

Analyst/Investor Presentation

Results Q3 2012:

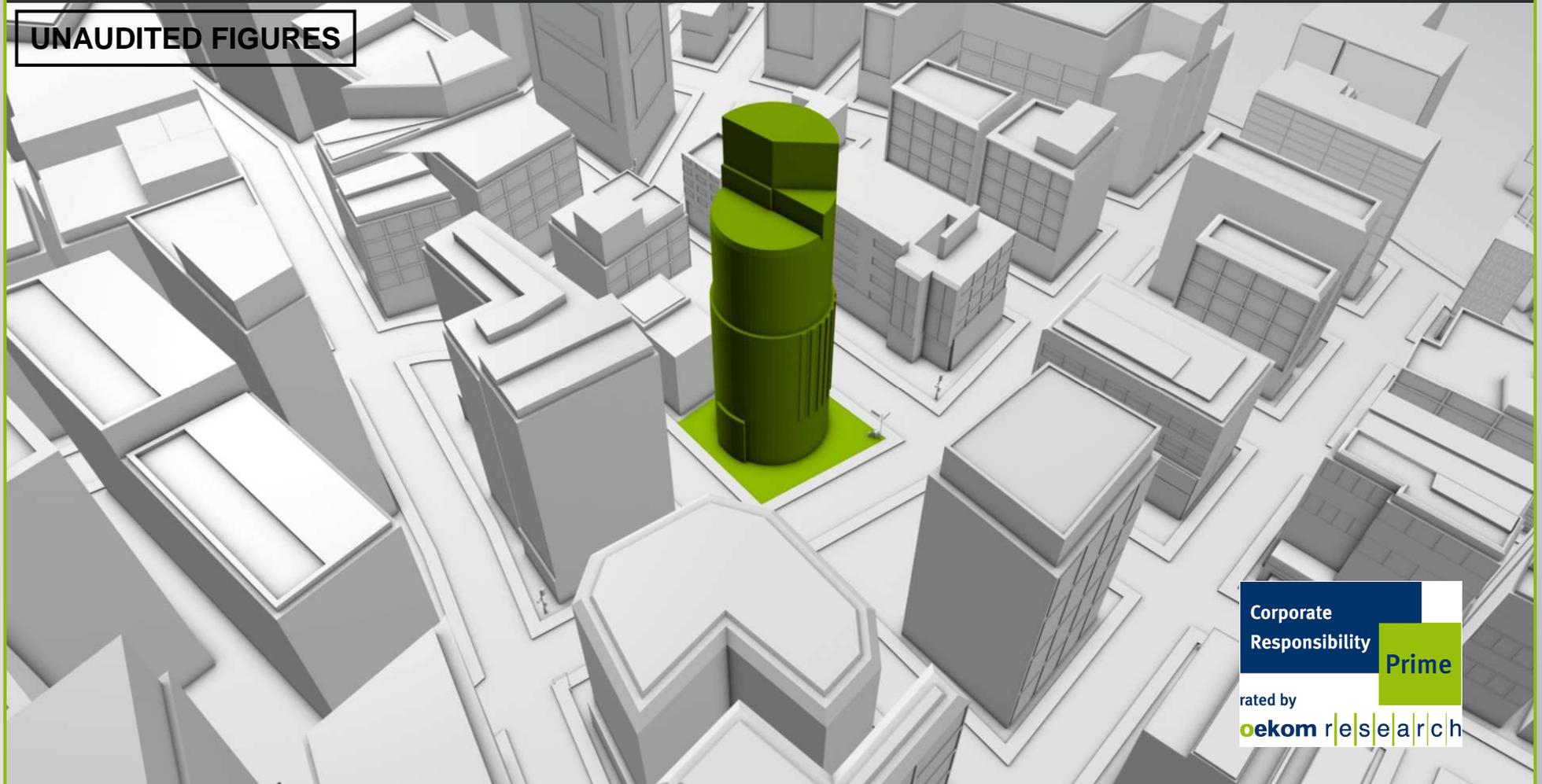
pbb well on track with pre-tax profit of EUR 49 mio

PUBLIC SECTOR FINANCE
REAL ESTATE FINANCE

pbb

DEUTSCHE
PFANDBRIEFBANK

UNAUDITED FIGURES



Disclaimer

- This presentation is not an offer or invitation to subscribe for or purchase any securities.
- No warranty is given as to the accuracy or completeness of the information in this presentation. You must make your own independent investigation and appraisal of the business and financial condition of Deutsche Pfandbriefbank AG and its direct and indirect subsidiaries and their securities. Nothing in this presentation shall form the basis of any contract or commitment whatsoever.
- For the purpose of this presentation pbb means pbb sub-group.
- This presentation may only be made available, distributed or passed on to persons in the United Kingdom in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply.

This presentation and any written materials distributed during such presentation may only be made available to persons residing in the U.S. and to U.S. citizens if they are qualified institutional buyers ('QIBs'), as such term is defined in Rule 144A under the U.S. Securities Act of 1933, as amended. By participating in the presentation and accepting this document, you are deemed to represent that you are a QIB.

This presentation may only be made available, distributed or passed on to persons in Australia who qualify as 'wholesale clients' as defined in section 761G of the Australian Corporations Act.

- This presentation is furnished to you solely for your information. You may not reproduce it or redistribute to any other person.
- This document contains forward-looking statements based on calculations, estimates and assumptions made by the company top management and external advisors and are believed warranted. These statements may be identified by such words as 'may', 'plans', 'expects', 'believes' and similar expressions, or by their context and are made on the basis of current knowledge and assumptions. Various factors could cause actual future results, performance or events to differ materially from those described in these statements. Such factors include general economic conditions, the conditions of the financial markets in Germany, in Ireland, in Europe, in the United States and elsewhere, the performance of HRE's core markets and changes in laws and regulations. No obligation is assumed to update any forward-looking statements.
- By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the noted limitations.

- ✓ **Pre-tax profit of EUR 49 mio** (Q2: EUR 30 mio; Q1: EUR 21 mio) – nine-month pre-tax profit of EUR 100 mio already at lower end of full-year target range of EUR 100-140 mio
- ✓ **New business gained momentum** with a volume of EUR 1.4 bn following a restrictive approach at the end of last year/beginning of this year (Q2: EUR 0.7 bn; Q1: EUR 0.8 bn) – total new business volume now at EUR 2.9 bn (9M 2012)
- ✓ Successful funding activities this year highlighted by **first public issue of an EUR 500 mio senior unsecured benchmark bond** in September, which has meanwhile even been successfully tapped by EUR 250 mio
- Funding targets well exceeded** with total long-term funding volume of EUR 5.7 bn in 9M 2012 (68% secured; 32% unsecured)
- ✓ Total portfolio (EaD) slightly down to EUR 80 bn (06/2012: EUR 81 bn), mainly reflecting higher maturities than new business volumes – **exposure to peripheral southern European countries as well as problem loans reduced due to maturities and active management**
- ✓ **Tier I ratio (pro-forma)** at 17.4% (06/2012: 17.1%)

Income statement

Nine-month pre-tax profit of EUR 100 mio already at lower end of full-year target range of EUR 100-140 mio



Income statement (IFRS)

EUR millions

	Q1 2012	Q2 2012	Q3 2012	9M 2012
Operating revenues	103	120	130	353
Net interest and similar income	76	74	72	222
Net commission income	3	3	14	20
Net trading income	0	-2	1	-1
Net income from financial investments	-4	9	6	11
Net income from hedge relationships	-2	-1	3	0
Balance of other operating income/expenses	30	37	34	101
<i>thereof: FMS-WM servicing</i>	28	25	25	78
<i>IT services for DEPFA Group</i>	8	9	13	30
<i>Bank levy</i>	-7	-5	-6	-18
Provisions for losses on loans and advances	-4	-5	7	-2
General administrative expenses	-78	-86	-89	-253
Balance of other income/expenses	0	1	1	2
Pre-tax profit/loss	21	30	49	100

- Net interest income suffers from a declining nominal asset base as well as lower interest rate levels and a conservative liquidity strategy
- Net commission income includes EUR 10 mio back-end-fees/exit fees in Q3
- In Q2 and Q3, net income from financial investments includes gains from sale of assets related to an adjustment of the liquidity buffer
- No material new additions to individual LLPs
- General administrative expenses affected by costs for IT landscape consolidation
 - Roll-out of last IT release carried out successfully in Q3
 - However, further costs to incur in relation with transfer of FMS-WM servicing

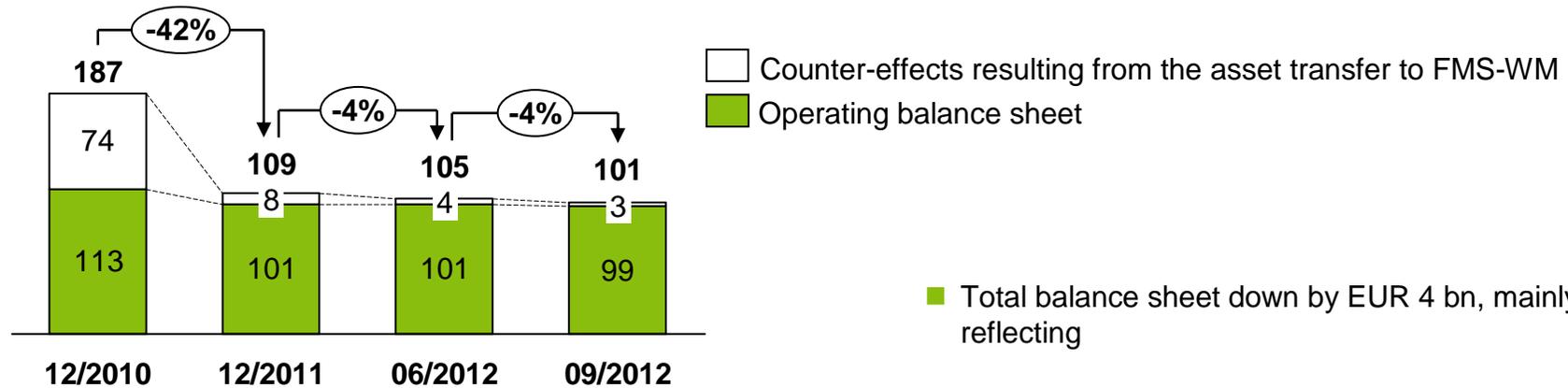
Balance sheet

Operating balance sheet size of EUR 99 bn remains well below year-end limit of EUR 105 bn required by the EU



Total assets (IFRS)

EUR billions



- Total balance sheet down by EUR 4 bn, mainly reflecting
 - a further decline of back-to-back derivatives by EUR 1 bn to EUR 2 bn (counter-effects resulting from the asset transfer to FMS-WM)
 - lower central bank investments passed on for FMS-WM (operating balance sheet)

Note: Figures may not add up due to rounding

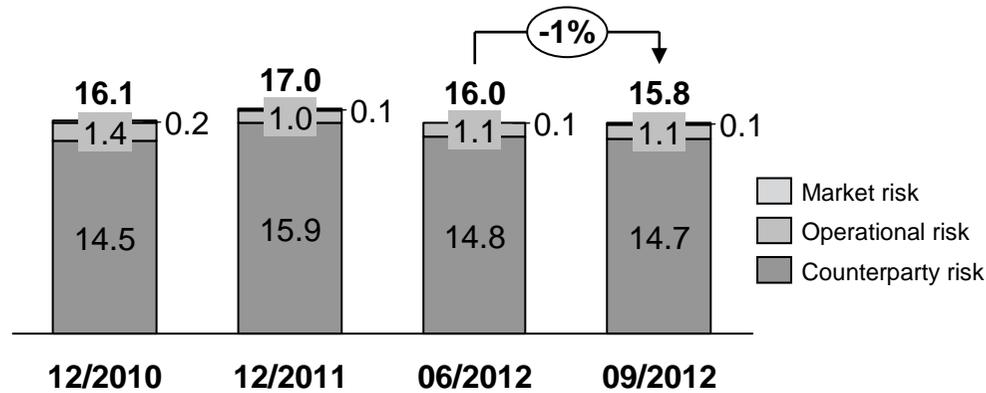
Capitalisation

Tier I ratio (pro-forma) at 17.4%



Pro-forma Risk-Weighted Assets (RWA)

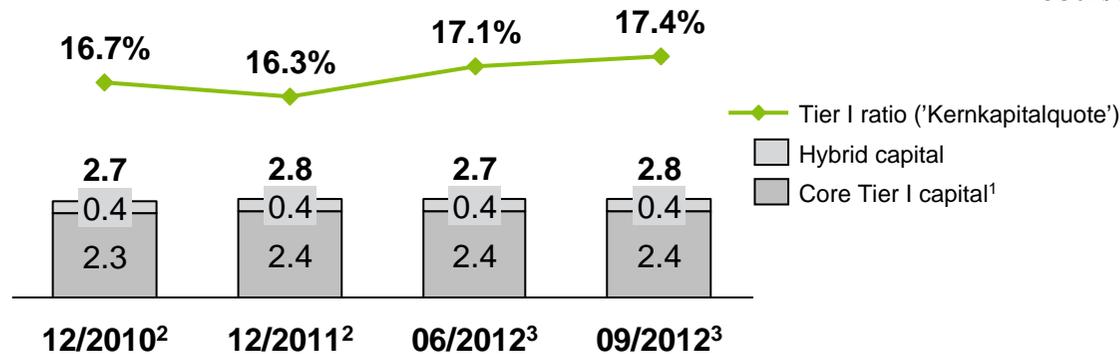
EUR billions



The regulatory capital ratios stated are calculated on an unaudited pro-forma basis. Deutsche Pfandbriefbank AG is according to the 'Waiver Rule' regulated in Sec. 2a KWG (German Banking Act) exempt from calculating the equity capital ratio and the core capital ratio on a sub-group level.

