



Investor Presentation

May 2008



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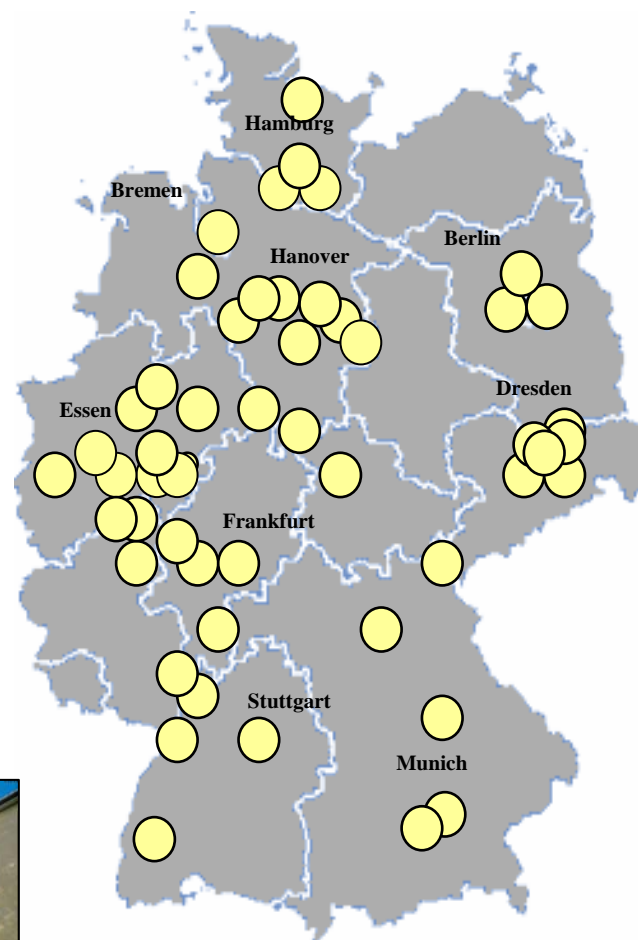
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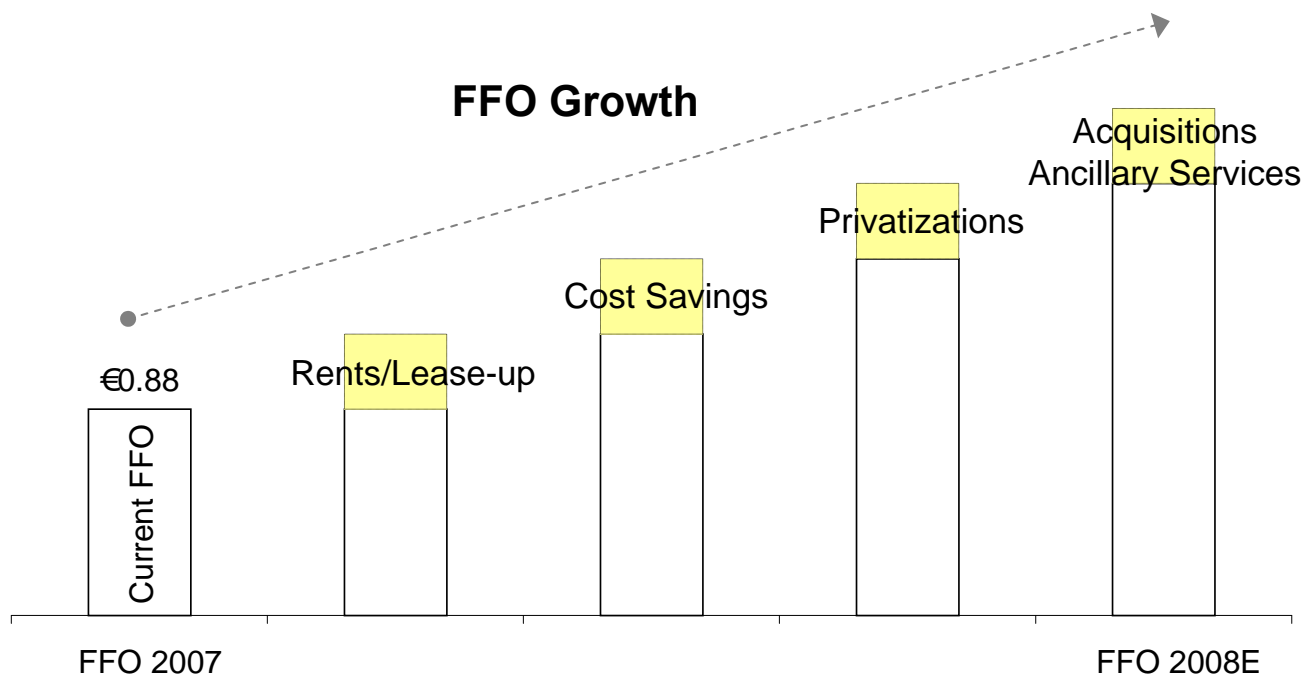
Company Overview

