



Corporate Banking & Securities

Colin Fan & Robert Rankin,
Co-Heads of CB&S

Passion to Perform

Investor Day, Frankfurt, 12 September 2012

CB&S overview



Where we are today

- Challenging market conditions – outlook remains uncertain
- CB&S is a leading investment banking franchise
- DB well placed to consolidate success in new environment

The journey to 2015

- Reaffirming client centricity
- Fully committed to cultural change
- Focus, scale and efficiency driving sustainable, attractive returns

The business in 2015

- Top 3 global investment bank
- EUR 1.9 bn cost savings by 2015; cost/income ratio of <65%
- Post-tax RoE of ~15%, Basel 3 fully loaded⁽¹⁾

(1) Excludes non-core operations and reflects reassignment of management responsibilities for asset-gathering business and changes to the allocation of coverage costs between CB&S and GTB



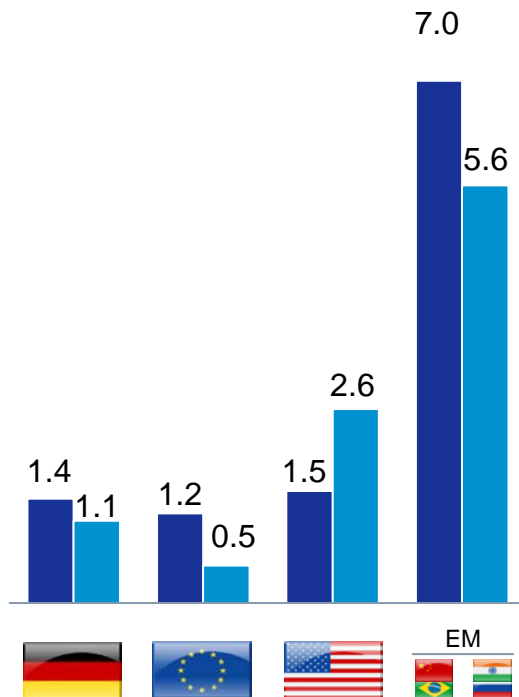
Challenging and uncertain macro environment

Lower global growth

GDP growth, in %

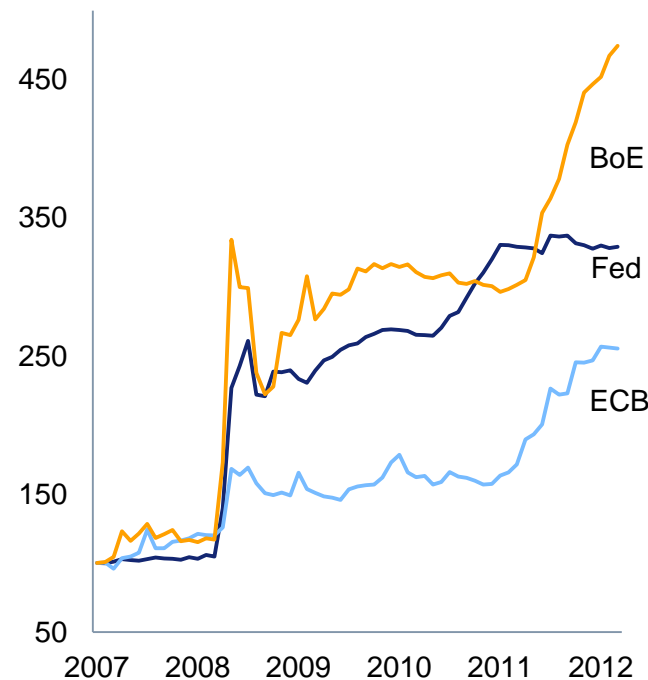
■ Ø 2004-11

■ Ø 2012-15e



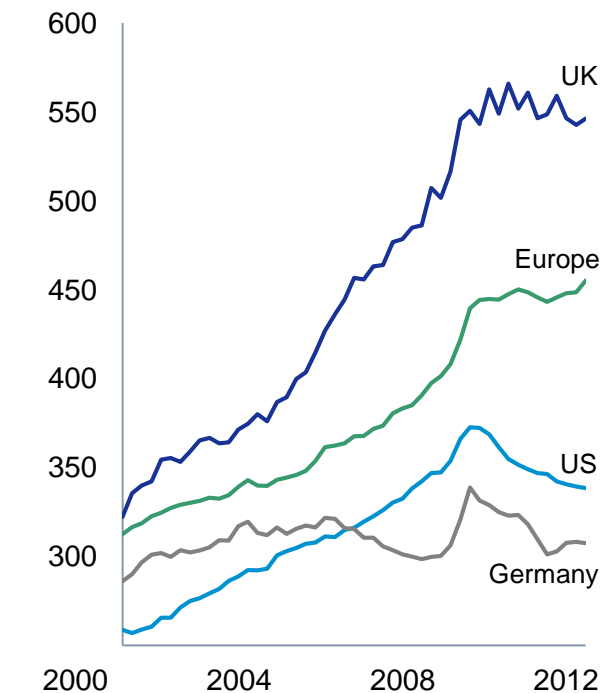
Unprecedented policy stimulus

Central bank assets, June 2007
normalised to 100



Need for deleveraging

Domestic debt outstanding,
% of GDP

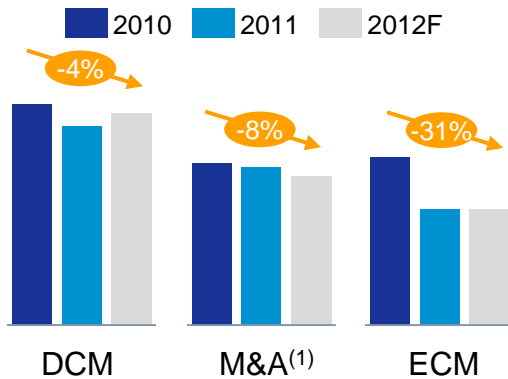


Source: GDP growth: IMF World Economic Outlook (2004-2011), DB Research (2012-2015e), Bloomberg, ECB, DB Research, Haver Analytics



Revenue pools to remain subdued with modest medium-term upside

Primary volumes

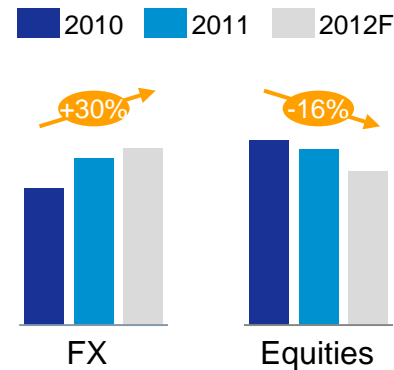


Outlook



- DCM expected to remain robust, particularly if low rates persist
- M&A activity expected to hold up as corporates draw on cash balances
- ECM will remain subdued until investor confidence returns

Secondary volumes

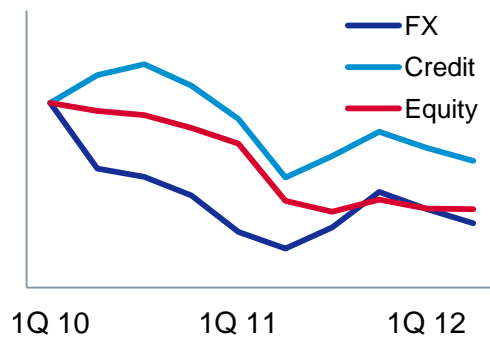


Outlook



- Activity to remain strong in some fixed income markets (e.g. FX)
- Equities volumes may trend higher in medium term when global recovery takes hold

Margins(2)

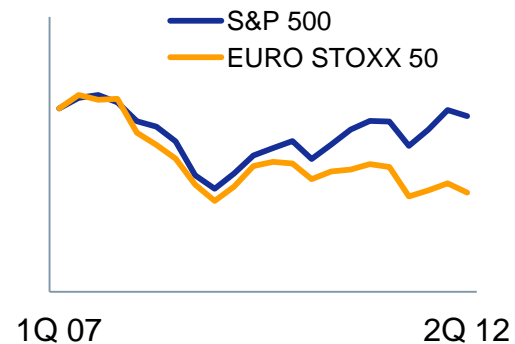


Outlook



- Margins have trended lower as market volatility declined
- Consolidation and capital pressure expected to pull margins up (offset somewhat by regulatory change)

