

Press release

Hypo Real Estate Bank AG is to finance the acquisition of Aurelis Real Estate GmbH for a joint venture of HOCHTIEF Projektentwicklung GmbH and Redwood Grove International L.P.

- **Financing volume of considerably more than EUR 1 billion**
- **Portfolio comprises 1,495 properties with a total inner city area of 27 million m²**

Munich, 4 October 2007: Hypo Real Estate Bank AG, a member of the Hypo Real Estate Group, is to finance the acquisition of Aurelis Real Estate GmbH for a syndicate consisting of HOCHTIEF Projektentwicklung GmbH and Redwood Grove International L.P. The total financing volume is considerably more than EUR 1 billion. Hypo Real Estate Group already referred to this transaction in the press release from 18 September 2007.

1,495 properties in central locations

Aurelis Real Estate GmbH, Eschborn, was founded in 2002 for the purpose of taking over railway real estate as part of the process whereby German Railways focused on core business. The assets comprise 1,495 properties with a total area of 27 million m² situated in city centre locations in major cities in Germany. The syndicate (50%/50%) consisting of HOCHTIEF Projektentwicklung GmbH and Redwood Grove International L.P. announced on 5 September 2007 that it had signed an agreement with Deutsche Bahn AG for purchasing all shares of Aurelis Real Estate GmbH & Co. KG.

Frank Lamby, Member of the Management Board of Hypo Real Estate Holding AG and responsible for Commercial Real Estate: "I am pleased that Hypo Real Estate Bank is supporting this transaction with a customised and flexible financing solution. This also demonstrates that the group has permanently established itself as a prime financing partner – as a "lender of choice" – for complex large-volume transactions in Germany."

HOCHTIEF Projektentwicklung GmbH

Since 1991, HOCHTIEF Projektentwicklung has been developing, carrying out and marketing real estate projects in Germany and abroad. The company has specialised in office, hotel and special real estate at inner-city locations and areas close to the city centre; in these market segments, it is considered to be one of the leading developers in Germany. New product market segments are retail and logistics real estate. A further focal point of activities is the development of urban quarters. The aim is to sell the properties at the earliest possible stage to final investors. Properties are not marketed as part of HOCHTIEF Projektentwicklung's own portfolio. For further information, please contact www.hochtief-projektentwicklung.de.

Redwood Grove International L.P.

Redwood Grove International L.P. (RGI) is a real estate private equity fund with an equity volume of USD 2 billion. The capital of the fund is provided by a broad base of international institutional investors, including private and public pension funds, foundations, financial institutions and high-net-worth private individuals. RGI invests in real estate companies and companies related to the real estate sector, together with successful partners. The regional focus of investment is currently in Germany and Japan.

Press contact:

Hypo Real Estate Group

Oliver Gruß

Telephone: +49 (0)89 203007 781

Telefax: +49 (0)89 203007 772

E-Mail: oliver.gruss@hyporealestate.com.