

Pursuant to article 16 para. 3 of the German Securities Prospectus Act investors who have already agreed to purchase or subscribe for Notes issued under the Programme (as defined herein) before this Fourth Supplement (as defined herein) has been published shall have the right, exercisable within two working days after the publication of this Fourth Supplement, to withdraw their purchase or subscription orders, provided that the new factor arose before the final closing of the offer to the public and the delivery of the securities. A withdrawal, if any, is to be addressed to Deutsche Pfandbriefbank AG, Freisinger Straße 5, 85716 Unterschleißheim, Germany provided that the relevant agreement to purchase or subscribe has been entered into with Deutsche Pfandbriefbank AG or to the relevant bank or savings bank or any other distributor with whom the relevant agreement to purchase or subscribe has been entered into.

Supplement pursuant to article 16 para. 1 of the German Securities Prospectus Act
dated 8 January 2015

to the base prospectus dated
7 May 2014
relating to

Deutsche Pfandbriefbank AG

Munich, Federal Republic of Germany

as Issuer

Euro 50,000,000,000 Debt Issuance Programme (the “Programme”)

This supplement (the “Fourth Supplement”) to the base prospectus dated 7 May 2014 is prepared in connection with the Euro 50,000,000,000 Debt Issuance Programme (the “Programme”) of Deutsche Pfandbriefbank AG (the “Issuer”) and is supplemental to, and should be read in conjunction with, the base prospectus dated 7 May 2014 as supplemented on 22 May 2014 (the “First Supplement”), on 4 June 2014 (the “Second Supplement”) and on 15 August 2014 (the “Third Supplement”, the base prospectus dated 7 May 2014 together with the First Supplement, the Second Supplement and the Third Supplement the “Original Base Prospectus”) in respect of the Programme. Unless otherwise stated or the context otherwise requires, terms defined in the Original Base Prospectus shall have the same meaning when used in the Fourth Supplement. As used herein, the term “Base Prospectus” means the Original Base Prospectus as supplemented by the Fourth Supplement.

The Issuer accepts responsibility for the information contained in or incorporated by reference into this Base Prospectus. The Issuer hereby declares that all information contained in this Base Prospectus is true and accurate to the knowledge of the Issuer and that no material circumstances have been omitted.

The Fourth Supplement has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* of the Federal Republic of Germany in its capacity as competent authority (the “Competent Authority”) under the German Securities Prospectus Act (*Wertpapierprospektgesetz*) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended, into German law. Please note that the approval of the Base Prospectus by the Competent Authority is based on the scrutiny of the completeness of the Base Prospectus including the consistency and the comprehensibility only. Application will be made to the Competent Authority to provide the *Commission de Surveillance du Secteur Financier* (the “CSSF”) of the Grand Duchy of Luxembourg, the *Autoriteit Financiële Markten* of the Netherlands, the *Financial Conduct Authority* of the United Kingdom, the *Irish Financial Services Regulatory Authority* of Ireland, the *Finanzmarktaufsicht* of Austria, the *Kreditilsynet / Oslo Børs* of Norway and the *Commissione Nazionale per le Società e la Borsa* of Italy with a certificate of approval attesting that the Fourth Supplement has been drawn up in accordance with the German Securities Prospectus Act and with a copy of the Fourth Supplement.

This Fourth Supplement has been filed with the Competent Authority and has been published together with the Original Base Prospectus on the website of the Issuer (www.pfandbriefbank.com). Upon request (to be addressed to Deutsche Pfandbriefbank AG, Freisinger Straße 5, 85716 Unterschleißheim, Germany), the Issuer will provide, free of charge, a copy of the Fourth Supplement and of the Original Base Prospectus.

The Fourth Supplement has been prepared following the completion of the transfer of DEPFA Bank plc (“DEPFA”) to, and its wind down under, FMS Wertmanagement with effect as of 19 December 2014 and takes this and other new information into account occurred at the date of the Fourth Supplement.

OVERALL AMENDMENTS

If reference is made in the Original Base Prospectus to “Base Prospectus”, then the respective reference includes all changes made by this Fourth Supplement.

I. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “I. SUMMARY”

On page 6 of the Original Base Prospectus the information in “Section B – Issuer” under “Element B.5 – Organisational structure” as amended by the First Supplement, shall be deleted and replaced by the following information:

“Deutsche Pfandbriefbank AG (the “**Issuer**”) is part of Hypo Real Estate Group. Hypo Real Estate Group includes the parent company Hypo Real Estate Holding and the Issuer (including its subsidiaries, affiliates and associated companies).

With respect to the completion of the transfer of DEPFA to FMS Wertmanagement with effect of 19 December 2014 see under “Element B.19 – Information about Hypo Real Estate Group” in subsection “B.13 – Recent developments”.”

On page 8 of the Original Base Prospectus the information in “Section B – Issuer” under “Element B.19 – Information about Hypo Real Estate Group” in subsection “B.4b – Known trends affecting Hypo Real Estate Group and the industries in which it operates” as amended by the First Supplement, shall be deleted and replaced by the following information:

“For Hypo Real Estate Group the same trends and uncertainties as for the Issuer apply.

In August 2013 Hypo Real Estate Holding initiated the selling process for 100 per cent. of the registered share capital of its subsidiary DEPFA. On 13 May 2014, the FMSA’s inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA on the market, but to prepare the take over of DEPFA by, and its wind down under, FMS Wertmanagement. The transfer to FMS Wertmanagement has been effected on 19 December 2014.”

On page 9 of the Original Base Prospectus the last paragraph in “Section B – Issuer” under “Element B.19 – Information about Hypo Real Estate Group” in subsection “B.12 – Selected historical key financial information regarding Hypo Real Estate Group, statement regarding trend information and significant changes in the financial or trading position of Hypo Real Estate Group”, shall be deleted and replaced by the following information:

“The sale of DEPFA became effective as of 19 December 2014. As a consequence, DEPFA will be deconsolidated in the financial statements 2014 of Hypo Real Estate Group. Because of the deconsolidation of DEPFA, the equity capital of Hypo Real Estate Group will be significantly reduced compared to 31 December 2013.

The IFRS equity of the Issuer and its consolidated subsidiaries will not be affected by the transfer of DEPFA to FMS Wertmanagement. However, according to the exemptions provided by Article 7 CRR the Issuer is exempted from specific regulatory requirements at the level of the bank. Instead, regulatory limits, such as the large exposure limit (*Großkreditgrenze*) depend on Hypo Real Estate Group’s capital. As the equity of Hypo Real Estate Group decreases significantly due to the deconsolidation of DEPFA, such regulatory limits of pbb will also be affected.”

On page 9 of the Original Base Prospectus the first two paragraphs in “Section B – Issuer” under “Element B.19 – Information about Hypo Real Estate Group” in subsection “B.13 – Recent developments” as amended by the First Supplement and by the Second Supplement, shall be deleted and replaced by the following information:

“With respect to the agreements following the termination of the servicing agreement with FMS Wertmanagement see under B.13 in relation to the Issuer above.

On 13 May 2014, the FMSA’s inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA on the market, but to prepare the take over of DEPFA by, and its wind down under, FMS Wertmanagement. Following consent of the Irish and the Luxembourg regulatory authorities, the transfer to FMS Wertmanagement has been effected on 19 December 2014. It was conducted according to the (economic) terms and conditions Hypo Real Estate Holding had negotiated with the external bidder.”

