



EUROCASTLE

European Property Conference

June 2006



Disclaimer

This document has been issued by Eurocastle Investment Limited (the “Company”) and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of the Company.

The information in this document has not been legally verified.

No reliance may be placed for any purposes whatsoever on the information contained in this document or on its completeness. No representation or warranty, express or implied, is given by or on behalf of the Company or any of its directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability whatsoever is accepted by the Company or any of its members, directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith.

This document and its contents are confidential and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. This document is only addressed to and directed at persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) (ii) qualified investors falling within Article 49(2)(a) to (d) of the Order, (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This document must not be acted on or relied on by persons who are not relevant persons.

Neither this document nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions or distributed, directly or indirectly, in the United States of America, its territories or possessions or to any US person, save to persons reasonably believed to be qualified institutional buyers (QIBs)(as defined in Rule 144A under the US Securities Act of 1933 as amended (“Securities Act”)) or accredited investors (as defined in Reg D under the Securities Act) who are also qualified purchasers or knowledgeable employees (as defined pursuant to the US Investment Company Act of 1940, as amended). Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or to Canadian persons or to any securities analyst or other person in any of those jurisdictions. Any failure to comply with the foregoing restrictions may constitute a violation of United States of America, Australian, Canadian or Japanese securities law. The securities of the Company have not been and will not be registered under the applicable securities laws of the United States of America, Canada, Australia or Japan and, subject to certain exceptions, may not be offered or sold within the United States, Canada, Australia or Japan or to any national, resident or citizen of the United States, Canada, Australia or Japan. The Company is not, and will not be, registered under the US Investment Company Act of 1940, as amended, and investors will not be entitled to the benefits of such Act.

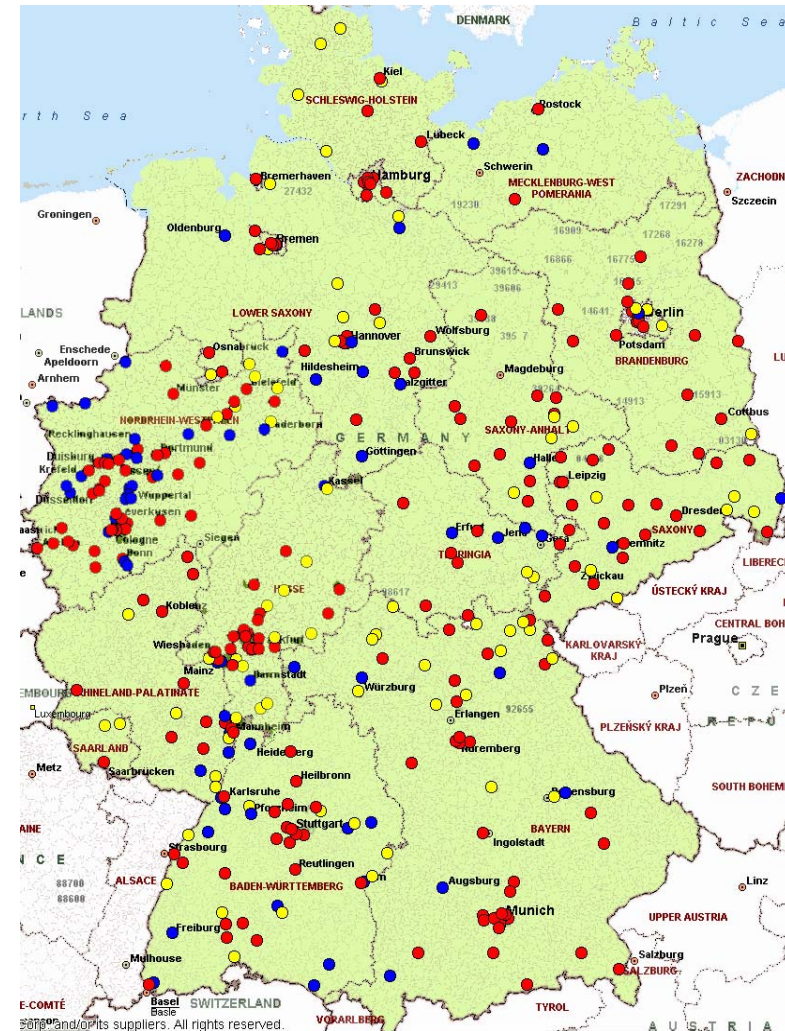
Certain statements, beliefs and opinions in this document are forward-looking, which reflect the Company’s or, as appropriate, the Company’s directors’ current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or other wise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

