

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 Supplement (as defined herein) has been published shall have the right, exercisable within a time limit which shall not be shorter than two working days after the publication of this Supplement, to withdraw their purchase orders provided that the relevant purchase order has not yet been settled. In this case the withdrawal has to be addressed to the Issuer (as defined below).

Supplement pursuant to article 16 para. 1 of the German Securities Prospectus Act  
dated 8 January 2010

to the base prospectus  
dated 19 August 2009 and lastly supplemented on 25 November 2009

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 “Third Supplement” or the “Supplement”) to the base prospectus dated 19 August 2009 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 19 August 2009 and supplemented on 13 October 2009 (the “First Supplement”) and on 25 November 2009 (the “Second Supplement”) (together, 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 Third Supplement. As used herein, the term “Base Prospectus” means the Original Base Prospectus and the Third Supplement.

The Issuer accepts responsibility for the information contained in, or incorporated 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 Third 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 Act (*Wertpapierprospektgesetz*) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003. 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 has been 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 Services Authority* of the United Kingdom, the *Irish Financial Services Regulatory Authority* of Ireland, the *Finanzmarktaufsicht* of Austria and the *Kredittilsynet / Oslo Børs* of Norway with a certificate of approval attesting that the Third Supplement has been drawn up in accordance with the German Securities Prospectus Act and with a copy of the Third Supplement.

This Third Supplement has been filed with the Competent Authority and has been published together with the Original Base Prospectus as supplemented on the website of the Issuer ([www.hyporealestate.com](http://www.hyporealestate.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 this Third Supplement and of the Original Base Prospectus.

The Issuer announces the following new factors relating to the information included in the Original Base Prospectus.

## OVERALL AMENDMENTS

If reference is made in the Original Base Prospectus to “Base Prospectus”, then the respective reference includes all changes made by the First Supplement, the Second Supplement and the Third Supplement.

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

#### 1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “1. SUMMARY OF RISK FACTORS - SUMMARY OF RISKS RELATING TO THE ISSUER AND HYPO REAL ESTATE GROUP”

*On page 7 of the Original Base Prospectus, the third to sixth paragraph of the Subsection “Risks relating to Current Crisis of Hypo Real Estate Group” (as supplemented by the Second Supplement) shall be replaced as follows:*

“The restructuring plan of Hypo Real Estate Group has been notified to the European Commission in April 2009. In its decision, the European Commission most likely will impose certain significant conditions, including a substantial balance sheet reduction and the setting of a certain timeframe for the reprivatisation of Hypo Real Estate Holding. However, if the European Commission were to conclude in the final decision that certain state aid measures do not comply with the EC Treaty, it may decide that Germany shall abolish or alter such aid within a certain period, and/or order repayment.

Investors should note that the liquidity support granted to Hypo Real Estate Group is restricted from a timing perspective: The guarantee facilities provided by the SoFFin in the amount of Euro 52 billion and Euro 43 billion will expire on 30 June 2010 and 22 December 2010, respectively, subject to another prolongation. It should be noted that the SoFFin has not committed itself in a legally binding form to prolong or extend the guarantee facilities. Also for further recapitalisation measures there is no legally binding commitment by the SoFFin.

It should be noted also that with respect to the contemplated transfer of assets to a deconsolidated environment (*Abwicklungsanstalt*) the act for the development of the financial market stabilisation (*Gesetz zur Fortentwicklung der Finanzmarktstabilisierung*) does not grant any legally binding right to the Issuer or Hypo Real Estate Group to demand the transfer of those assets.”

#### 2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. SUMMARY OF THE DESCRIPTION OF THE ISSUER AND OF HYPO REAL ESTATE GROUP – SUMMARY OF THE DESCRIPTION OF THE ISSUER”

*On page 11 of the Original Base Prospectus, the information contained in the Subsection “Measures for Stabilising Hypo Real Estate Group and Impact on the Issuer” shall be replaced as follows:*

“As a consequence of the effects of the financial markets crisis on Hypo Real Estate Group measures have been taken to assure the liquidity of Hypo Real Estate Group and of the Issuer (for details see Section I.2 “Summary of the Description of the Issuer and of Hypo Real Estate Group - Summary of the Description of Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group and Impact on the Issuer”).”

*On page 11 of the Original Base Prospectus, the fifth paragraph of the Subsection “Business Overview” (as supplemented by the Second Supplement) shall be replaced as follows:*

“In relation to its funding, a syndicate from the German financial sector and the Federal Government had provided Hypo Real Estate Group with a liquidity facility of initially Euro 50 billion in order to continue to ensure the refinancing of the Hypo Real Estate Group until December 2009. On 23 December 2009 and 30 December 2009

respectively, a restructuring of such liquidity facility agreed upon by Hypo Real Estate Group, the SoFFin and the syndicate from the German financial sector became effective which covered the outstanding volume of Euro 43 billion at this time by a new SoFFin guarantee. Above and beyond this, the SoFFin had also committed itself to provide the Issuer with a guarantee facility totalling Euro 52 billion until 30 June 2010.”

*On page 12 of the Original Base Prospectus, the information contained in the Subsection “Major Shareholders” shall be replaced as follows:*

“The Issuer is wholly-owned by Hypo Real Estate Holding. Hypo Real Estate Holding has committed itself to grant a pledge over the shares in the Issuer to the SoFFin.”

