

Analyst Conference Call

Results Q2/H1 2016

PUBLIC SECTOR FINANCE
REAL ESTATE FINANCE

pbb

DEUTSCHE
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PBT of EUR 42 mn in Q2/16 (H1/16: EUR 87 mn)
– full-year target confirmed

Andreas Arndt, CEO/CFO

Unterschleissheim, 12 August 2016

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Agenda

- 1 Highlights**
 - 2 Financials**
 - 3 Segment reporting / New business**
 - 4 Portfolio**
 - 5 Funding**
 - 6 Outlook 2016**
- Appendix**
Contact details

Highlights

PBT target confirmed – headwind on NII, but LLPs and GAE well below plan



Pre-tax profit of EUR 87 mn in H1/16 (Q2/16: EUR 42 mn) in line with full-year expectation

- **net interest income** influenced by continued low interest rate environment and strong competition
- but **loan-loss provisions** and **general administrative expenses** well below plan



Conservative business approach continued – reduced **new business** volume (Q2/16: EUR 1.8 bn; H1/16: 4.7 bn) as less business meets pbb's risk/return requirements

- **REF:** New commitments remain strong (H1/16: EUR 3.8 bn), but less extensions (EUR 0.7 bn)
– avg. gross margin relatively stable (~170 bp)
- **PIF:** New business volume remains at low level (H1/16: 0.2 bn)



Strategic portfolio (financing volumes) stable – run-down of non-strategic Value Portfolio continued in line with strategy



Strong **funding activities** with new long-term funding volume of EUR 3.5 bn in H1/16



Capitalisation remains strong with fully-loaded CET1 ratio of 18.4%¹ (Basel III)



CRE/REF markets expected to stay reasonably intact despite high uncertainties after the Brexit referendum – however, overall headwinds expected to persist

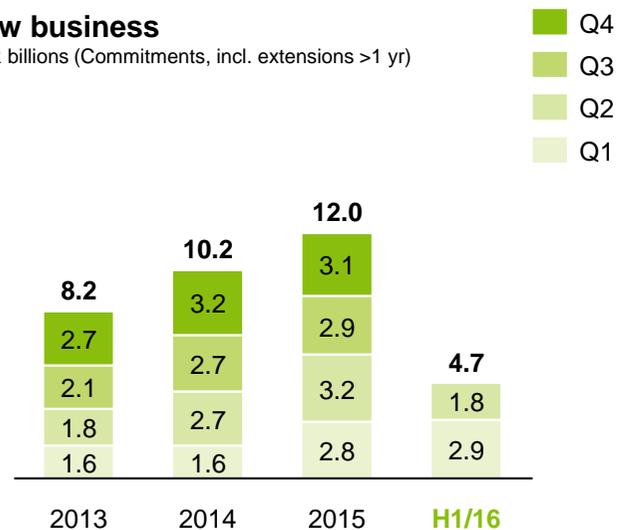
¹ Interim result not yet included

Highlights

Operating and financial overview

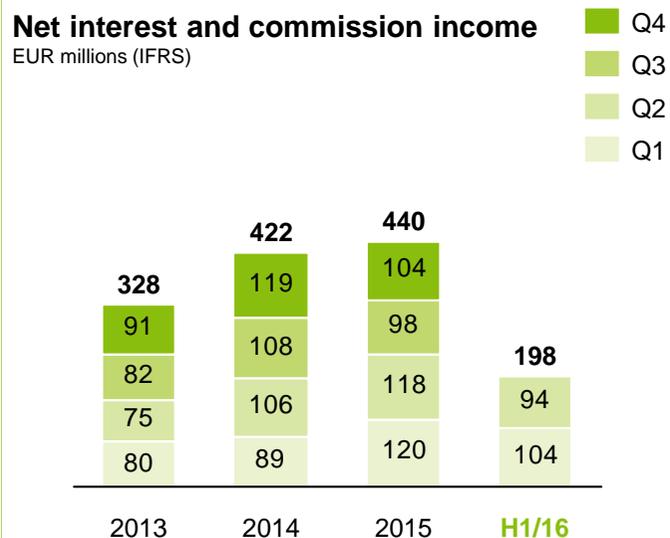
New business

EUR billions (Commitments, incl. extensions >1 yr)



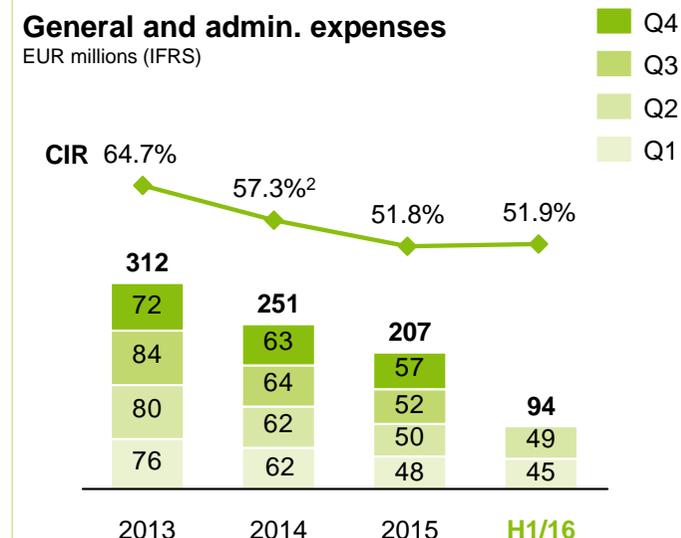
Net interest and commission income

EUR millions (IFRS)



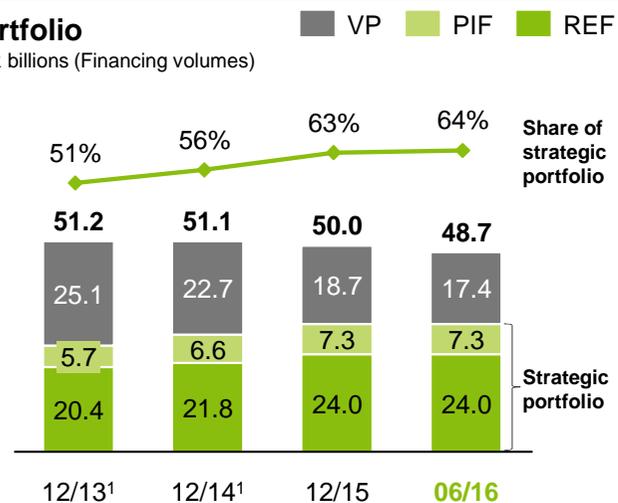
General and admin. expenses

EUR millions (IFRS)



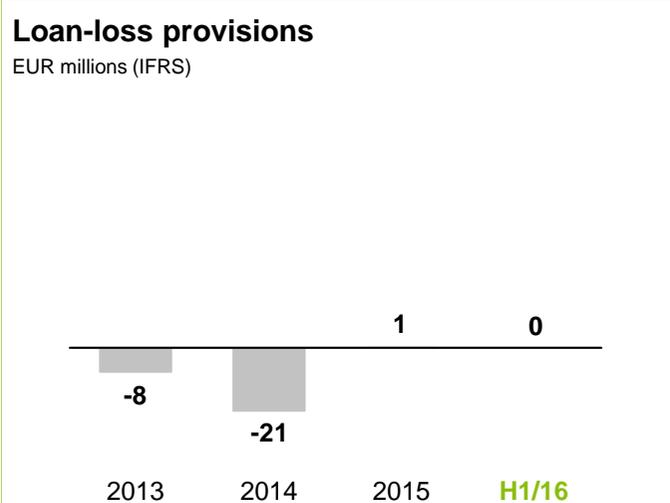
Portfolio

EUR billions (Financing volumes)



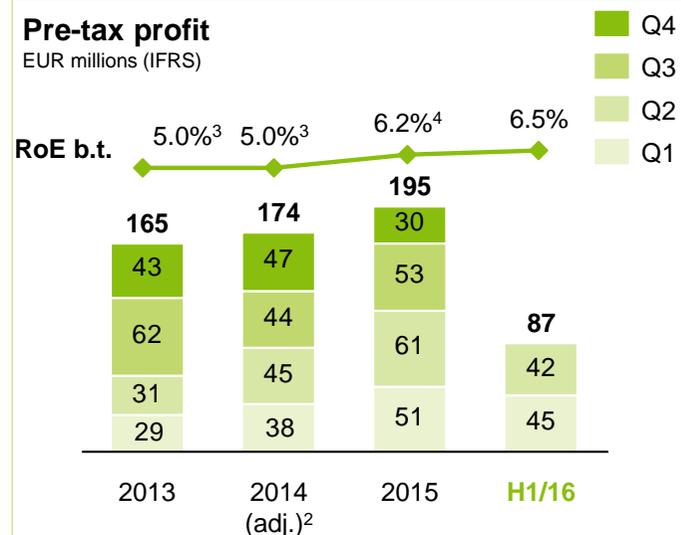
Loan-loss provisions

EUR millions (IFRS)



Pre-tax profit

EUR millions (IFRS)



Note: Figures may not add up due to rounding. ¹ Restated; figures retrospectively adjusted for transfer of Italian PIF portfolio into VP (as of 01/01/15). ² Adjusted for EUR -120 mn extraordinary effects from value adjustments on HETA exposure. ³ Incl. EUR 1 bn silent participation of Sonderfonds Finanzmarktstabilisierung (FMS). ⁴ Calculation based on average equity; EUR 1 bn silent participation of Sonderfonds Finanzmarktstabilisierung (FMS) included until redemption in July 2015.

Agenda

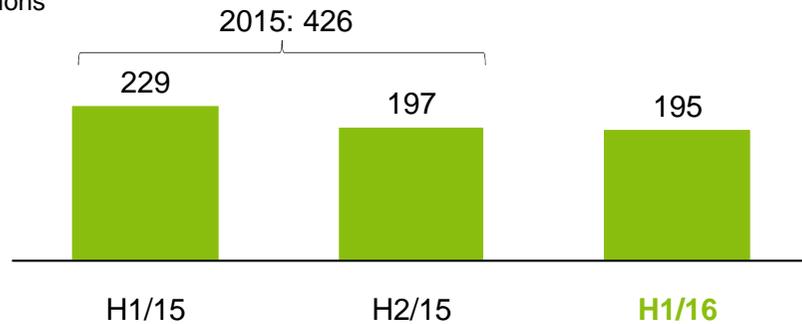
- 1 Highlights
 - 2 **Financials**
 - 3 Segment reporting / New business
 - 4 Portfolio
 - 5 Funding
 - 6 Outlook 2016
- Appendix
Contact details

Income statement

Headwind on NII – but LLPs and GAE well below plan

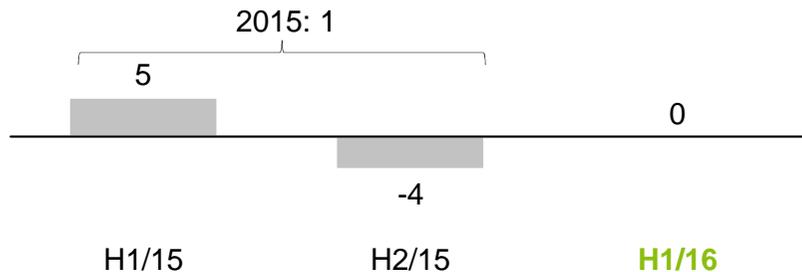
Net interest income

EUR millions



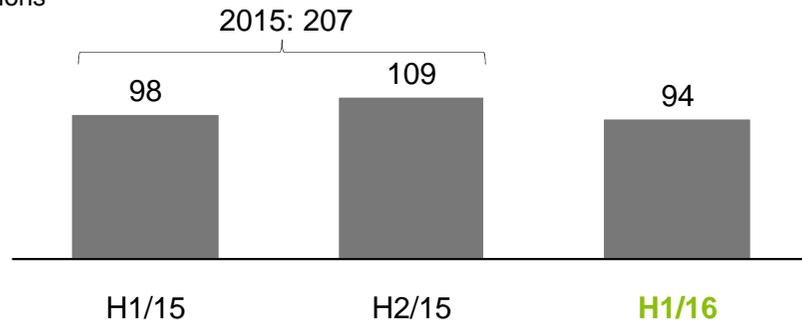
Loan-loss provisions

EUR millions



General and administrative expenses

EUR millions



NII – key drivers H1/16:

- NII influenced by continued low interest rate environment and strong competition
- Some stabilisation after Q3/15

LLPs – key drivers H1/16:

- No new major single cases – LLPs well below plan
- Conservative business approach to be continued – LLPs expected to stay well below plan

GAE – key drivers H1/16:

- Operating costs kept under control – GAE on low level and well below plan
- Strict cost discipline to be continued – for the full-year, GAE expected to stay below 2015 level

Income statement

Net interest income influenced by continued low interest rate environment and strong competition – in addition, Q2/H1 2015 benefited from higher prepayment fees/one-offs

Income from lending business

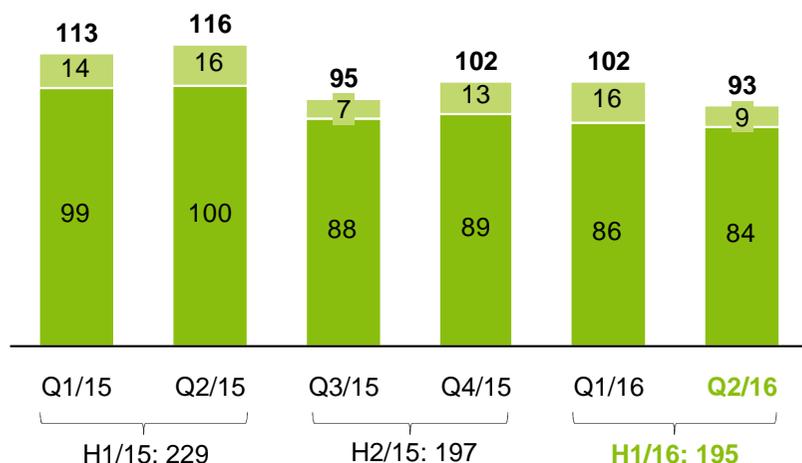
EUR millions

	Q2/15	H1/15	H2/15	Q2/16	H1/16
Net interest income	116	229	197	93	195
<i>thereof: Prepayment fees</i>	5	6	12	3	14
<i>One-off effects</i>	11	24	8	6	11
Net fee and commission income	2	9	5	1	3
Total	118	238	202	94	198

Net interest income

EUR millions

■ Prepayment fees + one-offs
■ NII (underlying)



Key drivers Q2/H1 2016 vs. 2015:

- NII down y-o-y, benefiting less from prepayment fees/one-offs and influenced by following major market driven base effects:
 - pre-/repayments of higher margin loans
 - Value Portfolio run-down
 - higher liquidity costs and costs of funding surplus
 - lower returns from reinvestments of equity/liquidity book
- but:
 - relatively stable NII development since Q3/15
 - resilient gross new business margins
 - strategic portfolio slightly up y-o-y and stable q-o-q
- NCI lower y-o-y, benefiting less from one-offs (H1/15 included EUR 5 mn deferred back-end fee)

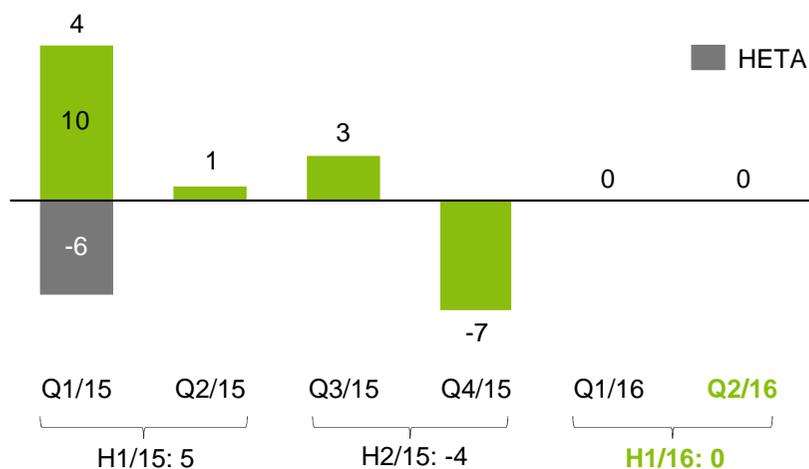
Income statement

Loan-loss provisions remained on low level

Loan-loss provisions

EUR millions

	Q2/15	H1/15	H2/15	Q2/16	H1/16
Specific allowances	-2	-7	-9	-2	-1
<i>Additions</i>	-4	-12	-13	-3	-3
<i>thereof: HETA</i>	-	-6	-	-	-
<i>Releases</i>	2	5	4	1	2
Portfolio-based allowances	2	10	3	2	-
Other allowances	1	1	-	-	1
Recoveries from write-offs	-	1	2	-	-
Total	1	5	-4	-	-



Key drivers Q2/H1 2016 vs. 2015:

- No new major single cases – LLPs well below plan
- High portfolio quality:
 - 96% of portfolio investment-grade¹ (03/16: 96%; 12/15: 96%; 06/15: 96%)
 - 57% avg. LTV in REF portfolio (03/16: 56%; 12/15: 58%; 06/15: 59%)
 - 1.1% share of problem loans in total portfolio (03/16: 1.0%; 12/15: 1.3%; 06/15: 1.4%)

¹ Based on internal ratings (EL classes): EL classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

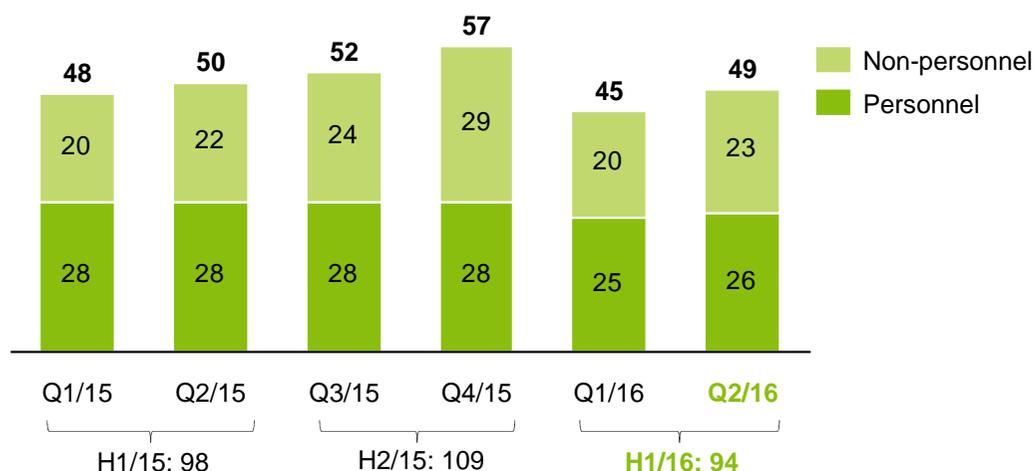
Income statement

Operating costs kept under control

General and administrative expenses

EUR millions

	Q2/15	H1/15	H2/15	Q2/16	H1/16
General admin. expenses	-50	-98	-109	-49	-94
<i>Personnel</i>	-28	-56	-56	-26	-51
<i>Non-personnel</i>	-22	-42	-53	-23	-43
<i>CIR (%)</i>	45.9	48.5	55.1	53.8	51.9



Key drivers Q2/H1 2016 vs. 2015:

- Strict cost discipline continued – costs further down y-o-y and well below plan
 - number of employees down to 765 FTE (03/16: 775; 12/15: 785; 06/15: 799)
 - step-up q-o-q in line with expectation, given higher consulting costs for IT and regulatory projects
- Personnel costs benefiting from release of provisions made in prior years for change of compensation scheme (reintroduction of variable compensation after IPO)

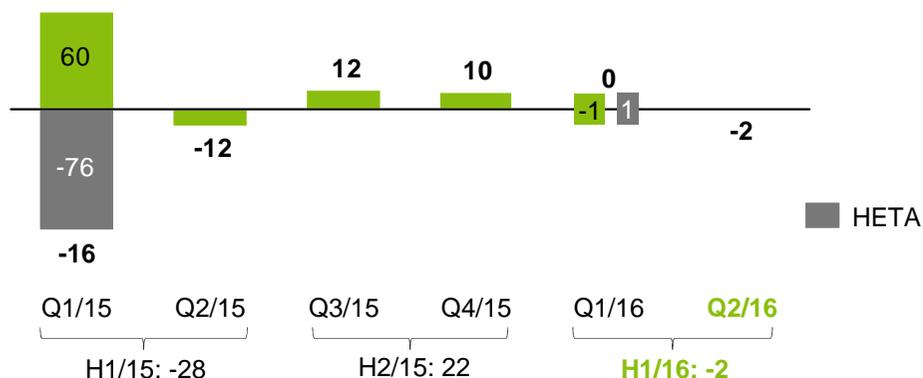
Income statement

Result from financial instruments primarily driven by derivative valuation

Result from financial instruments

EUR millions

	Q2/15	H1/15	H2/15	Q2/16	H1/16
Net trading income	2	7	8	-2	-7
<i>thereof: HETA</i>	-	-3	-	-	-
Net income from financial investments	-17	-37	5	1	5
<i>thereof: HETA</i>	-	-73	-	-	1
<i>Other one-off effects</i>	-17	37	3	-	3
Net income from hedging relationships	3	2	9	-1	-
Total	-12	-28	22	-2	-2



