

Results Q1 2010

APPENDIX

Investor Relations Presentation
May 7, 2010

Agenda

Appendix

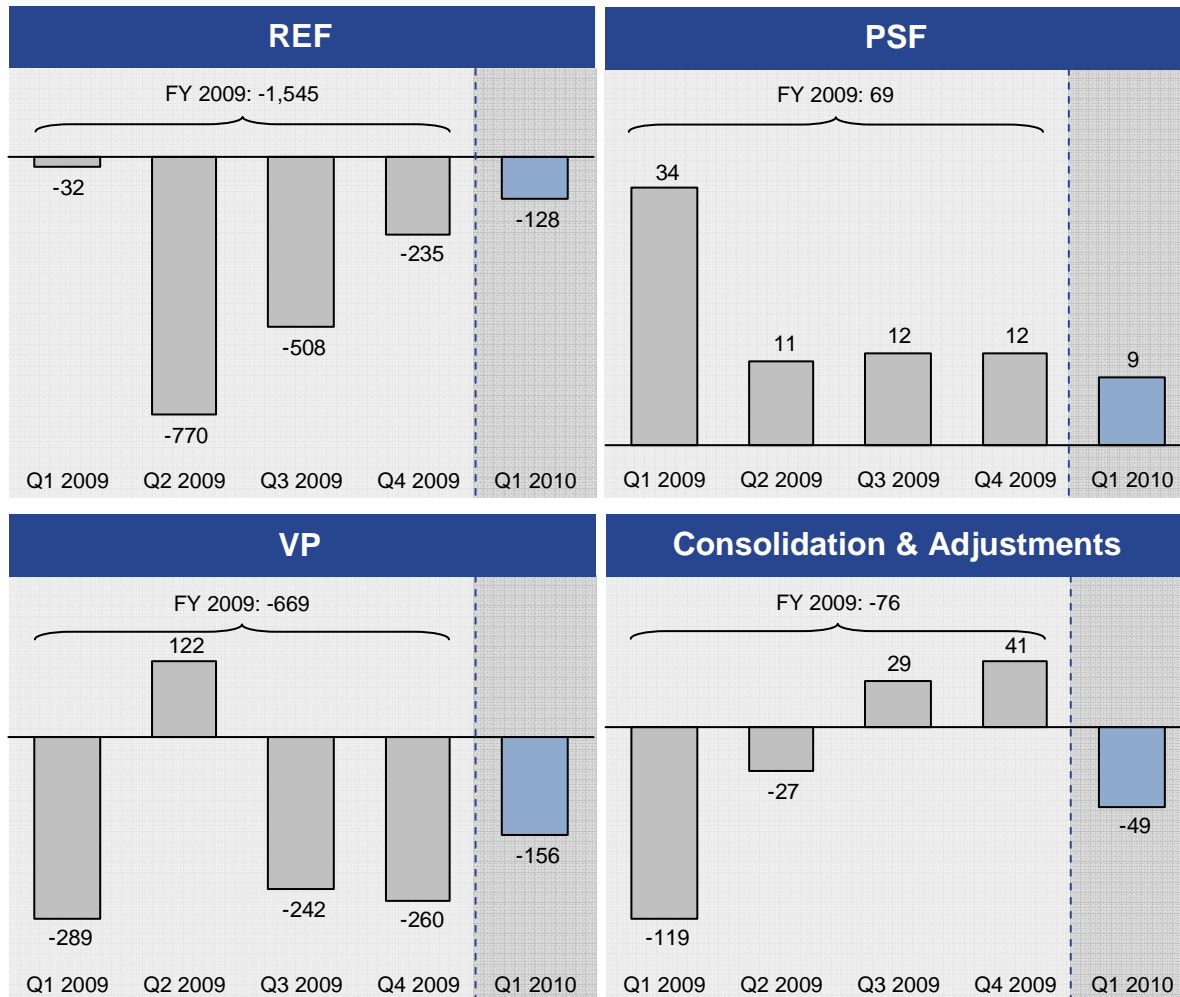
Financials

Portfolio

Ratings

Segment performance

Pretax profit EUR millions



- ▶ Real Estate Finance (REF) – pretax loss up due to less interest income and higher loan-loss provisions
- ▶ Public Sector Finance (PSF) – pretax profit down, reflecting less positive effects from money market situation, especially in Q1
- ▶ Value Portfolio (VP) – pretax loss down due to an improved trading and financial investment result, lower loan-loss provisions and general administrative expenses
- ▶ Consolidation & Adjustments (C&A) mainly includes special items like the HRE Holding result as well as the continuation of the fair-value adjustments relating to the DEPFA acquisition

