

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 First Supplement (as defined herein) has been published shall have the right, exercisable within two working days after the publication of this First Supplement, to withdraw their purchase or subscription orders, provided that the new factor arose before the final closing of the offer to the public and the delivery of the securities. A withdrawal, if any, is to be addressed to Deutsche Pfandbriefbank AG, Freisinger Straße 5, 85716 Unterschleißheim, Germany provided that the relevant agreement to purchase or subscribe has been entered into with Deutsche Pfandbriefbank AG or to the relevant bank or savings bank or any other distributor with whom the relevant agreement to purchase or subscribe has been entered into.

Supplement pursuant to article 16 para. 1 of the German Securities Prospectus Act  
dated 22 May 2014

to the base prospectus dated  
7 May 2014  
relating to

## **Deutsche Pfandbriefbank AG**

Munich, Federal Republic of Germany

as Issuer

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

This supplement (the “First Supplement”) to the base prospectus dated 7 May 2014 is prepared in connection with the Euro 50,000,000,000 Debt Issuance Programme (the “Programme”) of Deutsche Pfandbriefbank AG (the “Issuer”) and is supplemental to, and should be read in conjunction with, the base prospectus dated 7 May 2014 (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 First Supplement. As used herein, the term “Base Prospectus” means the Original Base Prospectus as supplemented by the First Supplement.

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

The First Supplement has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* of the Federal Republic of Germany in its capacity as competent authority (the “Competent Authority”) under the German Securities Prospectus Act (*Wertpapierprospektgesetz*) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as lastly amended by Directive 2010/73/EU and Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010. 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 Conduct Authority* of the United Kingdom, the *Irish Financial Services Regulatory Authority* of Ireland, the *Finanzmarktaufsicht* of Austria, the *Kredittilsynet / Oslo Børs* of Norway and the *Commissione Nazionale per le Società e la Borsa* of Italy with a certificate of approval attesting that the First Supplement has been drawn up in accordance with the German Securities Prospectus Act and with a copy of the First Supplement.

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

This First Supplement has been prepared following the decision on 13 May 2014 of the German Financial Markets Stabilization Agency's (the "FMSA") inter-ministerial Steering Committee and of an extraordinary general meeting of Hypo Real Estate Holding to wind down DEPFA Bank plc.

## 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.

### I. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION "I. SUMMARY"

*On page 6 of the Original Base Prospectus the information in "Section B – Issuer" under "Element B.5 – Organisational structure", shall be supplemented by adding the following paragraph at the end:*

"With respect to the planned wind down of DEPFA by FMS Wertmanagement see under B.13 in relation to the Guarantor below."

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

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

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

*On page 9 of the Original Base Prospectus the information in "Section B – Issuer" under "Element B.19 – Information about Hypo Real Estate Group" in subsection "B.13 – Recent developments", shall be supplemented by adding the following paragraph at the end:*

"On 13 May 2014, the FMSA's inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA, but to prepare the take over of DEPFA by, and its wind down under, FMS Wertmanagement."

*On page 15 the sixth paragraph in "Section D – Risks" under "Element D.2 – Key information on the key risks that are specific to the Issuer and the Guarantor", shall be deleted and replaced by the following information:*

"The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission's decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned transfer of DEPFA to, and its wind down under, FMS Wertmanagement, which may also have an adverse impact on Hypo Real Estate Group's operational stability and the planned subsequent reprivatization of the Issuer."

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

*On page 20 the information in “Abschnitt B – Emittent” under “Punkt B.5 – Konzernstruktur”, shall be supplemented by adding the following paragraph at the end:*

“In Bezug auf die geplante Abwicklung der DEPFA durch die FMS Wertmanagement siehe nachstehend unter B.13 die Garantin betreffend.”

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

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

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

*On page 23 the information in “Abschnitt B – Emittent” under “Punkt B.19 – Informationen bezüglich der Hypo Real Estate Group” in subsection “B.13 – Aktuelle Entwicklungen”, shall be supplemented by adding the following paragraph at the end:*

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

*On page 29 the 13th paragraph in “Abschnitt D – Risiken” under “Element D.2 – Zentrale Angaben zu den zentralen Risiken, die dem Emittenten und dem Garanten eigen sind”, shall be deleted and replaced by the following information:*

“Die Emittentin und die Hypo Real Estate Group unterliegen grundsätzlich dem Risiko, dass sie die Entscheidung der Europäischen Kommission zu den der Hypo Real Estate Group gewährten Beihilfen nicht ordnungsgemäß umsetzen können. Besondere Risiken können sich hierbei im Zusammenhang mit der geplanten Übertragung der DEPFA auf und ihrer Abwicklung unter der FMS Wertmanagement ergeben, die sich auch auf die operationelle Stabilität der Hypo Real Estate Group und die geplante anschließende Reprivatisierung der Emittentin negativ auswirken können.”

