

## **Ad hoc statement according to §15 German securities law**

Dublin/Frankfurt am Main. 18 April 2005

### **DEPFA BANK halts sale of Deutsche Pfandbriefbank AG**

In March 2004 DEPFA BANK plc initiated the sale process of its 100% subsidiary Deutsche Pfandbriefbank AG. Deutsche Pfandbriefbank enjoyed a strong financial performance in 2004 and this success has continued into 2005 as well.

However, none of the bids submitted met DEPFA Group's full internal value for the Pfandbriefbank. Therefore the Board of Directors of DEPFA BANK plc came to the conclusion that a sale was not in the best interests of shareholders. This means that the corporate structure of DEPFA Group, which has been operating very successfully since 2002, is unchanged. DEPFA Group will continue as planned to further develop its business with German clients from its branch in Frankfurt.

The Bank's ongoing product diversification and its geographic expansion give DEPFA every confidence that it can achieve a Group net profit of up to € 600 m in 2006.