### **3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. SUMMARY OF THE DESCRIPTION OF THE ISSUER AND OF HYPO REAL ESTATE GROUP – SUMMARY OF THE DESCRIPTION OF HYPO REAL ESTATE GROUP”**

*On page 14 of the Original Base Prospectus, the second paragraph of the Subsection “Measures for Stabilising Hypo Real Estate Group and Impact on the Issuer” (as supplemented by the Second Supplement) shall be replaced as follows:*

“In order to continue to ensure the refinancing of Hypo Real Estate Group, until December 2009 a syndicate from the German financial sector and the Federal Government had provided Hypo Real Estate Group with a liquidity facility of initially Euro 50 billion. Above and beyond this, the SoFFin had also committed itself to provide the Issuer with a guarantee facility totalling Euro 52 billion until 30 June 2010. With effect as of 23 December 2009 and 30 December 2009 respectively and following the restructuring of the liquidity facility provided by a syndicate from the German financial sector and the Federal Government, the guarantee frame provided by the SoFFin was increased by Euro 43 billion among others replacing the guarantee from the Federal Government that has expired on 30 December 2009. Of this amount, the syndicate from the German financial sector has subscribed to guaranteed bearer bonds amounting to approximately Euro 23 billion. In addition, the Issuer issued guaranteed securities in an amount of Euro 20 billion on 30 December 2009. The new liquidity facility will be fully collateralised through SoFFin guarantees, resulting therefore in an increase in the guarantee frame provided by the SoFFin to a total of Euro 95 billion. The SoFFin has not committed itself in a legally binding form to prolong or extend the guarantee facilities.”

*On page 14 of the Original Base Prospectus, the tenth paragraph of the Subsection “Measures for Stabilising Hypo Real Estate Group and Impact on the Issuer” (as lastly supplemented by Second Supplement) shall be replaced as follows:*

“The restructuring plan of Hypo Real Estate Group has been notified to the European Commission on 1 April 2009 in accordance with the EC Treaty’s state aid rules. On 7 May 2009, the European Commission has announced an “in-depth investigation” on the compatibility of the restructuring plan, including the state aid measures, with the EC Treaty. On 7 October 2009, this decision was published in a slightly amended version, in particular without business secrets, in the Official Journal of the European Union (2009/C240/07). On 13 November 2009, the European Commission declared the capital contribution to Hypo Real Estate Group amounting to Euro 3 billion decided upon by the SoFFin on 4 November 2009, for temporarily compatible with the EC Treaty’s state aid rules until its final decision in relation to the restructuring plan. Together with the temporary approval the European Commission also extended the scope of the ongoing state aid proceedings to cover such capital contribution. The decision to extend the scope of the proceedings will also cover potential support measures for Hypo Real Estate Group by the SoFFin in the future. Following this, on 21 December 2009 the European Commission temporarily approved two state guarantees of Euro 8 billion and Euro 10 billion. The Euro 8 billion guarantee became effective on 23 December 2009. The Euro 10 billion guarantee will be granted in the coming months if necessary for urgent liquidity needs. These guarantees, as well as previous support measures in favour of Hypo Real Estate Group, will be taken into due account when the European Commission takes its final decision on Hypo Real Estate Group’s restructuring plan. In its final decision, the European Commission most likely will impose certain significant conditions on Hypo Real Estate Group, including a substantial balance sheet reduction and the setting of a certain timeframe for the reprivatisation of Hypo Real Estate Holding. However, if the European Commission were to conclude in the final decision that certain state aid measures do not comply with the EC Treaty, it may decide that Germany shall abolish or alter such aid within a certain period, and/or order repayment.”

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

**1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “1. ZUSAMMENFASSUNG DER RISIKOFAKTOREN - ZUSAMMENFASSUNG DER EMITTENTENBEZOGENEN RISIKEN UND DER RISIKEN IN BEZUG AUF DIE HYPO REAL ESTATE GROUP ”**

*On page 23 of the Original Base Prospectus, the third to sixth paragraph of the Subsection “Risiken in Bezug auf die derzeitige Krise der Hypo Real Estate Group” (as supplemented by the Second Supplement) shall be replaced as follows:*

“Der Restrukturierungsplan der Hypo Real Estate Group wurde an die Europäischen Kommission im April 2009 notifiziert. In ihrer Entscheidung wird die Europäische Kommission höchstwahrscheinlich einzelne wesentliche Auflagen verhängen, einschließlich einer wesentlichen Verringerung der Bilanzsumme und der Vorgabe eines bestimmten Zeitrahmens für die Reprivatisierung der Hypo Real Estate Holding. Falls die Europäische Kommission jedoch zu dem Ergebnis kommt, dass bestimmte staatliche Beihilfen nicht mit dem EG-Vertrag übereinstimmen, kann sie anordnen, dass Deutschland diese Beihilfen innerhalb einer bestimmten Frist aufheben oder umgestalten muss, bzw. die Rückzahlung anordnen.

Anleger sollten beachten, dass die der Hypo Real Estate Group gewährte Liquiditätsunterstützung zeitlich befristet ist: Vorbehaltlich einer weiteren Verlängerung werden die vom SoFFin gewährten Garantiefazilitäten in Höhe von Euro 52 Milliarden am 30. Juni 2010 bzw. in Höhe von Euro 43 Milliarden am 22. Dezember 2010 auslaufen. Es sollte beachtet werden, dass sich der SoFFin nicht rechtlich verbindlich verpflichtet hat, die Garantiefazilitäten zu verlängern oder auszudehnen. Auch im Hinblick auf weitere Rekapitalisierungsmaßnahmen besteht keine rechtlich bindende Verpflichtung seitens des SoFFin.

Weiterhin ist im Hinblick auf die geplante Übertragung von Vermögenswerten auf eine Abwicklungsanstalt zu beachten, dass das Gesetz zur Fortentwicklung der Finanzmarktstabilisierung weder der Emittentin noch der Hypo Real Estate Group einen rechtlich verbindlichen Anspruch auf Übertragung dieser Vermögenswerte gewährt.”

