



SUPPLEMENT NO. 1

dated 13 August 2008

to the

DEBT ISSUANCE PROGRAMME PROSPECTUS

of

DEPFA BANK PLC

(incorporated with limited liability under the laws of the Republic of Ireland)

and

DEPFA DEUTSCHE PFANDBRIEFBANK AG

(incorporated with limited liability under the laws of the Federal Republic of Germany)

dated 14 May 2008

Euro 15,000,000,000 Debt Issuance Programme

This Supplement No. 1 (the **Supplement**) to the debt issuance programme prospectus of DEPFA BANK plc (**DEPFA BANK**) and DEPFA Deutsche Pfandbriefbank AG (the **Pfandbriefbank** and, together with DEPFA BANK, the **Issuers** and each an **Issuer**) dated 14 May 2008 (the **DIP Prospectus**) constitutes a supplement for the purposes of Article 16.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 and Article 13 of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005 (*loi relative aux prospectus pour valeurs mobilières*; the **Prospectus Act**) and is prepared in connection with the Euro 15,000,000,000 Debt Issuance Programme established by the Issuers. Terms defined in the DIP Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed in conjunction with, the DIP Prospectus and all documents incorporated by reference in the DIP Prospectus and this Supplement.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into this Supplement and (b) any other statement in or incorporated by reference in the DIP Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the DIP Prospectus since the publication of the DIP Prospectus.

Each of DEPFA BANK and the Pfandbriefbank accepts sole responsibility for the information contained in this Supplement (including any information incorporated by reference in this Supplement). Having taken all reasonable care to ensure that such is the case, each of the Issuers confirms that the information contained in this Supplement (including any information incorporated by reference in this Supplement) is, to the best of its knowledge and belief, in accordance with the facts and does not omit anything likely to affect the import of such information.

A. Downgrade of senior long-term debt ratings of DEPFA BANK and the Pfandbriefbank by Standard & Poor's

On 2 July 2008, Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. lowered the senior long-term debt ratings of DEPFA BANK and the Pfandbriefbank. Following these rating downgrades, the following amendments shall be made to the DIP Prospectus:

1. Amendments to the section entitled "*Summary*" on page 5 of the DIP Prospectus

a. The subsection entitled "*General Information Relating to the Programme – Ratings of Instruments to be issued by DEPFA BANK*" on page 7 of the DIP Prospectus shall be amended to read as follows:

Senior long-term debt of DEPFA BANK is rated **AA-** by Fitch Ratings Ltd. (**Fitch**), **Aa3** by Moody's Investors Service (**Moody's**) and **A** by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. (**Standard & Poor's**).

b. The first paragraph of the subsection entitled "*General Information Relating to the Programme – Ratings of Instruments to be issued by the Pfandbriefbank*" on page 7 of the DIP Prospectus shall be amended to read as follows:

Senior long-term debt of the Pfandbriefbank is rated **A** by Fitch, **Aa3** by Moody's and **A-** by Standard & Poor's.

2. Amendments to the section entitled "*Zusammenfassung*" on page 20 of the DIP Prospectus

a. The subsection entitled "*Allgemeine Angaben zum Programm – Ratings der von DEPFA BANK zu begebenden Schuldtitel*" on page 22 of the DIP Prospectus shall be amended to read as follows:

Die nicht-nachrangigen langfristigen Verbindlichkeiten der DEPFA BANK werden von Fitch Ratings Ltd. (**Fitch**) mit **AA-**, von Moody's Investors Service (**Moody's**) mit **Aa3** und von Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. (**Standard & Poor's**) mit **A** bewertet.

b. The subsection entitled "*Allgemeine Angaben zum Programm – Ratings der von der Pfandbriefbank zu begebenden Schuldtitel*" on page 22 of the DIP Prospectus shall be amended to read as follows:

Die nicht-nachrangigen langfristigen Verbindlichkeiten der Pfandbriefbank werden von Fitch mit **A**, von Moody's mit **Aa3** und von Standard & Poor's mit **A-** bewertet.

