Quarterly Information as of 31 March 2018

Deutsche Pfandbriefbank Group

DEUTSCHE PFANDBRIEFBANK

This notice is a quarterly report of the Deutsche Pfandbriefbank Group ("pbb Group") in accordance with section 53 of the Exchange Rules (Börsenordnung) of the Frankfurt Stock Exchange. Unless stated otherwise, the following comments are based on (unaudited) consolidated figures in accordance with International Financial Reporting Standards (IFRS), adopted by the EU. Furthermore, also unless stated otherwise, the comments relate to comparison with the same period of the previous year (1 January to 31 March 2017, also referred to as "3m2017" below) or, in the case of details concerning the (unaudited) statement of financial position, comparison with figures as at the previous year's reporting date (31 December 2017).

Contents

Business Performance
Key Figures

Deutsche Pfandbriefbank Group (pbb Group)		1.1.–31.3. 2018	1.1.–31.3. 2017
Operating performance according to IFRS			
Profit or loss before tax	in € million	48	47
Net income/loss	in € million	39	38
Key ratios		**1.1.–31.3. 2018**	**1.1.–31.3. 2017**
Earnings per share	in €	0.29	0.28
Cost-income ratio[1]	in %	41.6	38.7
Return on equity before tax	in %	6.7	6.7
Return on equity after tax	in %	5.4	5.4
New business volume[2]	in € billion	1.8	2.4
Balance sheet figures according to IFRS		**31.3.2018**	**31.12.2017**
Total assets	in € billion	57.6	58.0
Equity	in € billion	3.0	2.9
Financing volumes Real Estate Finance and Public Investment Finance	in € billion	32.7	31.9
Key regulatory capital ratios (fully phased-in)		**31.3.2018[3]**	**31.12.2017[4]**
CET1 ratio	in %	18.8	17.6
Own funds ratio	in %	23.5	22.2
Leverage ratio	in %	4.8	4.5
Staff		**31.3.2018**	**31.12.2017**
Employees (on full-time equivalent basis)		733	744
Long-term bank ratings[5][6]		**31.3.2018**	**31.12.2017**
Standard & Poor's		A–/Negative	A–/Negative
DBRS		BBB/Stable	BBB/Stable
Moody's Pfandbrief rating[6]		**31.3.2018**	**31.12.2017**
Public sector Pfandbriefe		Aa1	Aa1
Mortgage Pfandbriefe		Aa1	Aa1

[1] Cost-income ratio is the ratio of general and administrative expenses and net income from write-downs and write-ups on non-financial assets to operating income.
[2] Including prolongations with maturities of more than one year.
[3] After confirmation of the 2017 financial statements, less the proposed dividend (subject to approval by the Annual General Meeting) and in consideration of the current net profit less the maximum permissible dividend according to the ECB methodology.
[4] After confirmation of the 2017 financial statements, less the proposed dividend (subject to approval by the Annual General Meeting).
[5] The ratings of unsecured liabilities may diverge from the bank ratings.
[6] The rating agencies may alter or withdraw their ratings at any time. Ratings of individual securities issued by pbb may deviate from the ratings indicated above, or an individual security may not be rated at all. For the evaluation and usage of ratings, please refer to the rating agencies' pertinent criteria and explanations and the relevant terms of use which are to be considered. Ratings should not serve as a substitute for personal analysis. They do not constitute a recommendation to purchase, sell or hold securities issued by Deutsche Pfandbriefbank AG (pbb).

First Time Application of IFRS 9

Effective 1 January 2018, Deutsche Pfandbriefbank Group ("pbb Group") has applied IFRS 9 (Financial Instruments) as adopted by the European Union, which supersedes the previously applicable disclosure requirements for financial instruments under IAS 39. pbb applied IFRS 9 for the first time as from 1 January 2018, with retrospective effect; however, the previous year's figures were generally not adjusted. Accordingly, initial application effects were recognised directly in equity as of 1 January 2018. For reason of transparency, the statement of financial position features the carrying amounts recognised in line with IAS 39 (as at 31 December 2017) as well as the carrying amounts recognised according to IFRS 9 (as at 1 January 2018).

