

Press release

Hypo Real Estate Bank International AG: Successful completion of US\$ 45.5 million financing to a JV formed by Brack Capital and Apollo Real Estate Advisors for the development of a logistic complex in the Moscow Region

Munich/ Moscow 21 September 2007: Hypo Real Estate Bank International AG, a member of Hypo Real Estate Group, announces that it has provided US\$ 45.5 million of combined construction, VAT and investment loan package to a Joint Venture formed by Brack Capital and Apollo Real Estate Advisors. The transaction was signed on 18.09.2007.

The facility has been made available for the development of a c. 41,000 sq m high quality logistic complex in Lobnia, Moscow Region, Russia. The property is fully pre-let to a quality international tenant for a period of 7 years.

Commenting, Harin Thaker, CEO Europe – Hypo Real Estate Bank International, said: “Both Brack Capital and Apollo Real Estate Advisors are key global clients for us and we are delighted to provide them with a development and investment facility in Russia. This transaction continues our commitment to the Russian real estate market”.

Commenting, Eyal Gutman, CEO Brack Capital Holdings added:

“We are pleased to work with Hypo Real Estate Bank’s professional team in Russia and internationally. Hypo Real Estate Bank uniquely brings to the table a real understanding of our business and provides us with the support we look for, as an investor and developer”.

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Notes to editors:

Hypo Real Estate Group

Hypo Real Estate Group is one of Europe's largest providers of commercial real estate financing. 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).

Apollo Real Estate Advisors

Apollo Real Estate Advisors is one of the most active and prominent opportunistic real estate investors in the U.S. and internationally. Apollo focuses on the acquisition of fundamentally sound income-producing assets in the major European markets. The firm seeks to add value, with proven local operating partners through aggressive asset management. Since the firm's founding in 1993, Apollo has overseen the investment of eight real estate funds totalling more than \$4.5 billion in equity. Apollo funds collectively have invested in more than 210 transactions with an aggregate value of more than \$20 billion. Apollo principals are William Mack, founder and senior partner; Lee Neibart, senior partner; John Jacobsson and Richard Mack, managing partners, New York; William Benjamin, managing partner, London; Richard Ackerman, partner, Los Angeles; and Stuart Koenig, partner and global CFO. The firm's Web site is www.apollorealestate.com.

Brack Capital Real Estate

Brack Capital Real Estate is a leading international owner, developer and manager of large-scale real estate projects and related M&A activities. Over the past fourteen years, BCRE has acted as a principal in investments of over \$7 billion, primarily in the US and Europe. As a developer and investor, BCRE has taken the lead in projects totalling of over 30 million sq. ft. of office, retail, and residential space.

Established in 1992, the Brack group also invests in infrastructure, technology and energy. The group operates from offices in New York, London, Moscow, New Delhi, Mumbai, Beijing, Miami, Frankfurt, Amsterdam, Budapest, Madrid, Rome, Limassol, and Tel Aviv.