Asset valuations



Outlook



- Equity market valuations currently reflecting relative economic outlook in US and Europe
- Asset valuations potential to recover as sovereign risk recedes

Note: All volume data shown in EUR m value terms. (1) Announced M&A volumes
 Source: Thomson Financial, CLS, World Federation of Exchanges, Deutsche Bank

(2) Secondary margins based on Deutsche Bank data

Policymaker action dictating asset valuations



Market characteristics

Policy measures
 distorting asset prices

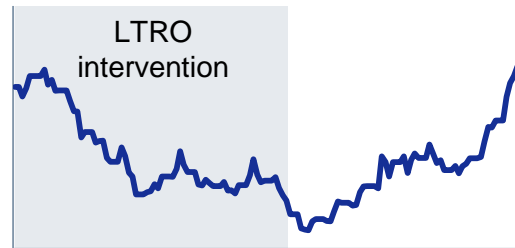
Event-driven
 markets

Idiosyncratic
 risk events



Credit asset prices

iTraxx Main spreads in bp (indexed)



Jan 2012

May 2012

Currencies

CHF EUR exchange rate

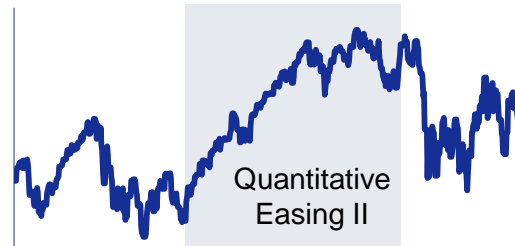


Nov 2010

Aug 2012

Equity markets

S&P 500



Jan 2010

Dec 2011

Sovereign spreads

Spain 2 year bond yields



Jan 2012

Aug 2012

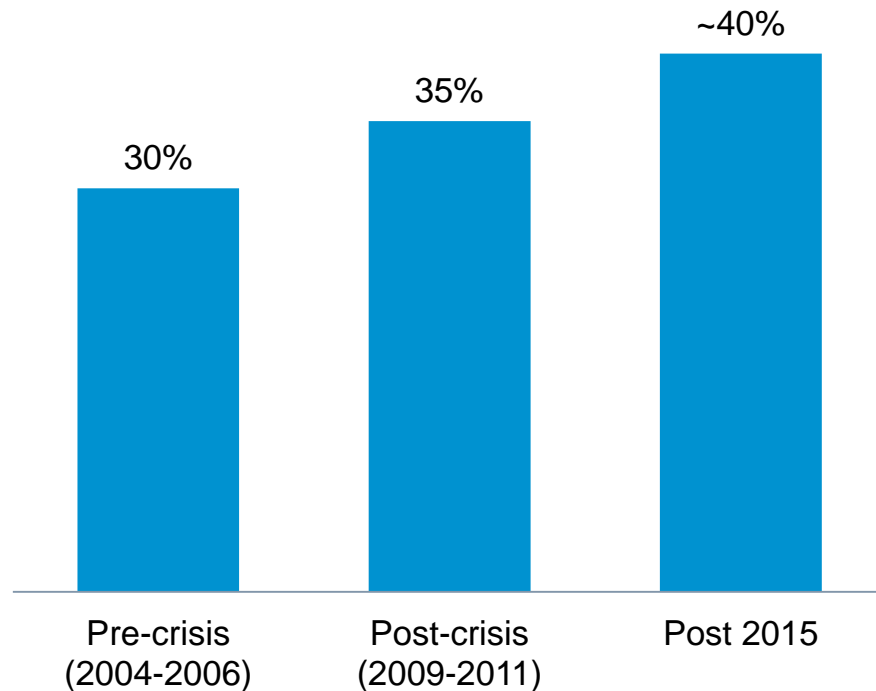
Source: Bloomberg



The market environment will drive increased consolidation and polarization – DB is a likely winner

Continued market consolidation

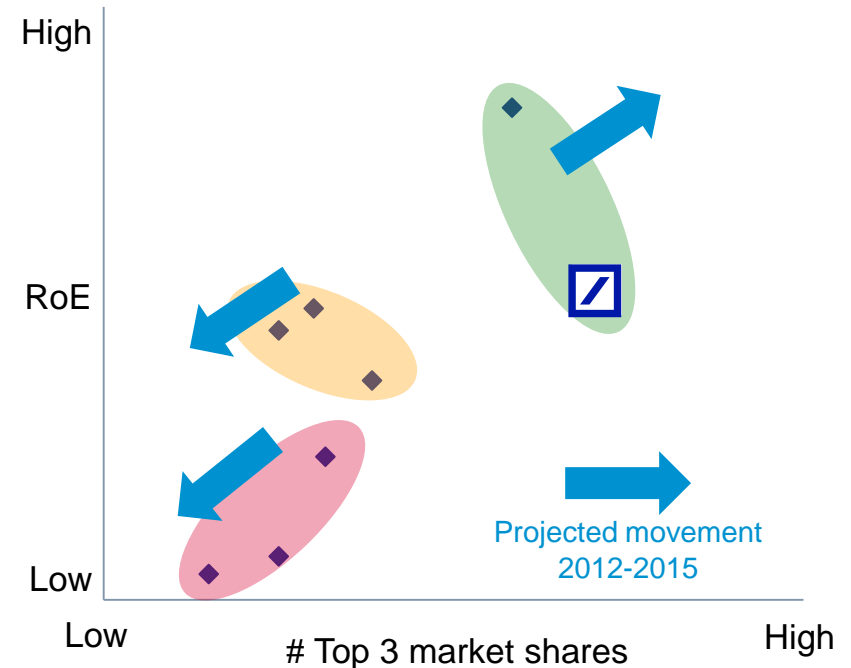
Investment banking top 3 revenue share⁽¹⁾



Bar-belling of competitive landscape

2011 returns vs. market share for Deutsche Bank and peers⁽²⁾

Indicative



(1) Revenues adjusted for fair value gains, brokerage and other one-offs, excludes banking and other products. Peer set includes Barclays, Bear Stearns, BNP, BoA, Citi, CS, GS, JPM, Lehman, ML, MS, Nomura, RBS, SocGen and UBS

(2) Top 3 rankings counted for each product and major region (Americas, Europe, Asia ex Japan, Japan). Products include a wide range of fixed income, equities and corporate finance products. Rankings generally on the basis of client market share, penetration or fees. Total of 73 markets analyzed