The introduction of IFRS 9 classification and measurement categories resulted in positive initial application effects of €158 million recognised directly in equity (before deferred taxes). However, these positive effects were partly offset by the introduction of amended impairment loss regulations, which led to negative initial application effects of €32 million also recognised directly in equity. In total, equity in accordance with IFRS increased by €126 million before deferred taxes (€109 million after deferred taxes) resulting from the retrospective first-time application of IFRS 9.

Changes to the Reporting Structure of the Income Statement and the Statement of Financial Position

In line with IAS 8.14, pbb Group changed its reporting structure as well as some line items in the income statement and the statement of financial position. This resulted in a change in the characteristics of the transactions reported in these line items. At the first level, the new presentation is no longer based on a product-specific logic, which used to be more commonly applied in Germany, but on a presentation structure focusing on measurement categories, which is more common internationally. At the second level, the new presentation is based on product categories.

To a large degree, the new structure is in line with banking supervisory requirements in relation to financial reporting (source of law: Regulation (EU) 2015/534 of the European Central Bank of 17 March 2015 – "FINREP"). This is a procedure based on a report published by the Committee of European Banking Supervisors, and subsequently the European Banking Authority (EBA), in relation to standardised financial reporting for financial and credit institutions. By introducing these changes, pbb Group increased the transparency of its financial reporting, since the application of different measurement bases for different classes of assets in accordance with IAS 1.59 suggests that their nature or function differs. In order to ensure comparability, previous year's figures were allocated accordingly.

Please refer to page 138 et seq. of the Annual Report 2017 for more information on the line items of the income statement and the statement of financial position.

Development in Earnings

During the period under review (1 January to 31 March 2018 – "3m2018"), pbb Group generated profit before tax of €48 million, slightly exceeding the strong €47 million figure for the same period of the previous year (1 January to 31 March 2017 – "3m2017"). This was due in particular to net interest income, the most important income driver, which improved considerably amidst a challenging competitive environment. As in the previous year, pbb Group's three-month results were burdened by the bank levy payable for the entire year. A detailed breakdown of the results is provided below:

Income and expenses

in € million	**1.1.–31.3. 2018 (IFRS 9)**	**1.1.–31.3. 2017 (IAS 39)**	Change
Operating income	113	124	–11
Net interest income	107	97	10
Net fee and commission income	1	3	–2
Net income from financial assets at fair value through profit or loss (Net income from fair value measurement)[1]	–	–2	2
Net income from derecognition of financial instruments not measured at fair value through profit or loss (Net income from realisations)[1]	9	9	–
Thereof: from financial assets at amortised cost	7	9	–2
Net income from hedge accounting	–1	1	–2
Net other operating income	–3	16	–19
Net income from allowances on financial assets (Net income from risk provisioning)[1]	4	–	4
General and administrative expenses	–44	–45	1
Expenses from bank levies and similar dues	–21	–22	1
Net income from write-downs and write-ups on non-financial assets	–3	–3	–
Net income from provisions	–1	–7	6
Profit or loss before tax	**48**	**47**	**1**
Income taxes	–9	–9	–
Net income/loss	**39**	**38**	**1**
attributable to:			
Equity holders	39	38	1

[1] Solely the condensed and parenthesised line item descriptions are used subsequently.

Please refer to page 138 et seq. of the Annual Report 2017 for more information on the line items of the consolidated income statement.

Net interest income increased from €97 million in the first three months of 2017 to €107 million in the period under review. This positive development was due to lower interest expenses, which reflected maturities of higher-yielding liabilities. In the first quarter of 2018 at €32.3 billion the average aggregate volume of interest-bearing loans in Commercial Real Estate Finance and Public Investment Finance exceeded the level of the previous year (3m2017: €31.7 billion), whereas the average volume of the non-strategic Value Portfolio continued to decline, in line with pbb's strategy (€13.7 billion; 3m2017: €15.7 billion). The average margin of the total portfolio improved slightly compared to the first quarter of 2017.