Pro-forma Tier I capital/ratio (SolV, German GAAP/HGB)

EUR billions



- RWA slightly down in Q3, primarily reflecting LGD changes as well as a declined exposure
- Tier I ratio up to 17.4%, given a slightly increased Tier I capital of EUR 2.8 bn (excl. year-to-date result/adjustments)

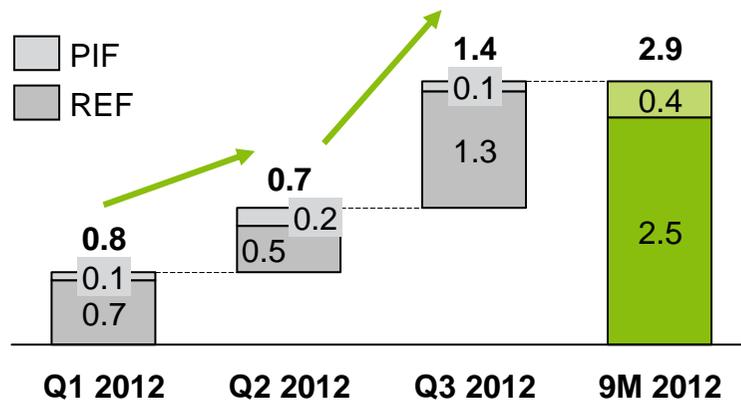
Note: Figures may not add up due to rounding 1 Incl. silent participation of SoFFin 2 Incl. full-year result/adjustments 3 Year-to-date result/adjustments not yet included

New business

New business gained momentum in Q3 with a volume of EUR 1.4 bn following a restrictive approach end of last year/beginning of this year

Total new business (incl. extensions >1 yr)

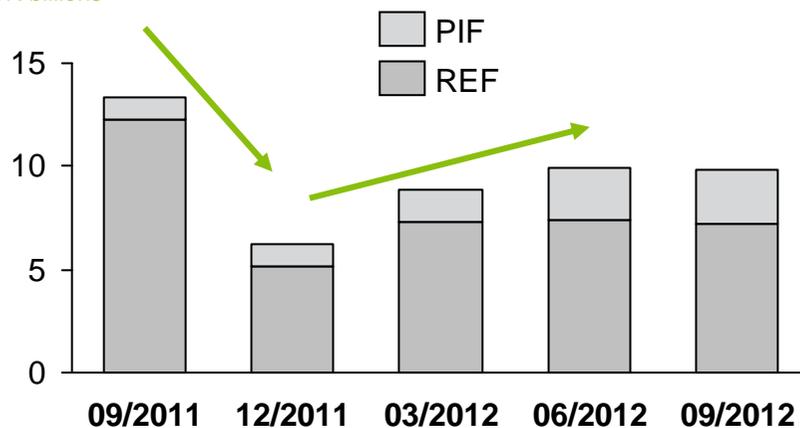
EUR billions



- In line with successful funding activities, new deal pipeline has been built up again since beginning of the year and is well stocked
- Given an average timelag of ~120 days between take-up of deal into pipeline and closing, new business volumes gained momentum in Q3 and are expected to accelerate further in Q4

Deal pipeline¹

EUR billions



Note: Figures may not add up due to rounding 1 Incl. deals with status Pre-New Deal Committee, New Deal Committee and Credit Committee

New business

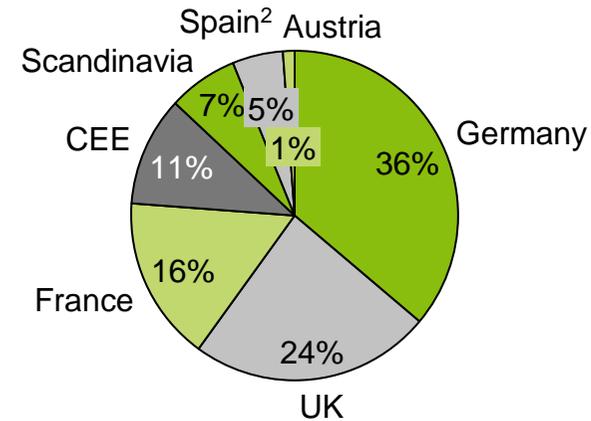
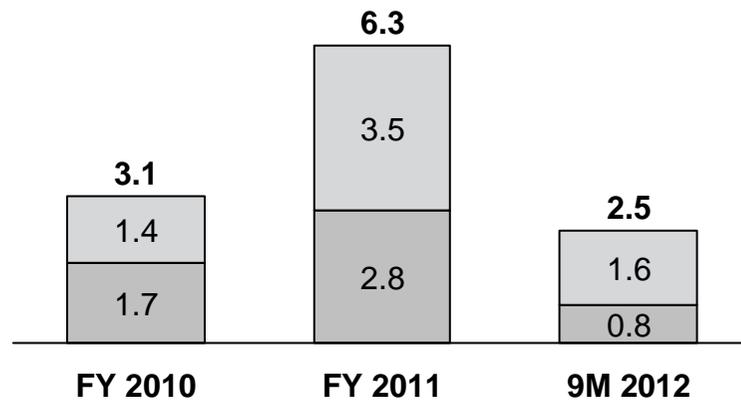
Real Estate Finance (REF): New business written at high margins and low LTVs



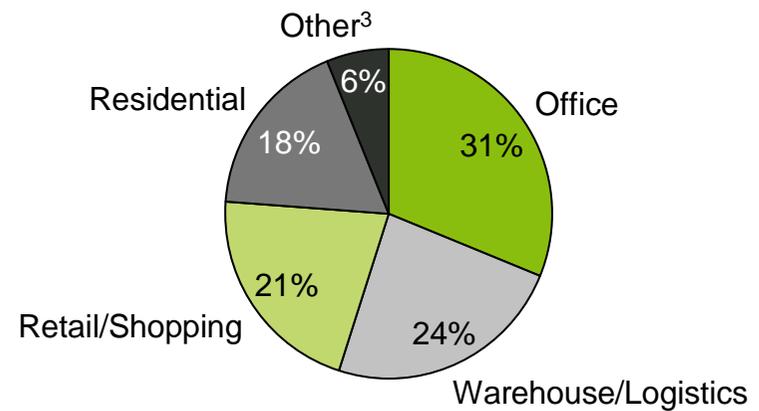
New business: REF

EUR billions

New commitments **by region (9M 2012)**
 Extensions >1 year



by property type (9M 2012)



Real Estate Finance (REF)	FY 2010	FY 2011	9M 2012
No. of deals	65	88	50
Average maturity	~3.9 yrs	~4.2 yrs	~4.4 yrs
Average LTV (New commitments) ¹	64%	65%	55%
Average gross margin	>200 bp	>205 bp	>240 bp

Note: Figures may not add up due to rounding 1 Extensions: 74% (9M 2012) 2 No new commitments since Q2; average LTV: 41% 3 Incl. Hotel, Land, Mixed Use

New business

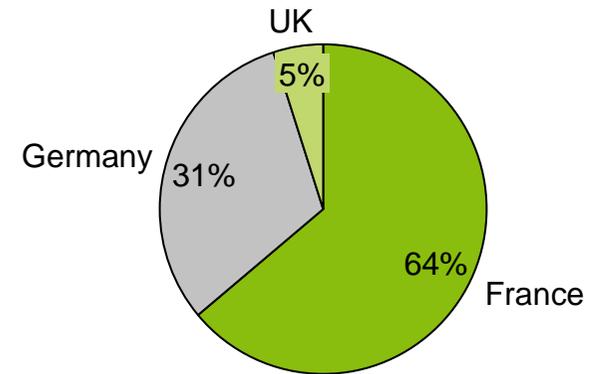
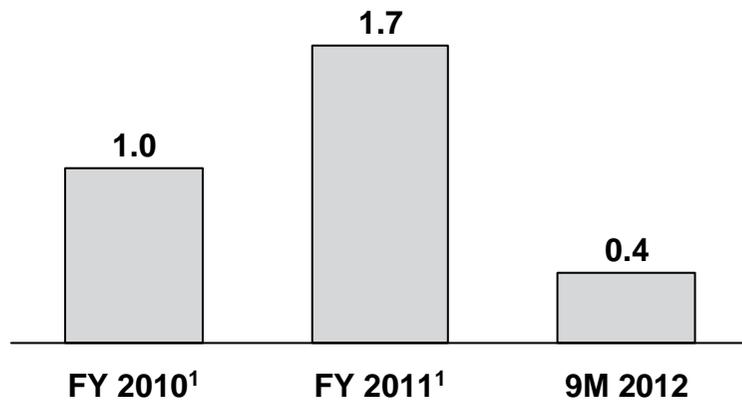
Public Investment Finance (PIF): New business focus currently on Germany and France



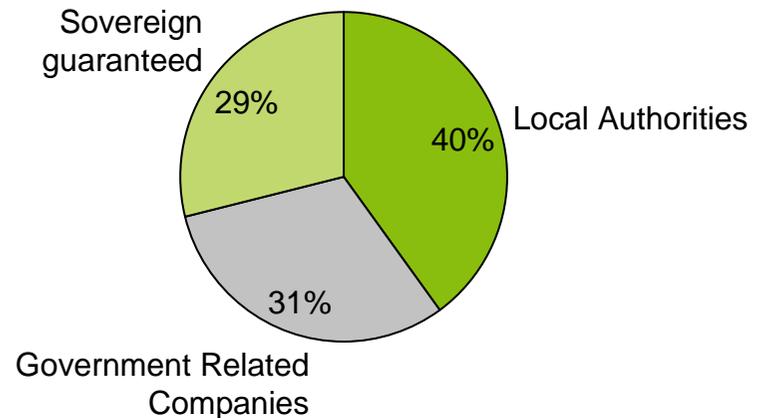
New business: PIF

EUR billions

■ New commitments by region (9M 2012)



by counterparty type (9M 2012)



Public Investment Finance	FY 2010 ¹	FY 2011 ¹	9M 2012
No. of deals	51	42	29
Average maturity	~7.4 yrs	~10.3 yrs	~6.9 yrs
Average gross margin	>100 bp	>105 bp	>140 bp

Note: Figures may not add up due to rounding 1 Incl. EUR 0.2 bn Public Budget Finance (prior to EU decision in July 2011)

New business pbb strengthens origination presence in Scandinavia and Germany

Real Estate Finance (REF)



Public Investment Finance (PIF)



- Core countries with sales locations
- New sales location for Scandinavian market
- Other strategic countries

Countries	Sales locations
Germany	Munich/Unterschleissheim Frankfurt/Eschborn Berlin (opened Oct 2012) Hamburg (opened Oct 2012)
UK	London
France	Paris
Italy	Rome
Spain	Madrid
Sweden	Stockholm (opened Sep 2012)

- In September, new office location opened in Stockholm
 - From this location, the bank will serve real estate investors on the Scandinavian market
 - The emphasis will initially be on Sweden and Finland
- 3 new office locations in Germany to locally improve customer relations
 - In October, new office locations opened in Berlin and Hamburg
 - It is planned for an office in Düsseldorf to follow at the beginning of 2013

Funding

Successful funding activities this year highlighted by first public issue of an EUR 500 mio senior unsecured benchmark bond in September



- Funding activities successful this year with total long-term funding volume of EUR 5.7 bn² in 9M 2012 and an average maturity of more than 6 years
- Successful re-entry into market for unsecured funding in benchmark format after a period during which pbb focused on private placements
 - First public issuance of an EUR 500 mio (3y) senior unsecured benchmark bond in September (ms+195bp)
 - 121 accounts
 - High granularity with average order volume of EUR ~4 mio
 - Strong investor base in Germany, rest diversified in other Western Europe
 - Not only larger banks attracted, but also smaller retail banks and funds
 - Meanwhile issue has even been successfully tapped by EUR 250 mio (ms+168bp)
 - Last senior unsecured benchmark bond issue of one of pbb's predecessor banks dates back to February 2007

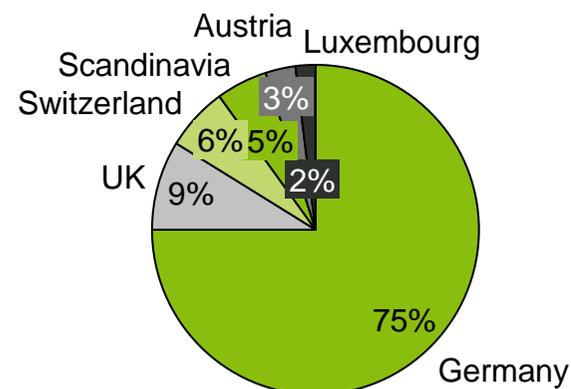
New long-term funding volumes 9M 2012

EUR billions

	secured	unsecured	Total	
Public issuances ¹	1.975	0.750	2.725	48%
Private placements	1.868	1.071	2.939	52%
Total	3.843	1.821	5.664	100%
	68%	32%	100%	

