DEUTSCHE
PFANDBRIEFBANK

Quarterly Information as of 30 September 2025

Deutsche Pfandbriefbank Group

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Business Performance

Key Figures

Deutsche Pfandbriefbank Group (pbb Group)		1.1.–30.9.2025	1.1.–30.9.2024
Operating performance according to IFRS			
Profit before tax	in € million	-235	87
Net income	in € million	-227	74
thereof attributable to the ordinary shareholders	in € million	-246	55
thereof attributable to the AT1 investors	in € million	19	19
Key ratios		**1.1.–30.9.2025**	**1.1.–30.9.2024**
Earnings per share	in €	-1.83	0.41
Cost-income ratio[1)]	in %	59.8	45.6
Return on tangible equity before tax[2)]	in %	-12.0	3.1
Return on tangible equity after tax[2)]	in %	-11.1	2.4
New business volume Real Estate Finance[4)]	in € billion	4.0	2.5
Balance sheet figures according to IFRS		**30.9.2025**	**31.12.2024**
Total assets	in € billion	42.6	44.2
Equity	in € billion	3.2	3.4
Financing volumes Real Estate Finance	in € billion	27.6	29.0
Key regulatory capital ratios[5)]		**30.9.2025**	**31.12.2024**
CET1 ratio	in %	15.4	14.4
Own funds ratio	in %	19.7	17.2
Leverage ratio	in %	7.2	7.5
Staff		**30.9.2025**	**31.12.2024**
Employees (on full-time equivalent basis)		795	778
Long-term issuer rating/outlook[6)7)]		**30.9.2025**	**31.12.2024**
Standard & Poor's		BBB-/Stable	BBB-/Negative
Moody's Pfandbrief rating		**30.9.2025**	**31.12.2024**
Public sector Pfandbriefe		Aa1	Aa1
Mortgage Pfandbriefe		Aa1	Aa1

[1)] Cost-income ratio is the ratio of general and administrative expenses and net income from write-downs and write-ups on non-financial assets to operating income.
[2)] Return on tangible equity before tax is the ratio of annualised profit/loss before tax less AT1 coupon and average IFRS equity excluding intangible assets, deferred tax assets and AT1 capital.
[3)] Return on tangible equity after tax is the ratio of annualised net income/loss less AT1 coupon and average IFRS equity excluding intangible assets and AT1 capital.
[4)] Including prolongations with maturities of more than one year.
[5)] Since 2025, capital ratios have been determined under Basel 4 and, due to the different calculation methodology, are not comparable with the figures as at 31 December 2024 under Basel 3. Figures as at 31 December 2024 after approval of the 2024 consolidated financial statements, less AT1 coupon and divedend.
[6)] The ratings of unsecured liabilities may diverge from the issuer ratings.
[7)] The rating agencies may alter or withdraw their ratings at any time. Ratings of individual securities issued by pbb may deviate from the ratings indicated above, or an individual security may not be rated at all. For the evaluation and usage of ratings, please refer to the rating agencies' pertinent criteria and explanations and the relevant terms of use, which are to be considered. Ratings should not serve as a substitute for personal analysis. They do not constitute a recommendation to purchase, sell or hold securities issued by Deutsche Pfandbriefbank AG (pbb).

This notice is a quarterly report of the Deutsche Pfandbriefbank Group ("pbb Group") in accordance with section 53 of the Exchange Rules (Börsenordnung) of the Frankfurt Stock Exchange. Unless stated otherwise, the following comments are based on (unaudited) consolidated figures in accordance with International Financial Reporting Standards (IFRS), adopted by the EU. Furthermore, also unless stated otherwise, the comments relate to comparison with the same period of the previous year (1 January to 30 September 2024, also referred to as "9m2024" below) or, in the case of details concerning the statement of financial position, comparison with figures as at the previous year's reporting date (31 December 2024).