Balance sheet (IFRS)

Assets EUR millions	31.03. 2010	31.12. 2009	Change	
			EUR mio	%
Cash reserve	200	1,824	-1,624	-89.0
Trading assets	11,976	10,749	1,227	11.4
Loans and advances to other banks	40,931	37,521	3,410	9.1
Loans and advances to customers	198,486	198,344	142	0.1
Allowances for losses on loans and advances	-3,931	-3,898	-33	-0.8
Financial investments	95,996	94,808	1,188	1.3
Property, plan and equipment	12	15	-3	-20.0
Intangible assets	40	44	-4	-9.1
Other assets	17,435	15,399	2,036	13.2
Income tax assets	5,213	4,870	343	7.0
Total assets	366,358	359,676	6,682	1.9

Equity and liabilities EUR millions	31.03. 2010	31.12. 2009	Change	
			EUR mio	%
Liabilities to other banks	142,890	137,349	5,541	4.0
Liabilities to customers	14,920	13,259	1,661	12.5
Liabilities evidenced by certificates	151,497	156,376	-4,879	-3.1
Trading liabilities	13,016	11,391	1,625	14.3
Provisions	243	249	-6	-2.4
Other liabilities	32,045	29,250	2,795	9.6
Income tax liabilities	4,392	3,976	416	10.5
Subordinated capital	3,123	3,217	-94	-2.9
Liabilities	362,126	355,067	7,059	2.0
Subscribed capital	3,649	3,649	-	-
Hybrid capital instruments ¹	1,043	1,043	-	-
Silent participation ²	999	999	-	-
Additional paid-in capital	8,351	8,351	-	-
Retained earnings	-6,608	-4,368	-2,240	-51.3
Revaluation reserve	-2,915	-2,829	-86	-3.0
Afs reserve	-2,622	-2,267	-355	-15.7
Cash flow hedge reserve	-293	-562	269	47.9
Consolidated loss 2009	-	-2,236	2,236	100.0
Consolidated loss Q1 2010	-287	-	-287	-100.0
Equity	4,232	4,609	-377	-8.2
Total equity and liabilities	366,358	359,676	6,682	1.9

1 Hybrid capital instruments of the subsidiary DEPFA Bank plc which had to be reclassified according to IAS 32 under equity instead of under subordinated capital (non-controlling interest)

2 Silent participation of SoFFin to the subsidiary Deutsche Pfandbriefbank AG (non-controlling interest)

Structured products (Corporate Center)

EUR millions

Balance sheet	03/2010			Coverage ratio ¹
	Notional	Book value	Fair value	
Credit-linked investments	857	138	122	84%
Synthetic CDOs	240	0	0	100%
US	240	0	0	100%
Europe	0	0	0	-
Cash CDOs	617	138	122	78%
US	359	14	12	96%
Europe	258	124	110	52%
Real-estate-linked investments	2,768	2,361	1,704	15%
CMBS US	486	374	333	23%
CMBS Europe	1,622	1,406	842	13%
RMBS Europe	660	581	529	12%
Total (03/2010)	3,625	2,499	1,826	31%
Total (12/2009)	4,029	2,833	2,068	30%

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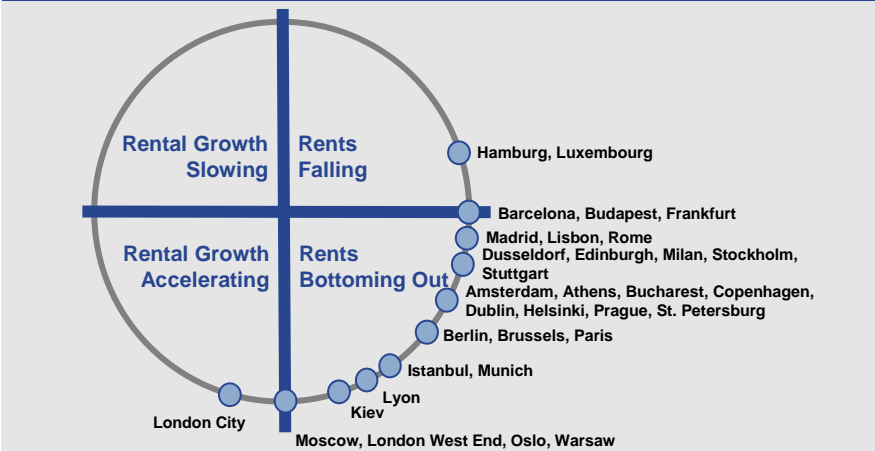
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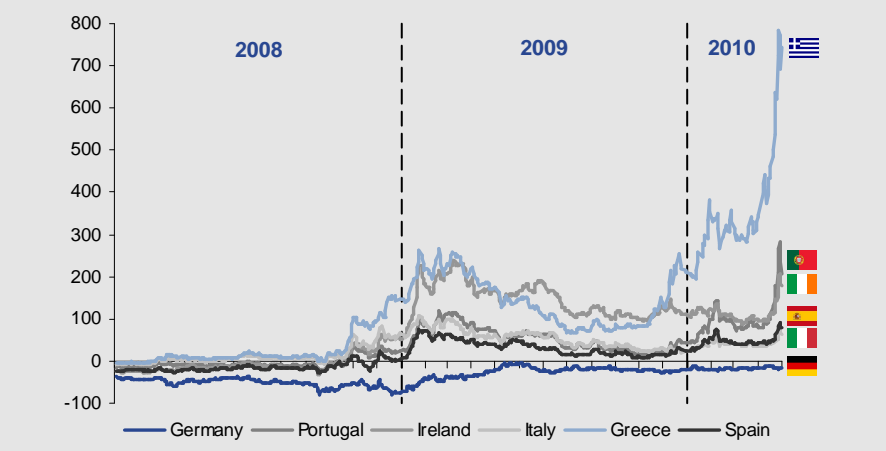
Ratings