- Largest German listed owner and operator of residential real estate in Germany
- Over €10 billion in asset value and owns and manages approx. 200,000 units
- GAGFAH's size and geographic diversity makes it a dominant player in the market
- Our earnings are derived from rental income and sales of individual units
- A "REIT"-like company, paying high and stable dividends



Our Objectives

- GAGFAH's goal is to grow FFO and dividends per share



- We target mid teens growth in FFO plus long term capital appreciation by owning high quality real estate in good locations

Performance History



- Our underlying business has been performing well
 - FFO in 2007 up 19% to €198m/€0.88 per share
 - Dividend up 18% to €45.1m/€0.20 per share
 - NAV per share up 32% to €14.15 in Q1 2008
- GAGFAH has grown significantly since its privatization in 2004

GAGFAH Historical Performance

	2005	2006	2007
Units	108,348	151,366	170,316
Assets	€6.6bn	€8.6bn	€10.6bn
FFO	€2m	€165m	€197m
FFO/share	€ 0.01	€ 0.73	€ 0.88
Dividends	€0m	€38m	€174m
NAV	€2.1bn	€2.4bn	€3.2bn
NAV/share	€ 9.25	€ 10.73	€ 14.25

Performance Update

- GAGFAH has exceeded all its operational targets in 2007
 - We expect continued improvements in 2008

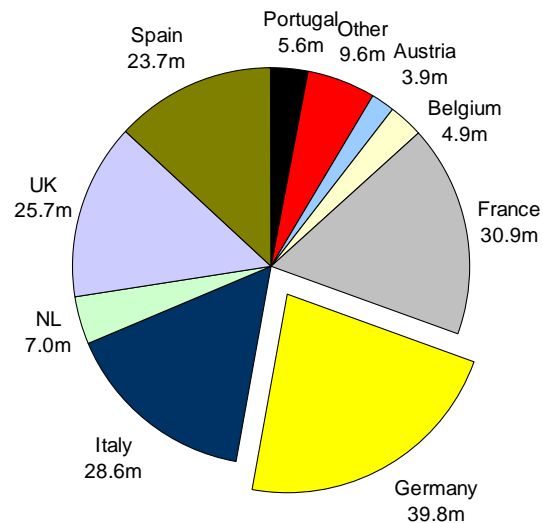
Value Drivers	2007			2008
	Target	Actual		Target
Rental Growth	1.5%	1.6%	√	2.0%+
Vacancy	5.2%	4.4%	√	4.5%
Costs / unit	€ 450	€ 448	√	€ 400
Privatizations (units)	1,500	2,438	√	2,500 +
Acquisitions	€1.4bn	€1.6bn	√	

- However, share price has underperformed
 - Dividend yield has risen 340 basis points from 3.5% at IPO to 6.9% today

Large Housing Market

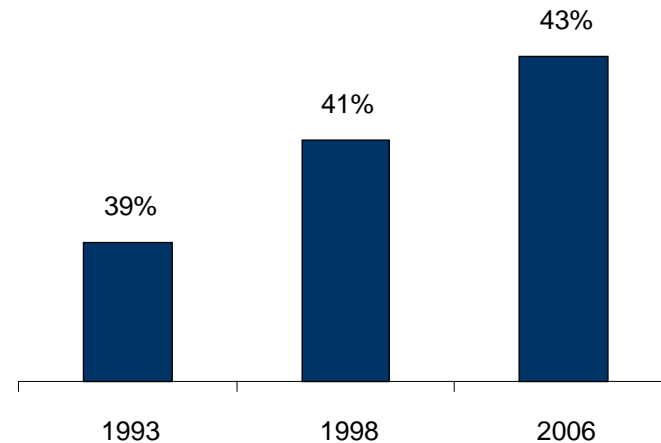
- With 39.8 million flats, Germany has the largest residential housing market in Europe
- Low, but steadily increasing home ownership in Germany

European Households



Source: Euroconstruct, Innova Research
 Note: Other includes Norway, Denmark, Finland and Ireland

