

Q2 2007 –  
Excellent results of Hypo Real Estate Group  
**Dr. Markus Fell, CFO**

Hypo  Real Estate  
GROUP

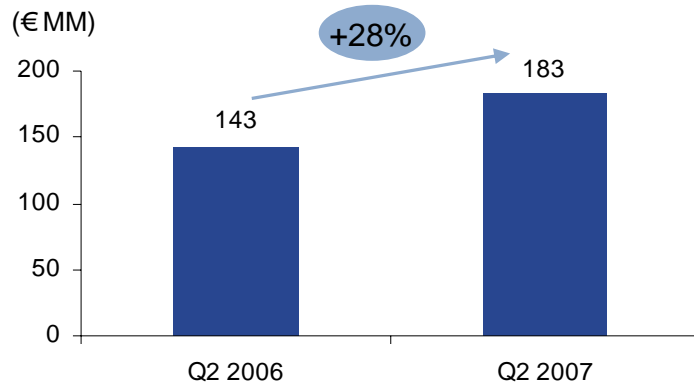


# Hypo Real Estate Group

## Net profit boosted by 30%

### PRE-TAX PROFIT

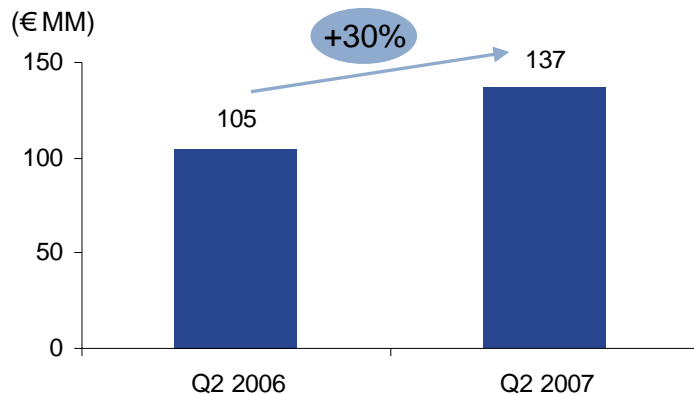
Q2 2006 vs. Q2 2007



- I Pre-tax profit up by 28%, benefiting from continued increase in operating revenues and a comparatively lower cost growth
- I Net profit up even more (+30%) due to an improved tax rate

### NET PROFIT<sup>(1)</sup>

Q2 2006 vs. Q2 2007



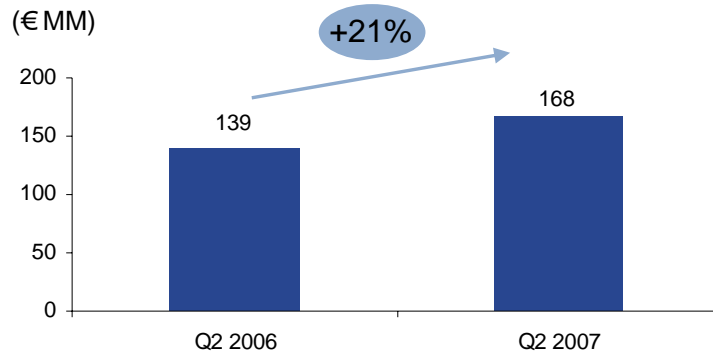
**Note:**

1. Excluding the effects from capitalised losses carried forward and income of capitalised corporate income tax claims

# Hypo Real Estate Group

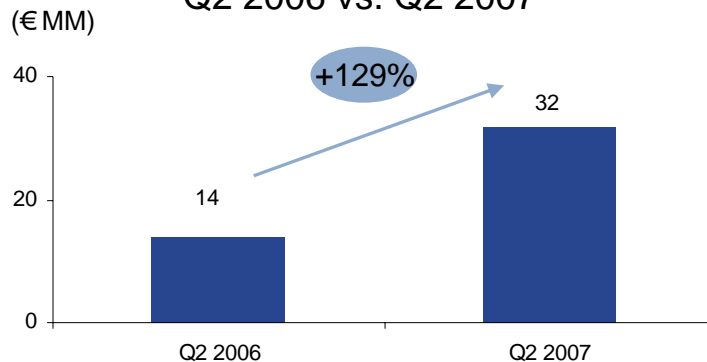
## A strong operating development in both segments

### COMMERCIAL REAL ESTATE PRE-TAX PROFIT Q2 2006 vs. Q2 2007



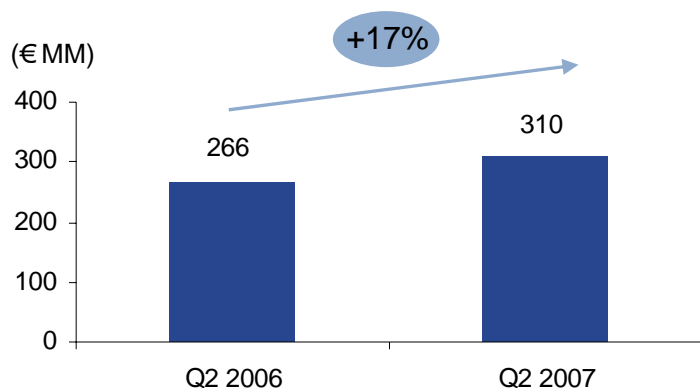
- | Pre-tax profit in CRE up 21% vs. Q2 2006, driven by further growth in operating revenues and less need for provisioning in Germany
- | Net interest income up 5% despite flat portfolio in Q1 2007; further improved average margins in the German portfolio
- | Net commission income up strongly (+52% vs. Q2 2006) due to high new business volume
- | Pre-tax profit in AF&AM more than doubled vs. Q2 2006 (+129%), especially driven by a strong increase in operating revenues
- | Net interest income strongly up (+229%) due to the growing asset-based and infrastructure finance portfolio as well as the enlarged securitisation business

### ASSET FINANCE & ASSET MANAGEMENT PRE-TAX PROFIT Q2 2006 vs. Q2 2007



### TOTAL OPERATING REVENUES

Q2 2006 vs. Q2 2007



I Total operating revenues boosted (+17% vs. Q2 2006) by strong improvement in all major income lines:

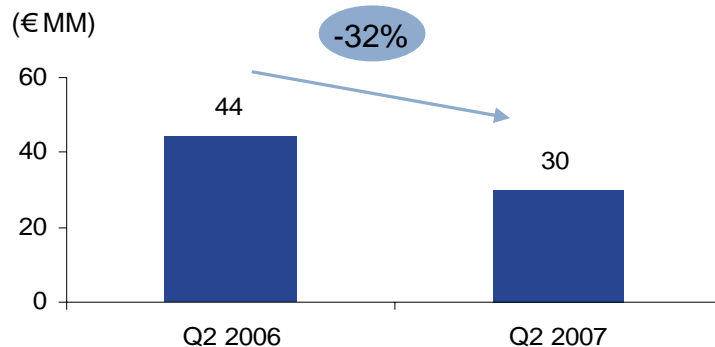
I net interest income: +13%

I net commission income: +31%

I net trading income: +367%

### LOAN-LOSS PROVISIONS

Q2 2006 vs. Q2 2007



I Loan-loss provisions in Q2 2007 of €30 MM (including portfolio-based provisioning) down 32% vs. Q2 2006 due to strict risk management as well as a better situation in the German real estate market