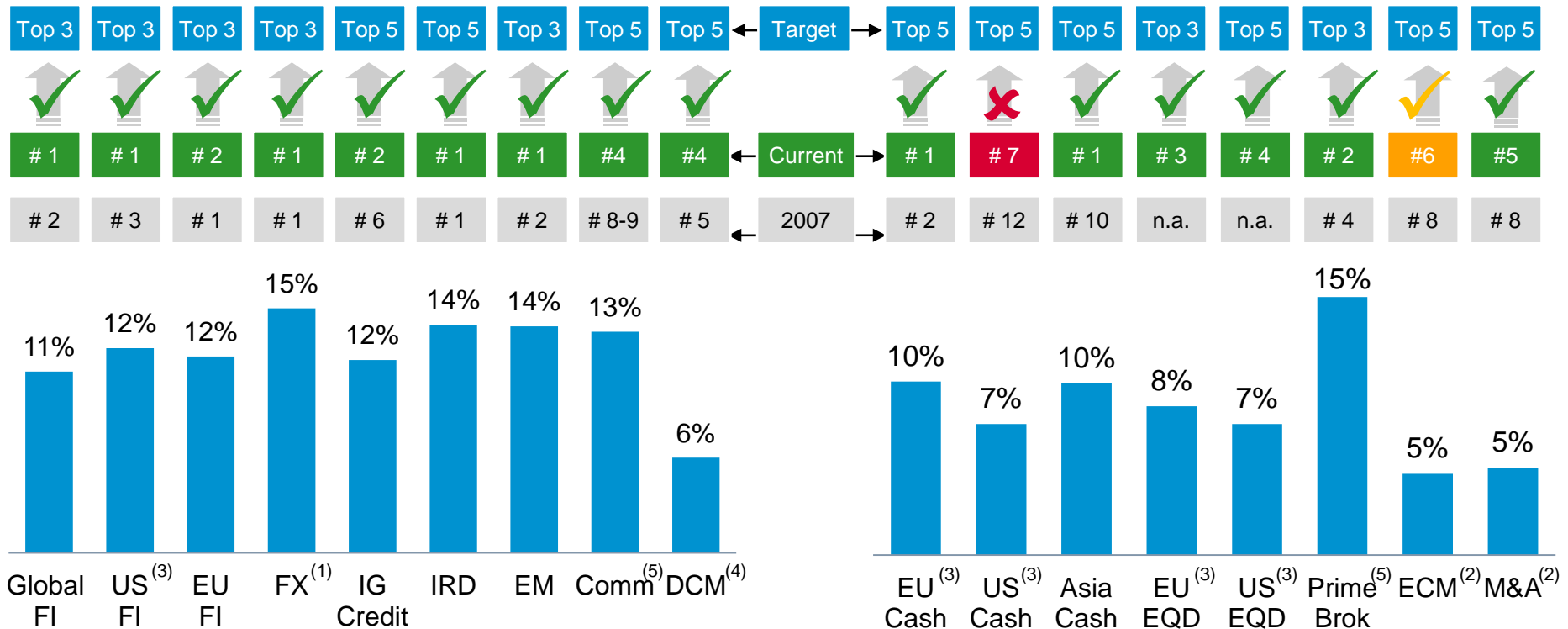
Source: Greenwich Associates, Coalition Development, Euromoney, Dealogic, Deutsche Bank estimates



DB is a top tier firm with depth and breadth across the business

Fixed income ranks/shares

Equities/Advisory ranks/shares



Note: 2011 data except where stated otherwise; FI = Fixed Income, IRD = Interest Rate Derivatives, EM = Emerging Markets, Comm = Commodities, EQD = Equity Derivatives, Prime Brok = Prime Brokerage; % figures represent client market shares unless stated below; commodities and prime brokerage show revenue market share of top 9 players only; equity derivatives numbers represent equity swaps for US and flow options for EU

(1) 2012 Euromoney FX poll (2) ECM/M&A based on 1H2012 Dealogic data (3) 2012 Greenwich Associates data. Research/Advisory ranks for cash equities. (4) High Grade/High Yield/Loans origination for DCM 1H2012 Dealogic data (5) Source: Coalition Development

Source: Greenwich Associates (except where stated otherwise), Coalition Development, Euromoney, Dealogic, Deutsche Bank



Our flow-focused, lower risk business model is well suited to client needs

Deutsche Bank volumes

Number of trades, daily average 1H2012

Cash equities	~2,000,000
FX Cash	206,000
Bonds	57,000
Repo	11,000
Money Markets	7,200
IRD	2,500
FX Options	2,200

Higher risk businesses scaled back

CB&S resources, current vs. peak levels⁽¹⁾



- (1) Peak refers to highest level during the period 3Q2007 to 4Q2009
- (2) Adjusted assets, as defined in 2Q2012 Financial Data Supplement on page 20
- (3) Current RWA under Basel 2 as of Nov 2011 as DB started reporting RWA under Basel 2.5 from Dec 2011 onwards
- (4) Estimated maximum traded market risk loss on a return to 1Q2009 conditions over a quarter, including offsetting revenues across businesses

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Investment banks play an essential role in the global economy

Valuable functions

Capital raising & distribution		<ul style="list-style-type: none">— Enabling governments and companies to raise capital— Providing extensive global distribution networks— Facilitating investment
Global connectivity		<ul style="list-style-type: none">— Facilitating trade growth and exchange of services— Supporting corporate activity around the globe— Providing market access
Risk management		<ul style="list-style-type: none">— Allowing firms to focus on their operational strengths— Lowering clients' financing costs and reducing uncertainty— Immunizing non-standard risks (e.g. longevity risk for pension funds)
Trusted advice		<ul style="list-style-type: none">— Maintaining trusted long-term relationships— Offering independent advice and transaction support— Providing guidance on strategic acquisitions and divestments

We are redefining our culture to underpin this purpose



Deutsche Bank commitments

Linking our values to behavior

We will make our cultural values central to the way we manage our people

Realigning compensation

We will lead the industry on realigning compensation balance and practices

CB&S actions

- “Tone at the top” communication
 - “Red flag” status and impact available to individuals and supervisors – culture reinforced in promotion criteria and performance reviews
 - Greater focus on ‘how’ performance is delivered through assessment of employee behavior
 - Risk culture further embedded through training and communications
-
- Clear compensation impact of “red flag” breaches in 2011
 - Meaningful claw back and forfeiture mechanisms implemented
 - Extended deferral from 3 to 5 years and change from tranche vesting to cliff vesting for share component for senior management



While retaining our top performers

CB&S – our people

Market leading client relationships	<ul style="list-style-type: none">— Relationships with leading global institutions/clients— Unparalleled service delivery in Europe. Leader in US fixed income
High performing talent	<ul style="list-style-type: none">— Highly successful, innovative workforce with collaborative approach— Top quartile productivity across the platform
Track record of managing change	<ul style="list-style-type: none">— Delivered on major strategic programmes— Extensive experience of managing change across businesses/regions

Our value proposition

Performance culture

- Meritocracy
- Stronger differentiation of rewards
- Execution and results oriented
- Risk culture

Entrepreneurial spirit

- Empowerment of business leaders
- Speed and agility
- Innovation

Cultural diversity

- Ability to adapt and change
- Respect for others
- Global culture
- Strongly anchored in home market



Focus, scale and efficiency will define the future CB&S business

CB&S value drivers

Focus

- Re-evaluate the CB&S portfolio to identify strategic priorities
- Transfer of non-core assets out of CB&S
- Align client profitability and balance sheet deployment better

Scale

- Leverage strengths of FICC platform
- Industrialize processes
- Re-design trading architecture

