

Press Release



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Offer price for pbb-shares set at 10.75 € per share

- Total gross volume of placement at around 1.156 billion € including over-allotment
- Trading of shares on the Frankfurt Stock Exchange expected to commence on 16 July 2015

Munich, 15 July 2015 – On Wednesday, Hypo Real Estate Holding AG (HRE), jointly with the syndicate banks and the German Federal Agency for Financial Market Stabilisation (*Bundesanstalt für Finanzmarktstabilisierung*, FMSA), has set the offer price for the shares of Deutsche Pfandbriefbank AG (pbb) to be placed in connection with the initial public offering (IPO) at 10.75 € per share.

A total of 107,580,245 shares from the holdings of HRE were placed with 6,589,289 of them being placed in connection with an over-allotment (Over-Allotment Shares). The offer at the offer price was oversubscribed multiple times. Almost all of the shares were allotted to institutional investors.

Based on the offer price, the total gross volume of placement amounts to approximately 1.156 billion € (including approximately 71 million € due to the over-allotment). Following the IPO, HRE will continue to hold 20% of the share capital of pbb if the Greenshoe Option granted to the syndicate banks in respect of the Over-Allotment Shares will be exercised in full; the shareholding may amount to up to 24.9% to the extent the Greenshoe Option will not be exercised.

Trading of pbb shares (trading symbol PBB / ISIN DE0008019001) is expected to commence on 16 July 2015 in the Prime Standard segment of the regulated market of the Frankfurt Stock Exchange.

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Note to editors:

pbb Deutsche Pfandbriefbank (www.pfandbriefbank.com) is a specialist bank for commercial real estate finance and public investment finance. The bank's regional focus is on Germany as well as on the United Kingdom, France, the Nordic countries and selected countries in Central and Eastern Europe. The bank plays an important role in supplying credit to the real estate sector; it supports the public sector with financing for projects and measures designed to enhance public infrastructure.

In commercial real estate finance, pbb focuses on medium-sized to large-scale financings in less volatile property types, including offices, retail properties, apartments and logistics properties. The bank combines its local know-how covering the entire processing chain in the relevant markets, to form a European network which it uses to the benefit of its clients. In this way, pbb is in a position to support regional financing solutions as well as cross-border transactions – one of the few providers to do so. Moreover, pbb benefits from many years of experience in the structuring of financings. Thanks to its network of financing partners with different business profiles, pbb is therefore able to offer larger and complex financing to its clients.

In public investment finance, pbb finances projects providing public-sector infrastructure. In this particular field, the focus is on public-sector facilities, municipal housing, utilities and the waste disposal industry, healthcare, nursing and child-care facilities, as well as educational facilities. In addition to financing public sector infrastructure, pbb is also active in the publicly-guaranteed export credit business.

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