

Final Terms

4 August 2016

EUR 259,500,000 Zero Coupon Notes due 8 August 2046

Series 35258, Tranche 1

issued pursuant to the

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

of

Deutsche Pfandbriefbank AG

Issue Price: 38.53205573%

Issue Date: 8 August 2016

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 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.

PART I – CONDITIONS
TEIL I – BEDINGUNGEN

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. Terms and Conditions of the Notes as set out in Part I of these Final Terms 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. Emissionsbedingungen der Schuldverschreibungen, die im Teil I dieser Endgültigen Bedingungen angegeben sind, 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.*

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.

Option I. Notes (other than Pfandbriefe) with fixed interest rates

Option I. Schuldverschreibungen (ausgenommen Pfandbriefe) mit fester Verzinsung

CURRENCY, DENOMINATION, FORM, CERTAIN

DEFINITIONS (§ 1)

WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)

Specified Currency	Euro (EUR)
<i>Festgelegte Währung</i>	<i>Euro (EUR)</i>
Aggregate Principal Amount	EUR 259,500,00.00
<i>Gesamtnennbetrag</i>	<i>EUR 259.500.00,00</i>
Specified Denomination(s)	EUR 100.000
<i>Stückelung/Stückelungen</i>	<i>EUR 100,000</i>
Number of Notes to be issued in each Specified Denomination	2.595
<i>Zahl der in jeder Stückelung auszugebenden Schuldverschreibungen</i>	<i>2,595</i>
New Global Note	No
<i>New Global Note</i>	<i>Nein</i>

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

STATUS (§ 2)
STATUS (§ 2)

Status of the Notes
Status der Schuldverschreibungen

- ☒ Senior
Nicht-nachrangig
- ☐ Subordinated
Nachrangig

INTEREST (§ 3)
ZINSEN (§ 3)

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

Accrual of Interest
Auflaufende Zinsen

Amortisation Yield
Emissionsrendite

3.23 per cent per annum
3.23 % *p.a.*

Day Count Fraction
Zinstagequotient

- ☐ Actual/Actual (ISDA)
- ☐ Actual/Actual (ICMA)
- ☐ Actual/365 (Fixed)
- ☐ Actual/360
- ☒ 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 <i>Fälligkeitstag</i>	8 August 2046 <i>8 August 2046</i>
Final Redemption Amount <i>Rückzahlungsbetrag</i>	<input checked="" type="checkbox"/> Principal amount <i>Nennbetrag</i>
	<input type="checkbox"/> Final Redemption Amount (per each Specified Denomination) <i>Rückzahlungsbetrag (für jede Festgelegte Stückelung)</i>

Early Redemption
Vorzeitige Rückzahlung

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

Yes
Ja

Principal amount
Nennbetrag

Minimum Redemption Amount
Mindestrückzahlungsbetrag

Higher Redemption Amount
Höherer Rückzahlungsbetrag

N.A.

Call Redemption Date(s)
Wahlrückzahlungstag(e) (Call)

Every year on 8 August,
commencing from and including
8 August 2019 up to including
8 August 2045
8. August eines jeden Jahres, beginnend am 8. August 2019 bis einschliesslich 8. August 2045

Call Redemption Amount(s)
Wahlrückzahlungsbetrag/-beträge (Call)

As per Early Redemption Amount
set out below
Wie unten unter Wahlrückzahlungsbetrag aufgeführt

Minimum Notice to Holders
Mindestkündigungsfrist

5 Business Days
5 Geschäftstage

Maximum Notice to Holders
Höchstkündigungsfrist

N.A.