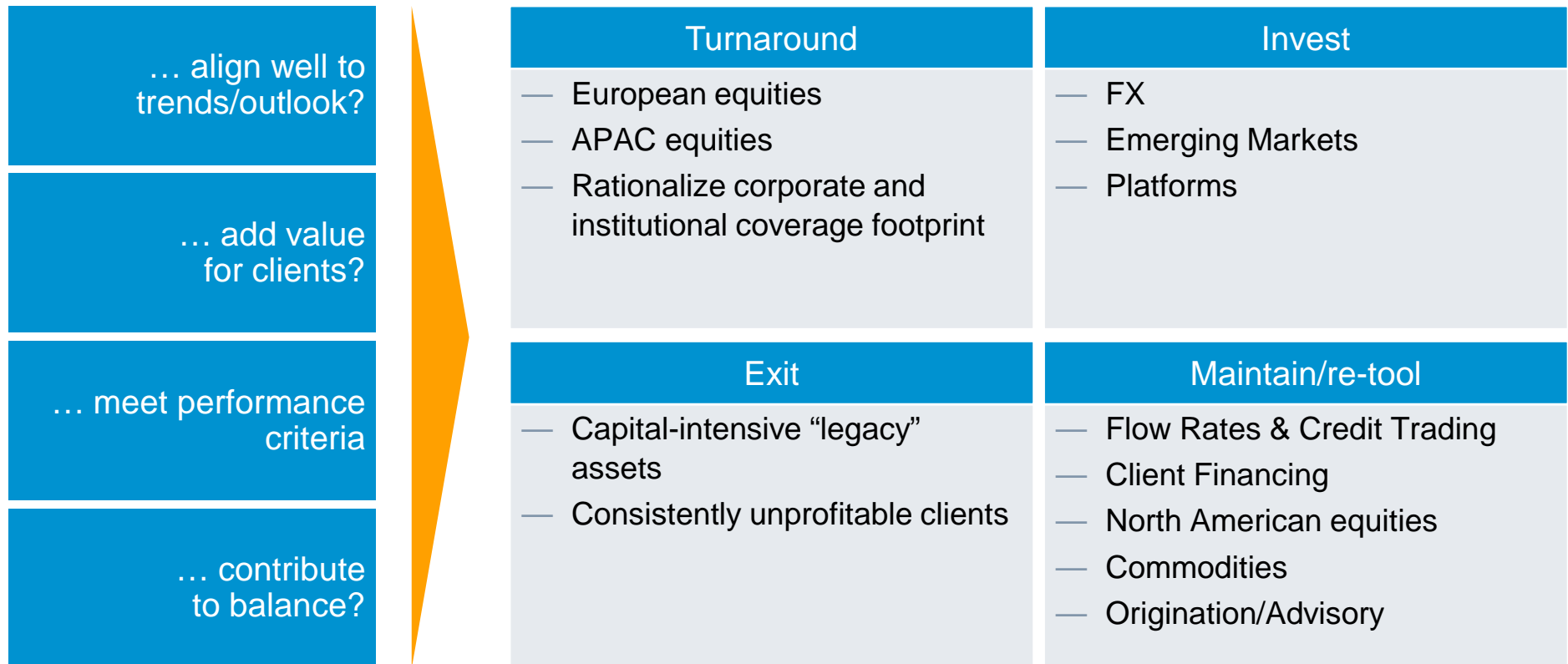
Efficiency

- Reduce capital consumption across the business
- Align coverage to market opportunities



Focus: We have re-evaluated the CB&S portfolio to identify strategic priorities

Does the business ...



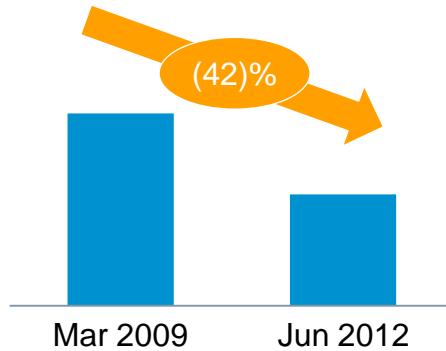


Focus: Reductions in legacy assets will be further continued by the Non-Core Operations unit

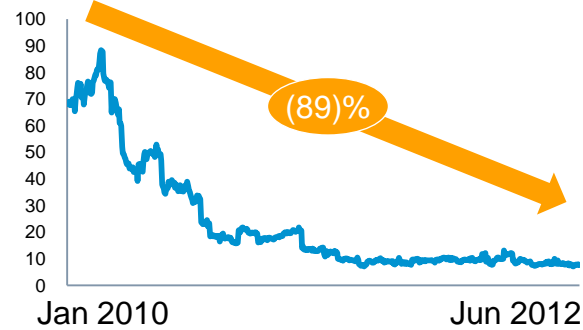
SPLIT OPERATING vs. NON-CORE INDICATIVE

Significant de-risking of non-core assets, CB&S

IAS 39 assets

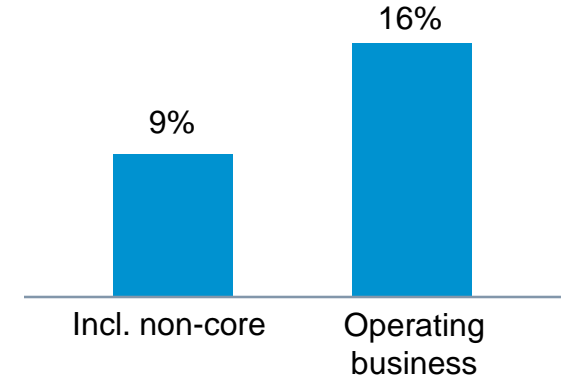


Correlation trading VaR, in EUR m

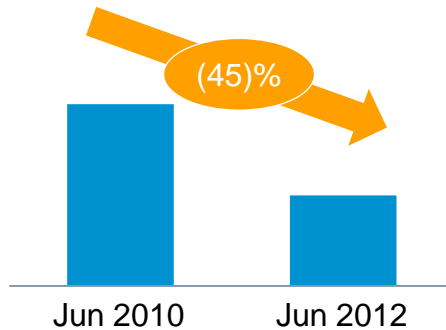


CB&S post-tax RoE, 2011⁽¹⁾

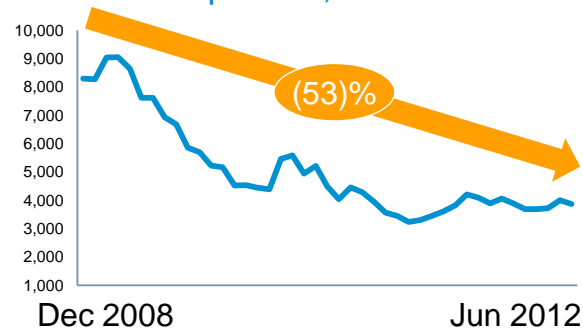
Basel 2



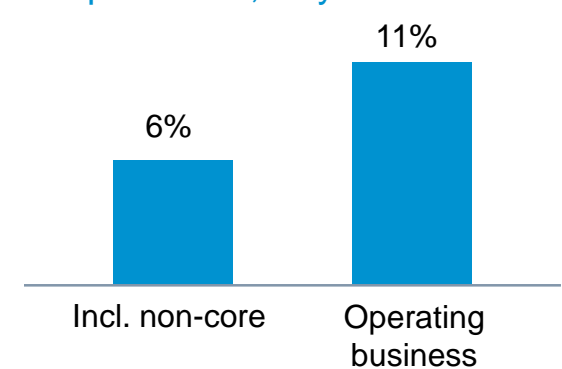
Securitization CDIs



Monoline exposure, in EUR m



Basel 3 pro-forma, fully loaded⁽²⁾



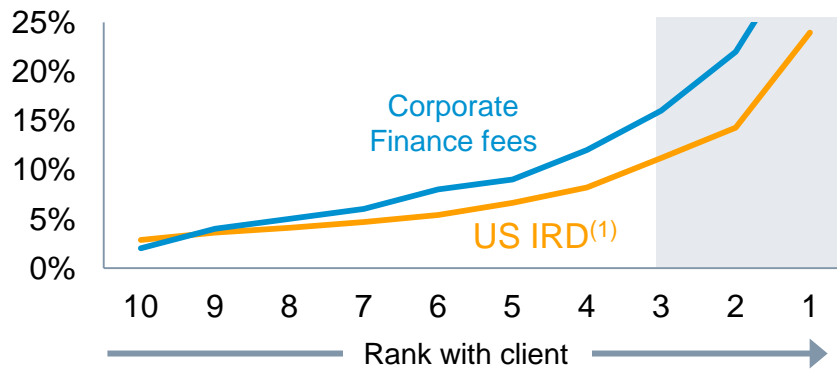
- (1) Assumes domestic statutory tax rate of 30.8%. 'Operating business' excludes non-core operations and reflects reassignment of management responsibilities for asset-gathering business and changes to the allocation of coverage costs between CB&S and GTB
- (2) Assumes overall bank capitalization consistent with an 8% Core Tier 1 ratio under Basel 3 fully loaded and Basel 3 RWA impact commensurate with year-end 2012 targets