Development in Earnings

Particularly against the backdrop of the decision to withdraw from the US market, the net income from risk provisioning was significantly more negative at €-356 million in the reporting period (1 January to 30 September 2025; hereinafter '9m2025') than in the same period of the previous year (€-140 million). As a result, profit before tax amounted to €-235 million (9m2024: €87 million). Profit before tax excluding net income from risk provisioning amounted to €121 million (9m2024: €227 million).

A detailed breakdown of the results is provided below:

Income and expenses

in € million	1.1. - 30.9.2025	1.1.-30.9.2024
Operating income	316	425
Net interest income	310	359
Net fee and commission income	4	3
Net income from financial instruments at fair value through profit or loss (Net income from fair value measurement)[1)]	-27	4
Net income from derecognition of financial instruments not measured at fair value through profit or loss (Net income from realisations)[1)]	12	57
Net income from hedge accounting	4	4
Impairments on entities accounted for using the equity method	-11	-
Net other operating income	24	-2
Net income from allowances on financial assets (Net income from risk provisioning)[1)]	-356	-140
General and administrative expenses	-173	-179
Expenses from bank levies and similar dues	-3	-4
Net income from write-downs and write-ups on non-financial assets	-16	-15
Net income from restructuring	-3	-
Profit before tax	**-235**	**87**
Income taxes	8	-13
Net income	**-227**	**74**
attributable to:		
Shareholders	-227	74

[1)] Solely the condensed and parenthesised line item descriptions are used subsequently.

Net interest income amounted to €310 million, compared with €359 million in the same period of the previous year. In addition to higher refinancing costs, this decline is attributable to the lower average volume of real estate finance (REF) financing (€28.4 billion; 9m2024: €30.3 billion). The volume-related decline in net interest income was only partially offset by the increase in the average portfolio margin. In addition, the average financing volume in the non-strategic Non-Core (NC) segment decreased to €9.3 billion (9m2024: €11.5 billion) due to maturities and sales. In particular, the disposal of higher-yielding bonds in 2024 weighed on net interest income in the current year, while no new business is being concluded in NC.

At €4 million, net fee and commission income remained at the previous year's level (9m2024: €3 million) and resulted from non-deferrable fees.

Net income from fair value measurement (9m2025: €-27 million; 9m2024: €4 million) was impacted by the decision to withdraw from the US market and the associated valuation losses on financial assets in the US. In the same period of the previous year, positive effects on financial instruments measured at fair value through profit or loss resulted from the decline in short- and medium-term capital market interest rates at that time.

Net income from realisations of €12 million was mainly attributable to early repayment penalties and disposals of financial assets. In the same period of the previous year (9m2024: €57 million), it included in particular income from the sale of financial assets in the NC segment, from the derecognition of liabilities and from the expiry of obligations.

Net income from hedge accounting amounted to €4 million (9m2024: €4 million). With largely effective hedges, there were minor effects from different interest rate fixing dates for underlying and hedging transactions.

The impairment on entities accounted for using the equity method (€-11 million; 9m2024: €0 million) related to the associate 161 North Clark Holdco LLC, New York, which was established in 2024 for the purpose of salvage acquisitions. The impairment was related to the withdrawal from the US market and the associated recognition of short-term realisation proceeds for the property held.

Net other operating income of €24 million was mainly attributable to a payment of €16 million made as part of a settlement in connection with a legal dispute involving a predecessor company of pbb. Currency translation also resulted in €9 million, which arose from the appreciation of the euro against the US dollar. The result for the same period of the previous year of €-2 million was mainly due to net additions to provisions outside the lending business.

At €-356 million, the net income from risk provisioning was significantly more negative than in the first nine months of 2024 (9m2024: €-140 million). The additions were attributable to financing without indicators of impaired credit quality (stages 1 and 2) and with indicators of impaired credit quality (stage 3). The impairments mainly related to real estate financing in the United States.

