



DEUTSCHE
PFANDBRIEFBANK

Press Release

pbb Deutsche Pfandbriefbank sells Lehman claims

Munich, 19 October 2009 – pbb Deutsche Pfandbriefbank and its affiliates within the HRE Group have successfully completed a competitive auction for claims related to the Lehman bankruptcy. In this auction the group sold substantially all of its claims to Lehman Brothers Holding and/or its affiliates of approximately 232.5 million euros. Through the disposal, the group realises a book gain while at the same time reducing complexity - thus making resources available for its core business in public sector and real estate finance.

The claims were bought by three counterparties. Bidders comprised major international investment banks and funds. The likely contribution to results is expected to be in the lower to medium double-digit million euro range.

CEO Axel Wieandt said: "We appreciate the strong participation of all the interested buyers, including those who were not chosen for the final auction round. The completion of the auction is another successful step in the ongoing efforts to restructure and reposition the Group."

Notes to Editors:

pbb Deutsche Pfandbriefbank is the strategic core bank of HRE Group. The bank combines the Group's strategic assets and generates new business in its real estate finance and public finance segments. Its core funding vehicle is the Pfandbrief.

Deutsche Pfandbriefbank's real estate finance services are targeted mainly at professional real estate providers. The bank's regional emphasis is on Germany and other selected European countries. In public-sector finance, Deutsche Pfandbriefbank's focus is also on Pfandbrief-eligible business; the bank is concentrating on the European core markets.

pbb Deutsche Pfandbriefbank was formed in June 2009, as a result of the merger of DEPF A Deutsche Pfandbriefbank and Hypo Real Estate Bank. The company's registered office is Munich, Germany.

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