### 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”

*On page 37 of the Original Base Prospectus, the subsection “The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission’s decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned reprivatisation of both, DEPFA and the Issuer” shall be deleted and replaced as follows:*

***“The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission’s decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned transfer of DEPFA to, and its wind down under, FMS Wertmanagement which may also have an adverse impact on Hypo Real Estate Group’s operational stability and the planned subsequent reprivatisation of the Issuer.*”**

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

Particular risks may arise in connection with the planned wind down of DEPFA and the planned subsequent reprivatisation of the Issuer. Hypo Real Estate Group started the selling process for the reprivatisation of DEPFA in 2013. On 13 May 2014, the FMSA’s inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA, but to prepare the take over and wind down of DEPFA by FMS Wertmanagement. The transfer of DEPFA to, and its wind down under, FMS Wertmanagement might have an adverse impact on the operational stability of Hypo Real Estate Group, in particular on DEPFA, but also on the Issuer. As a result of FMSA’s decision, it cannot be excluded that employees of DEPFA or the Issuer terminate their employment contracts and, thus, that important know how cannot be maintained. Furthermore, the decision might also lead to reduced motivation of staff. Overall, the decision to wind down DEPFA may also have a negative impact on the Issuers’ envisaged reprivatisation. If the reprivatisation of the Issuer is not executed by 31 December 2015, an appointed divestiture trustee (*Veräußerungstreuhänder*) will divest the Issuer at no minimum price to a purchaser, provided that the Commission has approved the purchaser and the final and binding purchase agreement. The divestiture or any alternative ideas of the shareholder in consultation with the EU Commission may have a negative impact on the assets, financial position and earnings of the Issuer.”

**IV. 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 58 of the Original Base Prospectus the information in the fourth paragraph in the subsection “Strategic Reorganisation and Corporate Strategy of Hypo Real Estate Group” shall be deleted and replaced by the following information:*

“In August 2013 Hypo Real Estate Holding initiated the selling process for 100 per cent. of the registered share capital of its subsidiary DEPFA. On 13 May 2014, the FMSA’s inter-ministerial Steering Committee (which decides on measures related to the SoFFin) and an extraordinary general meeting of Hypo Real Estate Holding have decided not to sell DEPFA, but to prepare the take over and wind down of DEPFA by FMS Wertmanagement. The transfer to FMS Wertmanagement will be conducted according to the (economic) terms and conditions Hypo Real Estate Holding had negotiated with the external bidder (for risks relating to the process see in the Section III.1 “Risk Factors” under “The Issuer and Hypo Real Estate Group generally face risks of failure to properly implement the European Commission’s decision regarding state aid provided to Hypo Real Estate Group, particular risks may arise in connection with the planned transfer of DEPFA to, and its wind down under, FMS Wertmanagement which may also have an adverse impact on Hypo Real Estate Group’s operational stability and the planned subsequent privatisation of the Issuer”).

Following the transfer from DEPFA Group to FMS Wertmanagement and following the transfer of the Issuer’s subsidiary DEPFA Finance N.V, Amsterdam, to DEPFA, the Issuer will repay a loan which was provided to it by DEPFA Finance N.V. The repayment of the loan will result in a book profit of the Issuer of approx. EUR 37.5 million.”

*On page 58 of the Original Base Prospectus the information in the subsection “Recent Events” shall be supplemented by adding the following paragraph at the end:*

“With respect to the planned wind down of DEPFA by FMS Wertmanagement that was decided by FMSA’s inter-ministerial Steering Committee and an extraordinary general meeting of Hypo Real Estate Holding on 13 May 2014 see above under subsection “Strategic Reorganisation and Corporate Strategy of Hypo Real Estate Group”.”

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

*On page 61 of the Original Base Prospectus the information in the second paragraph in the subsection “Board practices” shall be deleted and replaced by the following information:*

“Hypo Real Estate Holding, which is an entity that is completely owned by the Federal Republic of Germany, applies the Public Corporate Governance Code as adopted by the Federal Government on 1 July 2009 (*Public Corporate Governance Kodex des Bundes*) in accordance with the principle “comply or explain”. Both, the Management Board and the Supervisory Board of Hypo Real Estate Holding, have adopted a resolution in this respect. As at the date of the Supplement dated 22 May 2014, the latest published version of the compliance statement issued by the Management Board and the Supervisory Board of Hypo Real Estate Holding with respect to the Public Corporate Governance Code is dated 26 February 2014.”

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

**SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “4. RATINGS”**

*On page 358 of the Original Base Prospectus the information in the first paragraph following the ratings assigned to Hypo Real Estate Holding in the subsection shall be deleted and replaced by the following information:*

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

Signatories on behalf of Deutsche Pfandbriefbank AG

Eschborn, as of 22 May 2014

signed by Götz Michl  
Managing Director

signed by Martina Horn  
Director