On page 9 of the Original Base Prospectus the information in “Section B – Issuer” under “Element B.19 – Information about Hypo Real Estate Group” in subsection “B.15 – A description of Hypo Real Estate Group’s principal activities”, shall be deleted and replaced by the following information:

“As of beginning of 2014 Hypo Real Estate Group amended its segment structure. The Group distinguishes three operating segments: Strategic business in commercial real estate financing is pooled in the Real Estate Finance segment, and strategic public investment financing is pooled in the Public Investment Finance segment. Non-strategic business that had not been transferred to FMS Wertmanagement is included in the “Value Portfolio” segment. A “Consolidation & Adjustments” column is used to reconcile the total segments results with the consolidated results; in addition to consolidations, this item comprises certain expenses and income which cannot be allocated to the respective operating segments. At year end 2014 Hypo Real Estate Group will additionally show the income and expenses of DEPFA in a separate column discontinued operations as per IFRS 5.”

On page 9 et seq. of the Original Base Prospectus the information in “Section B – Issuer” under “Element B.19 – Information about Hypo Real Estate Group” subsection “B.17 – Credit Ratings”, shall be deleted and replaced by the following information:

“Not applicable.”

On page 15 of the Original Base Prospectus the risk factor contained in the sixth paragraph in “Section D – Risks” under “Element D.2 – Key information on the key risks that are specific to the Issuer and the Guarantor” as amended by the First Supplement, shall be deleted and replaced by the following information:

“The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission’s decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned privatisation of the Issuer.”

On page 16 et seq. of the Original Base Prospectus the risk factors contained in the 14th paragraph of page 16 and the risk factor contained in the second paragraph of page 17 in “Section D – Risks” under “Element D.3 – Key information on the key risks that are specific to the securities”, shall be deleted and replaced by the following information:

“In case of financial difficulties, the Issuer may initiate a reorganisation proceeding (*Reorganisationsverfahren*) or restructuring proceeding (*Sanierungsverfahren*) on the basis of the German Bank Restructuring Act (*Restrukturierungsgesetz*) which may adversely affect the rights of the Holders of Notes (except Pfandbriefe). If the financial difficulties amount to the Issuer’s insolvency, Holders of Notes may lose part or all of their invested capital (risk of total loss).

In connection with the Bank Resolution and Recovery Directive which was implemented in the Federal Republic of Germany by the Restructuring and Resolution Act with effect as of 1 January 2015, there is the risk that due to the new bail-in resolution tool and the related absorption of losses Holders of Notes, and particularly Holders of Subordinated Notes, may face the risk to fully lose their invested capital and related rights.”

II. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “II. DEUTSCHE ÜBERSETZUNG DER ZUSAMMENFASSUNG”

On page 20 of the Original Base Prospectus the information in “Abschnitt B – Emittent” under “Punkt B.5 – Konzernstruktur” as amended by the First Supplement, shall be deleted and replaced by the following information:

“Deutsche Pfandbriefbank AG (die „**Emittent**in“) ist Teil der Hypo Real Estate Group. Die Hypo Real Estate Group umfasst die Hypo Real Estate Holding AG als Muttergesellschaft und die Emittentin (einschließlich ihrer Tochtergesellschaften, verbundenen Unternehmen und Beteiligungsunternehmen).

In Bezug auf die am 19. Dezember 2014 vollzogene Übertragung der DEPFA auf die FMS Wertmanagement siehe nachstehend unter „Punkt B.19 – Informationen bezüglich der Hypo Real Estate Group“ in dem Unterpunkt „B.13 – Aktuelle Entwicklungen“.

On page 22 of the Original Base Prospectus the information in “Abschnitt B – Emittent” under “Punkt B.19 – Informationen bezüglich der Hypo Real Estate Group” in subsection “B.4b – Trends, die sich auf die Hypo Real Estate Group und die Branchen, in denen sie tätig ist, auswirken” as amended by the First Supplement, shall be deleted and replaced by the following information:

“Die Hypo Real Estate Group unterliegt den gleichen Trends und Unsicherheiten, die für die Emittentin gelten.

Im August 2013 leitete die Hypo Real Estate Holding den Verkaufsprozess von 100 Prozent ihrer Aktien an ihrer Tochtergesellschaft DEPFA ein. Der interministerielle Lenkungsausschuss der FMSA (der über die Maßnahme des SoFFin entscheidet) und die außerordentliche Hauptversammlung der Hypo Real Estate Holding haben sich am 13. Mai 2014 gegen einen Verkauf der DEPFA auf dem Markt und für die Vorbereitung der Übernahme und Abwicklung der DEPFA durch die FMS Wertmanagement entschieden. Die Übertragung wurde am 19. Dezember 2014 vollzogen.”

On page 23 of the Original Base Prospectus the last paragraph in “Abschnitt B – Emittent” under “Punkt B.19 – Informationen bezüglich der Hypo Real Estate Group” in subsection “B.12 – Ausgewählte wesentliche historische Finanzinformationen über die Hypo Real Estate Group, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition der Hypo Real Estate Group”, shall be deleted and replaced by the following information:

“Die Übertragung der DEPFA wurde am 19. Dezember 2014 wirksam. Als Folge davon wird die DEPFA im Jahresabschluss 2014 der Hypo Real Estate Group entkonsolidiert. Aufgrund der Entkonsolidierung der DEPFA wird die Eigenkapitalquote der Hypo Real Estate Group im Vergleich zum 31. Dezember 2013 erheblich sinken.

Das IFRS Eigenkapital der Emittentin und ihrer konsolidierten Tochtergesellschaften ändert sich durch die Übertragung der DEPFA an die FMS Wertmanagement nicht. Gemäß der in Art. 7 CRR vorgesehenen Ausnahmen ist die Emittentin von spezifischen regulatorischen Vorschriften auf Bankebene ausgenommen. Stattdessen hängen die vorgeschriebenen regulatorischen Grenzwerte wie die Großkreditgrenze vom Kapital der Hypo Real Estate Group ab. Da sich das Eigenkapital der Hypo Real Estate Group aufgrund der Entkonsolidierung der DEPFA erheblich mindert, werden solche regulatorischen Grenzwerte der Emittentin auch betroffen sein.”

On page 23 of the Original Base Prospectus the first two paragraphs in “Abschnitt B – Emittent” under “Punkt B.19 – Informationen bezüglich der Hypo Real Estate Group” in subsection “B.13 – Aktuelle Entwicklungen” as amended by the First Supplement and by the Second Supplement, shall be deleted and replaced by the following information:

“In Bezug auf die Vereinbarungen nach der Beendigung des Servicing für FMS Wertmanagement siehe oben unter B.13 bezüglich der Emittentin.