By attending the presentation to which this document relates or by accepting this document you will be taken to have represented, warranted and undertaken that: (i) you are a relevant person (as defined above); (ii) you have read and agree to comply with the contents of this notice; (iii) you will not at any time have any discussion, correspondence or contact concerning the information in this document with any of the directors or employees of the Company, or their respective subsidiaries nor with any of their suppliers, customers, sub contractors or any governmental or regulatory body without the prior written consent of the Company.



Eurocastle Overview

- “REIT”-like property investment company
- Listed on Euronext Amsterdam: ECT
- Current dividend yield of 5.8%⁽¹⁾
- One of the largest listed owners of German commercial property
- Fortress owns or controls approx. €300 million shares in ECT⁽²⁾
- Dedicated asset management and acquisitions team on the ground in Frankfurt



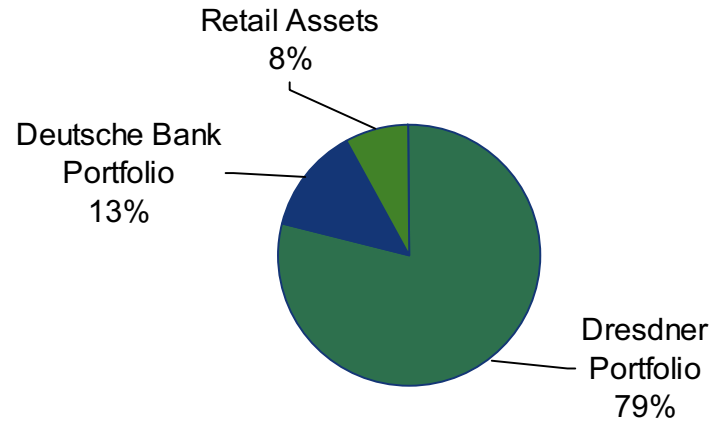
(1) As of June 13, 2006; based on dividend per share of € 1.6 pro-forma for full inclusion of earnings from Dresdner acquisition in Q1 06 and share price of € 27.5 (see page 5)

(2) Fortress private equity funds, the Manager, Principals, Officers and Employees



German Real Estate Portfolio

€2.6 billion Portfolio



- Number of Properties: 474
- Leaseable Space: 14 million ft² (1.3 million m²)
- W.A. Lease Term: 7.3 years
- W.A. NOI Yield: 5.4%
- Tenants: Approx. 80% of income from credit tenants
- Occupancy by Space: 82%

Note: As of 31 March 2006

Selected Properties





Eurocastle Objectives

High Dividend Payout

- Pay out substantially all FFO
- No taxation at corporate entity level (Guernsey)
- No withholding on Eurocastle dividends

Focus on Germany

- Focus on German commercial real estate
- Underpinned by stable, long-term cash flows
- Upside potential through active asset management

