

Press release

Hypo Real Estate shareholders approve capital increase, with a large majority.

- **Axel Wieandt: “The capital increase is a crucial component of the recapitalisation of the company”**

Munich, 02 June 2009 – At today’s Extraordinary General Meeting of Hypo Real Estate Holding AG in Munich, the shareholders approved - with a large majority (73.95 per cent, 113,614,139 yes votes, 40,018,793 no votes) - the capital increase proposed by the Management Board and the Supervisory Board.

The German Financial Market Stabilisation Fund (*Sonderfonds Finanzmarktstabilisierung - SoFFin*) was admitted as the sole underwriter of the new shares to be issued within the scope of the capital increase. The shareholders’ statutory subscription rights have been excluded. Prior to the general meeting, SoFFin had declared that it will underwrite new shares in an amount as is required to provide SoFFin with a 90 percent participation in the Company’s registered share capital. On the basis of SoFFin's current shareholding of approx. 47.3 percent, this means that SoFFin will underwrite approx. 986.5 million shares. Based on the issue price of € 3 per share this results in an amount of approx. € 2.96 billion which will flow to the Company.

All in all, some 2,000 shareholders attended the Company’s Extraordinary General Meeting. The attendance level at the time of voting represented 74.06 per cent of the registered share capital.

Axel Wieandt, Chairman of the Management Board of Hypo Real Estate Holding AG: “The capital increase that was approved today is a crucial component of the recapitalisation of the Company and the Group. We will require further capital and liquidity support to lead the Group over the next few years. In conjunction with the restructuring, which has already started, the Group now has a clear perspective.”

Press contact:

Walter Allwicher: Tel +49 (0) 89 203007 787, Email: walter.allwicher@hyporealestate.com

Oliver Größ: Tel +49 (0) 89 203007 781, Email: oliver.gruess@hyporealestate.com