Public issuance – EUR 500 mio (3y) senior unsecured benchmark bond

by region



1 Incl. public taps 2 Excl. money market and ECB repo transactions

Funding

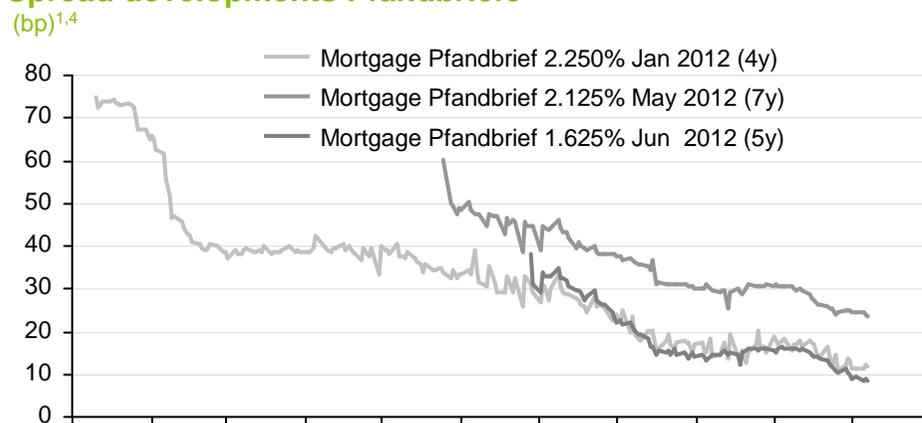
All recent issues with good performance in the secondary market



Public issuances 9M 2012

Type	WKN	Launch date	Maturity	Volume	Spread ¹	Coupon	Issue/reoffer price
Mortgage Pfandbrief	A1K0RS	10.01.2012	18.01.2016	EUR 500 mio	+75bp	2.250%	99.970%
Mortgage Pfandbrief (1. Tap) ²	A1EWJU	22.02.2012	06.10.2016	EUR 100 mio	+57bp	2.625%	102.579%
Mortgage Pfandbrief (1. Tap)	A1K0RS	07.03.2012	18.01.2016	EUR 175 mio	+48bp	2.250%	101.904%
Mortgage Pfandbrief	A1MLUW	24.05.2012	03.06.2019	EUR 500 mio	+60bp	2.125%	99.800%
Mortgage Pfandbrief	A1PGTJ	27.06.2012	04.07.2017	EUR 500 mio	+38bp	1.625%	99.433%
Mortgage Pfandbrief (1. Tap)	A1MLUW	23.07.2012	03.06.2019	EUR 200 mio	+40bp	2.125%	102.806%
Senior Unsecured	A1PG3A	04.09.2012	11.09.2015	EUR 500 mio	+195bp	2.500%	99.852%
Senior Unsecured (1. Tap)	A1PG3A	19.09.2012	11.09.2015	EUR 250 mio	+168bp	2.500%	100.603%

Spread developments Pfandbriefe



Spread developments Senior Unsecured



1 vs. mid-swap 2 Tap of an initially EUR 500 mio issue from 06.10.2011 3 Excl. money market and ECB repo transactions 4 Source: Bloomberg

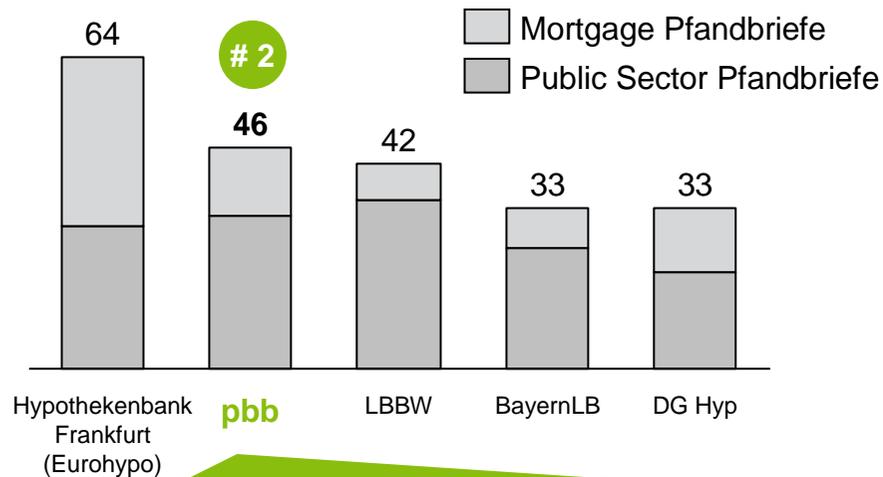
Cover pools

Total outstanding Pfandbrief volume slightly increased to EUR 46 bn, reflecting recent mortgage Pfandbrief issuances

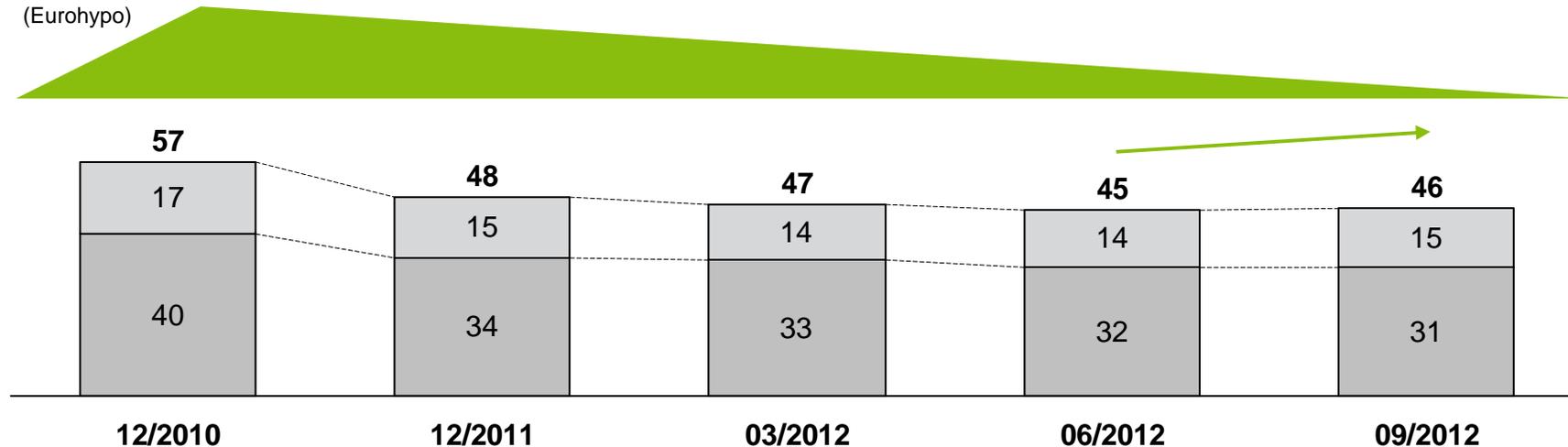


Largest Pfandbrief issuers

30/09/2012: EUR billions (outstanding, nominal)



- pbb's outstanding Pfandbrief volume started to increase again in Q3, whereas volumes of largest Pfandbrief banks are further decreasing
- New issuances of Mortgage Pfandbriefe more than offset run-down of the Public Budget Finance business in the Public Sector cover pool
- Mortgage Pfandbriefe outstanding expected to increase further



Source: German Pfandbrief Association (vdp)

Cover pools

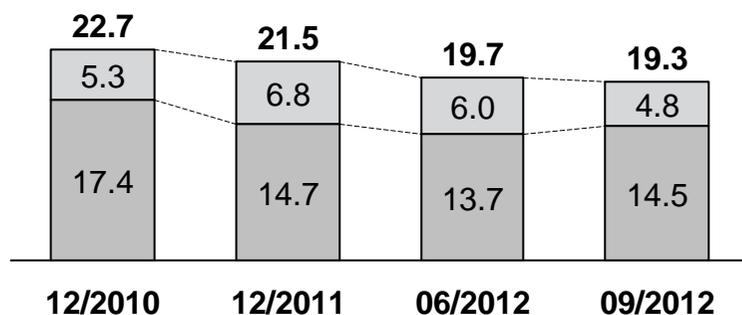
Previously excessive over-collateralisation in the mortgage cover pool provided basis for new Pfandbrief issuances in Q3



Mortgage cover pool: Total cover funds

EUR billions (nominal)

Over-Collateralisation (OC)
Pfandbriefe outstanding



OC (%) **30.7** **45.8** **44.2** **32.9**

Payments ≥90 days overdue (EUR millions)

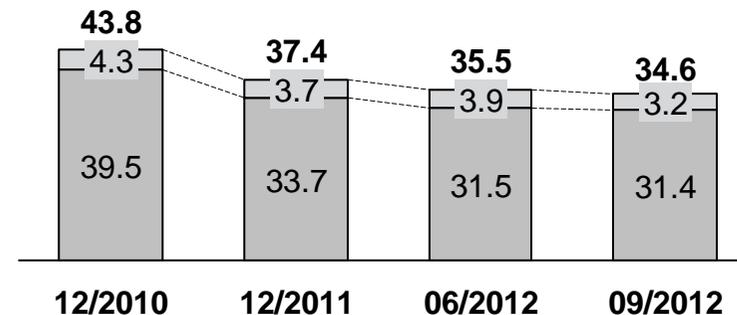
21.9 **22.5** **16.1** **22.2**

- Over-collateralisation (OC) declined due to recent Pfandbrief issuances as well as maturities in the cover pool
- However, OC of rd. 33% (nominal) still provides comfortable cover for Pfandbriefe outstanding

Public Sector cover pool: Total cover funds

EUR billions (nominal)

Over-Collateralisation (OC)
Pfandbriefe outstanding



OC (%) **10.9** **10.8** **12.5** **10.1**

Payments ≥90 days overdue (EUR millions)

- **-** **-** **-**

- Pfandbriefe outstanding further decreased, reflecting the run-down of the Public Budget Finance business
- OC of rd. 10% (nominal) still covers exposure to peripheral southern European countries by 87% (06/2012: 89%; 12/2011: 67%)

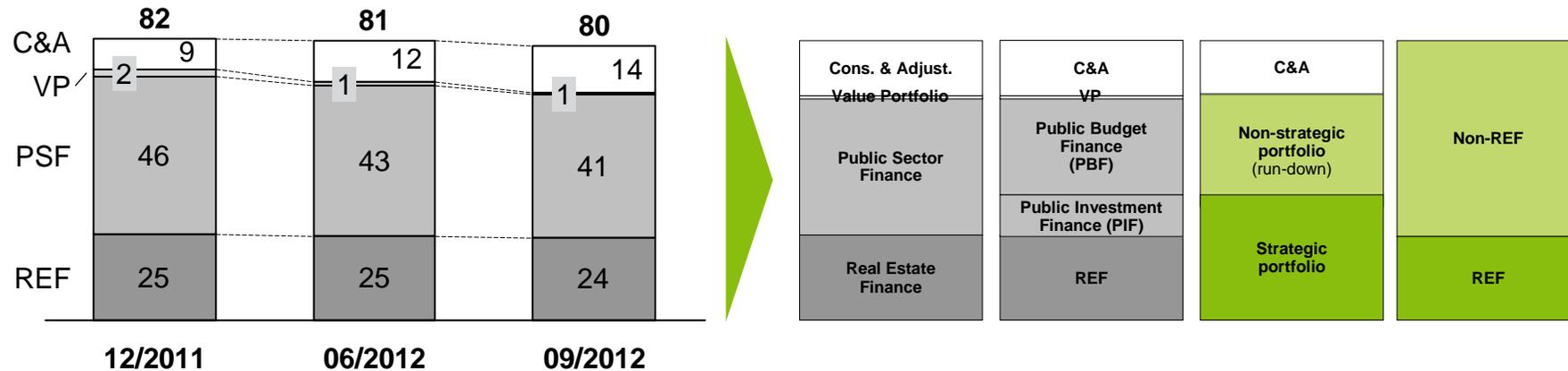
Note: Figures may not add up due to rounding

Total portfolio

Total portfolio (EaD) slightly down to EUR 80 bn, mainly reflecting higher maturities than new business volumes

Total portfolio

EUR billions (EaD)^{1,2}



- Total portfolio (EaD) slightly down – maturities in the existing portfolio higher than new business volumes (REF + PSF)
- Increase in C&A ('Consolidation&Adjustments') mainly reflects higher exposure with German Central Bank

C&A includes all non-lending business exposure (e.g. assets for bank steering and asset-liability management purposes)

Note: Figures may not add up due to rounding

1 Excl. FMS-WM guaranteed exposure, back-to-back derivatives and pass-through funding

2 Incl. FMS-WM bonds (09/2012: EUR 1.3 bn; 06/2012: EUR 2.2 bn; 12/2011: EUR 3.0 bn)

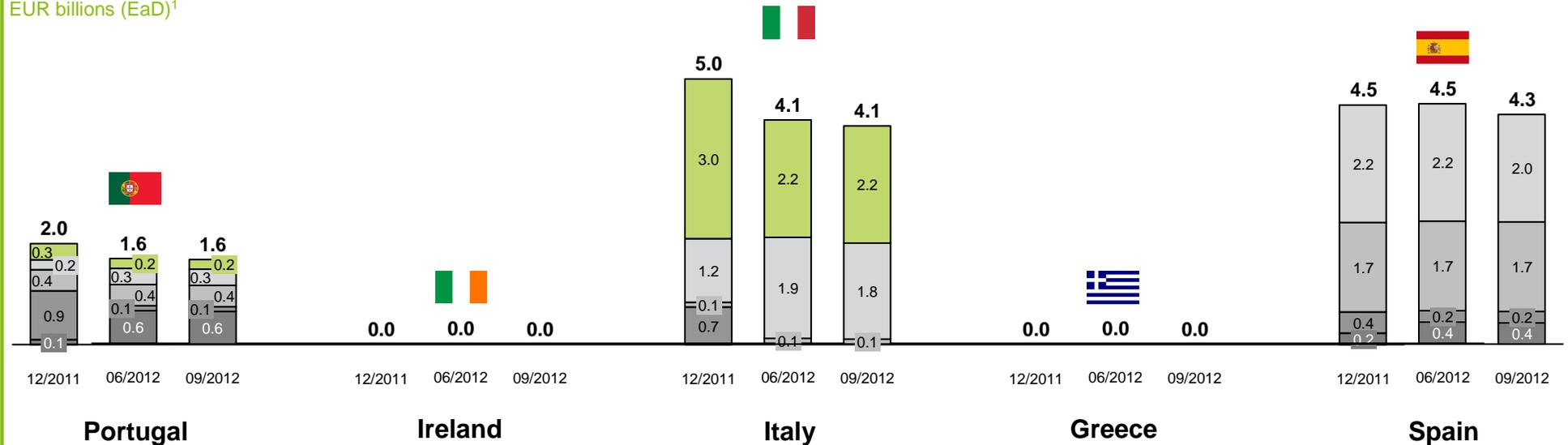
Exposure in selected countries

Non-REF: Exposure to southern-European peripheral countries further reduced in Q3 due to maturities



