

STOCK EXCHANGE ANNOUNCEMENT

NOT FOR DISTRIBUTION IN OR INTO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT

Ad Hoc Announcement – For immediate release

RE: Results of Tender Offer for Preferred Securities

Issued on behalf of the following companies and limited partnerships in respect of their listed securities:

DEPFA BANK PLC / DEPFA FUNDING II LP (ISIN: XS0178243332) / DEPFA ACS BANK / DEPFA FUNDING III LP (ISIN: DE000A0E5U85) / HYPO Pfandbrief Bank International S.A. / DEPFA FUNDING IV LP (ISIN: XS0291655727)

Dublin, 20/21 May 2015 – Further to the Ad Hoc Announcements of 14 January 2015 and 20 April 2015, FMS Wertmanagement AöR ("**FMS-WM**"), the parent company of DEPFA BANK plc ("**DEPFA**") has received valid tenders pursuant to the tender offers (the "**Offers**") in respect of the following securities:

Securities	Principal Amount tendered
€400,000,000 6.50 per cent. Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities issued in two tranches of €300,000,000 on 30 October 2003 and €100,000,000 on 9 February 2004 by DEPFA Funding II LP (ISIN: XS0178243332) (" DEPFA Funding II Securities ")	€361,897,000
€300,000,000 Fixed Rate/Variable Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities issued on 8 June 2005 by DEPFA Funding III LP (ISIN: DE000A0E5U85) (" DEPFA Funding III Securities ")	€263,554,000
€500,000,000 Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities issued on 21 March 2007 by DEPFA Funding IV LP (ISIN: XS0291655727) (" DEPFA Funding IV Securities ")	€499,250,000

each guaranteed by DEPFA (together, the "**Preferred Securities**") and each governed by the terms of a limited partnership agreement.

FMS-WM will purchase the validly tendered Securities on 21 May 2015.

In conjunction with the Offers, DEPFA, as general partner of DEPFA Funding II LP, DEPFA Funding III LP and DEPFA Funding IV LP (the "**General Partner**"), undertook consent solicitations (the "**Consent Solicitations**") in relation to each of the Preferred Securities, details of which were set out in separate Notices of Meeting dated 20 April 2015. At the meetings of the holders of each of the Preferred Securities held on 20 May 2015, the Extraordinary Resolution set out in each Notice of Meeting was duly passed. Accordingly, the proposals referred to in each Extraordinary Resolution will be implemented as described below.

Pursuant to the Extraordinary Resolutions, the General Partner is permitted to purchase the Securities at its discretion on the Repurchase Date at the price of €0.595 (fifty nine point five cents) per €1 (one Euro) of Liquidation Preference of each Security in respect of the DEPFA Funding II Securities and the DEPFA Funding IV Securities, and €0.575 (fifty seven point five cents) per €1 (one Euro) of Liquidation Preference of each Security in respect of the DEPFA Funding III Securities (the "**Repurchase Price**"). The General Partner has notified holders of the

Securities that on 26 May 2015, it will purchase at the Repurchase Price all Securities that were not validly tendered for purchase by FMS–WM pursuant to and under the terms of the Offers.

Securities subject to the purchase on 26 May 2015 will be blocked from 21 May 2015 until the Repurchase Date in the relevant account in the relevant Clearing System to the order of Lucid Issuer Services Limited, apart from Securities held through Clearstream, Frankfurt, which will (a) be debited from the relevant Holder's account held with Clearstream, Frankfurt and transferred to a suspense account at Clearstream, Frankfurt, and (b) the relevant Holder's account held with Clearstream, Frankfurt shall be credited with the Repurchase Price on the Repurchase Date.

The table below summarises the amounts payable to the holders of the Preferred Securities on the relevant dates.

	Outstanding Amount (Liquidation Preference)	Amount Tendered (Liquidation Preference)	Purchase Price to be paid on 21 May 2015 (payable to tendering holders only)	Principal Amount subject to Repurchase Price	Repurchase Price to be paid on 26 May 2015 (payable to holders not participating in the Offer)
DEPFA Funding II Securities XS0178243332	€400,000,000	€361,897,000	€0.604509 per €1 of Liquidation Preference	€38,103,000	€0.595 per €1 of Liquidation Preference
DEPFA Funding III Securities DE000A0E5U85	€300,000,000	€263,554,000	€0.584509 per €1 of Liquidation Preference	€36,446,000	€0.575 per €1 of Liquidation Preference
DEPFA Funding IV Securities XS0291655727	€500,000,000	€499,250,000	€0.604509 per €1 of Liquidation Preference	€750,000	€0.595 per €1 of Liquidation Preference

Jefferies is the Dealer Manager (the "**Dealer Manager**") for the Consent Solicitations. Eligible holders may contact the Dealer Manager at Jefferies International Limited, attention: European Leveraged Finance Capital Markets, Email: project.dublin.tenders@jefferies.com, Telephone: +44 (0)20 7029 8153 (for Non-US holders), or attention: Liability Management Group, Email: project.dublin.tenders@jefferies.com, Telephone US Toll Free: (877) 877-0696 or Collect: (212) 284-2435 (for US holders) or Lucid Issuer Services Limited as tender and tabulation agent (the "**Tender and Tabulation Agent**") at Leroy House, 436 Essex Road, London N1 3QP, United Kingdom, for assistance in answering questions concerning the terms of the Offers at depfa@lucid-is.com or +44 (0) 20 7704 0880. Questions relating to the procedures for purchase, including the blocking of Preferred Securities with Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme or Clearstream Banking AG, Frankfurt am Main, should be addressed exclusively to the Tender and Tabulation Agent. All procedures relating to the Consent Solicitations may be conducted through, and all information relating to the Consent Solicitations and the Preferred Securities (including copies of the Tender Offer and Consent Solicitation Memorandum) may be obtained from the Tender and Tabulation Agent.

DEALER MANAGER

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TENDER AND TABULATION AGENT

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PRINCIPAL PAYING AND TRANSFER AGENT

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for the DEPFA III Securities and the DEPFA IV Securities:

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OFFER RESTRICTIONS

Neither this announcement nor the Offers nor the Consent Solicitations constitute an invitation to participate in the Offers or the Consent Solicitations in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this announcement and the Offers and Consent Solicitations in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Offers and Consent Solicitations come are required by DEPFA, the Offeror, the Dealer Manager and the Tender and Tabulation Agent to inform themselves about and to observe any such restrictions.

General

The Dealer Manager and the Tender and Tabulation Agent (and their respective directors, employees or affiliates) make no representations or recommendations whatsoever regarding this announcement, the Tender Offer and Consent Solicitation Memorandum, the Offers or the Consent Solicitations. The Tender and Tabulation Agent is the agent of the Offeror and owes no duty to any Holder.

Neither this announcement nor the Tender Offer and Consent Solicitation Memorandum constitutes an offer to buy or the solicitation of an offer to sell the Preferred Securities (and tenders of each Class of Preferred Securities in the Offers will not be accepted from Holders) in any circumstances or jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offers to be made by a licensed broker or dealer and the Dealer Manager or any of its respective affiliates is such a licensed broker or dealer in such jurisdictions, the Offers shall be deemed to be made by such Dealer Manager or affiliate (as the case may be) on behalf of the Offeror in such jurisdiction and the Offers are not made in any such jurisdiction where either the Dealer Manager or any of its affiliates is not licensed.