

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: Proposed Tender Offer for Preferred Securities

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

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

Dublin, 20 April 2015 – Further to the Ad Hoc Announcement of 14 January 2015, FMS Wertmanagement AöR ("**FMS-WM**"), the parent company of DEPFA BANK plc ("**DEPFA**") has today launched tender offers (the "**Offers**") in respect of the following securities:

€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);

€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); and

€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),

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

In conjunction with the Offers, DEPFA, as general partner of DEPFA Funding II LP, DEPFA Funding III LP and DEPFA Funding IV LP, is undertaking consent solicitations (the "**Consent Solicitations**") in relation to each of the Preferred Securities. Further information on and the terms and conditions of the Offers and the Consent Solicitations are set out in a tender offer and consent solicitation memorandum (the "**Tender Offer and Consent Solicitation Memorandum**").

All required regulatory consents for the transactions contemplated by the Offers and the Consent Solicitations have now been obtained.

Copies of each Limited Partnership Agreement (including the terms of the Preferred Securities set out therein) and of certain other relevant documents will be available for inspection by holders at the specified offices of the principal paying and transfer agent for each class of the Preferred Securities as set out below.

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

Jefferies International Limited
Vintners Place
68 Upper Thames Street
London, EC4V 3BJ
United Kingdom
Attention: European Leveraged Finance Capital Markets
Email: project.dublin.tenders@jefferies.com
Telephone: +44 (0)20 7029 8153 (for Non-US holders)

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)

TENDER AND TABULATION AGENT

Lucid Issuer Services Limited
Leroy House
436 Essex Road
London N1 3QP
depfa@lucid-is.com
+44 (0) 20 7704 0880

PRINCIPAL PAYING AND TRANSFER AGENT

for the DEPFA II Securities:
The Bank of New York Mellon
One Canada Square
Canary Wharf
London E14 5AL
United Kingdom

for the DEPFA III Securities and the DEPFA IV Securities:

Deutsche Bank AG
Grosse Gallusstraße 10-14
D-60272 Frankfurt am Main
Federal Republic of Germany

Media Contacts

DEPFA BANK - Rachel Martin
Phone: +353 1 7922144
Email: rachel.martin@depfa.com

FMS-WM - Andreas Henry
Phone: +49 89 954 7627 250
Email: andreas.henry@fms-wm.de

OFFER RESTRICTIONS

Neither this announcement nor the Offers nor the Consent Solicitations constitutes 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. None of DEPFA, the Offeror, the Dealer Manager or the Tender and Tabulation Agent makes any recommendation as to whether or not Holders should participate in the Offers and Consent Solicitations or refrain from taking any action in the Offers and Consent Solicitations with respect to each Class of Preferred Securities, and none of them has authorised any person to make any such recommendation.

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.