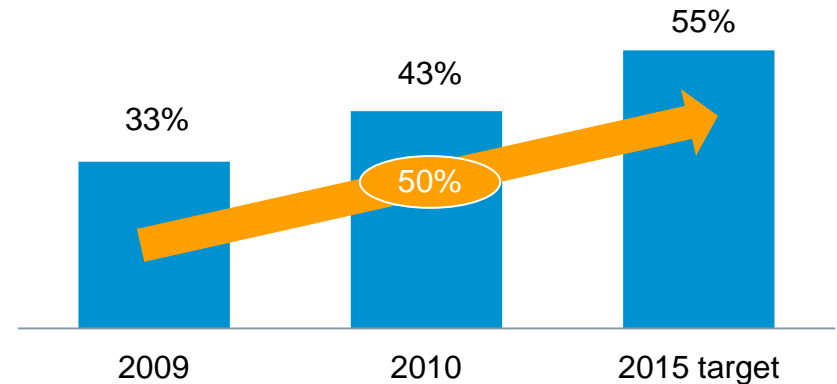
Focus: We will better align client profitability and capital deployment

Deepening leading client relationships

Ranking with client vs. market share



% of Corporate clients where DB in top 3



Deploying capital effectively

DB approach to allocation of financial resources

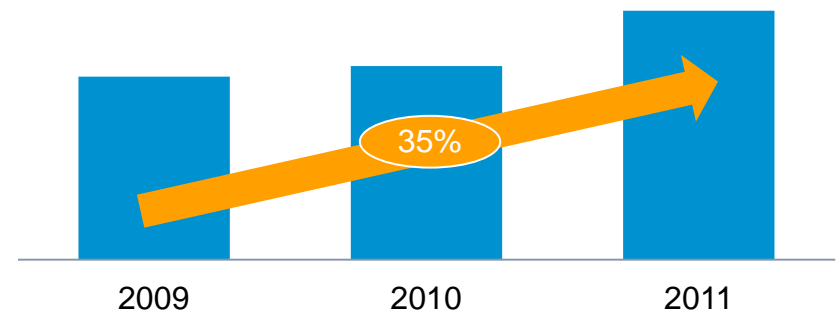
- ▶ Utilize resources to support key clients
- ▶ Understand full relationship profitability
- ▶ Segment and manage clients based on returns

(1) Interest rate derivatives

(2) Revenue returns on credit RWA (Basel 2 basis)

Source: Dealogic, Greenwich US Fixed Income Survey 2012

Corporate lending returns on RWA(2)

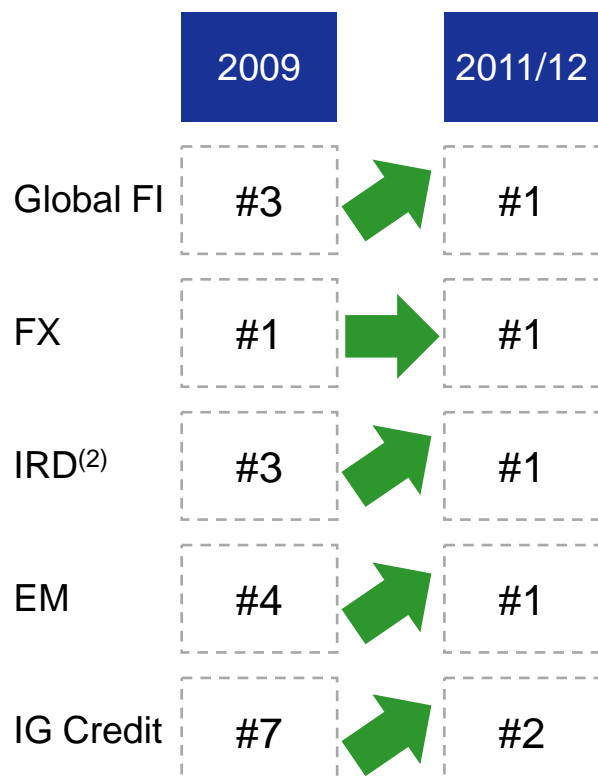


Scale: We will continue to leverage our scale in FICC⁽¹⁾



Leading FICC franchise

Ranks by market share



(1) Fixed Income, Currency and Commodities

(2) Interest rate derivatives

Source: Greenwich Associates (all ranks except FX), Euromoney (for FX rank only)

Driving further integration opportunities

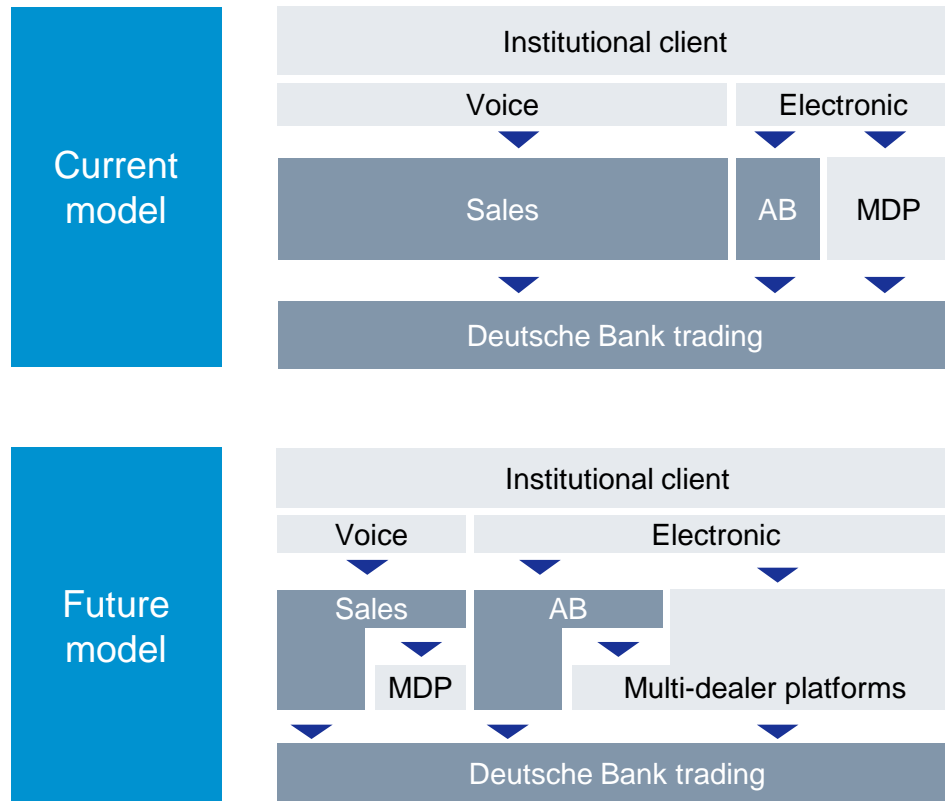
	FX	Rates/MM	Credit Trading	Commodities
Sales	[Grey bar]			
Structuring	[Grey bar]			
Trade pricing, liquidity	[Grey bar]	[Grey bar]	[Blue bar]	[Dark Blue bar]
Settlement, netting	[Grey bar]	[Grey bar]	[Blue bar]	[Dark Blue bar]
Financial resource optimization (RWA, balance sheet, collateral)	[Grey bar]	[Grey bar]	[Blue bar]	[Dark Blue bar]
Risk management	[Grey bar]	[Grey bar]	[Blue bar]	[Dark Blue bar]
Business support	[Grey bar]	[Grey bar]	[Blue bar]	[Dark Blue bar]

- Remove support function silos
- Industrialize systems and process
- Decommission overlapping/redundant systems
- Deliver best of breed algos



