



# Q2 2021 Fixed Income Investor Conference Call

30 July 2021

# Strategy execution drives efficiency and revenue generation



Increased profitability driven by continued franchise improvement in a more normalized environment

Ongoing focus on cost management despite unforeseen items

Robust balance sheet combined with disciplined risk management

Positive outlook revisions from all four mandated credit rating agencies since Q4 2020

80% of funding plan completed (based on bottom end of range) at lower than planned spreads

# Q2 2021 Group financial highlights

In € m, unless stated otherwise



		Q2 2021	Change in % vs. Q2 2020	Change in % vs. Q1 2021
Revenues	Revenues	6,238	(1)	(14)
	Revenues ex specific items <sup>(1)</sup>	6,214	(1)	(14)
Costs	Noninterest expenses	4,998	(7)	(10)
	Adjusted costs ex transformation charges <sup>(2)</sup>	4,628	(6)	(13)
Profitability	Profit (loss) before tax	1,165	n.m.	(27)
	Adjusted profit (loss) before tax <sup>(3)</sup>	1,364	n.m.	(22)
	Profit (loss)	828	n.m.	(20)
	RoTE (%) <sup>(4)</sup>	5.5	6.2 ppt	(1.8) ppt
	Cost/income ratio (%)	80.1	(5.3) ppt	3.0 ppt
Risk and Capital	Provision for credit losses (bps of average loans) <sup>(5)</sup>	7	(61) bps	0 bps
	CET1 ratio (%)	13.2	(7) bps	(55) bps
	Leverage ratio (% , fully loaded) <sup>(6)</sup>	4.8	61 bps	15 bps
Liquidity	Liquidity coverage ratio (in %)	143	(1) ppt	(3) ppt
	Net stable funding ratio (in %) <sup>(7)</sup>	121	1 ppt	(2) ppt

Note: Throughout this presentation totals may not sum due to rounding differences and percentages may not precisely reflect the absolute figures. From 1 Jan 2020 financials have been prepared in accordance with IFRS as endorsed by the EU

(1) Detailed on slide 34

(2) Transformation charges of € 99m for Q2 2021, € 95m for Q2 2020 and € 116m for Q1 2021

(3) Detailed on slide 36

(4) Average tangible shareholders' equity Q2 2021: € 49.9bn, Q2 2020: € 49.4bn and Q1 2021: € 49.3bn

