

Second Supplement dated 1 April 2021 to the Debt Issuance Programme Prospectus dated 12 June 2020

This document constitutes a supplement (the "**Second Supplement**") to the prospectus dated 12 June 2020 as supplemented by the first supplement dated 30 November 2020 (the "**Debt Issuance Programme Prospectus**" or the "**Prospectus**") in compliance with the Rules and Regulations of the Luxembourg Stock Exchange dated January 2020 (the "**Rules and Regulations**").



Deutsche Bahn Aktiengesellschaft

(Berlin, Federal Republic of Germany)
as Issuer and, in respect of Notes issued by
Deutsche Finance GmbH, as Guarantor
and

Deutsche Bahn Finance GmbH

(Berlin, Federal Republic of Germany)
as Issuer

€ 30,000,000,000

Debt Issuance Programme
(the "**Programme**")

This Supplement has been approved in compliance with the Rules and Regulations by the Luxembourg Stock Exchange as a competent authority under Part IV of the Luxembourg Law of 16 July 2019 on Prospectuses for Securities (*Loi relative aux prospectus pour valeurs mobilières*) (the "**Luxembourg Prospectus Law**") and will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu). It is valid as long as the Prospectus is valid.

Deutsche Bahn Aktiengesellschaft and Deutsche Bahn Finance GmbH (each an "**Issuer**" and together, the "**Issuers**") accept responsibility for the information contained in this Supplement.

Each of the Issuers and the Guarantor hereby declare that the information contained in this Supplement for which they are responsible is, to the best of their knowledge, in accordance with the facts and makes no omission likely to affect its import.

Terms defined or otherwise attributed meanings in the Prospectus have the same meaning when used in this Supplement. All references in the Prospectus to "the Prospectus", "this Prospectus" or any other similar expression, in particular regarding confirmations and representations as to the information contained therein, shall be deemed to also refer to this Supplement.

This Supplement shall only be distributed in connection with and shall be read in conjunction with the Prospectus. To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated by reference in the Prospectus, the statements in this Supplement will prevail.

Save as disclosed on pages 2 to 7 of this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus which may affect the assessment of the Notes issued under the Programme since the publication of the Prospectus.

Supplemental Information

The purpose of this Supplement is, inter alia, to incorporate by reference the audited Annual Report of Deutsche Bahn AG for the period from 1 January to 31 December 2020. Deutsche Bahn AG accordingly discloses the following changes to the Prospectus:

I. Changes to "Deutsche Bahn Aktiengesellschaft as Issuer and Guarantor"

(1) Page 205

The text under the heading "1. Statutory Auditors" on page 205 shall be deleted in its entirety and replaced by the following:

"The Independent auditors of DB AG and DB Group are PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Olof-Palme-Straße 35, D-60439 Frankfurt/Main (hereinafter referred to as "PwC"). PwC is a member of the Chamber of Public Accountants (*Wirtschaftsprüfungskammer*), Rauchstraße 26, 10787 Berlin, Germany. PwC has audited the financial statements of DB AG and DB Group for all fiscal years between 1994 and 2020 and has given in each case an unqualified opinion."

(2) Page 205

The text and tables under the heading "2. Selected Financial Information" on page 205 shall be deleted in its entirety and replaced by the following:

"The following tables set out selected financial information relating to DB AG. All information has been extracted from the audited consolidated and audited non-consolidated financial statements of DB AG for the year ended 31 December 2018, 31 December 2019 and 31 December 2020. The audited consolidated financial statements of DB AG have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") and the audited non-consolidated financial statements of DB AG have been prepared in accordance with German GAAP ("HGB").

	As of 31 December 2020	As of 31 December 2019	As of 31 December 2018
	€ million* (audited)	€ million* (audited)	€ million* (audited)
Non-current assets	52,964	53,213	46,646
Current assets	12,471	12,615	11,881
Equity	7,270	14,927	13,592
Total assets	65,435	65,828	58,527

	1 January 2020 to 31 December 2020	1 January 2019 to 31 December 2019	1 January 2018 to 31 December 2018
	€ million* (audited)	€ million* (audited)	€ million* (audited)
Revenues	39,901	44,430	44,065
Profit before taxes on income	-5,484	681	1,172
Net profit	-5,707	680	542
Cash flow from operating activities	1,420	3,278	3,371

* The figures have been rounded.

In the regional breakdown of gross capital expenditures, the focus remained on Germany and the integrated rail system. The increase is mainly due to infrastructure measures at DB Netze Track and DB Netze Stations.

