

2008 Declaration

of Deutsche Hypothekbank (Actien-Gesellschaft) Hanover/Berlin

with regard to the recommendations of the

"Government Commission on the German Corporate Governance Code"

The Board of Managing Directors and the Supervisory Board of Deutsche Hypothekbank (Actien-Gesellschaft), Hanover/Berlin hereby declare in accordance with Section 161 of the German Stock Corporation Act:

1. that Deutsche Hypothekbank (Actien-Gesellschaft) Hannover/Berlin has, since its last declaration dated 19 December 2007, complied with the recommendations of the Government Commission on the German Corporate Governance Code as laid down on 14 June 2007 and as amended on 06 June 2008, with the following exceptions:
 - a) A D&O policy was in existence for the Board of Managing Directors and Supervisory Board without a suitable deductible (No. 3.8 of the Code)
 - b) The Board of Managing Directors did not have a chairperson or spokesperson (No. 4.2.1 of the Code).
 - c) The system of remuneration that is in place for the Board of Managing Directors, including the essential contractual elements, is decided not by a plenary session of the Supervisory Board, but by the Personnel Committee of the Supervisory Board (No. 4.2.2 of the Code).
 - d) At the General Meeting that was held on 21 May 2008, at which 5 new members of the Supervisory Board were elected, the shareholders were not informed of any proposed candidates for the position of Chair of the Supervisory Board (No. 5.4.3 of the Code).
 - e) The Half-Yearly Financial Report was published on 29 August 2008, slightly later than 45 days following the end of the period under review (No. 7.1.2 of the Code). Publication took place in accordance with Section 37w of the German Securities Trading Act [*Wertpapierhandelsgesetz*]. The Act stipulates that publication may take place no later than 2 months following the end of the period under review.

2. Deutsche Hypothekenbank (Actien-Gesellschaft), Hanover/Berlin shall adhere to the recommendations of the Government Commission on the German Corporate Governance Code as last amended on 06 June 2008, subject to the exceptions listed under 1.a) to 1.e).

Hanover, 18 December 2008

The Supervisory Board

The Board of Managing Directors