Generate 15% annual Growth

Organic Growth

- Aggressively manage assets
 - Lease-up vacancies
 - Control costs

+

Accretive Growth

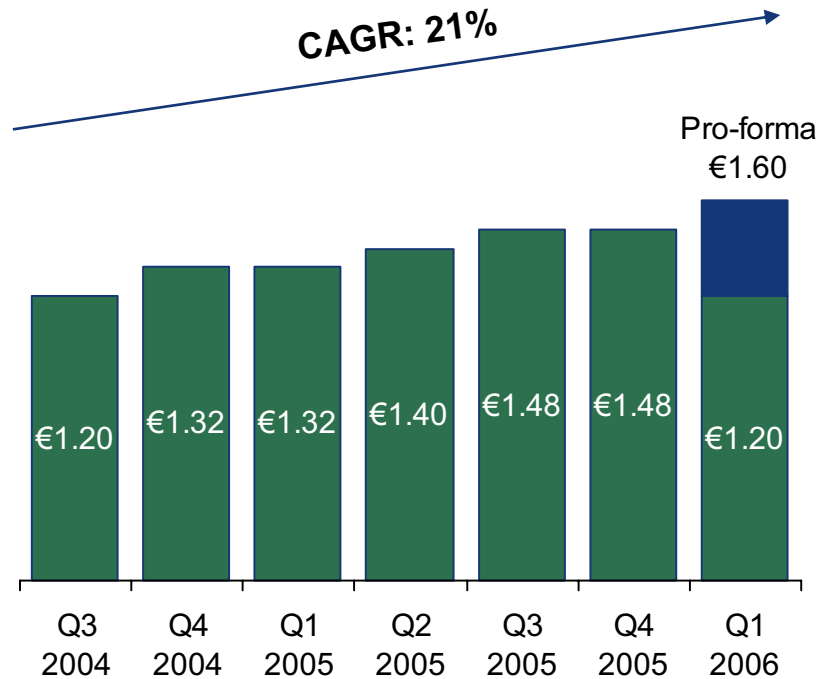
- Utilise significant market presence to
 - Target single assets or small portfolios
 - Pursue large portfolios through privatisations and/or restructurings



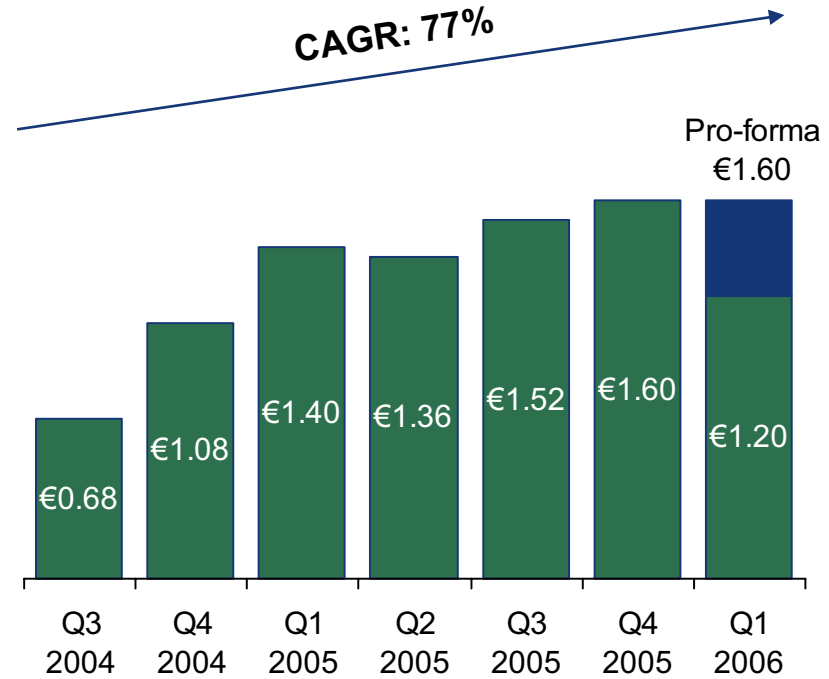
Financial Performance since IPO

- Growth of quarterly dividend and FFO reflects success of business model

Annualized Dividend per Basic Share



Annualized FFO per Basic Share





Eurocastle's Growth Strategy

- We could achieve significant growth in FFO through a combination of organic and accretive growth

Organic Growth	Accretive Growth ⁽¹⁾														
<p>Dresdner Target</p> <ul style="list-style-type: none"> • Increase lease-up from 80% – 90% <ul style="list-style-type: none"> — Includes <ul style="list-style-type: none"> • New lease income • Reduction in operating expenses <p>Deutsche Target</p> <ul style="list-style-type: none"> • Increase lease-up from 75% – 80% 	<p>Acquisition Target</p> <table> <tr> <td>• Equity</td> <td style="text-align: right;">€ 250m</td> </tr> <tr> <td>• Financing</td> <td style="text-align: right;">€ 750m</td> </tr> </table> <p>Assumptions</p> <table> <tr> <td>• Asset net yield</td> <td style="text-align: right;">6.25%</td> </tr> <tr> <td>• Debt financing costs</td> <td style="text-align: right;">5%</td> </tr> <tr> <td>• Share price</td> <td style="text-align: right;">€ 30</td> </tr> <tr> <td>• New shares issued</td> <td style="text-align: right;">8.3m</td> </tr> <tr> <td>• Total number of new shares</td> <td style="text-align: right;">53.9m</td> </tr> </table>	• Equity	€ 250m	• Financing	€ 750m	• Asset net yield	6.25%	• Debt financing costs	5%	• Share price	€ 30	• New shares issued	8.3m	• Total number of new shares	53.9m
• Equity	€ 250m														
• Financing	€ 750m														
• Asset net yield	6.25%														
• Debt financing costs	5%														
• Share price	€ 30														
• New shares issued	8.3m														
• Total number of new shares	53.9m														
Organic Growth in FFO	Accretive Growth in FFO														