Der interministerielle Lenkungsausschuss der FMSA (der über die Maßnahmen des SoFFin entscheidet) und die außerordentliche Hauptversammlung der Hypo Real Estate Holding haben sich am 13. Mai 2014 gegen einen Verkauf der DEPFA auf dem Markt und für die Vorbereitung der Übernahme und Abwicklung der DEPFA durch

die FMS Wertmanagement entschieden. Mit der Zustimmung der Aufsichtsbehörden in Irland und Luxemburg wurde die Übertragung am 19. Dezember 2014 vollzogen. Die Durchführung erfolgte auf Basis der gleichen (wirtschaftlichen) Bedingungen, die zwischen der Hypo Real Estate Holding und dem externen Bieter verhandelt wurden.“

On page 23 of the Original Base Prospectus the information in “Abschnitt B – Emittent” under “Element B.19 – Informationen bezüglich der Hypo Real Estate Group” in subsection “B.15 – Beschreibung der Haupttätigkeiten der Hypo Real Estate Group”, shall be deleted and replaced by the following information:

“Zu Beginn des Jahres 2014 hat die Hypo Real Estate Group ihre Segmentierung umgestellt. Der Konzern unterscheidet zwischen drei Geschäftssegmenten: Strategisches Geschäft in gewerblichen Immobilienfinanzierungen ist im Segment Real Estate Finance und in der öffentlichen Investitionsfinanzierung ist in dem Segment Public Investment Finance zusammengefasst. Nicht strategisches Geschäft, welches nicht auf die FMS Wertmanagement übertragen wurde, ist im Segment „Value Portfolio“ erfasst. Eine Spalte „Consolidation & Adjustments“ wird dafür verwendet, die Überleitung der Summe der Segmentergebnisse auf den Konzernabschluss zu gewähren. Zusätzlich zur Konsolidierung beinhaltet diese Spalte bestimmte Ausgaben und Einnahmen, welche nicht den jeweiligen operativen Segmenten zugeordnet werden können. Zum Jahresende 2014 wird die Hypo Real Estate Group darüber hinaus die Einnahmen und Ausgaben der DEPFA in einer separaten Spalte nicht fortgeführter Aktivitäten gemäß IFRS 5 ausweisen.“

On page 24 of the Original Base Prospectus the information in “Abschnitt B – Emittent” under “Element B.19 – Informationen bezüglich der Hypo Real Estate Group” in subsection “B.17 – Rating”, shall be deleted and replaced by the following information:

“Entfällt.“

On page 29 of the Original Base Prospectus the risk factor contained in the 13th paragraph in “Abschnitt D – Risiken” under “Element D.2 – Zentrale Angaben zu den zentralen Risiken, die dem Emittenten und dem Garanten eigen sind”, as amended by the First Supplement, shall be deleted and replaced by the following information:

“Die Emittentin und die Hypo Real Estate Group unterliegen grundsätzlich dem Risiko, dass sie die Entscheidung der Europäischen Kommission zu den der Hypo Real Estate Group gewährten Beihilfen nicht ordnungsgemäß umsetzen können, insbesondere in Zusammenhang mit der geplanten Privatisierung der Emittentin.“

On page 31 of the Original Base Prospectus the risk factors contained in the 9th paragraph and in the 10th paragraph in “Abschnitt D – Risiken” under “Element D.3 – Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind”, shall be deleted and replaced by the following information:

“Im Fall von finanziellen Schwierigkeiten kann die Emittentin ein Reorganisationsverfahren oder ein Sanierungsverfahren auf Basis des Restrukturierungsgesetz einleiten, die sich nachteilig auf die Rechte der Anleger von Schuldverschreibungen (mit Ausnahme von Pfandbriefen) auswirken können. Sofern die finanziellen Schwierigkeiten zur Insolvenz der Emittentin führen, könnten Gläubiger von Schuldverschreibungen einen Teil oder ihr gesamtes investiertes Kapital verlieren (Totalverlustrisiko).

In Verbindung mit der Richtlinie zur Abwicklung und Sanierung von Kreditinstituten, welche in der Bundesrepublik Deutschland durch das Sanierungs- und Abwicklungsgesetz mit Wirkung zum 1. Januar 2015 umgesetzt wurde, besteht das Risiko, dass aufgrund des neuen Bail-In-Abwicklungsinstruments und der damit verbundenen Verlustübernahme durch Anleger, diese dem Risiko eines totalen Verlusts ihres investierten Kapitals und der damit zusammenhängenden Rechte, insbesondere im Fall von Gläubigern nachrangiger Schuldverschreibungen, ausgesetzt sind.“

III. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “III. RISK FACTORS”

1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “1. RISKS RELATING TO THE ISSUER AND HYPO REAL ESTATE GROUP”

On page 37 of the Original Base Prospectus, the risk factor “The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission’s decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned transfer of DEPFA to, and its wind down under, FMS Wertmanagement which may have an adverse impact on Hypo Real Estate Group’s operational stability and the planned subsequent reprivatization of the Issuer” as amended by the First Supplement shall be deleted and replaced as follows:

“The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission’s decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned reprivatization of the Issuer.

Following the approval of the European Commission of the state aid provided to Hypo Real Estate Group, which has been granted on 18 July 2011, the conditions that are imposed on Hypo Real Estate Group and the Issuer are definitive, but still need to be complied with in the future. If Hypo Real Estate Group does not meet the conditions, further conditions may be imposed by the European Commission, which could also lead to a reopening of the case before the European Commission and, in the worst case, to a negative decision by the European Commission.

Particular risks may arise in connection with the planned reprivatization of the Issuer. Hypo Real Estate Group started the selling process for the reprivatization of DEPFA in 2013. On 13 May 2014, the FMSA’s inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA on the market, but to prepare the take over and wind down of DEPFA by FMS Wertmanagement. The transfer of DEPFA to FMS Wertmanagement became effective on 19 December 2014. The transfer to and the subsequent wind down under, FMS Wertmanagement might have an adverse impact on the operational stability of the Issuer. As a result of FMSA’s decision, it cannot be excluded that employees of DEPFA or the Issuer terminate their employment contracts and, thus, that important know how cannot be maintained. Furthermore, the decision might also lead to reduced motivation of staff. Overall, the decision to wind down DEPFA may also have a negative impact on the Issuer’s envisaged reprivatization. If the reprivatization of the Issuer is not executed by 31 December 2015, an appointed divestiture trustee (*Veräußerungstreuhänder*) will divest the Issuer to a purchaser, provided that the Commission has approved the purchaser and the final and binding purchase agreement. The divestiture or any alternative ideas of the shareholder in consultation with the EU Commission may have a negative impact on the assets, financial position and earnings of the Issuer.”