# Hypo Real Estate Group

## Stable quarterly upward trend

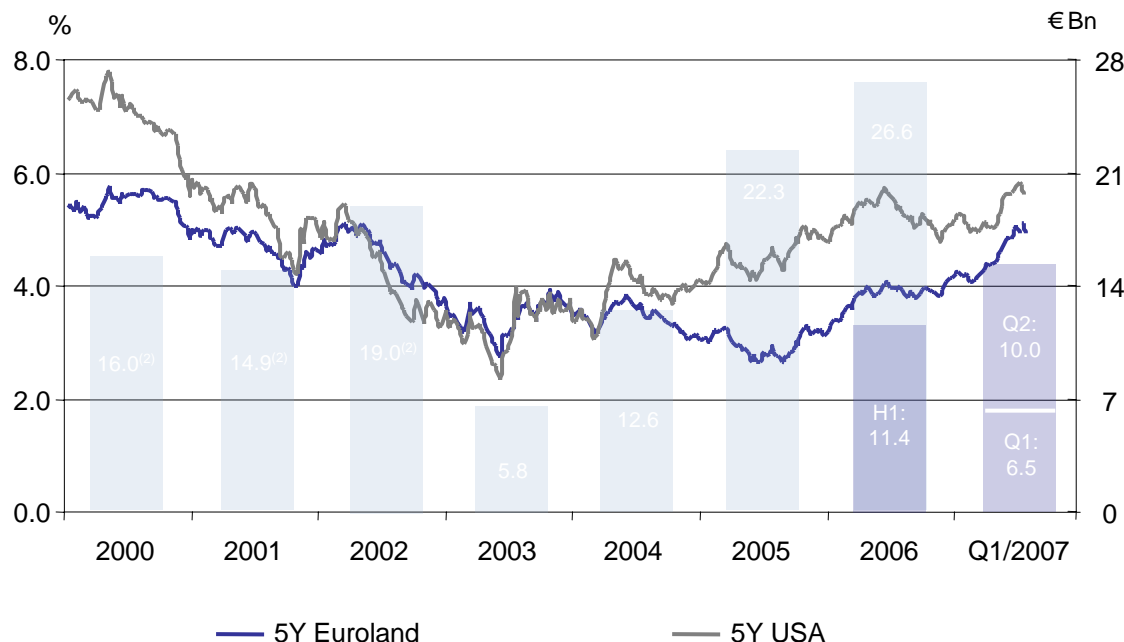
(€ MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>266</b>	<b>270</b>	<b>282</b>	<b>295</b>	<b>310</b>
Net interest income	198	208	208	217	224
Net commission income	35	33	43	42	46
Net trading income	6	14	7	15	28
Net income from investments	26	14	26	19	10
Balance of other operating income/expenses	1	1	-2	2	2
Provisions for losses on loans and advances	44	36	36	34	30
General administrative expenses	79	86	90	89	97
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes (excluding restructuring expenses)</b>	<b>143</b>	<b>148</b>	<b>156</b>	<b>172</b>	<b>183</b>
Restructuring expenses	0	0	17	0	0
<b>Pre-tax profit (including restructuring expenses)</b>	<b>143</b>	<b>148</b>	<b>139</b>	<b>172</b>	<b>183</b>
Taxes on income <sup>(1)</sup>	38	39	28	42	46
<b>Net income/loss<sup>(1)</sup></b>	<b>105</b>	<b>109</b>	<b>111</b>	<b>130</b>	<b>137</b>
<b>New business<sup>(2)</sup> (€ Bn)</b>	<b>6.2</b>	<b>6.9</b>	<b>10.2</b>	<b>6.5</b>	<b>10.0</b>
<b>Total loan portfolio<sup>(3)</sup> (€ Bn)</b>	<b>68.9</b>	<b>72.7</b>	<b>75.3</b>	<b>74.6</b>	<b>77.6</b>
<b>Risk assets compliant with BIS rules (€ Bn)</b>	<b>59.8</b>	<b>64.8</b>	<b>66.4</b>	<b>69.3</b>	<b>73.0</b>
<b>Core capital ratio compliant with BIS rules (%)</b>	<b>7.4</b>	<b>6.9</b>	<b>7.0<sup>(4)</sup></b>	<b>6.7</b>	<b>6.9</b>
<b>Employees</b>	<b>1,172</b>	<b>1,206</b>	<b>1,229</b>	<b>1,234</b>	<b>1,237</b>

- I Upward trend in operating revenues continues; net interest and commission income at highest levels ever
- I Net commission income especially driven by record new business volume
- I € 10 MM shift from net income from investments to net trading income, resulting from the realisation of financial instruments
- I General administrative expenses up € 8 MM vs. Q1 2007, including one-off expenses
- I Tier I ratio at 6.9%; € 350 MM hybrid capital issued in June

### | 5 | Notes:

1. Excluding the effects from capitalised losses carried forward and income of capitalised corporate income tax claims
2. Real estate and asset finance based on commitments without syndication and securitisation
3. Real estate and asset finance based on commitments
4. As per approved annual financial statements and after profit distribution

### Interest rates and new real estate business development<sup>(1)</sup>



- I New on-balance sheet business amounted to € 10.0 Bn in Q2 2007; H1 new business volume of € 16.5 Bn thus exceeds ½ of full-year target of at least € 25 Bn
- I € 2.0 Bn additional off-balance sheet volume originated for syndication and securitisation in H1 2007; warehouse volume amounted to € 2.0 Bn (6/2007)
- I Repayments and prepayments amounted to € 6.4 Bn in Q2 (Q1: € 5.7 Bn)
- I IRR on new business remained at >13%
- I German prolongation strategy continued with a total prolongation rate of 50% in H1 (volume prolonged € 1.2 Bn)

**Notes:**

1. Internal unaudited figures
2. Based on commitments before syndication including new retail residential business

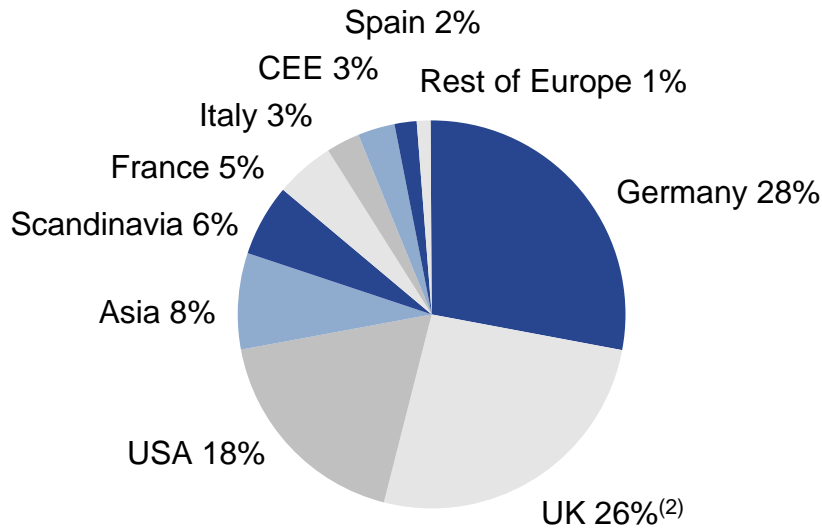
## ... making obvious that moderate/nominal interest rate increases do not harm our business prospects

