31.12.2012, preferably in several annual tranches. In this regard, the decision to issue the annual tranches and the decision about the number of stock options in each tranche is to be taken by the Supervisory Board with respect to members of the Management Board and taken by the Management Board with the consent of the Supervisory Board with respect to managers. The allocation of the stock options will take place only once per year within defined time periods, in 2008 immediately following the General Meeting on 4 July 2008 which will vote on the ratification of the creation of the conditional capital and the authorization to the Supervisory Board and the Management Board to implement the stock option program, in each of the following years the allocation will take place after the 11th trading day on the stock market following publication of the annual financial statements. In the draft resolution, which was agreed with the Supervisory Board, all major terms and conditions of the respective stock option program have been set forth in writing. Accordingly, the following only illustrates the main terms and conditions:

3. Term, waiting period, exercise periods

The term of the stock options totals 5 years from the date of allocation. The stock options can be exercised at the earliest following expiration of a three year waiting period after each respective allocation date. In order to simplify the administration of the program, the stock options may only be exercised during two specific exercise periods per year, i.e. between the sixth and the twentieth trading day on stock exchanges following publication of the annual financial statements and the half-year interim reports. Given the time difference between the exercise periods and the above said events, it is assured upon consideration of insider trading issues that an information equilibrium can be created among the market participants. In addition, the creation of blocked periods for exercising the stock options serves to inhibit the use of critical insider information pursuant of § 14 WpHG [German Securities Act].

4. The three pillars of the stock option program

The stock option plan rests on three pillars which are in particular interest of the Company and its shareholders:

a) Three year waiting period

The first pillar relates to the stipulated waiting periods which will achieve a mid to long-term retention of the beneficiaries among the Management Board and managers of the Company. The waiting periods prescribed here of three years each greatly exceed the waiting periods stipulated by law and the waiting periods involved in stock options of other companies. The term generally exceeds the individual terms of office of the Management Board.

b) Own investment

The second pillar arises from the own investment of the beneficiary. The respective member of the Management Board or manager is only entitled to participate in the stock option program if he invests in shares of POLIS Immobilien AG at his own risk. In this respect, the stock option program has a unique feature which distinguishes it from the stock option plans of many other enterprises. The respective members of the Management Board and the managers not only have the opportunity by virtue of their exceptional performance to participate in the rise in market value of the Company; they also share in the risk of the company with their own assets – just like the shareholders.

c) Absolute and relative exercise hurdles

The third pillar involves further exercise prerequisites. The level of compensation which can be generated through the stock option program depends on the total performance of the share of POLIS Immobilien AG, i.e. the stock market price which has been adjusted to reflect dividend payments and special aspects in absolute terms and also in comparison to a benchmark.

In determining the absolute share price hurdle, consideration is made of the fact that the issue price was EUR 14.50. The stock option program only begins to have an impact above this share price. Accordingly, the exercise of the stock options from the first tranche, which in the case of stock options allocated in 2008 and exercisable for the first time in 2011, is under the condition that the share price exceeds EUR 14.50. The prerequisite for the stock options from other tranches is that the share price increases by a further 24 percentage points above the share price of POLIS Immobilien AG in comparison with the share price at the date of allocation, provided the share price of POLIS totals at least EUR 14.50.

In relative terms, that means in comparison with the DAXsubsector Real Estate Performance Index of the Deutsche Boerse Group, the total performance of the share since the date of allocation until the first possible exercise date, i.e during the respective waiting period, outperforms the benchmark by more than 5 percent.

This additional relative exercise hurdle complies with the guidelines of the German Corporate Governance Code for structuring such share based remuneration systems.

5. Exercise price, cap

The exercise price corresponds to the price of the share of POLIS Immobilien AG prevailing and defined at each date of allocation of the stock options (base price); it totals for the reasons stated above under sentence 4c a minimum of EUR 14.50.

In addition, the Supervisory Board may (vis a vis the members of the Management Board) and the Management Board may (vis a vis the beneficiary managers) adjust the exercise price of the stock options to create the effect of a cap and thus prevent the total annual compensation of the beneficiaries from reaching an amount which pursuant to legal regulations would be deemed to be unreasonable. In addition, with the help of an adjustment in the exercise price, extraordinary and unforeseen events, such as a significant deterioration in the financial condition of the Company, can be taken account of.

6. Allocation without charge

In granting the stock options in the context of the stock option program, the beneficiary members of the Management Board and selected managers have already earned the benefit, i.e. the options for stock in the Company, by their performance so that the stock options will be issued free of charge.