**2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN UND DER HYPO REAL ESTATE GROUP – ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN”**

*On page 28 of the Original Base Prospectus, the information contained in the Subsection “Maßnahmen zur Stabilisierung der Hypo Real Estate Group und Auswirkungen auf die Emittentin” shall be replaced as follows:*

“Als Folge der Auswirkungen der Finanzmarktkrise auf die Hypo Real Estate Group wurden Maßnahmen ergriffen, um die Liquidität der Hypo Real Estate Group und der Emittentin sicherzustellen (zu Details siehe Abschnitt II.2 “Zusammenfassung der Beschreibung der Emittentin und der Hypo Real Estate Group - Zusammenfassung der Beschreibung der Hypo Real Estate Group – Maßnahmen zur Stabilisierung der Hypo Real Estate Group und Auswirkungen auf die Emittentin”).”

*On page 28 of the Original Base Prospectus, the fifth paragraph of the Subsection “Geschäftsüberblick” (as supplemented by the Second Supplement) shall be replaced as follows:*

“Im Hinblick auf die Refinanzierung, hatte ein Konsortium aus dem deutschen Finanzsektor und der Bundesregierung der Hypo Real Estate Group bis Dezember 2009 einen Liquiditätsrahmen in Höhe von anfänglich Euro 50 Milliarden zur Verfügung gestellt, um die Refinanzierung der Hypo Real Estate Group weiterhin zu gewährleisten. Am 23. Dezember 2009 bzw. am 30. Dezember 2009 wurde eine von der Hypo Real Estate Group, dem SoFFin und dem Konsortium aus dem deutschen Finanzsektor vereinbarte Restrukturierung dieser Liquiditätsfazilität wirksam, welche das zu diesem Zeitpunkt ausstehende Volumen in Höhe von Euro 43 Milliarden durch eine neue SoFFin Garantie abdeckt. Darüber hinaus hatte sich der SoFFin verpflichtet, der Emittentin einen Garantierahmen von Euro 52 Milliarden bis zum 30. Juni 2010 zur Verfügung zu stellen.”

*On page 29 of the Original Base Prospectus, the information contained in the Subsection “Hauptaktionäre” shall be replaced as follows:*

“Die Emittentin befindet sich im vollständigen Eigentum der Hypo Real Estate Holding. Die Hypo Real Estate Holding hat sich verpflichtet, dem SoFFin die Aktien der Emittentin zu verpfänden.”

### **3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN UND DER HYPO REAL ESTATE GROUP – ZUSAMMENFASSUNG DER BESCHREIBUNG DER HYPO REAL ESTATE GROUP”**

*On page 30 et seq. of the Original Base Prospectus, the second paragraph of the Subsection “Maßnahmen zur Stabilisierung der Hypo Real Estate Group und Auswirkungen auf die Emittentin” (as supplemented by the Second Supplement) shall be replaced as follows:*

“Um die Refinanzierung der Hypo Real Estate Group sicherzustellen, hatte ein Konsortium aus dem deutschen Finanzsektor und der Bundesregierung der Hypo Real Estate Group eine Liquiditätsfazilität bis Dezember 2009 in Höhe von anfänglich Euro 50 Milliarden zur Verfügung gestellt. Mit Wirkung zum 23. Dezember 2009 bzw. 30. Dezember 2009 und im Nachgang zu der Restrukturierung der von einem Konsortium aus dem deutschen Finanzsektor und der Bundesregierung gewährten Liquiditätsfazilität wurde die vom SoFFin gewährte Garantiefazilität um Euro 43 Milliarden erhöht und u.a. die durch die Bundesregierung gewährte Garantie ersetzt, die zum 30. Dezember 2009 auslief. Von diesem Betrag hat das Konsortium aus dem deutschen Finanzsektor garantierte Inhaberschuldverschreibungen in Höhe von Euro 23 Milliarden gezeichnet. Darüber hinaus hat die Emittentin am 30. Dezember 2009 garantierte Wertpapiere in Höhe von Euro 20 Milliarden emittiert. Die neue Liquiditätsfazilität wird in vollem Umfang mittels SoFFin-Garantien besichert, mit der Folge, dass der vom SoFFin gewährte Garantierahmen auf insgesamt Euro 95 Milliarden erhöht wird. Darüber hinaus hat sich der SoFFin verpflichtet, der Emittentin einen Garantierahmen von insgesamt Euro 52 Milliarden bis zum 30. Juni 2010 zur Verfügung zu stellen. Der SoFFin hat sich nicht rechtlich verbindlich verpflichtet, die Garantiefazilitäten zu verlängern oder auszudehnen.”