- ▶ Existing portfolio shows a very limited sensitivity towards interest rate rises as customers have been obliged to hedge a large proportion of the exposure or have fixed rate loans
- ▶ Matched funding strategy
- ▶ Interest rates are rising because Central Banks are fighting inflation. Cash-flows of the properties are rising as commercial rents are linked to the CPI, balancing the interest rate increase and keeping the ISC/DSC ratio fairly stable. Resulting in ongoing investments in commercial real estate by experienced investors and subsequently new business opportunities for HRX.
- ▶ Competitive advantage due to strong position in Pfandbrief market (escape into quality) as Pfandbrief spreads remain low or even tighten
- ▶ New business volumes historically uncorrelated to nominal interest rates levels

# Hypo Real Estate Group

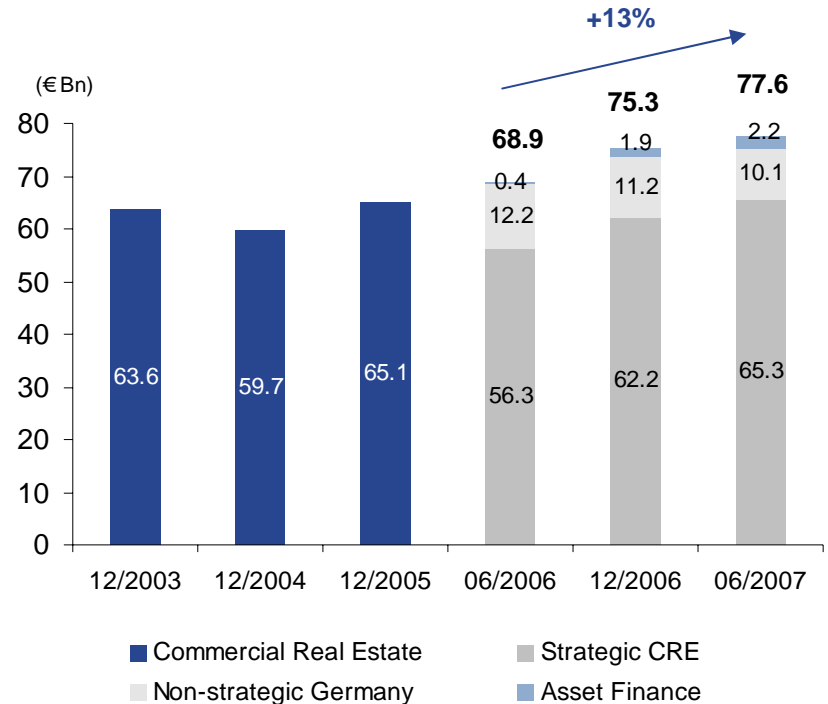
## High degree of new business diversification

**TOTAL NEW BUSINESS<sup>(1)</sup>**  
Split by Region H1 2007



**100% = €16.5 Bn**

**LOAN PORTFOLIO DEVELOPMENT<sup>(3)</sup>**  
Split by Segment (Commitments) 12/2003 - 06/2007



**Notes:**

1. Based on commitments without syndication and securitisation
2. Including Pan-European portfolio transactions
3. Internal unaudited figures

## Contact Details Investor Relations Team

Ulrich Kern  
(Head of Investor Relations)

+49 (0)89 203 007 780  
ulrich.kern@hyporealestate.com

Frank Ertz

+49 (0)89 203 007 776  
frank.ertz@hyporealestate.com

Michael Heuber

+49 (0)89 203 007 778  
michael.heuber@hyporealestate.com

Heike Pichler  
(Assistant)

+49 (0)89 203 007 782  
heike.pichler@hyporealestate.com

- IMPORTANT NOTICE -

This presentation is not an offer or invitation to subscribe for or purchase any securities.

No warranty is given as to the accuracy or completeness of the information in this presentation. You must make your own independent investigation and appraisal of the business and financial condition of Hypo Real Estate Group and its securities.

Nothing in this presentation shall form the basis of any contract or commitment whatsoever.

This presentation is furnished to you solely for your information. You may not reproduce it or redistribute to any other person.

This presentation may only be made, distributed or passed on to persons in the United Kingdom in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply.

This presentation contains forward-looking statements. These statements may be identified by such words as “may”, “plans”, “expects”, “believes” and similar expressions, or by their context. These statements are made on the basis of current knowledge and assumptions. Various factors could cause actual future results, performance or events to differ materially from those described in these statements. Such factors include general economic conditions, the conditions of the financial markets in Germany, in Western Europe and in the United States, the performance of the Hypo Real Estate Group’ core markets and changes in laws and regulations. No obligation is assumed to update any forward-looking statements.

The roadshow presentation and any written materials distributed during such presentation are made available only to qualified institutional buyers, as such term is defined in Rule 144A under the U.S. Securities Act of 1933, as amended (“QIBs”). By participating in the roadshow presentation and accepting this document, you are deemed to represent that you are a QIB.

*By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.*



# Hypo Real Estate Group

## Q2 2007 – strengthening operating income

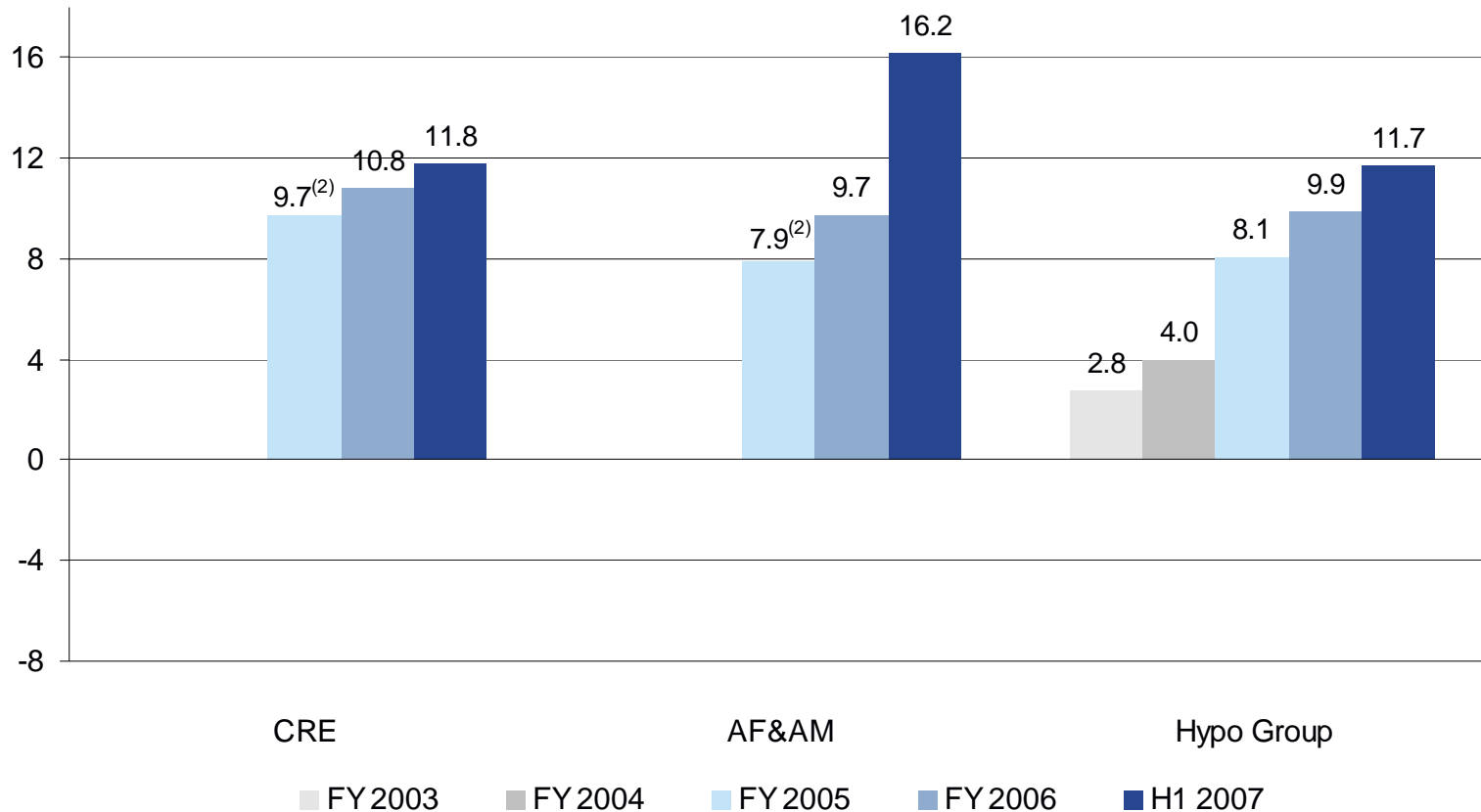
KEY FINANCIALS (IFRS)			
(€MM)	Q2 2007	Q2 2006	Change (%)
<b>Total operating revenues</b>	<b>310</b>	<b>266</b>	<b>+16.5</b>
Net interest income	224	198	+13.1
Net commission income	46	35	+31.4
Net trading income	28	6	+366.7
Net income from investments	10	26	-61.5
Balance of other operating income/expenses	2	1	+100.0
Provisions for losses on loans and advances	30	44	-31.8
General administrative expenses	97	79	+22.8
Balance of other income/expenses	0	0	0
<b>Net income/loss before taxes</b>	<b>183</b>	<b>143</b>	<b>+28.0</b>
Taxes on income <sup>(1)</sup>	46	38	+21.0
<b>Net income/loss<sup>(1)</sup></b>	<b>137</b>	<b>105</b>	<b>+30.5</b>