On page 38 of the Original Base Prospectus, the risk factor “The Issuer and Hypo Real Estate Group continue to bear risks related to FMS Wertmanagement despite the transfer of assets and liabilities and the termination of the servicing activities, not least due to the exposure associated with related back-to-back derivatives” shall be deleted and replaced as follows:

“The Issuer and Hypo Real Estate Group continue to bear risks related to FMS Wertmanagement despite the transfer of assets and liabilities and the termination of the servicing activities, not least due to the exposure associated with related back-to-back derivatives

Following the transfer of assets and liabilities and non-strategic business lines and the transfer of DEPFA to FMS Wertmanagement the balance sheet total of Hypo Real Estate Group is significantly lower than it was the case at the end of 2010, the decline of which was mainly attributable to a further reduction of the opposite effects, resulting for instance from the handling of refinancing arrangements or the transfer of risks by way of back-to-back derivatives, which had increased the total assets when positions were transferred to FMS Wertmanagement in October 2010. At the end of 2011 (and subsequently), FMS Wertmanagement was no longer reliant on refinancing funds which the Issuer passed through from central banks since FMS Wertmanagement received the refinancing funds from the affiliated entity DEPFA Group and consequently, the volume of reverse repos (i.e. loans and advances to customers) declined. However, Hypo Real Estate Group and the Issuer may be negatively affected by FMS Wertmanagement due to outstanding back-to-back derivatives as far as those derivatives have not yet been replaced by direct business relations between FMS Wertmanagement and the external customers (novation of

derivatives). Furthermore, in the course of transfer of certain assets which had been booked in the Issuer's mortgage coverpool until August 2013, FMS Wertmanagement granted acknowledgements of debt (*abstrakte Schuldversprechen*) to the Issuer to replace assets in the Issuer's coverpools for Pfandbrief issuances. In addition, certain credit risks of assets were transferred by means of guarantees provided by FMS Wertmanagement so that Hypo Real Estate Group ultimately retains a counterparty risk with regard to FMS Wertmanagement in connection with these positions. It is intended that those guaranteed assets will be upgraded, so that they are no longer guaranteed by FMS Wertmanagement but legally and/or economically transferred to FMS Wertmanagement. In either case, certain derivatives associated to such assets will be transferred to FMS Wertmanagement by way of back-to-back derivatives, so that Hypo Real Estate Group and the Issuer may again be negatively affected by FMS Wertmanagement due to outstanding back-to-back derivatives as long as those derivatives have not been replaced by direct business relations between FMS Wertmanagement and the external customers (novation of derivatives).

Even though the contractual commitment to continue to provide services for FMS Wertmanagement in defined areas (in particular servicing, refinancing as well as finance and regulatory reporting) as part of the approved outsourcing of assets to FMS Wertmanagement have been terminated due to restrictions of the EU-Commission with effect of 30 September 2013, there remain certain interconnections with FMS Wertmanagement pertaining to, *inter alia*, compliance issues, the mutual provision of information, support in areas where the party requested to service is the only party able to do so, and to areas where legal and/or regulatory provisions require the interaction of both parties (e.g. ongoing "upgrade" obligations). It cannot be excluded that this requires considerable resources of the Issuer and may involve operational risks. In addition, given that, since 1 October 2013, FMS Wertmanagement services those assets directly and indirectly through its subsidiary FMS Wertmanagement Service GmbH, it cannot be excluded that damage to the client relationships and the reputation of the Issuer and of Hypo Real Estate Group occurs if the management of FMS Wertmanagement and/or FMS Wertmanagement Service GmbH take decisions on the servicing of the assets transferred to it which are contrary to the Issuer's or Hypo Real Estate Group's strategy and/or not in the best interest of the Issuer or Hypo Real Estate Group. This risk might even further increase due to the fact that FMS Wertmanagement is in the process of selling FMS Wertmanagement Service GmbH and, as a result of such sale, the legal and factual influence of Hypo Real Estate Group and/or FMS Wertmanagement on FMS Wertmanagement Service GmbH's servicing and management of such assets will be reduced."

2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION "2. RISKS RELATING TO THE NOTES"

On pages 42 et seq. of the Original Base Prospectus, the risk factors "In case of financial difficulties of the Issuer certain measures, such as reorganisation proceedings (Reorganisationsverfahren) or restructuring proceedings (Sanierungsverfahren) may be implemented on the basis of the German Bank Restructuring Act (Restrukturierungsgesetz) which may adversely affect the rights of the Holders of Notes (except Pfandbriefe). If the financial difficulties amount to the Issuer's insolvency, Holders of Notes may lose part or all of their invested capital (risk of total loss)" and "In connection with the coming Bank Resolution and Recovery Directive there is the risk that due to the proposed "bail-in system" as of 1 January 2016 and the related absorption of losses Holders of Notes, and particularly Holders of Subordinated Notes, may face the risk to fully lose their invested capital and related rights" shall be deleted and replaced as follows:

"In case of financial difficulties, the Issuer may initiate a reorganisation proceeding (Reorganisationsverfahren) or restructuring proceeding (Sanierungsverfahren) on the basis of the German Bank Restructuring Act (Restrukturierungsgesetz) which may adversely affect the rights of the Holders of Notes (except Pfandbriefe). If the financial difficulties amount to the Issuer's insolvency, Holders of Notes may lose part or all of their invested capital (risk of total loss).

In case of financial difficulties of the Issuer certain measures may be implemented on the basis of the German Bank Restructuring Act (*Restrukturierungsgesetz*, the "RStruktG") which may adversely affect the rights of the Holders of Notes (except Pfandbriefe). Extended supervisory competences of the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "BaFin") of RStruktG were implemented in the German Banking Act (*Kreditwesengesetz*, the "KWG") and the restructuring procedure (*Sanierungsverfahren*) and the reorganisation procedure (*Reorganisationsverfahren*) were implemented in the German Bank Reorganisation Act (*Kreditinstitute-Reorganisationsgesetz*, the "KredReorgG").

The KredReorgG provides for the possibility to implement reorganisation proceedings (*Reorganisationsverfahren*) which allow for a restructuring of the Issuer threatened in its existence on the basis of a reorganisation plan (*Reorganisationsplan*). The reorganisation plan may provide for haircuts, maturity extension, the conversion from debt into equity or other measures affecting creditors. Adoption of the plan requires majority votes within the affected groups of stakeholder. Conversion from debt into equity requires approval by each affected creditor.

The KredReorgG further provides for the possibility to implement restructuring proceedings (*Sanierungsverfahren*) which do not require a threat in the existence of the Issuer but a mere need for restructuring (*Sanierungsbedürftigkeit*) and allow for a restructuring of the Issuer on the basis of a restructuring plan (*Sanierungsplan*). While the restructuring plan may not directly provide for measures affecting creditors' rights, it may include the granting of privileged restructuring loans. As repayment of such restructuring loan would rank prior to old debt this might have indirect adverse affects on the position of Holders of Notes.

If the financial difficulties amount to the Issuer's insolvency, Holders of Notes may lose part or all of their invested capital.

It should be noted that alternatively to the measures under the KWG and the KredReorG, the Issuer may request a further transfer of non-strategic business (including corresponding liabilities) and risk positions to FMS Wertmanagement Anstalt des öffentlichen Rechts pursuant to the measures provided by the Financial Market Stabilisation Act (*Finanzmarktstabilisierungsfondsgesetz*, “FMSIFG”).

In connection with the Bank Resolution and Recovery Directive which was implemented in the Federal Republic of Germany by the Restructuring and Resolution Act with effect as of 1 January 2015, there is the risk that due to the new bail-in resolution tool and the related absorption of losses Holders of Notes, and particularly Holders of Subordinated Notes, may face the risk to fully lose their invested capital and related rights.

EU institutions have enacted an EU Directive which defines a framework for the recovery and resolution of credit institutions and investment firms (the so-called Bank Recovery and Resolution Directive, the “BRRD”), which upon implementation in the EU Member States grants significant rights for intervention of the national resolution authorities and other competent authorities in the event of a crisis of the Issuer. The BRRD entered into force on 3 July 2014. The BRRD has been implemented in the Federal Republic of Germany by the Restructuring and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – “SAG”). The SAG came into force on 1 January 2015.

