

Second Supplement  
dated 19 February 2019  
to the Debt Issuance Programme Prospectus dated 17 October 2018  
as supplemented by the First Supplement dated 20 December 2018

*This document constitutes a supplement within the meaning of Article 16 of Directive 2003/71/EC, as amended (the "**Supplement**") to the base prospectuses of Deutsche Hypothekenbank (Actien-Gesellschaft) (the "**Issuer**"): (i) in respect of non-equity securities within the meaning of Art. 22 paragraph 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended (the "**Commission Regulation**") and (ii) in respect of Pfandbriefe as non-equity securities within the meaning of Art. 22 paragraph 6 (3) of the Commission Regulation (together, the "**Debt Issuance Programme Prospectus**" or the "**Prospectus**").*

This Supplement is supplemental to, and should be read in conjunction with the Prospectus dated 17 October 2018 as supplemented by the First Supplement dated 20 December 2018 (together, the "**Supplemented Prospectus**"). Therefore, with respect to future issues of Notes under the Programme of the Issuer, references in the Final Terms to the Prospectus are to be read as references to the Prospectus as supplemented by this Supplement.



## Deutsche Hypothekenbank (Actien-Gesellschaft)

Hanover, Federal Republic of Germany

EUR 15,000,000,000

Debt Issuance Programme

(the "**Programme**")

The Issuer has requested the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Luxembourg Law relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*), as amended (the "**Luxembourg Law**"), which implements Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "**Prospectus Directive**"), to approve this Supplement and to provide the competent authorities in the Federal Republic of Germany, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland and the Republic of Austria with a certificate of approval attesting that the Supplement has been drawn up in accordance with the Luxembourg Law relating to prospectuses for securities ("**Notification**"). The Issuer may request the CSSF to provide competent authorities in additional host member states within the European Economic Area with a Notification.

This Supplement has been approved by the CSSF, has been filed with said authority and will be published in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the Issuer, respectively.

Deutsche Hypothekbank (Actien-Gesellschaft), ("**Deutsche Hypothekbank**", "**Deutsche Hypo**" or the "**Issuer**" or the "**Bank**") with its registered office in Hanover is solely responsible for the information given in this Supplement.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Terms defined or otherwise attributed meanings in the Supplemented Prospectus have the same meaning in this Supplement.

This Supplement shall only be distributed in connection with the Supplemented Prospectus. It should only be read in conjunction with the Supplemented Prospectus.

To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated by reference into the Supplemented Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Supplemented Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Supplemented Prospectus.

The Issuer has confirmed to the Dealers that the Supplemented Prospectus as supplemented by this Supplement contains all information with regard to the Issuer and the Notes which is material in the context of the Programme and the issue and offering of Notes thereunder, the information contained therein with respect to the Issuer and the Notes is accurate in all material respects and is not misleading, the opinions and intentions expressed therein with respect to the Issuer and the Notes are honestly held, there are no other facts with respect to the Issuer or the Notes the omission of which would make the Supplemented Prospectus as supplemented by this Supplement misleading in any material respect, and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained therein.

No person has been authorised to give any information which is not contained in or not consistent with the Supplemented Prospectus as supplemented by this Supplement or any other document entered into in relation to the Programme or any information supplied by any Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorised by the Issuer, the Dealers or any of them.

To the extent permitted by the laws of any relevant jurisdiction, neither the Arranger nor any Dealer nor any other person mentioned in the Supplemented Prospectus as supplemented by this Supplement, excluding the Issuer, is responsible for the information contained in the Supplemented Prospectus as supplemented by this Supplement or any Final Terms or any other document incorporated therein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

**In accordance with Article 13 paragraph 2 of the Luxembourg Law, where the Supplemented Prospectus relates to an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes before this Supplement is published have the right, exercisable within a time limit of two working days after the publication of this Supplement, until 21 February 2019, to withdraw their acceptances provided that the new factor, mistake or inaccuracy referred to in Article 13 paragraph 1 of the Luxembourg Law arose before the final closing of the offer to the public and the delivery of the Notes.**

**Replacement and supplemental information pertaining to the "Summary – Section B – Summary of Deutsche Hypothekbank (Actien-Gesellschaft)"**

**The second paragraph in Element B.5 "Description of the Group and the Issuer's position within the Group" on page 9 of the Supplemented Prospectus shall be replaced by the following:**

