



**EUROCASTLE**

## **REG-Eurocastle Inv. Ltd Debt Offerings**

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Eurocastle Investment Limited  
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EUROCASTLE INVESTMENT LIMITED

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Eurocastle Priced Two Secured Debt Offerings to Match-Fund  
Credit Sensitive Real Estate Securities and Other Asset Backed Securities

London. 25 April 2005 - Eurocastle Investment Limited (LSE: ECT) today announced two recently priced debt offerings - £200 million collateralized debt obligation (sterling assets) to be issued by Eurocastle CDO II PLC and e400 million collateralized debt obligation (euro assets) to be issued by Eurocastle CDO III PLC. CDO II and III are expected to close within the next two weeks.

### Eurocastle CDO II

£158 million, or approximately 79%, of the issue is expected to be rated AAA/AAA by S&P and Fitch respectively. The CDO has an expected weighted average life of 7.22 years.

The total collateral value of the portfolio after the end of the investment period is expected to be approximately £200 million and consist of approximately 40% commercial mortgage backed securities. Once fully invested, the portfolio is expected to have a weighted average credit rating of BBB-. To date, the CDO has acquired approximately 72% of the assets that will comprise the completed portfolio.

Eurocastle has an approximately £17.5 million equity interest in the CDO II portfolio.

### Eurocastle CDO III

e324 million, or approximately 81%, of the e400 million issue is expected to be rated AAA/AAA by S&P and Fitch respectively. The CDO has an expected weighted average life of 7.29 years.

The total collateral value of the portfolio after the end of the investment period is expected to be approximately e400 million and consist of approximately 50% commercial mortgage backed securities. Once fully invested, the portfolio is expected to have a weighted average credit rating of BBB-. To date, the CDO has acquired approximately 60% of the assets that will comprise the completed portfolio.

Eurocastle has an approximately e30 million equity interest in the CDO III portfolio.

Eurocastle Investment Limited is a publicly traded investment company listed on the London Stock Exchange that invests in and manages a diverse portfolio consisting primarily of European real estate securities, other European asset-backed securities and other European real estate related assets. Eurocastle is managed by Fortress Investment Group LLC.

Fortress Investment Group LLC is a global alternative investment and asset management firm founded in 1998 with approximately \$15 billion in equity capital currently under management. Fortress invests capital on behalf of major US and European pension funds, institutional investors and high net worth individuals. The firm is headquartered in New York, and has affiliates with offices in London, Frankfurt, Rome, Geneva, Sydney and Toronto.

The securities offered have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Certain items in this press release may constitute forward-looking statements including statements relating to expected returns and to the portfolio's expected weighted average credit rating and composition. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements; Eurocastle can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from Eurocastle's expectations include, but are not limited to, changes in the real estate and bond markets and our continued ability to source new investments in the identified asset categories. Such forward-looking statements speak only as of the date of this press release. Eurocastle expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Eurocastle's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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