Non-REF: Exposure in selected countries by counterparty types

EUR billions (EaD)¹



- Sovereign
- Local Authorities
- Financial Institutions²
- Public Sector Entities
- GRC/GRI and others

- Total exposure to southern European peripheral countries considerably reduced since beginning of the year due to maturities and active portfolio management
- No exposure to Ireland, Greece and Spanish Sovereign
- Sovereign exposure to Italy expected to decline further by year-end 2012, given maturities of EUR 0.8 bn

Note: Figures may not add up due to rounding 1 Excl. FMS-WM and exposure to other entities of HRE Group 2 Predominantly mortgage covered bonds

Problem loans

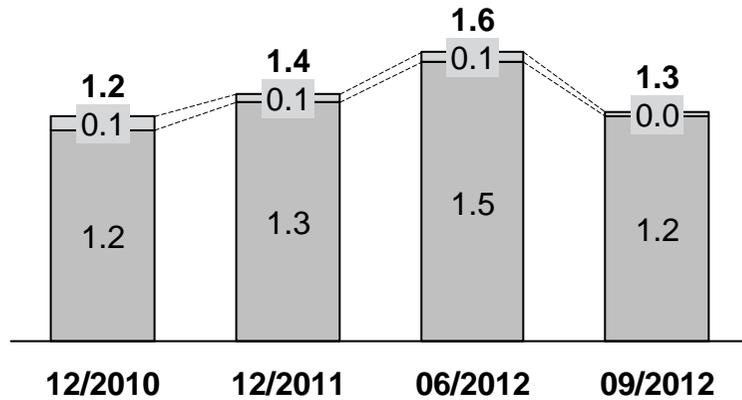
Total problem loans reduced in Q3 due to active management



Total problem loans

EUR billions (EaD)

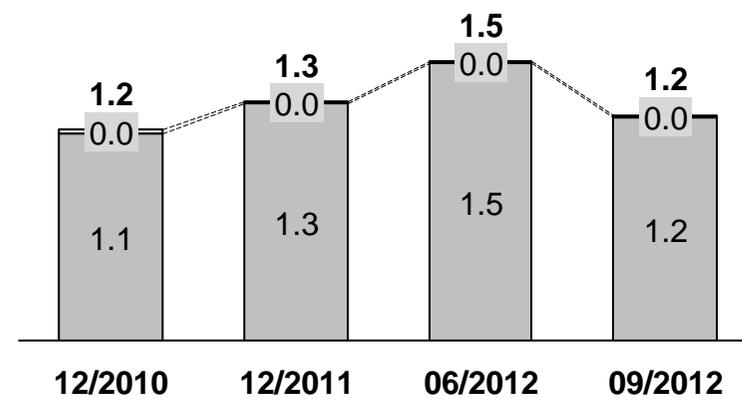
Non-REF
REF



REF problem loans

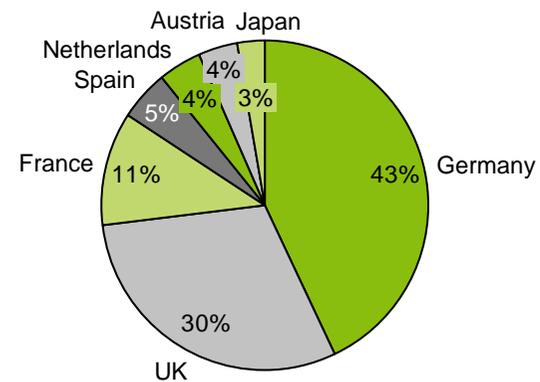
EUR billions (EaD)

Workout loans¹
Restructuring loans²



- Total problem loans reduced in Q3 by EUR 0.3 bn to EUR 1.3 bn (82 individual cases), mainly due to
 - successful workout activities (REF) and a rescue acquisition
 - a recovery of a counterparty (Non-REF)
- However, problem loans still adequately covered:
 - Non-REF (EUR 25 mio): ~72%
 - REF (EUR 1.2 bn): ~27%

09/2012: EUR 1.2 bn by region



Note: Figures may not add up due to rounding

1 No signs that the deal will recover soon, compulsory measures necessary

2 Payments more than 90 days overdue or criteria acc. to respective policy apply

➔ After nine month, pre-tax profit of EUR 100 mio already at lower end of **full-year target range of EUR 100-140 mio**

➔ **New business gained momentum in Q3** following a restrictive approach at the end of last year/ beginning of this year **and is expected to accelerate further in Q4**

However, it will be difficult to make up for the lower new business volumes of H1 2012

➔ Funding activities successful this year, highlighted by **first public issue of an EUR 500 mio senior unsecured benchmark bond** in September

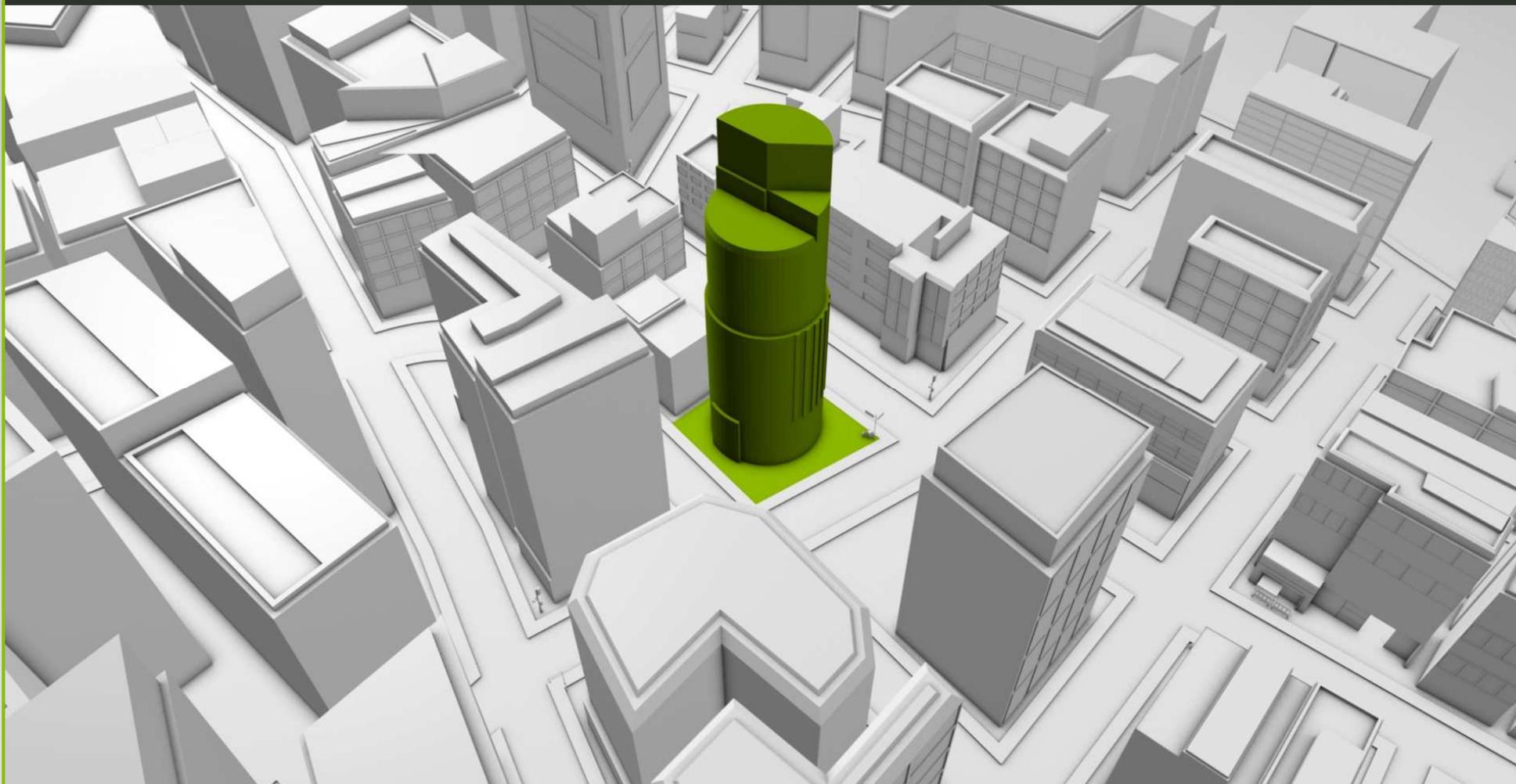
➔ Portfolio strictly monitored – **exposure to peripheral southern European countries as well as problem loans reduced due to maturities and active management**

Appendix

PUBLIC SECTOR FINANCE
REAL ESTATE FINANCE

pbb

DEUTSCHE
PFANDBRIEFBANK



Financials Income statement



Income statement (IFRS)

EUR millions

	FY 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011	Q1 2012	Q2 2012	Q3 2012	9M 2012
Operating revenues	652	131	162	129	104	526	103	120	130	353
Net interest and similar income	600	97	95	101	78	371	76	74	72	222
Net commission income	-10	14	5	6	7	32	3	3	14	20
Net trading income	77	-8	8	4	-12	-8	0	-2	1	-1
Net income from financial investments	-17	-1	0	0	4	3	-4	9	6	11
Net income from hedge relationships	-45	-15	-12	-7	-22	-56	-2	-1	3	0
Balance of other operating income/expenses	47	44	66	25	49	184	30	37	34	101
Provisions for losses on loans and advances	-443	2	-1	1	10	12	-4	-5	7	-2
General administrative expenses	-352	-81	-93	-87	-96	-357	-78	-86	-89	-253
Balance of other income/expenses	8	0	0	0	7	7	0	1	1	2
Pre-tax profit/loss	-135	52	68	43	25	188	21	30	49	100

Financials

New business

Funding

Cover pools

Portfolio

Summary & Outlook

Appendix

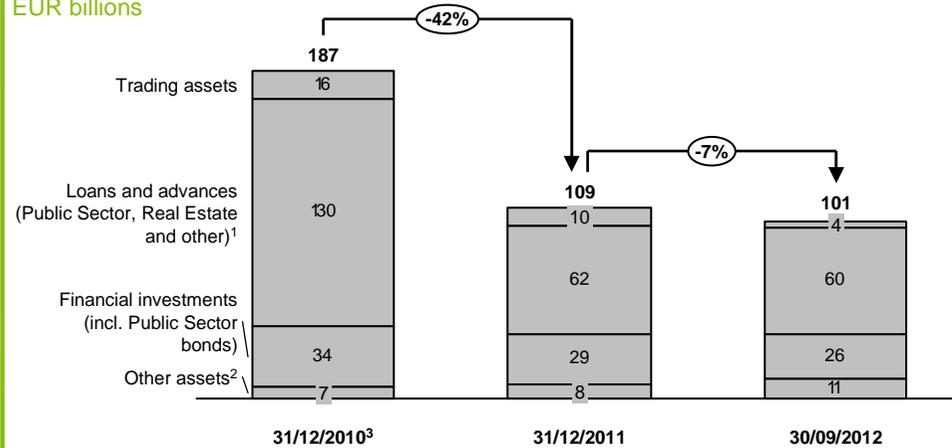
Financials

Balance sheet



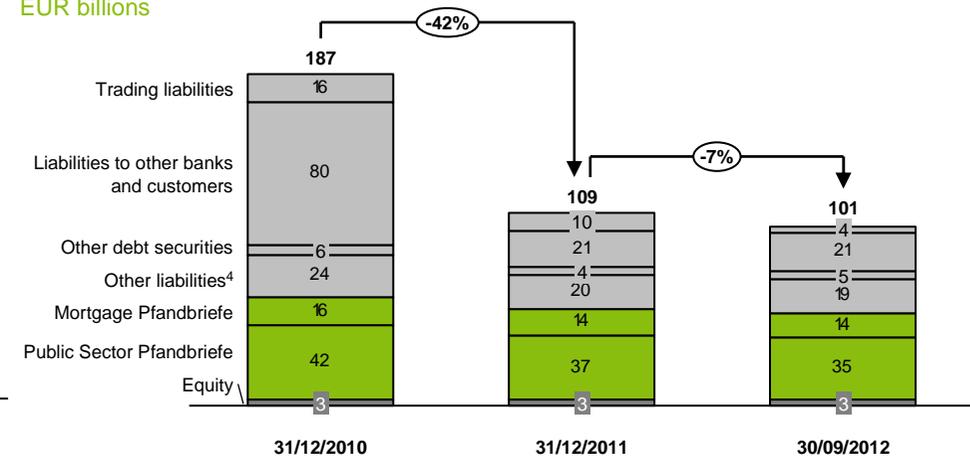
Total assets (IFRS)