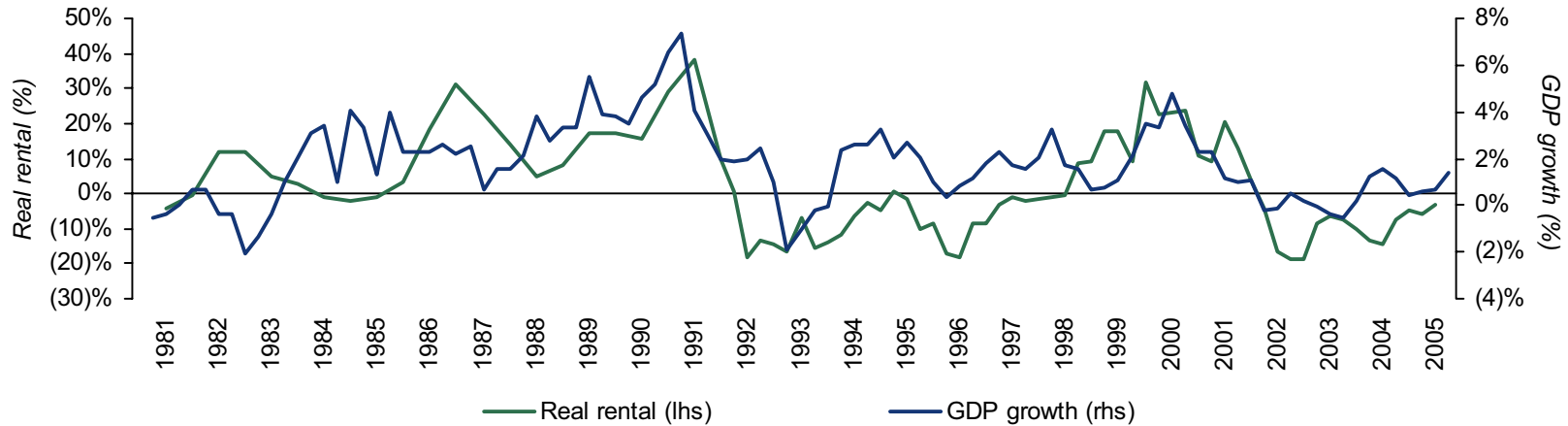
Growth Case								
Current FFO	+	Organic Growth	+	Accretive Growth	–	Mgmt. Fees	=	New FFO