Key drivers Q2/H1 2016 vs. 2015:

- NTI down y-o-y, mainly driven by derivative valuation
 - EUR -7 mn pull-to-par effect from positive derivative fair values (Q2/16: EUR -4 mn; Q1/16: EUR -3 mn; H1/15: EUR -8 mn)
 - EUR -8 mn bCVA effects, mainly reflecting increased credit spreads not least following the Brexit referendum (Q2/16: EUR -1 mn; Q1/16: EUR -7 mn; H1/15: EUR 2 mn)
 - EUR 7 mn valuation effects from interest rate and FX derivatives (Q2/16: 3; Q1/16: EUR 4 mn; H1/15: EUR 13 mn)

- NFI includes only minor gains from asset sales – prior year affected by
 - EUR -73 mn HETA valuation adjustments in Q1/15, which were partly compensated by net gains from sale of assets
 - EUR -23 mn loss from sale of non-strategic assets out of the Value Portfolio in Q2/15

Income statement

Result from other business activities mainly driven by bank levy booked in Q1

Result from other business activities

EUR millions

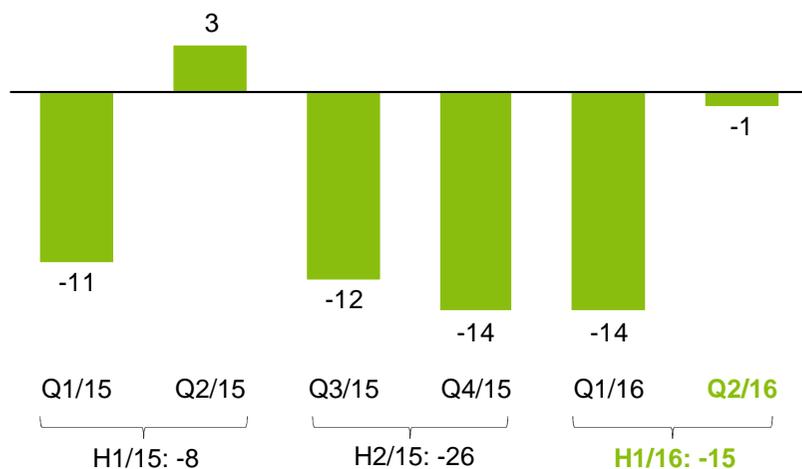
	Q2/15	H1/15	H2/15	Q2/16	H1/16
Net other operating income/expenses	3	-8	-26	-1	-15
<i>thereof: Bank levy</i>	-3	-25	7	-	-21
<i>One-off effects</i>	-1	2	-37	-1	4
Net miscellaneous income/expenses	1	3	-2	-	-

Key drivers Q2/H1 2016 vs. 2015:

- Bank levy of EUR -21 mn (after EUR 4 mn cash collateral) recognised in Q1 vs. EUR -18 mn (after EUR 7 mn cash collateral) in 2015 (Q4/15: EUR +7 mn; Q2/15: EUR -3 mn; Q1/15: EUR -22 mn)
- Minor one-off effects – VAT refund overcompensated for write-down/costs on a rescue acquisition

Net other operating income/expenses

EUR millions



Capitalisation

Strong capital ratios provide cushion for regulatory uncertainties



Basel III: RWA

EUR billions (IFRS)¹



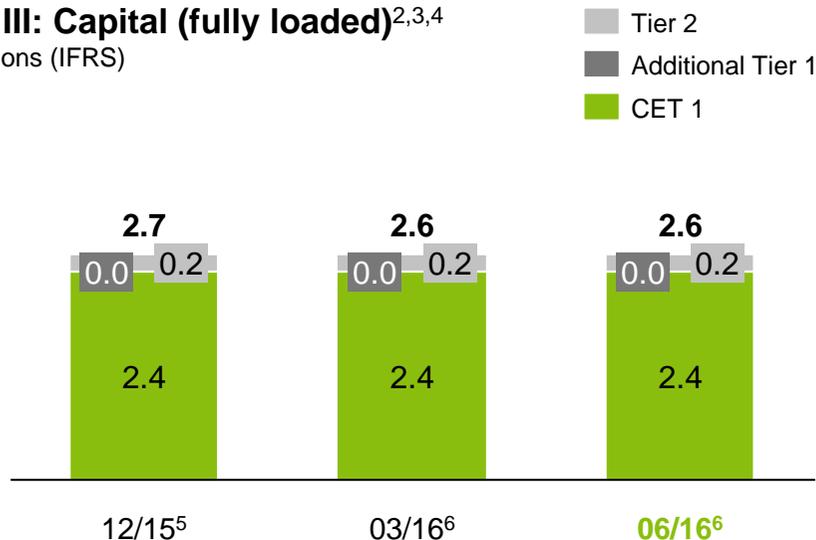
Basel III: Capital ratios (fully loaded)^{2,3,4}

% (IFRS)

in %	12/15 ⁵	03/16 ^{5,6}	06/16 ^{5,6}	Mid-term targets
CET 1	18.2	18.1	18.4	>12.5
Tier 1	18.2	18.1	18.4	>16
Own funds	19.9	19.8	20.0	16-18
Leverage ratio	3.9	3.8	3.8	>3.5

Basel III: Capital (fully loaded)^{2,3,4}

EUR billions (IFRS)



Key drivers Q2/H1 2016:

- Capital ratios slightly up, mainly driven by RWA reduction
 - RWA reduction mainly driven by LGD-changes
 - Capital (fully loaded) nearly unchanged – interim result not yet included
- CET 1 ratio (fully loaded) well above SREP (10.75%)⁷ and mid-term targets, providing buffer for regulatory uncertainties (e.g. ECB 'TRIM', Basel IV)
- Leverage ratio (fully loaded) unchanged – new EBA recommendation of min. 3%

Note: Figures may not add up due to rounding 1 No transitional rules to be applied 2 Simulation 3 Based on currently known Basel III rules 4 Actual figures may vary significantly from simulation
 5 Incl. full-year result 2015, post dividend 6 Excl. interim result 7 Incl. capital conservation buffer

Agenda

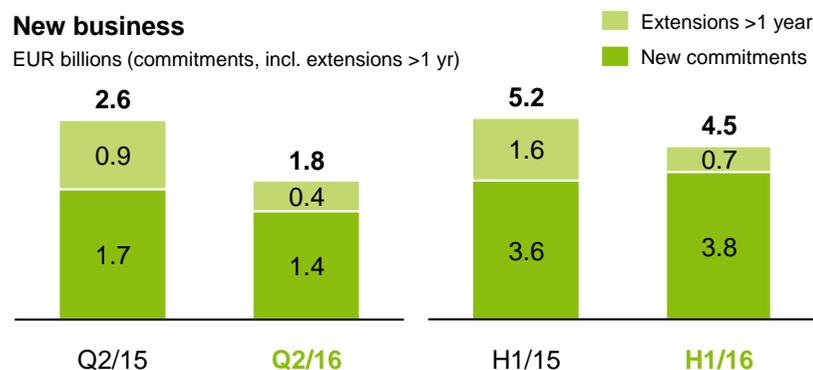
- 1 Highlights
 - 2 Financials
 - 3 **Segment reporting / New business**
 - 4 Portfolio
 - 5 Funding
 - 6 Outlook 2016
- Appendix**
Contact details

Segment reporting: Real Estate Finance (REF)

Unchanged conservative business approach – new commitments remain strong, but less extensions

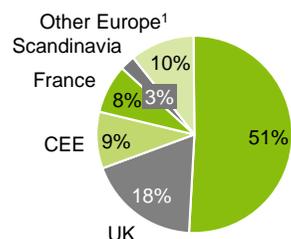
New business

EUR billions (commitments, incl. extensions >1 yr)



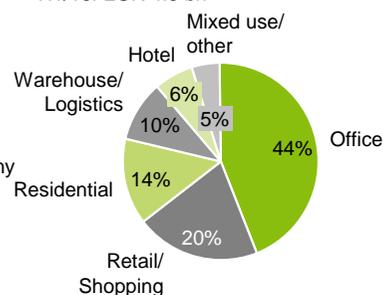
Regions

H1/16: EUR 4.5 bn



Property types

H1/16: EUR 4.5 bn



New business	H1/15	2015	H1/16
Total volume (EUR bn)	5.2	10.4	4.5
thereof: Extensions >1 year	1.6	2.3	0.7
No. of deals	78	180	84
Average maturity (years) ²	~5.4	~5.7	~5.2
Average LTV (%) ³	64	63	63
Average gross margin (bp)	>170	~170	~170

Income statement (IFRS, EUR mn)	Q2/15	Q2/16	H1/15	H1/16
Operating income	114	74	206	142
thereof: Net interest income	83	75	158	152
Net commission income	2	1	9	3
Other operating income	29	-2	39	-13
Loan-loss provisions	1	-	11	-
General administrative expenses	-38	-37	-75	-73
Pre-tax profit	78	37	145	69
Key indicators	Q2/15	Q2/16	H1/15	H1/16
CIR (%)	33.3	50.0	36.4	51.4
RoE before tax (%)	41.8	28.0	40.5	26.1
Equity (EUR bn, excl. revaluation reserve)	0.8	0.5	0.8	0.5
RWA (EUR bn)	6.5 ⁴	6.3	6.5 ⁴	6.3
Financing volume (EUR bn)	23.5	24.0	23.5	24.0

Key drivers Q2/H1 2016 vs. 2015:

- New business volume reduced as less business meets pbb's risk/return requirements
 - new commitments remain strong, but less extensions
 - resilient avg. gross margin
- Financing volume slightly up y-o-y and stable q-o-q
- NII influenced by pre-/repayment of higher margin loans as well as (allocated) lower returns on equity/liquidity book and higher costs of funding surplus – however, prior year benefited significantly from one-offs:
 - EUR 5 mn deferred back-end fee
 - EUR 39 mn gain from sale of a restructured property
 - EUR 11 mn release of LLPs

Note: Figures may not add up due to rounding ¹ Netherlands (EUR 253 mn), Austria (EUR 185 mn), Switzerland (EUR 32 mn) ² Legal maturities ³ New commitments; avg. LTV (extensions): 56%; 56% (2015); 57% (H1/15)
⁴ Retrospectively adjusted

Side note: US market entry

US market entry provides business opportunities as a complement – cautious step-by-step entry envisaged with first transaction expected to be realised in H2/16

		
Total CRE market size p.a.	€ ~200 bn	US\$ >300 bn
Ø gross interest margins¹	~100-190 bp	~170-280 bp

➔ US is **biggest CRE market of the world**

➔ One of the **most diversified** and **transparent** markets

➔ US market **provides attractive margin levels**

Capabilities:

- pbb with experience and knowledge in the US market
- Network of international clients also focusing on US market
- Well-known position for financing of complex, large deals in focused areas
- Pfandbrief eligibility given

Market entry approach:

- Cautious step-by-step entry – leverage of existing networks of partner banks and international clients to foster market entry
- Primarily syndication-in of investment loans
- Focus on core asset classes in East Coast metropolitan areas – estimated pbb relevant market amounts up to US\$ ~80 bn p.a.

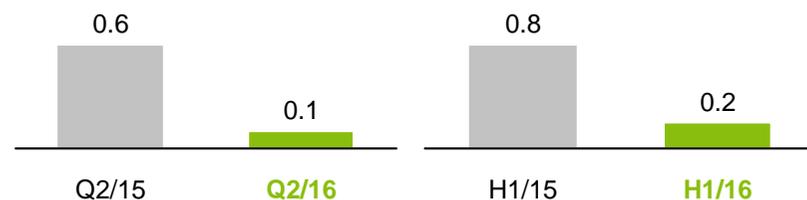
Segment reporting: Public Investment Finance (PIF)

Portfolio stable despite low level of new business – prospects for H2/16 more positive



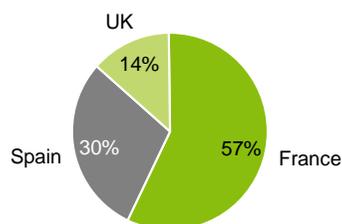
New business

EUR billions (commitments)



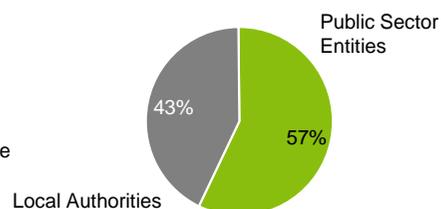
Regions

H1/16: EUR 0.2 bn



Counterparty Types

H1/16: EUR 0.2 bn



New business	H1/15	2015	H1/16
Total volume (EUR bn)	0.8	1.6	0.2
No. of deals	15	48	8
Average maturity (years) ¹	~7.9	~8.4	~8.2
Average gross margin (bp)	>65	>75	>90

Income statement (IFRS, EUR mn)	Q2/15	Q2/16	H1/15	H1/16
Operating income	9	9	22	18
<i>thereof: Net interest income</i>	14	9	22	18
Loan-loss provisions	-	-	-	-
General administrative expenses	-7	-7	-13	-13
Pre-tax profit	2	2	9	5
Key indicators	Q2/15	Q2/16	H1/15	H1/16
CIR (%)	77.8	77.8	59.1	72.2
RoE before tax (%)	1.8	2.7	4.8	3.2
Equity (EUR bn, excl. revaluation reserve)	0.3	0.3	0.3	0.3
RWA (EUR bn)	1.2 ²	1.4	1.2 ²	1.4
Financing volume (EUR bn, nominal)	7.3	7.3	7.3	7.3

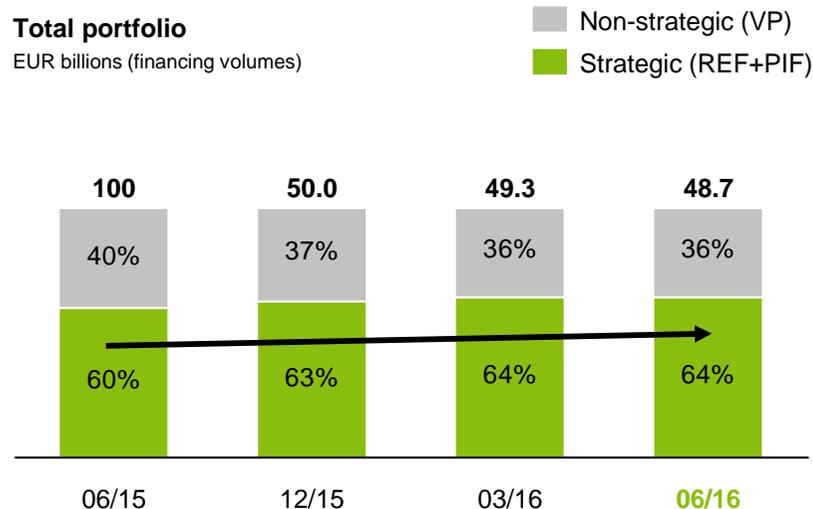
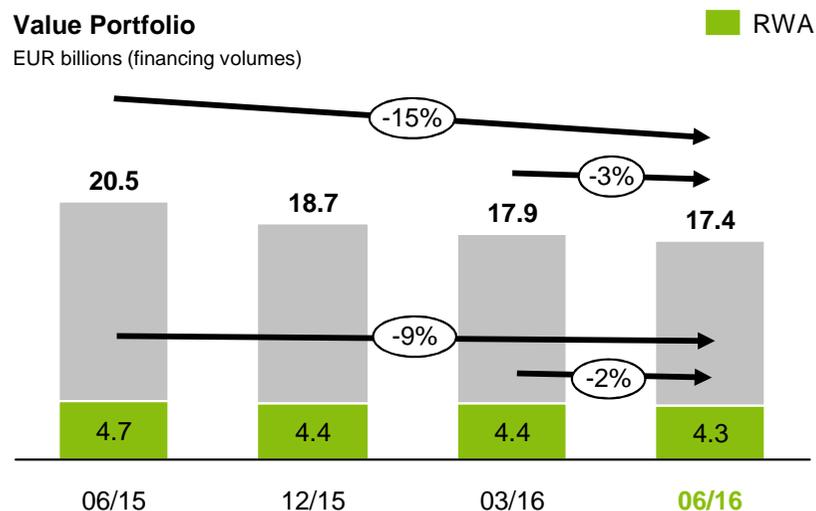
Key drivers Q2/H1 2016 vs. 2015:

- New business volume stays low in Q2/16, but avg. gross margin up
 - increased competition – large transactions lost on pricing
 - standstill of ECA aircraft financing in Germany
 - prospects for H2/16 more positive, given expectation of an increasing stimulus in France
- Financing volume stable despite low level of new business
- NII influenced by (allocated) lower returns on equity/liquidity book and higher costs of funding surplus

Note: Figures may not add up due to rounding 1 WAL 2 Retrospectively adjusted

Segment reporting: Value Portfolio (VP)

Run-down of non-strategic Value Portfolio continued in line with strategy



Income statement (IFRS, EUR mn)	Q2/15	Q2/16	H1/15	H1/16
Operating income	-14	8	-28	19
<i>thereof: Net interest income</i>	19	8	47	22
<i>Other operating income</i>	-33	0	-75	-3
Loan-loss provisions	-	-	-6	-
General administrative expenses	-5	-5	-10	-8
Pre-tax profit/loss	-19	3	-44	11
Key indicators	Q2/15	Q2/16	H1/15	H1/16
CIR (%)	n/a	62.5	n/a	42.1
RoE before tax (%)	-4.0	0.7	-4.2	1.3
Equity (EUR bn, excl. revaluation reserve)	1.8	1.5	1.8	1.5
RWA (EUR bn)	4.6 ¹	4.3	4.6 ¹	4.3
Financing volume (EUR bn, nominal)	20.5	17.4	20.5	17.4

Key drivers Q2/H1 2016 vs. 2015:

- Financing volume further reduced (Q2/16: -3%; -15% y-o-y) – share of strategic portfolio at 64% (03/16: 64%; 12/15: 63%; 06/15: 60%)
- NII influenced by continued run-down of the portfolio as well as (allocated) lower returns on equity/liquidity book and higher costs of funding surplus – in addition, prior year benefited from higher one-offs
- No major one-offs in Q2/H1 2016 – prior year affected by
 - EUR -80 mn valuation adjustments on HETA, which were only partly offset by (allocated) gains from asset sales (Q1/15)
 - EUR -23 mn loss from sale of non-strategic assets out of the Value Portfolio (Q2/15)

Note: Figures may not add up due to rounding 1 Retrospectively adjusted

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- 1 Highlights
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Portfolio

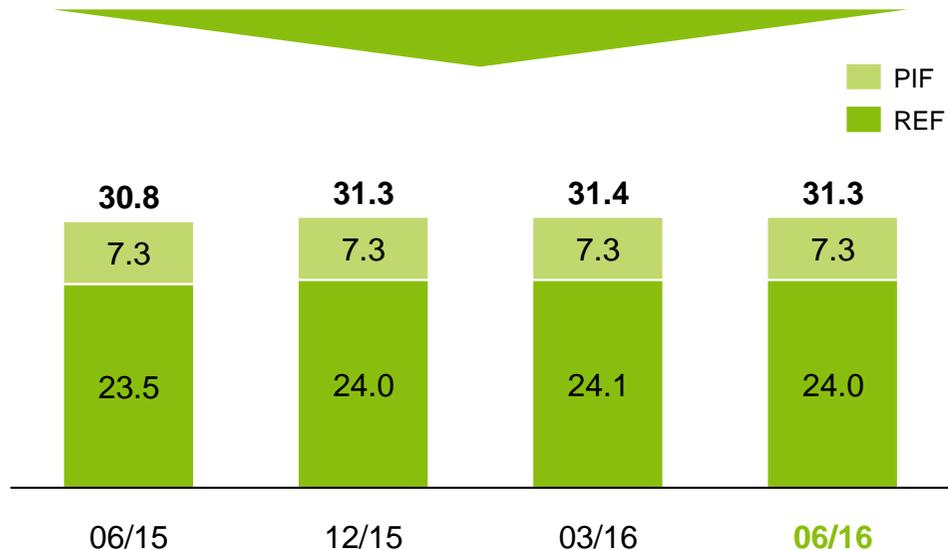
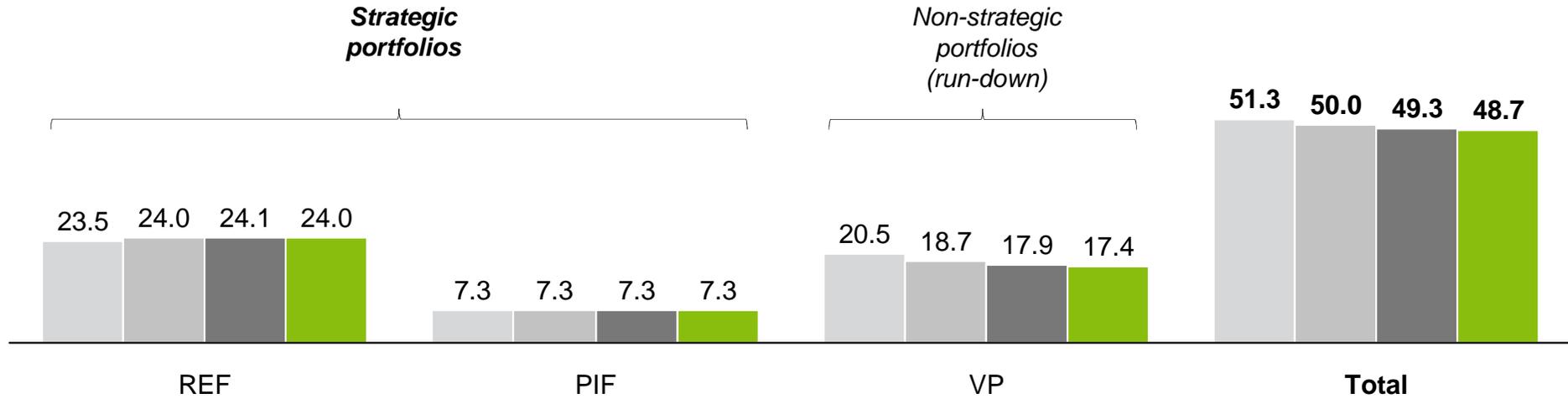
Strategic portfolio slightly up y-o-y and stable q-o-q