German Home Ownership

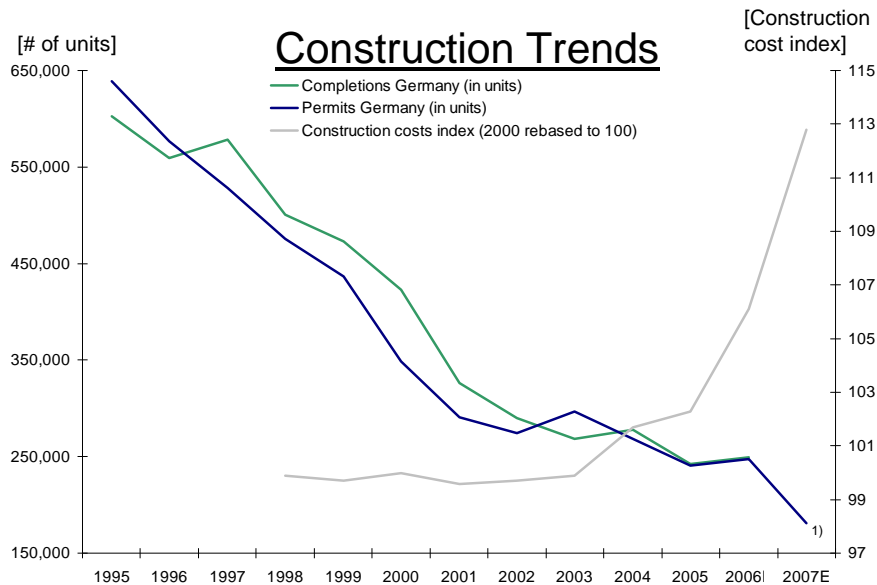


Source: German Federal Office for Building and Regional Planning

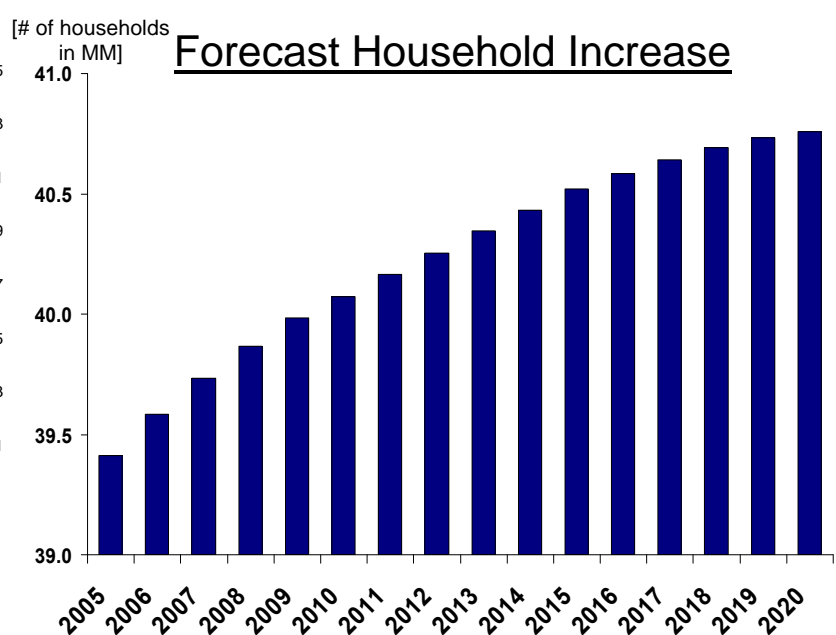
Favorable Market Conditions

- Limited supply of new housing
- Number of households expected to grow through 2020