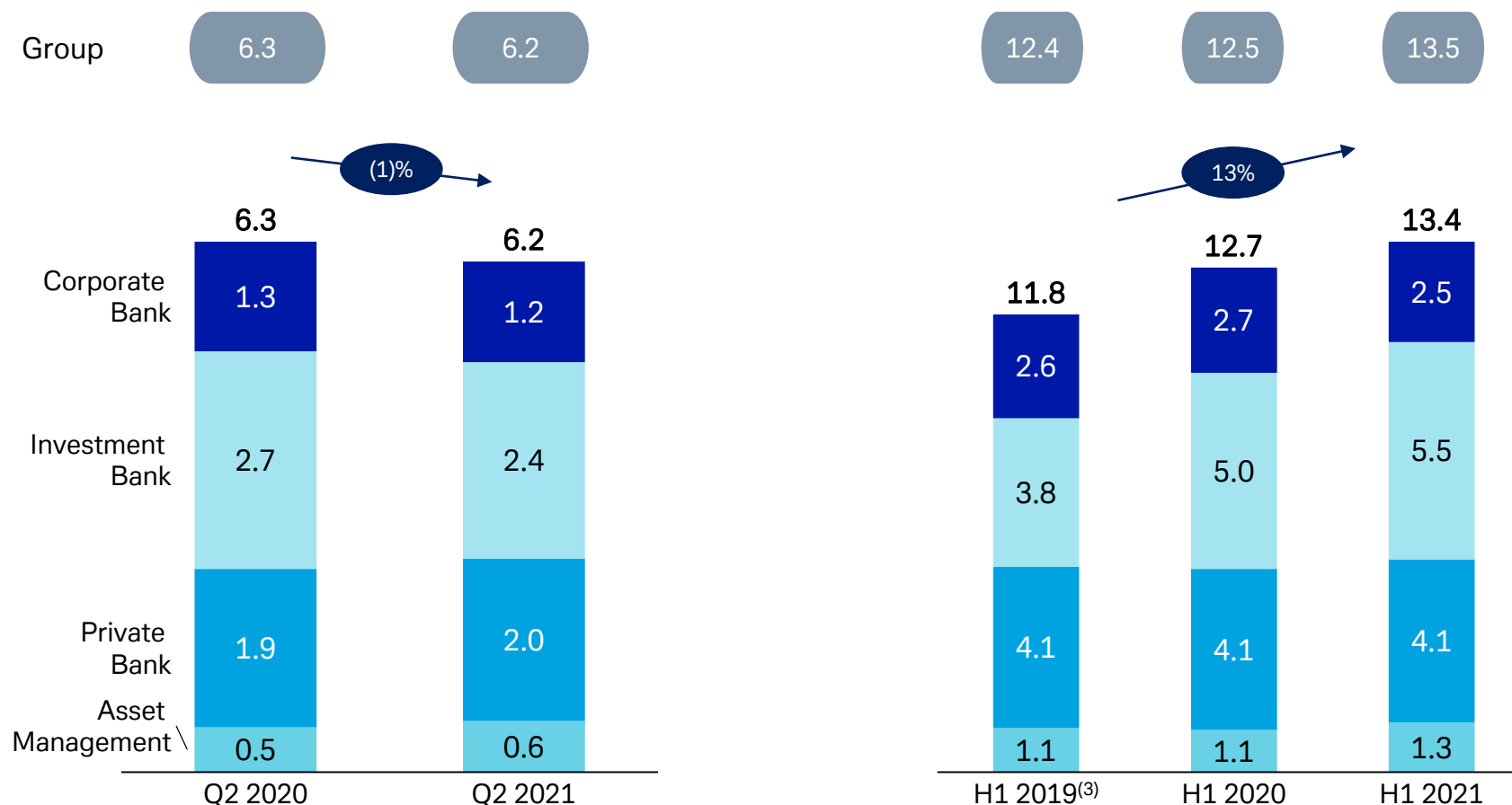
(5) Provision for credit losses annualized as bps of average loans gross of allowances for loan losses (€ 439bn for Q2 2021)

(6) Q1 2021 and Q2 2021 leverage exposure excludes certain central bank balances after the implementation of the CRR Quick Fix

(7) Preliminary Q2 2021 is in line with the Capital Requirements Regulation (CRR) as amended by CRR II

# Franchise strength drives revenue generation

Core Bank revenues<sup>(1)</sup> excluding specific items<sup>(2)</sup>, in € bn



(1) Corporate & Other revenues (Q2 2020: € (173)m, Q2 2021: € (7)m, H1 2019: € 187m, H1 2020: € (130)m, H1 2021: € (80)m) are not shown on this charts but are included in Core Bank totals