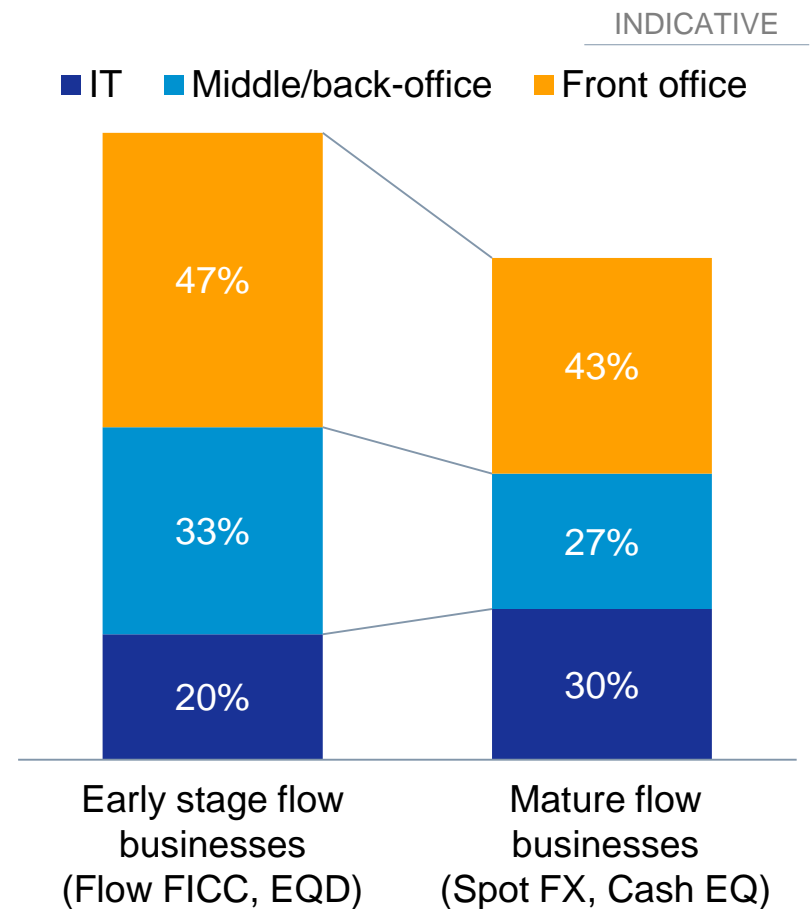
Scale: Our target trading architecture will enable us to recalibrate our cost base

Trading operating model for new OTC businesses



Note: AB =AutoBahn; MDP = Multi-dealer platform
 Source: Oliver Wyman, Deutsche Bank

Industry cost base evolution

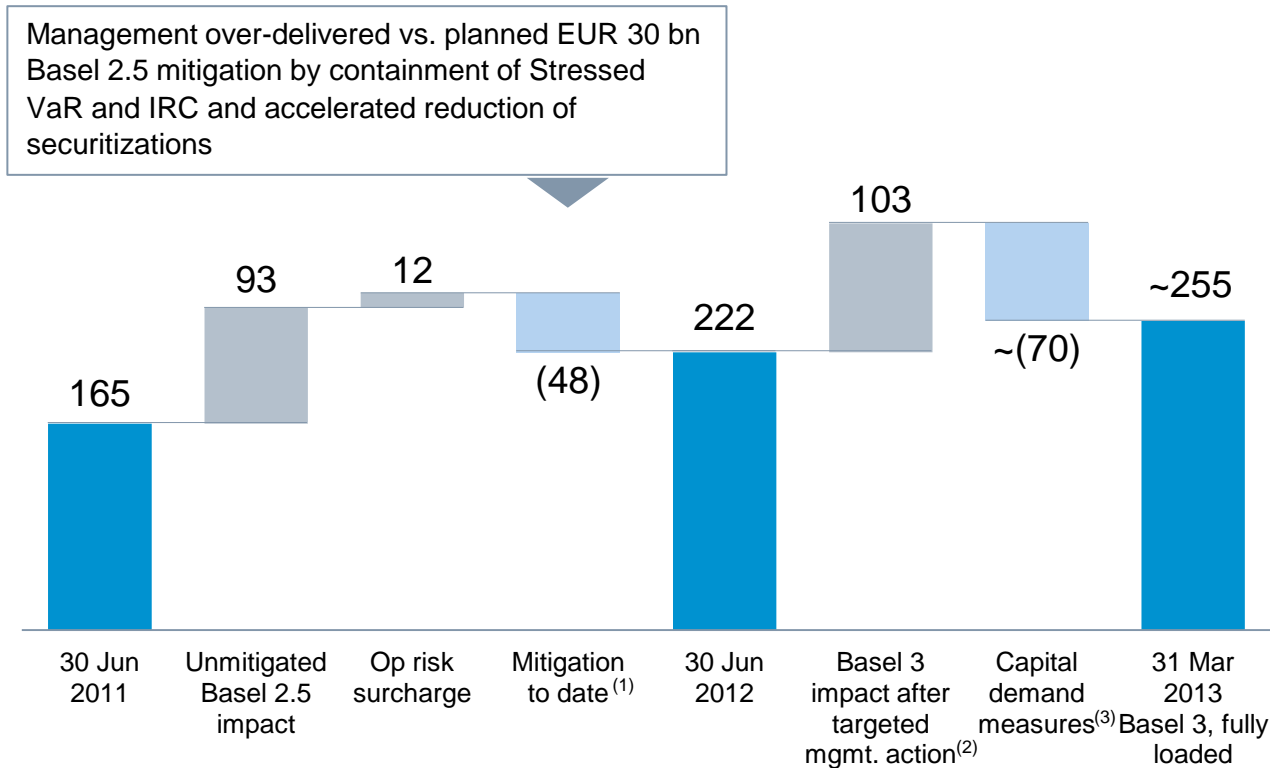




Efficiency: We exceeded our RWA mitigation targets for Basel 2.5 and will manage the impact of Basel 3

CB&S risk-weighted assets

In EUR bn



Mitigation until 31 March 2013

- Planned mitigation to year end 2012 includes significant sales of securitization positions, tight management of market risk levels along with model and data enhancements
- Further actions are likely to include further securitization sales, correlation book transfer and further model/data/process enhancements

(1) Net of other RWA movements (e.g. FX)

(2) CB&S portion of EUR 109 bn Group impact. Gross RWA increase does not reflect EUR 2 bn of capital benefit from the add-back of securitization deductions

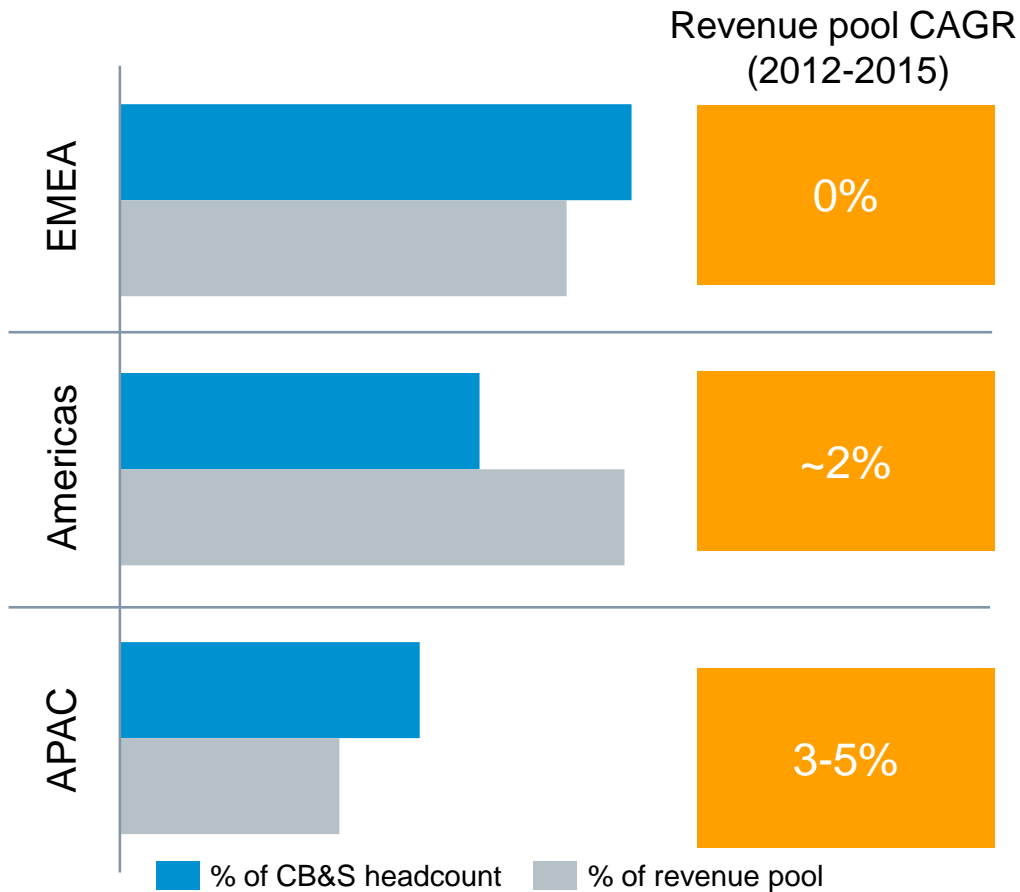
(3) CB&S portion of EUR (85) bn Group impact. Net of other RWA movements (e.g. FX)