Supply



Demand

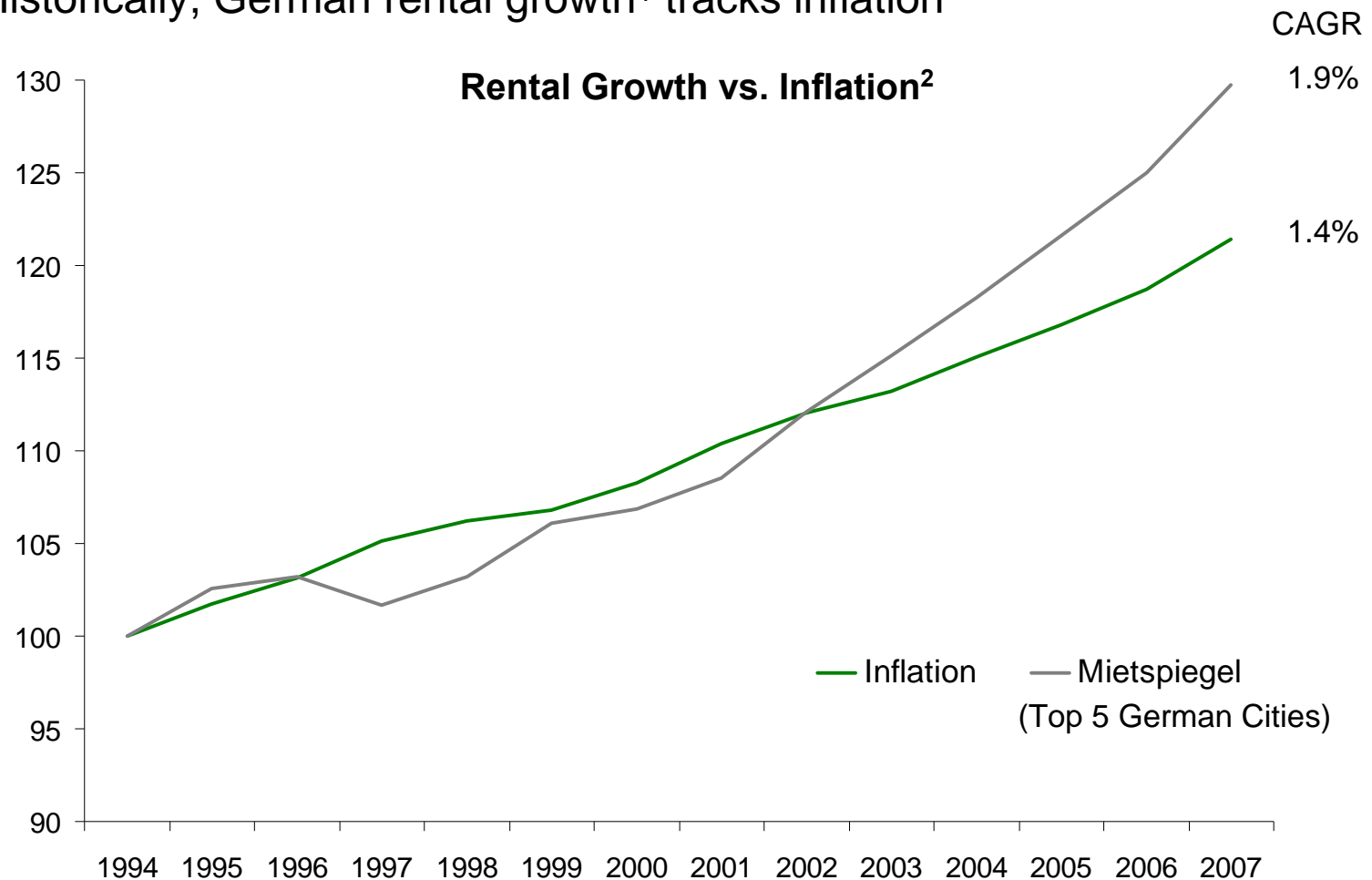


1) Annualized; based on 9M 2007 figures: 135,955
Source: German Federal Office for Statistics, Euroted construction costs index

Source: German Federal Office for Building and Regional Planning

The Housing Market and the Economy

■ Historically, German rental growth¹ tracks inflation



¹ Average Mietspiegel growth of the largest five German cities: Berlin (1919-1949; 40-60sqm), Hamburg (1949-1960; 41-66 sqm), Munich (1978-1988; 96-98 sqm), Cologne (-1960; 51-71 sqm) and Frankfurt am Main (1949-1957; 40-45 sqm)

