

Munich, 29.10.2008: Release of an Ad hoc announcement according to § 15 WpHG

Hypo Real Estate Holding AG:

Liquidity facilities and Financial Markets Stabilisation Fund

The contractual arrangements with a German finance sector consortium, Deutsche Bundesbank and the German Ministry of Finance regarding the liquidity lines totalling EUR 50bln, as announced on 6 October 2008, are currently in the final stages of negotiation. The liquidity lines are to be made fully available by mid-November.

To cover Hypo Real Estate Group's short-term liquidity requirements in the meantime, also against the background of recent market developments, the Group yesterday submitted an application to the Financial Markets Stabilisation Fund (*Sonderfonds Finanzmarktstabilisierung* – "SoFFin") for a guarantee with respect to a provision of EUR 15bln of liquidity by Deutsche Bundesbank. A decision is expected shortly.

Furthermore, the Group will submit an application to SoFFin for additional comprehensive support, including potential capitalisation measures. The utilisation of the Fund is expected to cover the Group's additional funding requirements once the liquidity facilities extended by the consortium have been disbursed, thus providing the basis for the medium-term re-positioning of the Group.