Total portfolio

EUR billions (Financing volumes)

06/15 12/15 03/16 06/16



Key drivers Q2/H1 2016:

- Strategic portfolio (REF+PIF) slightly up y-o-y and stable q-o-q despite lower new business and remaining high level of prepayments
- Run-down of non-strategic Value Portfolio continued in line with strategy

Note: Figures may not add up due to rounding

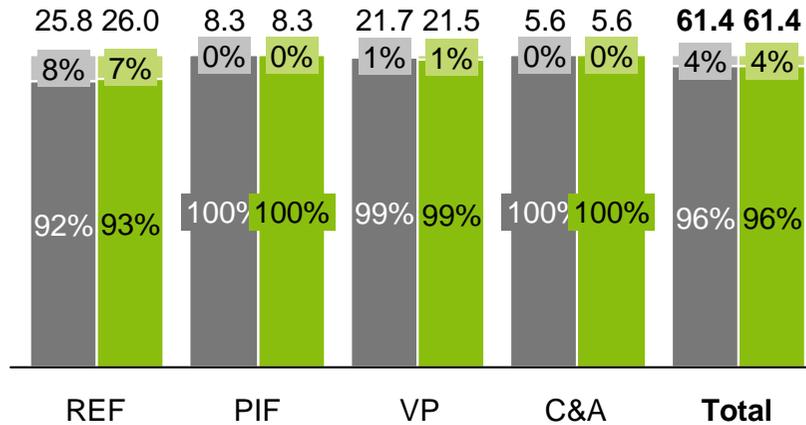
Portfolio

Stable high portfolio quality



Total portfolio: Internal ratings (EL classes)

EUR billions (EaD, Basel III)¹



12/15
06/16

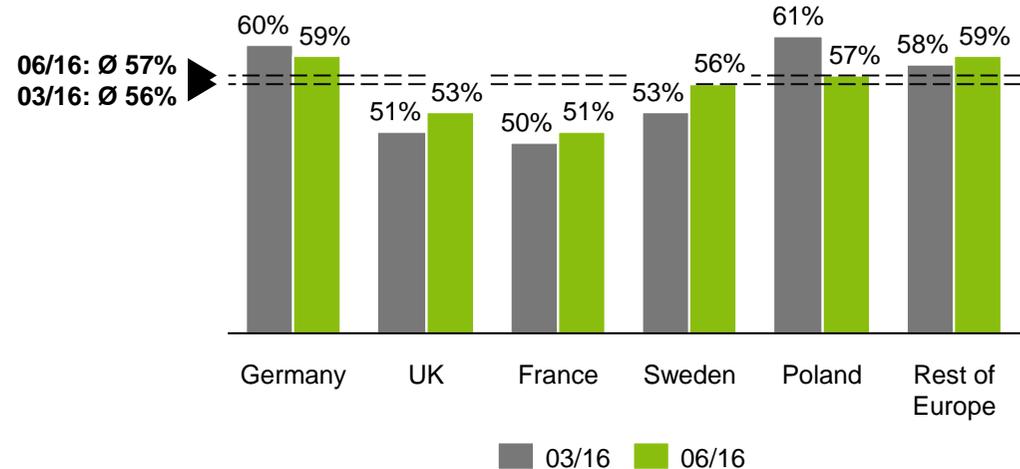
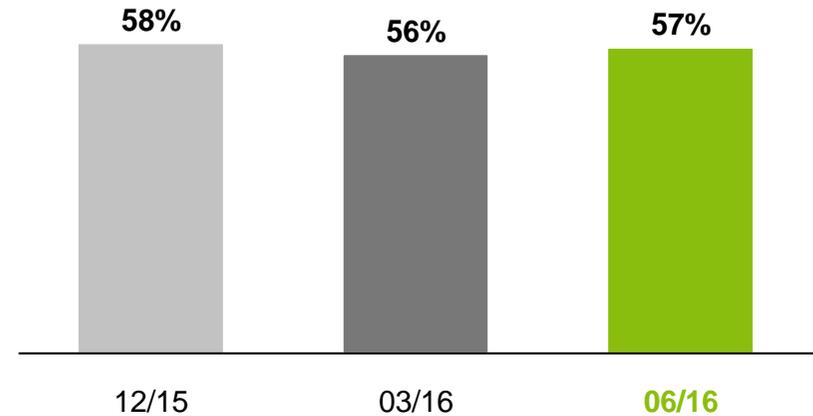
■ Non-investment grade²
■ Investment grade²

Key drivers Q2/H1 2016:

- Stable high portfolio quality
- LTV changes mainly resulting from usual fluctuation out of new business, repayments and data updates

REF Portfolio: Avg. weighted LTVs

(Commitments)³



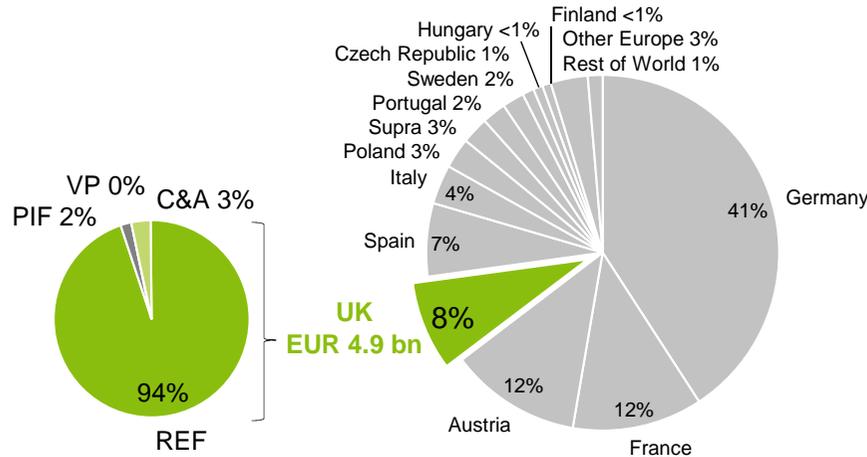
Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure (EUR 0.2 bn) 2 EL classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade 3 Based on performing investment loans only

Side note: UK Portfolio

UK portfolio of high quality – downside risk from existing UK portfolio limited

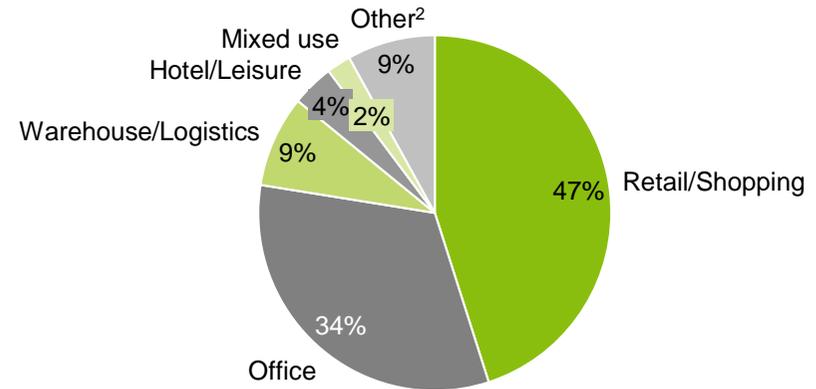
Total portfolio: Regions

30/06/2016: EUR 61.4 bn (EaD, Basel III)¹



REF UK Portfolio: Property types

30/06/2016: EUR 4.7 bn (EaD, Basel III)

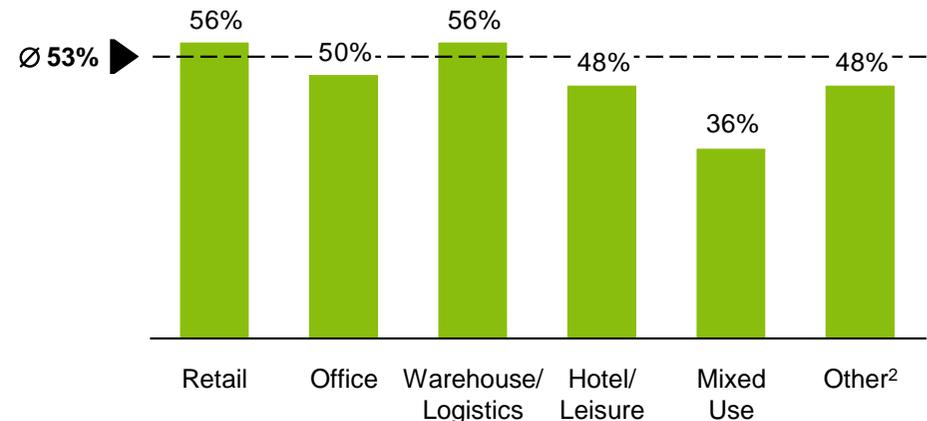


REF UK portfolio of high quality:

- No negative FX impact on existing portfolio as this is either refinanced in GBP or hedged; all loans/all rental income cash-flows denominated in GBP
- 70 deals: 64 investment loans, 6 development loans (all development loans in Greater London with conservative structures)
- 47% Central London, remainder geographically spread
- ~250 properties, avg. LTV 53% – based on layered LTVs 96.3% ≤60%, 3.7% >60-≤70%, only marginal amount >70-≤75%, no exposure >75% LTV
- Avg. ISC ~400% – mostly mid to long term lease contracts which limit risk of immediate impact from market downturn on cash-flow/vacancy situation
- EL classes in line with avg. REF portfolio – no problem loan exposure³

REF UK Portfolio: Avg. weighted LTVs⁴

(Commitments)



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure (EUR 0.2 bn) securitisation has not yet allocated loss) 4 Excl. development loans

2 Incl. land, collateral and derivatives

3 EUR 197 mn 'technically' shown as problem loan, but properties sold (synthetic

Portfolio

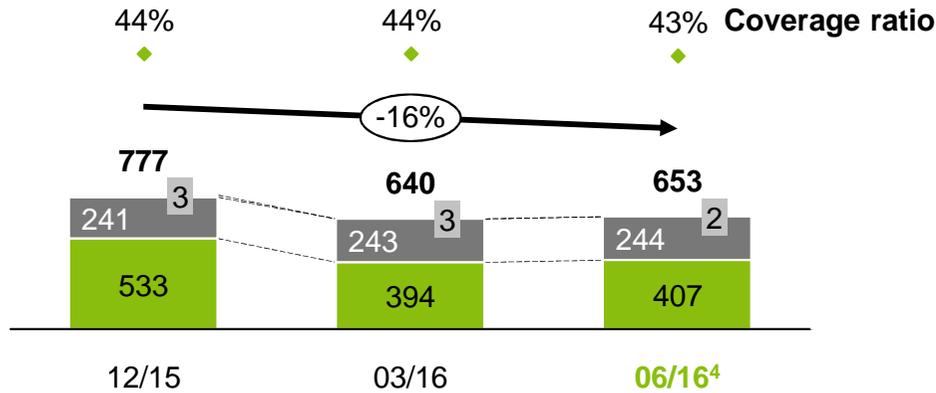
Sustained low share of problem loans



Total problem loans

EUR millions (EaD, Basel III)

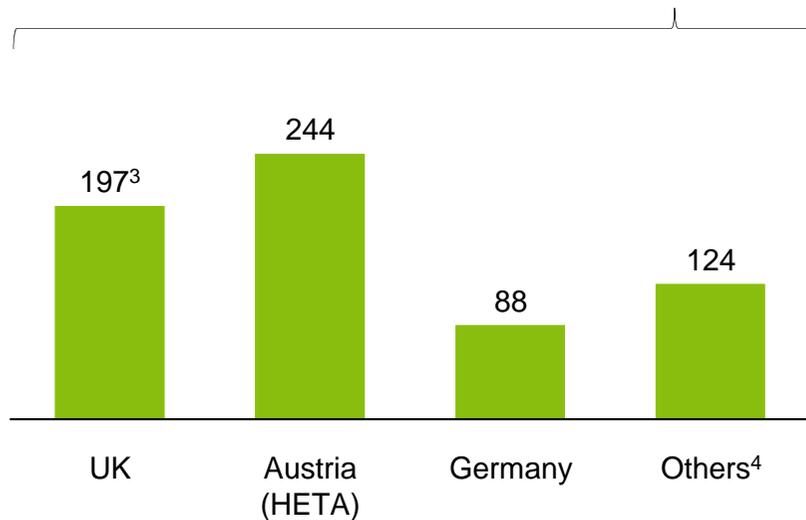
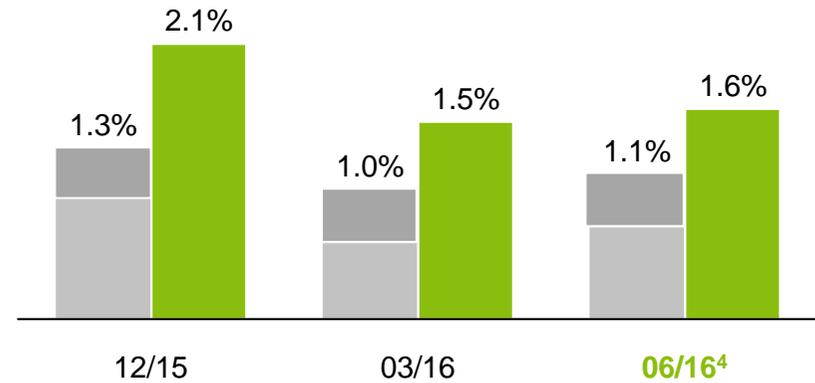
Workout¹
Restructuring² (thereof: HETA)



Problem loan ratio

% (EaD, Basel III)

Total portfolio (thereof: HETA)
Real Estate Finance



Key drivers Q2/H1 2016:

- Total problem loans marginally up
 - REF: EUR 409 mn³
 - PIF: 'nil'
 - VP: EUR 244 mn (only HETA)
- Coverage ratio of 43% does not take into account additional collateral – incl. additional collateral, REF coverage ratio at rd. 100%

Note: Figures may not add up due to rounding ¹ PD class 30: No signs that the deal will recover soon, compulsory measures necessary ² PD class 28+29: Payments more than 90 days overdue or criteria acc. to respective policy apply ³ UK (EUR 197 mn) 'technically' shown as problem loan – properties sold, but synthetic securitisation has not yet allocated loss ⁴ Incl. Hungary, Spain, Italy, Finland, France

Agenda

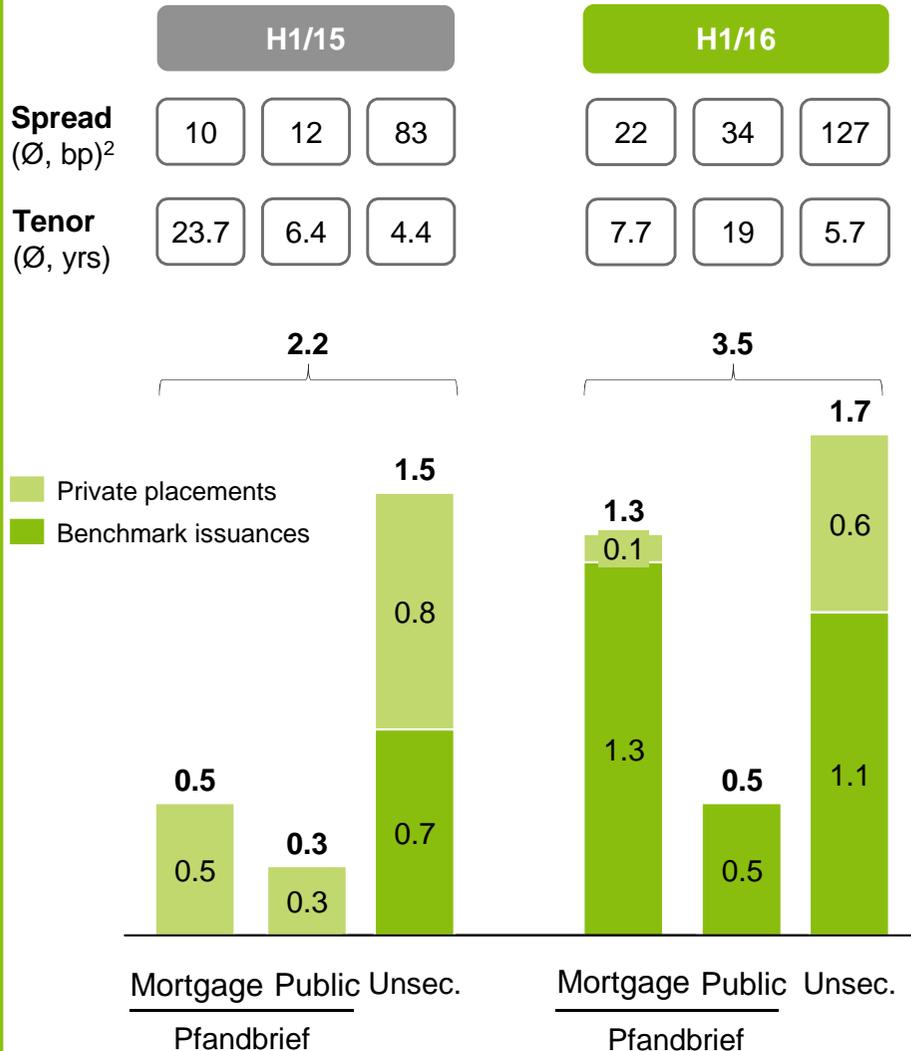
- 1 **Highlights**
 - 2 **Financials**
 - 3 **Segment reporting / New business**
 - 4 **Portfolio**
 - 5 **Funding**
 - 6 **Outlook 2016**
- Appendix**
Contact details

Funding

Strong funding activities

New long-term funding

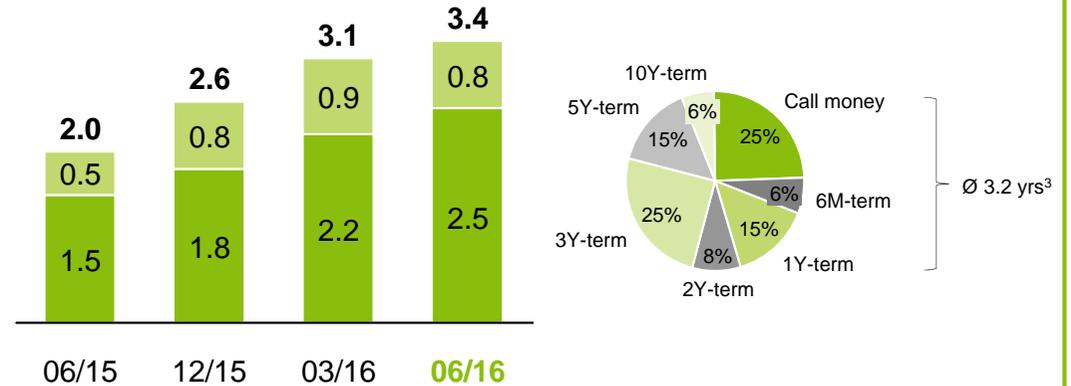
EUR billions¹



Retail deposits: Total volume

EUR billions

Overnight deposits
Term deposits



Key drivers H1 2016:

- Strong funding activities with five public Benchmarks issuances and two taps
 - Mortgage Pfandbrief: Two Benchmarks (EUR 1.25 bn) + one Tap (GBP 100 mn)
 - Public Pfandbrief: 19yr Benchmark (EUR 500 mn) – longest Pfandbrief Benchmark ever issued by pbb
 - Unsecured: Successful international diversification (~40%) of funding base via two Benchmarks (EUR 1 bn) + one Tap (EUR 100 mn)
- 'pbb direkt' retail deposit base further increased and product range broadened by new USD deposit
- ALM profile and liquidity position remain comfortable (NSFR: >100%; LCR: >190%)

Note: Figures may not add up due to rounding 1 Excl. money market and deposit business 2 vs. 3M Euribor 3 Initial weighted avg. maturity