Net additions to risk provisions for financial assets in stage 3 amounted to €286 million (9m2024: €140 million), of which €218 million related to real estate financing in the United States. This was mainly due to the material adjustment of the scenarios used to measure risk provisions in view of the planned withdrawal from the US market. Assumptions for the proceeds from the planned short-term disposal of non-performing loans were taken into account. In contrast, net additions for real estate financing in Europe were €68 million, below previous year's figure (9m2024: €71 million).

Net additions to risk provisions for financial assets in stages 1 and 2 amounted to €73 million (9m2024: net reversals of €19 million). These additions consisted of model-based reversals of €3 million and the creation of a management overlay of €76 million. On the one hand, as part of the management overlay, US real estate financing without indicators of impaired credit quality was collectively provisioned in the amount of the lifetime expected credit loss and reported as stage 2. On the other hand, the management overlay included an adjustment of the model-based loss given default (LGD) rates. The LGDs were recalculated on the basis of updated historical defaults and compared with the values of the risk provision model for stages 1 and 2. This resulted in a premium on the LGDs, which was taken into account in the management overlay.

General and administrative expenses were slightly below the previous year's figure at €173 million (9m2024: €179 million). Despite a lower average number of employees, personnel expenses slightly exceeded the previous year's figure (€99 million; 9m2024: €97 million). This was due to the reversal of provisions for severance payments in the same period of the previous year. Non-personnel expenses were €74 million, down on the same period of the previous year (9m2024: €82 million), which is attributable to lower IT expenses following the successful internalisation of some IT services and a provider change.

Expenses for bank levies and similar expenses amounted to €-3 million (9M2024: €-4 million). The majority of this was attributable to the Compensation Scheme of German Banks.

Net income from write-downs and write-ups of non-financial assets amounted to €-16 million (9m2024: €-15 million) and included depreciation and amortisation of property and equipment and intangible assets.

Net income of restructuring of €-3 million (9M2024: €0 million) is attributable to personnel measures in connection with the withdrawal from the US market.

Of the income taxes (€8 million; 9m2024: €-13 million), €-6 million (9m2024: €-7 million) was attributable to current taxes and €14 million (9m2024: €-6 million) to deferred taxes.

Development in Assets and Financial Position

DEVELOPMENT IN ASSETS

Assets

in € million	30.9.2025	31.12.2024
Cash reserve	3,869	2,010
Financial assets at fair value through profit or loss	1,089	1,247
Positive fair values of stand-alone derivatives	172	484
Equity instruments	1	-
Debt securities	126	127
Loans and advances to customers	787	633
Shares in investment funds qualified as debt instruments	3	3
Financial assets at fair value through other comprehensive income	1,433	1,256
Debt securities	1,433	1,255
Loans and advances to customers	-	1
Financial assets at amortised cost after credit loss allowances	35,812	39,225
Financial assets at amortised cost before credit loss allowances	36,631	39,764
Debt securities	1,902	2,471
Loans and advances to other banks	1,196	1,737
Loans and advances to customers	33,421	35,434
Claims from financial lease agreements	112	122
Credit loss allowances on financial assets at amortised cost	-819	-539
Positive fair values of hedge accounting derivatives	107	135
Valuation adjustment from portfolio hedge accounting (assets)	-34	-43
Investments accounted for using the equity method	1	14
Property and equipment	30	33
Intangible assets	46	51
Other assets	67	72
Current income tax assets	20	51
Deferred income tax assets	133	118
Total assets	**42,573**	**44,169**

Compared with the end of the previous year, total assets decreased by €1.6 billion. This was mainly due to the decline in financial assets at amortised cost. This item decreased in connection with a lower REF portfolio volume, a lower volume of reverse repurchase agreements and a lower volume of municipal loans. These effects led to an increase in cash reserves. Within financial assets measured at fair value through profit or loss, the carrying amount of derivatives decreased due to maturities. This decline more than offset the increase in receivables from customers within this valuation category due to planned syndications. Financial assets at fair value through other comprehensive income increased due to purchases of (government) bonds within the liquidity reserve.

