

Press release

Hypo Real Estate Group has secured major new funding facility

Munich, Sep 29, 2008 – Hypo Real Estate Group has secured a major new credit facility which is designed to shield the company from the impact of the current malfunctioning of the international money markets. A consortium from the German financial sector has provided Hypo Real Estate Holding AG, together with its subsidiaries DEPFA Bank Plc, Hypo Real Estate Bank AG, Hypo Real Estate Bank International AG and DEPFA Deutsche Pfandbriefbank AG with a multi-billion Euro short-term and mid-term credit facility sufficient to cover the Group's funding needs well into the future. Hypo Real Estate Group had entered into talks with the consortium in response to the extremely challenging conditions on the international money markets following the Lehman collapse and other market disruptions.

Georg Funke, CEO of Hypo Real Estate Group, said: "The new credit facility is a far-reaching and innovative approach which allows us to adjust our funding structure in order to accommodate the current malfunctioning of the international money markets. Hypo Real Estate Group will not need to go back to the unsecured money market for its refunding in the foreseeable future."

As a consequence of the arrangement, Hypo Real Estate Holding AG will have to impair the goodwill of its holding in DEPFA Bank Plc. This impairment will have a significant material effect on the Group's P&L statement. A dividend distribution for the financial year 2008 is not expected.

Hypo Real Estate Group

Following the acquisition of DEPFA Bank plc in October 2007, **Hypo Real Estate Group** has evolved into one of the leading international financial services providers for commercial real estate lending, public finance and infrastructure finance. The Group, with total assets of €395 billion, 1,900 employees and offices across Europe, the Americas and Asia, consists of the non-operational listed Hypo Real Estate Holding AG and operational entities. Hypo Real Estate Bank International AG and Hypo Real Estate Bank AG conduct the international real estate financing business. DEPFA and DEPFA Deutsche Pfandbriefbank AG conduct the public sector and infrastructure finance business. Additional information is to be found on www.hyporealestate.com.

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