		"As a result of the waiver rule, Deutsche Hypothekbank is dependent on the regulatory capital requirements of the parent company NORD/LB. The NORD/LB Group is working together with its owners on a comprehensive concept for strengthening the capital ratios. Among other things, this involves considering the further development of the business model and reviewing measures for the strategic, corporate and organisational realignment of the entire Group. Any resulting developments would potentially also have an impact on Deutsche Hypothekbank."
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**Element B.13 "Recent Events" on pages 11 and 12 of the Supplemented Prospectus shall be supplemented by the following:**

		"On 2 February 2019 Deutsche Hypothekbank published an inside information acc. to article 17 MAR of the regulation (EU) No 596/2014 (ad hoc announcement). In it, Deutsche Hypothekbank's parent company NORD/LB provides information that its owners (Träger) focus on a joint solution with the DSGV, that the risk provisions in connection with a ship financing portfolio transaction will lead to an annual loss and that there will be a temporary decrease in the capital ratios of the Bank. As a wholly-owned subsidiary of NORD/LB, which is closely linked to the parent company by means of the waiver rule and a control and profit and loss transfer agreement, the abovementioned capital developments would potentially also have an impact on Deutsche Hypo."
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**Replacement and supplemental information pertaining to the "Summary – Section D – Risks"**

**Element D.2 "Key information on the key risks that are specific to the Issuer" on pages 18-24 of the Supplemented Prospectus shall be supplemented by the following:**

		<p><u>"Realignment of the NORD/LB Group</u></p> <p>As described in the ad hoc announcement of 2 February 2019, the equity tier 1 capital ratio of the parent company NORD/LB will probably fall to approx. 6 - 6.5%, so that the thresholds required by the regulatory authorities will be temporarily not reached. The supervisory authority has been informed of this and will request a concrete capital plan from NORD/LB in the coming weeks. NORD/LB will draw up such a capital plan on the basis of the resolution passed by the</p>
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		owners' Meeting of NORD/LB on 2 February 2019 with regard to the solution proposed by the DSGVO and assumes that with the implementation of the measures contained therein for strengthening capital and realignment the capital ratios will again increase significantly and comply with all regulatory requirements. There is a risk that the preparation of the capital plan and the introduction of the aforementioned measures may be delayed contrary to expectations or may not be implemented as planned. If this should happen, the supervisory authority can order NORD/LB to take measures which are suitable and necessary in order to improve the economic situation of the bank. In addition, NORD/LB as the parent company can order measures for Deutsche Hypothekenbank which could have an impact on the business activities or the financial position of the bank."
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The paragraph "Stress tests may adversely affect the Issuer's business" contained in Element D.2 "Key information on the key risks that are specific to the Issuer" on pages 22-23 of the Supplemented Prospectus shall be replaced by the following:

		<p><u>"Results from stress tests may adversely affect the Issuer's business</u></p> <p>Through the affiliation to the NORD/LB Group, Deutsche Hypothekenbank is indirectly subject to regular EU-wide stress tests initiated by the European Banking Authority ("EBA"). The latest stress test was conducted in autumn 2018. The next stress test is not yet scheduled. In principle, the publication of the results of the stress test for participating banks could have a negative impact on the reputation or the ability to fund oneself as well as increase the costs of funding or require other remedial actions. Further, the risks arising from the aforementioned aspects could have a material adverse effect on the business, results from normal operations or financial condition."</p>
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**Replacement and supplemental information regarding "German Translation of the Summary – Abschnitt B – Zusammenfassung der Deutsche Hypothekenbank (Actien-Gesellschaft)"**

The second paragraph in Element B.5 "Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe" on page 31 of the Supplemented Prospectus shall be replaced by the following:

		"Infolge der Waiver-Regelung ist die Deutsche Hypothekenbank hinsichtlich der Erfüllung der regulatorischen Kapitalanforderungen von der Muttergesellschaft NORD/LB abhängig. Der NORD/LB Konzern arbeitet gemeinsam mit seinen Eigentümern an einem umfassenden Konzept zur Stärkung der
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		Kapitalquoten. Dabei werden u.a. Überlegungen zur Weiterentwicklung des Geschäftsmodells angestellt und Maßnahmen zur strategischen, gesellschaftsrechtlichen und organisatorischen Neuausrichtung des gesamten Konzerns geprüft. Daraus resultierende Entwicklungen würden sich gegebenenfalls auch auf die Deutsche Hypothekbank auswirken."
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**Element B.13 "Letzte Ereignisse" on pages 33 and 34 of the Supplemented Prospectus shall be supplemented by the following:**