*On page 31 of the Original Base Prospectus, the tenth paragraph of the Subsection “Maßnahmen zur Stabilisierung der Hypo Real Estate Group und Auswirkungen auf die Emittentin” (as lastly supplemented by the Second Supplement) shall be replaced as follows:*

“In Übereinstimmung mit den EG-Beihilferegeln wurde der Restrukturierungsplan bezüglich der Hypo Real Estate Group an die Europäische Kommission am 1. April 2009 notifiziert. Am 7. Mai 2009 hat die Europäische Kommission ein “förmliches Prüfverfahren” zur Vereinbarkeit des Restrukturierungsplans sowie der staatlichen Beihilfen mit dem EG-Vertrag eingeleitet. Am 7. Oktober 2009 wurde diese Entscheidung in einer leicht veränderten Fassung, insbesondere ohne Geschäftsgeheimnisse, im Amtsblatt der Europäischen Union (2009/C240/07) veröffentlicht. Am 13. November 2009 hat die Europäische Kommission die Kapitalzuführung an die Hypo Real Estate Group in Höhe von Euro 3 Milliarden, welche die SoFFin am 4. November 2009 beschlossen hat, vorläufig bis zur endgültigen Entscheidung über den Umstrukturierungsplan, mit den EG-Beihilferegeln für vereinbar erklärt. Zusammen mit der vorübergehenden Genehmigung hat die Europäische Kommission den Anwendungsbereich des laufenden Beihilfeverfahrens auf diese Kapitalzuführung ausgedehnt. Diese Erweiterungsentscheidung wird auch mögliche zukünftige Maßnahmen zur Unterstützung der Hypo Real Estate Group durch den SoFFin berücksichtigen. Im Nachgang hierzu hat die Europäische Kommission am 21. Dezember 2009 zwei Staatsgarantien über Euro 8 Milliarden bzw. Euro 10 Milliarden vorübergehend genehmigt. Die Garantie über Euro 8 Milliarden wurde am 23. Dezember 2009 wirksam. Die Garantie über Euro 10 Milliarden wird in den nächsten Monaten gewährt, falls sie für dringenden Liquiditätsbedarf notwendig ist. Diese Garantien werden, wie auch vorherige Unterstützungsmaßnahmen zu Gunsten der Hypo Real Estate Group, berücksichtigt, wenn die Europäische Kommission ihre abschließende Entscheidung über den Restrukturierungsplan der Hypo Real Estate Group trifft. In ihrer abschließenden Entscheidung wird die Europäische Kommission höchstwahrscheinlich einzelne wesentliche Auflagen gegen die Hypo Real Estate Group verhängen, einschließlich einer wesentlichen Verringerung der Bilanzsumme und der Vorgabe eines bestimmten Zeitrahmens für die Reprivatisierung der Hypo Real Estate Holding. Falls die Europäische Kommission jedoch zu dem Ergebnis kommt, dass die staatlichen Beihilfen nicht mit dem EG-Vertrag übereinstimmen, kann es sein, dass sie Deutschland verpflichtet, diese Beihilfen innerhalb einer bestimmten Frist aufzuheben oder umzugestalten, bzw. die Rückzahlung anordnen.”

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

#### **SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “1. RISKS RELATING TO THE ISSUER AND HYPO REAL ESTATE GROUP - RISKS RELATING TO CURRENT CRISIS OF HYPO REAL ESTATE GROUP”**

*On page 41 et seq. of the Original Base Prospectus, the fourth to seventh paragraph in the Subsection “Risk of Dependency on Liquidity Support and on Recapitalisation” (as lastly supplemented by the Second Supplement) shall be replaced as follows:*

“The restructuring plan of Hypo Real Estate Group has been notified to the European Commission on 1 April 2009 in accordance with the EC Treaty’s state aid rules. On 7 May 2009, the European Commission has announced an “in-depth investigation” on the compatibility of the restructuring plan, including the state aid measures, with the EC Treaty. On 7 October 2009, this decision was published in a slightly amended version, in particular without business secrets, in the Official Journal of the European Union (2009/C240/07). On 13 November 2009, the European Commission declared the capital contribution to Hypo Real Estate Group amounting to Euro 3 billion decided upon by the SoFFin on 4 November 2009, for temporarily compatible with the EC Treaty’s state aid rules until its final decision in relation to the restructuring plan. Together with the temporary approval the European Commission also extended the scope of the ongoing state aid proceedings to cover such capital contribution. The decision to extend the scope of the proceedings will also cover potential support measures for Hypo Real Estate Group by the SoFFin in the future, i.e. a further recapitalisation of Hypo Real Estate Group of up to Euro 4 billion, the provision of liquidity guarantees for a maximum of five years with different maturities, and potential measures in the context of setting up a deconsolidated environment, which may be relevant in the context of state aid proceedings. Following this, on 21 December 2009 the European Commission temporarily approved two state guarantees of Euro 8 billion and Euro 10 billion. The Euro 8 billion guarantee became effective on 23 December 2009. The Euro 10 billion guarantee will be granted in the coming months if necessary for urgent liquidity needs. These guarantees, as well as previous support measures in favour of Hypo Real Estate Group, will be taken into due account when the European Commission takes its final decision on Hypo Real Estate Group’s restructuring plan. It is most likely that, if the restructuring plan is approved in principle, such approval is subject to certain significant conditions, including a substantial balance sheet reduction and the setting of a certain timeframe for the reprivatization of Hypo Real Estate Holding. However, in a worst case scenario, the European Commission might decide that certain state aid measures granted to Hypo Real Estate Group do not comply with the EC Treaty and consequently, Germany might be obliged to abolish or alter such aid within a certain period, and/or order repayment.

Investors should note that the liquidity support granted to Hypo Real Estate Group is restricted from a timing perspective: The guarantee facilities provided by the SoFFin in the amount of Euro 52 billion and Euro 43 billion will expire on 30 June 2010 and 22 December 2010, respectively, subject to another prolongation. It should be noted that the SoFFin has not committed itself in a legally binding form to prolong or extend the guarantee facilities. Also for further recapitalisation measures there is no legally binding commitment by the SoFFin.

It should be noted that with respect to the contemplated transfer of assets to a deconsolidated environment (*Abwicklungsanstalt*) the act for the development of the financial market stabilisation (*Gesetz zur Fortentwicklung der Finanzmarktstabilisierung*) does not grant any legally binding right to the Issuer or Hypo Real Estate Group to demand the transfer of those assets.”