Net fee and commission income from non-accruable fees amounted to €1 million (3m2017: €3 million).

pbb Group disclosed a balanced **net income from fair value measurement** (3m2017: €–2 million). Income from changes in the fair value of derivatives in the amount of €5 million (3m2017: €–2 million) was offset by expenses in the amount of €5 million from the result of non-derivative financial instruments measured at fair value through profit or loss in accordance with IFRS 9. Under IAS 39, non-derivative financial instruments were measured at cost.

Net income from realisations (€9 million; 3m2017: €9 million) comprised early termination fees of €4 million (3m2017: €8 million), fee realisations of €3 million (3m2017: €1 million), and redemption of liabilities of €2 million (3m2017: €0 million).

Net income from hedge accounting of €–1 million (3m2017: €1 million) was due exclusively to ineffective portions from fair value micro-hedge relationships. pbb Group took the option provided under IFRS 9 and continued to apply the hedge accounting rules of IAS 39.

Net other operating income (€–3 million; 3m2017: €16 million) mainly comprised expenses from currency translation. The result for the same period of the previous financial year benefited from income generated in connection with the sale of assets held in pbb's non-strategic Value Portfolio.

Net income from risk provisioning (€4 million; 3m2017: €0 million) mainly resulted from net reversals of stage 1 and 2 impairments in the amount of €5 million, which were due to maturity effects within the twelve-month maturity portfolio. These effects were partly offset by net additions to stage 3 impairments of €1 million.

At €44 million, **general and administrative expenses** were more or less on par with the previous year (3m2017: €45 million). Both personnel and non-personnel expenses remained almost flat.

Expenses from bank levies and similar dues (€–21 million; 3m2017: €–22 million) mainly comprised expenses for the bank levy, taking into account pledged collateral amounting to 15% (€20 million; 3m2017: €20 million); the charge had to be recognised in the first quarter for the entire year in accordance with IFRIC 21 stipulations. Furthermore, this line item comprised expenses of €1 million (3m2017: €2 million) for the Joint Fund for Securing Customer Deposits.

Net income from write-downs and write-ups on non-financial assets (€–3 million; 3m2017: €–3 million) resulted from depreciation of property and equipment, and amortisation of intangible assets.

Net income from provisions (€–1 million; 3m2017: €–7 million) was due to new provisions recognised for legal expenses.

As in the same period of the previous year, **income taxes** (€9 million; 3m2017: €9 million) were due exclusively to current taxes.

Development in Assets and Financial Position

DEVELOPMENT IN ASSETS

Assets

in € million	31.3.2018 (IFRS 9)	1.1.2018 (IFRS 9)	31.12.2017 (IAS 39)
Cash reserve	827	999	999
Financial assets at fair value through profit or loss	1,586	1,735	870
Positive fair values of stand-alone derivatives	848	870	870
Debt securities	330	333	–
Loans and advances to customers	405	529	–
Other financial assets at fair value through profit or loss	3	3	–
Financial assets at fair value through other comprehensive income	2,140	2,182	2,385
Debt securities	1,701	1,735	2,382
Loans and advances to other banks	17	17	–
Loans and advances to customers	422	430	–
Other financial assets at fair value through other comprehensive income	–	–	3
Financial assets at amortised cost after credit loss allowances	50,398	50,323	50,858
Financial assets at amortised cost before credit loss allowances	50,499	50,427	50,942
Debt securities	8,570	8,667	8,253
Loans and advances to other banks	2,389	2,400	2,415
Loans and advances to customers	39,540	39,360	40,274
Credit loss allowances on financial assets at amortised cost	–101	–104	–84
Positive fair values of hedge accounting derivatives	2,485	2,678	2,678
Valuation adjustment from porfolio hedge accounting (assets)	–	–1	–1
Tangible assets	6	6	6
Intangible assets	35	36	36
Other assets	30	34	34
Current income tax assets	49	42	42
Deferred income tax assets	74	71	87
Total assets	**57,630**	**58,105**	**57,994**

Please refer to page 139 et seq. of the Annual Report 2017 for more information on individual asset items.

