

Press release

Hypo Real Estate Bank International AG: Successful completion of financing for Beacon Partners Capital (“Beacon”) for the acquisition and redevelopment of Axa Tower (CB31 Tower) in Paris La Défense

Munich/Paris/London 4 July 2007: Hypo Real Estate Bank International AG, a member of Hypo Real Estate Group, announces that it has provided a comprehensive financing facility (including guarantees and hedging) to Beacon Partners Capital to acquire and re-develop the AXA Tower (CB31 Tower) in Paris La Defense. The Transaction completed on 19th June 2007.

The highly structured financing allows Beacon to enter into a 50/50 joint venture agreement with AXA to jointly re-develop the building. Beacon will take full ownership at completion, expected in late 2010.

The AXA Tower, built between 1970 and 1974, will be significantly re-developed into a 218 meter high 50 floor Class A office tower comprising 80.720 m² useable space, including offices, storage, staff restaurant and technical rooms. It will also provide 122 internal car spaces, 5 external VIP car spaces and 509 car spaces in public parking belonging to EPAD. The Tower will become a landmark property in La Défense, the largest business district in Europe.

Commenting, Harin Thaker, CEO Europe – Hypo Real Estate Bank International, said: “The completion of this transaction highlights our commitment to highly structured property finance deals and to the French market – both investment and development financing. It also illustrates our strategy to provide swift and reliable execution in value added transactions and support the development of high profile clients such as Beacon and AXA”.

Press contact:

Oliver Gruß

Phone: +49 (0)89 203007 781

Fax: +49 (0)89 203007 772

E-mail: oliver.gruss@hyporealestate.com

Notes to editors:

Hypo Real Estate Group

Hypo Real Estate Group is one of Europe's largest providers of commercial real estate financing. The Group will develop additional growth and establish the conditions necessary for a further increase in profitability by consistently developing the business model towards that of a more broadly based **Asset Finance House**. Hypo Real Estate Group has around 1230 employees (as of December 31, 2006) and consists of the non-operational, listed holding company **Hypo Real Estate Holding AG** (Munich) and three 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 are listed on the Deutsche Aktienindex (DAX 30).