

Press release

"Slimbo" money market bond issued for the first time by Wuerttembergische Hypothekenbank

- **WuerttHyp Slimbo No. 1 with an issue volume
of €1 billion**
- **Re-offer price 1.25 bp above seven-month Euribor**

Stuttgart/Munich, 15.09.2005: Wuerttembergische Hypothekenbank – which from 2006 onwards will trade as Hypo Real Estate Bank International AG – is for the first time issuing a "Slimbo" money market bond (Short Liquid Money market Bond).

The "WuerttHyp Slimbo No. 1" of Wuerttembergischen Hypothekenbank has an initial issue volume of €1 billion. It has a life of seven months, and the re-offer price is 1.25 bp above seven-month Euribor. This is equivalent to a yield of 2.1935 %. The smallest tradable unit is €50,000. The "WuerttHyp Slimbo 1" will be listed over-the-counter (OTC) trading on the Stuttgart stock exchange. The syndicate and market makers comprise LBBW, Citigroup, Commerzbank, Dresdner Kleinwort Wasserstein, IXIS and HVB.

This type of bond, which is a new funding instrument, is a bearer bond with a minimum issue volume of €500 million. "Slimbos" provide the advantages of high liquidity and a short life (approx. two years). The high liquidity, which will be retained until the last day of maturity, will be guaranteed by permanent market making of the lead managers. A further attractive aspect is the spread between bid and offer price which varies between one and four Cents depending on maturity. This means that the paper is very negotiable. Bloomberg and EUREX Bonds provide an electronic trading platform for the Slimbo.

Information for editors:

**Wuerttembergische Hypo due to become Hypo Real Estate Bank
International AG**

As already announced, the Hypo Real Estate Group is taking advantage of the opportunities provided by the new Pfandbrief Act. Accordingly, the group – which is one of the largest European providers of commercial real estate financing – is combining its *international real estate financing business* in Wuerttembergische Hypothekenbank (Stuttgart), which from 2006 onwards will trade as **Hypo Real Estate Bank International AG**. Public Finance business as well as Capital Markets will be operated in Hypo Public Finance Bank puc (Dublin), which will in future be a subsidiary of Hypo Real Estate Bank International AG. The centre of competence for the *German market* is **Hypo Real Estate Bank AG** in Munich.

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