Total assets declined by €0.5 billion compared to 1 January 2018 (IFRS 9). This was attributable in particular to market-induced fair value adjustments, which led to a decline in hedging derivatives. Furthermore, the cash reserve decreased given the disbursement of real estate financings. In addition, financial assets measured at fair value through profit or loss declined due to maturities and placements.

At €32.7 billion, the aggregate nominal value of strategic financings, comprising real estate finance and public investment finance, exceeded the previous year-end figure (31 December 2017: €31.9 billion). The non-strategic Value Portfolio declined from €13.8 billion on 31 December 2017 to €13.6 billion, in line with the strategy.

DEVELOPMENT IN FINANCIAL POSITION

Liabilities and equity

in € million	31.3.2018 (IFRS 9)	1.1.2018 (IFRS 9)	31.12.2017 (IAS 39)
Financial liabilities at fair value through profit or loss	1,029	1,040	956
Negative fair values of stand-alone derivatives	1,029	1,040	956
Financial liabilities measured at amortised cost	50,518	50,919	50,919
Liabilities to other banks	4,280	3,797	3,797
Liabilities to customers	25,623	26,244	26,244
Bearer bonds	19,717	19,876	19,876
Subordinated liabilities	898	1,002	1,002
Negative fair values of hedge accounting derivatives	2,702	2,805	2,889
Valuation adjustment from porfolio hedge accounting (liabilities)	3	–	–
Provisions	244	247	245
Other liabilities	81	70	70
Current income tax liabilities	57	57	57
Liabilities	**54,634**	**55,138**	**55,136**
Equity attributable to the shareholders of pbb	2,996	2,967	2,858
Subscribed capital	380	380	380
Additional paid-in capital	1,637	1,637	1,637
Retained earnings	722	722	731
Consolidated profit/loss	221	182	182
Accumulated other comprehensive income	36	46	–72
from pension commitments	–72	–75	–75
from cash flow hedge accounting	14	22	22
from financial assets at fair value through other comprehensive income (IAS 39: AfS reserve)	94	99	–19
Equity	**2,996**	**2,967**	**2,858**
Total equity and liabilities	**57,630**	**58,105**	**57,994**

Please refer to page 140 et seq. of the Annual Report 2017 for more information on individual equity and liability items.

Liabilities

Liabilities decreased, especially due to lower liabilities to customers, which declined to €25.6 billion (1 January 2018: €26.2 billion), reflecting a lower level of promissory note loans due to maturities.

Equity

Equity of €3.0 billion as at 31 March 2018 was unchanged from 1 January 2018. The discount rate used to measure defined benefit pension obligations rose, in line with the level of market interest rates, from 1.93% at the end of the previous year to 2.05% as at 31 March 2018; this resulted in a €3 million increase in other comprehensive income. Accumulated other comprehensive income declined by a total of €13 million due to the planned reduction of cash flow hedge reserves, and to the decline in reserves from financial assets at fair value through profit or loss.

Funding

During the first quarter of 2018, pbb Group raised new long-term funding in the amount of €2.0 billion (3m 2017: €2.7 billion). The total amount comprised unsecured issues as well as Pfandbrief issues, both in the form of benchmark issues and private placements. At €1.1 billion (3m 2017: €1.5 billion), Pfandbriefe accounted for just over half of the total volume, with unsecured funding accounting for €0.9 billion (3m 2017: €1.2 billion). All issues were denominated in euro, and were mostly placed as fixed-rate bonds. Unhedged interest rate exposures are usually hedged by swapping fixed against floating interest rates.

Overnight and term deposits from retail investors taken via "pbb direct" amounted to €3.2 billion as at 31 March 2018 (31 December 2017: €3.3 billion).