	2020	Share/2020	2019	Share/2019	2018
	€ million	in per cent.	€ million	in per cent.	€ million
Gross capital expenditures by business unit:					
DB Long-Distance	1,290	9,0	1,241	9.5	1,081
DB Regional	434	3,0	560	4.3	539
DB Cargo	452	3,1	570	4.3	587
DB Netze Track	8,480	58,9	7,441	56.8	6,901
DB Netze Stations	1,338	9,3	1,096	8.4	883
DB Netze Energy	273	1,9	193	1.5	187
Other/consolidation	861	6,0	612	4.7	428
Integrated rail system	13,128	91,2	11,713	89.5	10,606
DB Arriva	457	3,2	718	5.5	326
DB Schenker	817	5,6	662	5.0	273
Consolidation other	-	-	-	-	-
DB Group	14,402	100	13,093	100.0	11,205
Net capital expenditures¹⁾	5,886	-	5,646	-	3,996

1) Net capital expenditures = gross capital expenditures less non-repayable investment grants.

The structure of gross capital expenditures was still dominated by the infrastructure business units (mainly DB Netze Track at around 58.9 per cent. (2019: around 56.8 per cent.)).

In the regional breakdown of gross capital expenditures, the focus remained on Germany and the integrated rail system.

The focus of Deutsche Bahn AG's capital expenditure activities continues to be in the business units of the integrated rail system for measures to improve performance and efficiency in the area of track infrastructure, as well as the renovation and the expansion of our vehicle fleet.

In accordance with the relevant legal regulations, DB Group's capital expenditures in infrastructure are generally financed by means of investment grants netted with properties and – to a lesser extent – funds obtained under the Local, Regional and Municipal Transport Financing Act and the Railway Crossings Act, as well as a considerable range of internal funds.

Liabilities (non-consolidated figures)

The following tables set out the liabilities, based on audited non-consolidated figures, of DB AG as of 31 December 2018 and the liabilities, based on audited non-consolidated figures, of DB AG as of 31 December 2019 and the liabilities, based on audited non-consolidated figures, of DB AG as of 31 December 2020:

	As of 31 December 2018
	€ million
Liabilities	
Liabilities to credit institutions	200
Accounts payable to affiliated undertakings	25,347
Accounts payable to undertakings to which the company is linked through participating interests	213
Others	230
Total	<u>25,990</u>

As of 31 December 2018, contingent liabilities of DB AG amounted to € 3,987 million.

	As of 31 December 2019
	€ million
Liabilities	
Liabilities to credit institutions	169
Accounts payable to affiliated undertakings	28,102
Accounts payable to undertakings to which the company is linked through participating interests	210
Others	1,142
Total	<u>29,623</u>

As of 31 December 2019, contingent liabilities of DB AG amounted to € 3,389 million.

	As of 31 December 2020
	€ million
Liabilities	
Liabilities to credit institutions	2,870
Accounts payable to affiliated undertakings	34,173
Accounts payable to undertakings to which the company is linked through participating interests	208
Others	212
Total	37,463

As of 31 December 2020, contingent liabilities of DB AG amounted to € 3,532 million.

Apart from this, DB AG guarantees to the holders of notes of Deutsche Bahn Finance GmbH the due payment of principal, interest and eventual additional amounts. On 31 December 2020, the face value of all outstanding senior notes issued by Deutsche Bahn Finance GmbH guaranteed by DB AG was € 24,137 million (2019: € 21,054 million) and the face value of all outstanding subordinated notes issued by Deutsche Bahn Finance GmbH guaranteed by DB AG was € 2,000 million (2019: 2,000 million). Deutsche Bahn Finance GmbH used these funds to directly refinance loans to DB AG and its Group companies. On 31 December 2020, the principal of all loans to DB AG was € 26,101 million (2019: € 23,014 million) and the principal lent to DB Group companies was at € 36 million (2019: € 40 million). Each loan and its respective note issue constitute an economic unit. The loans to DB AG are mentioned in the tables above (in the section liabilities) as part of the accounts payable to affiliated undertakings. Due to its status as part of an economic unit, the guarantee for the corresponding notes is not separately shown as a contingent liability. On the other side, the guarantee for note issues corresponding to loans to Group companies is mentioned in the contingent liabilities."

(2) Page 219

The following sentence shall be inserted under the second paragraph under the heading "9. Historical Financial Information":

"The audited consolidated financial statements of DB AG as of, and for the fiscal year ended on, 31 December 2020 (prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS)) and the auditor's report (*Bestätigungsvermerk*) thereon are set out on pages 183 to 252 of the DB Group Integrated Report (*Integrierter Bericht*) 2020 and are incorporated by reference into this Prospectus."