Efficiency: We will continue to align headcount with market opportunities

Resources and opportunities not fully aligned

CB&S resource allocation



- Maintain European leadership
- Grow in Germany
- Rescale franchise

- Opportunity to win share
- Grow US coverage, with focus on key sectors through resource realignment
- Streamline Latin America

- Consolidate top tier position
- Recalibrate footprint in line with evolving market opportunities

Source: Dealogic, Oliver Wyman, Deutsche Bank

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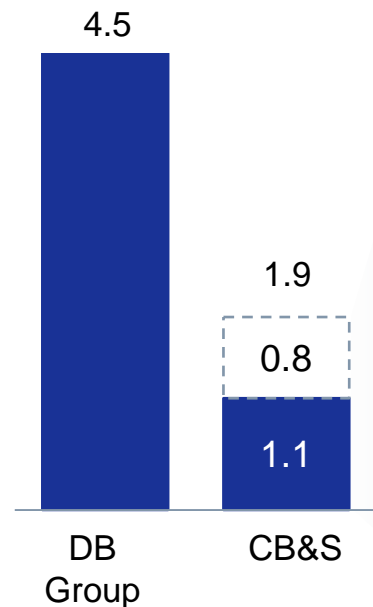


We are taking significant costs out of the business

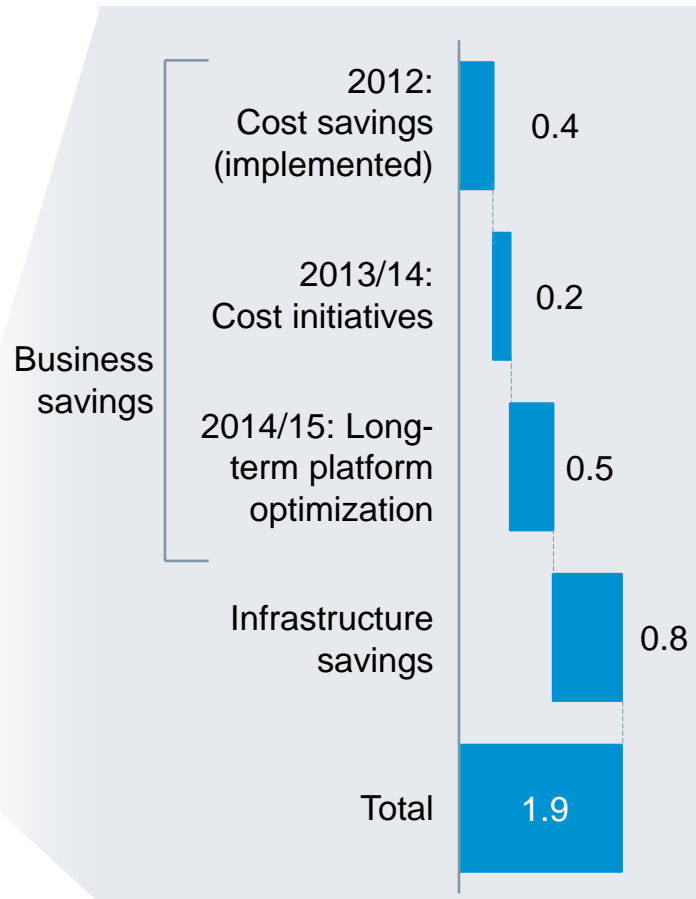
Contribution to Group aspiration

2015 run-rate savings, in EUR bn

- Cost savings
- Infrastructure cost savings



CB&S: Major cost measures



- Announced 900 front office headcount reduction (in addition to 500 reduction announced in 4Q2011). Focus on equities/corporate finance in EU/APAC
- Improved cost management
- Reduction of non-compensation costs (e.g. real estate optimisation, procurement management)
- Platform realignment to emerging regulatory changes and business performance
- Lower compensation costs
- Dynamic management of business portfolio
- Announced 600 infrastructure headcount reduction
- Front-to-back process optimization
- Optimization of location footprint

Cumulative impact:

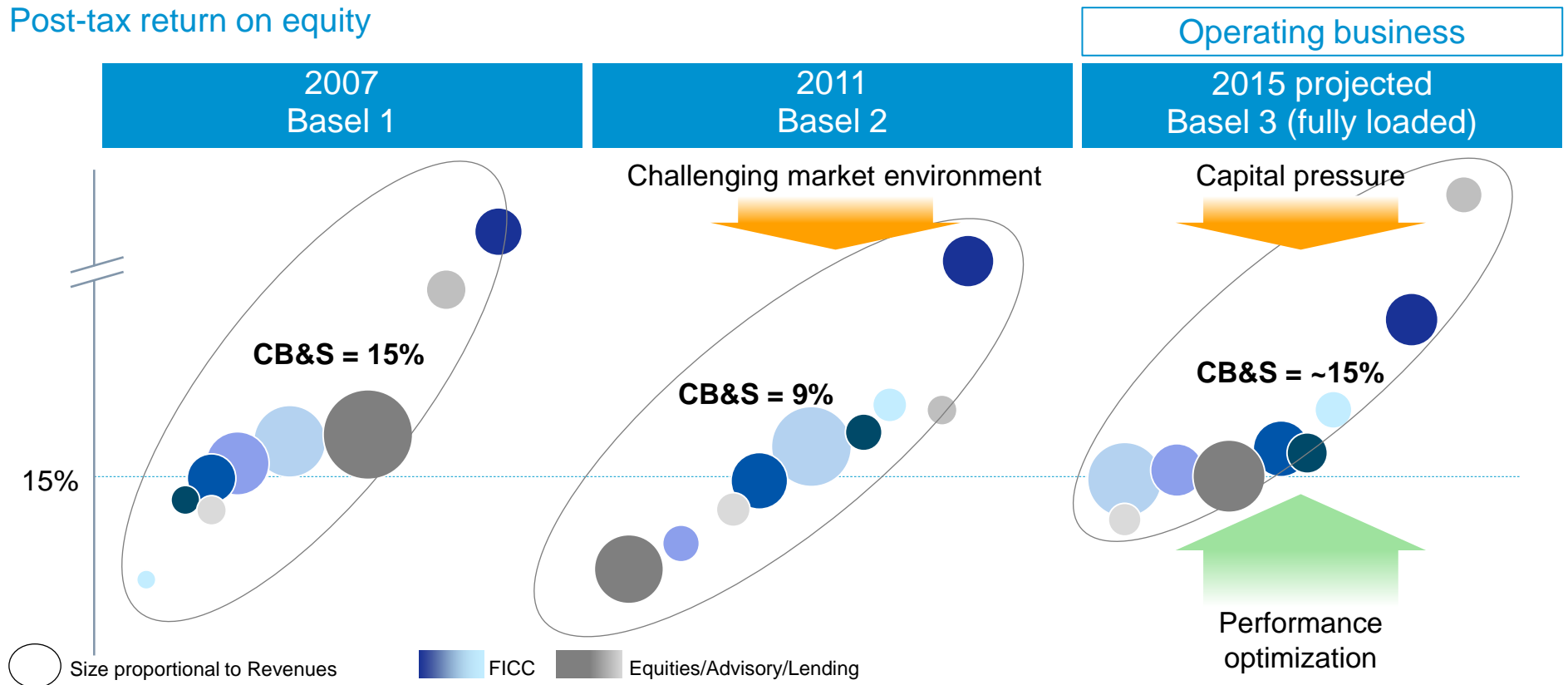
- Cost/income ratio <65%



By 2015, a recalibrated CB&S will deliver attractive risk-adjusted returns across its portfolio of core businesses

