

Pursuant to article 16 para. 3 of the German Securities Prospectus Act investors who have already agreed to purchase or subscribe for Notes issued under the Programme (as defined herein) before this Fourth Supplement (as defined herein) has been published shall have the right, exercisable within two working days after the publication of this Fourth Supplement, to withdraw their purchase or subscription orders, provided that the new factor arose before the final closing of the offer to the public and the delivery of the securities. A withdrawal, if any, is to be addressed to Deutsche Pfandbriefbank AG, Freisinger Straße 5, 85716 Unterschleißheim, Germany provided that the relevant agreement to purchase or subscribe has been entered into with Deutsche Pfandbriefbank AG or to the relevant bank or savings bank or any other distributor with whom the relevant agreement to purchase or subscribe has been entered into. No grounds must be stated for the withdrawal, which must be made in text form. The timely dispatch of the withdrawal is sufficient to comply with the deadline.

Supplement pursuant to article 16 para. 1 of the German Securities Prospectus Act
dated 23 November 2016

to the base prospectus dated
11 April 2016
relating to

Deutsche Pfandbriefbank AG

Munich, Federal Republic of Germany

as Issuer

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

This supplement (the “Fourth Supplement”) to the base prospectus dated 11 April 2016 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 11 April 2016 as supplemented on 24 May 2016 (the “First Supplement”), on 4 July 2016 (the “Second Supplement”) and on 22 August 2016 (“the Third Supplement”) (the base prospectus dated 11 April 2016 together with the First Supplement, the Second Supplement and the Third Supplement, the “Original Base Prospectus”) in respect of the Programme. Unless otherwise stated or the context otherwise requires, terms defined in the Original Base Prospectus shall have the same meaning when used in the Fourth Supplement. As used herein, the term “Base Prospectus” means the Original Base Prospectus as supplemented by the Fourth Supplement.

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

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

This Fourth Supplement has been filed with the Competent Authority and has been published together with the Original Base Prospectus on the website of the Issuer www.pfandbriefbank.com (see <https://www.pfandbriefbank.com/debt-instruments/emissionsprogramme/dip-programm.html>). Upon request (to be addressed to Deutsche Pfandbriefbank AG, Freisinger Straße 5, 85716 Unterschleißheim, Germany), the Issuer will provide, free of charge, a copy of the Fourth Supplement and of the Original Base Prospectus.

This Fourth Supplement has been prepared following the publication of an announcement of the Issuer on 11 November 2016 concerning considerations of the management board and the supervisory board of the Issuer to distribute for the financial year 2016 a special dividend following an extraordinary gain of Euro 132 million resulting from the restructuring of certain liabilities of HETA.

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, the Third Supplement and the Fourth Supplement.

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

On page 7 of the Original Base Prospectus in “Section B – Issuer” under “Element B.12 – Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer”, the last paragraph shall be deleted and replaced by the following information:

“Except for the information in this subsection there has been no significant change in the financial position of the Issuer and its consolidated subsidiaries since the end of the last financial period for which interim financial information has been published (30 June 2016).

In the third quarter of the financial year 2016 the Issuer realized a positive non-recurring effect of Euro 132 million resulting from appreciation in value of its receivables in respect of HETA and reversal of respective provisions, against which the Issuer has recognized Euro 15 million in provisions and expenses as precautionary measure. In connection therewith, it should be noted that the Issuer has announced that its management board and its supervisory board are considering a proposal to the annual general meeting in 2017 – subject to compliance with all legal and regulatory requirements or developments – to distribute for the financial year 2016 a special dividend from the extraordinary gain which resulted from the restructuring of the HETA senior liabilities. This shall not imply any fundamental change to its communicated dividend policy, which the management board will review as soon as the impact of a changed regulatory environment can be perceived.”

On page 7 of the Original Base Prospectus the information contained in “Section B – Issuer” under “Element B.13 – Recent developments” shall be deleted and replaced by the following information:

“The Issuer held senior liabilities with a nominal value of Euro 395 million in total of HETA Asset Resolution AG (“HETA”). On 10 April 2016, the Austrian Financial Market Authority (“FMA”) decided to apply a bail-in, among others, to senior bonds of HETA creditors of 53.98 per cent. Other measures announced by the FMA include the extension of the bonds' maturities to 31 December 2023 and the cancellation of interest payments as of 1 March 2015. In October 2016, the Issuer has accepted a buy-back offer in relation to its senior bonds of HETA from the Carinthian Compensation Payment Fund (*Kärntner Ausgleichszahlungs-Fonds*), in conjunction with the purchase of a guaranteed zero-coupon bond. The Issuer realised close to 90 per cent. of the nominal value of the senior bonds of HETA resulting in the recognition of an extraordinary gain of Euro 132 million for the Issuer in the third quarter of 2016. The Issuer has sold the zero-coupon bonds at the beginning of the fourth quarter of 2016.