Early Redemption at the Option of a Holder
Vorzeitige Rückzahlung nach Wahl des Gläubiger

No
Nein

Early Redemption Amount
Vorzeitiger Rückzahlungsbetrag

Zero Coupon Notes:
Nullkupon-Schuldverschreibungen:

Call Redemption Date(s) <i>Wahlrückzahlungstag(e)</i> (Call)	Early Redemption Price <i>Wahlrückzahlungspreis</i>	Call Redemption Amount(s) per Specified Denomination <i>Wahlrückzahlungsbetrag/-beträge</i> (Call) pro Stückelung
08-Aug-19	42.38771072%	42,387.71
08-Aug-20	43.75683378%	43,756.83
08-Aug-21	45.17017951%	45,170.18
08-Aug-22	46.62917631%	46,629.18
08-Aug-23	48.13529870%	48,135.30
08-Aug-24	49.69006885%	49,690.07
08-Aug-25	51.29505807%	51,295.06
08-Aug-26	52.95188845%	52,951.89
08-Aug-27	54.66223445%	54,662.23
08-Aug-28	56.42782462%	56,427.82

08-Aug-29	58.25044336%	58,250.44
08-Aug-30	60.13193268%	60,131.93
08-Aug-31	62.07419410%	62,074.19
08-Aug-32	64.07919057%	64,079.19
08-Aug-33	66.14894843%	66,148.95
08-Aug-34	68.28555946%	68,285.56
08-Aug-35	70.49118303%	70,491.18
08-Aug-36	72.76804824%	72,768.05
08-Aug-37	75.11845620%	75,118.46
08-Aug-38	77.54478234%	77,544.78
08-Aug-39	80.04947881%	80,049.48
08-Aug-40	82.63507697%	82,635.08
08-Aug-41	85.30418996%	85,304.19
08-Aug-42	88.05951529%	88,059.52
08-Aug-43	90.90383764%	90,903.84
08-Aug-44	93.84003159%	93,840.03
08-Aug-45	96.87106461%	96,871.06

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

Issuing Agent/specified office

Deutsche Pfandbriefbank AG
Freisinger Straße 5
85716 Unterschleissheim
Germany

Paying Agent(s)/specified office(s)
Zahlstelle(n)/bezeichnete Geschäftsstelle(n)

Deutsche Pfandbriefbank AG
Freisinger Straße 5
85716 Unterschleissheim
Germany

TAXATION (§ 7)
STEUERN (§ 7)

- ☒ Compensation for withholding tax
Ausgleich für Quellensteuern
- ☐ No compensation for withholding tax
Kein Ausgleich für Quellensteuern

RESOLUTIONS OF THE HOLDERS (§ 11)
BESCHLÜSSE DER GLÄUBIGER (§ 11)

Applicable
Anwendbar

No
Nein

NOTICES (§12)
MITTEILUNGEN (§12)

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

www.pfandbriefbank.com

GOVERNING LAW (§ 13)
ANWENDBARES RECHT (§13)

Governing Law
Anwendbares Recht

German Law
Deutsches Recht

LANGUAGE (§ 14)
SPRACHE (§ 14)

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

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

Securities Identification Numbers

Common Code	
ISIN Code	DE000A2AAVQ6
German Securities Code	A2AAVQ
Any other securities number	

Yield on issue price N.A.

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. Placing and Underwriting

- ☐ Syndicated Notes
- ☒ Non-syndicated Notes

Name and address of Dealer

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
England/*United Kingdom*

Delivery

Delivery against payment

Selling Restrictions

Non-exempt Offer

Not Applicable

- ☒ TEFRA C
- ☐ TEFRA D
- ☐ Neither TEFRA C nor TEFRA D

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 8 August 2016 with effect from 8 August 2016.
Estimate of total amount of expenses related to admission to trading	Euro 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

Rating	<p>The Notes to be issued are expected to be rated as follows: S&P:BBB DBRS: BBB</p> <p>Each rating agency is established in the European Union and is registered under Regulation (EC) no 1060/2009 of the European Parliament and of Council of 16 September 2009 on credit rating agencies as amended [and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs.</p>
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Listing

The above Final Terms comprise the details required to list this issue of Notes (as from 8 August 2016) 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
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Deutsche Pfandbriefbank AG

Hartmut Rath

Doris Erhardt

(as Issuing Agent)