

Final Terms

27 January 2017

EUR 5,000,000 Callable Step-up Mortgage Pfandbriefe due 30 January 2032

Series 15259, Tranche 1

issued pursuant to the

**Euro 50,000,000,000
Debt Issuance Programme**

of

Deutsche Pfandbriefbank AG

Issue Price: 100.00%

Issue Date: 31 January 2017

These Final Terms are issued to give details of an issue of Notes under the Euro 50,000,000,000 Debt Issuance Programme (the "Programme") of Deutsche Pfandbriefbank AG (the "Issuer") established on 15 December 1998 and lastly amended and restated on 11 April 2016. The Final Terms attached to the Base Prospectus dated 11 April 2016 and supplemented on 24 May 2016, 4 July 2016, on 22 August 2016, on 23 November 2016 and 19 December 2016 are presented in the form of a separate document containing only the final terms according to Article 26 para. 5 subpara. 2 of the Commission's Regulation (EC) No 809/2004 of 29 April 2004 as amended (the "Regulation"). The Base Prospectus and any supplement thereto and the Final Terms have been published on the website of the Issuer www.pfandbriefbank.com (see <https://www.pfandbriefbank.com/debt-instruments/emissionsprogramme/dip-programm.html>).

The Final Terms of the Notes must be read in conjunction with the Base Prospectus as so supplemented (save in respect of the Conditions, see below). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented.

Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions, as set out in the Base Prospectus (the “**Terms and Conditions**”).

*Begriffe, die in den im Basisprospekt enthaltenen Emissionsbedingungen (die „**Emissionsbedingungen**“) definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

The Terms and Conditions shall be completed and specified by the information contained in Part I of these Final Terms. The relevant Option V of the Terms and Conditions, completed and specified by, and to be read together with, Part I of these Final Terms (Reference Conditions) represent the conditions applicable to the relevant Series of Notes (the “**Conditions**”). If and to the extent the Conditions deviate from the Terms and Conditions, the Conditions shall prevail. If and to the extent the Conditions deviate from other terms contained in this document, the Conditions shall prevail.

*Die Emissionsbedingungen werden durch die Angaben in Teil I dieser Endgültigen Bedingungen vervollständigt und spezifiziert. Die Option V der Emissionsbedingungen der Schuldverschreibungen, vervollständigt und spezifiziert durch und in Verbindung mit Teil I dieser Endgültigen Bedingungen (Verweis-Bedingungen) stellen für die betreffende Serie von Schuldverschreibungen die Bedingungen der Schuldverschreibungen dar (die „**Bedingungen**“). Sofern und soweit die Emissionsbedingungen von den Bedingungen abweichen, sind die Bedingungen maßgeblich. Sofern und soweit die Bedingungen von den übrigen Angaben in diesem Dokument abweichen, sind die Bedingungen maßgeblich.*

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Pfandbriefe with fixed interest rates set forth in the Base Prospectus as Option V.

Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Emissionsbedingungen, der auf Pfandbriefe mit fester Verzinsung Anwendung findet, zu lesen, der als Option V im Basisprospekt enthalten ist.

All references in this part of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

Bezugnahmen in diesem Abschnitt der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes.

Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen gestrichen.

CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)

WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)

Type of Pfandbriefe
Art der Pfandbriefe

- Mortgage Pfandbriefe
Hypothekendarlehenpfandbriefe
- Public Sector Pfandbriefe
Öffentliche Pfandbriefe

Specified Currency
Festgelegte Währung Euro (“**EUR**“)
Euro (“**EUR**“)

Aggregate Principal Amount
Gesamtnennbetrag EUR 5,000,000
EUR 5.000.000

Specified Denomination(s)
Stückelung/Stückelungen EUR 100,000
EUR 100.000

Number of Notes to be issued in each Specified Denomination
Zahl der in jeder Stückelung auszugebenden Schuldverschreibungen 50
50

New Global Note
New Global Note

No
Nein

TEFRA

- TEFRA C - Permanent Global Note
TEFRA C - Dauerglobalurkunde
- TEFRA D - Temporary Global Note exchangeable for Permanent Global Note
TEFRA D - Vorläufige Globalurkunde austauschbar gegen Dauerglobalurkunde
- Neither TEFRA D nor TEFRA C - Permanent Global Note
Weder TEFRA D noch TEFRA C - Dauerglobalurkunde

Certain Definitions
Bestimmte Definitionen

Clearing System

- Clearstream Banking AG, Frankfurt am Main
D-60485 Frankfurt am Main
- Euroclear Bank SA/NV
1 Boulevard du Roi Albert II
B-1210 Brussels
- Clearstream Banking S.A., Luxembourg
42 Avenue JF Kennedy
L-1855 Luxembourg
- Other – specify
sonstige (angeben)

