

Press release

Hypo Real Estate Bank International: Successful completion of a €100 million financing to Dawnay, Day Carpathian PLC for the acquisition of a mixed use property in Warsaw, Poland

Warsaw/Stuttgart/Munich, 12 June 2006: Hypo Real Estate Bank International announces that it has provided €100 million of financing to Dawnay, Day Carpathian PLC for the acquisition of the Promenada Shopping and Business Centre in Warsaw, Poland, together with a further committed facility for the projected extension and development of the centre. The transaction closed on 31st May 2006.

The property is located within the Praga Poludnia district of Warsaw on the eastern side of the River Vistula. It comprises a shopping centre with approximately 38,500 sq m rentable area, and a self-contained office building with approximately 11,500 sq m rentable area. A further extension of both retail and office, with approximately 7,300 sq m rentable area is planned for 2007/2008.

Commenting, Harin Thaker, CEO - Europe, said: “This deal continues Hypo Real Estate Bank International’s successful relationship with Dawnay, Day Carpathian PLC, which I hope to continue into the future.”

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Notes to editors:

Hypo Real Estate Group

The **Hypo Real Estate Group** (HREG) is one of the largest European providers of commercial real estate financing. The group consists of the non-operational listed holding company, namely **Hypo Real Estate Holding AG** based in Munich, and three operational entities. The **Hypo Real Estate Bank International AG** (Stuttgart) combines the international real estate financing activities. The centre of competence for the German market is **Hypo Real Estate Bank AG** based in Munich. **Hypo Public Finance Bank** (Dublin) combines public finance and Capital Markets activities.

Dawnay Day Carpathian

Dawnay, Day Carpathian was incorporated in mid-2005 for the purpose of investing in the retail property market in Central and Eastern Europe and is listed on the AIM market of London Stock Exchange plc. Countries benefiting from the latest round of EU accession on 1 May 2004 will be targeted in particular. Other countries will also be carefully reviewed for investment opportunities, particularly where accession to the EU may be possible in the foreseeable future. Target countries therefore include the Baltic States, the Czech Republic, Hungary, Bulgaria, Poland, Romania and Slovakia.