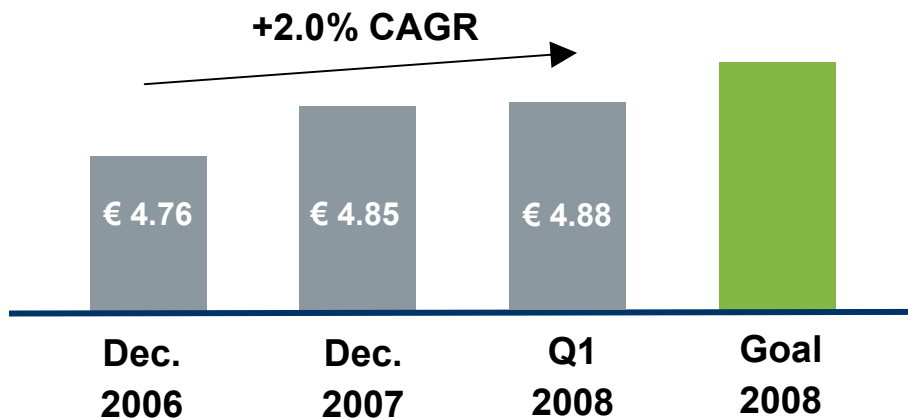
² Rebased to 100 in 1994

Source: German Federal Office for Statistics

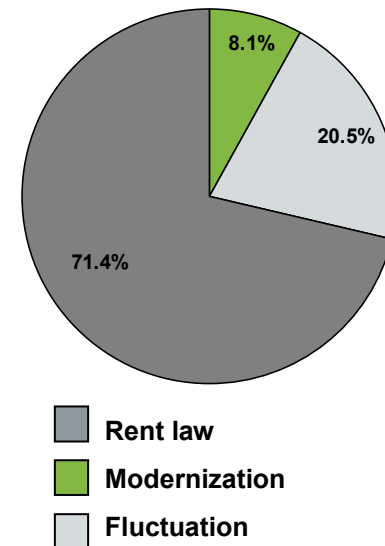
Rents

- GAGFAH's portfolio is currently 10% below market*
- Targeted rental growth of over 2.0%
- Over 20% of rent increases generated through fluctuation (approx. 12%)

Same Store Rental Growth



2007 Rent Growth



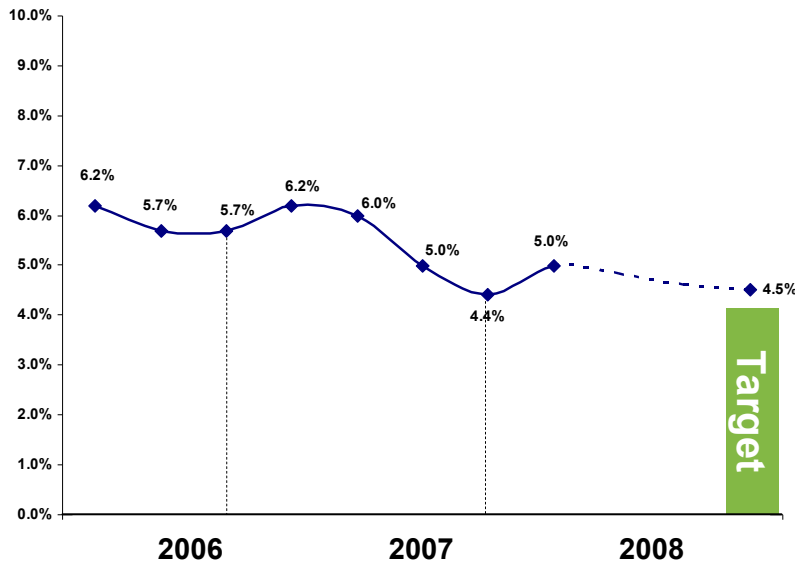
Note: rent per sqm; same store residential
Numbers include rounding effects

*Source of market numbers: CBRE. Note that some restrictions apply on our ability to increase rents

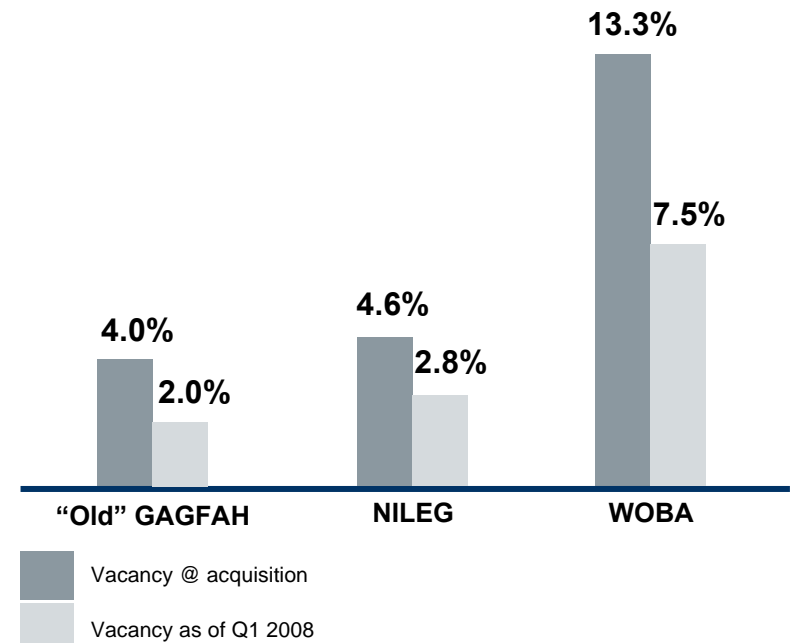
Vacancy – Lease-ups

- Our portfolio exhibits low tenant turnover (~12% p.a.)
- Achieved significant reduction of vacancy by
 - Creating dedicated brokerage team
 - Implementing incentive compensation
- Target: reducing vacancy to 4.5%

