

## Press Release

### **Münchener Hypothekenbank Posts Strong Growth in Third Quarter**

Munich, November 22, 2007 – Münchener Hypothekenbank eG was able to further expand its new business results once again in the third quarter, despite unchanging modest demand for private housing mortgage financing across Germany. MünchenerHyp made total loan commitments of € 2,895.8 million during the first nine months of the current business year. A residential property loan portfolio acquired by MünchenerHyp in July 2007 represented € 710.4 million of this amount. Total new commitments made were € 1,376.3 million higher than the same year-ago figure. After adjusting for the special effect of the acquired loan portfolio, the gain amounted to € 665.9 million. MünchenerHyp recorded significant gains in each of its primary business areas – residential property loans and commercial property finance.

“The favourable results confirm the strength and flexibility of our business model in an extremely competitive market environment. Our close partnership with the Volksbanken and Raiffeisenbanken, in particular, distinguished us from the competition,” said Erich Rödel, Chairman of the Münchener Hypothekenbank’s Board of Management as he commented on the latest figures.

As of September 30, 2007 MünchenerHyp’s total assets had risen by 2.9 percent to € 32.8 billion. The success achieved in the bank’s new business activities led to a significant increase in MünchenerHyp’s portfolio of property loans, which rose by € 1.2 billion, or 9.8 percent, to € 13.4 billion. Results from business operations after making provisions for risk improved by 17.2 percent to € 22.5 million.

The currently limited refinancing possibilities and the global effects of the subprime crisis have not impacted on MünchenerHyp. The bank has no investments in the subprime segment in its portfolio.

In view of the continuing high volumes of new business being recorded, MünchenerHyp has confirmed its goals for the current business year. "Despite the difficult overall conditions in our markets we will continue to grow as planned in the residential property and commercial property finance areas. We anticipate that we will also see a robust demand for our financial products and services in the fourth quarter," noted Erich Rödel.

For additional information please contact

Dr. Phil Zundel  
Head of Board of Management Staff  
Münchener Hypothekenbank eG  
Karl-Scharnagl-Ring 10, 80539 Munich  
Telephone +49 (0) 89 53 87 319  
Telefax +49 (0) 89 53 87 77 319  
E-Mail: phil.zundel@muenchenerhyp.de

Dr. Benno-Eide Siebs  
Board of Management Staff  
Münchener Hypothekenbank eG  
Karl-Scharnagl-Ring 10, 80539 Munich  
Telephone +49 (0) 89 53 87 314  
Telefax +49 (0) 89 53 87 77 314  
E-Mail: benno-eide.siebs@muenchenerhyp.de