**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 51 of the Original Base Prospectus, the second and third paragraph of the Subsection “Measures for Stabilising Hypo Real Estate Group and Impact on the Issuer” shall be deleted without replacement.*

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

*On page 53 of the Original Base Prospectus, the fourth paragraph of the Subsection “Funding” (as supplemented by the Second Supplement) shall be replaced as follows:*

“In order to continue to ensure the refinancing of the Hypo Real Estate Group, until December 2009 a syndicate from the German financial sector and the Federal Government had provided Hypo Real Estate Group with a liquidity facility of initially Euro 50 billion. On 23 December 2009 and 30 December 2009 respectively, a restructuring of such liquidity facility amounting to Euro 43 billion at this time and agreed upon by Hypo Real Estate Group, the SoFFin and the syndicate from the German financial sector became effective. Above and beyond this, the SoFFin had also committed itself to provide the Issuer with a guarantee facility totalling Euro 52 billion until 30 June 2010 (for details and further updated information see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”).”

**3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “4. ORGANISATIONAL STRUCTURE”**

*On page 53 et seq. of the Original Base Prospectus, the information contained in the Subsection “Dependency of the Issuer within Hypo Real Estate Group” shall be replaced as follows:*

“Hypo Real Estate Holding holds 100 per cent. of the shares in the Issuer. It has committed itself to grant a pledge over the aforementioned shares to the SoFFin (for details see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”). In accordance with Section 17 para. 2 of the German Stock Corporation Law (*Aktiengesetz*), it is assumed that a majority-owned enterprise is dependent on the company holding the majority interest and the majority in voting rights.”

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

*On page 57 et seq. of the Original Base Prospectus, the table containing the members of the Management Board in the Subsection “The Management Board” shall be replaced as follows:*

<b>“Name and Position</b>	<b>Other Mandates</b>
<b>Dr. Axel Wieandt</b> Chairman of the Management Board (Chief Executive Officer)	Chairman of the Management Board of Hypo Real Estate Holding AG, Munich, Germany Chairman of the Board of Directors of DEPFA BANK plc, Dublin, Ireland Member of the Supervisory Board of Rasmallah Investments Ltd., Dubai, United Arab Emirates Member of the Supervisory Board of Altradius N.V., Amsterdam, The Netherlands
<b>Manuela Better</b> Member of the Management Board (Chief Risk Officer)	Member of the Management Board of Hypo Real Estate Holding AG, Munich, Germany Member of the Board of Directors and Chief Risk Officer of DEPFA Bank plc., Dublin, Ireland Member of the Board of Directors of Hypo Real Estate Capital

Japan Corp., Tokyo, Japan  
Member of the Management Board of Flint Nominees, London,  
United Kingdom

**Dr. Kai Wilhelm Franzmeyer**

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

**Frank Krings**

Member of the Management Board  
(Chief Operating Officer)

Member of the Management Board and Chief Operating  
Officer of Hypo Real Estate Holding AG, Munich, Germany  
Member of the Board of Directors (Non-Executive Director) of  
DEPFA BANK plc, Dublin, Ireland  
Member of the Supervisory Board of Deutsche Bank S.p.A.,  
Milan, Italy

**Dr. Bernhard Scholz**

Member of the Management Board  
(Chief Real Estate Finance)

/

**Alexander Freiherr von Uslar-Gleichen**

Member of the Management Board  
(Chief Financial Officer)

/”

**5. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “7. MAJOR SHAREHOLDERS”**

*On page 59 of the Original Base Prospectus, the information contained in the Section “Major Shareholders” shall be replaced as follows:*

“The Issuer is wholly-owned (100 per cent.) by Hypo Real Estate Holding. Hypo Real Estate Holding has committed itself to grant a pledge over the shares in the Issuer to the SoFFin (for details see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”).”

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

*On page 61 of the Original Base Prospectus, the information contained in the third and fourth paragraph of the Section “Material Contracts” shall be replaced as follows:*

“In October/November 2008, in order to continue to ensure the refinancing of the Hypo Real Estate Group, a syndicate from the German financial sector, the Deutsche Bundesbank and the Federal Government had provided Hypo Real Estate Group with a liquidity facility of originally Euro 50 billion. On 23 December 2009 and 30 December 2009 respectively, the restructuring of this liquidity facility agreed upon by Hypo Real Estate Group, the SoFFin and the syndicate from the German financial sector became effective covering the outstanding volume of Euro 43 billion at this time by a new SoFFin guarantee. Due to such restructuring of the liquidity facility the collateral in the amount of Euro 60 billion initially provided by Hypo Real Estate Group will be released, probably in the first quarter of 2010. For details on the measures ensuring the refinancing of Hypo Real Estate Group see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”.

Since November 2008, the Issuer and Hypo Real Estate Holding have entered into guarantee agreements with the SoFFin according to which the SoFFin committed itself to provide the Issuer with a guarantee frame which has subsequently been increased to Euro 52 billion and, following the restructuring of the liquidity facility provided by a syndicate from the German financial sector and the Federal Government, by Euro further 43 billion (among others replacing the guarantee from the Federal Government that has expired on 30 December 2009) to Euro 95 billion in total at the date of this Base Prospectus. Under the guarantee agreements the Issuer is entitled to issue debt securities guaranteed by the SoFFin, and thereby to ensure the refinancing of the entire Hypo Real Estate Group. For details on the guarantee agreements with the SoFFin see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”).”