Business Day
Geschäftstag

- TARGET
- Relevant Financial Centres
Relevante Finanzzentren

INTEREST (§ 3) *ZINSEN (§ 3)*

- Fixed Rate Notes (other than Zero Coupon Notes)
Festverzinsliche Schuldverschreibungen (außer Nullkupon-Schuldverschreibungen)

Rate of Interest and Interest Payment Dates
Zinssatz und Zinszahlungstage

Rate of Interest

1.00 per cent. per annum from and including 31 January 2017 to but excluding 30 January 2020;
1.25 per cent. per annum from and including 30 January 2020 to but excluding 30 January 2023;
1.50 per cent. per annum from and including 30 January 2023 to but excluding 30 January 2026;
1.75 per cent. per annum from and including 30 January 2026 to but excluding 30 January 2029;
2.25 per cent. per annum from and including 30 January 2029 to but excluding the Maturity Date.

Zinssatz

1,00% per annum vom und einschließlich dem 31. Januar 2017 bis zum und ausschließlich dem 30. Januar 2020;

1,25% per annum vom und einschließlich dem 30. Januar 2020 bis zum und ausschließlich dem 30. Januar 2023;

1,50% per annum vom und einschließlich dem 30. Januar 2023 bis zum und ausschließlich dem 30. Januar 2026;

1,75% per annum vom und einschließlich dem 30. Januar 2026 bis zum und ausschließlich dem 30. Januar 2029;

2,25% per annum vom und einschließlich dem 30. Januar 2026 bis zum und ausschließlich dem Fälligkeitstag.

Interest Commencement Date <i>Verzinsungsbeginn</i>	31 January 2017 <i>31. Januar 2017</i>
Fixed Interest Date(s) <i>Festzinstermine</i>	30 January in each year; short first coupon from (and including) the Interest Commencement Date to (and excluding) First Interest Payment Date <i>30. Januar in jedem Jahr; erster kurzer Kupon vom Verzinsungsbeginn (einschließlich) bis zum Ersten Zinszahlungstag (ausschließlich)</i>
First Interest Payment Date <i>Erster Zinszahlungstag</i>	30 January 2018 <i>30. Januar 2018</i>
<i>(für jeden Nennbetrag)</i>	
Determination Date(s) <i>Feststellungstermine</i>	one in each year <i>einer in jedem Jahr</i>
Business Day Convention <i>Geschäftstagskonvention</i>	
<input checked="" type="checkbox"/> Following Business Day Convention <i>Folgende Geschäftstag-Konvention</i>	
<input type="checkbox"/> Modified Following Business Day Convention <i>Modifizierte folgende Geschäftstag-Konvention</i>	
Adjustment <i>Anpassung</i>	No <i>Nein</i>
<input type="checkbox"/> Zero Coupon Notes <i>Nullkupon-Schuldverschreibungen</i>	
Accrual of Interest <i>Auflaufende Zinsen</i>	
Amortisation Yield <i>Emissionsrendite</i>	
Day Count Fraction <i>Zinstagequotient</i>	
<input type="checkbox"/> Actual/Actual (ISDA)	
<input checked="" type="checkbox"/> Actual/Actual (ICMA)	
<input type="checkbox"/> Actual/365 (Fixed)	
<input type="checkbox"/> Actual/360	
<input type="checkbox"/> 30/360 or 360/360 or Bond Basis	

30E/360 or Eurobond Basis

REDEMPTION (§ 5)
RÜCKZAHLUNG (§ 5)

Redemption at Maturity

Rückzahlung bei Endfälligkeit

Maturity Date 30 January 2032
Fälligkeitstag 30. Januar 2032

Final Redemption Amount
Rückzahlungsbetrag

- Principal amount
Nennbetrag
- Final Redemption Amount (per each Specified Denomination)
Rückzahlungsbetrag (für jede Festgelegte Stückelung)

Early Redemption

Vorzeitige Rückzahlung

Early Redemption at the Option of the Issuer Yes
Vorzeitige Rückzahlung nach Wahl der Emittentin Ja

Minimum Redemption Amount Principal Amount
Mindestrückzahlungsbetrag Nennbetrag

Higher Redemption Amount Not Applicable
Mindestrückzahlungsbetrag Nicht anwendbar

Höherer Rückzahlungsbetrag

Call Redemption Date(s) 30 January 2020, 30 January 2023,
30 January 2026 and 30 January 2029

Wahlrückzahlungstag(e) (Call) 30. Januar 2020, 30. Januar 2023,
30. Januar 2026 und 30. Januar 2029

Call Redemption Amount(s) EUR 100,000 per Specified Denomination
Wahlrückzahlungsbetrag/-beträge (Call) EUR 100.000 je Festgelegte Stückelung

