

Press release

Hypo Real Estate Bank International: Successful completion of €341 million financing to a joint venture held by MSREF IV, FSA Properties and Foncière des Régions

Munich/Stuttgart/Paris, 18 July 2006: Hypo Real Estate Bank International announces that it has arranged a €341 million facility for a joint venture held by MSREF IV, FSA Properties and Foncière des Régions. The purpose of the facility is to provide an extension of existing debt and to finance the construction costs of Dassault Systèmes' new headquarters in Vélizy. The transaction closed on 29 June 2006.

The facility consists of the refinancing of an existing loan for a portfolio of four lots located in Vélizy-Villacoublay and Meudon (let to Thalès, Alcatel and Alstom) and the financing of a development project that will host the new head office of Dassault Systèmes, located at rue Latécoère in Vélizy (78). This new development will consist of four buildings totalling around 55,000 m², comprising Class A office space, light industrial space and an inter-company restaurant.. Completion and delivery is expected in July 2008.

Commenting, Harin Thaker, CEO – Europe, said: “I am happy to announce this successful deal, which confirms our expertise in the French market.”

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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.