



Borletti Group



PRESS RELEASE

Düsseldorf, 19 March 2008 - A consortium comprised of RREEF, GREF (Generali Group), Borletti Group and Pirelli RE has signed a binding agreement with Karstadt Quelle AG (Arcandor Group) to acquire its 49 per cent stake in Highstreet, the investment company that owns the majority of the German department store premises. The portfolio comprises 164 properties located in Germany, providing a total gross area of 3.2 million square meters (total lettable area of 2.1 million square meters).

The Enterprise value is circa €4,560 million, with a circa €3.5 billion of underlying debt secured by the properties.

Further the consortium has signed with Whitehall, a property fund of Goldman Sachs which will retain its 51 per cent interest of Highstreet, a binding agreement for a joint control corporate governance and for the management of the investment company. Pirelli RE will act as asset manager for the portfolio, jointly with Whitehall.

Closing is foreseen by end of May and is subject, inter alia, to customary regulatory and antitrust reviews, as well as obtaining consent from existing lenders in connection with the change of control of the borrowers.

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RREEF Real Estate acquires and manages investments in commercial and residential property, and real estate securities on behalf of its institutional and private clients worldwide. Its product offering is global and comprehensive, including core, value-enhanced and high yield property investments as well as investments in publicly traded real estate securities. RREEF Real Estate has more than €5.5/US\$81.6 billion in assets under management worldwide as of 31 December 2007.

RREEF Real Estate is part of RREEF Alternative Investments, the global alternative investment management business of Deutsche Bank's Asset Management division. RREEF Alternative Investments consists of three businesses: Real Estate, Infrastructure and Private Equity. Headquartered in New York, RREEF Alternative Investments employs more than 1,450 investment professionals in 18 cities around the world to help investors meet a wide range of objectives – from diversification, to preservation of capital, to long-term performance. Named the world's largest alternative investments manager in Global Investor/Watson Wyatt's Alternative Survey, June 2007, RREEF has €5.2/\$95.8 billion in assets under management worldwide as of 31 December 2007.

Pirelli RE is an *alternative asset manager* specializing in the real estate sector, with €15 billion in assets under management (71% of real estate assets in Italy; 29% in Germany and Poland) as of end of 2007. It manages funds and companies that own real estate and non performing loans in which it co-invests through minority stakes, aligning its interests with those of investors, and to which it provides, as well as to third party clients, a full range of specialized real estate services.

The Group is primarily involved in identifying investment opportunities based on the different types of real estate products (residential, commercial and NPLs) and geographic location (Italy, Central and Eastern Europe), professional management activities and the supply of specialized services (integrated facility management, property management, credit servicing and agency) through specific companies.

Generali Real Estate Fund S.A. (GREF) is a Luxemburg based real estate investment company, launched end of 2006, fully owned by national insurances being part of Assicurazioni Generali Group: Italy, France, Germany, Austria, Spain, Belgium, the Netherlands and Portugal. Target of the GREF is to invest EUR 1 billion mainly in retail and office sector, in the Eurozone area. GREF has already committed roughly 30% of its investment target, thanks to acquisitions in the office sector in Germany and France and in the retail sector in Portugal and Spain.

Borletti Group Management S.A. (BGM) is a Luxembourg based investment company that acts for the Borletti Family Office, which has EUR 780 million worth of assets under management



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(direct and indirect), as well as for other high net worth investors. Some of the recent acquisitions by BGM in the retail and real estate sectors include: La Rinascente and UPIM (EUR 850 million of sales, EUR 65 million of EBITDA and 5,500 employees) in Italy, which was acquired from IFIL/Auchan in March 2005 and Le Printemps (EUR 950 million of sales, EUR 60 million of EBITDA and 5,000 employees) in France, which was acquired from PPR in October 2006.