**Note:**

1. Excluding the effects from capitalised losses carried forward

### RETURN ON EQUITY<sup>(1)</sup> DEVELOPMENT – SPLIT BY SEGMENT

(in %)



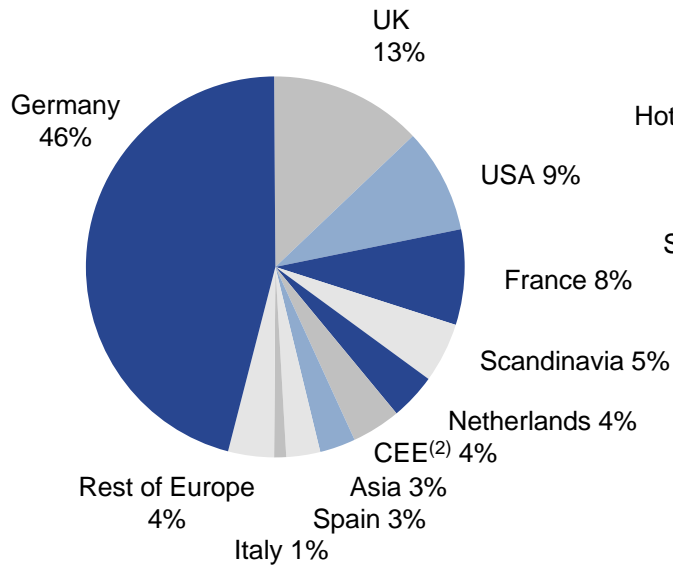
**Notes:**

1. After taxes; excluding the effects from capitalised losses carried forward and income of capitalised corporate income tax claims
2. Based on allocated capital

