



DEUTSCHE
PFANDBRIEFBANK

Press release

No distributions for profit-participation certificates and Tier 1 issue from Deutsche Pfandbriefbank AG

- Profit-participation rights of former Nürnberger, Westfälische and Württembergische Hypothekenbanken will not be serviced
- No distributions on Hypo Real Estate International Trust I Tier I issue

Munich, 12 March 2010 – Deutsche Pfandbriefbank AG will - as in the previous year - not service the profit-participation certificates issued by its predecessor institutions, Nürnberger Hypothekenbank, Westfälische Hypothekenbank and Württembergische Hypothekenbank. Following the preparation of the financial statements by the Management Board, the bank does not anticipate making any distributions on any of the profit-participation certificates, for the 2009 financial year and all subsequent financial years to maturity.

Based on its current planning, the Company made the following assumptions regarding repayment claims of holders of profit-participation certificates maturing in 2009 and 2010:

- Profit-participation certificates issued by former Nürnberger Hypothekenbank (ISIN DE0008084047, due 31 Dec 2009): approx. 17.5% of the nominal amount
- Profit-participation certificates issued by former Westfälische Hypothekenbank (ISIN DE0008127218, due 31 Dec 2009; and ISIN DE0008127226, due 31 Dec 2010): no payment

For the 2009 financial year no distributions will be made, since the Company has posted a net loss (Jahresfehlbetrag) or a consolidated net loss (Bilanzverlust) for that period. Based on its current planning, Deutsche Pfandbriefbank AG will not return to profitability before 2012. However, any profits posted will not be sufficient to offset the significant losses carried forward before the profit-participation rights expire. Against this background, the Company does not anticipate having to make any distributions during the term of the remaining profit-participation certificates.

Furthermore, the Company expects a further significant reduction in repayment claims under the remaining listed profit-participation certificates issued by former Württembergische Hypothekenbank (ISIN codes DE0008124041 and DE0005463251), to approx. 1%, due to further losses anticipated for the 2010 and 2011 financial years and the resulting loss carryforwards which will not be offset by the final maturity date.

In addition to the profit-participation certificates set out above, there are five unlisted profit-participation certificates issued by Nürnberger Hypothekenbank and Westfälische Hypothekenbank; the statements above regarding interest and principal payments apply accordingly.

No distributions will be made on the Hypo Real Estate International Trust I Tier 1 issue (ISIN XS0303478118) for the 2009 financial year.



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The financial statements were prepared by the Management Board on 12 March 2010, and are still subject to confirmation by the Supervisory Board. The planning projection also requires approval by the Supervisory Board. Financial statements for HRE Group and Deutsche Pfandbriefbank Group will be published on 26 March 2010.

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