(1) Example and numbers are for illustrative purposes only

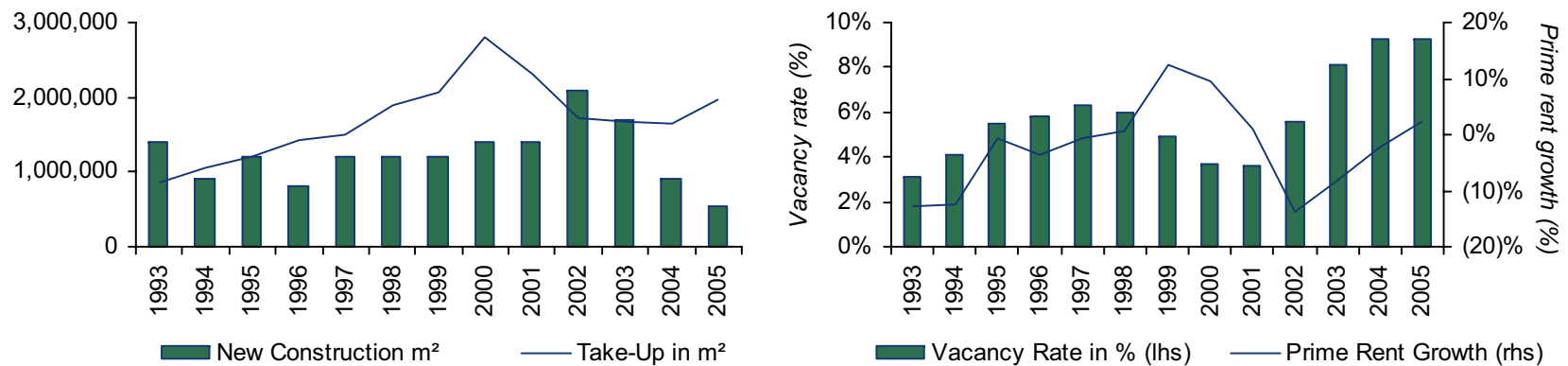


Why Germany?

GDP Growth vs. Frankfurt Prime Office Rents



Major German Office Markets



Source: CBRE, Morgan Stanley Research



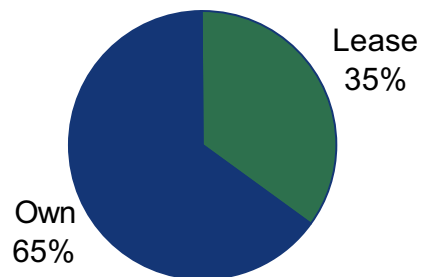
German Market Opportunity

Commercial Real Estate

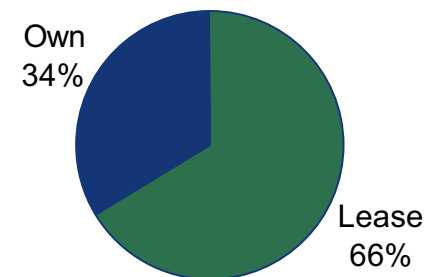
- Government and businesses have substantial amount of capital tied up in real estate and have been selling non-strategic assets to free up capital
- In 2005, over €8.0 billion worth of German commercial real estate was sold and we expect this trend to continue in 2006⁽¹⁾
- In Q1 2006, €3.0 billion of German commercial real estate was sold⁽¹⁾, total transaction volume expected to exceed €8.0 billion again in 2006

German vs. U.S. Business Real Estate Ownership

Germany ⁽²⁾



U.S. ⁽²⁾





Overview Real Estate Portfolio

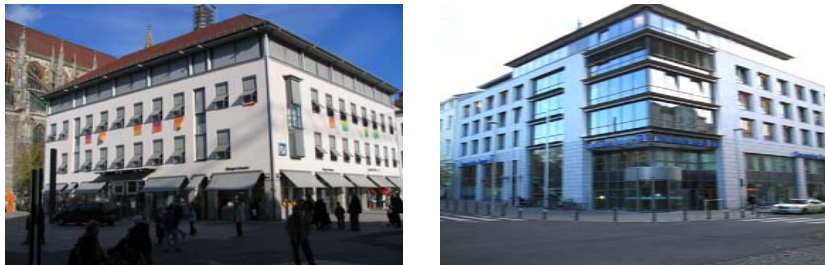
Selected Dresdner Assets



Portfolio Data

Price:	€1.9bn	Occupancy:	81%
# of properties:	303	Lease term:	7.3 years
Space:	841,682m ²	N.O.I. yield:	5.0%

Selected Deutsche Assets



Price:	€317m	Occupancy:	76.7%
# of properties:	96	Lease term:	5.2 years
Space:	294,720m ²	N.O.I. yield:	6.8%

Selected Retail Assets



Price:	€197m	Occupancy:	99.6%
# of properties:	75	Lease term:	10.7 years
Space:	151,812m ²	N.O.I. yield:	7.1%



Why Eurocastle?

- Gain exposure to commercial real estate sector in Germany through a publicly listed company
- Invest in long term secure cash flows from high quality real estate let to strong credit lease tenants
- Benefit from significant growth through organic growth and accretive acquisitions
- Receive stable and growing quarterly dividends on tax a efficient basis
- Invest alongside well experienced investment manager Fortress, a significant shareholder of Eurocastle



EUROCASTLE