(3) Page 219

The paragraph under heading "10. Material Change" shall be deleted in its entirety and replaced by the following:

"There has been no material change in the prospects and the financial position of DB AG since 31 December 2020, the date of the last financial information included in this Prospectus."

(4) Page 219

The paragraph under heading "12. Recent Developments" shall be deleted in its entirety and replaced by the following:

"DB Group is impacted by the Covid-19 pandemic through substantially lower passenger and freight volumes as well as through higher operating costs, e.g. for disinfection of trains and stations. This development has contributed to a net loss of approximately € 5.7 billion in 2020 and is continuing into 2021. The German federal government has indicated its willingness to compensate for 80% of the impact of the Covid-19 pandemic (after countermeasures) on DB Group. Details and timing are currently being developed in coordination with the EU Commission. In this context, the German federal government is in close contact with the EU Commission regarding the approval of the planned equity support measures in line with EU state aid regulations. Initially, € 6 billion were budgeted to be contributed to Deutsche Bahn AG in 2020, with € 1 billion provided from the German federal government's "Climate Action Program" and € 5 billion provided in Covid-19 relief. This contribution has been re-scheduled by the German federal government into its 2021 budget due to the ongoing approval process of the EU Commission. In order to bridge the time until the equity contributions are made available, Deutsche Bahn Group has received short term financing through credit facilities from various banks. In addition, Deutsche Bahn AG maintains access to more than € 2 billion through committed but undrawn credit facilities."

(5) Page 221

The following paragraphs shall be inserted under the third paragraph under the heading "14. Sustainability":

"In June 2020, the Science Based Target initiative (SBTi) has validated that the corporate greenhouse gas emissions reduction target submitted by Deutsche Bahn AG has been deemed to be in conformance with the SBTi Criteria and Recommendations (version 3.0). The scope 1 and 2 portion of the targets are aligned with a 2 degree Celsius pathway.

In February 2021, the Luxembourg Stock Exchange has opened in a new window for climate-aligned issuers on the Luxembourg Green Exchange and since then lists all bonds issued by Deutsche Bahn Finance GmbH, that were previously admitted to trading on its Euro-MTF or regulated market, also on the Luxembourg Green Exchange, as a 99% climate-aligned issuer (as assessed by the Climate Bonds Initiative (CBI))."

II. Changes to "General Information"

(1) Page 235

The following table shall be inserted under the heading "1) Deutsche Bahn AG" in the section "Documents Incorporated by Reference":

"

Audited consolidated financial statements for the year ending 31 December 2020	Extracted from the Deutsche Bahn Group Integrated Report 2020 (German language version)
– Income Statement	– page 184
– Balance Sheet	– page 185
– Cash Flow Statement	– page 186
– Statement of changes in equity	– page 187
– Notes to the consolidated interim financial statements	– pages 188 to 249
– Auditor's Report	– pages 250 to 252

"

(2) Page 236

The text in the paragraph "Availability of Documents" shall be deleted and replaced by the following:

"As long as this Prospectus remains in effect copies of the following documents will be made available at the investor relations website of Deutsche Bahn AG (www.deutschebahn.com/ir):

- (a) this Prospectus;
- (b) a copy of any supplement to this Prospectus;
- (c) the constitutive documents of each Issuer;
- (d) the audited consolidated financial statements of Deutsche Bahn AG as of, and for the fiscal years ended on 31 December 2020, 2019 and 2018 (including the respective auditor reports thereon);
- (e) the audited non-consolidated financial statements of Deutsche Bahn AG as of, and for the fiscal years ended on 31 December 2019 and 2018 (including the respective auditor reports thereon);
- (f) the audited financial statements of Deutsche Bahn Finance as of, and for the fiscal years ended on 31 December 2019 and 2018 (including the respective auditor reports);
- (g) the unaudited consolidated interim report of Deutsche Bahn Aktiengesellschaft for the period 1 January to 30 June 2020; and
- (h) the unaudited financial report of Deutsche Bahn Finance for the period 1 January to 30 June 2020.

As long as this Prospectus remains in effect the Issuers will provide any investor upon its request and free of charge with a copy of this Prospectus and any or all of the documents incorporated by reference in this Prospectus.

This Prospectus, each Final Terms relating to those Notes listed on the Luxembourg Stock Exchange as well as the documents incorporated by reference in this Prospectus are made available on the website of the Luxembourg Stock Exchange (www.bourse.lu)."