

Plausibility Review of Market Values

TO THE BOARD OF MANAGEMENT OF VITERRA AG

Results of the Review to establish the Plausibility of the Valuation of the Residential Real Estate Portfolio of Viterra AG and its Subsidiaries as of December 31, 2003

Gentlemen,

In accordance with our engagement letter as of November 7, 2003, we have conducted a review to establish the plausibility of the valuation performed by Viterra AG and its subsidiaries of its residential real estate portfolio as of December 31, 2003.

I. Results of the Valuation

The internal valuation, as performed by Viterra AG, Essen, and its subsidiaries excluding the commercial properties of Viterra AG and of Viterra Development GmbH, Essen, resulted in a market value as of December 31, 2003 of

€ 6,111 Million (in words six billion one hundred and eleven million euros)

for the residential real estate portfolio and undeveloped plots of land.

The market value is allocated to regional residential real estate portfolios and undeveloped land as follows:

Region*	Residential Units	Other Rental Units**	Market Value
			€ million
North-Rhine Westphalia	102,476	15,813	3,613
(of which in the Ruhr area)	(89,238)	(12,480)	(2,922)
Rhine-Main area	20,221	1,423	1,025
Eastern Germany and Berlin ***	11,577	2,238	551
Northern Germany	9,093	1,535	379
Southern Germany	8,469	4,665	504
Undeveloped plots of land	0	0	39
Total (rounded down)	151,836	25,674	6,111

* Including 27,058 apartments and 3,519 other rental units which were sold to an investor in 2003 and are recorded in the financial statements of Viterra in accordance with US Generally Accepted Accounting Principles

** Other rental units relate to small commercial units and garages

*** Including apartments valued at € 42.4 million on land, leased under a long-term sale and leaseback agreement.

II. Valuation Method

The market value used by Viterra AG and its subsidiaries was determined on the basis of individual property valuations. The valuation was based on the definition of market value by the European Group of Valuers' Association. Viterra AG further assumed as basis for the valuation the continued leasing of the entire residential real estate portfolio without considering dispositions of single properties or single apartments. The 151,836 units were principally valued using the discounted cash flow (DCF) method and only, if required, using the sales comparison or liquidation value approaches. The sales comparison method was also used to value all undeveloped plots of land.

III. Scope and Content of the Review to Establish Plausibility

The market value of the residential real estate portfolio was determined by Viterra AG and its subsidiaries. Our responsibility was to establish the plausibility of the valuation procedure and the parameters used in the valuation carried out by Viterra AG.

Based on the valuation by Viterra AG, we examined the valuation methods used. We reviewed the appropriateness of the valuation methods used for the respective categories of properties. We also reviewed Viterra's valuation procedures with respect to their compliance with the discounted cash flow method, the sales comparison approach or the liquidation value approach. For the undeveloped plots of land valued internally, we made no review.

Random samples of the valuation parameters were examined and verified for market conformity, appropriateness and compliance with standard professional valuation practices. In addition, Viterra AG confirmed the correctness of the key property data used for the valuation in a management representation letter to us.

After the residential real estate portfolio had been divided into segments, we inspected selected properties on a random basis in order to establish the plausibility of the valuation parameters and their market conformity. In addition, we obtained a management representation letter by Viterra AG to confirm to us the correctness and appropriateness of the valuation for the entire residential real estate portfolio as performed by Viterra AG.

IV. Result of the Review to Establish Plausibility

Our review to establish plausibility covered both the valuation methods used by Viterra AG and a review of randomly sampled properties, as described above. As a result of our review to establish plausibility we concluded that the market value of the residential real estate portfolio was valued by Viterra AG in line with standard professional valuation practices using the above described valuation methods.

This letter is an integral part of our detailed report dated February 27, 2004, which includes a description of our review procedures performed to establish plausibility, the assumptions made and the results of the valuation by Viterra AG, and should only be read in conjunction with this report.

March 2, 2004

Ernst & Young
Real Estate GmbH

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