

Deutsche Pfandbriefbank

Press release

Deutsche Pfandbriefbank completes €40 million investment financing for Altstadt Palais in Munich

Munich/London/Paris, 30 July 2009: Deutsche Pfandbriefbank AG announces that it has provided a €40 million investment financing facility for the refinancing of the *Altstadt Palais* office building located in Munich, Germany. The building is owned by UBS Wealth Management - Global Property Fund Ltd. The transaction was signed on 10 July 2009. Shaftesbury Asset Management Group, acting as asset manager for Altstadt Palais, advised on the refinancing and the original acquisition.

Altstadt Palais is a prime new office building, completed in September 2008. It was acquired by UBS Wealth Management - Global Property Fund Ltd in October 2008. It is located on Karl-Scharnagl-Ring, a prime location close to the historical city centre of Munich. It comprises 11,049 sqm of office space, is fitted to international standards, and is fully let to tenants with strong covenants.

Commenting, Harin Thaker, Head of Real Estate Business

International: “This transaction is particularly important because we are originating – as planned – new business in Deutsche Pfandbriefbank, the Group’s strategic core bank. At the same time, this cross-border financing highlights the strength of our international network.”

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Notes to Editors

Shaftesbury Asset Management Group is a subsidiary of Shaftesbury Holdings, a privately owned real estate investment, development fund and asset management company. It was established in 1983, has c. €2.7 billion assets under management (mostly for the account of UBS Wealth Management Global Property Fund) and 55 employees in offices located in Paris, Lyon, Frankfurt, Luxembourg, Rotterdam, and Cyprus. The relationship between Deutsche Pfandbriefbank and Shaftesbury Asset Management Group and UBS Wealth Management Global Property Fund started in 2005 with the financing of the acquisition of Docks Lyonnais, a publicly listed company which is now a French SIIC. Since then, HRE has financed additional acquisitions for Shaftesbury Asset Management Group, including the Cap West and the Capitole buildings in Paris western suburb.

Deutsche Pfandbriefbank AG - Deutsche Pfandbriefbank AG, with registered offices in Munich, is the strategic core bank of HRE Group. The bank combines the Group's strategic assets and new business from both the real estate and public finance business segments.

In real estate finance the bank's services are targeted mainly at professional real estate providers and SME customers. The regional emphasis is on Germany and other selected European countries. The core re-financing vehicle of the company is the Pfandbrief. In public sector finance the focus is also on Pfandbrief-eligible business. The bank is concentrating on the European core markets.

Deutsche Pfandbriefbank AG was formed in June 2009 as a result of the merger of DEPFA Deutsche Pfandbriefbank AG and Hypo Real Estate Bank AG.