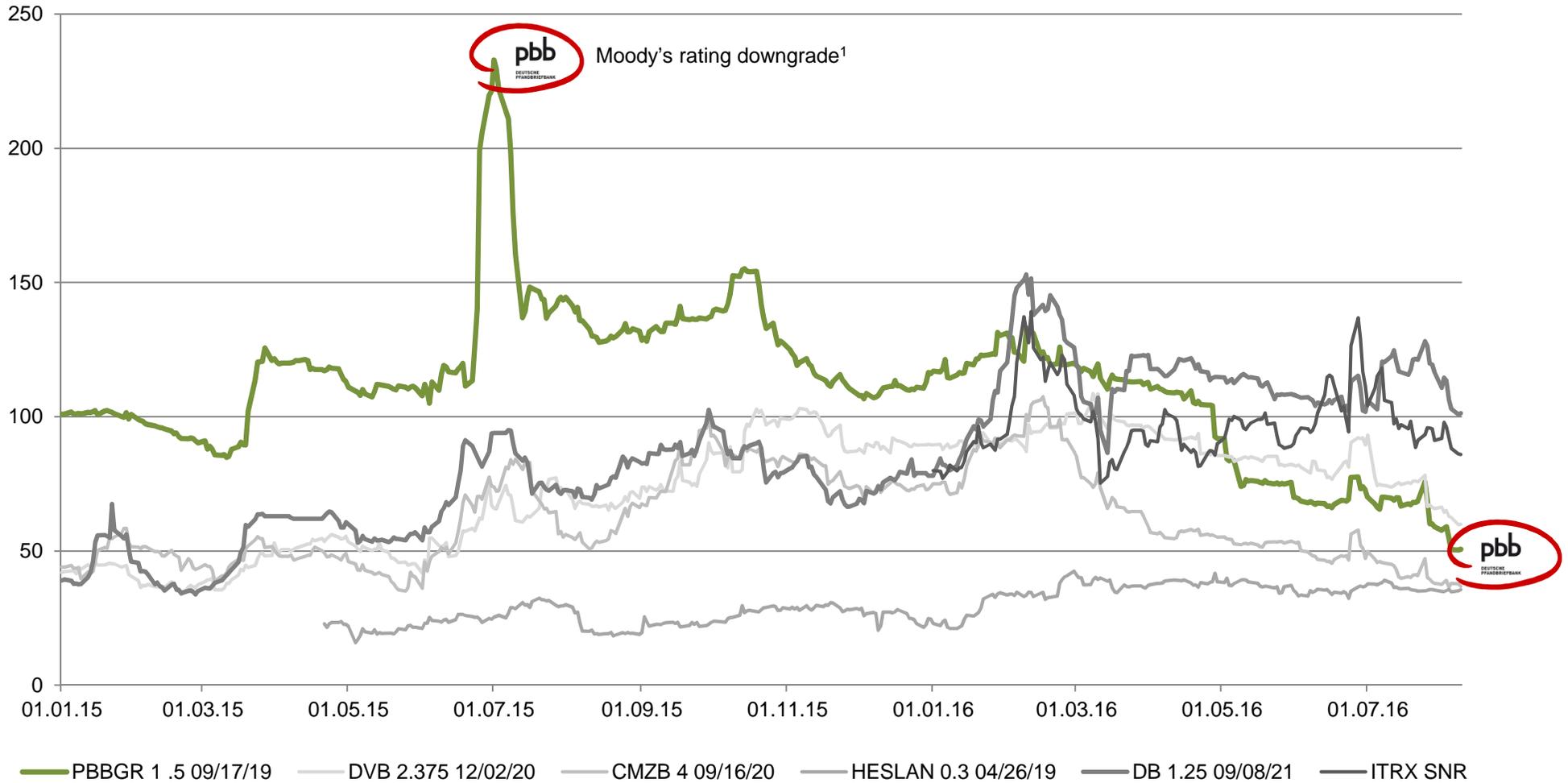
Funding

Wholesale funding spreads have converged – pbb's senior unsecured spreads in secondary markets tightened relative to peers



Spread development of selected Senior Unsecured Bonds

bp vs. 6M Euribor



Source: Bloomberg 1 Termination of Moody's mandate for unsecured ratings by pbb on 12 May 2015; on 19 June 2015, rating downgrade based on Moody's global banks rating review and withdrawal of rating on 29 June 2015

Agenda

- 1 Highlights**
- 2 Financials**
- 3 Segment reporting / New business**
- 4 Portfolio**
- 5 Funding**
- 6 Outlook 2016**

Appendix

Contact details

Market environment and outlook

CRE/REF markets expected to stay reasonably intact despite high uncertainties after the Brexit referendum – however, overall headwinds expected to persist

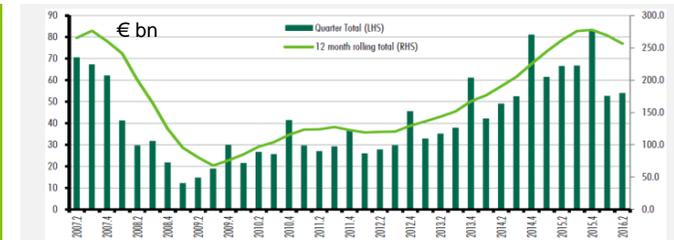
Markets

- Strong **competition** and **margin pressure**, but **fundamentals** for CRE/REF markets are still reasonably intact
- However, Brexit and weaker macroeconomic outlook dampen **financing prospects** for CRE – higher efforts to be undertaken to find business which meets adequate risk/return requirements
- While **CRE transactions** slow down, **demand for property investments** remains high due to available liquidity, equity, low interest and missing alternative investment opportunities

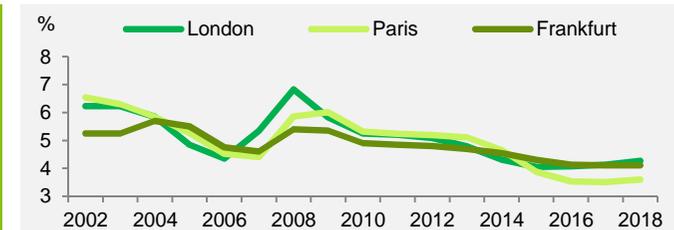
Banking sector

- High market liquidity and low/negative interest rate levels reduce **traditional interest income** from lending business and equity/liquidity investments
- **Regulation** remains uncertain and challenging – further upward pressure on RWA

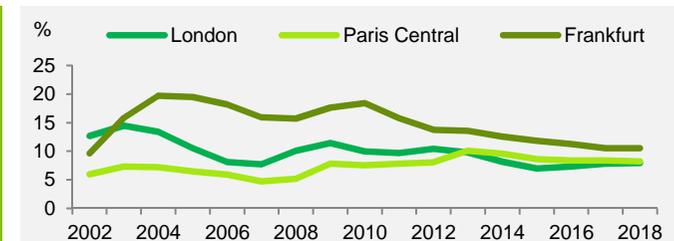
European CRE investment volume¹



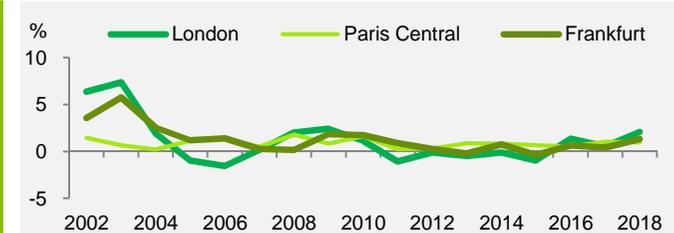
Yields



Vacancies



Stock Additions



Note: Brexit not yet considered

Outlook 2016

PBT target confirmed – headwind on NII, but LLPs and GAE well below plan

- ➔ **Strategic portfolio** stable – **new business** significantly lower than expected
- ➔ **Net interest and commission income** lower than expected, but **loan-loss provisions** and **general administrative expenses** also lower
- ➔ **Pre-tax profit** target unchanged
- ➔ **CIR, RoE and CET1 ratio** in line with expectation
- ➔ **US market entry** provides business opportunities as a complement – cautious step-by-step entry envisaged with first transaction expected to be realised in H2/16

Appendix

Key figures

pbb Group



Income statement (EUR millions)	2013	2014 (reported)	2014 (adjusted) ¹	2015	H1/16
Net interest income	319	421	421	426	195
Net fee and commission income	9	1	1	14	3
Net trading income	-51	-30	-27	15	-7
Net income from financial investments	96	-77	32	-32	5
Net income from hedging relationships	9	-3	-3	11	-
Net other operating income/expenses	100	14	14	-34	-15
Operating income	482	326	438	400	181
Loan-loss provisions	-8	-21	-13	1	-
General and administrative expenses	-312	-251	-251	-207	-94
Net miscellaneous income/expenses	3	-	-	1	-
Profit or loss before tax	165	54	174	195	87
Income taxes	-5	-50	-58	35	-21
Net income/loss	160	4	116	230	66
Key ratios (%)	2013	2014 (reported)	2014 (adjusted) ¹	2015	H1/16
CIR	64.7	77.0	57.3	51.8	51.9
RoE before tax ²	5.0	1.6	5.0	6.2	6.5
RoE after tax ²	4.9	0.1	3.4	7.4	4.9
Balance sheet (EUR billions)	12/13 ³	12/14		12/15	06/16
Total assets	74.6	74.9 ⁵		66.8	67.5
Equity (excl. revaluation reserve)	3.4	3.4		2.7	2.6
<i>thereof: Silent participation⁴</i>	1.0	1.0		-	-
Financing volume	51.2	51.1		50.0	48.7
Regulatory capital ratios	12/13 ⁶	12/14 ^{6,10}		12/15 ^{6,10}	06/16 ¹⁰
RWA (EUR bn)	14.1 ⁸ / 18.1 ⁹	15.2 ¹¹		13.4	13.0
CET 1 ratio – phase-in (%) ⁷	17.6 ⁸ / 18.5 ⁹	22.2 ¹¹		18.9	19.1
Personnel	12/13	12/14		12/15	06/16
Employees (FTE)	803	808		785	765

Note: Annual results 2013-2014 audited 1 Adjusted for EUR -120 mn extraordinary effects from value adjustment on HETA exposure 2 Calculation based on average equity; EUR 1 bn silent participation of Sonderfonds Finanzmarktstabilisierung (FMS) included until redemption on 6 July 2015 3 Revised due to retrospective first time adoption of IFRS 10 4 EUR 1 bn FMS silent participation redeemed on 6 July 2015 5 Revised due to IAS 8.14 et seq 6 Until July 2015, pro-forma under the 'Waiver Rule' pbb calculated regulatory capital ratios on a voluntary basis 7 Incl. full-year results, excl. interim results; post dividend 8 Basel II (SolvV, HGB) 9 Basel III simulation 10 Basel III transitional rules 11 Retrospectively adjusted

Key figures

pbb Group Q2/15 vs. Q2/16



Income statement (EUR millions)	REF		PIF		VP		C&A		pbb Group	
	Q2/15	Q2/16	Q2/15	Q2/16	Q2/15	Q2/16	Q2/15	Q2/16	Q2/15	Q2/16
Net interest income	83	75	14	9	19	8	-	1	116	93
Net fee and commission income	2	1	-	-	-	-	-	-	2	1
Net trading income	1	-2	-	-	1	-	-	-	2	-2
Net income from financial investments	5	-	-	1	-22	-	-	-	-17	1
Net income from hedging relationships	2	-	-	-1	1	-	-	-	3	-1
Net other operating income/expenses	21	-	-5	-	-13	-	-	-1	3	-1
Operating income	114	74	9	9	-14	8	-	-	109	91
Loan-loss provisions	1	-	-	-	-	-	-	-	1	-
General and administrative expenses	-38	-37	-7	-7	-5	-5	-	-	-50	-49
Net miscellaneous income/expenses	1	-	-	-	-	-	-	-	1	-
Profit or loss before tax	78	37	2	2	-19	3	-	-	61	42
Income taxes									-12	-10
Net income/loss									49	32

Key figures

pbb Group H1/15 vs. H1/16



Income statement (EUR millions)	REF		PIF		VP		C&A		pbb Group	
	H1/15	H1/16	H1/15	H1/16	H1/15	H1/16	H1/15	H1/16	H1/15	H1/16
Net interest income	158	152	22	18	47	22	2	3	229	195
Net fee and commission income	9	3	-	-	-	-	-	-	9	3
Net trading income	3	-7	1	-	3	-	-	-	7	-7
Net income from financial investments	18	3	6	1	-61	1	-	-	-37	5
Net income from hedging relationships	1	-	-	-	1	-	-	-	2	-
Net other operating income/expenses	17	-9	-7	-1	-18	-4	-	-1	-8	-15
Operating income	206	142	22	18	-28	19	2	2	202	181
Loan-loss provisions	11	-	-	-	-6	-	-	-	5	-
General and administrative expenses	-75	-73	-13	-13	-10	-8	-	-	-98	-94
Net miscellaneous income/expenses	3	-	-	-	-	-	-	-	3	-
Profit or loss before tax	145	69	9	5	-44	11	2	2	112	87
Income taxes									-24	-21
Net income/loss									88	66

Key figures

Real Estate Finance (REF)



Income statement (EUR millions)	2013	2014	Q1/15	Q2/15	H1/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	H1/16
Net interest income	258	294	75	83	158	68	82	308	77	75	152
Net fee and commission income	10	2	7	2	9	3	2	14	2	1	3
Net trading income	-21	-13	2	1	3	4	7	14	-5	-2	-7
Net income from financial investments	96	14	13	5	18	-	-	18	3	-	3
Net income from hedging relationships	4	-2	-1	2	1	3	1	5	-	-	-
Net other operating income/expenses	5	-13	-4	21	17	-9	-9	-1	-9	-	-9
Operating income	352	282	92	114	206	69	83	358	68	74	142
Loan-loss provisions	-1	-14	10	1	11	3	-7	7	-	-	-
General and administrative expenses	-147	-160	-37	-38	-75	-41	-44	-160	-36	-37	-73
Net miscellaneous income/expenses	2	-	2	1	3	3	-5	1	-	-	-
Pre-tax profit	206	108	67	78	145	34	27	206	32	37	69
Key ratios	2013	2014	Q1/15	Q2/15	H1/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	H1/16
CIR (%)	41.8	56.7	40.2	33.3	36.4	59.4	53.0	44.7	52.9	50.0	51.4
RoE before tax (%)	27.8	14.2	39.6	41.8	40.5	23.6	19.3	30.9	24.7	28.0	26.1
Key figures	12/13	12/14	03/15	06/15	06/15	09/15	12/15	12/15	03/16	06/16	06/16
Equity (EUR bn)	0.8	0.7	0.7	0.8	0.8	0.6	0.6	0.6	0.5	0.5	0.5
RWA (EUR bn)	7.4	7.0 ¹	6.7 ¹	6.5 ¹	6.5 ¹	6.7 ¹	6.5	6.5	6.4	6.3	6.3
Financing volume (EUR bn)	20.4	21.8	23.5	23.5	23.5	23.4	24.0	24.0	24.1	24.0	24.0

Note: Annual results 2013-2014 audited; interim results unaudited. Figures 2013-2014 restated acc. to IFRS 8.29; figures retrospectively adjusted for change in segmental equity allocation (as of 01/01/15) 1 Retrospectively adjusted

Key figures

Public Investment Finance (PIF)



Income statement (EUR millions)	2013	2014	Q1/15	Q2/15	H1/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	H1/16
Net interest income	24	40	8	14	22	6	16	44	9	9	18
Net fee and commission income	1	-	-	-	-	-	-	-	-	-	-
Net trading income	-6	-4	1	-	1	-1	-	-	-	-	-
Net income from financial investments	-1	3	6	-	6	-	-1	5	-	1	1
Net income from hedging relationships	1	-	-	-	-	1	1	2	1	-1	-
Net other operating income/expenses	-2	-4	-2	-5	-7	-1	-2	-10	-1	-	-1
Operating income	17	35	13	9	22	5	14	41	9	9	18
Loan-loss provisions	-	-	-	-	-	-	-	-	-	-	-
General and administrative expenses	-28	-31	-6	-7	-13	-7	-8	-28	-6	-7	-13
Net miscellaneous income/expenses	-	-	-	-	-	1	-1	-	-	-	-
Pre-tax profit	-11	4	7	2	9	-1	5	13	3	2	5
Key ratios	2013	2014	Q1/15	Q2/15	H1/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	H1/16
CIR (%)	>100	88.6	46.2	77.8	59.1	>100	57.1	68.3	66.7	77.8	72.2
RoE before tax (%)	-2.7	0.9	9.7	1.8	4.8	-2.2	12.3	4.8	3.7	2.7	3.2
Key figures	12/13	12/14	03/15	06/15	06/15	09/15	12/15	12/15	03/16	06/16	06/16
Equity (EUR bn)	0.4	0.5	0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.3
RWA (EUR bn)	1.4	1.2 ¹	1.4	1.4	1.4	1.4	1.4				
Financing volume (EUR bn)	5.7	6.6	6.8	7.3	7.3	7.1	7.3	7.3	7.3	7.3	7.3

Note: Annual results 2013-2014 audited; interim results unaudited. Figures 2013-2014 restated acc. to IFRS 8.29; figures retrospectively adjusted for change in segmental equity allocation and for transfer of Italian PIF portfolio (nominal: EUR 1.3 bn; RWA EUR 1.1 bn) into VP (as of 01/01/15) ¹ Retrospectively adjusted

Key figures

Value Portfolio (VP)



Income statement (EUR millions)	2013	2014 (reported)	2014 (adjusted) ¹	Q1/15	Q2/15	H1/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	H1/16
Net interest income	30	79	79	28	19	47	19	2	68	14	8	22
Net fee and commission income	-1	-1	-1	-	-	-	-	-	-	-	-	-
Net trading income	-24	-13	-12	2	1	3	-3	1	1	-	-	-
Net income from financial investments	1	-94	15	-39	-22	-61	5	1	-55	1	-	1
Net income from hedging relationships	4	-1	-1	-	1	1	3	-	4	-	-	-
Net other operating income/expenses	95	31	31	-5	-13	-18	-2	-3	-23	-4	-	-4
Operating income	105	1	111	-14	-14	-28	22	1	-5	11	8	19
Loan-loss provisions	-7	-7	1	-6	-	-6	-	-	-6	-	-	-
General and administrative expenses	-136	-60	-60	-5	-5	-10	-4	-5	-19	-3	-5	-8
Net miscellaneous income/expenses	1	-	-	-	-	-	-	-	-	-	-	-
Pre-tax profit	-37	-66	52	-25	-19	-44	18	-4	-30	8	3	11
Key ratios	2013	2014 (reported)	2014 (adjusted) ¹	Q1/15	Q2/15	H1/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	H1/16
CIR (%)	>100	>100	54.1	n/a	n/a	n/a	18.2	>100	n/a	27.3	62.5	42.1
RoE before tax (%)	-2.1	-3.5	-2.8	-4.9	-4.0	-4.2	5.7	-1.9	-1.4	1.9	0.7	1.3
Key figures	12/13	12/14	12/14	03/15	06/15	06/15	09/15	12/15	12/15	03/16	06/16	06/16
Equity (EUR bn)	1.8	1.8	1.8	2.0	1.8	1.8	1.3	1.5	1.5	1.6	1.5	1.5
RWA (EUR bn)	7.7	5.5 ²	5.5 ²	5.4 ²	4.6 ²	4.6 ²	4.6 ²	4.4	4.4	4.4	4.3	4.3
Financing volume (EUR bn)	25.1	22.7	22.7	22.2	20.5	20.5	19.7	18.7	18.7	17.9	17.4	17.4

Note: Annual results 2013-2014 audited; interim results unaudited. Figures 2013-2014 restated acc. to IFRS 8.29; figures retrospectively adjusted for change in segmental equity allocation and for transfer of Italian PIF portfolio (nominal: EUR 1.3 bn; RWA EUR 1.1 bn) into VP (as of 01/01/15). ¹ Adjusted for EUR -118 mn extraordinary effects from value adjustments on HETA exposure ² Retrospectively adjusted

