

Press release

Hypo Real Estate Bank International AG: Successful completion of €12 million acquisition and refurbishment financing to a company held by Orion Capital Managers, for the acquisition of an office building located Rue d’Astorg in Paris CBD (8th district) .

Paris/London/Munich, 10 January 2007: Hypo Real Estate Bank International AG announces today that it has arranged a €12 million acquisition and refurbishment financing (including a Capex VAT loan) to Compagnie Immobilière Betelgeuse, a quoted property company controlled by Orion Capital Manager’s Orion European Real Estate Fund II. The transaction closed on 18 December 2006.

The funding will be used by Compagnie Immobilière Betelgeuse to acquire from the French Government an office building located at Rue d’Astorg in Paris, (8th), Central Business District. The building is currently mostly tenanted by French Government services. A full refurbishment will be undertaken at the expiration of the different leases and, upon completion, the building will comprise 12,000 sqm of lettable class A office area over the ground and eight upper floors plus 50 parking spaces.

Commenting, Harin Thaker, CEO Europe of Hypo Real Estate Bank International AG, said: “The successful closing of this transaction with a key client, again proves our ability to deliver timely, tailor-made financing solutions.”

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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.

Orion Capital Managers

Orion Capital Managers is a private international real estate investment firm founded in 1999 to invest in real Estate all over Europe.

Orion Capital Managers raised and invested the Orion European Real Estate Fund (€476 million of equity), raised the Orion European Real Estate Fund II (€ 500 million of equity) and is in the process of closing its third investment vehicle, Orion Income Return Partners (OIRP).

Since its inception, the firm invested over €2.0 billion in Western Europe.

Funds I, II, and OIRP Investors include over 20 European and North American top blue-chip pension funds and Middle-East and Asian government funds.