# Hypo Real Estate Group

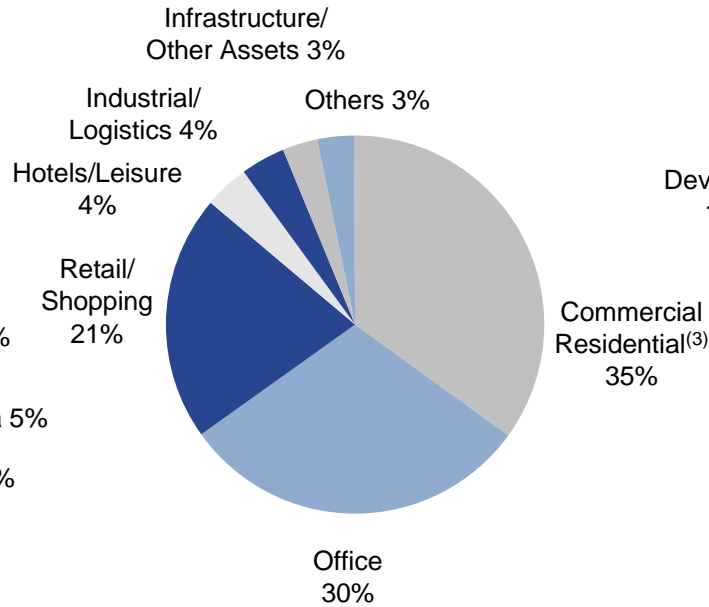
## Highly diversified loan portfolio

**SPLIT BY REGION**  
Loan Portfolio 06/2007<sup>(1)</sup>



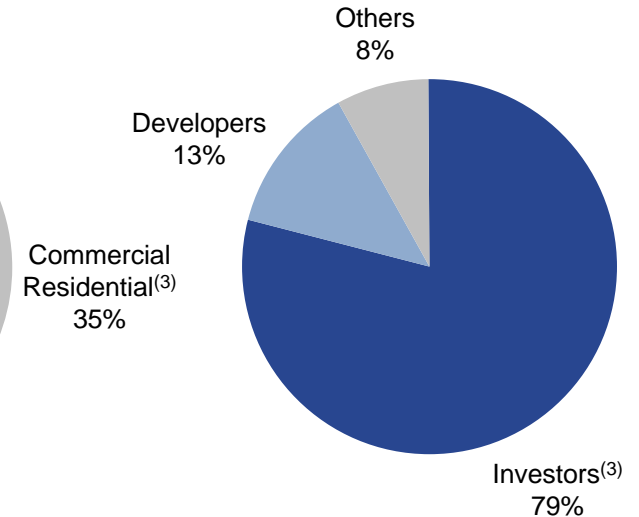
100% = €77.6 Bn

**SPLIT BY ASSET CLASSES**  
Loan Portfolio 06/2007<sup>(1)</sup>



100% = €77.6 Bn

**SPLIT BY CUSTOMER TYPE**  
Loan Portfolio 06/2007<sup>(1)</sup>



100% = €77.6 Bn

**Notes:**

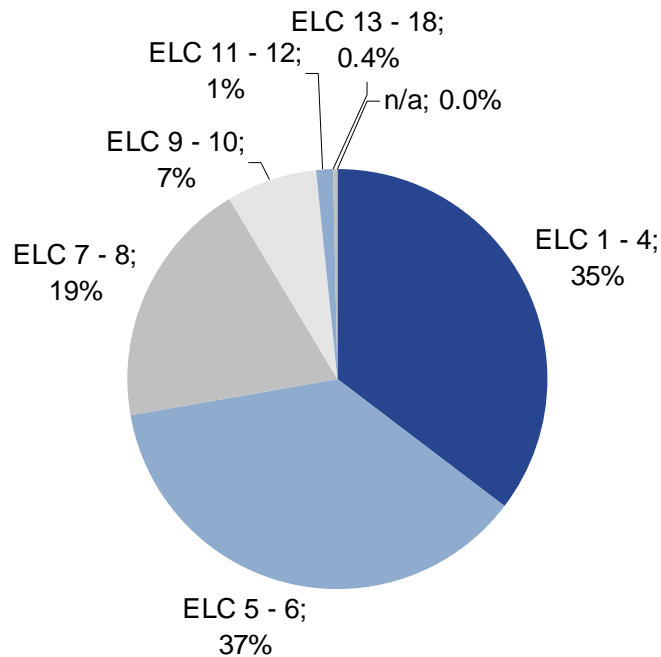
1. Real estate and asset finance based on commitments; internal unaudited figures
2. CEE mainly comprises Hungary, Poland and the Czech Republic
3. Including German retail residential loans of €4.4 Bn

# Hypo Real Estate Group

## Ongoing high quality of the loan portfolio

### EXPECTED LOSS CLASSES

Loan Exposure at Default  
Hypo Group 06/2007<sup>(1)</sup>



**100% = €66 Bn**

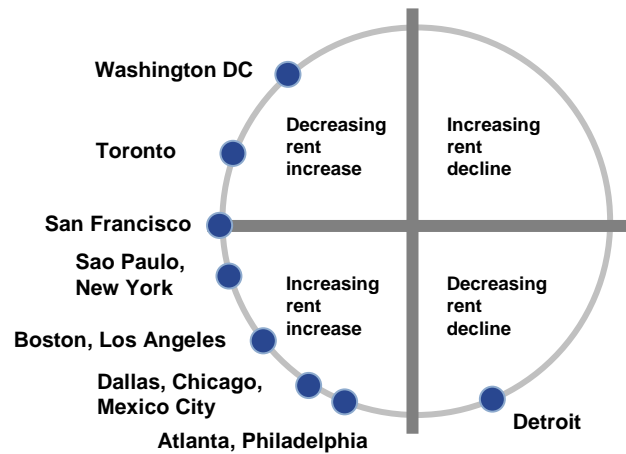
I Average EL of Hypo Group further decreased to approx. €151 MM (23 Bp), showing the improving high quality of the loan portfolio

EL classes	1 - 4	5 - 6	7 - 8	9 - 10	11-12	13-18
from (in Bp)	0	5	20	55	160	>400
to (in Bp)	5	20	55	160	400	

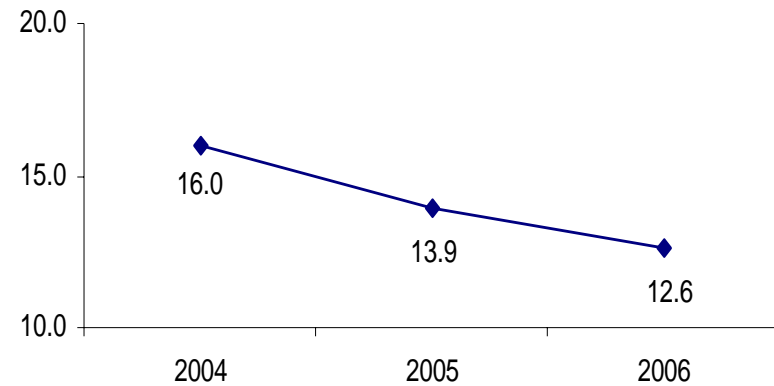
**Note:**

1. Real estate and asset finance based on outstandings; internal, unaudited figures

### AMERICAN OFFICE CLOCK<sup>(1)</sup> Q2/2007



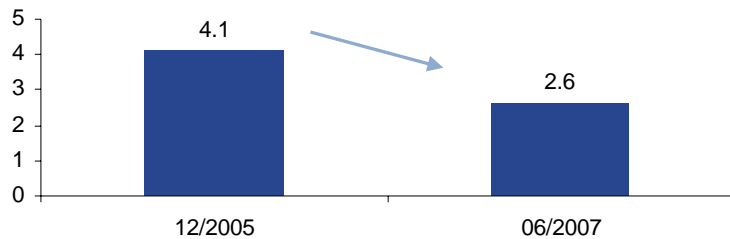
### AVERAGE OFFICE VACANCY RATE<sup>(2)</sup> 2004 – 2006



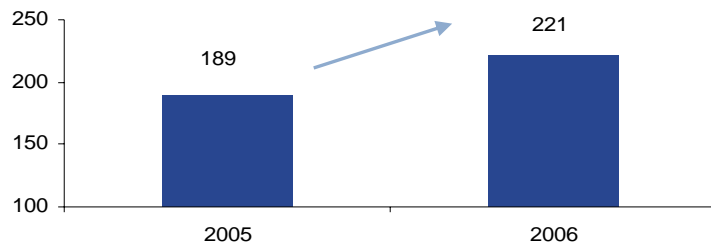
1. Source: Jones Lang LaSalle, Investor Presentation June 2007
2. Source: BIZ Annual Report (primary CB Richard Ellis, Jones Lang LaSalle, et al.)

## In addition, the US residential portfolio has been reduced and strongly de-leveraged

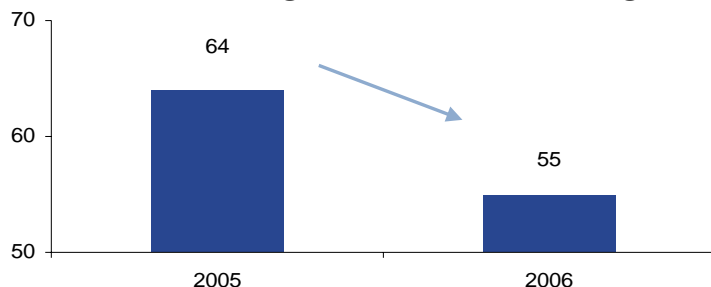
### DEVELOPMENT OF US RESIDENTIAL EXPOSURE<sup>(1)</sup>



### DEVELOPMENT OF ISC-RATIO



### DEVELOPMENT LTV-RATIO



| Exposure strongly reduced especially in commercial residential as the consolidation in construction/conversion market had been anticipated:

- No new condo conversion loans since mid 2005
- Repayments through successful sales of properties and syndications
- Outstanding residential volume is quite limited with €1.1 Bn

| Portfolio quality improved visible in a significantly higher ISC and LTV

| The portfolio could, thus, stand a significant deterioration of the business fundamentals (interest rates, rents, etc.) without on average incurring problems

