

Report of the Supervisory Board

In the 2003 financial year, we monitored the running of business by the Board of Management and rendered our advice. The Board of Management provided us with regular, timely and comprehensive information on the situation of the company as well as on all issues relevant to corporate planning and the development of the company's business.

Four meetings of the Supervisory Board took place in 2003. All decisions requiring the approval of the Supervisory Board were given careful consideration. Between the meetings, the Board of Management kept us fully informed of important business transactions which were of particular significance for the company.

In addition, the Committee of the Supervisory Board received and discussed in detail verbal reports from the Board of Management in four meetings. In my function as Chairman of the Supervisory Board, I was constantly informed of all major business transactions as well as the development of key financial figures.

Our consultations centred around Viterra's focus on the real estate business and the disposal of activities which are not part of this core business as well as measures for the further systematic implementation of the trading strategy.

■|| We studied the new management structure of Viterra which followed from its systematic focusing on the core business, residential real estate, and the additional business, project development. At the March meeting, the Board of Management explained in detail the strategic goals and consequences of this step, which was important for the company's focusing on the real estate business. The Board of Management went into particular depth on the merger of Viterra Wohnen AG with Viterra AG which was designed to strengthen the core business.

“Stauffenbergstrasse”, the commercial development project in Berlin, was also approved at the March meeting after detailed consideration.

■|| Another major point of discussion was Viterra's divestment of its services activities so it could systematically concentrate on the real estate business. In this connection our Committee approved in a written procedure the sale of Viterra Contracting GmbH to Mabanafit GmbH, Hamburg.

At the April meeting, we thoroughly examined the sale of Viterra Energy Services AG to the financial investor, CVC Capital Partners, Frankfurt. After receiving detailed information and discussing the matter in depth, we approved the disposal. These two divestments were the final steps in Viterra's withdrawal from the real estate services segment to concentrate on its core business, residential real estate, and the additional business, project development.

■|| At the July meeting, the Board of Management presented the sale of the logistics park, Rudná. After extensive consultations we passed a resolution approving the plan to sell.

■|| Furthermore, the sale of a portfolio of approx. 27,000 apartments in the Ruhr area to MIRA Grundstücksgesellschaft mbH & Co. KG, Grünwald, was also discussed in detail. We sanctioned the sale at the December meeting after receiving comprehensive information and discussing the issue thoroughly. It was an important step in the continued implementation of the trading strategy. The apartments in this portfolio were, from Viterra's point of view, neither suitable for sale individually nor as small apartment blocks and therefore did not fit in with Viterra's trading strategy.



Further issues which the Supervisory Board dealt with in the year under review were the sale of a total of three other apartment portfolios (approx. 3,600 apartments) in the Ruhr area and the cessation of business by Viterra Baupartner at the end of 2003. The Board of Management gave us regular progress reports on the wind-up.

With a view to Viterra's planned separation from E.ON, the Board of Management informed us about the possibilities of using financial instruments to refinance the Group funds so far provided by E.ON. After careful deliberation, we approved the financing options presented to us.

The financial statements of Viterra AG including the management report and the consolidated financial statements for the year ended December 31, 2003 prepared according to US GAAP as well as the Group management report have been audited by the auditors appointed by the Supervisory Board, KPMG Deutsche TreuhandGesellschaft AG, Wirtschaftsprüfungsgesellschaft, Essen. Both financial statements received an unqualified audit opinion.

Furthermore, the auditors examined the risk identification system employed at Viterra AG. The examination by KPMG showed the system fulfils its purpose.

All members of the Supervisory Board received the auditors' reports. They were thoroughly discussed by the Committee and at the Supervisory Board meeting in which the financial statements were presented in the presence of the auditors.

The Supervisory Board has examined the financial statements of Viterra AG, the consolidated financial statements and the relevant management reports. They gave no cause for objection. We have taken due note of and approved the auditors' report.

The Supervisory Board has approved the financial statements of Viterra AG and the consolidated financial statements prepared by the Board of Management, which are herewith established.

At our March meeting, Dr. Michael Hermes was appointed an ordinary member of the Board of Management of Viterra AG with effect from April 1, 2003.

Reinhard Radtke, an employees' representative, left the Supervisory Board on March 31, 2003. Bernd-Ulrich Wildenhues was appointed by the courts as his successor for the remaining period of office of the employees' representatives.

When the sale of Viterra Energy Services became effective after approval by the Federal Cartel Office, Stephan Höhne, Martin Klinkhammer and Michael Trilling left the Supervisory Board as employees' representatives of the company on June 17, 2003 in accordance with the statutory provisions. Reiner Wiegand vacated his seat on the Supervisory Board with effect from July 11, 2003.

After the disposal of the services activities, the Supervisory Board was reduced in size to the legally required twelve members. Our Supervisory Board convened for the first time with its new members at the July meeting

Dr. Olaf Berlin, Dr. Hans Michael Gaul, Dr.-Ing. Hans-Peter Keitel, Dr. Manfred Krüper, Dr. Karl-Hermann Lowe and Dr. Werner Müller were elected to the Supervisory Board as shareholders' representatives at the ordinary general meeting of Viterra AG on July 15, 2003. Dr. Hans Michael Gaul – member of the Board of Management of E.ON AG – was reelected Chairman and Reinhold Jacob confirmed as his deputy at this meeting.

Dr. Wilhelm Hans Beermann, Gunther Beuth, Wolfgang Hartmann, Dr. Rolf Pohlig, Dr. Wolf-Albrecht Prautzsch and Dr. Paul Siebertz ceased to be members of the Supervisory Board as stockholders' representatives with effect from July 15, 2003.

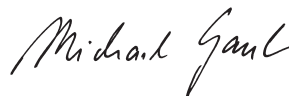
The Supervisory Board would like to thank its retiring members for their dedication and cooperation in an atmosphere of mutual trust.

Michael Schnapp left the Board of Management at his own request and by mutual agreement with the Supervisory Board and the company with effect from December 31, 2003. He made a great contribution to the success of Veba Immobilien and Viterra. The Supervisory Board would like to express its special thanks to Mr Schnapp for his accomplishments.

The elections for the employees' representatives on the Supervisory Board took place on March 2, 2004. Dagmar Stromaschus-von Lewinski, Sylvia Hieckmann, Reinhold Jacob, Bernd-Ulrich Wildenhues, Burghard Niedermowwe and Rolf Lemm were elected members of the Supervisory Board for the next period of office.

The Supervisory Board would like to thank the members of the Board of Management, the works councils as well as all the staff of Viterra AG and its affiliated companies for their dedication and hard work.

Essen, March 25, 2004
The Supervisory Board



Dr. Hans Michael Gaul,
Chairman