DEVELOPMENT IN FINANCIAL POSITION

Liabilities and equity

in € million	30.9.2025	31.12.2024
Financial liabilities at fair value through profit or loss	255	700
Negative fair values of stand-alone derivatives	255	700
Financial liabilities measured at amortised cost	38,467	39,369
Liabilities to other banks	1,847	2,943
Liabilities to customers	17,346	18,091
Bearer bonds	18,627	17,732
Subordinated liabilities	647	603
Negative fair values of hedge accounting derivatives	545	493
Valuation adjustment from portfolio hedge accounting (liabilities)	-16	-2
Provisions	95	115
Other liabilities	60	63
Current income tax liabilities	9	10
Deferred income tax liabilities	1	2
Liabilities	**39,416**	**40,750**
Equity attributable to the shareholders of pbb	2,859	3,121
Subscribed capital	380	380
Additional paid-in capital	1,637	1,637
Retained earnings	955	1,227
Accumulated other comprehensive income	-113	-123
from pension commitments	-60	-73
from cash flow hedge accounting	-44	-41
from financial assets at fair value through OCI	-9	-9
Additional equity instruments (AT1)	298	298
Equity	**3,157**	**3,419**
Total equity and liabilities	**42,573**	**44,169**

Liabilities

Compared with the end of the previous year, total liabilities declined. As on the assets side, the maturity of derivatives led to a reduction in financial liabilities at fair value through profit or loss. Liabilities to other banks within financial liabilities measured at amortised cost decreased. This was due to a reduction in reverse repurchase agreements and the maturity of open market transactions with the ECB. In the area of liabilities to customers, public covered bonds declined due to maturities. In addition, the deposit business in connection with pbb direkt was aligned with refinancing requirements, which led to a slight decrease. Only within the bearer bonds item did the volume of mortgage Pfandbriefe increase.

Equity

Equity decreased by €262 million in the reporting period. This was primarily due to the net loss of €-227 million. The AT1 coupon of €25 million paid in April 2025 and the dividend of €20 million paid in June 2025 also reduced retained earnings. Actuarial losses from pension obligations decreased by €13 million as the discount rate used to measure pension obligations increased (30 September 2025: 3.98%; 31 December 2024: 3.48%).

Funding

During the reporting period, the pbb Group placed new long-term refinancing volume equivalent to €3.1 billion (9m2024: €2.0 billion) on the market. This was offset by redemptions and terminations totalling €0.3 billion (9m2024: €0.9 billion), with the volume largely attributable to the repurchase of existing Tier 2 bonds. Funding activities consisted of Pfandbriefe and unsecured liabilities, which were issued both in benchmark format and in the form of private placements. Pfandbriefe accounted for €2.1 billion (9m2024: €2.0 billion). Unsecured refinancing is almost evenly balanced between retail deposits (€7.4 billion compared to €7.6 billion as at 31 December 2024) and capital market funding. As part of its ESG strategy, pbb issued a green senior preferred bond (green bond) with a volume of €750 million in the third quarter of 2025. A subordinated bond in the amount of €300 million was also issued. The transactions were predominantly conducted in euro and on a fixed-interest basis. Open interest rate positions are generally hedged by swapping fixed interest rates for variable interest rates. To minimise the currency risk between assets and liabilities, Pfandbriefe with a value of €0.4 billion were issued in Swedish kronor. The foreign currency was converted into euros at the exchange rate applicable at the time of issue.

Liquidity

As at 30 September 2025, the liquidity coverage ratio was 209% (31 December 2024: 200%).

Off-balance Sheet Commitments

Irrevocable loan commitments of €1.4 billion (31 December 2024: €1.5 billion) represent the majority of off-balance sheet obligations. Contingent liabilities on guarantees and indemnity agreements amounted to €0.2 billion as at 30 September 2025 (31 December 2024: €0.1 billion).