		"Die Deutsche Hypothekbank hat am 2. Februar 2019 eine Insider-Information gemäß Artikel 17 MAR der Verordnung (EU) Nr. 596/2014 (Ad hoc-Mitteilung) veröffentlicht. Darin informiert die Muttergesellschaft NORD/LB der Deutschen Hypothekbank, dass ihre Eigentümer (Träger) auf eine gemeinsame Lösung mit dem DSGV setzen, dass die Risikovorsorge im Zusammenhang mit einer Schiffsfinanzierungsportfoliotransaktion zu einem Jahresverlust führt und dass es zu einer vorübergehenden Verringerung der Kapitalquoten der Bank kommt. Als hundertprozentige Tochtergesellschaft der NORD/LB, die über die Waiver-Regelung und einen Beherrschungs- und Ergebnisabführungsvertrag eng mit der Muttergesellschaft verbunden ist, würden sich die oben genannten Kapitalentwicklungen möglicherweise auch auf die Deutsche Hypo auswirken."
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**Replacement and supplemental information regarding "German Translation of the Summary – Abschnitt D – Risiken"**

**Element D.2 "Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind" on pages 41-48 of the Supplemented Prospectus shall be supplemented by the following:**

		<p><u>"Neuausrichtung des NORD/LB Konzerns</u></p> <p>Wie in der Ad hoc-Meldung vom 2. Februar 2019 beschrieben, wird die harte Kernkapitalquote der Muttergesellschaft NORD/LB voraussichtlich auf ca. 6 – 6,5% absinken, so dass damit aufsichtsrechtlich geforderte Schwellen zeitweise unterschritten werden. Die Aufsicht wurde hierüber informiert und wird in den kommenden Wochen von der NORD/LB einen konkreten Kapitalplan anfordern. Auf der Grundlage des Beschlusses der Trägerversammlung der NORD/LB vom 2. Februar 2019 in Hinsicht auf den Lösungsvorschlag des DSGV wird die NORD/LB einen solchen Kapitalplan aufstellen und geht davon aus, dass mit Umsetzung der darin enthaltenen Maßnahmen zur Kapitalstärkung und Neuausrichtung die Kapitalquoten wieder deutlich ansteigen und allen</p>
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		aufsichtsrechtlichen Anforderungen entsprechen werden. Es besteht das Risiko, dass sich die Aufstellung des Kapitalplans und die Einleitung der besagten Maßnahmen wider Erwarten verzögern oder nicht wie geplant umgesetzt werden können. Sollte der Fall eintreten, kann die Aufsichtsbehörde gegenüber der NORD/LB Maßnahmen anordnen, die geeignet und erforderlich sind, um die wirtschaftliche Situation des Instituts zu verbessern. Zudem kann die NORD/LB als übergeordnete Muttergesellschaft für die Deutsche Hypothekenbank Maßnahmen anordnen, die Auswirkungen auf die Geschäftstätigkeit oder die Finanzlage der Bank haben könnten."
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**The paragraph "Stresstests können das Geschäft beeinträchtigen" contained in Element D.2 "Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind" on pages 46-47 of the Supplemented Prospectus shall be replaced by the following:**

		<p><u>"Ergebnisse aus Stresstests können das Geschäft beeinträchtigen"</u></p> <p>Durch die Zugehörigkeit zum NORD/LB Konzern ist die Deutsche Hypothekenbank indirekt Gegenstand regelmäßiger EU-weiter Stresstests der Europäischen Bankenaufsichtsbehörde ("<b>EBA</b>"). Der letzte Stresstest wurde im Herbst 2018 durchgeführt. Der nächste Stresstest ist noch nicht terminiert. Grundsätzlich kann die Veröffentlichung der Ergebnisse der Stresstests für teilnehmende Banken einen negativen Einfluss auf die Reputation oder die Fähigkeit, sich zu refinanzieren, haben sowie die Refinanzierungskosten erhöhen, oder es könnten andere Sanierungsmaßnahmen erforderlich werden. Zudem könnten die aus den vorgenannten Aspekten resultierenden Risiken einen wesentlichen negativen Einfluss auf das Geschäft, die Ergebnisse der normalen Geschäftstätigkeit oder die Finanzlage haben."</p>
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**Replacement and supplemental information pertaining to "Risk Factors - Risk Factors in respect of Deutsche Hypothekenbank (Actien-Gesellschaft)"**