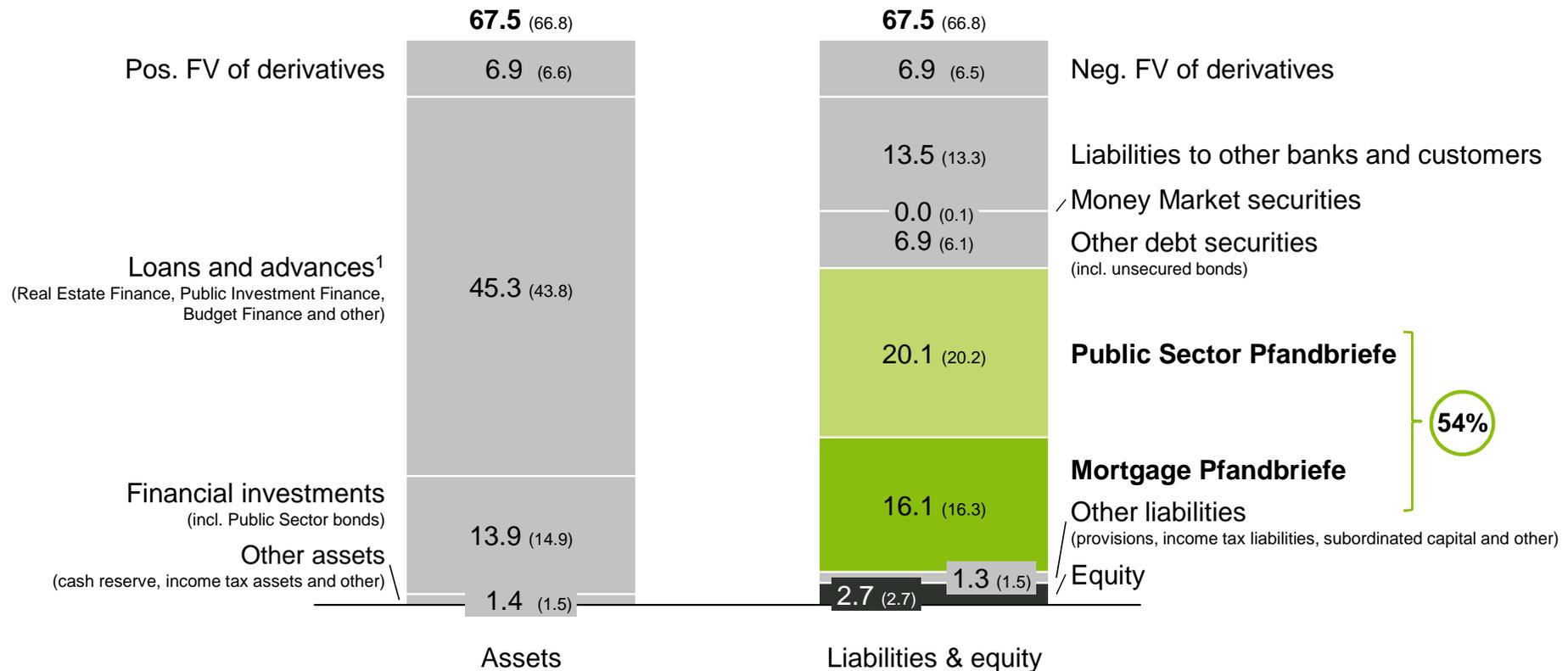
Balance sheet

Specialist lender with attractive German Pfandbrief as major funding instrument



Balance sheet: 30/06/2016 (31/12/2015)

IFRS, EUR billions



Note: Figures may not add up due to rounding 1 Incl. allowances for losses on loans and advances

Portfolio

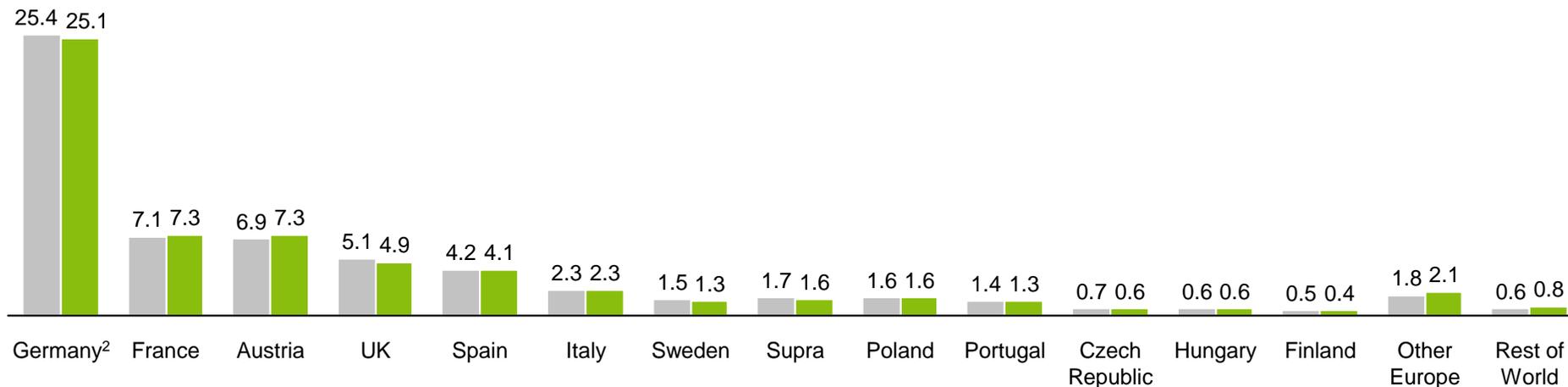
Total portfolio



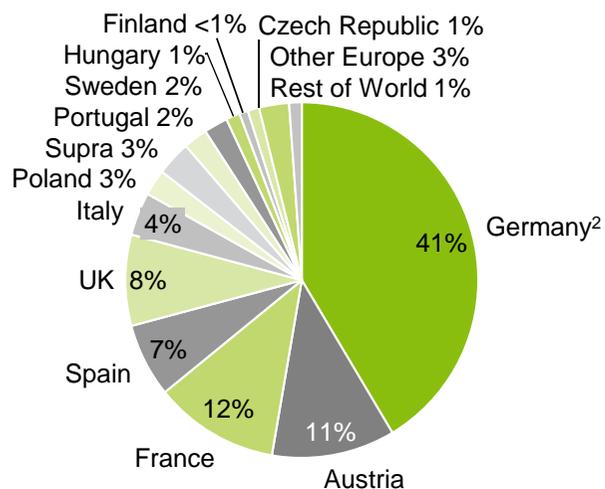
Regions

EUR billions (EaD, Basel III)¹

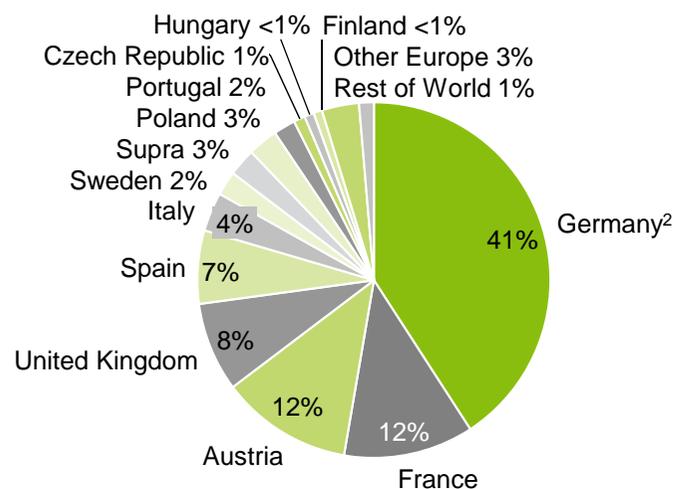
31/12/2015 / Total: EUR 61.4 bn
 30/06/2016 / Total: EUR 61.4 bn



31/12/2015



30/06/2016



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure (EUR 0.2 bn) 2 Incl. Bundesbank accounts (06/16: EUR 1.1 bn; 12/15: EUR 1.3 bn)

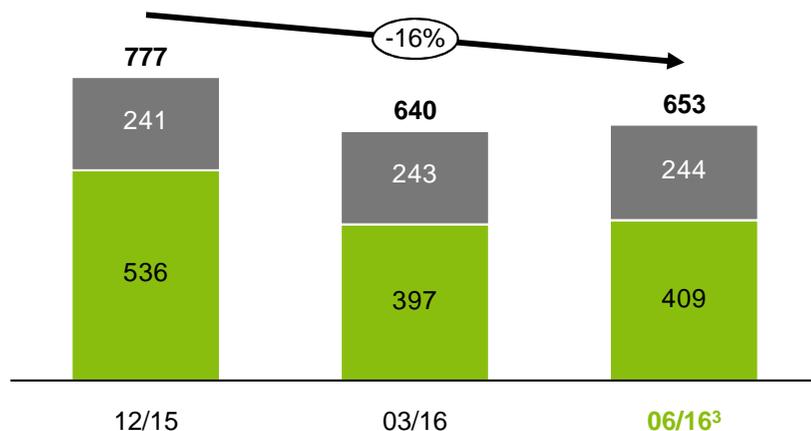
Portfolio

Problem loans

Total problem loans

EUR millions (EaD, Basel III)

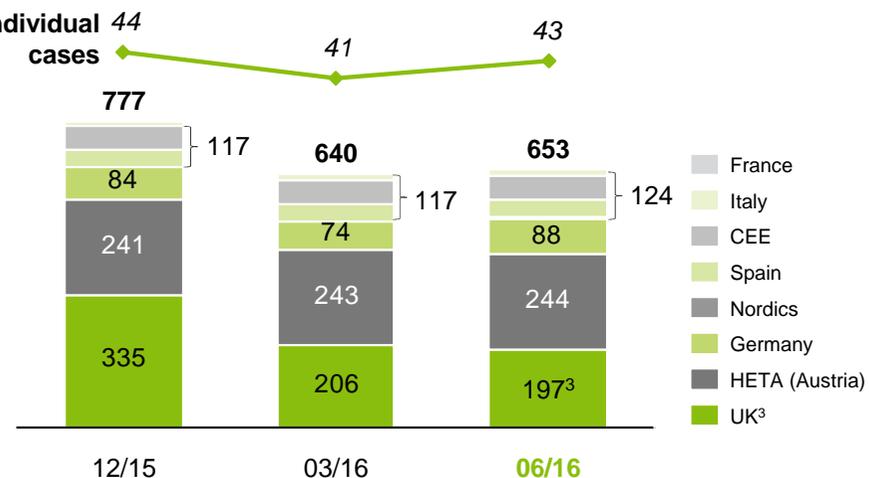
VP (thereof: HETA)
REF



Regions

EUR million (EaD, Basel III)

No. of individual cases



Total problem loans EUR millions (EaD)	12/15				03/16				06/16			
	REF	PIF	VP	Total	REF	PIF	VP	Total	REF	PIF	VP	Total
Workout loans ¹	3	-	-	3	3	-	-	3	2	-	-	2
Restructuring loans ²	533	-	241	774	394	-	243	637	407	-	244	651
Total	536	-	241	777	397	-	243	640	409	-	244	653

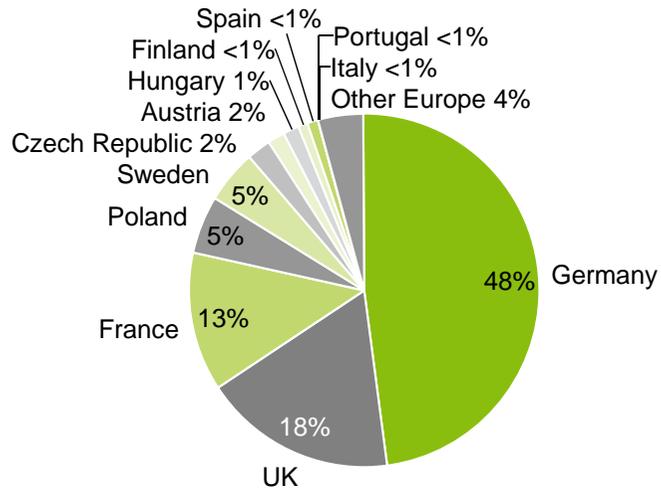
Note: Figures may not add up due to rounding. ¹ No signs that the deal will recover soon, compulsory measures necessary. ² Payments more than 90 days overdue or criteria acc. to respective policy apply. ³ UK (EUR 197 mn) 'technically' shown as problem loan – properties sold, but synthetic securitisation has not yet allocated loss.

Portfolio

Real Estate Finance (REF)

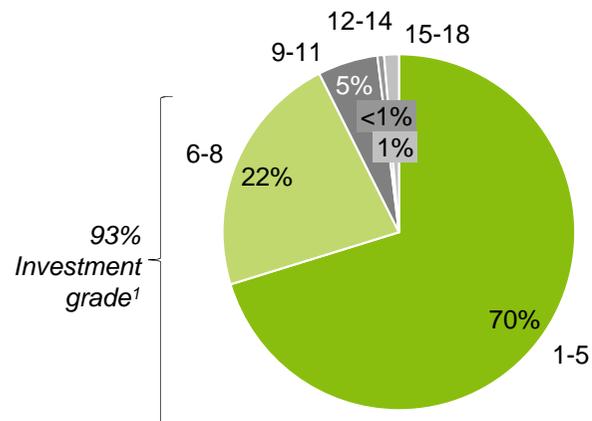
Portfolio: Regions

30/06/2016: EUR 26.0 bn (EaD, Basel III)



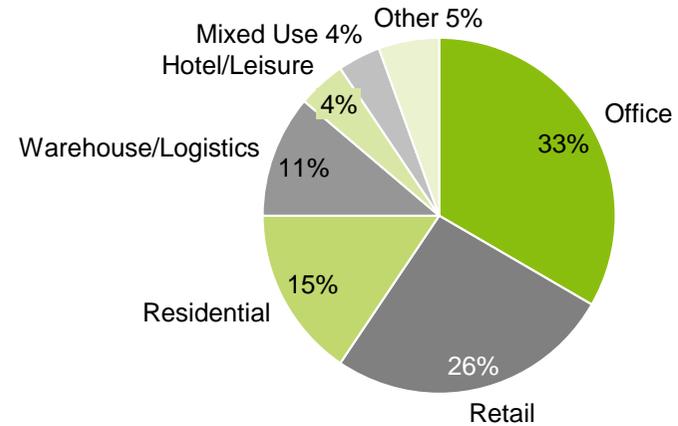
Portfolio: Internal Ratings (EL classes)

30/06/2016: EUR 26.0 bn (EaD, Basel III)



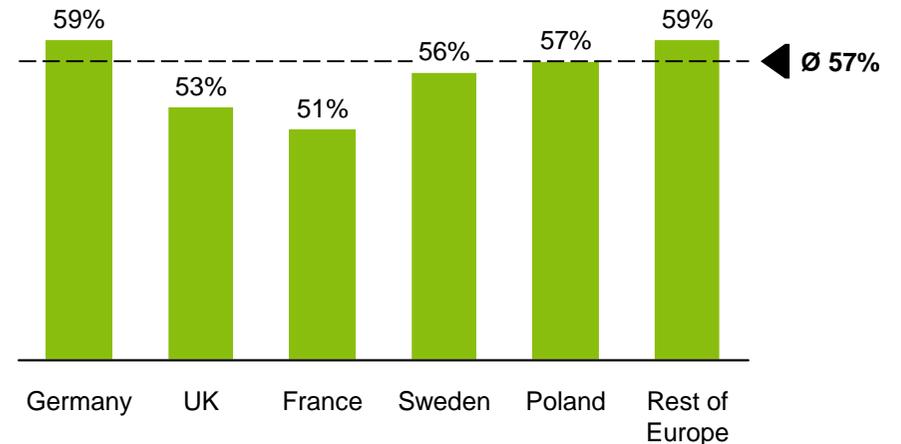
Portfolio: Property types

30/06/2016: EUR 26.0 bn (EaD, Basel III)



Portfolio: Avg. weighted LTVs

30/06/2016 (Commitments)²



Note: Figures may not add up due to rounding ¹ EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade ² Based on performing investment loans only

Portfolio

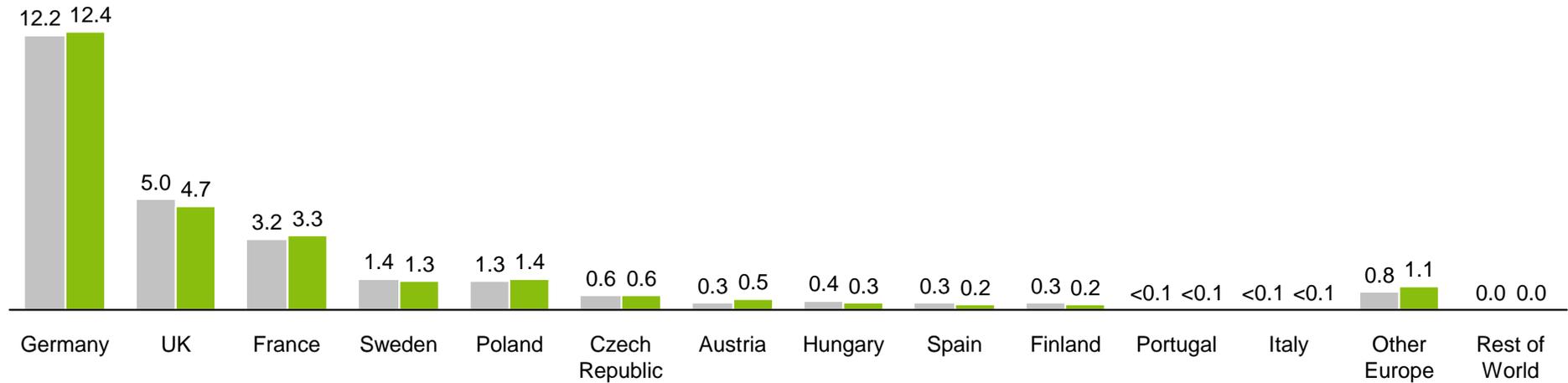
Real Estate Finance (REF)



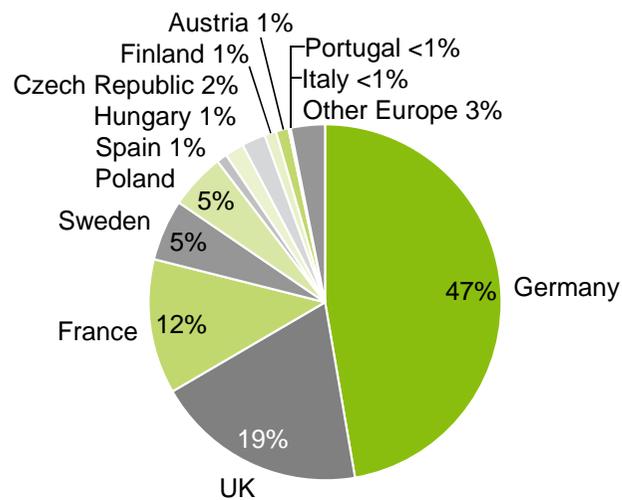
Regions

EUR billions (EaD, Basel III)

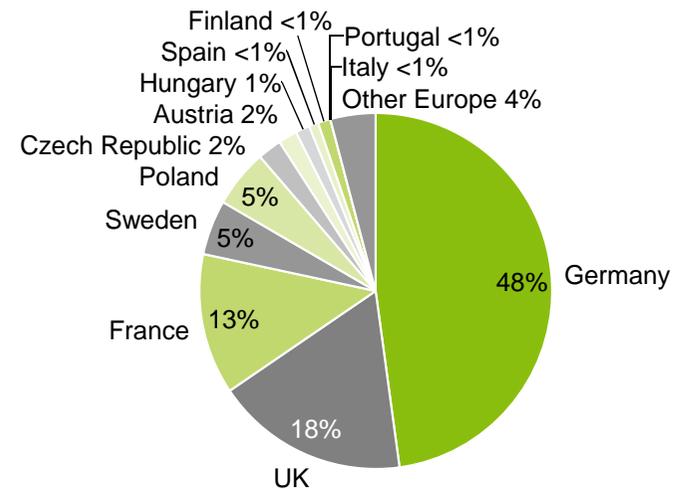
31/12/2015 / Total: EUR 25.8 bn
 30/06/2016 / Total: EUR 26.0 bn



31/12/2015



30/06/2016



Note: Figures may not add up due to rounding

Portfolio

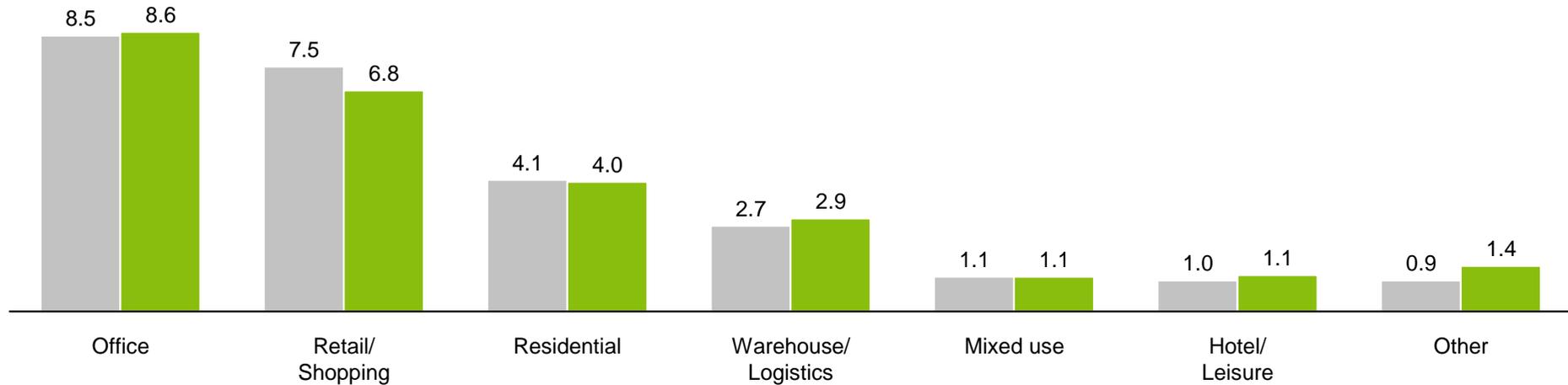
Real Estate Finance (REF)



