

**Scheme document regarding the recommended merger of Hypo Real Estate Holding AG and
DEPFA BANK plc despatched to shareholders**

DEPFA BANK plc (“**DEPFA**”) announces that the document (the “**Scheme Circular**”) in relation to the recommended merger of Hypo Real Estate Holding AG (“**HRE**”) and DEPFA was despatched to DEPFA Shareholders on 1 August 2007.

On 23 July 2007, the Boards of DEPFA and HRE announced that they had reached agreement on the terms of a merger of the two businesses by way of a recommended acquisition by HRE of the entire issued share capital of DEPFA to be implemented by means of a scheme of arrangement under section 201 of the Companies Act 1963 of Ireland.

The Scheme will require approval at a meeting of DEPFA Shareholders convened by order of the High Court of Ireland dated 30 July 2007 and to be held at The Four Seasons Hotel, Dublin 4, Ireland at 12.00 noon on 24 September 2007. Implementation of the Scheme will also require approval by DEPFA Shareholders of the resolution to be proposed at the DEPFA EGM to be held at The Four Seasons Hotel, Dublin 4, Ireland at 12.15 p.m. on 24 September 2007 (or as soon thereafter as the Court Meeting has concluded or been adjourned).

Copies of the Forms of Instruction and Proxy for the Court Meeting and the DEPFA EGM and of the Scheme Circular, which contains a detailed description of the Scheme, are available to be downloaded from www.depfa.com and for collection from the addresses specified in the Scheme Circular.

DEPFA Shareholders are strongly urged, whether or not they intend to attend the Meetings, to complete and sign the Forms of Instruction and Proxy and return them in accordance with the instructions printed thereon to their Depository Bank, so as to arrive as soon as possible but in any event no later than **close of business on 17 September 2007**.

Terms defined in the Scheme Circular have the same meaning in this announcement.

DEPFA BANK plc
2 August 2007