

Press release

Hypo Real Estate Bank International appoints Matthew Webster as head of Real Estate Securitisation

Munich/Dublin/London 31st October 2003: Matthew A. Webster has been appointed as head of Real Estate Securitisation of Hypo Real Estate Bank International. Webster (37) joins the bank with a strong pedigree in Investment Banking. In his new position he will be responsible for all European and US securitisation issues. He reports directly to Eckehard Dettinger-Klemm, a member of the board of managing directors of the bank who is responsible for Treasury and Capital Markets.

Prior to joining Hypo Real Estate Bank International, Webster spent three years with Morgan Stanley. During this time he led the team that structured and securitised a £ 531 million HoteloC transaction, globally the largest single operator hotel transaction. Before joining Morgan Stanley Webster worked with Fitch IBCA Limited (London and New York City) and Capital Re Corp.

Eckehard Dettinger-Klemm commented: “We are very happy that Matthew has joined the team in London. His experience and technical expertise make him ideal for this position within the bank. He will add considerable value to our business in the future”. **Matthew Webster** added: “Hypo Real Estate Bank International has a strong base from which to expand its business and I look forward to tackling the major challenges and opportunities that this role will bring”.

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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 (including Westfälische Hypothekenbank, which is to be absorbed into Hypo Real Estate Bank AG).

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.

This document does not constitute an offer to sell or a solicitation of an offer to purchase any securities. Shares of Hypo Real Estate Holding AG will be distributed only to existing shareholders of Bayerische Hypo- und Vereinsbank AG (HVB AG) in connection with the spin-off of the commercial real estate financing business of HVB AG into Hypo Real Estate Holding AG, and no shares of Hypo Real Estate Holding AG are for sale in connection with such spin-off or the listing of such shares on the Frankfurt Stock Exchange.

The securities referred to herein will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to or for the benefit of United States persons, except pursuant to an applicable exemption from registration.