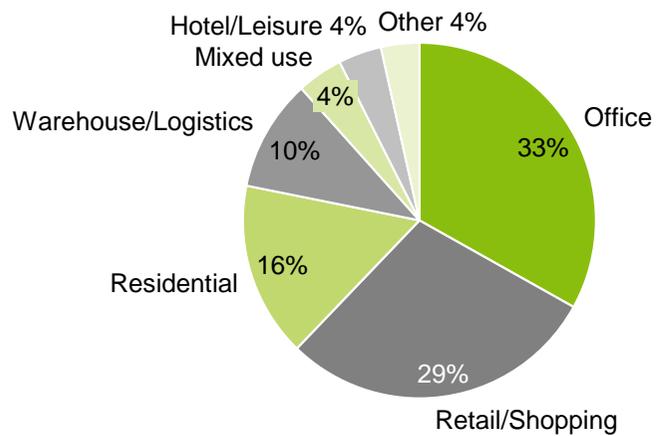
Property types

EUR billions (EaD, Basel III)

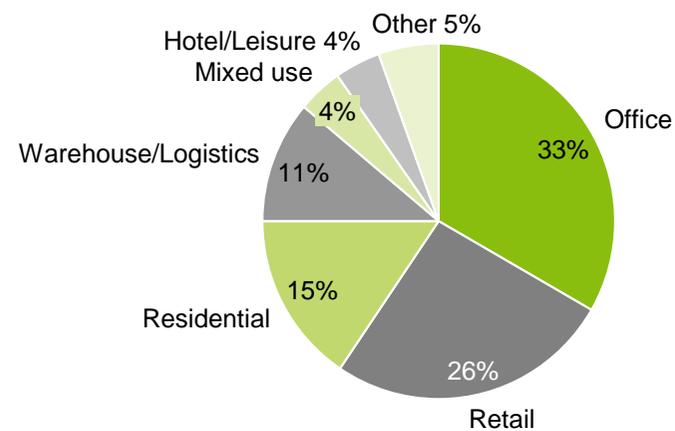
31/12/2015 / Total: EUR 25.8 bn
 30/06/2016 / Total: EUR 26.0 bn



31/12/2015



30/06/2016



Note: Figures may not add up due to rounding

Portfolio

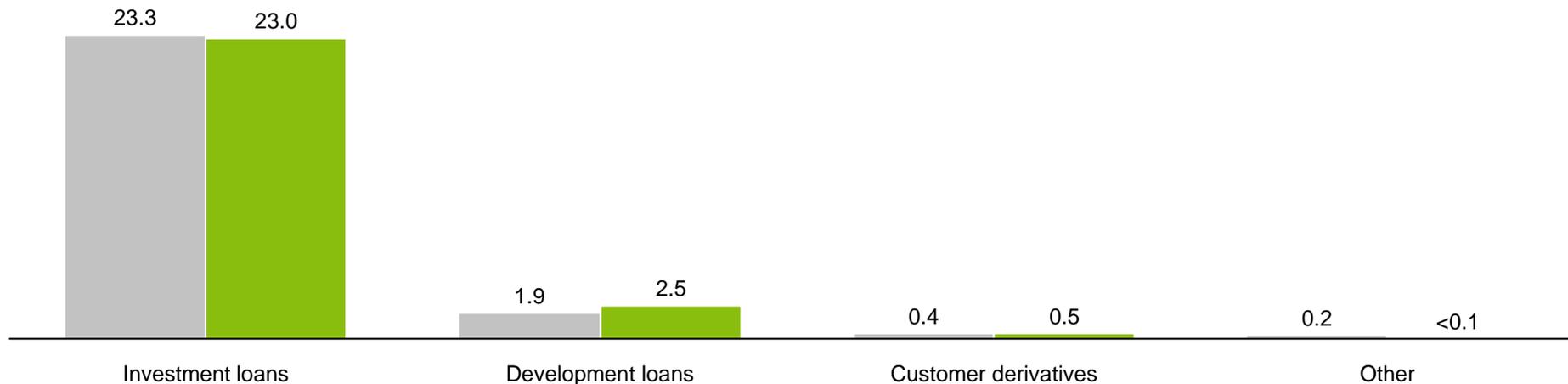
Real Estate Finance (REF)



Loan types

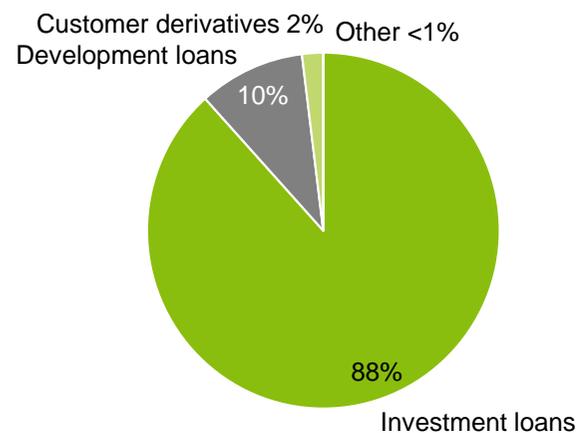
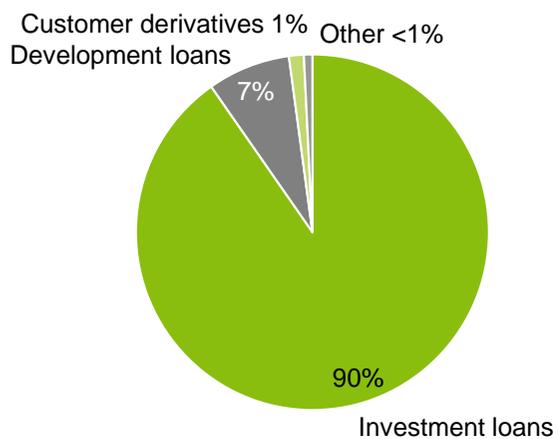
EUR billions (EaD, Basel III)

31/12/2015 / Total: EUR 25.8 bn
 30/06/2016 / Total: EUR 26.0 bn



31/12/2015

30/06/2016



Note: Figures may not add up due to rounding

Portfolio

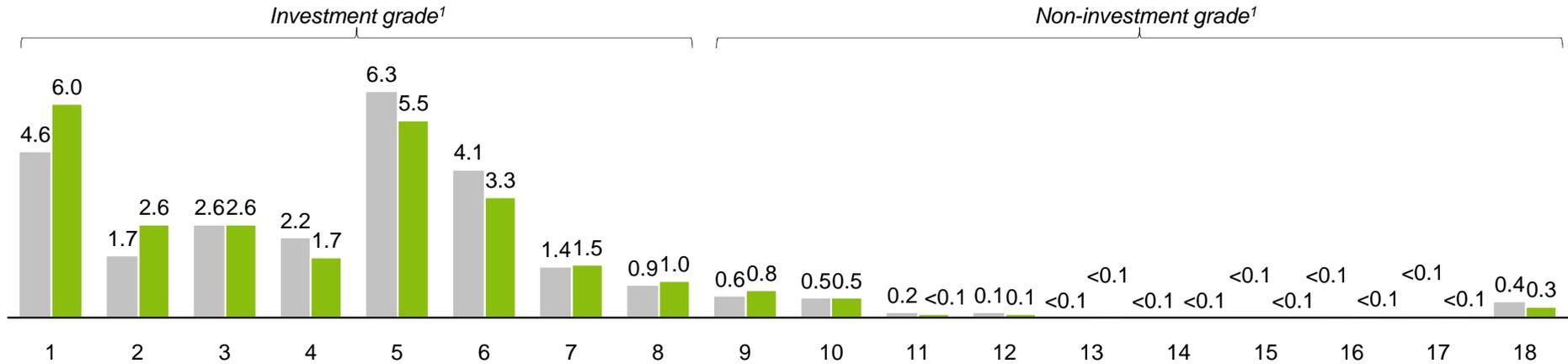
Real Estate Finance (REF)



Internal ratings (EL classes)

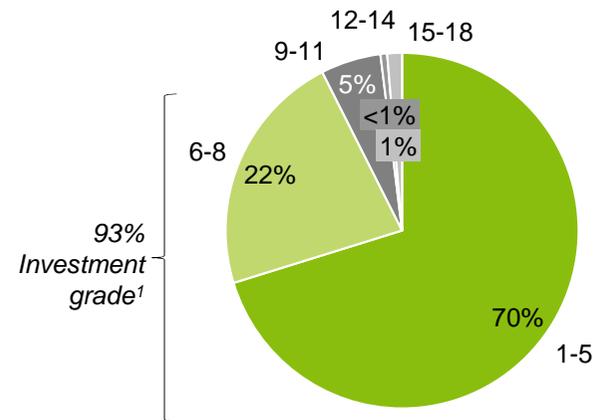
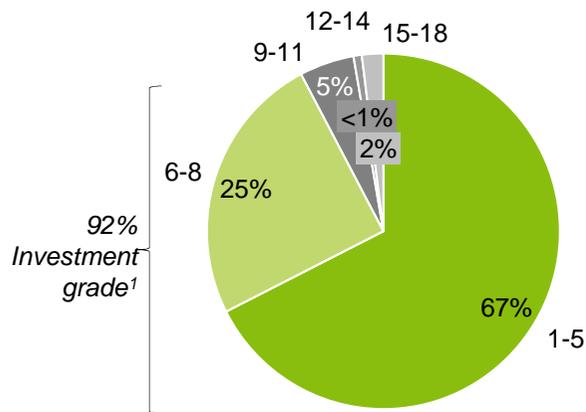
EUR billions (EaD, Basel III)

■ 31/12/2015 / Total: EUR 25.8 bn
■ 30/06/2016 / Total: EUR 26.0 bn



31/12/2015

30/06/2016



Note: Figures may not add up due to rounding 1 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

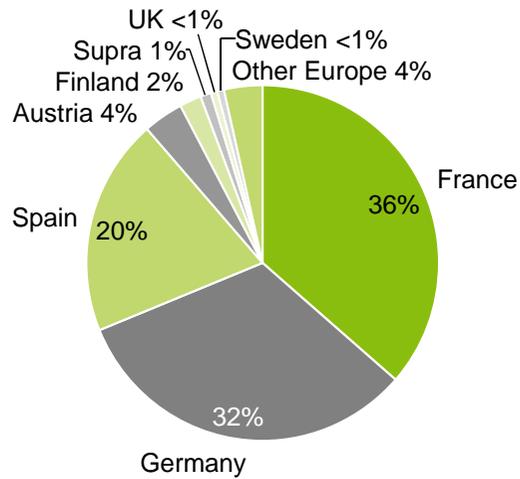
Portfolio

Public Investment Finance (PIF)



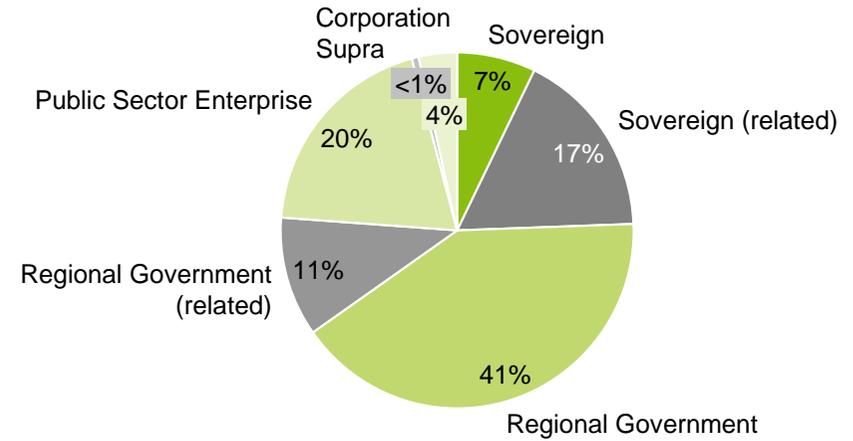
Portfolio: Regions

30/06/2016: EUR 8.3 bn (EaD, Basel III)



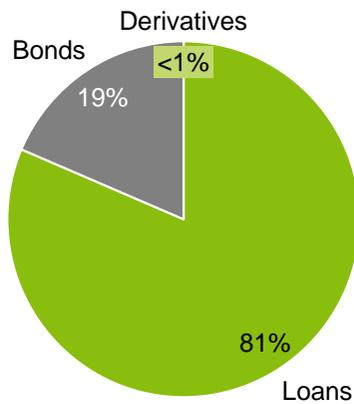
Portfolio: Borrower classification¹

30/06/2016: EUR 8.3 bn (EaD, Basel III)



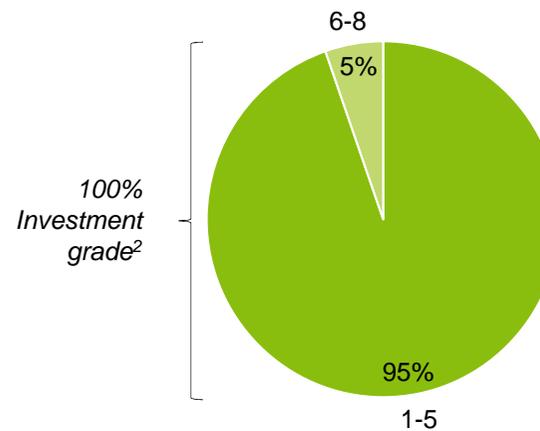
Portfolio: Product class

30/06/2016: EUR 8.3 bn (EaD, Basel III)



Portfolio: Internal ratings (EL classes)

30/06/2016: EUR 8.3 bn (EaD, Basel III)



Note: Figures may not add up due to rounding 1 See appendix for definition of borrower classification 2 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

Portfolio

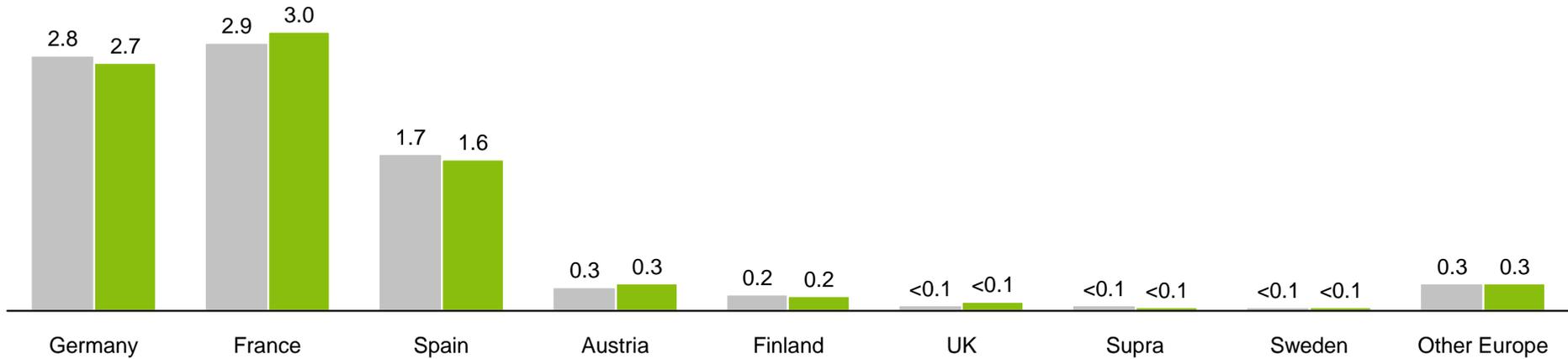
Public Investment Finance (PIF)



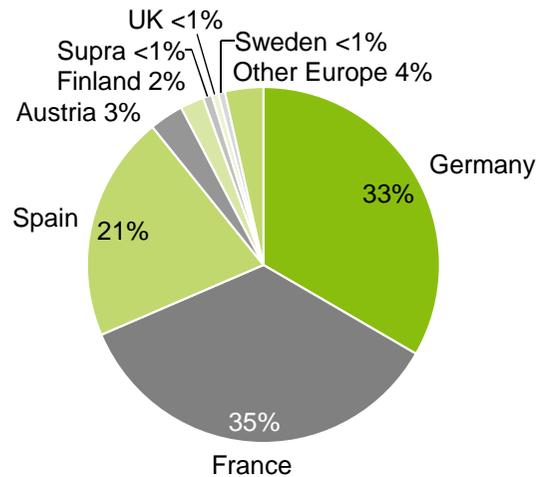
Regions

EUR billions (EaD, Basel III)

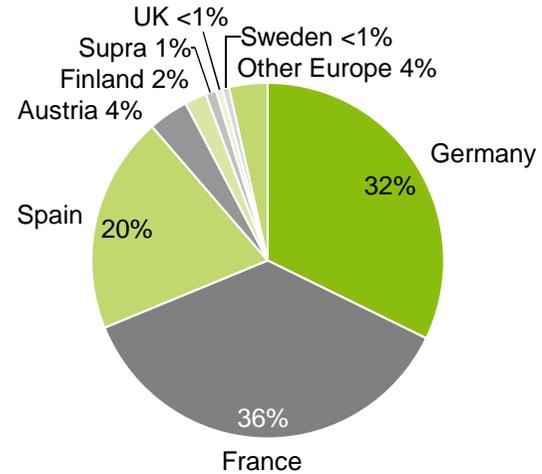
■ 31/12/2015 / Total: EUR 8.3 bn
■ 30/06/2016 / Total: EUR 8.3 bn



31/12/2015



30/06/2016



Note: Figures may not add up due to rounding

Portfolio

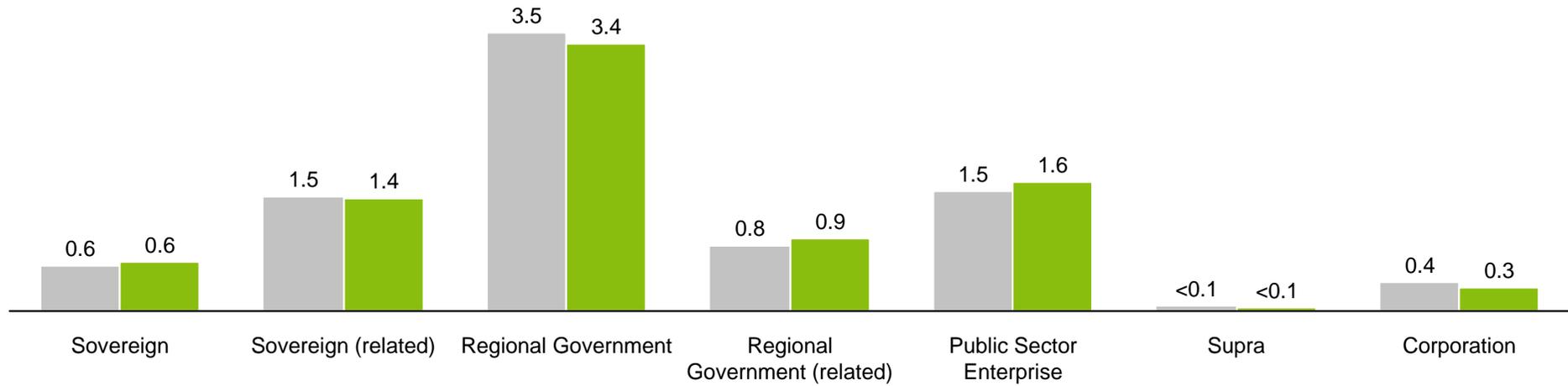
Public Investment Finance (PIF)



Borrower classification¹

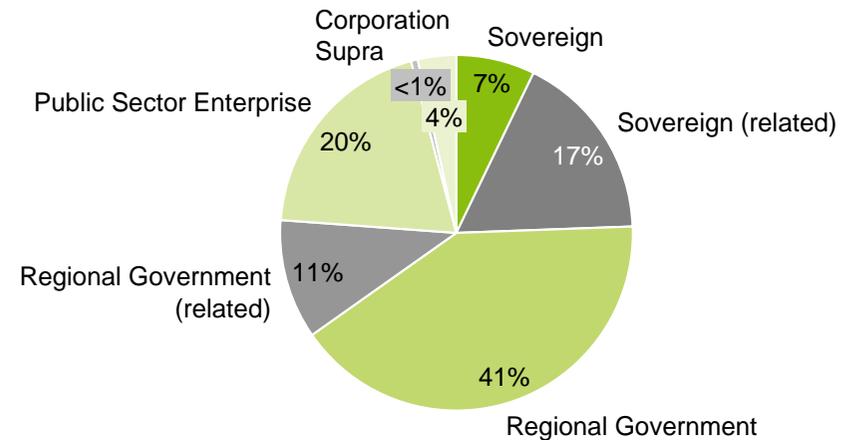
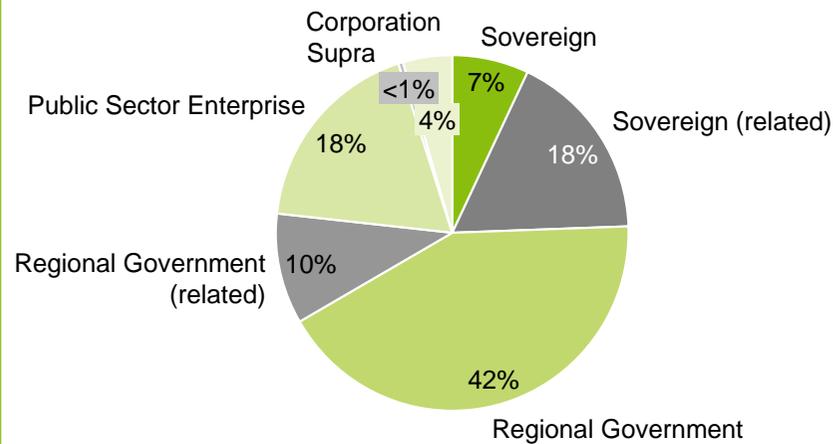
EUR billions (EaD, Basel III)