Minimum Notice to Holders 5 Business Days
Mindestkündigungsfrist 5 Geschäftstage

Maximum Notice to Holders Not Applicable
Höchstkündigungsfrist Nicht anwendbar

ISSUING AGENT AND PAYING AGENTS (§ 6)
EMISSIONSSTELLE UND ZAHLSTELLEN (§ 6)

Issuing Agent/specified office Deutsche Pfandbriefbank AG
Emissionsstelle/bezeichnete Geschäftsstelle Freisinger Straße 5

85716 Unterschleissheim
Germany / Deutschland

Paying Agent(s)/specified office(s) Deutsche Pfandbriefbank AG
Zahlstelle(n)/bezeichnete Geschäftsstelle(n) Freisinger Straße 5
85716 Unterschleissheim
Germany / Deutschland

NOTICES (§10)
MITTEILUNGEN (§10)

Place and medium of publication
Ort und Medium der Bekanntmachung

- Germany (federal gazette)
Deutschland (Bundesanzeiger)

- Website of the stock exchange
- Website of the Issuer
Internetseite der Emittentin

GOVERNING LAW (§ 11)
ANWENDBARES RECHT (§ 11)

Governing Law
Anwendbares Recht

German Law
Deutsches Recht

LANGUAGE (§ 12)
SPRACHE (§ 12)

Language of Conditions
Sprache der Bedingungen

- German only
ausschließlich Deutsch
- English only
ausschließlich Englisch
- English and German (English controlling)
Englisch und Deutsch (englischer Text maßgeblich)
- German and English (German controlling)
Deutsch und Englisch (deutscher Text maßgeblich)

PART II – OTHER INFORMATION

1. Essential information

Interest of natural and legal persons, including conflict of interests, involved in the issue/offer

- Save as discussed in the Base Prospectus in Section XII. “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Notes has a material interest in the offer.
- Other interest

Reasons for the offer and use of proceeds (if different from making profit and/or hedging risks)

Estimated net proceeds	EUR 5,000,000
Estimated total expenses	EUR 1,100

2. Information concerning the Notes (others than those related to specific articles of terms and conditions)

Securities Identification Numbers

Common Code	155949210
ISIN Code	DE000A2DASG7
German Securities Code	A2DASG

Historic Interest Rates and further performance as well as volatility Not applicable

Yield on issue price Not applicable

Eurosystem eligibility

Intended to be held in a manner which would allow Eurosystem eligibility

Yes

Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safe keeper or with CBF and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

3. Terms and conditions of the offer

Conditions, offer statistics, expected time table, potential investors and action required to apply for offer

Conditions to which the offer is subject	none
Time period, including any possible amendments, during which the offer will be open	not applicable
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by	not applicable

applicants

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)

not applicable

Method and time limits for paying up the securities and for their delivery

not applicable

Manner and date in which results of the offer are to be made public

not applicable

Plan of distribution and allotment

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made

not applicable

Pricing

Expected price at which the Notes will be offered

not applicable

Method of determining the offered price and the process for its disclosure. Indicate the amount of any expenses and taxes specifically charged to the subscriber or purchaser.

not applicable

Placing and Underwriting

Syndicated Notes

Names and addresses of Dealers and underwriting commitments

firm commitment

no firm commitment / best efforts arrangements

Date of subscription agreement

Stabilising Manager(s) (if any)

Non-syndicated Notes

Name and address of Dealer

Société Générale
Tours Société Générale
17 Cours Valmy
92987 Paris La Défense Cedex
France

Delivery

Delivery against payment

Total commissions and concessions

not applicable

Selling Restrictions

Non-exempt Offer

Not Applicable

TEFRA C

TEFRA D

Neither TEFRA C nor TEFRA D

Additional selling restrictions (specify)

4. Admission to trading and dealing agreements

Listing

Munich

Admission to trading

Application has been made for the Notes to be admitted to trading on

the Munich Stock Exchange with effect from the Issue Date.

Estimate of total amount of expenses related to admission to trading

EUR 1,100

Name and address of the entities which have committed themselves to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

not applicable

5. Additional information

Post-issuance Information

- Except for notices required under the Terms and Conditions, the Issuer does not intend to report post-issuance information
- The Issuer intends to report post-issuance information as follows:

Rating

The Notes to be issued are expected to be rated as follows:

Moody's: Aa1

Listing

The above Final Terms comprise the details required to list this issue of Notes (as from 31 January 2017) under the Euro 50,000,000,000 Debt Issuance Programme of Deutsche Pfandbriefbank AG.

6. Information to be provided regarding the consent by the Issuer or person responsible for drawing up the Prospectus

Consent to use Prospectus

Not applicable

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

Deutsche Pfandbriefbank AG

(as Issuing Agent)

