

SUPPLEMENT NO. 3

dated 15 April 2011

to the

BASE PROSPECTUS

of



DEXIA KOMMUNALBANK DEUTSCHLAND AG

dated 11 May 2010

Euro 20,000,000,000 Debt Issuance Programme

for the issue of Notes and Pfandbriefe

This Supplement No. 3 (the **Supplement**) constitutes a supplement for the purposes of Article 16.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the "**Prospectus Directive**") and Article 13 of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005 (*loi relative aux prospectus pour valeurs mobilières*; the "**Prospectus Act**") to the base prospectus of Dexia Kommunalbank Deutschland AG dated 11 May 2010 (the "**Prospectus**") which has been prepared in connection with the Euro 20,000,000,000 Debt Issuance Programme for the issue of Notes and Pfandbriefe established by Dexia Kommunalbank Deutschland AG (the "**Issuer**" or "**DKD**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed in conjunction with, the Prospectus, supplement no. 1 to the Prospectus dated 2 July 2010 (the "**Supplement No. 1**"), supplement no. 2 to the Prospectus dated 1 September 2010 (the "**Supplement No. 2**") and all documents incorporated by reference in the Prospectus, Supplement No. 2 and this Supplement.

Copies of the Prospectus, Supplement No. 1, Supplement No. 2 and this Supplement and all documents incorporated by reference in the Prospectus, Supplement No. 2 and this Supplement can be obtained free of charge from Dexia Kommunalbank Deutschland AG (Charlottenstrasse 82, 10969 Berlin, Germany or via the website of the Issuer (www.dexia.de)). In addition, copies of the Prospectus, Supplement No. 1, Supplement No. 2 and this Supplement and all documents incorporated by reference in the Prospectus, Supplement No. 2 and this Supplement are obtainable from, and are viewable on, the website of the Luxembourg Stock Exchange (www.bourse.lu).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference in this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, Supplement No. 1 or Supplement No. 2, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus (as supplemented by Supplement No. 1 and Supplement No. 2) since the publication of the Prospectus (as supplemented by Supplement No. 1 and Supplement No. 2).

Dexia Kommunalbank Deutschland AG accepts sole responsibility for the information contained in this Supplement (including any information incorporated by reference in this Supplement). Having taken all

reasonable care to ensure that such is the case, Dexia Kommunalbank Deutschland AG confirms that the information contained in this Supplement (including any information incorporated by reference in this Supplement) is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

A. Amendment of the section on page 5 of the Prospectus entitled "Summary"

The following subsection "Letter of Support" shall be added below the subsection on page 14 of the Prospectus entitled "Summary Regarding Dexia Kommunalbank Deutschland AG – Major Shareholders":

Letter of Support DKD has the benefit of a Letter of Support issued by Dexia Crédit Local on 28 February 2011 (the "**Letter of Support**"). Pursuant to the Letter of Support, Dexia Crédit Local states, *inter alia*, that it undertakes to ensure that DKD will at all times be able to discharge all its commitments of whatever nature, particularly its financial commitments, when due.

The Letter of Support is not a guarantee by Dexia Crédit Local of any Notes to be issued by DKD under the Programme.

B. Amendment of the section on page 16 of the Prospectus entitled "German Translation of the Summary - Zusammenfassung"

The following subsection "Patronatserklärung" shall be added below the subsection on page 26 of the Prospectus entitled "Zusammenfassung der Informationen über die Dexia Kommunalbank Deutschland AG – Hauptaktionäre":

Patronatserklärung Zugunsten der DKD hat die Dexia Crédit Local am 28. Februar 2011 eine Patronatserklärung (*Letter of Support*; die "**Patronatserklärung**") abgegeben. In der Patronatserklärung verpflichtet sich Dexia Crédit Local unter anderem dafür zu sorgen, dass DKD stets dazu in der Lage sein wird, alle ihre Verpflichtungen (gleich welcher Art), insbesondere ihre finanziellen Verpflichtungen, bei Fälligkeit zu erfüllen.

