

Press release

Hypo Real Estate Bank International AG: Successful completion of €43 million financing for Mermont Italy Srl and Ability Real Estate Srl

Munich / London / Milan, 14 January 2008: Hypo Real Estate Bank International AG, a member of Hypo Real Estate Group, announces that it has provided an €43 million acquisition and investment facility to Mermont Italy Srl and Ability Real Estate Srl. The transaction was completed on 20 December 2007 in connection with the acquisition of the Club Med Resort in Kamarina, Sicily.

Commenting, Harin Thaker, CEO-Europe, Middle East & India - Hypo Real Estate Bank International, said: “This transaction, signed at the end of 2007, demonstrates our ability to deliver complex financing solutions in demanding time frames - we look forward to working with Ability again in the future.”

Commenting, Ability Chairman Andreas Panayiotou, added: “We are pleased to be working with Hypo Real Estate Bank International again and were impressed with their support and commitment to this transaction.”

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Notes to editors:

The Ability Group

The Ability Group was formed in 1996 by Group Chairman Andreas Panayiotou who has built a £1bn residential property portfolio in the United Kingdom. The Group has recently started to expand its commercial portfolio and in recent months Ability Group has acquired the Cambridge Garden House hotel, Dunblane Hydro, Hilton Liverpool and Premier Inn Glasgow. The current focus on hotels is part of a commercial portfolio building programme set to grow to over €4 bn by 2010.