

Press release

SoFFin extends existing guarantees granted to Hypo Real Estate Group until 19 August 2009

- **Uniform extension of overall EUR 52 billion framework guarantee**

Munich, 14 April 2009 – The German Financial Markets Stabilisation Fund ("SoFFin") has extended the overall EUR 52 billion framework guarantee granted to Hypo Real Estate Group until 19 August 2009. The extension of the guarantee term was necessary due to the impending expiration of EUR 30 billion in existing guarantees on 15 April 2009. To facilitate the uniform handling, SoFFin has now extended all guarantees under the framework until a single expiration date.

On 28 March 2009, SoFFin issued a declaration of intent to take action to stabilise Hypo Real Estate Group: specifically, by implementing measures to achieve a sufficient recapitalisation of Hypo Real Estate Holding AG, and by extending guarantees. On the same date, SoFFin subscribed 20 million Hypo Real Estate Holding AG shares to be issued under authorised capital, at the minimum price prescribed by law of EUR 3.00 per share, and now holds around 8.7 per cent of the company's shares.

Hypo Real Estate Bank AG, as part of Hypo Real Estate Group, can continue to use guarantees issued by SoFFin to collateralise debt securities to be issued, which must be due for repayment by 19 August 2009 at the latest. The terms of the guarantee remain unchanged: Hypo Real Estate Bank AG will pay to SoFFin a pro-rata commitment commission of 0.1% on the undrawn portion of the framework guarantee, and a 0.5% p.a. fee on guarantees drawn upon.

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