■ 31/12/2015 / Total: EUR 8.3 bn
■ 30/06/2016 / Total: EUR 8.3 bn



31/12/2015

30/06/2016



Note: Figures may not add up due to rounding ¹ See appendix for definition of borrower classification

Portfolio

Public Investment Finance (PIF)

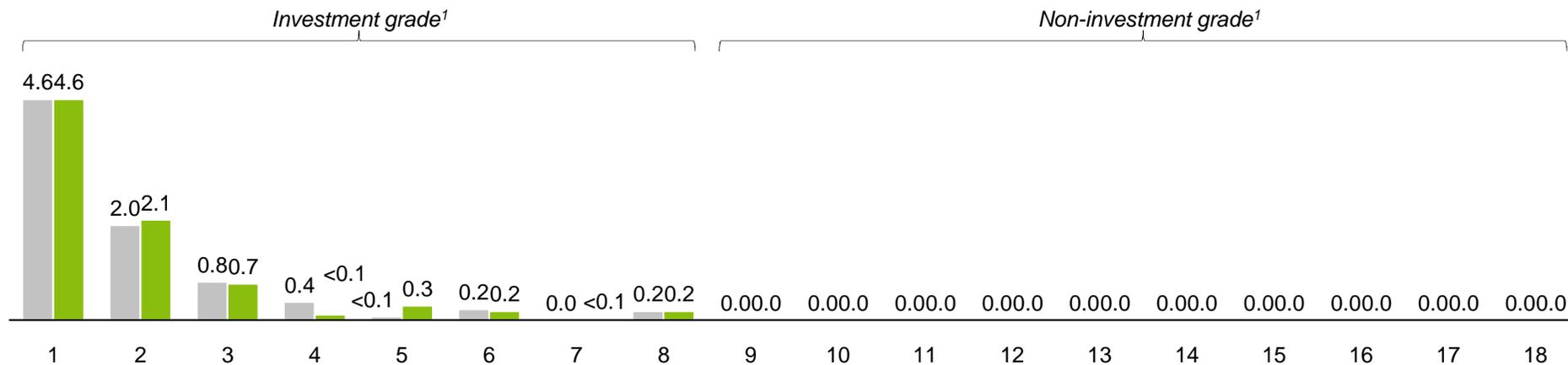


Internal ratings (EL classes)

EUR billions (EaD, Basel III)

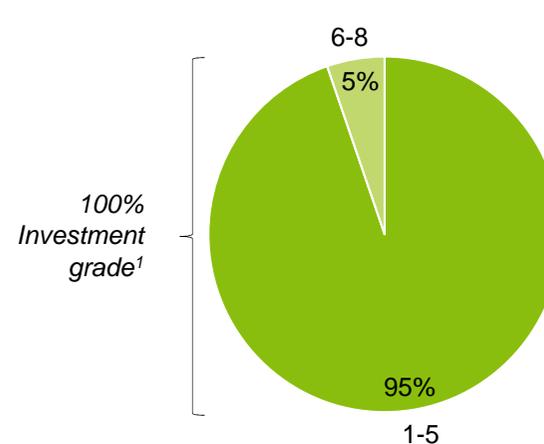
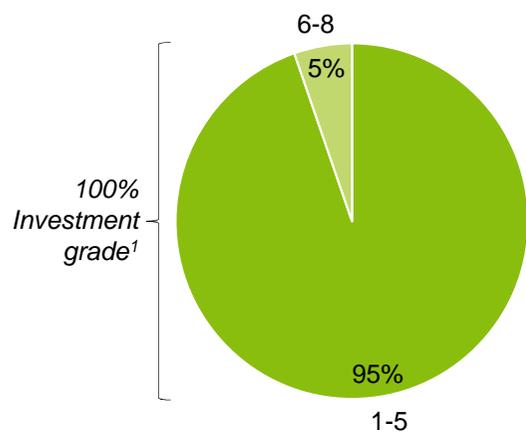
31/12/2015 / Total: EUR 8.3 bn

30/06/2016 / Total: EUR 8.3 bn



31/12/2015

30/06/2016



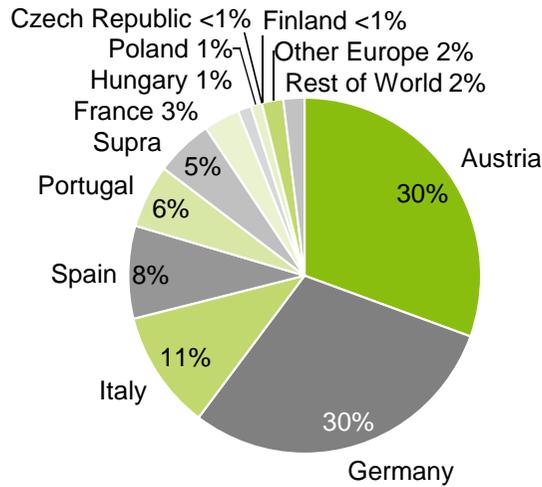
Note: Figures may not add up due to rounding 1 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

Portfolio

Value Portfolio (VP)

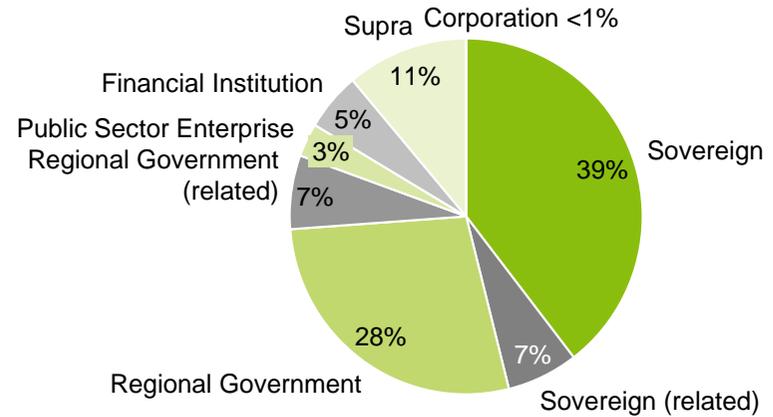
Portfolio: Regions

30/06/2016: EUR 21.5 bn (EaD, Basel III)¹



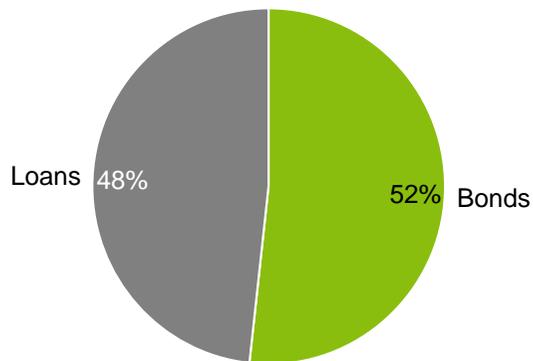
Portfolio: Borrower classification²

30/06/2016: EUR 21.5 bn (EaD, Basel III)¹



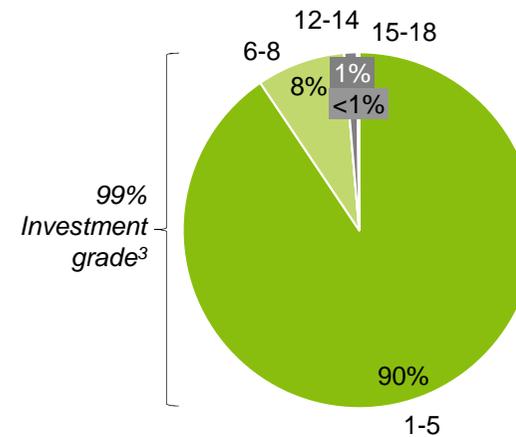
Portfolio: Product class

30/06/2016: EUR 21.5 bn (EaD, Basel III)¹



Portfolio: Internal ratings (EL classes)

30/06/2016: EUR 21.5 bn (EaD, Basel III)¹



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure 2 See appendix for definition of borrower classification 3 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

Portfolio

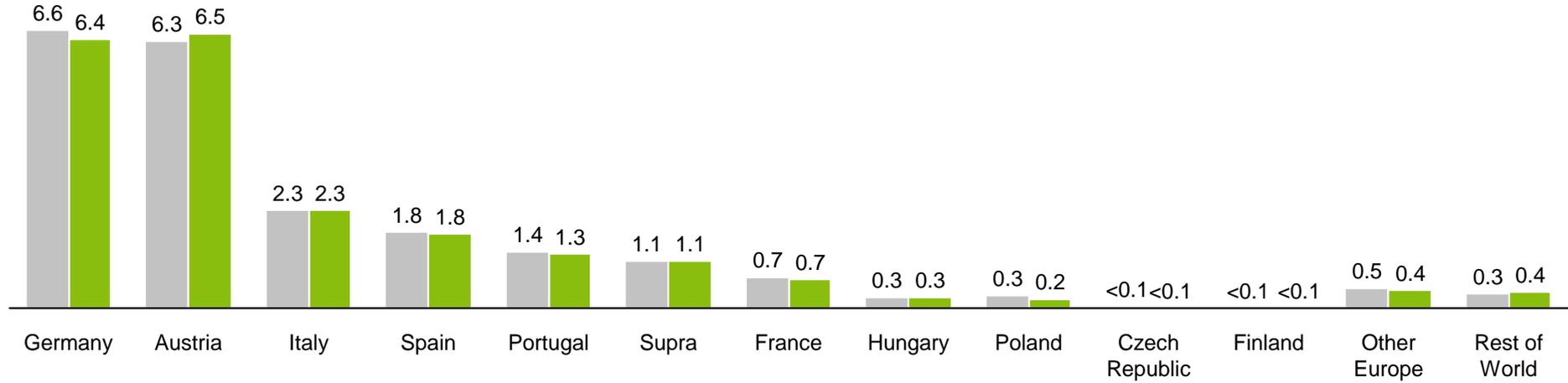
Value Portfolio (VP)



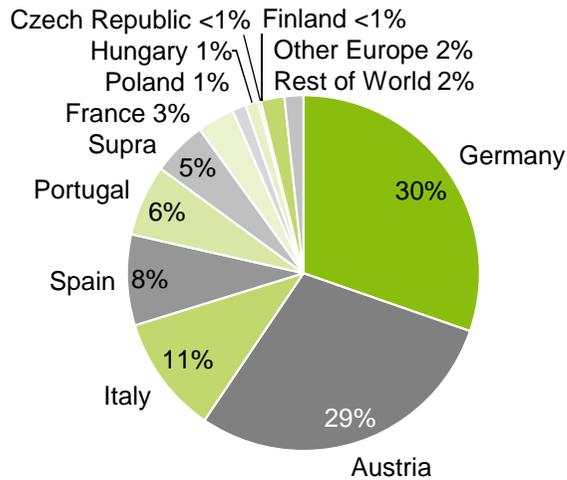
Regions

EUR billions (EaD, Basel III)¹

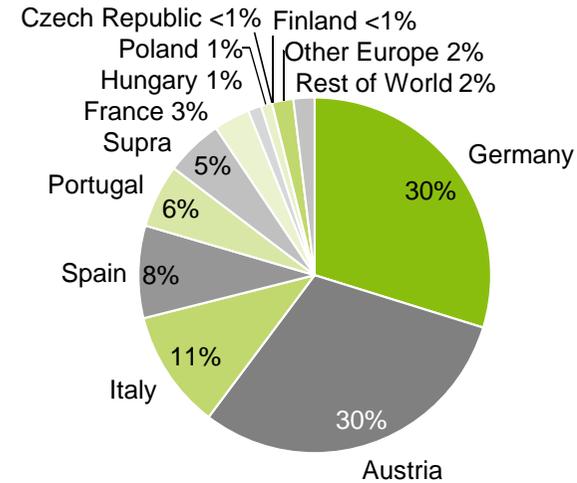
31/12/2015 / Total: EUR 21.7 bn
 30/06/2016 / Total: EUR 21.5 bn



31/12/2015



30/06/2016



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure

Portfolio

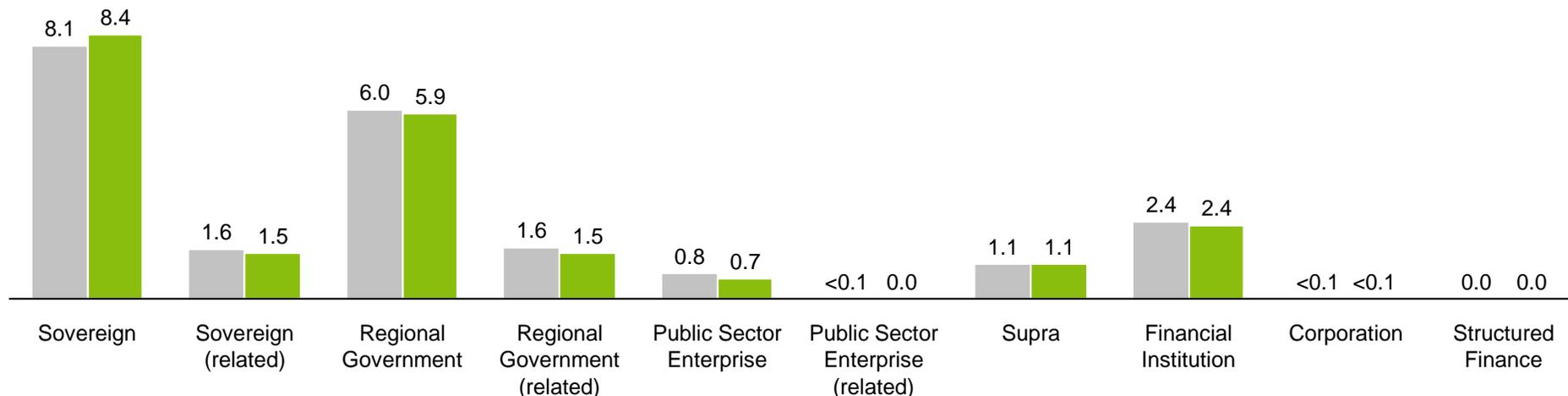
Value Portfolio (VP)



Borrower classification¹

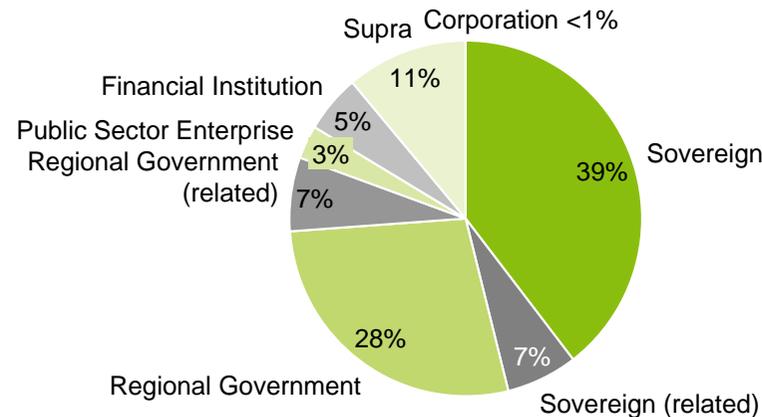
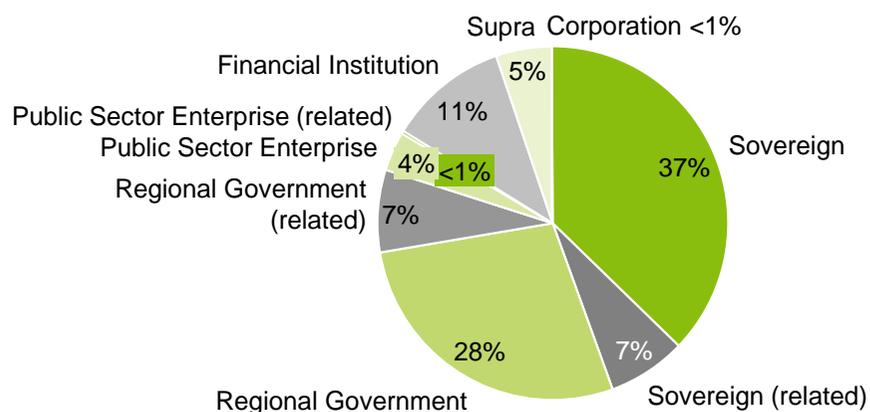
EUR billions (EaD, Basel III)²

■ 31/12/2015 / Total: EUR 21.7 bn
 ■ 30/06/2016 / Total: EUR 21.5 bn



31/12/2015

30/06/2016



Note: Figures may not add up due to rounding 1 See appendix for definition of borrower classification 2 Excl. FMS-WM guaranteed exposure

Portfolio

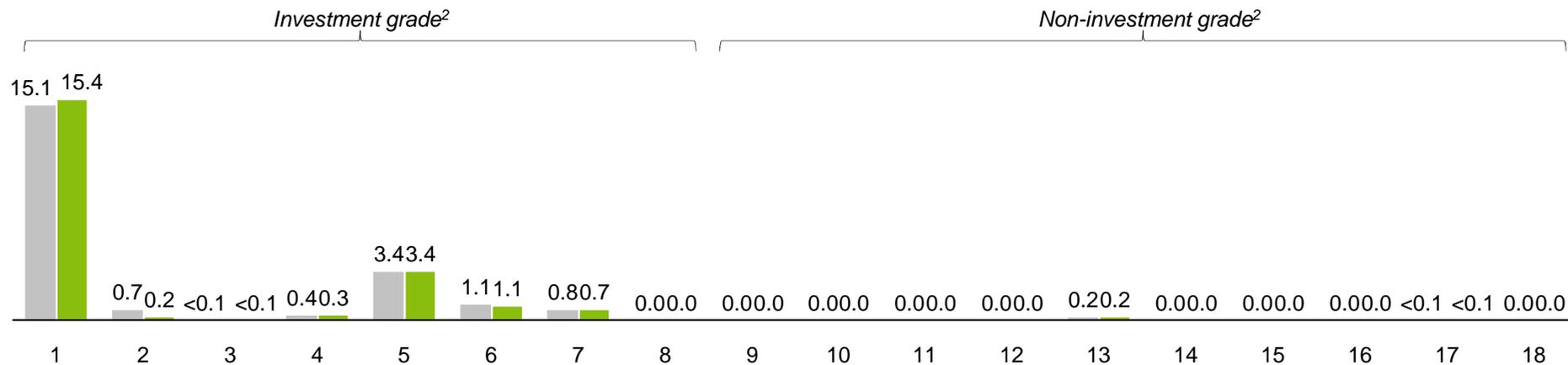
Value Portfolio (VP)

Internal ratings (EL classes)

EUR billions (EaD, Basel III)¹

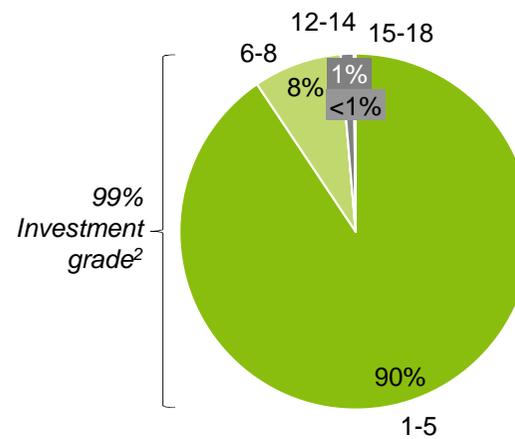
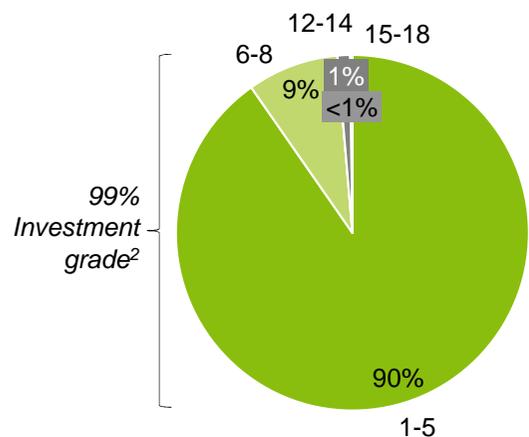
31/12/2015 / Total: EUR 21.7 bn

30/06/2016 / Total: EUR 21.5 bn



31/12/2015

30/06/2016



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure 2 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

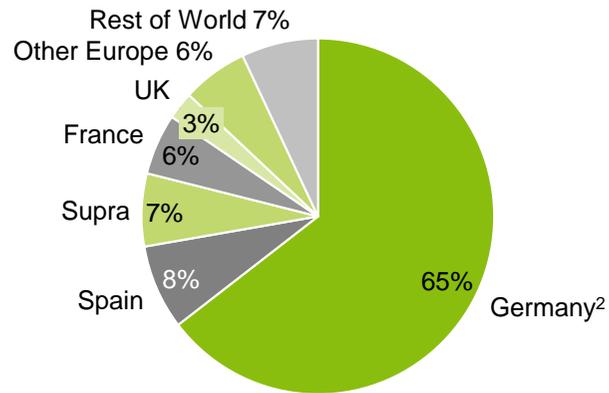
Portfolio

Consolidation & Adjustments (C&A)



