

Press release

Hypo Real Estate Bank International: €240 million portfolio financing facility for the Aviva Central European Property Fund

London/Dublin/Munich, August 1st 2005: Hypo Real Estate Bank International announces today that it has acted as agent and arranger for a consortium of four banks to provide the Aviva Central European Property Fund with a financing facility of €240 million. The transaction closed on 15th July 2005.

The facility will be used, along with the funds equity, to purchase commercial property in the emerging markets of Central and Eastern Europe. The acquisition of the funds first three assets has also completed.

The Aviva Central European Property Fund is a Luxembourg-based closed-ended “fonds commun de placement (FCP)”, managed by Morley Fund Management and targeted at institutional investors.

King Sturge and SachsenFonds are joint asset managers.

Commenting, Harin Thaker, CEO Europe, said: “This transaction demonstrates how our knowledge of the region and the structure of our European business platform work to deliver a facility for a client who requires a single facility for investment in a number of countries. We are looking forward to working with Aviva on financing a significant number of assets in the region.”

Press contact:

Oliver Gruss

Phone: +49 (0)89 203007 781

Fax: +49 (0)89 203007 772

E-mail: oliver.gruss@hyporealestate.com

Notes to editors:

Hypo Real Estate Bank International

Hypo Real Estate Bank International based in Dublin, Ireland, is part of the Hypo Real Estate Group (HREG). The corporate group comprises the non-operational, listed holding company, Hypo Real Estate Holding AG headquartered in Munich and three operational business units. Besides Hypo Real Bank International with headquarters in Dublin, these are Württembergische Hypothekbank AG (WürttHyp) with headquarters in Stuttgart and Munich-based Hypo Real Estate Bank AG. Hypo Real Estate Group is one of Europe's largest providers of commercial real estate finance.

Aviva

Aviva is the world's fifth-largest insurance group and the biggest in the UK. They are one of the leading providers of life and pensions products to Europe and have substantial businesses elsewhere around the world. Morley Fund Management is their UK institutional asset management business. Morley have recently been named Property Manager of the Year at the UK Pensions Awards 2005.

Aviva Central European Property Fund

The Aviva Central European Property Fund is a Luxembourg-based closed-ended "fonds commun de placement (FCP)", targeted at institutional investors and managed by Morley Fund Management. The fund aims to provide unitholders with an exposure to commercial property (retail, office and warehouse/industrial sectors) in the emerging markets of Central and Eastern Europe.

85% of the fund is intended to be invested in the Czech Republic, Poland and Hungary, with the remainder to be invested in other Central and Eastern European countries.