Overall Vacancy



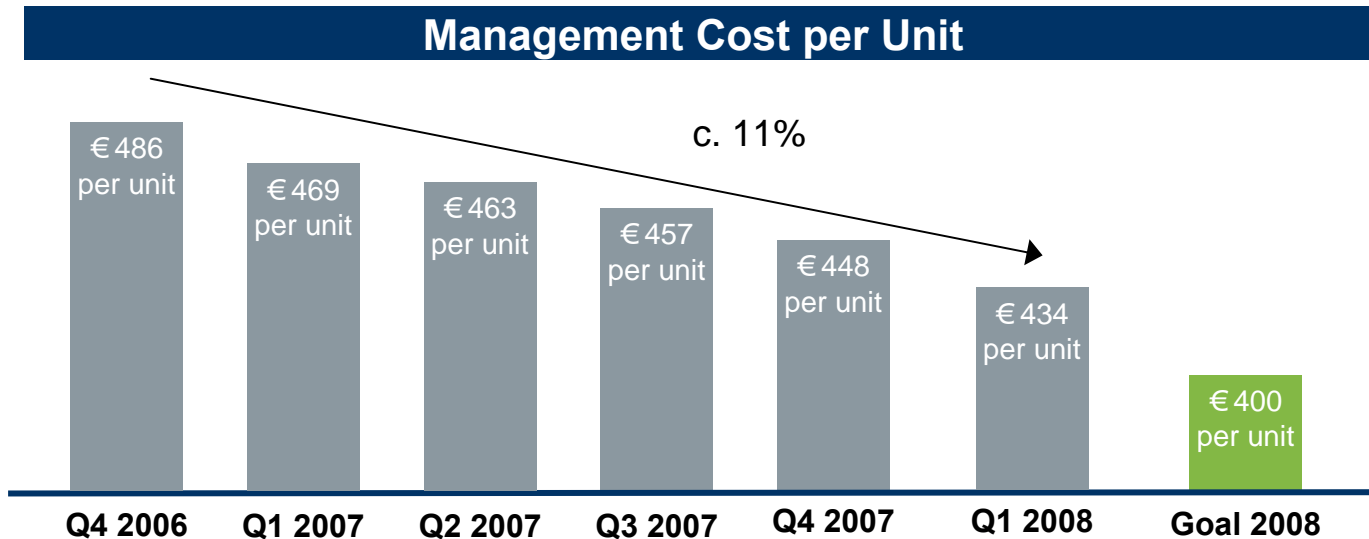
Historical Improvements



Note: Numbers include rounding effects

Overhead - Cost Savings

- Substantial cost savings can be achieved with assets acquired from non-strategic owners
 - From Dec. 2006 to Q1 2008, we have reduced cost to manage units by 11%
- Further reductions are possible through consolidation of operations, rationalizations of repairs & maintenance, capex, and purchasing

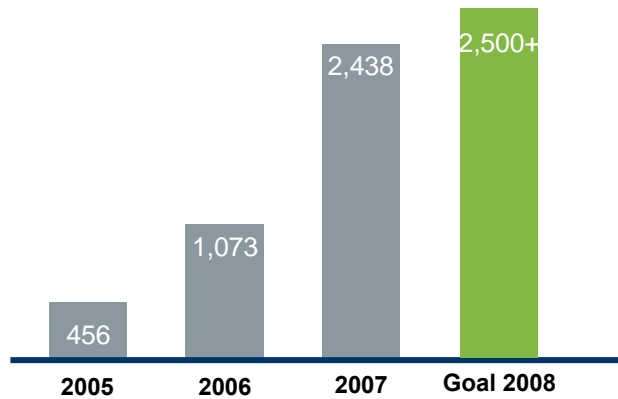


All costs associated with the management of units

Privatizations

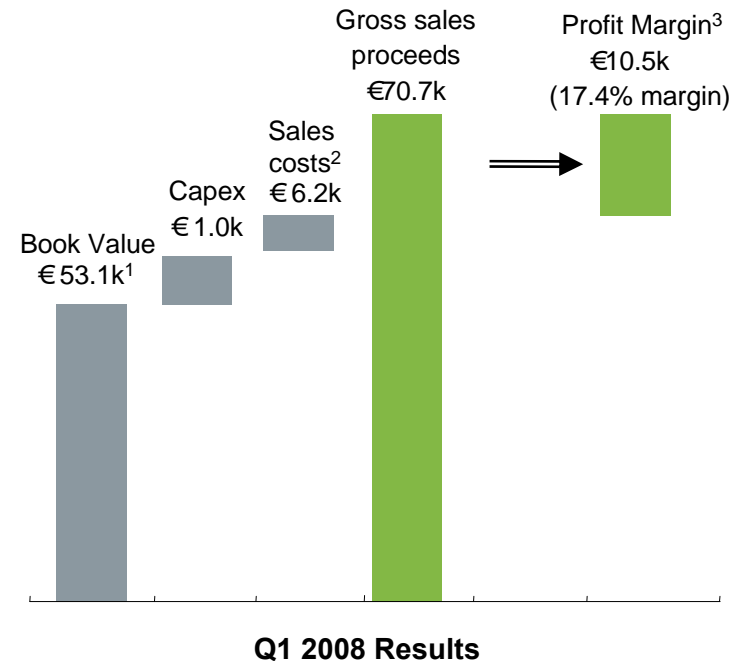
- A profitable business of selling individual residential units