**The last paragraph of the section "*Risks associated with the Business of Deutsche Hypothekenbank - Effects*" on page 58 of the Supplemented Prospectus shall be replaced by the following:**

"As a result of the waiver rule, Deutsche Hypothekenbank is dependent on the regulatory capital requirements of the parent company NORD/LB. The NORD/LB Group is working together with its owners on a comprehensive concept for strengthening the capital ratios. Among other things, this involves considering the further development of the business model and reviewing measures for the strategic, corporate and organisational realignment of the entire Group. Any resulting developments would potentially also have an impact on Deutsche Hypothekenbank."

**The paragraph "*Other matters - Stress tests may adversely affect the Issuer's business*" on page 59 of the Supplemented Prospectus shall be replaced by the following:**

"Results from stress tests may adversely affect the Issuer's business

Through the affiliation to the NORD/LB Group, Deutsche Hypothekbank is indirectly subject to regular EU-wide stress tests initiated by the European Banking Authority ("EBA"). The latest stress test was conducted in autumn 2018. The next stress test is not yet scheduled. In principle, the publication of the results of the stress test for participating banks could have a negative impact on the reputation or the ability to fund oneself as well as increase the costs of funding or require other remedial actions. Further, the risks arising from the aforementioned aspects could have a material adverse effect on the business, results from normal operations or financial condition."

**The following shall be inserted on page 60 of the Supplemented Prospectus, before the heading "*Risk Report*":**

"Realignment of the NORD/LB Group

As described in the ad hoc announcement of 2 February 2019, the equity tier 1 capital ratio of the parent company NORD/LB will probably fall to approx. 6 - 6.5%, so that the thresholds required by the regulatory authorities will be temporarily not reached. The supervisory authority has been informed of this and will request a concrete capital plan from NORD/LB in the coming weeks. NORD/LB will draw up such a capital plan on the basis of the resolution passed by the owners' Meeting of NORD/LB on 2 February 2019 with regard to the solution proposed by the DSGV and assumes that with the implementation of the measures contained therein for strengthening capital and realignment the capital ratios will again increase significantly and comply with all regulatory requirements. There is a risk that the preparation of the capital plan and the introduction of the aforementioned measures may be delayed contrary to expectations or may not be implemented as planned. If this should happen, the supervisory authority can order NORD/LB to take measures which are suitable and necessary in order to improve the economic situation of the bank. In addition, NORD/LB as the parent company can order measures for Deutsche Hypothekbank which could have an impact on the business activities or the financial position of the bank."

**Replacement and supplemental information pertaining to "Deutsche Hypothekbank (Actien-Gesellschaft)"**

**The second paragraph of the section "*Business and dependency of the Issuer within the Group*" on pages 74 and 75 of the Supplemented Prospectus shall be replaced by the following:**

"In the first quarter of 2013, Deutsche Hypothekbank also decided to apply the simplification options in accordance with Art. 7 (1) CRR, formerly Section 2a (1) of the German Banking Act (KWG), the so-called waiver rule, and reported this to the German Financial Supervisory Authority (BaFin) in Bonn in a letter dated 7 June 2013. The simplification options were used for the first time as of the reporting deadline on 30 June 2013. As a result, the following regulatory requirements no longer have to be applied for Deutsche Hypothekbank as an individual institution, but rather are reported on the Group level: Sections 25 to 410 CRR: Requirement of appropriate equity capital resources on the level of the institution; Sections 431 to 455 CRR: Requirements for large exposure notification; and Section 25a (1) Clause 3 No. 1 KWG: Determination and ensuring of the risk-bearing capacity, specifying (risk) strategies, setting up processes for the identification, evaluation, control, monitoring and communication of risks. As a result of the waiver rule, Deutsche Hypothekbank is dependent on the regulatory capital requirements of the parent company NORD/LB. The NORD/LB Group is working together with its owners on a comprehensive concept for strengthening the capital ratios. Among other things, this involves considering the further development of the business model and reviewing measures for the strategic, corporate and organisational realignment

of the entire Group. Any resulting developments would potentially also have an impact on Deutsche Hypothekenbank."