The proposal for establishing the BRRD was first published by the EU Commission on 6 June 2012. Subsequently the draft was subject of intensive negotiations between the various EU institutions. The EU finance ministers reached agreement on the draft of the BRRD proposal on 27 June 2013 and it has been referred to the European Parliament. The European Parliament has approved the BRRD on 15 April 2014.

The BRRD provides for a so-called “bail-in tool” and other resolution tools and powers which can be applied if *inter alia* the continued existence of an institution is at risk (*Bestandsgefährdung*). The bail in tool generally empowers the relevant resolution authority to extend the maturity, write down, including if need be to write down to zero, or to cancel subordinated liabilities (including those qualifying as Tier 2 instruments alike the Subordinated Notes of the Issuer) and, also, unsubordinated liabilities (excluding, amongst others, Pfandbriefe) of the institution or to convert such liabilities into instruments of ownership like e.g. shares in order to recapitalise an institution that meets the requirements for resolution or to capitalise a bridge institution established to carry on parts of the business of the institution for a transitional period. Further, the bail-in system provides for a pre-defined hierarchy of bank creditors for absorbing losses. To improve a crisis-ridden bank's recovery prospects and foster general economic stability, bail-in tools may apply at least until 8% of its total assets have been fully absorbed. Consequently, shareholders and many holders of bonds (such as holders of the Notes, except the Pfandbriefe) are at risk to fully lose their invested capital and related rights as a result of application of bail-in tools. Potential investors in Notes should therefore take into consideration that, in the event of a crisis of the Issuer and thus already prior to any liquidation or insolvency or such procedures being instigated, they will to a particular extent be exposed to a risk of default and that it is likely that they will suffer an irrevocable partial or full loss of their invested capital, or that the Notes will be subject to a conversion into one or more equity instruments (e.g. common equity) of the Issuer. As the Subordinated Notes are issued with the aim of being recognised as Tier 2 capital pursuant to CRR and given the above mentioned Basel III recommendations of 13 January 2011, investors interested in Subordinated Notes should take into consideration that they may in particular be affected by such aforementioned procedures and measures. Such regulatory measures may release the Issuer from its obligations under the Terms and Conditions of the related Notes and may neither entitle the holder to demand early redemption of the Notes, nor to exercise any other rights in this respect.

The BRRD goes beyond the German Bank Restructuring Act in so far as the German Bank Restructuring Act did only provide for transfer orders (which are also harmonized by the BRRD and implemented into the SAG) but not for a bail-in mechanism.

The BRRD as implemented by the SAG, further provides for the resolution powers of a (i) sale of business, (ii) transfer to a bridge institution and (iii) an asset separation as well as certain other and ancillary power pursuant to which the National Resolution Authority is entitled to amend or alter Notes (including the maturity dates and other

payment dates as well as the amount of interest payable. It is likely that the exercise of the sale of business tool, the bridge institution tool, and/or the asset separation tool, result in a bank to split into a “good bank” and a “bad bank”. Moreover, SAG introduces certain early intervention powers enabling BaFin in addition to its powers under the KWG to intervene in the Institution’s business and operations at an early stage to remedy the situation and to avoid a resolution of an institution. Any such early intervention or resolution powers might significantly impact the market value or liquidity of such Notes, their volatility, and might significantly increase the risk characteristics of the investor’s investment decision. Investors in Notes may lose all or part of their invested capital in a pre-insolvency scenario.”

**IV. SUPPLEMENTAL INFORMATION
RELATING TO THE SECTION “IV. DEUTSCHE PFANDBRIEFBANK AG”**

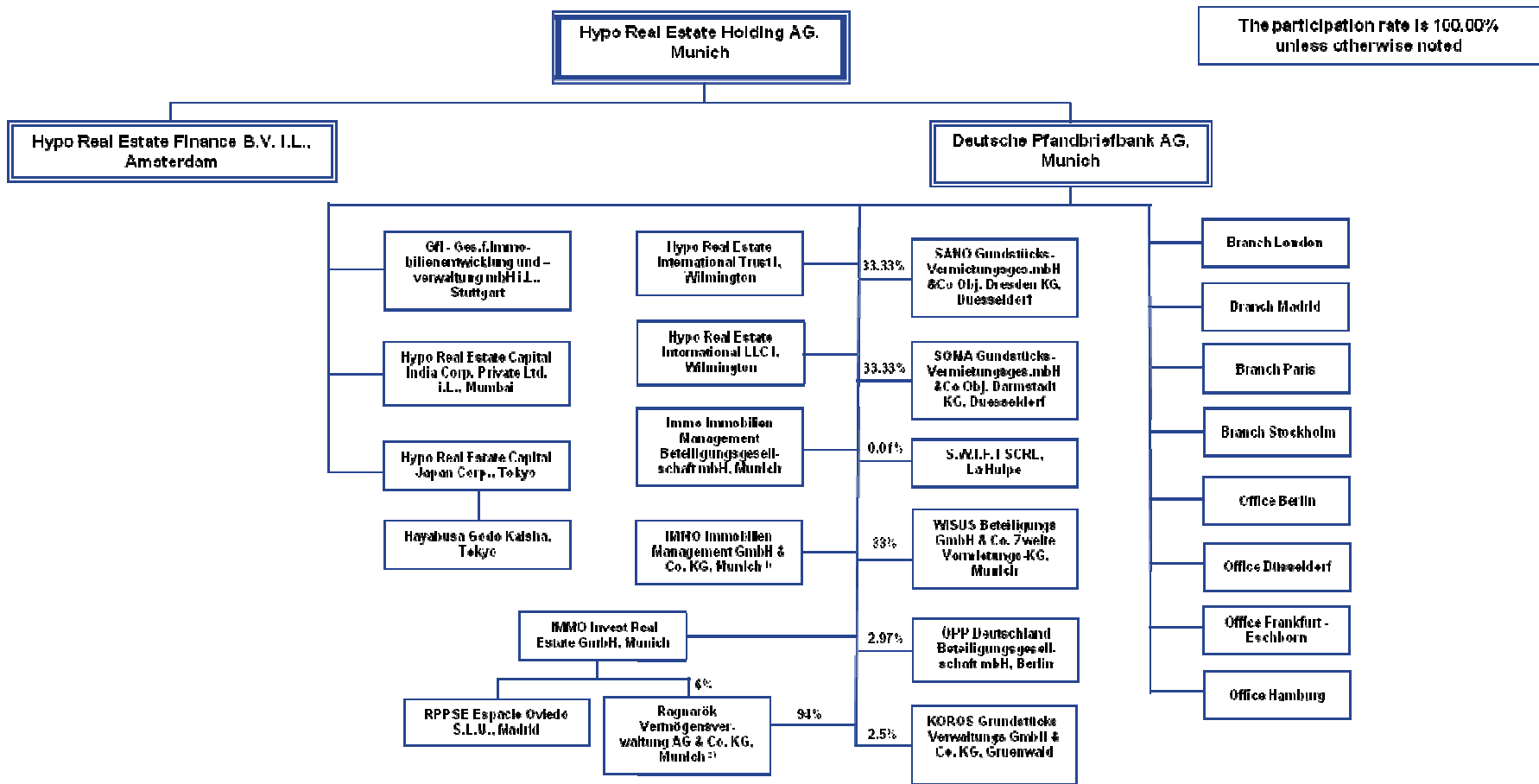
1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. INFORMATION ABOUT THE ISSUER”

On page 46 et seq. of the Original Base Prospectus the information in the first three paragraphs of the subsection “Integration into Hypo Real Estate Group and Keep Well Statement”, shall be deleted and replaced by the following information:

“The Issuer is part of Hypo Real Estate Group. Hypo Real Estate Group includes the parent company Hypo Real Estate Holding and the Issuer including its subsidiaries, affiliates and associated companies. For further information regarding Hypo Real Estate Group see Section V. “Hypo Real Estate Group”.