EUR billions



Total liabilities and equity (IFRS)

EUR billions



Note: Figures may not add up due to rounding

1 Incl. allowances for losses on loans and advances

2 Cash reserve, other assets (esp. positive market values of hedging derivatives), income tax assets

3 Incl. reclassification of securities from 'Loans and advances' to 'Financial investments' for the purpose of consistent reporting of all securities with IFRS category LaR in the same balance sheet position

4 Provisions, other liabilities (esp. negative market values of hedging derivatives), income tax liabilities, subordinated capital

Business model and strategy

Scope of strategic business activities: Real Estate Finance (REF)



Financials

New business

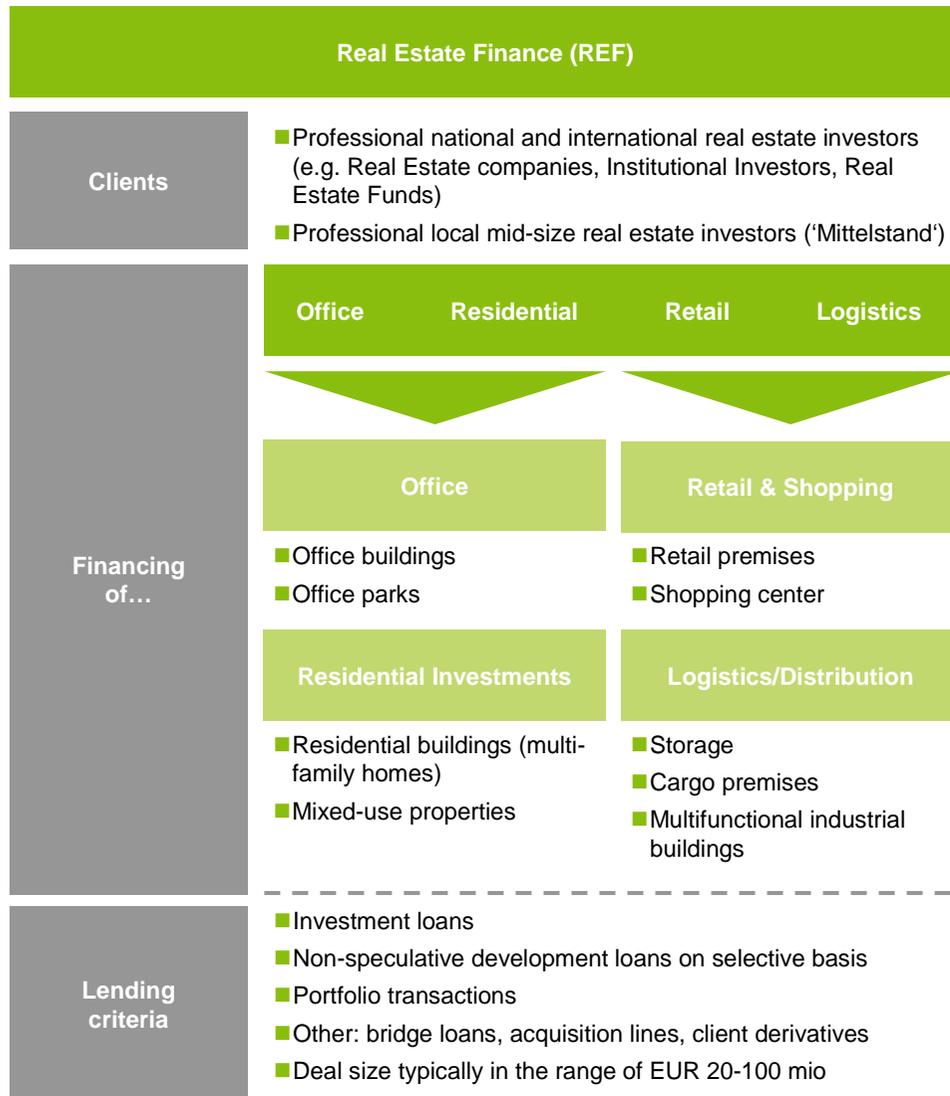
Funding

Cover pools

Portfolio

Summary & Outlook

Appendix



pbb

ProLogis
European Properties Fund II
Prime Logistics Property
€ 40 million

Investment Financing
Davenport, UK
July 2012

pbb

CeGeREAL
Office Portfolio
€ 400 million

Investment Financing, Club Deal
pbb acts as Co-Arranger – pbb stake € 75 million
Paris, France
July 2012

pbb

Deutsche Wohnen AG
8,500 Residential Units
€ 285 million

Investment Financing
Germany
August 2012

pbb

e-shelter
Datacenter Rüsselsheim
€ 60 million

pbb as Arranger
Germany
August 2012

pbb

NLI
Fastigheter Holding AB
Logistics Portfolio
SEK 464 million

Investment Financing
Sweden
August 2012

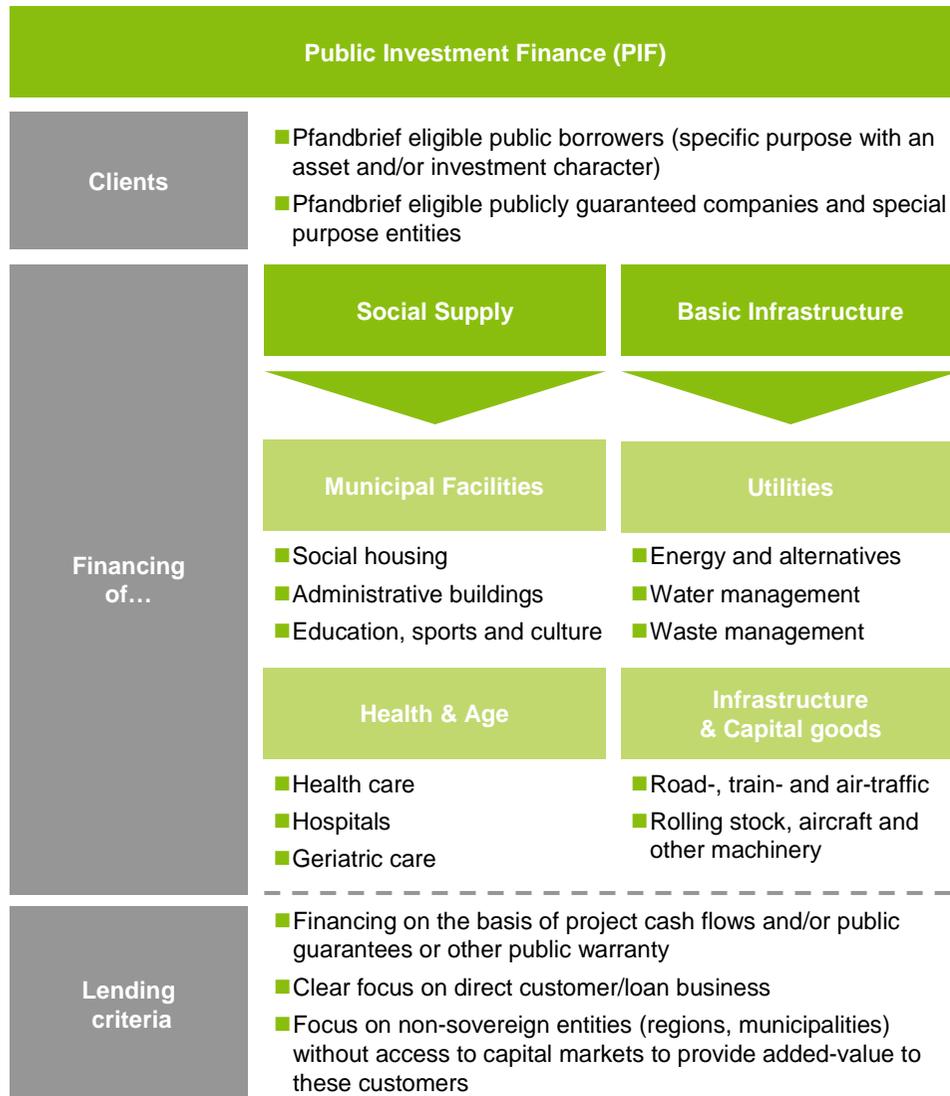
pbb

Hysesbostäder i Sverige
II AB
Two residential portfolios
SEK 550 million

Investment Financing
Sweden
September 2012

Business model and strategy

Scope of strategic business activities: Public Investment Finance (PIF)



pbb
DEUTSCHE PFANDBRIEFBANK

degewo
€ 90 million

Lender
Germany
October & December 2011

pbb
DEUTSCHE PFANDBRIEFBANK

New Administrative Center PPP
€ 27 million



Mandated Lead Arranger
France
December 2011

pbb
DEUTSCHE PFANDBRIEFBANK

Paris-Bercy Arena Concession
€ 125 million



Mandated Lead Arranger
France
December 2011

pbb
DEUTSCHE PFANDBRIEFBANK

Conseil Général du Finistère
€ 10 million



Lender
France
April 2012

pbb
DEUTSCHE PFANDBRIEFBANK

Landeshauptstadt Hannover
Neubau von 8 Kindertagesstätten
€ 20 Millionen

Langfristige Finanzierung
Deutschland
Mai 2012

pbb
DEUTSCHE PFANDBRIEFBANK

Troyes Hospital
€ 10 million

Lender
France
June 2012

Portfolio Real Estate portfolio



Financials

New business

Funding

Cover pools

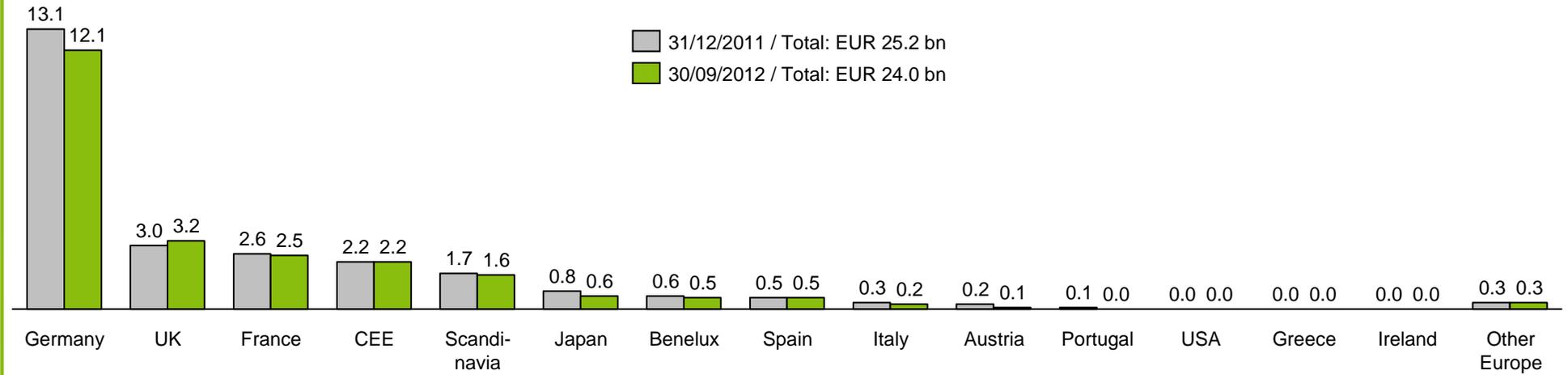
Portfolio

Summary & Outlook

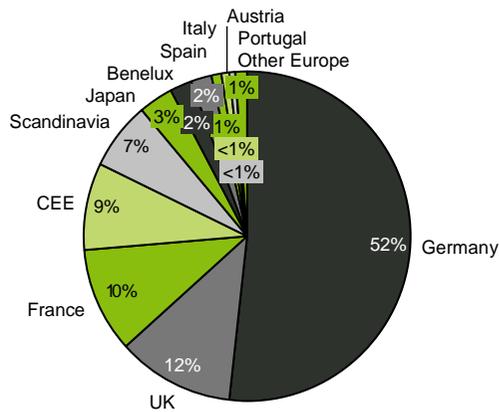
Appendix

Exposure by region

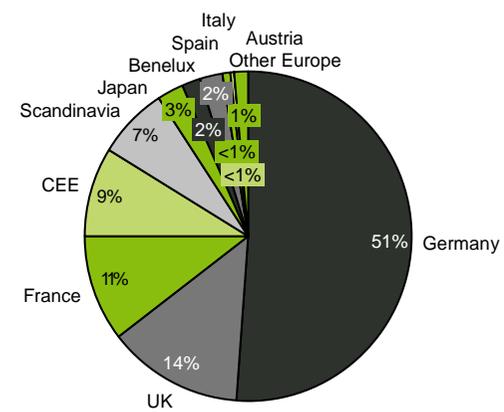
EUR billions (EaD)



