

Press Release

Hypo Real Estate Bank AG provides financing of more than EUR 1 billion to IVG Immobilien AG

Munich, 18 September 2007: Hypo Real Estate Bank AG – a member of the Hypo Real Estate Group – has financed the acquisition of a German office building portfolio ("core portfolio") for a special-purpose vehicle of IVG Immobilien AG. In total, the bank has made available a long-term loan and an equity purchasing bridging loan of more than EUR 1 billion. In addition, the bank concluded a further transaction for EUR 1 billion several days ago.

Georg Funke, CEO Hypo Real Estate Holding AG: "These transactions stand as examples for the continued positive development of the group's business. We are reaping the benefits from the fact that we only provide support to professional customers in the commercial real estate market and that we are not engaged in the private housing finance market. Even in these more difficult times, I can thus confirm the positive operating trend of recent months for the Hypo Real Estate Group. New business is developing as planned. The results of Hypo Real Estate Group for the ongoing quarter and also for the full year have developed according to plan. The strength of institutions which are funded on a long-term basis is demonstrated in these more difficult times. We covered our medium-term and long-term funding requirement for the current year on favourable terms in the first half. As a result of rising margins, we consider that we will face business opportunities which are also consistent with our conservative risk profile. Following the completion of the DEPFA transaction, we will emerge strengthened from this market situation."

Hypo Real Estate Group

Hypo Real Estate Group is one of Europe's largest providers of commercial real estate financing. The group has around 1,230 employees (as of December 31, 2006) and consists of the listed holding company **Hypo Real Estate Holding AG** (Munich) and operational business entities. **Hypo Real Estate Bank International AG** (Stuttgart) and **Hypo Real Estate Bank AG** (Munich) conduct the real estate financing activities (segment **Commercial Real Estate**). **Hypo Public Finance Bank** (Dublin) combines public and infrastructure finance. The Group also conducts asset management and offers innovative products which enable credit risks and services from its range of skills to be managed for or offered to third parties (segment **Asset Finance and Asset Management**). The shares of Hypo Real Estate Holding AG have been listed on the Deutsche Aktienindex (DAX) since December 2005.

IVG Immobilien AG

IVG Immobilien AG is a European real estate company with real estate assets of more than EUR 19 billion in the areas of investment, funds, development and caverns. The main investments comprise office properties in selected European prime locations. IVG successfully utilises its location network to benefit from the market opportunities in the regions and to generate attractive returns for its investors.

Press contact:**Hypo Real Estate Group**

Oliver Grub

Telephone: +49 (0)89 203007 781

Telefax: +49 (0)89 203007 772

Email: oliver.gruss@hyporealestate.com