

## Declaration of conformity 2005

by

**Deutsche Hypothekbank (Actien-Gesellschaft) Hanover/Berlin**

**concerning the recommendations of the**

**"Government Commission German Corporate Governance Code"**

The Board of Managing Directors and the Supervisory Board of Deutsche Hypothekbank (Actien-Gesellschaft) Hanover/Berlin declare the following pursuant to Section 161 of the German Stock Corporation Act (*Aktiengesetz*):

1. Deutsche Hypothekbank (Actien-Gesellschaft) Hanover/Berlin has, since its last declaration of conformity dated 16 December 2004, complied with the recommendations of the "Government Commission German Corporate Governance Code" in the version of the Code dated 21 May 2003, as amended on 02 June 2005 and published on 20 July 2005, with the following exceptions:
  - a) A D&O liability insurance policy that does not provide for a suitable deductible existed for the Management Board and the Supervisory Board (Code no. 3.8),
  - b) the Management Board did not have a Chairman or Spokesman (Code no. 4.2.1),
  - c) the bank's Annual Financial Statements and its interim reports were only published in accordance with German accounting principles (Code no. 7.1.1),
  - d) the Annual Financial Statements for 2004 were published on 12 April 2005, slightly more than 90 days after the end of the financial year (Code no. 7.1.2),
  - e) the compensation of the members of the Management Board and of the Supervisory Board were not reported in the Notes to the Annual Financial Statements on an individualised basis (Code nos. 4.2.4 and 5.4.5).
  
2. Deutsche Hypothekbank (Actien-Gesellschaft) Hanover/Berlin will comply with the recommendations of the "Government Commission German Corporate Governance Code" in the version dated 02 June 2005 with the exceptions stated above under 1.a) to 1.e).

Frankfurt/Hanover, 16 December 2005

The Supervisory Board

The Board of Managing Directors