31/12/2011



30/09/2012



Note: Figures may not add up due to rounding

Portfolio Real Estate portfolio



Financials

New business

Funding

Cover pools

Portfolio

Summary & Outlook

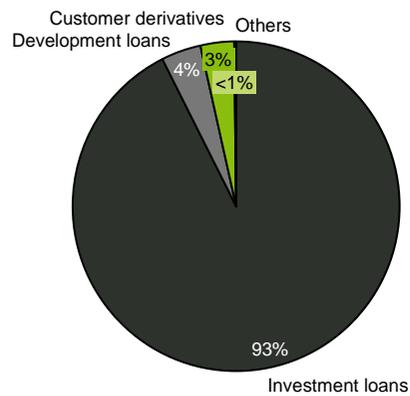
Appendix

Exposure by loan type

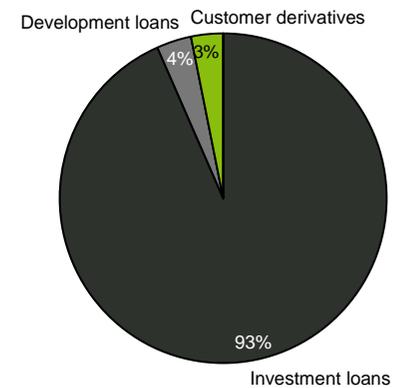
EUR billions (EaD)



31/12/2011



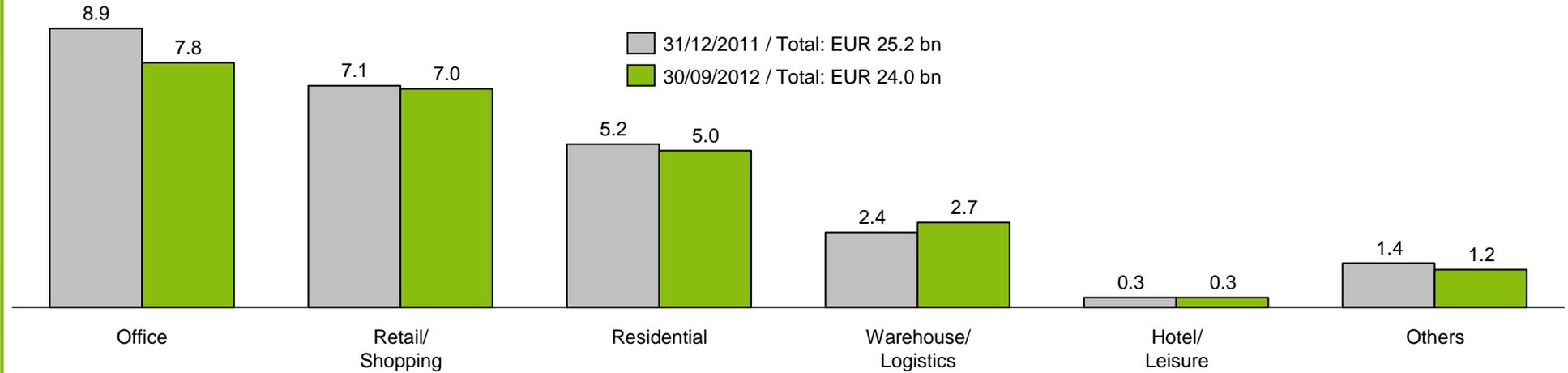
30/09/2012



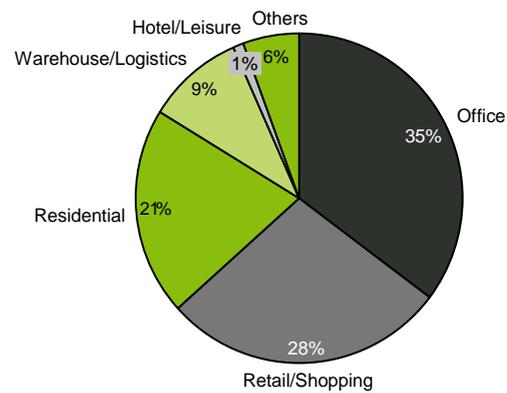
Note: Figures may not add up due to rounding

Exposure by property type

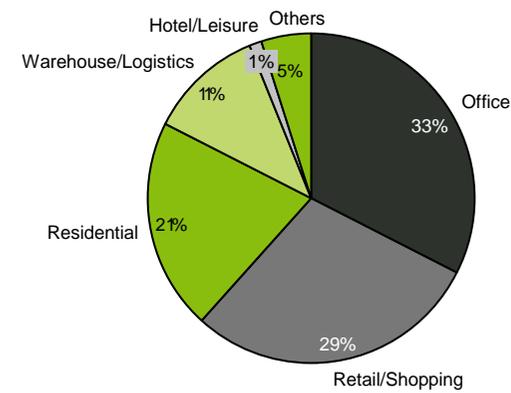
EUR billions (EaD)



31/12/2011



30/09/2012



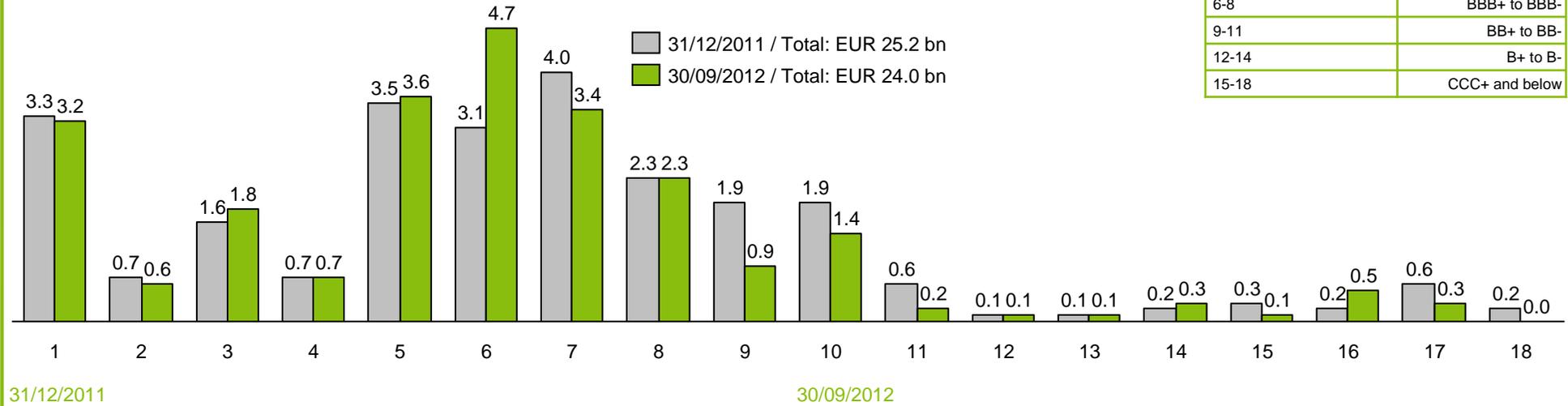
Note: Figures may not add up due to rounding

Portfolio Real Estate portfolio

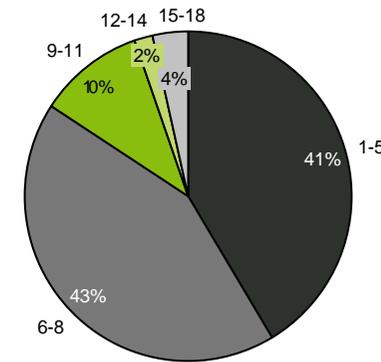
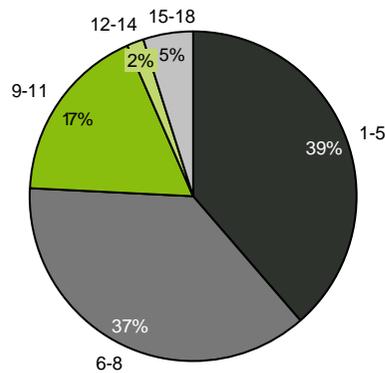


Exposure by EL classes

EUR billions (EaD)



EL class	S&P rating scale
1-5	AAA to A-
6-8	BBB+ to BBB-
9-11	BB+ to BB-
12-14	B+ to B-
15-18	CCC+ and below



Note: Figures may not add up due to rounding

Portfolio Non-Real Estate portfolio

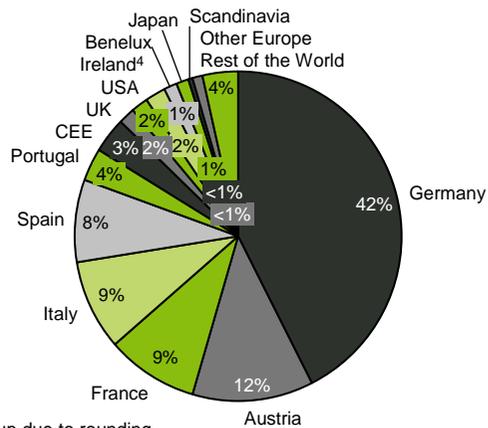


Exposure by region

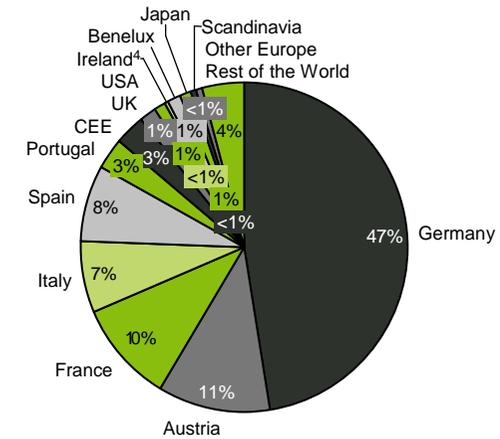
EUR billions (EaD)^{1,2}



31/12/2011



30/09/2012



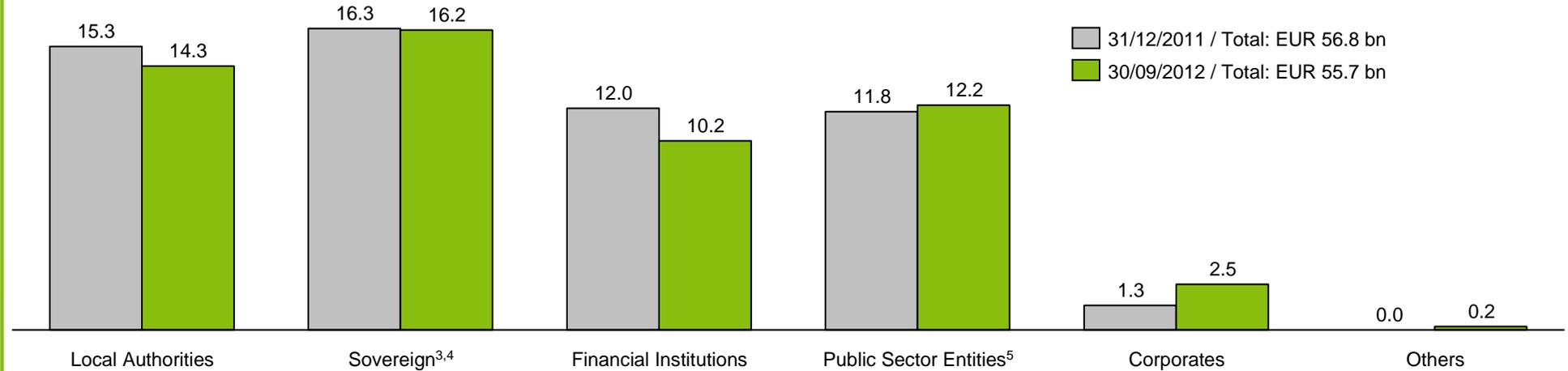
Note: Figures may not add up due to rounding
 1 Excl. FMS-WM guaranteed exposure, back-to-back derivatives and pass-through funding
 2 Incl. FMS-WM bonds (31/12/2011: EUR 3.0 bn; 30/09/2012: EUR 1.3 bn)
 3 Incl. accounts with German Central Bank (31/12/2011: EUR 1.6 bn; 30/09/2012: EUR 6.3 bn)
 4 Only exposure to other entities of HRE Group

