



DEUTSCHE
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Press Release

pbb Deutsche Pfandbriefbank provides € 200 million financing for GSW

Munich/Berlin, 2 February 2011 - pbb Deutsche Pfandbriefbank („pbb“) has provided GSW Immobilien AG („GSW“) with a long-term loan of € 200 million. The transaction is part of a refinancing for a securitized credit which GSW has now replaced with a number of individual loan agreements.

With this long-term loan, pbb is financing a portfolio made up of 118 buildings and 7,100 apartments. The properties are distributed throughout Berlin and are in line with the demand for affordable housing.

Dr. Bernhard Scholz, Member of the Management Board at pbb Deutsche Pfandbriefbank and responsible for commercial real estate finance said: “The focus of commercial real estate finance at pbb is on those European core markets which are pfandbrief-eligible. The German market is very important for us in this context. I am therefore particularly pleased that we have now been able to provide GSW, a long-standing business partner of pbb and an experienced asset manager, with new long-term financing.”

Andreas Segal, CFO der GSW Immobilien AG, commented: “The financing provided by pbb is part of a transaction which will secure stable and attractive financing for GSW in the long-term. Looking forward, we believe that GSW is very well positioned for its further development.”

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About GSW

GSW Immobilien AG is a leading privately-owned residential real estate company operating in Berlin, with an owned portfolio of approximately 48,800 apartments and 3.0 million square meters of residential floor space. In addition, a subsidiary of GSW manages approximately 16,000 residential units for third parties. GSW's strategy focuses on the long-term rental management of residential property via a systematic approach, which aims to increase customer satisfaction and operational efficiency. The Company was founded in 1924, and was acquired in 2004 from the State of Berlin by a syndicate of investors including affiliates of Cerberus Capital Management, L.P. and the Whitehall Funds. As of December 31, 2009, the Company's property portfolio was valued at approximately € 2.6 billion.

About pbb Deutsche Pfandbriefbank

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

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