# Commercial Real Estate

## Net income increased by 23%

KEY FINANCIALS (IFRS)	Q2 2007	Q2 2006	Change (%)
(€ MM)			
<b>Total operating revenues</b>	<b>264</b>	<b>247</b>	<b>+9.1</b>
Net interest income	204	194	+5.2
Net commission income	41	27	+51.9
Net trading income	10	0	+100.0
Net income from investments	8	22	-63.6
Balance of other operating income/expenses	1	-1	-200.0
Provisions for losses on loans and advances	29	43	-32.6
General administrative expenses	67	60	+11.7
Balance of other income/expenses	0	0	0
<b>Net income/loss before taxes</b>	<b>168</b>	<b>139</b>	<b>+20.9</b>
Taxes on income <sup>(1)</sup>	39	34	+14.7
<b>Net income/loss<sup>(1)</sup></b>	<b>129</b>	<b>105</b>	<b>+22.9</b>
(%)	<b>Q2 2007</b>	<b>FY 2006</b>	
ROE after taxes <sup>(1)</sup>	11.8	10.8	
Cost-income ratio	25.5	25.6	
(€ Bn)	<b>Q2 2007</b>	<b>Q2 2006</b>	<b>Change (%)</b>
New business <sup>(2)</sup>	9.4	6.2	+51.6
Real estate portfolio <sup>(3)</sup>	75.4	68.5	+10.1
Risk weighted assets	67.4	57.4	+17.4

**Notes:**

1. Excluding the effects from capitalised losses carried forward
2. Based on commitments without syndication and securitisation
3. Based on commitments

# Commercial Real Estate Quarterly development

(€ MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>242</b>	<b>250</b>	<b>267</b>	<b>254</b>	<b>264</b>
Net interest income	194	205	201	201	204
Net commission income	27	29	39	35	41
Net trading income	0	0	0	0	10
Net income from investments	22	14	26	16	8
Balance of other operating income/expenses	-1	2	1	2	1
Provisions for losses on loans and advances	43	36	34	33	29
General administrative expenses	60	66	70	65	67
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>139</b>	<b>148</b>	<b>163</b>	<b>156</b>	<b>168</b>
Taxes on income <sup>(1)</sup>	34	37	25	36	39
<b>Net income/loss<sup>(1)</sup></b>	<b>105</b>	<b>111</b>	<b>138</b>	<b>120</b>	<b>129</b>

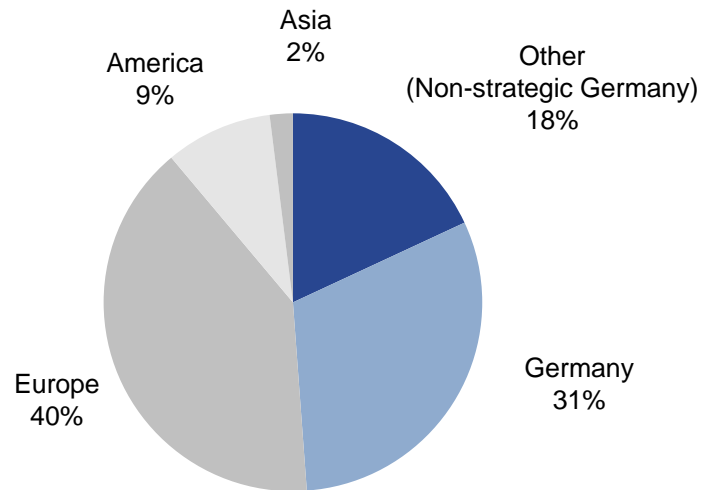
New business <sup>(2)</sup> (€ Bn)	6.2	6.1	9.1	6.2	9.4
Real estate portfolio <sup>(3)</sup> (€ Bn)	68.5	71.9	73.4	72.6	75.4
Risk weighted assets (€ Bn)	57.4	61.5	62.1	63.7	67.4
Employees	941	974	980	966	953

**Notes:**

1. Excluding the effects from capitalised losses carried forward and the income of capitalised corporate tax claims
2. Based on commitments without syndication and securitisation
3. Based on commitments

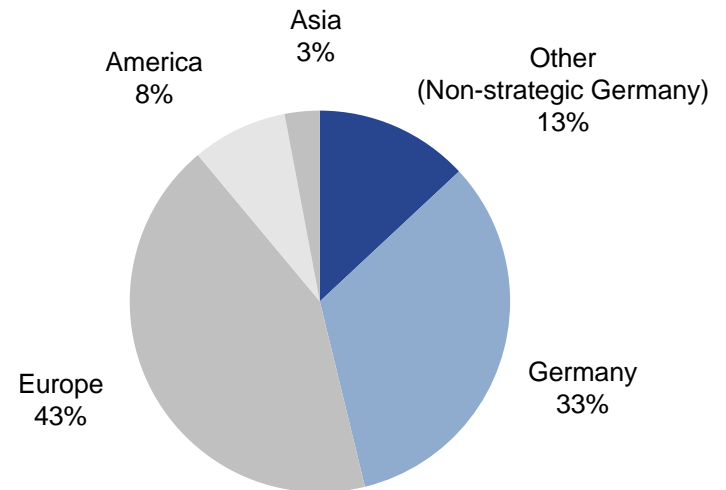
# Commercial Real Estate Portfolio breakdown by sub-segment