Segment Reporting

Income/expenses

in € million		Real Estate Finance (REF)	Non-Core (NC)	Consolidation & Adjustments (C&A)	**pbb Group**
Operating income	1.1.-30.9.2025	293	23	-	316
	1.1.-30.9.2024	350	75	-	425
Net interest income	1.1.-30.9.2025	296	14	-	310
	1.1.-30.9.2024	336	23	-	359
Net fee and commission income	1.1.-30.9.2025	5	-1	-	4
	1.1.-30.9.2024	4	-1	-	3
Net income from fair value measurement	1.1.-30.9.2025	-27	-	-	-27
	1.1.-30.9.2024	2	2	-	4
Net income from realisations	1.1.-30.9.2025	7	5	-	12
	1.1.-30.9.2024	6	51	-	57
Net income from hedge accounting	1.1.-30.9.2025	3	1	-	4
	1.1.-30.9.2024	3	1	-	4
Impairments on entities accounted for using the equity method	1.1.-30.9.2025	-11	-	-	-11
	1.1.-30.9.2024	-	-	-	-
Net other operating income	1.1.-30.9.2025	20	4	-	24
	1.1.-30.9.2024	-1	-1	-	-2
Net income from risk provisioning	1.1.-30.9.2025	-356	-	-	-356
	1.1.-30.9.2024	-140	-	-	-140
General and administrative expenses	1.1.-30.9.2025	-162	-11	-	-173
	1.1.-30.9.2024	-169	-10	-	-179
Expenses from bank levies and similar dues	1.1.-30.9.2025	-2	-1	-	-3
	1.1.-30.9.2024	-3	-1	-	-4
Net income from write-downs and write-ups of non-financial assets	1.1.-30.9.2025	-15	-1	-	-16
	1.1.-30.9.2024	-14	-1	-	-15
Net income from restructuring	1.1.-30.9.2025	-3	-	-	-3
	1.1.-30.9.2024	-	-	-	-
Profit before tax	**1.1.-30.9.2025**	**-245**	**10**	**-**	**-235**
	1.1.-30.9.2024	**24**	**63**	**-**	**87**

Balance-sheet-related measures

in € billion		REF	NC	C&A	**pbb Group**
Financing volumes[1)]	30.9.2025	27.6	8.9	-	**36.5**
	31.12.2024	29.0	9.7	-	**38.7**
Risik-weighted assets[2)]	30.9.2025	17.2	0.1	0.2	**17.5**
	31.12.2024	20.2	0.2	0.2	**20.6**
Equity[3)]	30.9.2025	2.8	-	-	**2.8**
	31.12.2024	3.1	-	0.1	**3.2**

[1)] Notional amounts of the drawn parts of granted loans and parts of the securities portfolio.
[2)] Including risk-weighted credit risk positions as well as the capital requirements for market risk positions and operational risks scaled with the factor 12.5.
[3)] Excluding AT1 capital.

Breakdown of Maturities by Remaining Term

Maturities of specific financial assets and liabilities (excluding derivatives)