Since the second half year of 2016, the Issuer also provides real estate financing in the US on a cross-border basis. The Issuer is looking to cooperate with existing clients investing on an international scale, as well with established banking partners. The focus of activities in the US is on syndicating-in loans, i.e. co-funding loans originated by partner banks.

On 11 November 2016 the Issuer has announced that its management board and its supervisory board are considering a proposal to the annual general meeting in 2017 – subject to compliance with all legal and regulatory requirements or developments – to distribute for the financial year 2016 a special dividend from an extraordinary gain which resulted from the restructuring of certain HETA senior liabilities the Issuer was holding in addition to the distribution according to its communicated dividend policy.

This shall not imply any fundamental change to its communicated dividend policy, which the management board will review as soon as the impact of a changed regulatory environment can be perceived.”

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

On page 20 of the Original Base Prospectus in “Abschnitt B – Emittent” under “Punkt B.12 – Ausgewählte wesentliche historische Finanzinformationen über den Emittenten, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition des Emittenten”, the last paragraph shall be deleted and replaced by the following information:

„Abgesehen von den Informationen in diesem Absatz hat es seit dem Ende des Stichtages, für den Zwischenfinanzinformationen veröffentlicht wurden (30. Juni 2016), keine wesentlichen Veränderungen in der Finanzlage der Emittentin und ihrer konsolidierten Tochtergesellschaften gegeben.

Im dritten Quartal des Geschäftsjahres 2016 hat die Emittentin einen positiven einmaligen Sonderertrag in Höhe von Euro 132 Millionen aus der Wertzuschreibung in Bezug auf ihre Forderungen gegen die HETA und der Auflösung entsprechender Rückstellungen realisiert. Dem Sonderertrag hat die Emittentin einen Betrag in Höhe von Euro 15 Millionen für vorsorgliche Rückstellungen und Aufwendungen gegenüber gestellt. In diesem Zusammenhang sollte beachtet werden, dass die Emittentin bekannt gemacht hat, dass ihr Vorstand und Aufsichtsrat erwägen, der Hauptversammlung 2017 –vorbehaltlich der Erfüllung aller rechtlichen und regulatorischen Vorgaben und Entwicklungen– für das Geschäftsjahr 2016 zusätzlich zur Ausschüttung im Rahmen der kommunizierten Dividendenstrategie eine Sonderdividende vorzuschlagen, die sich aus einem Sonderertrag aus der Restrukturierung nicht nachrangiger Verbindlichkeiten der HETA ergeben hat. Damit verbindet die Emittentin keine grundsätzliche Änderung ihrer kommunizierten Dividendenpolitik, die der Vorstand überprüfen wird, sobald die Auswirkungen einer veränderten Regulierung absehbar sind.“

On page 20 et seq. of the Original Base Prospectus the information contained in “Abschnitt B – Emittent” under “Punkt B.13 – Aktuelle Entwicklungen”, shall be deleted and replaced by the following information:

„Die Emittentin hielt nicht nachrangige Verbindlichkeiten der HETA Asset Resolution AG („HETA“) mit einem Nominalvolumen von insgesamt Euro 395 Millionen. Am 10. April 2016 hat die Österreichische Finanzmarktaufsicht („FMA“) entschieden, das Instrument der Herabschreibung (*Bail-In*) unter anderem auf nicht nachrangige Schuldtitel der HETA Gläubiger in Höhe von 53,98 % anzuwenden. Weitere Maßnahmen, die von der FMA verkündet wurden, umfassten eine Verlängerung der Fälligkeiten der Schuldverschreibungen bis zum 31. Dezember 2023 sowie die Streichung der Zinszahlungen ab dem 1. März 2015. Im Oktober 2016 hat die Emittentin ein Rückkaufangebot des Kärntner Ausgleichszahlungs-Fonds in Bezug auf die von ihr gehaltenen nicht nachrangigen Verbindlichkeiten der HETA in Verbindung mit dem Erwerb von garantierten Nullkupon-Schuldverschreibungen angenommen. Die Emittentin hat nahezu 90 % des Nominalvolumens der nicht nachrangigen Verbindlichkeiten der HETA realisiert, weshalb ein Sonderertrag in Höhe von Euro 132 Millionen für die Emittentin im dritten Quartal 2016 verbucht wurde. Die Emittentin hat die Nullkupon-Schuldverschreibungen zu Beginn des vierten Quartals 2016 verkauft.

