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Press release

Supervisory Board approves changes to Management Board of Deutsche Pfandbriefbank AG

- Wolfgang Groth appointed to the Management Board, as the new Treasurer
- Dr Kai Wilhelm Franzmeyer and Frank Krings to leave HRE Group, having successfully contributed to the Group's restructuring

Munich, 6 December 2010 – The Supervisory Board of Deutsche Pfandbriefbank AG resolved on changes to the Company's Management Board on Monday. Wolfgang Groth was appointed to the Management Board, with effect from 1 January 2011. He will assume the function of Treasurer. Having successfully contributed to the stabilisation, restructuring and realignment of HRE Group, the Board Members Dr Kai Wilhelm Franzmeyer and Frank Krings – who had both joined HRE Group at the height of the crisis – will step down from the Management Board with effect from the end of 6 December 2010, at their own request, and by amicable and mutual consent. Going forward, the Management Board will comprise four members: Manuela Better (CEO and Chief Risk Officer), Bernhard Scholz (Public Sector Finance / Real Estate Finance), Alexander von Uslar (Chief Financial Officer), and Wolfgang Groth. No appointment will be made for the function of Chief Operating Officer and these tasks will be distributed within the newly formed Management Board. These changes will also apply to the Management Board of HRE Holding AG, which comprises the same members.

Wolfgang Groth (56) worked for EUROHYPO and its predecessors as well as for the Hypothekenbank in Essen (Essenhyp) from 1994 to the beginning of 2010. Prior to this, he had worked at Deutsche Bank for ten years. He has worked mainly in various Treasury functions, and, in this role, was also a member of the Management Boards of Düsseldorfer Hypothekenbank and Wüstenrot Hypothekenbank. He was appointed Head of Group Treasury of the newly-formed EUROHYPO in 2002. Upon the take-over of Essenhyp by EUROHYPO, he was initially appointed to the Management Board of Essenhyp; following its integration into EUROHYPO, he served as the Head of the Essen branch.

Dr Kai Wilhelm Franzmeyer (47) joined Hypo Real Estate in mid-October 2008, assuming responsibility for the business areas of Treasury, Value Management and Public Sector Finance. Frank Krings (38) was appointed Chief Operating Officer, including responsibility for Human Resources, at the end of October 2008. Both have made a significant contribution to stabilising the Group and the subsequent restructuring and realignment of the Group. The transfer of non-strategic assets to FMS Wertmanagement in early October of this year was the key milestone in this process: a project which was managed jointly by Kai Wilhelm Franzmeyer and Frank Krings.



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Dr Bernd Thiemann, the Chairman of the Supervisory Board of Deutsche Pfandbriefbank AG and HRE Holding AG, said: "We would like to express our thanks to Dr Kai Wilhelm Franzmeyer and Frank Krings for their extraordinary commitment and their very significant contribution to the Group's rescue and the establishment of Deutsche Pfandbriefbank. Now is a natural time for a change. Led by Manuela Better, we have a powerful team in place for the future and for the successful and sustainable establishment of Deutsche Pfandbriefbank on the credit and capital markets."

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