For further information about restructurings of Hypo Real Estate Group, including the transfer of DEPFA to FMS Wertmanagement see Section V.2 “Information about Hypo Real Estate Group – Strategic Reorganisation and Corporate Strategy of Hypo Real Estate Group”.

As of 31 December 2014, the legal structure of Hypo Real Estate Group and the Issuer in particular is as follows:



1) General partner liability (Komplementärhaftung) of Immo Immobilien Management Beteiligungsgesellschaft mbH

2) General partner liability (Komplementärhaftung) of Deutsche Pfandbriefbank AG

2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “3. BUSINESS OVERVIEW”

On page 49 of the Original Base Prospectus the information in the first paragraph of the subsection “Value Portfolio”, shall be deleted and replaced by the following paragraph:

“The segment Value Portfolio includes all non-strategic portfolios and activities of the Issuer and its consolidated subsidiaries. It mainly comprises the existing portfolio of non specific public sector loans (budget finance) and to a small extent of non-strategic or written down real estate finance and selected structured products.”

3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES”

On page 51 of the Original Base Prospectus the information in the subsection “The Management Board” as amended by the Second Supplement and by the Third Supplement, shall be deleted and replaced by the following information:

“In accordance with the Articles of Association, the Management Board consists of two or more members. The Supervisory Board determines the number of the members of the Management Board and appoints the members of the Management Board. The Management Board represents the Issuer and is responsible for its management.

As at the date of the Supplement dated 8 January 2015, members of the Management Board of the Issuer are:

Name and Position	Other Mandates
Andreas Arndt Co-Chief Executive Officer (Chief Financial Officer)	Member of the Management Board of Hypo Real Estate Holding AG, Munich, Germany
Thomas Köntgen Co-Chief Executive Officer	Member of the Management Board of Hypo Real Estate Holding AG, Munich, Germany
Wolfgang Groth Member of the Management Board (Group Treasurer)	Member of the Management Board of Hypo Real Estate Holding AG, Munich, Germany Non-Executive Director of DEPFA BANK plc., Dublin, Ireland Non-Executive Director of DEPFA ACS Bank, Dublin, Ireland Non-Executive Director of Hypo Public Finance Bank puc, Dublin, Ireland
Andreas Schenk Member of the Management Board (Chief Risk Officer)	Member of the Management Board of Hypo Real Estate Holding AG, Munich, Germany
Dr. Bernhard Scholz Member of the Management Board (Real Estate Finance and Public Sector Finance)	Member of the Management Board of Hypo Real Estate Holding AG, Munich, Germany

The business address of the Management Board of the Issuer is Freisinger Str. 5, 85716 Unterschleissheim, Germany.”

On page 51 et seq. of the Original Base Prospectus, the information in the subsection “The Supervisory Board” as amended by the Third Supplement, shall be deleted and replaced by the following information:

“In accordance with the Articles of Association, the Supervisory Board consists of nine members of whom six are elected by the General Meeting of Shareholders and three are elected by the employees in accordance with the German One Third-Participation Act (*Drittelbeteiligungsgesetz*).

As at the date of the Supplement dated 8 January 2015, members of the Supervisory Board of the Issuer are:

Name and Position	Other Mandates
<p>Dr. Günther Bräunig Chairman of the Supervisory Board (Member of the Management Board of KfW)</p>	<p>Hypo Real Estate Holding AG, Munich, Germany, Chairman of the Supervisory Board AFT – Agence France Trésor, Paris, France, Member of the Strategic Committee True Sale International GmbH, Frankfurt/Main, Germany, Chairman of the Advisory Council</p>
<p>Dagmar P. Kollmann Deputy Chairperson of the Supervisory Board (Entrepreneur)</p>	<p>Hypo Real Estate Holding AG, Munich, Germany, Deputy Chairperson of the Supervisory Board Bank Gutmann Aktiengesellschaft, Vienna, Austria, Member of the Supervisory Board Landeskreditbank Baden-Württemberg – Förderbank (L-Bank), Karlsruhe/Stuttgart, Germany, Member of the Advisory Board KfW IPEX-Bank GmbH, Frankfurt, Germany, Member of the Supervisory Board Deutsche Telekom AG, Bonn, Germany, Member of the Supervisory Board Unibail-Rodamco SE, Paris, France, Member of the Supervisory Board, (since 23 April 2014)</p>
<p>Dr. Christian Gebauer-Rochholz^{*)} (Employee Representative)</p>	<p>None</p>
<p>Georg Kordick^{*)} (Employee Representative)</p>	<p>None</p>
<p>Joachim Plesser (Former member of the Management Board of Eurohypo AG)</p>	<p>None</p>
<p>Dr. Ludger Schuknecht (Head of the Department responsible for Fundamen- tal Issues of Finance Policy and Economics (<i>Abteilung Finanzpolitische und volkswirtschaftliche Grundsatzfragen</i>) at the Federal Ministry of Fi- nance, Berlin)</p>	<p>Hypo Real Estate Holding AG, Munich, Germany, Member of the Supervisory Board Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn/Eschborn, Germany, Member of the Supervisory Board</p>
<p>Heike TheiBing^{*)} (Employee Representative)</p>	<p>None</p>
<p>Dr. Hedda von Wedel (Retired President of the Bundesrechnungshof)</p>	<p>Hypo Real Estate Holding AG, Munich, Germany, Member of the Supervisory Board</p>

Dr. Jeromin Zettelmeyer

(Head of the Economic Policy Department Hypo Real Estate Holding AG, Munich, Germany, (Abteilung Wirtschaftspolitik) at the Federal Ministry for Economic Affairs and Energy) Member of the Supervisory Board

*) Employee representative according to the One Third-Participation Act (*Drittelbeteiligungsgesetz*).

The business address of the Supervisory Board of the Issuer is Freisinger Str. 5, 85716 Unterschleissheim, Germany.”

4. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “8. HISTORICAL FINANCIAL INFORMATION”

On page 54 of the Original Base Prospectus, the information contained in the Subsection “Legal and Arbitration Proceedings” as amended by the Third Supplement, shall be supplemented by adding the following paragraph at the end of the third paragraph:

“Following the decisions of the German Supreme Court in 2014 relating to the prohibition of loan documentation fees (*Kreditbearbeitungsentgelte*) in loan agreements with private customers, the Issuer is exposed to certain requests of former private customers seeking compensation payments for such fees. As of the date of the Supplement dated 8 January 2015, none of these claims could have been reasoned. As of the end of 2014, several commercial customers have demanded compensation payments of loan documentation fees. In two cases notices to pay (*Mahnbescheide*) have been filed with local courts by such customers.”

5. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “9. MATERIAL CONTRACTS”

On page 55 of the Original Base Prospectus the information in the last paragraph of the section shall be deleted and replaced by the following paragraphs:

“On 30 September 2010, FMS Wertmanagement and the Issuer concluded a co-operation agreement as regards the asset management by the Issuer of all portfolios transferred by Hypo Real Estate Group to FMS Wertmanagement. This agreement was terminated by 30 September 2013 due to the conditions imposed by the European Commission in its state aid decision. Following the termination of the servicing, the Issuer and FMS Wertmanagement have entered into agreements specifying final obligations of the parties (for more details see Section V.2 “Information about Hypo Real Estate Group – Relationship with FMS Wertmanagement and Transfer of DEPFA”).

In connection with the transfer of DEPFA to FMS Wertmanagement which became effective on 19 December 2014, the Issuer and Hypo Real Estate Holding entered into agreements with DEPFA and related entities specifying certain after sales obligations and further obligations (for more details see Section V.2 “Information about Hypo Real Estate Group – Relationship with FMS Wertmanagement and Transfer of DEPFA”).”

**V. SUPPLEMENTAL INFORMATION
RELATING TO SECTION “V. HYPO REAL ESTATE GROUP”**

1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. INFORMATION ABOUT HYPO REAL ESTATE GROUP”

On page 56 of the Original Base Prospectus, the information in the subsection “General Information”, shall be amended by adding the following sentence at the end of the second paragraph:

“Following the completion of the transfer of DEPFA to FMS Wertmanagement with effect as of 19 December 2014, DEPFA is no longer a subsidiary of Hypo Real Estate Holding.”

On page 58 of the Original Base Prospectus, the information in the third, fourth and fifth paragraph in the subsection “Strategic Reorganisation and Corporate Strategy of Hypo Real Estate Group” as amended by the First Supplement and Third Supplement, shall be further amended by deleting and replacing the fourth and fifth paragraph as follows:

“In August 2013 Hypo Real Estate Holding initiated the selling process for 100 per cent. of the registered share capital of its subsidiary DEPFA. On 13 May 2014, the FMSA’s inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA on the market, but to prepare the acquisition and wind down of DEPFA by FMS Wertmanagement. Following consent of the Irish and the Luxembourg regulatory authorities, the transfer to FMS Wertmanagement has been effected on 19 December 2014. It was conducted according to the (economic) terms and conditions Hypo Real Estate Holding had negotiated with the external bidder.

Following the signing of the share purchase agreement regarding the transfer of DEPFA Group to FMS Wertmanagement and following the transfer of the Issuer’s subsidiary DEPFA Finance N.V, Amsterdam, to DEPFA, the Issuer has repaid a loan which was provided to it by DEPFA Finance N.V. and also reduced a corresponding hedging swap between the Issuer and DEPFA. The repayment of the loan and the reduction of the swap resulted in a total book profit of the Issuer.”

On page 58 of the Original Base Prospectus, the subsection “Relationship with FMS Wertmanagement”, shall be deleted and replaced by the following subsection:

“Relationship with FMS Wertmanagement and Transfer of DEPFA

In connection with the transfer of assets to FMS Wertmanagement the Issuer entered into a contractual commitment to provide services for FMS Wertmanagement (the “Co-operation Agreement”). This commitment has been terminated with effect as of 30 September 2013. Except for the Japanese real-estate portfolio of FMS Wertmanagement which is still serviced by the Issuer’s subsidiary Hypo Real Estate Capital Japan Corporation and which is expected to end in the first quarter of 2015, the servicing is being provided by FMS Wertmanagement Service GmbH, an independent servicing company established by FMS Wertmanagement, as well as other third party servicers engaged by FMS Wertmanagement. In connection with the termination of the agreement around 250 employees of the Issuer have been transferred to FMS Wertmanagement Service GmbH on 30 September 2013 and the Issuer entered into an agreement with FMS Wertmanagement pursuant to which certain after-sales support is provided by either party on a cost-plus basis pertaining to, *inter alia*, compliance issues, the mutual provision of information, support in areas where the party requested to service is the only party able to do so, and to areas where legal and/or regulatory provisions require the interaction of both parties. In addition, on 17 December 2013 the Issuer, Hypo Real Estate Holding and FMS Wertmanagement have entered into a settlement agreement including a final payment obligation in a lower two-digit million Euro amount of the Issuer towards FMS Wertmanagement in order to settle potential damage claims of FMS Wertmanagement under the Co-operation Agreement, any and all past, current and future claims for re-imbursalment of costs with respect to upgrades of assets that have only been transferred to FMS Wertmanagement by way of sub-participation, back-to-back derivative or financial guarantee until now as well as a payment obligation of the Issuer in connection with the transfer of employees to FMS Wertmanagement Service GmbH. The final settlement payment has already been made at the beginning of 2014. Since this agreement is beneficial for Hypo Real Estate Holding, Hypo Real Estate Holding has

reimbursed the Issuer for any disadvantages. This reimbursement has directly increased the Issuer's equity capital in 2014. In addition, the issuer, Hypo Real Estate Holding and DEPFA have entered into "back-to-back" settlement agreements in January and February 2014.

In connection with the transfer of DEPFA to FMS Wertmanagement, Hypo Real Estate Holding and FMS Wertmanagement entered into a share purchase agreement in August 2014. Hypo Real Estate Holding and the Issuer entered each into agreements with DEPFA pursuant to which certain after-sales support is provided by either party on a cost-plus basis in October 2014. Further agreements are in place as regards trademark purchase and assignments, guarantee indemnifications, IP licenses, back-2-back-servicing agreements pertaining to the servicing of FMS Wertmanagement and IT services provided by the Issuer to DEPFA. In October 2014, Hypo Real Estate Holding and the Issuer on the one hand and DEPFA BANK plc., DEPFA ACS Bank, Hypo Pfandbrief Bank International, S.A., and Hypo Public Finance Bank on the other hand entered also into a mutual claim settlement agreement."

On page 58 of the Original Base Prospectus, the second paragraph in the subsection "Recent Events" as amended by the First Supplement, shall be deleted and replaced by the following paragraph:

"With respect to the transfer of DEPFA to FMS Wertmanagement which became effective on 19 December 2014 see above under subsection "Strategic Reorganisation and Corporate Strategy of Hypo Real Estate Group"."

2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION "3. OVERVIEW OF BUSINESS SEGMENTS"

On page 59 of the Original Base Prospectus, the first paragraph in the section "3. Overview of Business Segments" shall be deleted and replaced by the following paragraph:

"As of beginning of 2014 Hypo Real Estate Group amended its segment structure. The Group distinguishes three operating segments: Strategic business in commercial real estate financing is pooled in the Real Estate Finance segment, and strategic public investment financing is pooled in the Public Investment Finance segment. Non-strategic business that had not been transferred to FMS Wertmanagement is included in the "Value Portfolio" segment. A "Consolidation & Adjustments" column is used to reconcile the total segments results with the consolidated results; in addition to consolidations, this item comprises certain expenses and income which cannot be allocated to the respective operating segments. At year end 2014 Hypo Real Estate Group will additionally show the income and expenses of DEPFA in a separate column discontinued operations as per IFRS 5."