Seit dem zweiten Halbjahr 2016 betreibt die Emittentin im Wege des grenzüberschreitenden Geschäfts in den Vereinigten Staaten Immobilienfinanzierung. Die Emittentin will mit bestehenden, international investierenden Kunden und etablierten Bankpartnern zusammenarbeiten. Der Schwerpunkt der Aktivitäten in den Vereinigten Staaten liegt auf syndizierten Krediten, d.h. Beteiligung der Emittentin an der Finanzierung von Darlehen, die von Partnerbanken arrangiert werden.

Am 11. November 2016 hat die Emittentin bekannt gemacht, dass ihr Vorstand und ihr Aufsichtsrat erwägen, der Hauptversammlung 2017 – vorbehaltlich der Erfüllung aller rechtlichen und regulatorischen Vorgaben und Entwicklungen – für das Geschäftsjahr 2016 zusätzlich zur Ausschüttung im Rahmen der kommunizierten Dividendenstrategie eine Sonderdividende vorzuschlagen, die sich aus einem Sonderertrag aus der Restrukturierung bestimmter nicht nachrangiger Verbindlichkeiten der HETA ergeben hat. Damit verbindet die Emittentin keine grundsätzliche Änderung ihrer kommunizierten Dividendenpolitik, die der Vorstand überprüfen wird, sobald die Auswirkungen einer veränderten Regulierung absehbar sind.“

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

SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “1. RISKS RELATING TO THE ISSUER”

On page 38 of the Original Base Prospectus, the second and the third paragraph of the risk factor “The Issuer has been and will continue to be directly affected by the European sovereign debt crisis, and it may be required to take impairments on its exposures to sovereign debt and other financial instruments which benefit from state guarantees or similar instruments, such as its claims against HETA Asset Resolution AG” shall be deleted and replaced as follows:

“Recent events in Greece and a continued weak economic recovery in the Eurozone outside of Germany highlight the risk that the sovereign debt crisis may reignite. This risk has been further illustrated by the decision of the Austrian Financial Market Authority (“FMA”) dated 1 March 2015 and 10 April 2016 in relation to HETA Asset Resolution AG (“HETA”) to place a moratorium on the payments under HETA’s debt securities and to apply a bail-in to these debt securities. These debt securities were subject to a letter of indemnity issued by the Austrian federal state of Carinthia. This may trigger doubts as to the reliability of public guarantees and similar instruments, such as the letter of indemnity issued by the Austrian federal state of Carinthia. Institutions like the Issuer holding sovereign debt and/or debt guaranteed by sovereign or public sector entities are particularly exposed to the effects of the sovereign debt crisis as they might be required to take significant impairments on their instruments and could eventually be confronted with debtors’ defaults. While the Issuer no longer provides budget financing to governments, the legacy sovereign debt exposure in Issuer’s Value Portfolio amounts to Euro 21.7 billion as of 31 December 2015. In connection with its activities in public investment finance (“PIF”), the Issuer may further be exposed to risks relating to the creditworthiness of sovereigns, local governments and municipalities. Any restructuring of outstanding sovereign debt, other financial instruments which benefit from public guarantees and similar instruments may result in potential losses for the Issuer, for instance as a result of “haircuts” based on collective action clauses pursuant to Article 12(3) of the Treaty establishing the European Stability Mechanism. These risks arising from the European sovereign debt crisis may have, should they materialise, a material adverse effect on the Issuer’s business, liquidity, financial position, net assets and results of operations.

Following the FMA’s decision on HETA’s debt securities in March 2015, the Issuer was forced to take a significant impairment on its exposure to HETA. On 10 April 2016, the FMA decided to apply a bail-in, among others, to senior bonds of HETA creditors of 53.98 per cent. Other measures announced by the FMA included the extension of the bonds’ maturities to 31 December 2023 and the cancellation of interest payments as of 1 March 2015. In October 2016, the Issuer has accepted a buy-back offer in relation to its senior bonds of HETA from the Carinthian Compensation Payment Fund (*Kärntner Ausgleichszahlungs-Fonds*), in conjunction with the purchase of a guaranteed zero-coupon bond. Even if the Issuer has realised close to 90 per cent. of the nominal value of the senior bonds of HETA this shows that there is a material risk going forward that the Issuer might be required to take impairments on its exposures to sovereign debt and other financial instruments which benefit from state guarantees or similar instruments state guaranteed liabilities.”