**TOTAL REAL ESTATE VOLUME<sup>(1)</sup>**  
Split by Sub-segment/Platform 06/2006



**100% = €68.5 Bn**

**TOTAL REAL ESTATE VOLUME<sup>(1)</sup>**  
Split by Sub-segment/Platform 06/2007

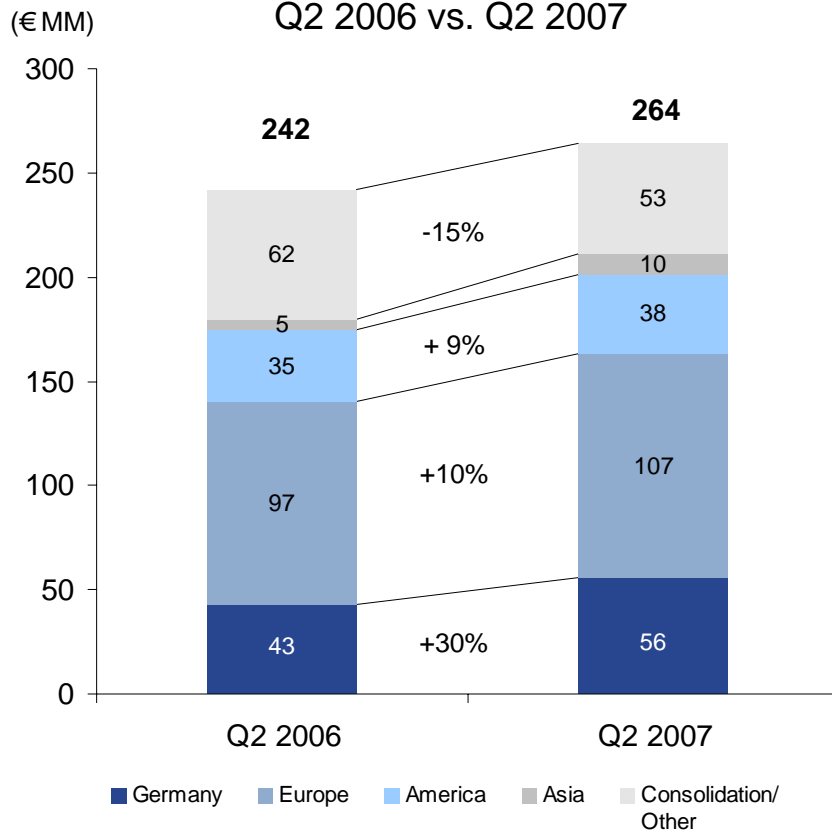


**100% = €75.4 Bn**

# Commercial Real Estate Performance by sub-segment

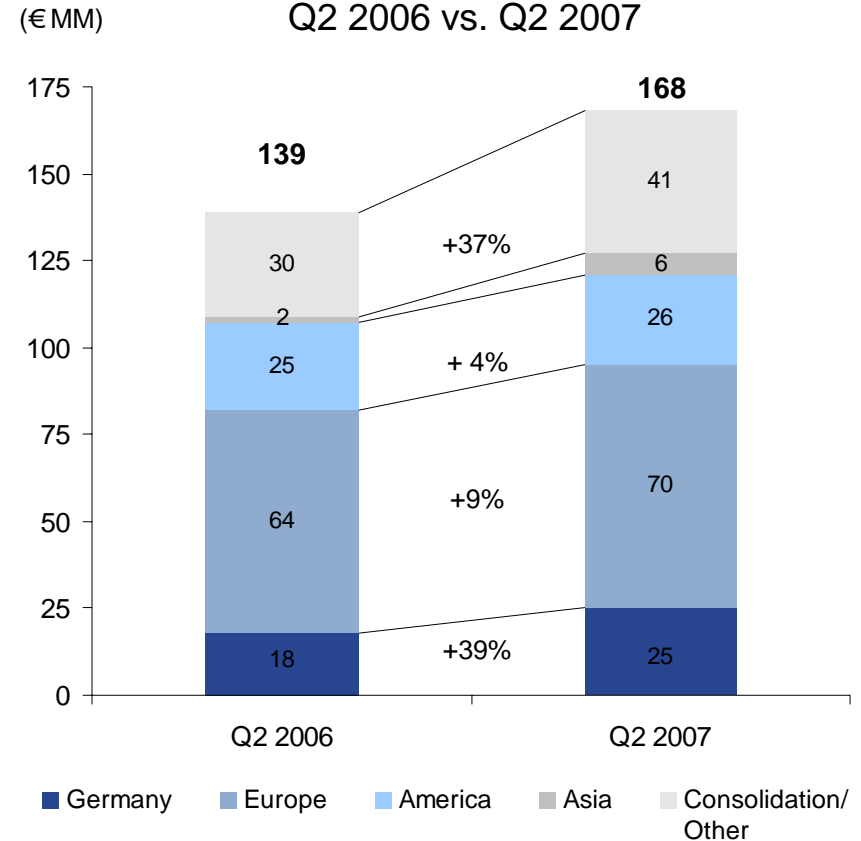
## TOTAL OPERATING REVENUES

Split by Sub-segment/Platform  
Q2 2006 vs. Q2 2007



## PRE-TAX PROFIT

Split by Sub-segment/Platform  
Q2 2006 vs. Q2 2007



# Commercial Real Estate Sub-segment/platform Germany

(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>43</b>	<b>50</b>	<b>50</b>	<b>59</b>	<b>56</b>
Net interest income	41	47	48	53	51
Net commission income	2	3	2	6	6
Net trading income	0	0	0	0	0
Net income from investments	0	0	0	0	0
Balance of other operating income/expenses	0	0	0	0	-1
Expected loss	13	14	16	17	17
General administrative expenses	12	12	11	12	14
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>18</b>	<b>24</b>	<b>23</b>	<b>30</b>	<b>25</b>
New business <sup>(1)</sup> (€ Bn)	1.5	1.7	2.0	2.2	2.4
Real estate portfolio <sup>(2)</sup> (€ Bn)	21.3	22.2	23.2	24.2	25.5
Risk weighted assets (€ Bn)	15.3	15.5	15.7	17.8	18.8

**Notes:**

1. Based on commitments without syndication and securitisation
2. Based on commitments

# Commercial Real Estate Sub-segment/platform Europe

(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>97</b>	<b>99</b>	<b>103</b>	<b>98</b>	<b>107</b>
Net interest income	83	81	80	82	88
Net commission income	14	19	24	15	17
Net trading income	0	0	0	0	0
Net income from investments	0	0	0	0	0
Balance of other operating income/expenses	0	-1	-1	1	2
Expected loss	14	15	16	16	15
General administrative expenses	19	21	23	22	22
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>64</b>	<b>63</b>	<b>64</b>	<b>60</b>	<b>70</b>
New business <sup>(1)</sup> (€ Bn)	4.2	3.3	5.4	2.7	4.6
Real estate portfolio <sup>(2)</sup> (€ Bn)	27.9	30.9	31.3	30.3	31.7
Risk weighted assets (€ Bn)	23.7	26.4	26.6	25.5	27.1

**Notes:**

1. Based on commitments without syndication and securitisation
2. Based on commitments

# Commercial Real Estate Sub-segment/platform America

(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>35</b>	<b>34</b>	<b>42</b>	<b>38</b>	<b>38</b>
Net interest income	24	25	28	25	27
Net commission income	11	9	14	12	11
Net trading income	0	0	0	0	0
Net income from investments	0	0	0	0	0
Balance of other operating income/expenses	0	0	0	1	0
Expected loss	1	2	2	2	1
General administrative expenses	9	10	11	10	11
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>25</b>	<b>22</b>	<b>29</b>	<b>26</b>	<b>26</b>
New business <sup>(1)</sup> (€ Bn)	0.3	0.9	1.4	0.8	1.6
Real estate portfolio <sup>(2)</sup> (€ Bn)	5.8	6.0	6.2	5.7	5.9
Risk weighted assets (€ Bn)	4.7	4.7	4.8	4.6	5.1

**Notes:**

1. Based on commitments without syndication and securitisation
2. Based on commitments

# Commercial Real Estate Sub-segment/platform Asia

(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>7</b>	<b>10</b>
Net interest income	4	5	4	5	8
Net commission income	1	1	1	2	2
Net trading income	0	0	0	0	0
Net income from investments	0	0	0	0	0
Balance of other operating income/expenses	0	0	0	0	0
Expected loss	1	1	1	1	1
General administrative expenses	2	3	3	3	3
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>6</b>
New business <sup>(1)</sup> (€ Bn)	0.2	0.2	0.3	0.5	0.8
Real estate portfolio <sup>(2)</sup> (€ Bn)	1.3	1.4	1.5	1.7	2.2
Risk weighted assets (€ Bn)	1.3	1.3	1.4	1.6	2.2

**Notes:**

1. Based on commitments without syndication and securitisation
2. Based on commitments

# Asset Finance & Asset Management

## Pre-tax profit more than doubled

KEY FINANCIALS (IFRS)	Q2 2007	Q2 2006	Change (%)
(€MM)			
<b>Total operating revenues</b>	<b>49</b>	<b>26</b>	<b>+88.5</b>
Net interest income	23	7	+228.6
Net commission income	5	8	-37.5
Net trading income	18	6	+200.0
Net income from investments	2	4	-50.0
Balance of other operating income/expenses	1	1	0
Provisions for losses on loans and advances	1	1	0
General administrative expenses	16	11	+45.5
Balance of other income/expenses	0	0	0
<b>Net income/loss before taxes</b>	<b>32</b>	<b>14</b>	<b>+128.6</b>
Taxes on income	7	4	+75.0
<b>Net income/loss</b>	<b>25</b>	<b>10</b>	<b>+150.0</b>
(%)	<b>Q2 2007</b>	<b>FY 2006</b>	
ROE after taxes	16.2	9.7	
Cost-income ratio	34.0	47.9	
(€Bn)	<b>Q2 2007</b>	<b>Q2 2006</b>	<b>Change (%)</b>
New business <sup>(1)</sup>	0.6	0.4	+50.0
Asset finance portfolio <sup>(1)</sup>	2.2	0.4	+450.0
Assets under management/administration	39.6	22.1	+79.2
Risk w eighted assets	6.1	2.4	+154.2