Die Patronatserklärung stellt keine Garantie der Dexia Crédit Local in Bezug auf Schuldverschreibungen dar, die von der DKD unter dem Programm begeben werden.

C. Amendment of the section on page 133 of the Prospectus entitled "Description of Dexia Kommunalbank Deutschland AG"

The following paragraph shall be added to the end of the subsection on page 133 of the Prospectus entitled "General Information about the Issuer":

DKD has the benefit of a Letter of Support issued by Dexia Crédit Local on 28 February 2011 (the "**Letter of Support**"). Pursuant to the Letter of Support, Dexia Crédit Local states, *inter alia*, that it undertakes to ensure that DKD will at all times be able to discharge all its commitments of whatever nature, particularly its financial commitments, when due.

The Letter of Support is not a guarantee by Dexia Crédit Local of any Notes to be issued by DKD under the Programme. Since the Letter of Support has been issued in favour of DKD only, the Holders would not have a recourse right against Dexia Crédit Local in the case of a default by DKD on any payments to be made under any Notes to be issued under the Programme.

D. Amendment of the section on page 150 of the Prospectus entitled "General Information"

1. The subsection on page 150 of the Prospectus entitled "Trend Information" shall be replaced as follows:

There has been no material adverse change in the prospects of the Issuer since 31 December 2010, the date of its last published audited financial statements.

2. The subsection on page 150 of the Prospectus entitled "General Information – Significant Change in the Financial Position of the Issuer" (as replaced by Supplement No. 2) shall be replaced as follows:

There has occurred no significant change in the financial position of DKD since 31 December 2010, the end of the last period for which financial statements have been published by DKD.

E. Annual Report 2010 of Dexia Kommunalbank Deutschland AG

Copies of the Annual Report 2010 (the "**Annual Report 2010**") of Dexia Kommunalbank Deutschland AG containing, *inter alia*, the audited non-consolidated annual financial statements of Dexia Kommunalbank Deutschland AG as of and for the financial year ended 31 December 2010, prepared pursuant to German Generally Accepted Accounting Principles ("**German GAAP**") have been filed with the Luxembourg *Commission de Surveillance du Secteur Financier* and, by virtue of this Supplement, the Annual Report 2010 is incorporated by reference in, and forms part of, this Supplement to the extent set out in the "*Table of Documents Incorporated by Reference*" below, provided that any information not specifically set out in the "*Table of Documents Incorporated by Reference*" but included in the Annual Report 2010 incorporated by reference is given for information purposes only.

Table of Documents Incorporated by Reference

Document	Section Incorporated
Annual Report 2010, including:	
– Balance Sheet as of December 31, 2010 (<i>Jahresbilanz zum 31. Dezember 2010</i>)	Pages 34 – 35
– Income Statement for the period from January 1 to December 31, 2010 (<i>Gewinn- und Verlustrechnung für die Zeit vom 1. Januar bis 31. Dezember 2010</i>)	Pages 38 – 39
– Statement of Changes in Equity (<i>Eigenkapitalveränderrungsrechnung</i>)	Page 40
– Cash-flow Statement (<i>Kapitalflussrechnung</i>)	Page 41
– Notes to the annual financial statements (<i>Anhang</i>)	Pages 42 – 53
– Auditors' Report (<i>Bestätigungsvermerk des Abschlussprüfers</i>)	Page 56

The Annual Report 2010 of Dexia Kommunalbank Deutschland AG (and the information contained therein and incorporated by reference in this Supplement) is an English language translation of its binding German language counterpart.

F. Withdrawal Right

Any investor who may wish to exercise any withdrawal right arising pursuant to Article 16.2 of the Prospectus Directive or Article 13.2 of the Prospectus Act, respectively, as a result of the publication of this Supplement must exercise that right on or before 5.30 p.m. (Luxembourg time) on 19 April 2011. Such withdrawal, if any, is not required to contain any reasons for the withdrawal and is to be addressed in writing to Dexia Kommunalbank Deutschland AG, Charlottenstraße 82, 10969 Berlin, Germany. In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.