Aside from the costs of the notary public arising from notarizing and registering the resolutions of the General Meeting for the conditional capital increase, the costs of the entries in company registers and administration costs, the stock option program will not result in any loss of liquidity for the Company, provided this is created by the related increase in the share capital.

Shareholders will however experience a reduction in their holdings through the resultant dilution of capital. Pursuant to IFRS 2 ("Share-based Payment"), this instrument of compensation is to be charged as a personnel expense. A loss of liquidity can only occur if the stock options are fulfilled with own shares which had been previously purchased or a cash offset is arranged.

8. Ongoing information at the General Meeting

The Supervisory Board and Management Board will inform the General Meeting of the utilization of the authorization."

Documents

As of the day of this notice convening the General Meeting, the following documents will be available for review by the shareholders at the premises of POLIS Immobilien AG, Potsdamer Strasse 58 in 10785 Berlin. If requested by the shareholder, copies of the documents may be obtained without undue delay and free of charge:

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- the annual financial statements of POLIS Immobilien AG as at 31 December 2007, including the report of the Management,
- the consolidated financial statements as at 31 December 2007, including the report of the Management,
- the report of the Supervisory Board for the financial year 2007,
- the proposal of the Management Board for disposal of the net income,
- the report of the Management Board regarding information provided in accordance with Section 289 subsection 4 and Section 315 subsection 4 HGB [*Handelsgesetzbuch*, German Commercial Code], and
- the report of the Management Board to agenda item 7, and
- the report of the Management Board to agenda item 9.

Share capital and voting rights

The Company's share capital amounts to EUR 110,510,000.00 and is composed of 11,051,000 shares. The overall number of voting rights is 11,051,000. This information relates to the time at which this invitation is published in the electronic Federal Official Gazette.

Conditions of participation

The eligibility requirements are governed by Sections 121 et seq. AktG [*Aktiengesetz*; German Stock Corporation Act] and Section 24 of the Articles of Association. Shareholders are eligible to take part in the General Meeting and to exercise the right to vote if they have registered in writing, by telex, by telecopy or by email at the latest on the seventh day prior to the General Meeting (i.e. at the latest on 27 June 2008) with the Management Board at the Company's registered offices or at the address stated below, and have documented their eligibility to participate by way of a certification issued by the custodian bank in the German language in text form (Section 126b BGB [*Bürgerliches Gesetzbuch*; German Civil Code]) stating their share ownership as at the beginning of the 21st day prior to the General Meeting (i.e. 13 June 2008, 00:00 midnight). This certificate must be received at the latest on the seventh day prior to the day of the General Meeting (i.e. at the latest on 27 June 2008) at the address stated below.

POLIS Immobilien AG
c/o Bayerische Hypo- und Vereinsbank AG
CBD5HV
80311 München (Germany)
Fax: +49 (89) / 54 00 25 19
Email: hauptversammlungen@hvb.de

Admission tickets will be sent to shareholders who have properly registered and have provided documentation of their share ownership in due form.

Voting by proxy

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It is also possible for shareholders to have their voting rights exercised in the General Meeting by an authorised representative, e.g. a financial institution, an association of shareholders, or another person of their choosing. If neither a financial institution nor an association of shareholders is authorised, the power of attorney must be issued in writing (Section 126 subsection 1 BGB [*Bürgerliches Gesetzbuch*; German Civil Code]). A form for issuing the power of attorney will be sent to shareholders together with the admission tickets.

We also offer our shareholders the option of representation in the General Meeting by a proxy appointed by the Company. Details regarding this procedure are contained in the documents that are sent to the shareholders via the custodian bank. Additional information on voting by a proxy appointed by the Company is also available to shareholders at URL www.polisag.de in the section entitled Investor Relations / Annual General Meeting 2008.

Questions and motions

In order to facilitate the preparation of the General Meeting and to ensure that the Company can respond rapidly to questions and motions concerning the General Meeting, please direct any motions (including counter-motions and nominations) to the following address only:

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POLIS Immobilien AG
Investor Relations
Potsdamer Straße 58
10785 Berlin (Germany)
Fax: +49 (30) / 856 217-49
Email: r.sturm@polisag.de

Counter-motions received in due form and in a timely manner by 20 June 2008 at the aforementioned address will be made available promptly to the shareholders on the website at www.polisag.de in the section entitled Investor Relations / Annual General Meeting 2007.

Berlin, May 2008

POLIS Immobilien AG

The Management Board

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