# Asset Finance & Asset Management

## Quarterly development

(€ MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>26</b>	<b>25</b>	<b>24</b>	<b>45</b>	<b>49</b>
Net interest income	7	7	13	20	23
Net commission income	8	4	4	7	5
Net trading income	6	14	7	15	18
Net income from investments	4	0	0	3	2
Balance of other operating income/expenses	1	0	0	0	1
Provisions for losses on loans and advances	1	0	2	1	1
General administrative expenses	11	13	11	16	16
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>14</b>	<b>12</b>	<b>11</b>	<b>28</b>	<b>32</b>
Taxes on income	4	2	3	6	7
<b>Net income/loss</b>	<b>10</b>	<b>10</b>	<b>8</b>	<b>22</b>	<b>25</b>
New asset finance business <sup>(1)</sup> (€ Bn)	0.4	0.4	1.1	0.3	0.6
Total asset finance portfolio <sup>(1)</sup> (€ Bn)	0.4	0.8	1.9	2.0	2.2
Risk weighted assets (€ Bn)	2.4	3.2	4.3	5.9	6.1
Employees	161	158	167	180	193

**Notes:**

1. Based on commitments

# Asset Finance & Asset Management Sub-segment/platform Capital Markets

(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>5</b>	<b>14</b>	<b>4</b>	<b>19</b>	<b>20</b>
Net interest income	0	2	1	9	7
Net commission income	1	0	2	0	-1
Net trading income	4	11	1	9	12
Net income from investments	0	1	0	1	2
Balance of other operating income/expenses	0	0	0	0	0
Expected loss	0	0	0	0	0
General administrative expenses	2	2	1	6	4
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>3</b>	<b>12</b>	<b>3</b>	<b>13</b>	<b>16</b>
Risk weighted assets (€ Bn)	0.9	1.1	0.9	1.6	1.5

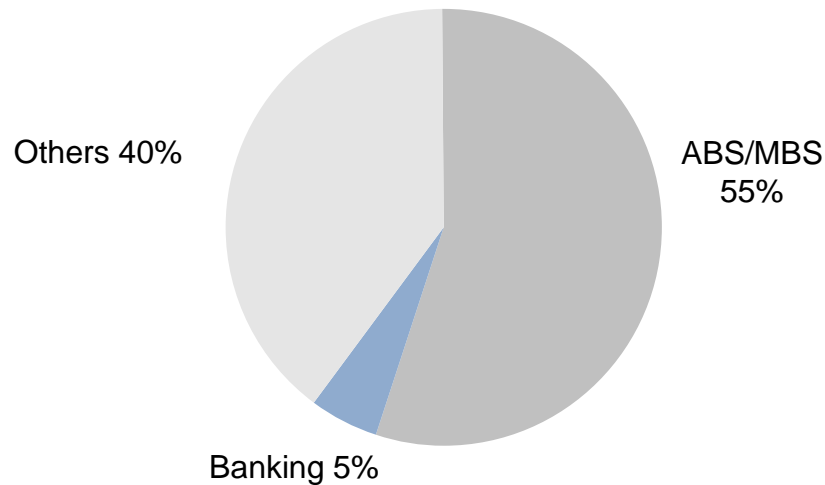
# Asset Finance & Asset Management

## Sub-segment/platform Asset Management

(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>12</b>	<b>7</b>	<b>8</b>	<b>11</b>	<b>13</b>
Net interest income	2	2	1	2	5
Net commission income	7	3	3	6	5
Net trading income	3	2	3	4	2
Net income from investments	0	0	0	-1	1
Balance of other operating income/expenses	0	0	1	0	0
Expected loss	1	-1	0	0	1
General administrative expenses	0	2	2	5	2
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>11</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>10</b>
Assets under management/administration	31.7	32.2	31.7	31.5	39.6
Risk weighted assets (€Bn)	0.6	0.6	0.9	1.4	1.3

### SPLIT BY BUSINESS TYPE

Assets under Management/Administration  
06/2007<sup>(1)</sup>



**100% = €39.6 Bn**

- I Collineo Asset Management manages various portfolios for third parties with total assets under management of € 15.4 Bn, focussing on ABS/MBS
- I In addition, HPFB administers an A-1, P-1, F-1 asset backed commercial paper conduit, currently € 24.2 Bn

# Asset Finance & Asset Management

## Sub-segment/platform Asset Finance

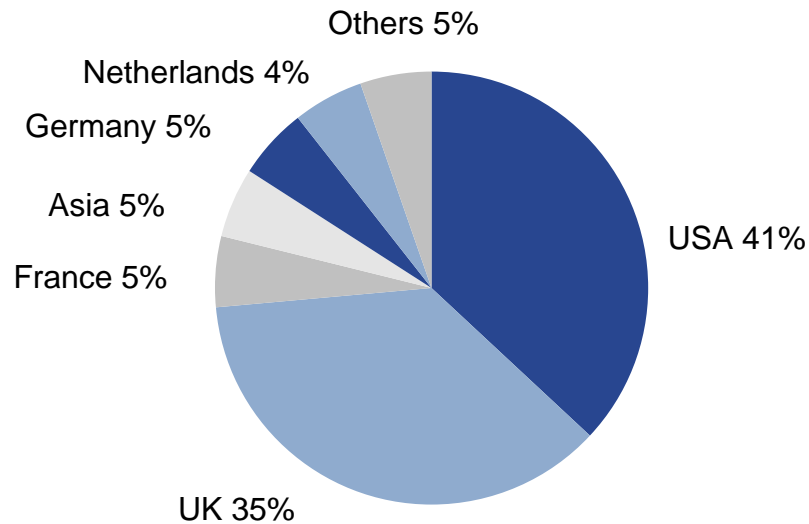
(€MM)	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
<b>Total operating revenues</b>	<b>0</b>	<b>2</b>	<b>9</b>	<b>5</b>	<b>12</b>
Net interest income	0	2	9	4	10
Net commission income	0	0	-1	1	2
Net trading income	0	0	0	0	0
Net income from investments	0	0	1	0	0
Balance of other operating income/expenses	0	0	0	0	0
Expected loss	0	1	2	1	0
General administrative expenses	0	1	1	2	1
Balance of other income/expenses	0	0	0	0	0
<b>Net income/loss before taxes</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>11</b>
New business <sup>(1)</sup> (€ Bn)	0.4	0.4	1.1	0.3	0.6
Asset finance portfolio <sup>(1)</sup> (€ Bn)	0.4	0.8	1.9	2.0	2.2
Risk weighted assets (€ Bn)	0.3	0.7	1.6	1.9	2.4

**Note:**

1. Based on commitments

### SPLIT BY REGION

Asset Finance Portfolio 06/2007<sup>(1)</sup>



**100% = €2.2 Bn**

- | New asset finance business (infrastructure/asset-based finance) of €0.6 Bn in Q2 2007
- | Net increase of asset finance portfolio of €0.2 Bn to €2.2 Bn