3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION "5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES OF HYPO REAL ESTATE HOLDING"

On page 59 et seq. of the Original Base Prospectus the information in the subsection "The Supervisory Board" as amended by the Third Supplement, shall be deleted and replaced by the following information:

"According to the Articles of Association, the Supervisory Board consists of six members. As at the date of the Supplement dated 8 January 2015, members of the Supervisory Board of Hypo Real Estate Holding are:

Name and Position	Other Mandates
Dr. Günther Bräunig Chairman of the Supervisory Board (Member of the Management Board of KfW)	Deutsche Pfandbriefbank AG, Munich, Germany, Chairman of the Supervisory Board OSEO, Paris, France, Member of the Conseil d'Orientation True Sale International GmbH, Frankfurt/Main, Germany, Chairman of the Advisory Council
Dagmar P. Kollmann Deputy Chairperson of the Supervisory Board (Chairman of the Partners Committee of Kollmann GmbH)	Deutsche Pfandbriefbank AG, Munich, Deputy Chairperson of the Supervisory Board Bank Gutmann Aktiengesellschaft, Vienna, Austria, Member of the Supervisory Board Landeskreditbank Baden-Württemberg – Förderbank (L-Bank), Karlsruhe/Stuttgart, Germany,

Member of the Advisory Board
 KfW IPEX-Bank GmbH, Frankfurt, Germany,
 Member of the Supervisory Board
 Deutsche Telekom AG, Bonn, Germany,
 Member of the Supervisory Board
 Unibail-Rodamco SE, Paris, France,
 Member of the Supervisory Board, (since 23 April 2014)

Joachim Plessner

(Former member of the Management Board of None Eurohypo AG)

Dr. Ludger Schuknecht

(Head of the Department responsible for Fundamental Issues of Finance Policy and Economics (*Abteilung Finanzpolitische und volkswirtschaftliche Grundsatzzfragen*) at the Federal Ministry of Finance, Berlin)

Deutsche Pfandbriefbank AG, Munich, Germany,
 Member of the Supervisory Board
 Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn/Eschborn, Germany,
 Member of the Supervisory Board

Dr. Hedda von Wedel

(Retired President of the Bundesrechnungshof)

Deutsche Pfandbriefbank AG, Munich, Germany,
 Member of the Supervisory Board

Dr. Jeromin Zettelmeyer

(Head of the Economic Policy Department (*Abteilung Wirtschaftspolitik*) at the Federal Ministry for Economic Affairs and Energy)

Deutsche Pfandbriefbank AG, Munich, Germany,
 Member of the Supervisory Board

The business address of the Supervisory Board of Hypo Real Estate Holding is Freisinger Str. 5, 85716 Unterschleißheim, Germany.”

4. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “7. HISTORICAL FINANCIAL INFORMATION OF HYPO REAL ESTATE GROUP”

On page 62 of the Original Base Prospectus, the information contained in the Subsection “Legal and Arbitration Proceedings”, shall be amended by adding the following paragraph at the end of third paragraph:

“Since 2008, claims have been asserted in court against Hypo Real Estate Holding for an alleged misconduct of the company with respect to its information obligations. In particular, the company has been criticised for its information policy in connection with the expected effects of the sub-prime crisis, the requirement to write down CDOs, the ad hoc release dated 15 January 2008, as well as the financial situation of DEPFA Bank plc. A total of 246 claims with an amount in dispute totalling to approximately Euro 949 million were pending before the Regional Court I of Munich as of 31 December 2014.

Furthermore, a capital markets model case (*Kapitalanleger-Musterverfahren*) has been pending at the Munich Higher Regional Court. The first oral and evidentiary hearings were held in February 2014. On 15 December 2014, the Munich Higher Regional Court issued its model case ruling in which it confirmed several breaches of obligations by the company. As such, the Court found that the company had published an untrue and incomplete press release with insider information on 3 August 2007 in which it had concealed its high financial risks arising from structured securities it held in the US subprime market. According to the Court, the company had been obliged to correct the untrue information by way of an ad hoc release. Furthermore, the company had been obliged to inform with an ad hoc release on 15 November 2007 at the latest about the expected effects of the subprime crisis. These breaches of obligations may establish damage claims of investors against Hypo Real Estate Holding under Sections 37b and 37c of the Securities Trading Act (*WpHG*). As a further breach of duties, the Court held that the listing prospectus dated 10 September 2007 had been incorrect in essential points since it had drawn a picture of the company being too optimistic.

The model case ruling of the Munich Higher Regional Court is not final and legally binding, yet. Hypo Real Estate Holding filed an appeal (*Rechtsbeschwerde*) against the ruling with the Federal Supreme Court. Should the Supreme Court confirm the ruling and the investors be successful in subsequent court proceedings based on the model case ruling, Hypo Real Estate Holding may be exposed to payment obligations in the amount of approximately Euro 949 million plus interest in the amount of 5 percentage points per annum above the base interest rate since

2008 (interest in an amount of approximately EUR 285 million has incurred up to the date of the Supplement dated 8 January 2015).”

On page 63 of the Original Base Prospectus, the information contained in the Subsection “Significant Change in Hypo Real Estate Group’s Financial or Trading Position”, shall be deleted and replaced by the following information:

“The sale of DEPFA became effective as of 19 December 2014. As a consequence, DEPFA will be deconsolidated in the financial statements 2014 of Hypo Real Estate Group. Because of the deconsolidation of DEPFA, the equity capital of Hypo Real Estate Group will be significantly reduced compared to 31 December 2013.

The IFRS equity of the Issuer and its consolidated subsidiaries will not be affected by the transfer of DEPFA to FMS Wertmanagement. However, according to the exemptions provided by Article 7 CRR the Issuer is exempted from specific regulatory requirements at the level of the bank. Instead, regulatory limits, such as the large exposure limit (*Großkreditgrenze*) depend on Hypo Real Estate Group’s capital. As the equity of Hypo Real Estate Group decreases significantly due to the deconsolidation of DEPFA, such regulatory limits of pbb will also be affected.”

**VI. SUPPLEMENTAL INFORMATION
RELATING TO SECTION “XV. GENERAL DESCRIPTION OF THE PROGRAMME”**

SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “4. RATINGS”

On page 358 of the Original Base Prospectus the second paragraph containing information on ratings assigned to Hypo Real Estate Holding shall be deleted.

On page 358 of the Original Base Prospectus the third paragraph as amended by the First Supplement, shall be deleted and replaced as follows:

“In light of the changes to bank restructuring and resolution legislation, Fitch Ratings has assigned a negative outlook to the Issuer’s Unsecured Ratings in March 2014 and Standard & Poor’s has assigned a negative outlook to the Issuer’s Unsecured Ratings in April 2014 and to the Issuer’s Pfandbriefe Ratings in May 2014.”

Signatories on behalf of Deutsche Pfandbriefbank AG

Eschborn, as of 8 January 2015

signed by Stefan Krick
Managing Director

signed by Martina Horn
Director