**The section "Recent Events" on page 80 of the Supplemented Prospectus shall be supplemented by the following:**

"On 2 February 2019 Deutsche Hypothekenbank published an inside information acc. to article 17 MAR of the regulation (EU) No 596/2014 (ad hoc announcement):

*Deutsche Hypothekenbank (Actien-Gesellschaft): Risk provisions at NORD/LB in connection with a significant ship financing portfolio transaction lead to an annual loss and a temporary decrease in capital ratios of NORD/LB.*

Deutsche Hypothekenbank (Actien-Gesellschaft) is a wholly-owned subsidiary of Norddeutsche Landesbank – Girozentrale ("**NORD/LB**") and is closely linked to its parent company by a control and profit and loss transfer agreement and a waiver rule in accordance with Art. 7 (1) CRR and Section 2a (1) of the German Banking Act (KWG). On 2 February 2019 NORD/LB published the following ad hoc announcement:

"At today's meeting of the owners (*Trägerversammlung*) of NORD/LB – the State of Lower Saxony, the State of Saxony-Anhalt, the Association of the Savings Banks of Lower Saxony (*Sparkassenverband Niedersachsen*) as well as the Holding Association of the Savings Banks of Saxony-Anhalt (*Sparkassenbeteiligungsverband Sachsen-Anhalt*) and the Special Purpose Holding Association of the Savings Banks of Mecklenburg-Western Pomerania (*Sparkassenbeteiligungszweckverband Mecklenburg-Vorpommern*) (together referred to as the "**Owners**" (*Träger*)) –, the Owners decided, following a detailed evaluation of a joint bid by two financial investors submitted as part of a bidding process, to postpone this option for the time being and to focus on a joint solution with the German Savings Banks and Giro Association (Sparkassen- und Giroverband e.V.) ("**DSGV**") in the public sector. After representatives of the DSGV and the Owners have discussed the key points of this proposed solution for the capital strengthening and realignment of the bank with the relevant supervisory authorities on 1 February 2019, this solution will be specified in further meetings with the DSGV and must be discussed with the relevant supervisory authorities as well as the EU Commission under aspects of State Aid Law. In light of these forthcoming measures to strengthen the capital base of the bank, the management board of NORD/LB and its Owners have decided in their today's meetings to transfer a significant part of the ship financing portfolio of NORD/LB in a volume of approximately EUR 2.7 billion to an external investor by way of a portfolio transaction. This portfolio contains approximately 90 % of non-performing loans ("**NPL**"). In addition, the management board of the bank has decided to create a comprehensive additional risk provision for the entire NPL portfolio for the 2018 financial year, resulting in a total risk provision for the 2018 financial year of up to EUR 2.5 billion. Based on the currently available figures for the 2018 financial year, this will result in an annual loss for the NORD/LB group of approximately EUR 2.7 billion after tax. The result in accordance with HGB (German Commercial Code (*Handelsgesetzbuch*)) for the 2018 financial year will show an annual loss of approximately EUR 2.5 billion after tax. The aforementioned loss for the 2018 financial year will have a corresponding effect on the capital ratios in such a way that the common equity tier 1 capital ratio will decrease to about 6 to 6.5 % and thus the thresholds required by supervisory law will temporarily not be met. The supervisory authority has been informed about this and will request a specific capital plan from NORD/LB in the coming weeks. NORD/LB will draw up such a capital plan on the basis of today's resolution by the Owners with regard to the DSGV's proposed solution and assumes that with the implementation of the measures contained therein for the capital strengthening and realignment of the bank, the capital ratios will again increase significantly and meet all regulatory requirements."



## **Names and Addresses**

### **THE ISSUER**

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30159 Hanover  
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### **FISCAL AGENT, PRINCIPAL PAYING AGENTS AND CALCULATION AGENTS**

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Federal Republic of Germany

Deutsche Bank Aktiengesellschaft  
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### **PAYING AGENTS**

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30159 Hanover  
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### **LUXEMBOURG LISTING AGENT**

Deutsche Bank Luxembourg S.A.  
2, Boulevard Konrad Adenauer  
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