

Press release

Manuela Better appointed to Board of Managing Directors of Hypo Real Estate Bank AG

Munich, December 4, 2003: The Supervisory Board of Munich-based Hypo Real Estate Bank AG has just appointed **Manuela Better** to act as a regular member of the bank's Board of Managing Directors with effect from January 1, 2004. Ms. Better, 43, will be responsible for Customer Care/Sales, Servicing, and Internal Services. In addition, she will have responsibility for Immo Trading GmbH, a subsidiary serving to exploit and manage bank-owned properties.

On leaving school, Better trained as a bank officer, studied business administration in Munich and Augsburg, and completed an apprenticeship with Bayerische Vereinsbank, where she began her career in the International Real Estate Finance department. She took over as head of this department in 1994. In 1998, Better moved on to FGH Bank in Utrecht, the Netherlands, which at that time was an HVB subsidiary, as head of Business Development, IT and Special Projects. Here she was appointed managing director in 2000. Most recently, she was responsible for overseeing the successful sale of FGH Bank to the Netherlands-based Rabobank Group.

Following the appointment of Manuela M. Better, the Board of Managing Directors of Hypo Real Estate Bank AG comprises Johann Berger (Board spokesman, Credit, Workout), Frank Hellwig (Reporting, Accounting, Taxes), Theodor Knepper (Treasury), and Ms. Better.

Similarly with effect from January 1, 2004, Credit Director **Reinhold Güntner**, 51, has been appointed new executive manager holding general power of attorney at Hypo Real Estate Bank AG.

Hypo Real Estate Bank AG, Munich, is a member of Hypo Real Estate Group (HREG). Hypo Real Estate Group (HREG) is one of Europe's largest providers of commercial real estate financing. However, neither the private residential mortgage business nor public-sector lending are included in its core business activities. HREG consists of the non-operational, listed holding company Hypo Real Estate Holding AG, domiciled in Munich, and three operational business units: besides Hypo Real Estate Bank AG Deutschland domiciled in Munich, these are Hypo Real Estate Bank International with headquarters in Dublin and Württembergische Hypothekbank AG (WürttHyp) with headquarters in Stuttgart.

The new bank's business model is cash-flow oriented and transaction controlled. That means that every transaction is considered individually and accepted or rejected on its own merits. There are no fixed rulings on industries, sites or real estate locations. Profitability and risk management take precedence; market share considerations and volume play a subordinate role.

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