Portfolio Non-Real Estate portfolio

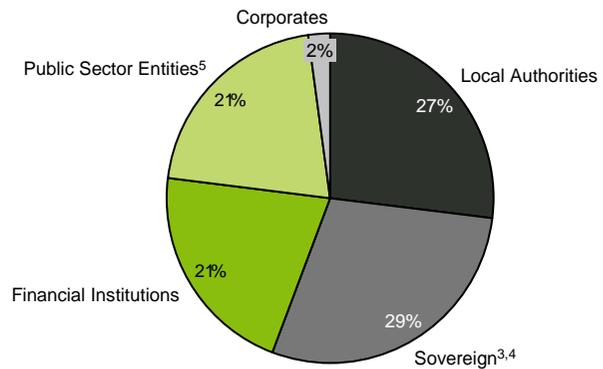


Exposure by counterparty type

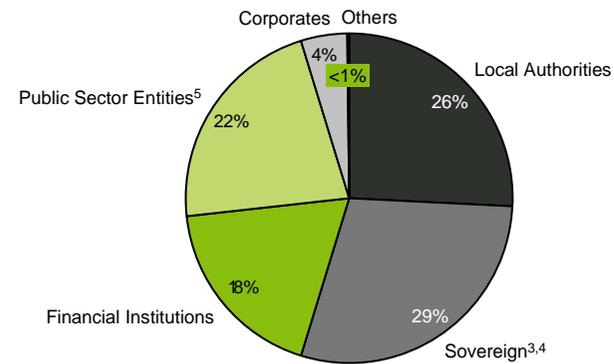
EUR billions (EaD)^{1,2}



31/12/2011



30/09/2012



Note: Figures may not add up due to rounding

1 Excl. FMS-WM guaranteed exposure, back-to-back derivatives and pass-through funding

2 Incl. FMS-WM bonds (31/12/2011: EUR 3.0 bn; 30/09/2012: EUR 1.3 bn)

3 Incl. accounts with German Central Bank (31/12/2011: EUR 1.6 bn; 30/09/2012: EUR 6.3 bn)

4 Incl. Government Related Companies/Institutions (e.g. airports, healthcare, private/public education, water/sewage)

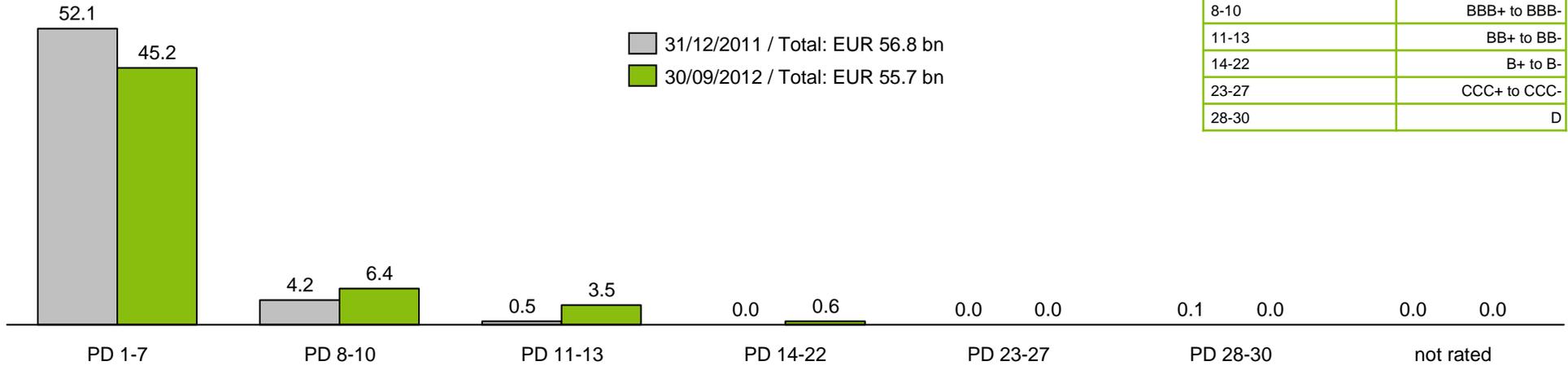
5 Entities with explicit or implicit financial support from a tax raising authority

Portfolio Non-Real Estate portfolio



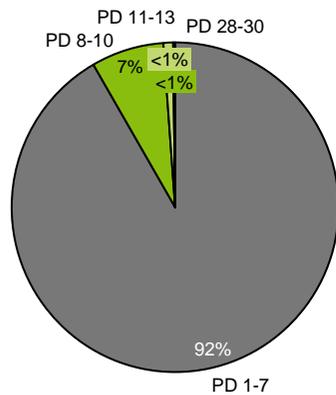
Exposure by PD class

EUR billions (EaD)^{1,2}

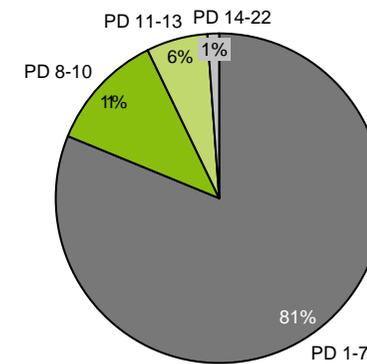


PD class	S&P rating scale
1-7	AAA to A-
8-10	BBB+ to BBB-
11-13	BB+ to BB-
14-22	B+ to B-
23-27	CCC+ to CCC-
28-30	D

31/12/2011



30/09/2012

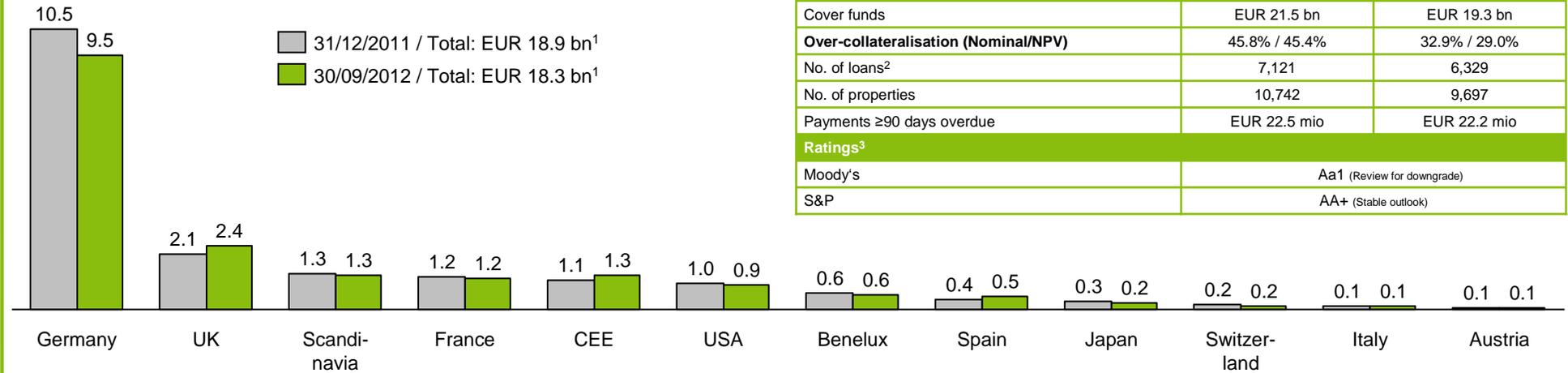


Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure, back-to-back derivatives and pass-through funding 2 Incl. FMS-WM bonds (31/12/2011: EUR 3.0 bn; 30/09/2012: EUR 1.3 bn)

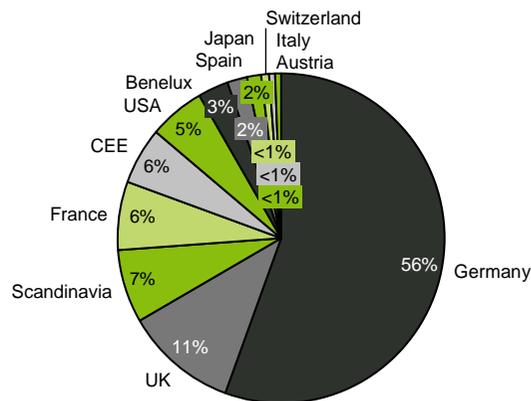
Cover pools Mortgage cover pool

Cover funds by region

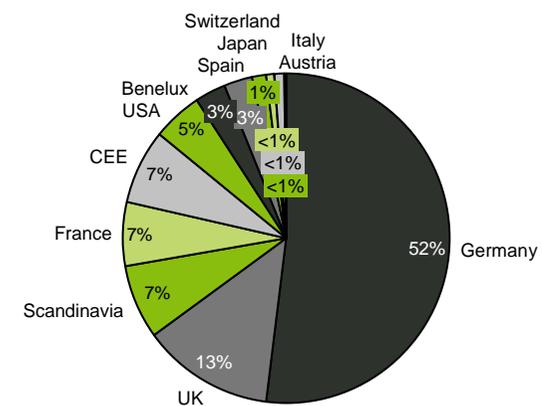
EUR billions (Nominal)



31/12/2011



30/09/2012



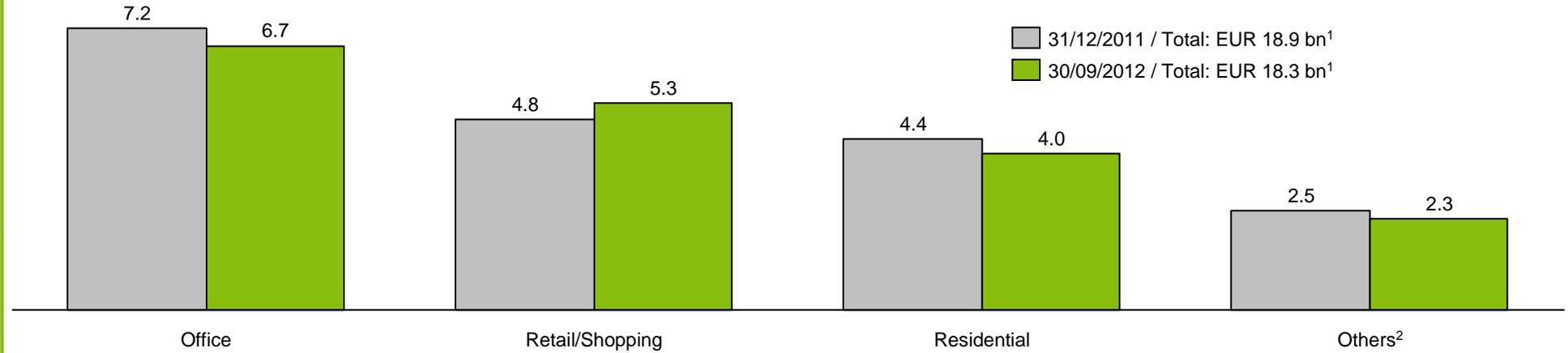
Note: Figures may not add up due to rounding
 1 Excl. additional cover assets (substitute collateral)
 2 Excl. derivatives

3 On 09/08/2012, pbb ended Fitch's mandate for Mortgage Pfandbriefe and has asked Fitch to withdraw the rating. The rating agency subsequently put the rating under review for possible downgrade and withdrew the rating on 28/09/2012 downgrading the Mortgage Pfandbriefe to AA (previously AA+).

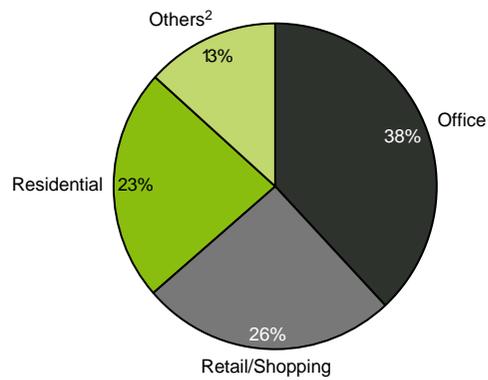
Cover pools Mortgage cover pool

Cover funds by property type

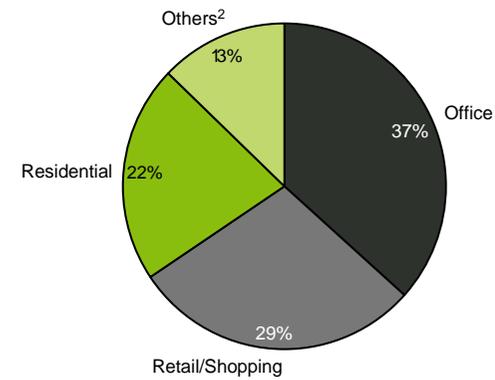
EUR billions (Nominal)



31/12/2011



30/09/2012



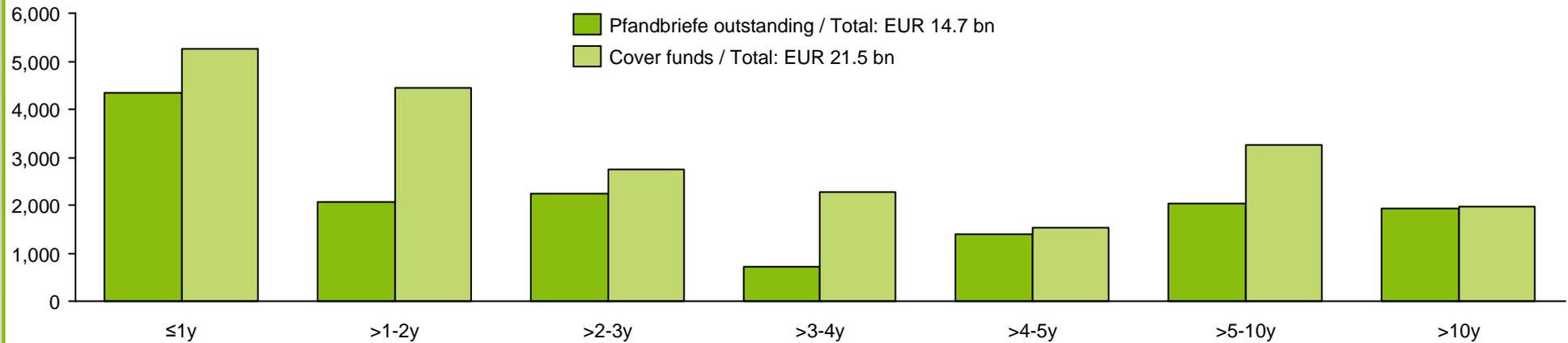
Note: Figures may not add up due to rounding 1 Excl. additional cover assets (substitute collateral) 2 Incl. Warehouse/Logistics

