

Press release

Singapore, 8 december 2006

DIFA opens its regional office in Singapore

The Hamburg-based capital investment company DIFA Deutsche Immobilien Fonds AG – which is part of the *Union Investment Group* – has opened its regional office in Singapore on Friday, 8 December 2006, in the Singapore Land Tower at Raffles Place. DIFA will be represented in Singapore by Steffen Wolf, who has conducted DIFA's expansion into the Asian-Pacific region from Hamburg before. He has got a profound knowledge of the region having lived and worked in Asia since almost ten years. "Singapore provides DIFA with a superb platform for further growth in Asia-Pacific, being both close to the targeted markets and having excellent infrastructure," says Steffen Wolf with regard to DIFA's future plans. This is the company's third office outside Germany, after New York and Madrid.

In September DIFA had entered the Far Eastern market by investing approximately EUR 63 million in Seoul. After careful preparation, the company purchased the Seoul Mobile Telecom Building in the Mok-Dong office submarket next to Yoido. "Seoul is now among the established Asia Pacific markets with moderate market risk and the prospect of rent increases across all submarkets. But we are also looking very closely at growth markets such as China and India – markets which are less mature, but offer exciting growth potential." says Steffen Wolf.

DIFA plans further acquisitions in Asia Pacific as part of the strategic expansion of its international real estate portfolio, following recent investments in Turkey, Canada and Mexico. DIFA Management Board member Dr. Reinhard Kutscher who came to Singapore for the opening ceremony points out: "This investment is evidence of our determination to pursue expansion in the world's growth regions. In combination with our partnership for the region with ING Real Estate the DIFA-office in Singapore gives us direct access to the rich opportunities of the emerging Far Eastern markets – markets that offer the prospect of attractive returns." In addition to Seoul and Shanghai, DIFA is preparing to acquire office and retail properties in Singapore and Tokyo.

About DIFA:

DIFA Deutsche Immobilien Fonds AG is a leading international capital investment company specialised in the management of open-ended real estate funds for private and institutional investors. Assets under

management amount to 13.3 billion euros. DIFA is part of both the *Union Investment Group* and the *FinanzVerbund der Volksbanken Raiffeisenbanken* alliance. Within the commercial real estate market DIFA is active as an institutional investor and project/property developer, landlord and property seller. By also providing services across all areas of the market, the company covers the entire property value chain. The portfolios of DIFA's open-ended real estate funds include some 230 properties and projects in Europe, North and Central America and Asia. Investments in city-centre office space and in business parks are the mainstay of DIFA's investment strategy. In addition, DIFA is increasingly investing in shopping centres and business hotels. In early 2007 DIFA will change its name to Union Investment Real Estate to reflect the growing integration of its capital and property market related activities.

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