3. Amendments to the section entitled "*Description of DEPFA BANK PLC*" on page 174 of the DIP Prospectus

The first paragraph of the subsection entitled "*Ratings*" on page 177 of the DIP Prospectus shall be amended to read as follows:

Senior long-term debt of DEPFA BANK is rated **AA-** by Fitch Ratings Ltd. (**Fitch**), **Aa3** by Moody's Investors Service (**Moody's**) and **A** by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. (**Standard & Poor's**). These ratings reflect DEPFA BANK's strong credit profile.

4. Amendments to the section entitled "*Description of DEPFA Deutsche Pfandbriefbank AG*" on page 184 of the DIP Prospectus

The second paragraph of the subsection entitled "*Ratings*" on page 185 of the DIP Prospectus shall be amended to read as follows:

Senior long-term debt of the Pfandbriefbank is rated **A** by Fitch, **Aa3** by Moody's and **A-** by Standard & Poor's.

B. Profit Transfer Agreement between DEPFA Deutsche Pfandbriefbank AG and Hypo Real Estate Holding AG

At the Annual General Meeting of the Pfandbriefbank on 20 May 2008 and the Annual General Meeting of Hypo Real Estate Holding AG (**HRE**) on 27 May 2008, the respective shareholders of the Pfandbriefbank and HRE voted in favour of a profit transfer agreement with loss absorption (the **Profit Transfer Agreement**) to be made between the Pfandbriefbank (as controlled company) and HRE (as controlling company). The Profit Transfer Agreement was entered into by HRE on 10 June 2008 and by the Pfandbriefbank on 27 June 2008. The Profit Transfer Agreement

became effective upon its entry into the commercial register of Frankfurt am Main on 31 July 2008 and will be applied with retrospective effect from 1 January 2008. The Profit Transfer Agreement has a duration of five years and will be extended for further periods of one year each unless it is terminated with three months' notice. Following the entry of the Profit Transfer Agreement in the commercial register, the following amendments shall be made to the DIP Prospectus:

1. Amendments to the section entitled "Summary" on page 5 of the DIP Prospectus

The following paragraph shall be added below the subsection entitled "*Information Relating to the Pfandbriefbank – Keep Well Statement*" on page 9 of the DIP Prospectus:

Profit Transfer Agreement: The Pfandbriefbank and HRE entered into a profit transfer agreement with loss absorption which became effective upon its entry into the commercial register of Frankfurt am Main on 31 July 2008 and will be applied with retrospective effect from 1 January 2008. The Profit Transfer Agreement has a duration of five years and will be extended for further periods of one year each unless it is terminated with three months' notice.

2. Amendments to the section entitled "Zusammenfassung" on page 20 of the DIP Prospectus

The following paragraph shall be added below the subsection entitled "*Angaben zur der Pfandbriefbank – Patronatserklärung*" on page 25 of the DIP Prospectus:

Gewinnabführungsvertrag: Die Pfandbriefbank und HRE haben einen Gewinnabführungsvertrag mit Ausgleich des Jahresfehlbetrags abgeschlossen, der mit Eintragung in das Handelsregister von Frankfurt am Main am 31. Juli 2008 rechtswirksam wurde und rückwirkend zum 01. Januar 2008 gilt. Der Gewinnabführungsvertrag hat eine Laufzeit von fünf Jahren und verlängert sich jeweils um ein Jahr, wenn er nicht mit einer Frist von drei Monaten gekündigt wird.