Liquidity

Since 1 January 2018, a minimum Liquidity Coverage Ratio (LCR) of currently 100% has been mandatory in regulatory liquidity reporting. The LCR figures for pbb Group during the first quarter of 2018 significantly exceeded 100%.

Off-balance-sheet Obligations

Irrevocable loan commitments of €4.0 billion (31 December 2017: €4.7 billion) represent the majority of off-balance sheet obligations. Contingent liabilities on guarantees and warranties amounted to €0.1 billion as at 31 March 2018 (31 December 2017: €0.1 billion).

Segment Reporting

Income/expenses

in € million		REF	PIF	VP	C&A	pbb Group
Operating income	1.1.–31.3.2018	96	7	8	2	**113**
	1.1.–31.3.2017[1]	93	6	24	1	**124**
Net interest income	1.1.–31.3.2018	89	8	8	2	**107**
	1.1.–31.3.2017[1]	81	7	8	1	**97**
Net fee and commission income	1.1.–31.3.2018	1	–	–	–	**1**
	1.1.–31.3.2017[1]	3	–	–	–	**3**
Net income from fair value measurement	1.1.–31.3.2018	–	–	–	–	**–**
	1.1.–31.3.2017[1]	–	–1	–1	–	**–2**
Net income from realisations	1.1.–31.3.2018	8	–	1	–	**9**
	1.1.–31.3.2017[1]	9	–	–	–	**9**
Net income from hedge accounting	1.1.–31.3.2018	–1	–	–	–	**–1**
	1.1.–31.3.2017[1]	–	–	1	–	**1**
Net other operating income	1.1.–31.3.2018	–1	–1	–1	–	**–3**
	1.1.–31.3.2017[1]	–	–	16	–	**16**
Net income from risk provisioning	1.1.–31.3.2018	–	2	2	–	**4**
	1.1.–31.3.2017[1]	–2	1	1	–	**–**
General and administrative expenses	1.1.–31.3.2018	–35	–6	–3	–	**–44**
	1.1.–31.3.2017[1]	–36	–6	–3	–	**–45**
Expenses from bank levies and similar dues	1.1.–31.3.2018	–12	–3	–6	–	**–21**
	1.1.–31.3.2017[1]	–11	–3	–8	–	**–22**
Net income from write downs and write ups on non-financial assets	1.1.–31.3.2018	–2	–1	–	–	**–3**
	1.1.–31.3.2017[1]	–2	–1	–	–	**–3**
Net income from provisions	1.1.–31.3.2018	–	–	–1	–	**–1**
	1.1.–31.3.2017[1]	–4	–1	–2	–	**–7**
Profit or loss before tax	1.1.–31.3.2018	**47**	**–1**	**–**	**2**	**48**
	1.1.–31.3.2017[1]	**38**	**–4**	**12**	**1**	**47**

[1] Adjusted due to IFRS 8.29.

Balance-sheet-related measures

in € billion		REF	PIF	VP	C&A	pbb Group
Financing volumes[1]	31.3.2018	25.7	7.0	13.6	–	**46.3**
	31.12.2017	24.9	7.0	13.8	–	**45.7**
Risik-weighted assets[2]	31.3.2018	8.1	1.6	3.5	1.0	**14.2**
	31.12.2017	8.3	1.6	3.5	1.1	**14.5**
Equity[3]	31.3.2018	1.4	0.2	0.9	0.4	**2.9**
	31.12.2017[4]	1.2	0.2	1.1	0.4	**2.9**

[1] Notional amounts of the drawn parts of granted loans and parts of the securities portfolio.
[2] Including risk-weighted credit risk positions as well as the capital requirements for market risk positions and operational risks scaled with the factor 12.5.
[3] Excluding cash flow hedge reserve and excluding reserve from financial assets at fair value through other comprehensive income (IAS 39: AfS reserve).
[4] Adjusted due to IFRS 8.29.