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 53 of the Original Base Prospectus the information contained in the subsection “Recent Events” shall be deleted and replaced by the following information:

“The Issuer held senior liabilities with a nominal value of Euro 395 million in total of HETA Asset Resolution AG (“HETA”). On 10 April 2016, the Austrian Financial Market Authority (“FMA”) decided to apply a bail-in, among others, to senior bonds of HETA creditors of 53.98 per cent. Other measures announced by the FMA included the extension of the bonds' maturities to 31 December 2023 and the cancellation of interest payments as of 1 March 2015. In October 2016, the Issuer has accepted a buy-back offer in relation to its senior bonds of HETA from the Carinthian Compensation Payment Fund (*Kärntner Ausgleichszahlungs-Fonds*), in conjunction with the purchase of a guaranteed zero-coupon bond. The Issuer realised close to 90 per cent. of the nominal value of the senior bonds of HETA resulting in the recognition of an extraordinary gain of Euro 132 million for the Issuer in the third quarter of 2016. The Issuer has sold the zero-coupon bonds at the beginning of the fourth quarter of 2016 (for details see subsection “Legal and Arbitration Proceedings” below).

Since the second half year of 2016, the Issuer also provides real estate financing in the US on a cross-border basis. The Issuer is looking to cooperate with existing clients investing on an international scale, as well with established banking partners. The focus of activities in the US is on syndicating-in loans, i.e. co-funding loans originated by partner banks.

On 11 November 2016 the Issuer has announced that its management board and its supervisory board are considering a proposal to the annual general meeting in 2017 – subject to compliance with all legal and regulatory requirements or developments – to distribute for the financial year 2016 a special dividend from an extraordinary gain which resulted from the restructuring of certain HETA senior liabilities the Issuer was holding in addition to the distribution according to its communicated dividend policy. This shall not imply any fundamental change to its communicated dividend policy, which the management board will review as soon as the impact of a changed regulatory environment can be perceived.”

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

On page 58 et seq. of the Original Base Prospectus, in the Subsection “Legal and Arbitration Proceedings” the last paragraph shall be deleted and replaced by the following information:

“The Issuer held senior liabilities with a nominal value of Euro 395 million in total of HETA Asset Resolution AG (“HETA”). Following the Austrian Financial Market Authority (“FMA”) moratorium decision on HETA's debt securities, the Issuer had filed a lawsuit before the regional court (*Landgericht*) Frankfurt am Main against HETA for the redemption of the full nominal amount, omitted coupon payments, interest and compensation for damages. In October 2016 the Issuer has accepted a buy-back offer in relation to its senior bonds of HETA from the Carinthian Compensation Payment Fund (*Kärntner Ausgleichszahlungs-Fonds*), in conjunction with the purchase of a guaranteed zero-coupon bond. The Issuer realised close to 90 per cent. of the nominal value of the senior bonds of HETA resulting in the recognition of an extraordinary gain of Euro 132 million for the Issuer in the third quarter of 2016, against which the Issuer has recognized Euro 15 million in provisions and expenses as precautionary measure. The Issuer has sold the zero-coupon bonds at the beginning of the fourth quarter of 2016. As a consequence, the Issuer has withdrawn the lawsuit before the regional court (*Landgericht*) of Frankfurt am Main and the withdrawal was formally accepted by HETA on 2 November 2016.”

On page 59 of the Original Base Prospectus, the information contained in the Subsection “Significant Change in Issuer's Financial Position” shall be deleted and replaced as follows:

“Except for the information in this subsection there has been no significant change in the financial position of the Issuer and its consolidated subsidiaries since the end of the last financial period for which interim financial information has been published (30 June 2016).

In the third quarter of the financial year 2016 the Issuer realized a positive non-recurring effect of Euro 132 million resulting from appreciation in value of its receivables in respect of HETA and reversal of respective provisions, against which the Issuer has recognized Euro 15 million in provisions and expenses as precautionary measure. In connection therewith, it should be noted that the Issuer has announced that its management board and its supervisory board are considering a proposal to the annual general meeting in 2017 – subject to compliance with all legal and regulatory requirements or developments – to distribute for the financial year 2016 a special dividend from the extraordinary gain which resulted from the restructuring of the HETA senior liabilities. This shall not imply any fundamental change to its communicated dividend policy, which the management board will review as soon as the impact of a changed regulatory environment can be perceived.”

Signatories on behalf of Deutsche Pfandbriefbank AG

Eschborn, as of 23 November 2016

signed by Götz Michl
Managing Director

signed by Martina Horn
Director