Privatized Units

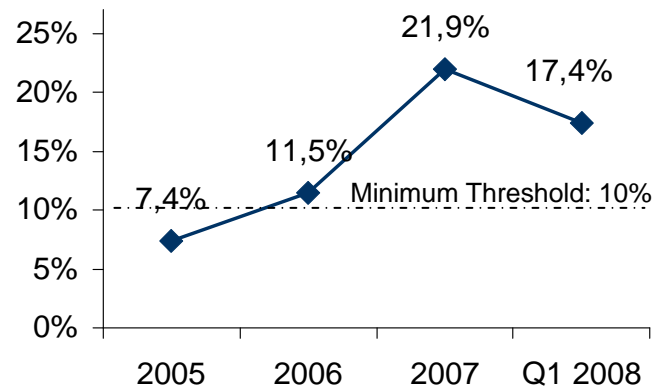


Privatization Economics

Disposal of 1 Unit



Profit Margin



¹Net of realized revaluations

²Incl. personnel cost and G&A

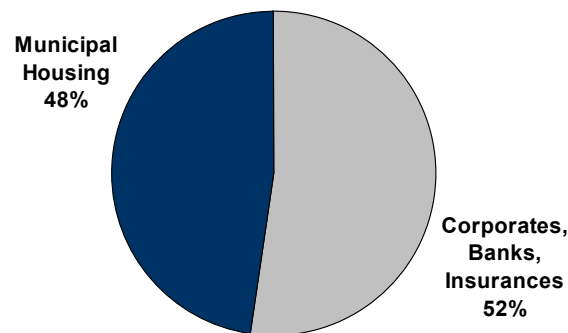
³Margin on book value plus sales and marketing costs and capex

Acquisition Environment

- Less competition for assets – and “vanilla” mortgage financing still available¹
- Trend for sales of non-strategic assets remains in place¹
 - Approx. 2.3m units are still owned by federal states and municipalities²

€240 Billion Target Market³

(c 4.8 million units)²



Completed deals over last 6 months¹

Year	Month	Deals	Units	Value in €MM ³⁾
2007	11	8	4,979	249
2007	12	6	11,791	590
2008	1	3	7,263	363
2008	2	1	0	0
2008	3	5	5,615	281
2008	4	6	3,374	169
Total		29	33,022	1,651

¹ GAGFAH Research

² Innova Research

³ Value based on €50,000 per unit

Stock Data

- Ticker: GFJ
- Share Price (8. May 2008): €11.62
- Shares Out: 225.5 million
- Market Cap: €2.6 billion
- Dividend Yield⁽¹⁾: 6.9%

Implied Valuation Metrics

Dividend Yield	Dividend per Share (€)					
	0.68	0.80	0.90	1.00	1.10	1.20
3.6%	€19.0	€22.3	€25.1	€27.9	€30.7	€33.5
4.0%	€17.0	€20.0	€22.5	€25.0	€27.5	€30.0
4.5%	€15.1	€17.8	€20.0	€22.2	€24.4	€26.7
5.0%	€13.6	€16.0	€18.0	€20.0	€22.0	€24.0
5.5%	€12.4	€14.5	€16.4	€18.2	€20.0	€21.8
6.0%	€11.3	€13.3	€15.0	€16.7	€18.3	€20.0
6.5%	€10.5	€12.3	€13.8	€15.4	€16.9	€18.5
7.0%	€9.7	€11.4	€12.9	€14.3	€15.7	€17.1
7.5%	€9.1	€10.7	€12.0	€13.3	€14.7	€16.0
8.0%	€8.5	€10.0	€11.3	€12.5	€13.8	€15.0

IPO

Today

Market Dividend Yields⁽²⁾

- EPRA : 4.4%
- DAX: 2.8%
- MDAX: 1.9%

¹ Based on annualized Q1 2008 dividend of €0.20 and share price of €11.62 as of May 8, 2008

² As of May 8, 2008

Market Valuation (Cont'd)