3. Amendments to the section entitled "Description of DEPFA Deutsche Pfandbriefbank AG" on page 184 of the DIP Prospectus

The following subsection shall be inserted before the subsection entitled "*History*" on page 184 of the DIP Prospectus:

Profit Transfer Agreement

At the Annual General Meeting of the Pfandbriefbank on 20 May 2008 and the Annual General Meeting of Hypo Real Estate Holding AG on 27 May 2008, the respective shareholders of the Pfandbriefbank and Hypo Real Estate Holding AG voted in favour of a profit transfer agreement with loss absorption (the **Profit Transfer Agreement**) to be made between the Pfandbriefbank (as controlled company) and Hypo Real Estate Holding AG (as controlling company). The Profit Transfer Agreement was entered into by Hypo Real Estate Holding AG on 10 June 2008 and by the Pfandbriefbank on 27 June 2008. The Profit Transfer Agreement became effective upon its entry into the commercial register of Frankfurt am Main on 31 July 2008 and will be applied with retrospective effect from 1 January 2008. The Profit Transfer Agreement has a duration of five years and will be extended for further periods of one year each unless it is terminated with three months' notice. The Profit Transfer Agreement is subject to German law.

C. Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008 of DEPFA BANK plc

On 31 July 2008, the "*Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008*" of DEPFA BANK containing, *inter alia*, the unaudited but reviewed condensed consolidated interim financial statements of DEPFA BANK as at and for the six months period ending 30 June 2008 were published. A copy of the "*Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008*" has been filed with the Luxembourg Commission de Surveillance du Secteur Financier and, by virtue of this Supplement, the "*Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008*" are incorporated in, and form part of, this Supplement, to the extent set out in the "*Table of Documents Incorporated by Reference*" below, provided that any information not specifically set out in the "*Table of Documents Incorporated by Reference*" but included in the "*Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008*" incorporated by reference is given for information purposes only.

Copies of the "*Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008*" incorporated by reference in this Supplement will be available for inspection at and will be obtainable free of charge from (i) the registered office of DEPFA BANK (DEPFA BANK plc, 1 Commons Street, Dublin 1, Ireland), and (ii) the specified offices of each of the Fiscal Agent (Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom), the German Fiscal Agent (DEPFA Deutsche Pfandbriefbank AG, Ludwig-Erhard-Straße 14, 65760 Eschborn, Germany) and the Paying Agents for the time being in Germany (DEPFA Deutsche Pfandbriefbank AG, Ludwig-Erhard-Straße 14, 65760 Eschborn, Germany), Luxembourg (Deutsche Bank Luxembourg S.A., 2, Boulevard Konrad Adenauer, L-1115 Luxembourg) and Switzerland (Credit Suisse, P.O. 300, Uetlibergstraße 231, 8070 Zurich, Switzerland). In addition, copies of this Supplement and the "*Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008*" incorporated by reference in this Supplement will be obtainable from, and viewable on, the website of the Luxembourg Stock Exchange (www.bourse.lu).

Table of Documents Incorporated by Reference

Document	Section Incorporated
Condensed Consolidated Unaudited Interim Financial Statements as at 30 June 2008 of DEPFA BANK plc (containing <i>inter alia</i> the unaudited but reviewed condensed consolidated interim financial statements of DEPFA BANK for the six months period ending 30 June 2008, prepared in accordance with IFRS), including:	
• Independent review report on condensed consolidated unaudited interim financial statements	Page 05
• Condensed consolidated income statement for the period ended 30 June 2008	Page 06
• Condensed consolidated balance sheet as at 30 June 2008	Page 07
• Condensed consolidated statement of changes in equity	Page 08
• Condensed consolidated cash flow statement	Page 08
• General information, basis of preparation and Notes to the condensed consolidated interim financial statements	Pages 09 – 15

D. Withdrawal Right

Any investor who may wish to exercise any withdrawal right arising pursuant to Article 13.2 of the Prospectus Act as a result of the publication of this Supplement must exercise that right on or before 5.30 p.m. (Luxembourg time) on 18 August 2008. Such withdrawal, if any, is not required to contain any reasons for the withdrawal and is to be addressed in writing (in the case of Instruments to be issued by DEPFA BANK) to DEPFA BANK plc, Legal Department, 1 Commons Street, Dublin 1, Ireland or (in the case of Instruments to be issued by the Pfandbriefbank) to DEPFA Deutsche Pfandbriefbank AG, Legal Documentation, Ludwig-Erhard-Straße 14, 65760 Eschborn, Germany. In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.