

Press release

Hypo Real Estate Bank International: Successful completion of EUR 246.5 million financing for Eurocastle's acquisition of Deutsche Bank Portfolio

London/Dublin/Munich, January 10th 2005: Hypo Real Estate Bank International announces today that it has provided EUR 246.5 million of term financing to Eurocastle Investment Limited. The facility has been provided to support Eurocastle's circa EUR 300 million acquisition of a portfolio of 109 properties from Deutsche Bank.

Eurocastle Investment Limited is a real estate investment company managed by Fortress Investment Group LLC; the global investment and asset management firm with over \$11 billion of equity capital currently under management.

This acquisition complements Eurocastle's existing portfolio of European real estate related investments. It consists mainly of office buildings occupied by Deutsche Bank on medium to long term leases and is spread across some 90 towns and cities throughout Germany.

Commenting, Harin Thaker, CEO of Hypo Real Estate Bank International's European business platform, said: "This was a challenging financing, from both a structuring perspective and due to the timescale in which it had to be completed. Our ability to meet Eurocastle's requirements demonstrates the way in which our new European business platform can deliver a structured finance solution for UK clients in continental Europe."

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Notes to editors:

Hypo Real Estate Bank International

Hypo Real Estate Bank International based in Dublin, Ireland, is part of the Hypo Real Estate Group (HREG). The corporate group – which is the result of HVB Group spinning off its commercial real estate activities – comprise the non-operational, listed holding company, Hypo Real Estate Holding AG headquartered in Munich and three operational business units. Besides Hypo Real Bank International with headquarters in Dublin, these are Württembergische Hypothekenbank AG (WürttHyp) with headquarters in Stuttgart and Munich-based Hypo Real Estate Bank AG. Hypo Real Estate Group is one of Europe's largest providers of commercial real estate finance.

Eurocastle Investment Limited

Eurocastle is a publicly traded investment company listed on the London Stock Exchange with a market capitalisation in excess of EUR 300 million. The company invests in and manages a diverse portfolio consisting primarily of European real estate related asset-backed securities and other European real estate related assets. Eurocastle is managed by Fortress Investment Group LLC.

Fortress Investment Group LLC

Fortress is a global alternative investment and asset management firm founded in 1998 with over US\$11 billion in equity capital currently under management. Fortress invests capital on behalf of major US and European pension funds, institutions and high net worth individuals. Fortress is headquartered in New York, and has affiliates with offices in Toronto, London, Frankfurt, Rome and Geneva.

The portfolio

The 109 properties are located in some 90 medium-sized and smaller cities predominantly in West Germany. They are largely occupied by Deutsche Bank, who will continue to occupy most of their current space over the medium to long term. The properties comprise a mixture of banking halls and office space and are in the main located in city centre and pedestrian areas. In total there is some 300,000 sq. m. of lettable space.