Company	Closing Price 09-May-08	Equity Market Cap €m ⁽¹⁾	FFO Yield ⁽²⁾		Dividend Yield ⁽²⁾		Premium to NAV ⁽²⁾	FFO Growth '08 - '09
			2008	2009	2008	2009		
Germany								
Deutsche Wohnen	16.79	€ 451	6.3%	7.8%	3.6%	4.5%	(56.9)%	24.8%
IVG	17.22	€ 1,998	6.1%	7.4%	4.2%	4.8%	(37.8)%	20.6%
DIC Asset	21.78	€ 683	6.9%	7.8%	8.9%	9.4%	(2.8)%	13.8%
Alstria	12.50	€ 700	5.8%	6.2%	5.1%	5.6%	(20.9)%	6.8%
Mean			6.3%	7.3%	5.5%	6.1%	(29.6)%	16.5%
European Tax Efficient Real Estate Companies								
Corio	€58.61	€ 3,942	5.8%	6.3%	4.9%	5.1%	1.9%	8.2%
Silic	94.00	€ 1,637	6.4%	6.6%	4.8%	5.2%	(16.2)%	3.7%
Klepierre	39.98	€ 5,696	6.4%	6.9%	3.4%	3.8%	9.0%	8.5%
Unibail Rodamco	169.17	€ 13,833	4.4%	4.9%	4.2%	4.2%	4.6%	12.5%
Eurocommercial	38.20	€ 1,371	4.8%	5.1%	4.8%	5.0%	(1.2)%	5.9%
Wereldhave	83.45	€ 1,734	7.7%	8.1%	5.9%	6.0%	(8.6)%	4.2%
Mean			5.9%	6.3%	4.6%	4.9%	(1.7)%	7.2%
US Residential								
Apartment Inv.	\$ 37.97	€ 3,408	8.5%	9.0%	6.3%	6.5%	(33.1)%	5.6%
Avalonbay	99.41	€ 7,652	5.0%	5.4%	3.6%	3.8%	(23.7)%	8.2%
BRE	47.62	€ 2,429	5.8%	6.1%	4.7%	4.9%	(24.1)%	5.8%
Camden	49.26	€ 2,618	7.4%	7.8%	5.7%	5.9%	(33.0)%	4.9%
Equity Residential	41.65	€ 11,266	6.0%	6.2%	4.6%	4.8%	(19.1)%	4.6%
Essex Property	117.00	€ 2,987	5.1%	5.4%	3.4%	3.5%	(7.1)%	5.3%
Mean			6.3%	6.6%	4.7%	4.9%	(23.4)%	5.7%
Overall Mean			6.2%	6.8%	4.9%	5.3%	(18.2)%	9.8%
GAGFAH³	11.26	€ 2,540	7.8%	-	7.1%	-	(21.0)%	-

1) Based on diluted number of shares outstanding.

2) Sources: Balance sheet figures are based upon financial statements. Projected DPS and FFO from IBES and/or broker research; estimates have been calendarized.

3) GAGFAH 2008 FFO and Dividend Yields are based on annualized Q1 2008 results

Note: Market Valuation is based on independent broker research

Outlook / Targets

- Grow FFO at mid-teens rate through:
 - Rent increases
 - Reduction of vacancy
 - Cost reductions
 - Sale of individual units

- Maintain high payout ratio to provide stable/growing dividends

Conclusion

- Attractive market fundamentals
- Stable and predictable cash flows
- Strong earnings growth potential
- High dividend payout
- Efficient tax structure

GAGFAH

Thank you!



- Some market participants use NCR multiples as a proxy for property valuation

	in €m
Net Cold Rent Q1 2008	175.7
Annualized	702.8

Multiple	Value (in €bn)	Gross Yield	NAV (in €bn)	NAV (€/share)	€/sqm**
13.0 x	9.1	7.69%	2.2	10.0	783
13.5 x	9.5	7.41%	2.6	11.5	813
14.0 x	9.8	7.14%	3.0	13.1	843
14.5 x	10.2	6.90%	3.3	14.6	873
15.0 x	10.5	6.67%	3.7	16.2	903
15.5 x	10.9	6.45%	4.0	17.8	933
16.0 x	11.2	6.25%	4.4	19.3	963
17.0 x	11.9	5.88%	5.1	22.4	1023
18.0 x	12.7	5.56%	5.8	25.5	1084

- In recent market transactions, mid-sized to large property portfolios* traded at net cold rent multiples of between 14x - 18x.

*e.g. Immeo, DGAG, GHG, Baubecon (Source: Citigroup Research)

** Investment property value per square meter

Numbers include rounding effects