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

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

*On page 63 et seq. of the Original Base Prospectus, the information contained in the Subsection “Measures for Stabilising Hypo Real Estate Group - Measures Designed to Procure Liquidity” (as supplemented by the Second Supplement) shall be replaced as follows:*

“As at 31 December 2008, Hypo Real Estate Group had received liquidity support totalling Euro 80 billion. As at 30 September 2009, the total amount of the liquidity framework amounted to Euro 98 billion (as of June 2009 the amount was Euro 98.9 billion). Draw downs under this framework were around Euro 78 billion (as of 30 September 2009). Taking into account a one-off effect which increased the draw down at the end of the third quarter of 2009 by more than Euro 2 billion on a short-term basis, as of 1 October 2009 the draw down amount was around Euro 76 billion (corresponding to Euro 80 billion at the end of June 2009 and around Euro 83 billion at the end of March 2009). As at 30 December 2009, the total amount of the framework guarantee amounted to Euro 95 billion and draw downs amounted to Euro 75.6 billion. Overall, in the course of the second half of 2009, the liquidity requirement has been declining slightly due to market effects in the form of exchange rate and interest rate changes as well as the overall reduction of the credit portfolio because repayments exceeded new business and the drawing of old commitments.

The measures to procure liquidity consisted of the following:

- Credit lines of originally Euro 50 billion were made available by the Deutsche Bundesbank, the Federal Republic of Germany and a syndicate from the German financial sector. This Euro 50 billion consisted of the following items: (i) a state-guaranteed loan as liquidity support in an amount of Euro 20 billion granted by Deutsche Bundesbank, (ii) the subscription by the syndicate from the German financial sector to state-guaranteed ECB-eligible bearer bonds (Euro 15 billion) issued by Hypo Real Estate Bank and (iii) the subscription by the syndicate from the German financial sector to secured ECB-eligible bearer bonds (Euro 15 billion) issued by Hypo Real Estate Bank. The secured bearer bonds were redeemed in an amount of approximately Euro 1.7 billion to Euro 13.3 billion on 26 March 2009 and by Euro 1.4 billion to Euro 11.9 billion on 26 June 2009. In the third quarter of 2009, around Euro 0.9 billion were repaid to the syndicate from the German financial sector reducing the secured bearer bonds to Euro 11 billion. In the course of the fourth quarter 2009, the secured bearer bonds were redeemed by approximately Euro 3 billion to Euro 8 billion. This redemption by Hypo Real Estate Group is attributable to repayments made by debtors of Hypo Real Estate Group in relation to assets which Hypo Real Estate Group had provided as security for bearer bonds. In accordance with contractual arrangements, repayments by debtors of Hypo Real Estate Group are to be used by Hypo Real Estate Group for redemption purposes. The state-guaranteed loan granted by Deutsche Bundesbank and the bearer bonds became due on 31 March 2009. On 26 March 2009 the state guaranteed loan granted by Deutsche Bundesbank was replaced by state guaranteed bearer bonds and on 16 March 2009, the Federal Government extended its guarantee for the state-guaranteed bearer bonds of Hypo Real Estate Group until 30 December 2009. With the extension of this guarantee the state-guaranteed bonds and also the secured bearer bonds were automatically extended until 23 December 2009 (for further details see also the table following to the fourth bullet point below). All credit lines had thus been uniformly extended until December 2009. On 23 December 2009 and 30 December 2009 respectively, the restructuring of this liquidity facility agreed upon by Hypo Real Estate Group, the SoFFin and the syndicate from the German financial sector became effective covering the outstanding volume of Euro 43 billion at this time by a new SoFFin guarantee. The syndicate from the German financial sector has remained involved in so far as it has subscribed to bearer bonds amounting to approximately Euro 23 billion (as further described in the fourth bullet point below).
- By its decision of 2 October 2008, the European Commission approved the measures to cover liquidity requirements of Hypo Real Estate Group in an amount of Euro 35 billion as rescue aid. In this decision, the European Commission obliged the Federal Republic of Germany to submit a restructuring plan for Hypo Real Estate Group by no later than 1 April 2009. Hypo Real Estate Group has prepared and submitted such a restructuring plan on time to the European Commission via the Federal Ministry of Economics. The restructuring plan is currently under review by the European Commission (for details on the state aid proceedings see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Notification of the Restructuring Plan to the European

Commission”).

