

Press release

Hypo Real Estate Bank International appoints Charles Balch

Munich/Dublin/London 12 November 2003: Hypo Real Estate Bank International (“HREBI”), the international real estate finance business division of the newly listed Hypo Real Estate Group (Hypo Real Estate Holding AG), announces today the appointment of **Charles Balch** to coordinate its real estate structured finance and investment banking teams in London.

Balch (41), who was part of the Hypo Bank team in the mid nineties, will join HREBI from Aareal Bank, where he is currently Head of Global Clients and responsible for running, sourcing and synchronising locally based teams to provide a cross border service to international clients. He will be based in the London office and report directly to its Chief Executive, Harin Thaker.

Harin Thaker, CEO of Hypo Real Estate Capital Ltd., London, commented: “Charles will be responsible for helping us to acquire UK and cross border deals and to assist in expanding the London loan book. His origination skills and cross-border deal experience make him ideal for this role.” **Charles Balch** added: “I am delighted to join the Hypo Real Estate Bank International. I am looking forward to the challenge of continuing to build on HREBI’s successful UK and Pan European franchise.”

Press contact:

Oliver Grub

Fon: +49 (0)89 203007 781

Fax: +49 (0)89 203007 772

E-Mail: oliver.gruss@hyporealestate.com

Notes to Editors:

The Hypo Real Estate Group (HREG) is one of the biggest providers of commercial real estate finance in Europe. At the same time, neither private residential construction loans nor public sector finance (municipal loan operations) form part of its business.

HREG consists of a listed (Frankfurt and Vienna), non-operating holding company, Munich-based Hypo Real Estate Holding AG, and three operating units: *Hypo Real Estate Bank International* headquartered in Dublin, *Württembergische Hypothekenbank AG (WürttHyp)* headquartered in Stuttgart, and *Hypo Real Estate Bank AG Deutschland* headquartered in Munich.

The new bank's business model has a cash flow orientation and is transaction-driven. This means that each transaction is considered and approved individually. There are no generalized statements about industries, sites, or locations. The focus is on yield and risk management, with market share and volume taking a backseat.

For further information: www.hyporealestate.com.