Market environment remains difficult

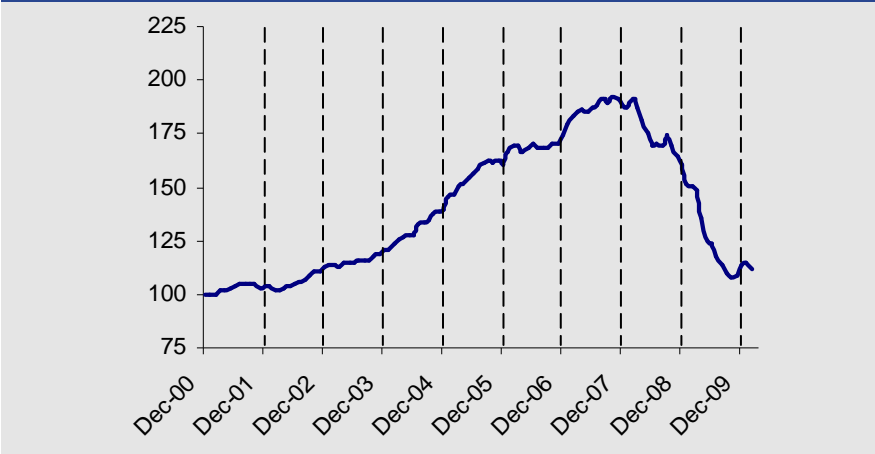
European Office Property Clock¹ Q1 2010



Government spreads (10Y) bps



Moody's/REAL CPPI Commercial Property Price Index (USA) – All Property Type Aggregate



Ratings Outlook/Watch

	Moody's	S&P	Fitch
Germany	Aaa / stable	AAA / stable	AAA / stable
Portugal	Aa2 / under review ²	A- / negative	AA- / negative
Ireland	Aa1 / negative	AA / negative	AA- / stable
Italy	Aa2 / stable	A+ / stable	AA- / stable
Greece	A3 / under review ²	BB+ / negative	BBB- / negative
Spain	Aaa / stable	AA / negative	AAA / stable

Problem and watchlist loans¹

EUR millions

'Old' segmentation	12/2008	12/2009	03/2010
Total problem loans	4,979	10,346	10,400
Workout loans	754	995	786
CRE	495	918	708
Germany	379	332	322
US	48	194	196
UK	0	203	0
Spain	0	151	152
Scandinavia	68	38	38
PS&IF	259	77	78
Lehman Brothers	70	11	11
Icelandic Banks	59	34	34
Restructuring loans	4,225	9,351	9,614
CRE	3,723	8,024	7,953
Germany	1,167	2,222	2,170
US	509	2,105	2,349
UK	584	1,356	1,376
Spain	845	700	731
Scandinavia	173	293	208
PS&IF	502	1,327	1,661
Student loans	376	327	349
Total watchlist loans	1,238	4,221	4,928