Cover pools

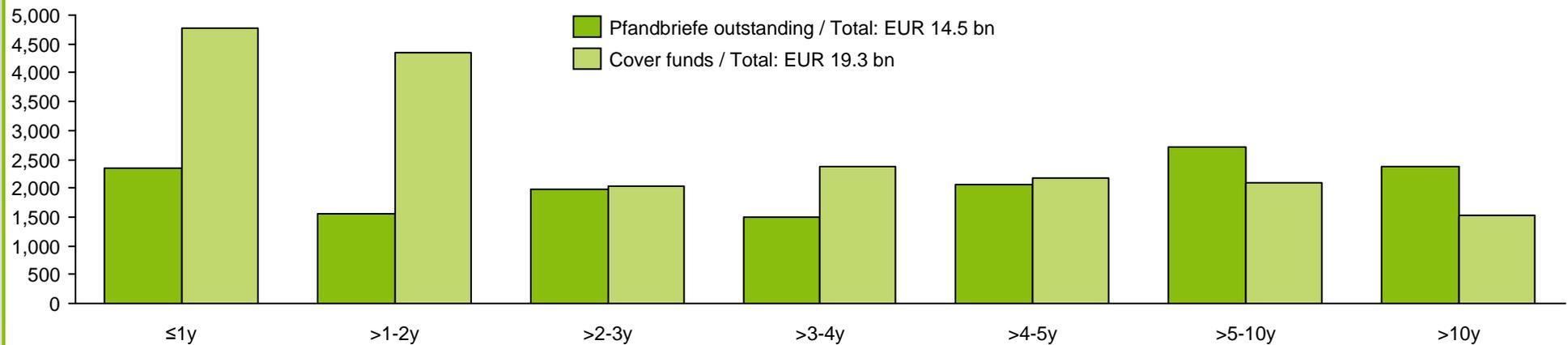
Mortgage cover pool

Maturity profile¹

31/12/2011: EUR millions (Nominal)



30/09/2012: EUR millions (Nominal)



Note: Figures may not add up due to rounding 1 Assets to interest reset date; liabilities to legal maturity

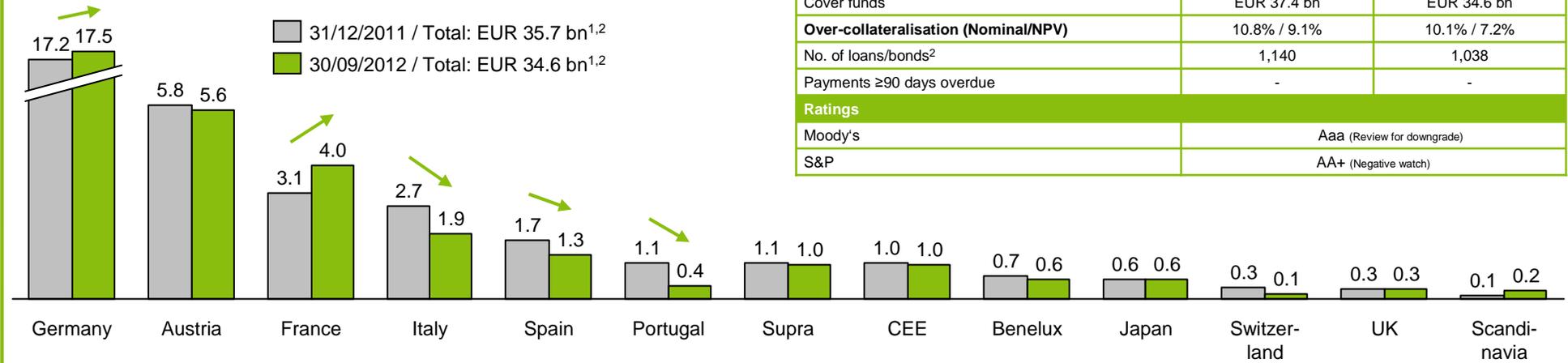
Cover pools

Public Sector cover pool: Cover pool quality considerably improved due to active cover pool management



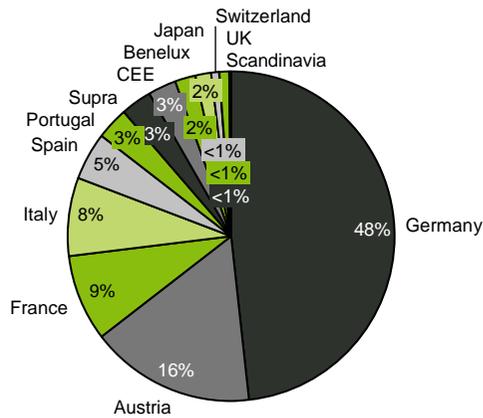
Cover funds by region

EUR billions (Nominal)

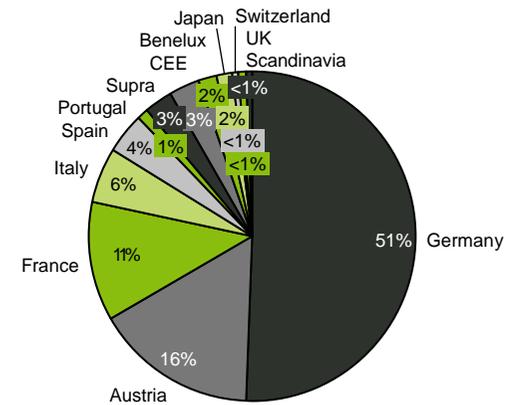


Public Sector cover pool (Nominal)	31/12/2011	30/09/2012
Pfandbriefe outstanding	EUR 33.7 bn	EUR 31.4 bn
Cover funds	EUR 37.4 bn	EUR 34.6 bn
Over-collateralisation (Nominal/NPV)	10.8% / 9.1%	10.1% / 7.2%
No. of loans/bonds ²	1,140	1,038
Payments ≥90 days overdue	-	-
Ratings		
Moody's	Aaa (Review for downgrade)	
S&P	AA+ (Negative watch)	

31/12/2011



30/09/2012



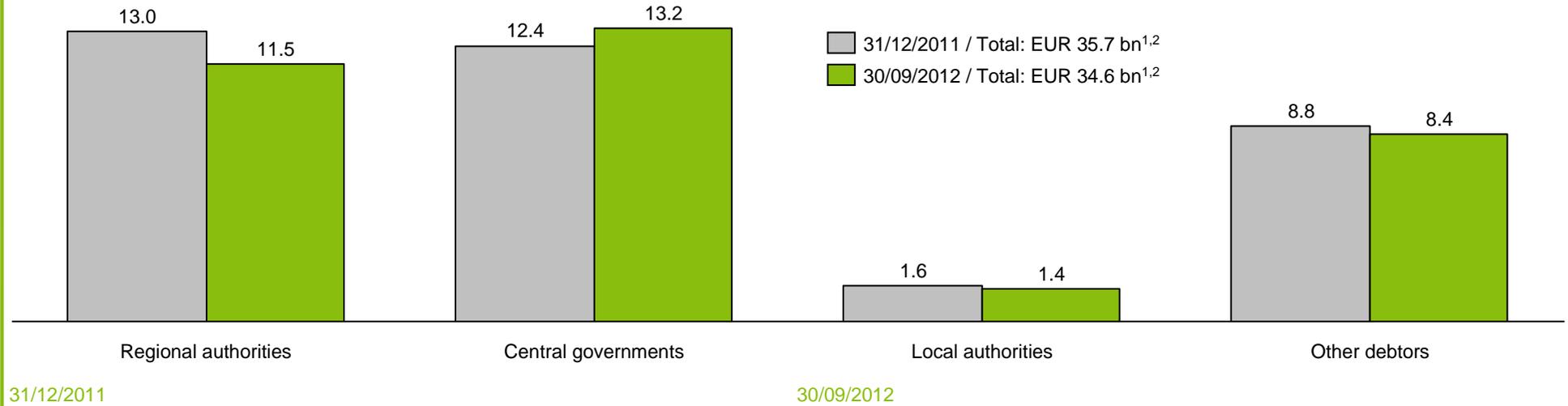
Note: Figures may not add up due to rounding 1 Excl. additional cover assets (substitute collateral) 2 Excl. derivatives

Cover pools

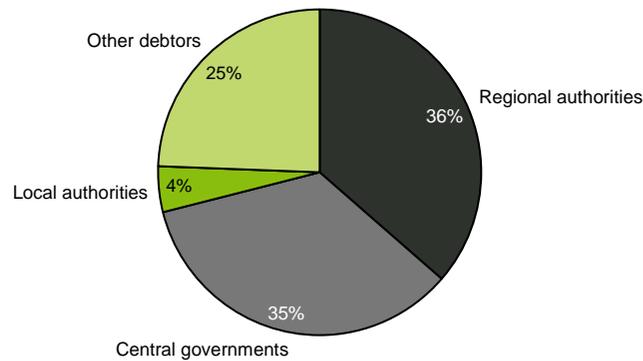
Public Sector cover pool

Cover funds by counterparty type

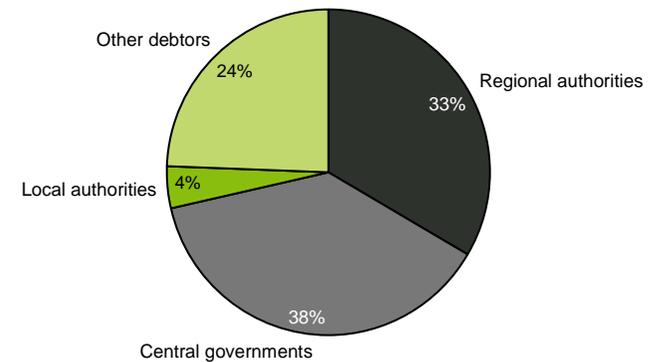
EUR billions (Nominal)



31/12/2011



30/09/2012



Note: Figures may not add up due to rounding 1 Excl. additional cover assets (substitute collateral) 2 Excl. derivatives

Cover pools

Public Sector cover pool



Financials

New business

Funding

Cover pools

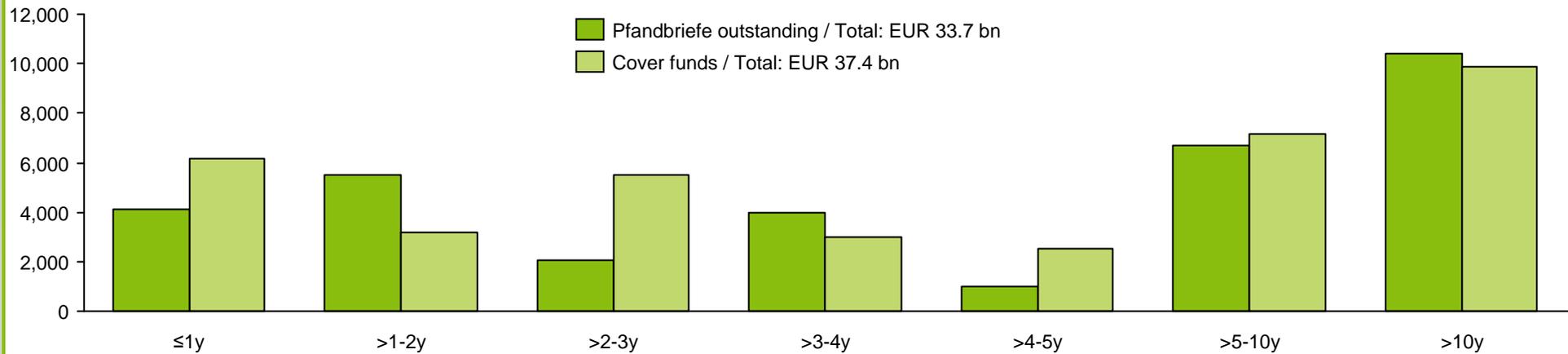
Portfolio

Summary & Outlook

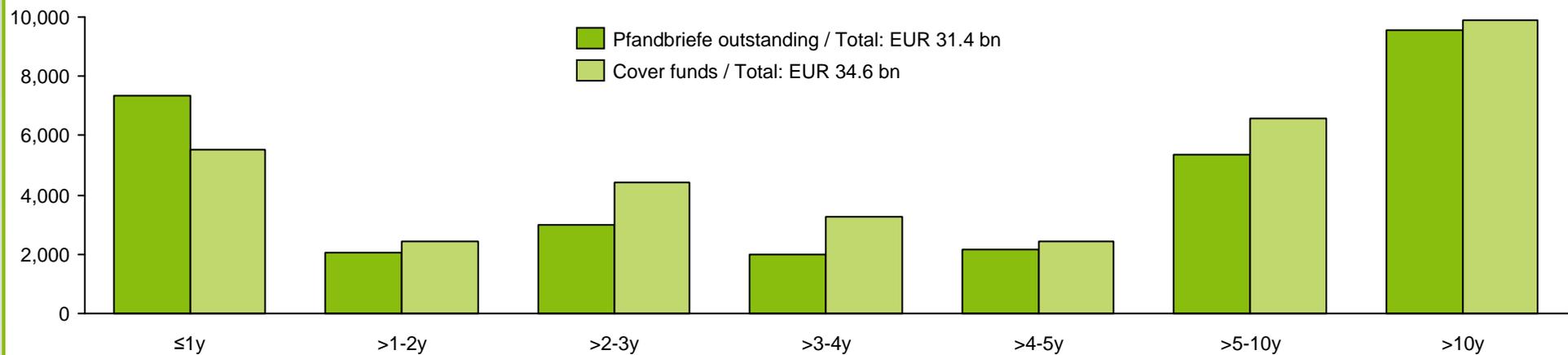
Appendix

Maturity profile¹

31/12/2011: EUR millions (Nominal)



30/09/2012: EUR millions (Nominal)



Note: Figures may not add up due to rounding 1 Assets to interest reset date; liabilities to legal maturity

Contact details



Communications

- **Walter Allwicher** +49 (0)89 2880 28787
walter.allwicher@pfandbriefbank.com

Investor Relations

- **Frank Ertz** +49 (0)89 2880 28776
frank.ertz@pfandbriefbank.com
- **Michael Heuber** +49 (0)89 2880 28778
michael.heuber@pfandbriefbank.com
- **Website** www.pfandbriefbank.com/investor-relations.html

© Deutsche Pfandbriefbank AG
Freisinger Strasse 5
85716 Unterschleissheim/Germany
+49 (0) 89 28 80-0
www.pfandbriefbank.com