

Adjustment notice in accordance with § 10 and § 14 of the Terms and Conditions

to the Holders of

€ 54,964,000 Convertible Bonds due 2011 (the *Bonds*) issued by Colonia Real Estate Aktiengesellschaft (the *Issuer*) on 7 December 2006

ISIN: DE000A0LDSA1, WKN: A0LDSA, Common Code: 027662242

Colonia Real Estate Aktiengesellschaft as Issuer of the Bonds hereby gives notice to the Holders of an adjustment to the Conversion Price pursuant the terms and conditions of the Bonds (the *Terms and Conditions*). Any capitalised terms not otherwise defined in this notice shall have the meaning given to them in the Terms and Conditions.

On 19 June 2008 the shareholders of the Issuer in their annual general meeting approved the distribution of a cash dividend of € 0.25 (in words: twenty-five eurocents) per share. As a result of this Distribution and pursuant to the Terms and Conditions, the Conversion Price has been adjusted from € 39,524 to € 38.50 (in words: euro thirty eight and fifty cents). The adjustment has been calculated in accordance with § 10 (e) of the Terms and Conditions.

The adjusted Conversion Price has become effective on 19 June 2008.

Cologne, August 2008

Colonia Real Estate AG