Effective 1 January 2018, pbb Group changed the structure of its internal organisation in such a way that the amount of profit before tax as well as the amount of allocated equity of reportable segments changed. These changes relate to the allocation of costs for holding liquidity (reported in net interest income); prepayment penalties (reported in gains or losses from derecognition of financial instruments not measured at fair value through profit or loss); and equity to the business segments and thus also of income from investing own funds (included in net interest income). pbb Group has adjusted the segmentation of income and expenses for the comparable prior-year period, and of equity as of 31 December 2017, in accordance with IFRS 8.29. As a result of the changes, profit before tax in the REF segment rose, whilst profit before tax in the PIF and VP segments decreased. As a result of the changed allocation of equity, a higher amount was allocated to the REF segment in particular.

Report on Post-balance Sheet Date Events

On 12 April 2018, pbb issued a subordinated bond in Additional Tier 1 (AT1) format with a total nominal value of €300 million. The bond has an initial coupon of 5.75% p.a. and has no final maturity. Through this issue, which will increase equity in the consolidated financial statements in accordance with IFRS, pbb Group has raised additional regulatory tier 1 capital, thereby also strengthening its Leverage Ratio. The issue will increase the Tier 1 ratio and the Own Funds Ratio by around two percentage points each; the Leverage Ratio will improve to slightly above 5%. Given the structure of the issue as an AT1 instrument, the Common Equity Tier 1 (CET1) ratio will not change.

There were no other material events after 31 March 2018.

Breakdown of Maturities by Remaining Term

Maturities[1)] as of 31 March 2018 (IFRS 9)

in € million	Repayable on demand/ unspecified terms	up to 3 months	more than 3 months to 1 year	more than 1 year to 5 years	more than 5 years	**Total**
Assets	**3,458**	**1,818**	**3,229**	**20,345**	**25,354**	**54,204**
Cash reserve	827	–	–	–	–	827
Measured at fair value through profit or loss (excluding derivatives)	3	9	213	70	443	738
Debt securities	–	3	202	–	125	330
Loans and advances to customers	–	6	11	70	318	405
Other assets	3	–	–	–	–	3
Measured at fair value through other comprehensive income	–	85	–	1,071	984	2,140
Debt securities	–	77	–	790	834	1,701
Loans and advances to other banks	–	1	–	16	–	17
Loans and advances to customers	–	7	–	265	150	422
Measured at amortised cost before credit loss allowances	2,628	1,724	3,016	19,204	23,927	50,499
Debt securities	–	383	198	1,825	6,164	8,570
Loans and advances to other banks	1,659	90	43	–	597	2,389
Loans and advances to customers	969	1,251	2,775	17,379	17,166	39,540
Liabilities	**2,145**	**2,213**	**4,236**	**23,244**	**18,680**	**50,518**
Measured at amortised cost	2,145	2,213	4,236	23,244	18,680	50,518
Liabilities to other banks	923	453	59	2,101	744	4,280
Liabilities to customers	1,222	1,391	1,991	6,596	14,423	25,623
Bearer bonds	–	163	2,181	14,481	2,892	19,717
Subordinated liabilities	–	206	5	66	621	898

[1)] Excluding: positive/negative fair values of stand-alone derivatives and hedge accounting derivatives, credit loss allowances on financial assets at amortised cost, valuation adjustment from porfolio hedge accounting (assets/liabilities), tangible assets, intangible assets, provisions, other assets/liabilities, income tax assets/liabilities and equity.

Maturities[1] as of 1 January 2018 (IFRS 9)

