

**Ad-hoc release in accordance with section 15 WpHG**

**Hypo Real Estate Holding AG:**

**A group of investors coordinated by J.C. Flowers intends to submit a public offer to purchase around 24.9% of the shares of Hypo Real Estate Holding AG.**

**Munich, 16.04.2008:** A group of investors coordinated by J.C. Flowers & Co. LLC, and consisting of J.C. Flowers & Co. LLC, Shinsei Bank Limited and Grove International Partners LLP, has decided today to submit via an acquisition vehicle a voluntary public offer to the shareholders of Hypo Real Estate Holding AG to purchase 50,076,000 shares of Hypo Real Estate Holding AG ("HRE"). This is equivalent to approx. 24.9% of all outstanding shares of HRE, excluding the additional shares to be issued in August 2008 after the conversion of the mandatory convertible bond issued by Hypo Real Estate Finance B.V. for partially financing the DEPFA acquisition. The offer price shall be EUR 22.50 in cash per HRE share.

The announced price of EUR 22.50 in cash is equivalent to a premium of 25.3 % on the volume-weighted three-month average price (XETRA closing prices) before today (EUR 17.95) and of 21.8 % on the last closing price.

The Management Board in principle welcomes the offer, the preparation of which was supported by the Management Board. After reviewing the offer document which still has to be drawn up, the Management Board and Supervisory Board will provide a statement with reasons commenting on the offer including in particular the offer price.