

Press release

Hypo Real Estate Bank International AG (Stuttgart) securitizes US \$ 341.4 million US Loans

Stuttgart/Munich, 12 April 2006: Hypo Real Estate Bank International, Stuttgart, closed its securitisation transaction “ESTATE US-1”. This transaction initiates the banks securitisation program “ESTATE” that it will continuously use in different structural formats. The program “ESTATE” will place CMBS of different countries, property types and risk profiles into global capital markets.

“ESTATE US-1” is a synthetic CMBS that contains three loans on prime office buildings in Manhattan and Washington, D.C. The risk of this portfolio was sold into the global capital markets using several classes of Credit Default Swaps (CDS) and Credit Linked Notes (CLN). The transaction was rated by Standard & Poor’s and Fitch with ratings from “AAA” to “A-“. The very high quality of the loans becomes transparent as the “AAA” piece equals 89.2% of the portfolio and the first loss tranche of “ESTATE US-1” has a rating of “A-“ from both rating agencies.

The transaction was structured, arranged and lead managed by the securitisation team in Stuttgart. Hypo Real Estate Bank International plans to have securitisation teams in London and New York who also contribute to the program “ESTATE”.

Hypo Real Estate Bank International AG, Stuttgart

The **Hypo Real Estate Bank International AG**, Stuttgart, is part of the **Hypo Real Estate Group** (HREG) 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.

Press contact:

Oliver Grub

Phone: +49 (0)89 203007 781

Fax: +49 (0)89 203007 772

E-mail: oliver.gruss@hyporealestate.com

Notes for editors:

Further information on “ESTATE US-1” including the information memorandum on the CLN (listed in Luxembourg), the transaction structure, reports etc. are available soon under www.hypointernational.com (securitisation).