in € million	Repayable on demand/ unspecified terms	up to 3 months	more than 3 months to 1 year	more than 1 year to 5 years	more than 5 years	Total
Assets	**3,671**	**2,064**	**3,087**	**19,986**	**25,665**	**54,473**
Cash reserve	999	–	–	–	–	999
Measured at fair value through profit or loss (excluding derivatives)	3	37	77	223	525	865
Debt securities	–	6	66	139	122	333
Loans and advances to customers	–	31	11	84	403	529
Other assets	3	–	–	–	–	3
Measured at fair value through other comprehensive income	–	54	51	1,082	995	2,182
Debt securities	–	47	51	797	840	1,735
Loans and advances to other banks	–	1	–	16	–	17
Loans and advances to customers	–	6	–	269	155	430
Measured at amortised cost before credit loss allowances	2,669	1,973	2,959	18,681	24,145	50,427
Debt securities	–	135	423	1,779	6,330	8,667
Loans and advances to other banks	1,707	44	104	–	545	2,400
Loans and advances to customers	962	1,794	2,432	16,902	17,270	39,360
Liabilities	**2,385**	**3,266**	**3,444**	**22,505**	**19,319**	**50,919**
Measured at amortised cost	2,385	3,266	3,444	22,505	19,319	50,919
Liabilities to other banks	990	43	82	2,055	627	3,797
Liabilities to customers	1,395	1,196	2,313	6,920	14,420	26,244
Bearer bonds	–	1,901	867	13,459	3,649	19,876
Subordinated liabilities	–	126	182	71	623	1,002

[1] Excluding: positive/negative fair values of stand-alone derivatives and hedge accounting derivatives, credit loss allowances on financial assets at amortised cost, valuation adjustment from porfolio hedge accounting (assets/liabilities), tangible assets, intangible assets, provisions, other assets/liabilities, income tax assets/liabilities and equity.

Maturities[1] as of 31 December 2017 (IAS 39)

in € million	Repayable on demand/ unspecified terms	up to 3 months	more than 3 months to 1 year	more than 1 year to 5 years	more than 5 years	**Total**
Assets	**3,889**	**1,680**	**3,106**	**20,073**	**25,565**	**54,313**
Cash reserve	999	–	–	–	–	999
Measured at fair value through profit or loss (excluding derivatives)	–	–	–	–	–	–
Measured at fair value through other comprehensive income	3	44	51	423	1,864	2,385
Debt securities	–	44	51	423	1,864	2,382
Other assets	3	–	–	–	–	3
Measured at amortised cost before credit loss allowances	2,887	1,636	3,055	19,650	23,701	50,929
Debt securities[2]	–	144	489	2,264	5,343	8,240
Loans and advances to other banks	1,709	45	104	15	542	2,415
Loans and advances to customers	1,178	1,447	2,462	17,371	17,816	40,274
Liabilities	**2,386**	**3,145**	**3,443**	**22,506**	**19,439**	**50,919**
Measured at amortised cost	2,386	3,145	3,443	22,506	19,439	50,919
Liabilities to other banks	991	42	81	2,056	627	3,797
Liabilities to customers	1,395	1,076	2,312	6,920	14,541	26,244
Bearer bonds	–	1,901	868	13,459	3,648	19,876
Subordinated liabilities	–	126	182	71	623	1,002

[1] Excluding: positive/negative fair values of stand-alone derivatives and hedge accounting derivatives, credit loss allowances on financial assets at amortised cost, valuation adjustment from porfolio hedge accounting (assets/liabilities), tangible assets, intangible assets, provisions, other assets/liabilities, income tax assets/liabilities and equity.

[2] Less portfolio-based allowances according to IAS 39.

Additional Information
Future-oriented Statements

This report contains future-oriented statements inter alia in the form of intentions, assumptions, expectations or forecasts. These statements are based on the plans, estimates and predictions currently available to the management board of pbb. Future-oriented statements therefore only apply on the day on which they are made. pbb Group does not undertake any obligation to update such statements in light of new information or future events. By their nature, future-oriented statements contain risks and factors of uncertainty. A number of important factors can contribute to actual results deviating considerably from future-oriented statements. Such factors include the condition of the financial markets in Germany, Europe and the USA, the possible default of borrowers or counterparties of trading companies, the reliability of our principles, procedures and methods for risk management as well as other risks associated with our business activity.

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Deutsche Pfandbriefbank AG (publisher)
Freisinger Strasse 5
85716 Unterschleissheim
Germany

T +49 (0)89 2880-0
F +49 (0)89 2880-10319
info@pfandbriefbank.com
www.pfandbriefbank.com