- In addition to the support provided by the Federal Government and a syndicate from the German financial sector (described in the first bullet point), the SoFFin provided Hypo Real Estate Group in several steps with a guarantee frame initially totalling Euro 52 billion. In the first step on 21 November 2008, the SoFFin provided a guarantee frame totalling Euro 20 billion. In a second step on 9 December 2008, this guarantee frame was increased by a further Euro 10 billion to Euro 30 billion, subject to the same terms and the same maturity. On 15 January 2009, this guarantee frame was extended until 15 April 2009. In the next step on 20 January 2009, the SoFFin increased the guarantee frame by a further Euro 12 billion until 12 June 2009. In a subsequent step on 11 February 2009, Hypo Real Estate Group received an additional step-up on the guarantee frame of Euro 10 billion until 12 June 2009. The entire guarantee frame of Euro 52 billion was uniformly extended on 9 April 2009 until 19 August 2009 as a first step. The Issuer has used this guarantee frame as the basis for the issuance of bearer bonds by which it covered the short-to-medium-term liquidity requirements of Hypo Real Estate Group. These bonds had differing terms and were due for repayment by no later than 19 August 2009. The guarantee frame has been provided by the SoFFin on a revolving basis, and if bonds should fall due before 19 August 2009, the guarantee frame can be used by the Issuer for the issuance of further bearer bonds. The liquidity received from the bond issuances has been mainly used by Hypo Real Estate Group to repay interbank loans, money market products and bonds which have fallen due as well as to repay customer deposits. In addition, Hypo Real Estate Group has used this liquidity to provide additional collateral to other players on the market, central banks and investors under existing contracts, mainly due to market movements. The Issuer has paid to the SoFFin a commitment fee of pro rata temporis 0.1 per cent. of the unutilised part of the guarantee frame. For utilised guarantees, a fee of 1.5 per cent. p.a. was payable until 15 January 2009 and 0.5 per cent. p.a. thereafter. In the context of the guarantee frame provided by the SoFFin, Hypo Real Estate Holding has committed itself to grant a pledge over the shares held by it in the Issuer as well as in DEPFA to the SoFFin. On 4 November 2009, the guarantee frame totalling Euro 52 billion granted by the SoFFin was prolonged until 30 June 2010 having previously been prolonged until 18 November 2009. With effect as of 23 December 2009 and 30 December 2009 respectively and following the restructuring of a liquidity facility provided by a syndicate from the German financial sector and the Federal Government (see also first bullet point above), the guarantee frame provided by the SoFFin was increased by Euro 43 billion, among others replacing the guarantee from the Federal Government (as described in the first bullet point above). Of this amount, the syndicate from the German financial sector has subscribed to guaranteed bearer bonds amounting to approximately Euro 23 billion, payment of which took place on 23 December 2009. The securities subscribed by the syndicate will bear interest at Euribor plus 0.1 per cent. p.a. In addition, the Issuer issued guaranteed securities in an amount of Euro 20 billion on 30 December 2009 which will be refinanced to some extent with central banks – as in the past – and increasingly on the market. The new liquidity facility will be fully collateralised through SoFFin guarantees, resulting therefore in an increase in the guarantee frame provided by the SoFFin to a total of Euro 95 billion. The restructuring will reduce the costs for Hypo Real Estate Group for obtaining liquidity. In accordance with the existing SoFFin guarantee framework Hypo Real Estate Group will pay to the SoFFin for such guarantee frame a pro-rata commitment commission of 0.1 per cent. p.a. of unutilised guarantees, and a 0.5 per cent. p.a. fee for utilised guarantees. There is no legally binding commitment from the SoFFin in place that the guarantee facilities will be further prolonged or extended in the future (for details see below under “Declaration of Intent of the SoFFin”).
- Under the transaction with a syndicate from the German financial sector and the Deutsche Bundesbank with the involvement of the Federal Government (as mentioned in the first bullet point above), Hypo Real Estate Holding as well as its major subsidiaries had transferred as security or pledged as collateral assets in a total nominal value of approximately Euro 60 billion (as of 30 September 2008) to the security trustee of the lenders. As a result, the vast majority of the available assets of the Issuer had been pledged to third parties. Due to the restructuring of the liquidity facility with effect as of 23 December 2009 and 30 December 2009 respectively (for details see under the fourth bullet point above), the collateral portfolio will be released, probably in the first quarter of 2010. In the context of the guarantee frame provided by the SoFFin, Hypo Real Estate Holding has committed itself to grant a pledge over the shares held by it in the Issuer as well as in DEPFA to the SoFFin.

<b>Liquidity support measures received by Hypo Real Estate Group</b>					
<b>Type of support</b>	<b>Date of initial granting/effectiveness</b>	<b>Maturity taking account of prolongations</b>	<b>Nominal amount as of the 19 August 2009 (the date of the Base Prospectus)</b>	<b>Nominal amount as of 30 September 2009 in Euro billion</b>	<b>Nominal amount as of 31 December 2009 in Euro billion</b>
Issue of state-guaranteed ECB-eligible bearer bonds (= to replace liquidity line of the Deutsche Bundesbank from 13 November 2008 to 26 March 2009)	26 March 2009	30 December 2009	20	20	∗)
Issue of state-guaranteed ECB-eligible bearer bonds	13 November 2008	23 December 2009	15	15	∗)
Issue of secured bearer bonds	13 November 2008	23 December 2009	15	11	∗)
Issue of bearer bonds subscribed by a syndicate comprising German financial institutions and insurance companies (= to replace liquidity facility originally granted by Deutsche Bundesbank, the Federal Government and a syndicate from the German financial sector (fully collateralised by SoFFin guarantees)	23 December 2009	22 December 2010	∗)	∗)	23
Issue of further securities (fully collateralised by SoFFin guarantees)	30 December 2009	22 December 2010	∗)	∗)	20
Replacement of previous guarantee framework	19 April 2009	30 June 2010	52	52	52
<b>Total liquidity support</b>			<b>102</b>	<b>98</b>	<b>95</b>

∗) Not applicable as the respective facility has either been replaced by another facility or has been granted in order to replace another facility at a later point in time.”

*On page 66 of the Original Base Prospectus, the information contained in the first paragraph of the Subsection “Measures for Stabilising Hypo Real Estate Group - Notification of the Restructuring Plan to the European Commission” (as lastly supplemented by the Second Supplement) shall be replaced as follows:*