(2) Detailed on slides 34 and 35

(3) 2019 figures based on reporting structure as disclosed in Annual Report 2020

# Ongoing commitment to cost discipline

Adjusted costs excluding transformation charges<sup>(1)</sup>, in € bn

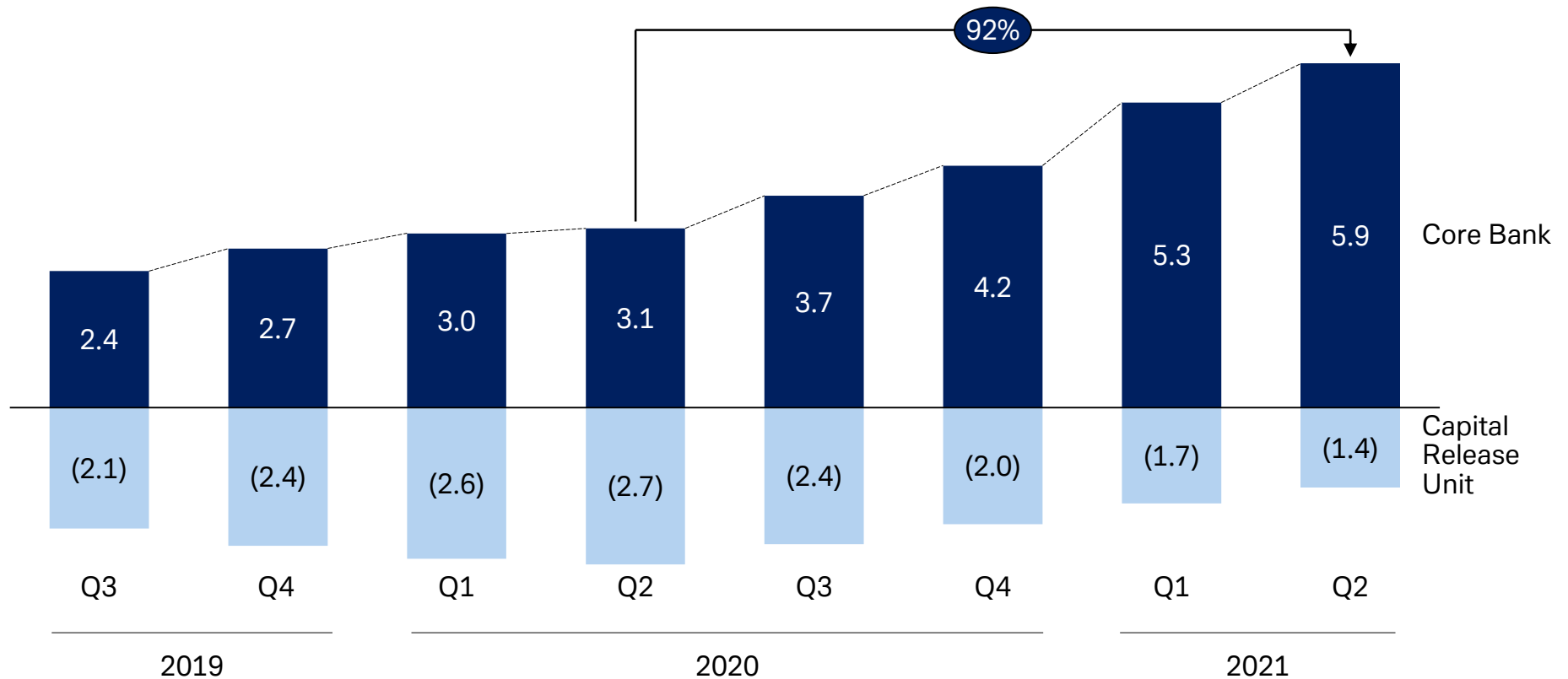


(1) Adjusted costs excluding transformation charges related to the strategic announcement on 7 Jul 2019. No transformation charges in 2018. Q2 2021 reported noninterest expenses: € 5.0bn. Detailed on slide 34

(2) Expenses eligible for reimbursement related to Prime Finance. Defined on slide 29