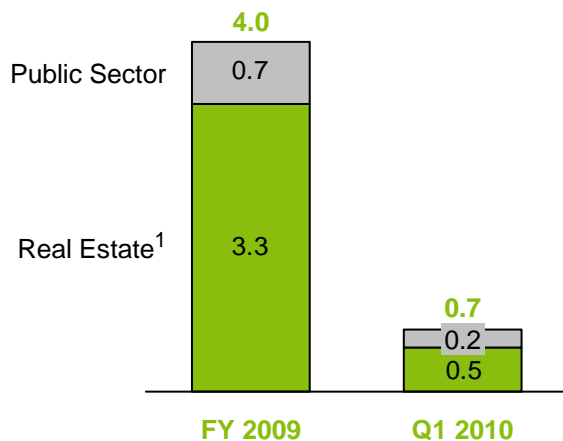
'New' segmentation	03/2010
Total problem loans	10,400
Workout loans	786
REF	708
Germany	322
US	196
UK	0
Spain	152
Scandinavia	38
PSF	34
Icelandic Banks	34
VP	44
Lehman Brothers	11
Restructuring loans	9,614
REF	7,953
Germany	2,170
US	2,349
UK	1,376
Spain	731
Scandinavia	208
PSF	0
VP	1,661
Student loans	349
Total watchlist loans	4,928

'Problem loans' { 'Workout loans' = only deals, which are in foreclosure
 { 'Restructuring loans = payments overdue >90 days or other criteria acc. to respective policy

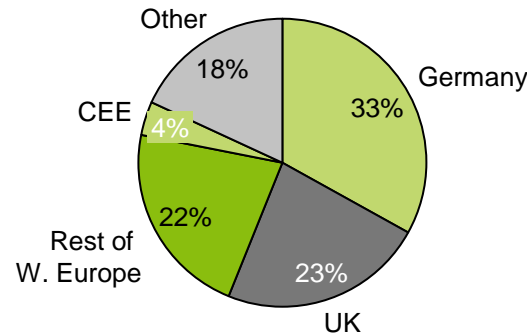
'Watchlist loans' = payments overdue >60 days or other criteria acc. to respective policy

New business

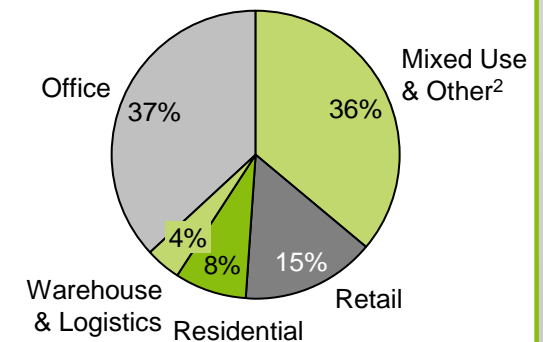
Commitments in EUR billion / in %



REF by region



REF by asset class



Public Sector (6 deals)

- EUR 0.2 bn new business – nearly all Spain, rest Germany
- Average maturity: ~8 yrs
- Average gross margin: >100 bp

Real Estate (12 deals)

- EUR 0.5 bn new business, thereof EUR 0.3 bn extensions >1 year
- Average maturity: ~4 yrs (new commitments); ~3 yrs (extensions >1 year)
- Average LTVs of 64% – 68% for new commitments; 61% for extensions >1 year
- Average gross margin: >250 bp

1. Total volume of deals closed, excl. extensions <=1 year

2. Land, Healthcare

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Current ratings

	Deutsche Pfandbriefbank AG ⁽¹⁾	DEPFA Bank plc	DEPFA ACS Bank	Hypo Pfandbrief Bank International	Hypo Public Finance Bank
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S&P

Public Sector Covered Bonds	AA+ ⁽²⁾		AA ⁽²⁾	AA ⁽³⁾	
Mortgage Covered Bonds	AA+ ⁽³⁾				
Outlook	Credit Watch Positive	Credit Watch Positive	Credit Watch Positive	Credit Watch Positive	Credit Watch Positive
Long Term	BBB	BBB	BBB	BBB	BBB
Short Term	A-2	A-2	A-2	A-2	A-2

Moody's

Public Sector Covered Bonds	Aaa		Aa2 ⁽³⁾		
Mortgage Covered Bonds	Aa3				
Outlook	Negative	Negative	Negative		Negative
Long Term	A3	A3	A3		A3
Short Term	P-1	P-1	P-1		P-1
Financial Strength	E+	E+	E+		

Fitch

Public Sector Covered Bonds	AAA		AAA		
Mortgage Covered Bonds	AA+ ⁽³⁾				
Outlook	Stable	Stable	Stable		Stable
Long Term	A-	A-	A-		A-
Short Term	F1+	F1+	F1+		F1+
Individual Rating		F			

Notes:

The above list does not include all ratings.

1. Former Hypo Real Estate Bank AG. Merger of DEPFA Deutsche Pfandbriefbank AG into Hypo Real Estate Bank AG completed.
2. Credit Watch developing
3. Credit Watch negative / On review for downgrade / Rating Watch Negative

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