“The restructuring plan of Hypo Real Estate Group has been notified to the European Commission on 1 April 2009 in accordance with the EC Treaty’s state aid rules. On 7 May 2009, the European Commission has announced an “in-depth investigation” on the compatibility of the restructuring plan, including the state aid measures, with the EC Treaty. On 7 October 2009, this decision was published in a slightly amended version, in particular without business secrets, in the Official Journal of the European Union (2009/C240/07). On 13 November 2009, the European Commission declared the capital contribution to Hypo Real Estate Group amounting to Euro 3 billion decided upon by the SoFFin on 4 November 2009 (see above under “Further Capitalisation of Hypo Real Estate Group”) for temporarily compatible with the EC Treaty’s state aid rules until its final decision in relation to the restructuring plan. Together with the temporary approval the European Commission also extended the scope of the ongoing state aid proceedings to cover such capital contribution. The decision to extend the scope of the proceedings will also cover potential support measures for Hypo Real Estate Group by the SoFFin in the future, i.e. a further recapitalisation of Hypo Real Estate Group of up to Euro 4 billion, the provision of liquidity guarantees for a maximum of five years with different maturities, and potential measures in the context of setting up a deconsolidated environment, which may be relevant in the context of state aid proceedings. Following this, on 21 December 2009 the European Commission temporarily approved two state guarantees of Euro 8 billion and Euro 10 billion respectively. The Euro 8 billion guarantee became effective on 23 December 2009. The Euro 10 billion guarantee will be granted in the coming months if necessary for urgent liquidity needs. These guarantees, as well as previous support measures in favour of Hypo Real Estate Group, will be taken into due account when the European Commission takes its final decision on Hypo Real Estate Group’s restructuring plan. In its final decision,

the European Commission most likely will impose certain significant conditions on Hypo Real Estate Group, including a substantial balance sheet reduction and the setting of a certain timeframe for the reprivatisation of Hypo Real Estate Holding. However, if the European Commission were to conclude in the final decision that certain state aid measures do not comply with the EC Treaty, it may decide that Germany shall abolish or alter such aid within a certain period, and/or order repayment.”

## 2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES OF HYPO REAL ESTATE HOLDING”

*On page 68 of the Original Base Prospectus, the third paragraph of the Subsection “The Management Board” shall be deleted without replacement.*

*On page 68 et seq. of the Original Base Prospectus, the table containing the members of the Supervisory Board in the Subsection “The Supervisory Board” shall be replaced as follows:*

<b>„Name and Position</b>	<b>Other Mandates</b>
Dr. Bernd Thiemann Chairman	Deutsche Pfandbriefbank AG Freelance management consultant Deutsche EuroShop AG EQC AG ThyssenKrupp Stainless AG VHV Lebensversicherung AG VHV Vereinigte Hannoversche Versicherung a.G. WAVE Management AG Adolf Würth GmbH & Co KG Fraport AG Häussler Management Holding GmbH & Co KG M.M. Warburg & Co KGaA Odewald & Compagnie Gesellschaft für Beteiligungen GmbH
Dagmar P. Kollmann Deputy Chairman	Deutsche Pfandbriefbank AG Chairman of the shareholders committee ( <i>Gesellschafterausschuss</i> ) of Kollmann GmbH
Dr. Günther Bräunig	Deutsche Pfandbriefbank AG Member of the Management Board of KfW KfW IPEX-Bank GmbH OSEO True Sale International GmbH
Dr. Alexander Groß	Head of the Department of economic policy ( <i>Abteilung Wirtschaftspolitik</i> ) at the Federal Ministry of Economics and Technology, Berlin, Germany DB Netz AG
Dr. Markus Kerber	Head of the Department of fiscal policy and macroeconomic affairs ( <i>Abteilung Finanzpolitische und volkswirtschaftliche Grundsatzfragen</i> ) at the Federal Ministry of Finance, Berlin, Germany
Dr. Hedda von Wedel	Deutsche Pfandbriefbank AG Grontmij A&T GmbH”

### **3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “8. MATERIAL CONTRACTS ENTERED INTO BY HYPO REAL ESTATE HOLDING”**

*On page 71 of the Original Base Prospectus, the information contained in the first and second paragraph of the Section “Material Contracts entered into by Hypo Real Estate Holding” shall be replaced as follows:*

“In October/November 2008, in order to continue to ensure the refinancing of the Hypo Real Estate Group, a syndicate from the German financial sector, the Deutsche Bundesbank and the Federal Government had provided Hypo Real Estate Group with a liquidity facility of originally Euro 50 billion. On 23 December 2009 and 30 December 2009 respectively, the restructuring of this liquidity facility agreed upon by Hypo Real Estate Group, the SoFFin and the syndicate from the German financial sector became effective covering the outstanding volume of Euro 43 billion at this time by a new SoFFin guarantee. Due to such restructuring of the liquidity facility the collateral in the amount of Euro 60 billion initially provided by Hypo Real Estate Group will be released, probably in the first quarter of 2010. For details on the measures ensuring the refinancing of Hypo Real Estate Group see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”.

Since November 2008, the Issuer and Hypo Real Estate Holding have entered into guarantee agreements with the SoFFin according to which SoFFin committed itself to provide the Issuer with a guarantee frame which has subsequently been increased to Euro 52 billion and, following the restructuring of the liquidity facility provided by a syndicate from the German financial sector and the Federal Government, by Euro 43 billion (among others replacing the guarantee from the Federal Government that has expired on 30 December 2009) to Euro 95 billion in total at the date of this Base Prospectus. Under the guarantee agreements the Issuer is entitled to issue debt securities guaranteed by the SoFFin, and thereby to ensure the refinancing of the entire Hypo Real Estate Group. In return, Hypo Real Estate Holding committed itself to grant a pledge over the shares of the Issuer and DEPFA to SoFFin. For details on the guarantee agreements with the SoFFin see Section V.2 “Information about Hypo Real Estate Group – Measures for Stabilising Hypo Real Estate Group – Measures Designed to Procure Liquidity”.”

Signatories on behalf of Deutsche Pfandbriefbank AG

Munich, as of 8 January 2010

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gez. Stefan Krick  
Managing Director

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gez. Georg Maier  
Director