in € million	not specified/ repayable on demand	up to 3 months	more than 3 months up to 1 year	more than 1 year up to 5 years	more than 5 years	30.9.2025 Total
Cash reserve	3,869	-	-	-	-	3,869
Financial assets at fair value through profit or loss	6	89	212	609	-	916
Debt securities	-	85	-	41	-	126
Loans and advances to customers	3	4	212	568	-	787
Shares in investment funds qualified as debt instruments	3	-	-	-	-	3
Financial assets at fair value through other comprehensive income	-	43	-	984	406	1,433
Debt securities	-	43	-	984	406	1,433
Financial assets at amortised cost before credit loss allowances	595	3,347	4,729	20,031	7,929	36,631
Debt securities	-	40	220	960	682	1,902
Loans and advances to other banks	548	3	-	527	118	1,196
Loans and advances to customers	47	3,301	4,499	18,485	7,089	33,421
Claims from financial lease agreements	-	3	10	59	40	112
Total financial assets	**4,470**	**3,479**	**4,941**	**21,624**	**8,335**	**42,849**
Financial liabilities at cost	944	3,977	6,286	17,731	9,529	38,467
Liabilities to other banks	65	788	186	558	250	1,847
Thereof: Registred bonds	-	104	157	430	192	883
Liabilities to customers	871	1,037	2,890	4,935	7,613	17,346
Thereof: Registred bonds	-	375	325	1,577	6,734	9,011
Bearer bonds	8	2,131	3,155	11,978	1,355	18,627
Subordinated liabilities	-	21	55	260	311	647
Total financial liabilities	**944**	**3,977**	**6,286**	**17,731**	**9,529**	**38,467**

Maturities of specific financial assets and liabilities (excluding derivatives)

in € million	not specified/ repayable on demand	up to 3 months	more than 3 months up to 1 year	more than 1 year up to 5 years	more than 5 years	31.12.2024 Total
Cash reserve	2,010	-	-	-	-	2,010
Financial assets at fair value through profit or loss	4	65	95	599	-	763
Debt securities	-	-	87	40	-	127
Loans and advances to customers	1	65	8	559	-	633
Shares in investment funds qualified as debt instruments	3	-	-	-	-	3
Financial assets at fair value through other comprehensive income	-	74	76	507	599	1,256
Debt securities	-	74	76	506	599	1,255
Loans and advances to customers	-	-	-	1	-	1
Financial assets at amortised cost before credit loss allowances	825	3,894	5,851	19,826	9,368	39,764
Debt securities	-	75	178	1,392	826	2,471
Loans and advances to other banks	783	410	-	250	294	1,737
Loans and advances to customers	42	3,406	5,664	18,127	8,195	35,434
Claims from financial lease agreements	-	3	9	57	53	122
Total financial assets	**2,839**	**4,033**	**6,022**	**20,932**	**9,967**	**43,793**
Financial liabilities at cost	1,150	4,935	4,775	18,745	9,764	39,369
Liabilities to other banks	282	1,393	324	645	299	2,943
Thereof: Registred bonds	-	22	166	490	218	896
Liabilities to customers	859	1,799	2,240	5,119	8,074	18,091
Thereof: Registred bonds	-	297	467	1,691	7,121	9,576
Bearer bonds	9	1,727	2,201	12,416	1,379	17,732
Subordinated liabilities	-	16	10	565	12	603
Total financial liabilities	**1,150**	**4,935**	**4,775**	**18,745**	**9,764**	**39,369**

Report on Post-balance Sheet Date Events

There were no events after 30 September 2025 with a material impact on the development in assets, financial position and earnings of the pbb Group.

Report on Changes in Expected Developments

Due to the unexpectedly prolonged subdued market environment, pbb Group now expects new business volume in Real Estate Finance (including prolongations with maturities of more than one year) in the range of €5.5 billion to €6.0 billion and a financing volume in Real Estate Finance in the range of €27.5 billion to €28.0 billion by the end of 2025.

Additional Information

Future-oriented Statements

This report contains future-oriented statements inter alia in the form of intentions, assumptions, expectations or forecasts. These statements are based on the plans, estimates and predictions currently available to the management board of pbb. Future-oriented statements therefore only apply on the day on which they are made. pbb Group does not undertake any obligation to update such statements in light of new information or future events. By their nature, future-oriented statements contain risks and factors of uncertainty. A number of important factors can contribute to actual results deviating considerably from future-oriented statements. Such factors include geopolitical crises, the condition of the financial markets in Germany, Europe and the USA, the possible default of borrowers or counterparties of trading activities, the reliability of our principles, procedures and methods for risk management as well as other risks associated with our business activity.

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