

Press release

Hypo Real Estate Bank International, Japan, finances part of Lone Star's investment into the Kokusai Akasaka Building and the Kokusai Shin Akasaka Buildings, Tokyo

Tokyo/Dublin/Munich, September 30th 2004: Hypo Real Estate Capital Japan Corporation (HRECJC), a 100% subsidiary of Hypo Real Estate Bank International, is providing an essential part in the financing for the Lone Star Group investment into the Kokusai Akasaka Building and the Kokusai Shin Akasaka Buildings, Tokyo. The arrangement of financing with a total amount of approximately JPY 100 billion (around 769 million euros) in debt divides into a senior A tranche provided by a local debt investor to which HRECJC added a JPY 56 billion (around 430 million euros) mezzanine B tranche. The deal is HRECJC's first major finance transaction since its start of operation in July 2004.

Juergen Fenk, member of the board of executive directors of Hypo Real Estate Bank International: "We are proud that in our first major transaction in Japan we were able to support a major professional global investor, on a significantly large transaction together with a prominent local debt investor."

Dr. Leonard Meyer zu Brickwedde, President and Chief Executive Officer of Hypo Real Estate Capital Japan Corporation: "When we opened our operation in Japan in July we made a strong verbal commitment about our intention in this real estate market. I am very happy that so soon we were able to deliver first proof."

Note to editors

Hypo Real Estate Capital Japan Corporation

Hypo Real Estate Capital Japan Corporation is a 100% subsidiary of Hypo Real Estate Bank International. The company commenced operations on July

1st 2004, and its range of services comprises large commercial real estate financing as well as the structuring of major transactions and portfolio financing. These services are targeted at Japanese and international professional real estate investors. Hypo Real Estate Capital Japan Corporation is headed by Dr. Leonard Meyer zu Brickwedde.

Hypo Real Estate Bank International, Dublin

Hypo Real Estate Bank International, Dublin, is a member of the Hypo Real Estate Group (HREG), one of Europe's largest providers of commercial real estate financing. The group consists of the non-operational listed holding company and three operational business units. Besides Hypo Real Estate Bank International with headquarters in Dublin, these are: Württembergische Hypothekenbank AG (WürttHyp) with headquarters in Stuttgart and Hypo Real Estate Bank AG, Munich, Germany.

Press contact:

Oliver Gruss

Phone: +49 (0)89 203007 781

Fax: +49 (0)89 203007 772

E-mail: oliver.gruss@hyporealestate.com