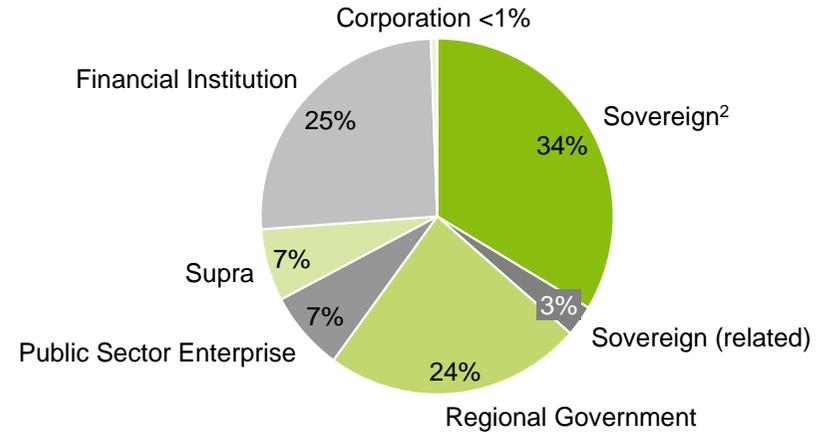
Portfolio: Regions

30/06/2016: EUR 5.6 bn (EaD, Basel III)¹



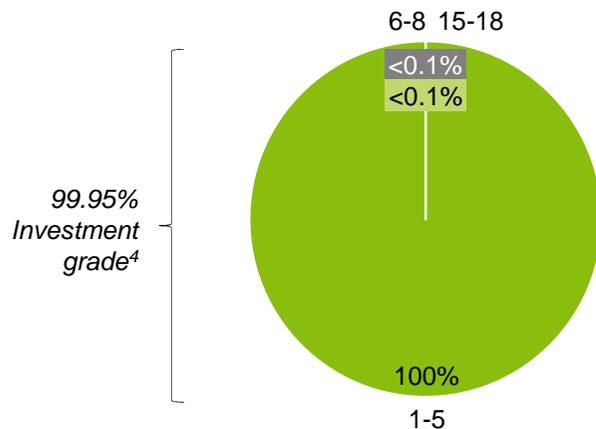
Portfolio: Borrower classification³

31/06/2016: EUR 5.6 bn (EaD, Basel III)¹



Portfolio: Internal ratings (EL classes)

30/06/2016: EUR 5.6 bn (EaD, Basel III)¹



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure 2 Incl. Bundesbank accounts (06/16: EUR 1.1 bn) 3 See appendix for definition of borrower classification 4 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

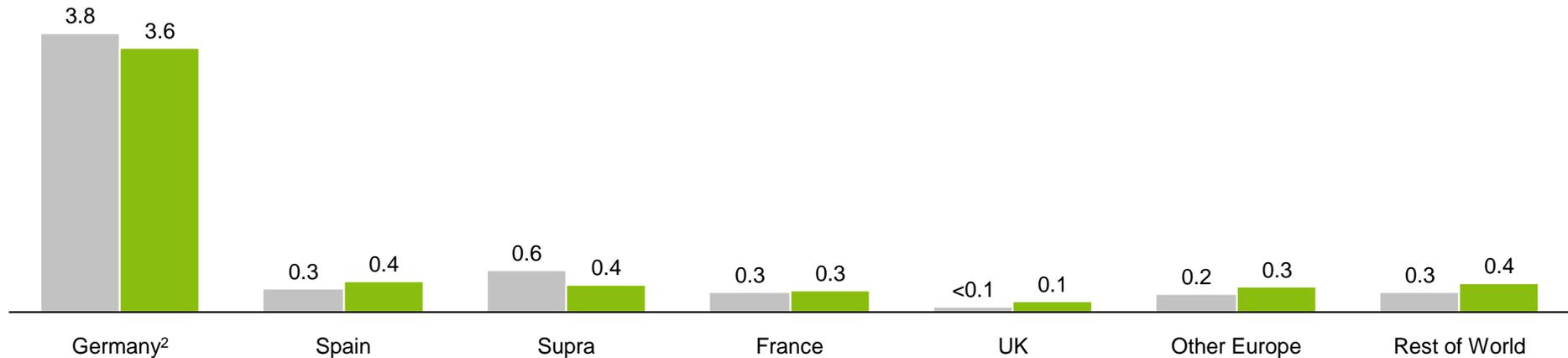
Portfolio Consolidation & Adjustments (C&A)



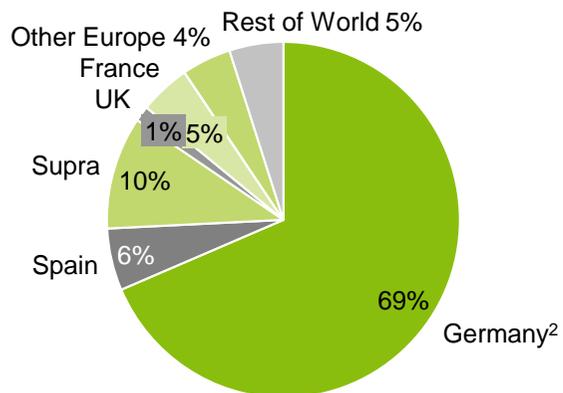
Regions

EUR billions (EaD, Basel III)¹

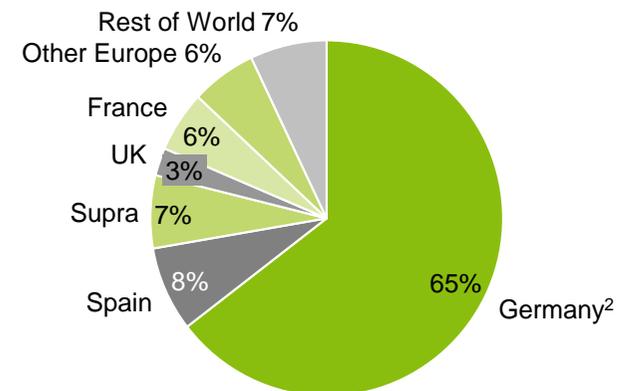
■ 31/12/2015 / Total: EUR 5.6 bn
■ 30/06/2016 / Total: EUR 5.6 bn



31/12/2015



30/06/2016



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure 2 Incl. Bundesbank accounts (06/16: EUR 1.1 bn; 12/15: EUR 1.3 bn)

Portfolio

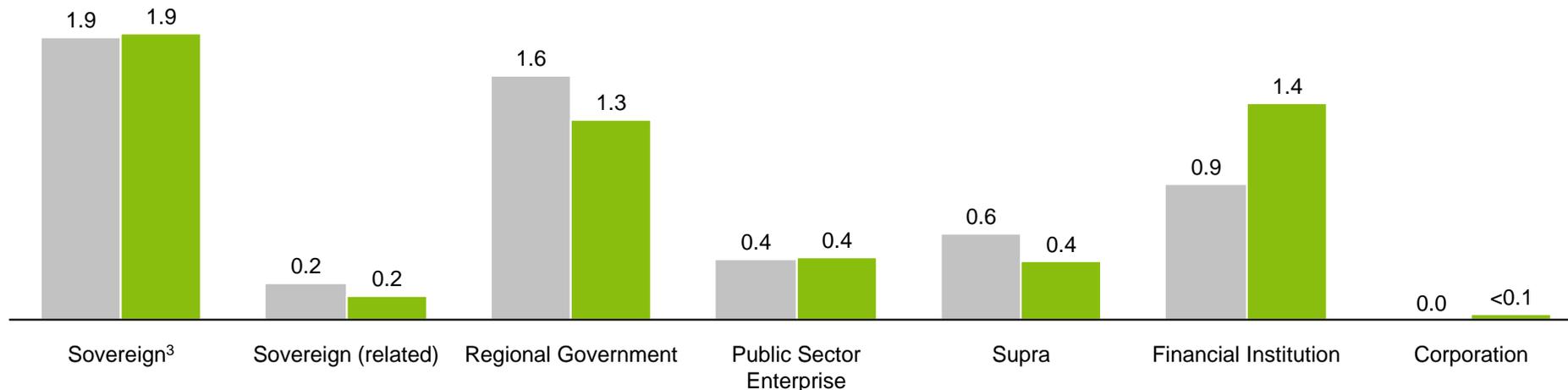
Consolidation & Adjustments (C&A)



Borrower classification¹

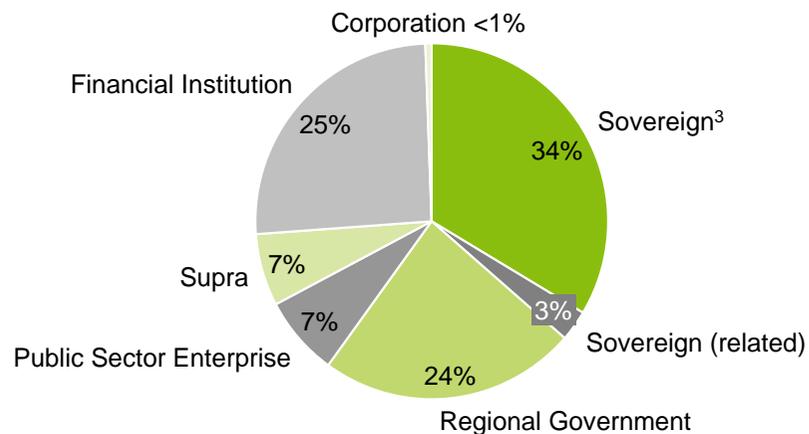
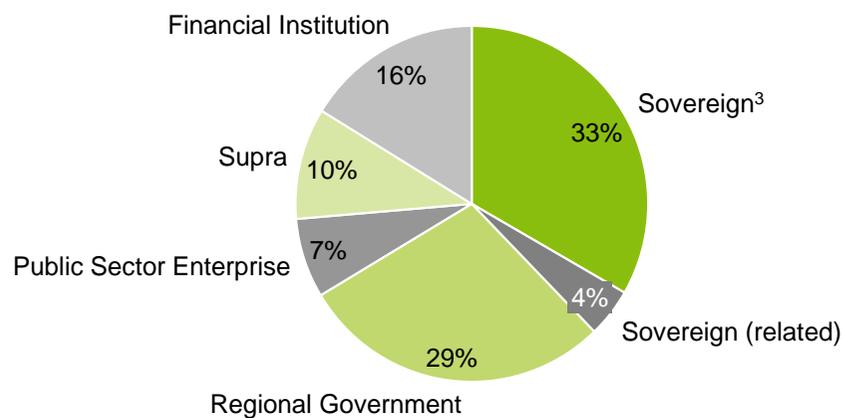
EUR billions (EaD, Basel III)²

31/12/2015 / Total: EUR 5.6 bn
 30/06/2016 / Total: EUR 5.6 bn



31/12/2015

30/06/2016



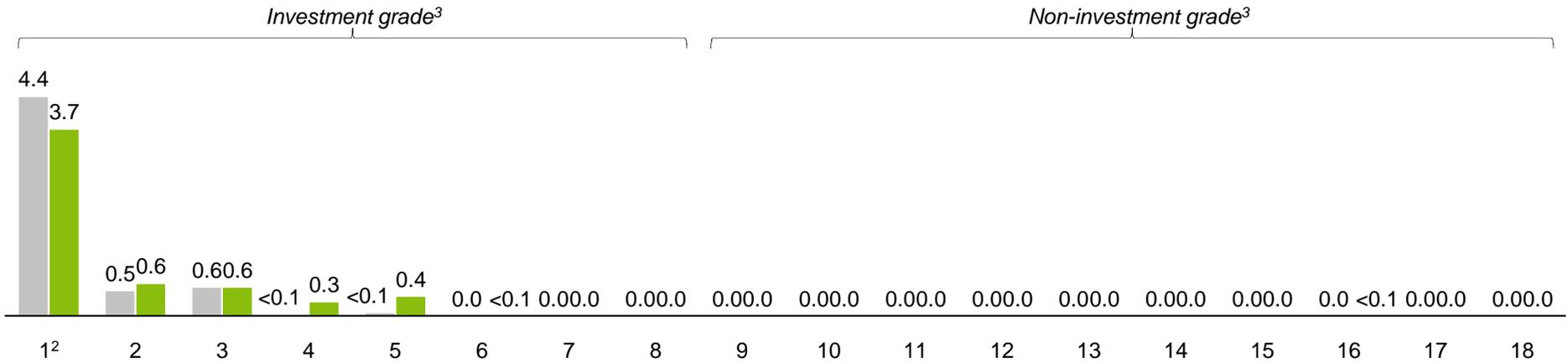
Note: Figures may not add up due to rounding 1 See appendix for definition of borrower classification 2 Excl. FMS-WM guaranteed exposure 3 Incl. Bundesbank accounts (06/16: EUR 1.1bn; 12/15: EUR 1.3 bn)

Portfolio Consolidation & Adjustments (C&A)

Internal ratings (EL classes)

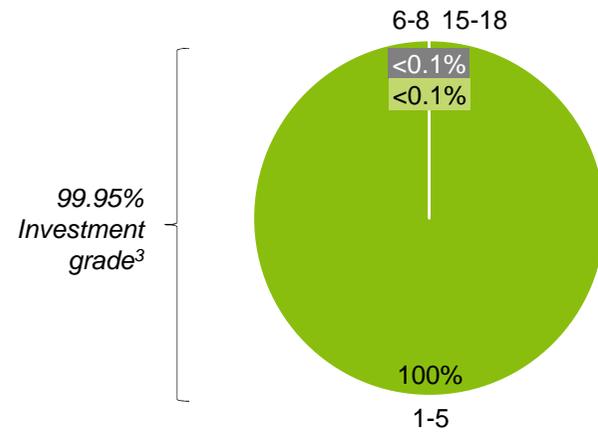
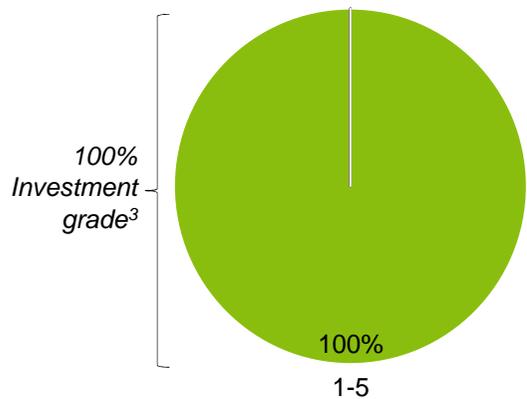
EUR billions (EaD, Basel III)¹

■ 31/12/2015 / Total: EUR 5.6 bn
■ 30/06/2016 / Total: EUR 5.6 bn



31/12/2015

30/06/2016



Note: Figures may not add up due to rounding 1 Excl. FMS-WM guaranteed exposure 2 Incl. Bundesbank accounts (06/16: EUR 1.1 bn; 12/15: EUR 1.3 bn) 3 EL Classes 1-8 = Investment grade; EL classes 9-18 = Non-investment grade

Funding

Public benchmark issuances since 2014



Type	WKN	Launch Date	Maturity Date	Size	Spread ¹	Coupon	Issue/Reoffer Price
Mortgage Pfandbrief	A1X3LT	14/01/2014	21/01/2022	EUR 500 mn	+17bp	1.875%	99.362%
<i>Mortgage Pfandbrief (2nd Tap)</i>	<i>A1MLUW</i>	<i>13/02/2014</i>	<i>03/06/2019</i>	<i>EUR 50 mn</i>	<i>+10bp</i>	<i>2.125%</i>	<i>104.988%</i>
Mortgage Pfandbrief	A11QAP	18/03/2014	25/03/2019	EUR 500 mn	+14bp	1.000%	99.400%
<i>Senior Unsecured (1st Tap)</i>	<i>A1X26E</i>	<i>03/06/2014</i>	<i>11/09/2017</i>	<i>EUR 150 mn</i>	<i>+72bp</i>	<i>2.250%</i>	<i>103.278%</i>
<i>Mortgage Pfandbrief (2nd Tap)</i>	<i>A1RFBY</i>	<i>23/06/2014</i>	<i>30/01/2017</i>	<i>EUR 150 mn</i>	<i>-5bp</i>	<i>0.875%</i>	<i>101.466%</i>
<i>Mortgage Pfandbrief (1st Tap)</i>	<i>A11QAP</i>	<i>18/08/2014</i>	<i>25/03/2019</i>	<i>EUR 175 mn</i>	<i>+4.5 bp</i>	<i>1.000%</i>	<i>101.915%</i>
Mortgage Pfandbrief	A11QA3	02/09/2014	08/09/2017	EUR 500 mn	+0 bp	0.250%	99.827%
<i>Mortgage Pfandbrief (2nd Tap)</i>	<i>A11QAP</i>	<i>05/09/2014</i>	<i>25/03/2019</i>	<i>EUR 75 mn</i>	<i>+3.3 bp</i>	<i>1.000%</i>	<i>102.534%</i>
Mortgage Pfandbrief	A12UAW	23/09/2014	29/09/2017	GBP 300 mn	+42 bp²	3mL+40 bp	99.941%
<i>Senior Unsecured (2nd Tap)</i>	<i>A1X26E</i>	<i>06/11/2014</i>	<i>11/09/2017</i>	<i>EUR 100 mn</i>	<i>+62bp</i>	<i>2.250%</i>	<i>103.836%</i>
Senior Unsecured	A12UA6	13/01/2015	20/01/2017	EUR 500 mn	+78bp	0.875%	99.874%
<i>Senior Unsecured (1st Tap)</i>	<i>A12UAR</i>	<i>19/01/2015</i>	<i>17/09/2019</i>	<i>EUR 200 mn</i>	<i>+100bp</i>	<i>1.50%</i>	<i>100.918%</i>
Mortgage Pfandbrief	A13SV8	23/07/2015	30/07/2020	EUR 500 mn	-14 bp	0.25%	99.819%
Senior Unsecured	A13SWA	08/10/2015	15/01/2018	EUR 500 mn	+140bp	1.375%	99.826%
Public Sector Pfandbrief	A13SWB	20/11/2015	27/11/2020	EUR 500 mn	-4bp	0.125%	99.900%
Mortgage Pfandbrief	A13SWC	12/01/2016	19/01/2023	EUR 750 mn	+8 bp	0.50%	99.221%
Senior Unsecured	A13SWD	28/01/2016	04/02/2019	EUR 500 mn	+140 bp	1.25%	99.816%
Mortgage Pfandbrief	A13SWE	22/02/2016	01/03/2022	EUR 500 mn	+8 bp	0.20%	99.863%
<i>Senior Unsecured (2nd Tap)</i>	<i>A12UAR</i>	<i>04/03/2016</i>	<i>17/09/2019</i>	<i>EUR 100 mn</i>	<i>+130 bp</i>	<i>1.50%</i>	<i>101.209%</i>
Public Sector Pfandbrief	A13SWG	13/04/2016	20/04/2035	EUR 500 mn	+25 bp	1.25%	99.647%
Senior Unsecured	A13SWH	19/04/2016	27/04/2020	EUR 500mn	+125 bp	1.125%	99.751%
<i>Mortgage Pfandbrief (3rd Tap)</i>	<i>A1PG3M</i>	<i>11/07/2016</i>	<i>20/12/2019</i>	<i>GBP 100mn</i>	<i>+40 bp²</i>	<i>1.875%</i>	<i>102.817%</i>

1 vs. mid-swap 2 vs. 3mGBP-Libor

Ratings

Mandated ratings



as of 12 August 2016

	S&P	DBRS	Moody's
Pfandbrief ratings			
Public Sector Pfandbrief			Aa1
Mortgage Pfandbrief			Aa1
Bank ratings			
Long-term	BBB	BBB	
Outlook/Trend	Stable	Stable	
Short-term	A-2	R-2 (high)	
Stand-alone rating ¹	bbb-	BBB	
Other Ratings			
Subordinated Debt	BB	BBB (low) ²	

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Note: The above list does not include all ratings 1 S&P: Stand-alone credit profile; DBRS: Intrinsic Assessment 2 Stable Trend

Definition of borrower classifications

Borrower classification	Definition
Sovereign	Direct and indirect obligations of Central Governments, Central Banks and National Debt Agencies
Sovereign (related)	Indirect obligations of Non Sovereigns with an explicit first call guarantee by a Sovereign
Regional Government	Direct and indirect obligations of Regional, Provincial and Municipal Governments
Regional Government (related)	Indirect obligations of Non Regional Government with an explicit first call guarantee by a Regional Government
Public Sector Enterprise	Direct obligations of administrative bodies and non commercial/non-profit undertakings
Public Sector Enterprise (related)	Indirect obligations of Non Public Sector Enterprise with an explicit first call guarantee by a Public Sector Enterprise
Financial Institution	Direct and indirect obligations of Universal Banks, Investment Banks, Mortgage Institutions, Brokerages and other banks or Basel regulated institution
Corporation	Direct and indirect obligations of enterprises, established under corporate law and operating in a for profit or competitive environment
Structured Finance	Obligations of an SPV which references the risk of an underlying pool of securitised assets, either synthetically via CDS or directly, the tranches issued by the SPV have different seniority to each other
Supranational	Direct obligations to international Organisations and International Investment and Development Banks
Other	Direct obligations to Individuals

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