CB&S portfolio evolution 2007 – 2015

Post-tax return on equity

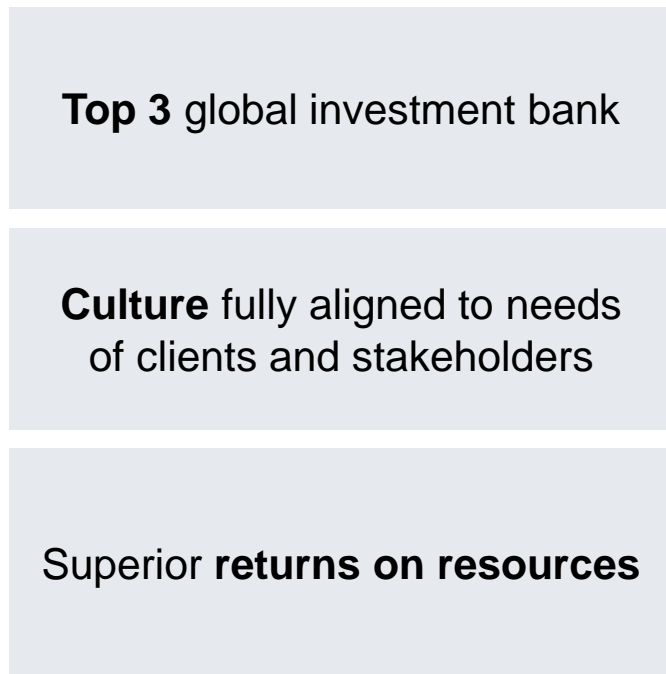


Note: 2007 and 2011 are based on reported pre-tax return on equity and on domestic statutory tax rates for 2007 (30.7%) and 2011 (30.8%). They include non-core operations and do not reflect reassignment of management responsibilities for asset-gathering business to AWM and changes to the allocation of coverage cost between CB&S and GTB. The projection for 2015 is based on Basel 3 pro-forma fully loaded an tax rate guidance of 30 – 35%. It excludes non-core operations and reflects the aforementioned reassignment of management responsibilities and changes to cost allocation. All years shown are based on average active equity.



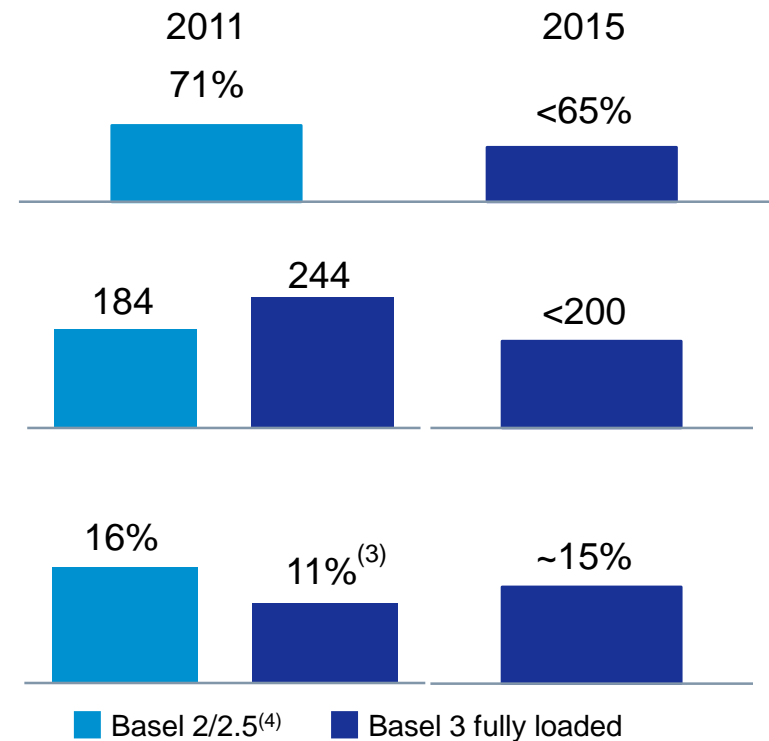
From here to there: Aspiration 2015

Key take-aways



Key metrics for operating business

Pro-forma, excluding non-core operations⁽¹⁾



- (1) Also reflects reassignment of management responsibilities for asset-gathering business and changes to the allocation of coverage costs between CB&S and GTB
- (2) Based on domestic statutory tax rate of 30.8% for 2011 and corporate tax rate guidance of 30 – 35% for 2015; based on average active equity
- (3) Assumes overall bank capitalization consistent with an 8% Core Tier 1 ratio under Basel 3 fully loaded and Basel 3 RWA impact commensurate with year-end 2012 targets
- (4) Basel 2 for RoE, Basel 2.5 for RWA equivalent



Appendix

Passion to Perform

Investor Day, Frankfurt, 12 September 2012



Reconciliation of key financials shown in presentations

2011

SPLIT OPERATING vs. NON-CORE INDICATIVE

		Re-segmentation			
		As reported	Non-Core Operations	Other ⁽¹⁾	Operating businesses
CB&S	Cost/income ratio	78%	(6)ppt	(1)ppt	71%
	RWA (in EUR bn)	229	(52)	(3)	173
	Memo: RWA equivalent (in EUR bn) ⁽²⁾	257	(70)	(3)	184
	Pre-tax RoE	13%	+10ppt	+1ppt	24%
	Post-tax RoE ⁽⁴⁾	9%	+7ppt	+1ppt	16%
GTB	IBIT (in EUR bn)	1.1	-	(0.2)	1.0
AWM	IBIT (in EUR bn)	0.8	(0.1)	0.2	0.8
PBC	IBIT (in EUR bn)	1.8	0.2	-	2.0
	Cost/income ratio	69%	(1)ppt	-	68%
Group⁽³⁾	Cost/income ratio	78%	(6)ppt	-	72%
	Pre-tax RoE	10%	+8ppt	-	18%
	Post-tax RoE ⁽⁴⁾	7% ⁽⁵⁾	+6ppt	-	13%

Note: Numbers may not add up due to rounding. All RoE numbers in the table are based on average active equity.

(1) Reassignment of management responsibilities for asset-gathering business and changes to the allocation of coverage costs between CB&S and GTB

(2) RWA plus equivalent of items currently deducted 50/50 from Tier 1/Tier 2 capital whereby the Tier 1 deduction amount is scaled at 10%

(3) Operating business of Group also includes Consolidation & Adjustments

(4) Based on domestic statutory tax rate of 30.8%

(5) The post-tax RoE of 7% is calculated as a memo item for the purposes of this slide using the domestic statutory tax rate. 2011 reported post-tax RoE is 8%, based on average shareholders' equity



Cautionary statements

This presentation contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our revenues and in which we hold a substantial portion of our assets, the development of asset prices and market volatility, potential defaults of borrowers or trading counterparties, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and methods, and other risks referenced in our filings with the U.S. Securities and Exchange Commission. Such factors are described in detail in our SEC Form 20-F of 20 March 2012 under the heading “Risk Factors.” Copies of this document are readily available upon request or can be downloaded from www.db.com/ir.

This presentation also contains non-IFRS financial measures. For a reconciliation to directly comparable figures reported under IFRS, to the extent such reconciliation is not provided in this presentation, refer to the 2Q2012 Financial Data Supplement, which is accompanying this presentation and available at www.db.com/ir.