

DEPFA BANK PLC ANNOUNCEMENT

1 October 2010
FOR IMMEDIATE RELEASE

Transfer of assets to FMS Wertmanagement

Dublin, 1 October 2010 – On Thursday, the governing bodies of Hypo Real Estate Holding AG and its subsidiaries - including DEPFA BANK plc and its subsidiaries - approved the transfer of assets to FMS Wertmanagement. With the signing of the relevant contract documentation, the basis for the transfer of assets to the amount of approximately € 200 billion has been established. The Steering Committee of the German Financial Market Stabilisation Agency had already approved the transfer on 22 September 2010 and the European Commission gave its provisional approval on 24 September 2010.

Of the transferred assets, approximately 75 percent are from the Depfa sub group (and approximately 70 percent of these from DEPFA BANK plc) and approximately 25 percent from Deutsche Pfandbriefbank and its subsidiaries.

Within the framework of the transfer of assets, FMSA has reserved the right to stipulate a required payment in order to avoid distortion of competition. With this, the FMSA can, for reasons of fair competition, reduce the capitalisation of individual legal entities to the required extent, if the core capital quota of the relevant legal entity is above 15 percent. This payment requirement can be up to a maximum of € 1.59 billion and cannot be determined before the year 2011.

Issued on behalf of **DEPFA BANK plc** in respect of its listed bonds.

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