# Demonstrating tangible impact of strategic transformation

Last 12 months (LTM) adjusted profit (loss) before tax<sup>(1)</sup>, in € bn



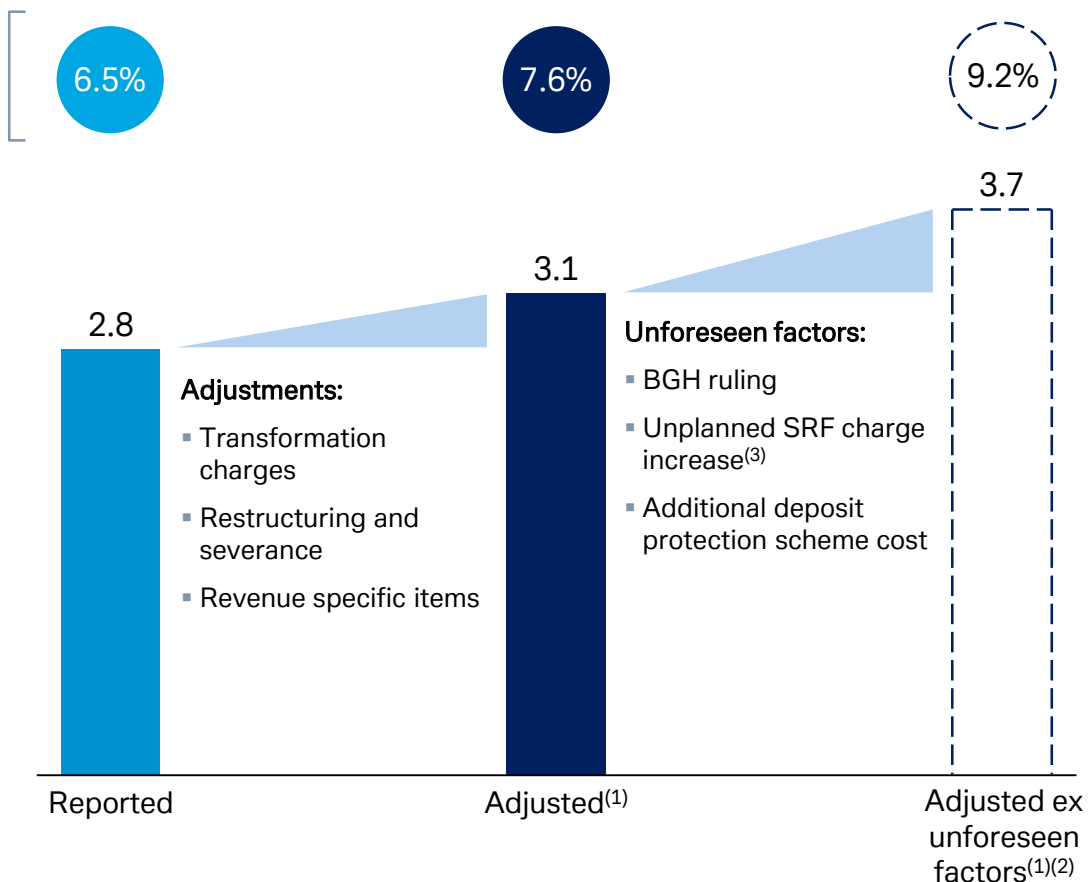
(1) 2019 figures based on reporting structure as disclosed in Annual Report 2020

# Underlying shareholder returns support 2022 targets

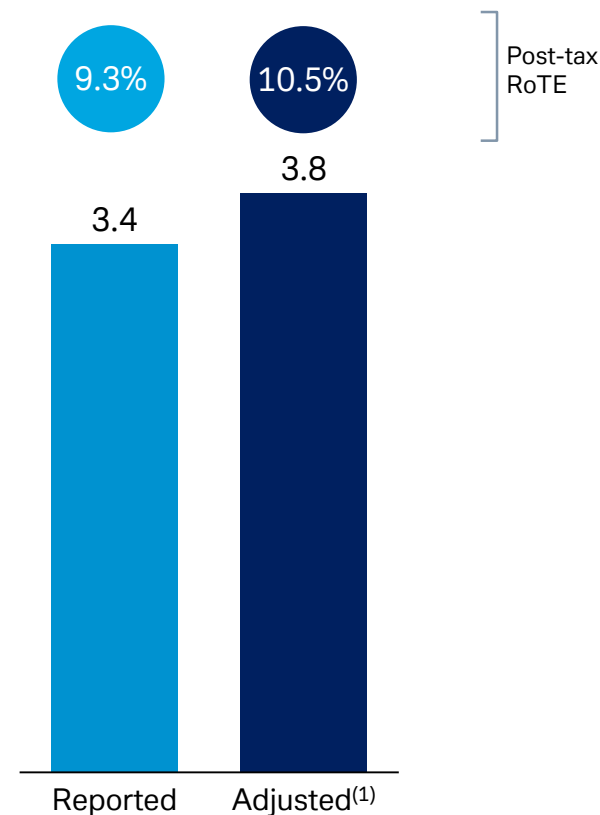
H1 2021 profit (loss) before tax, in € bn, unless stated otherwise



## Group



## Core Bank



Note: This page refers to the profit before tax and respective post-tax RoTE, which are shown on reported, adjusted, and adjusted ex unforeseen factors basis

(1) Adjustments for both Group and Core Bank include the following for H1 2021: transformation charges, restructuring and severance, and revenue specific items. Detailed on slide 35

(2) Unforeseen factors include the following for H1 2021: impact from the German Federal Court of Justice ruling in April 2021 relating to customer consent for pricing changes on current accounts (herein after referred as "BGH ruling"), unplanned Single Resolution Fund (SRF) charge increase and additional deposit protection scheme cost. Detailed on slide 32

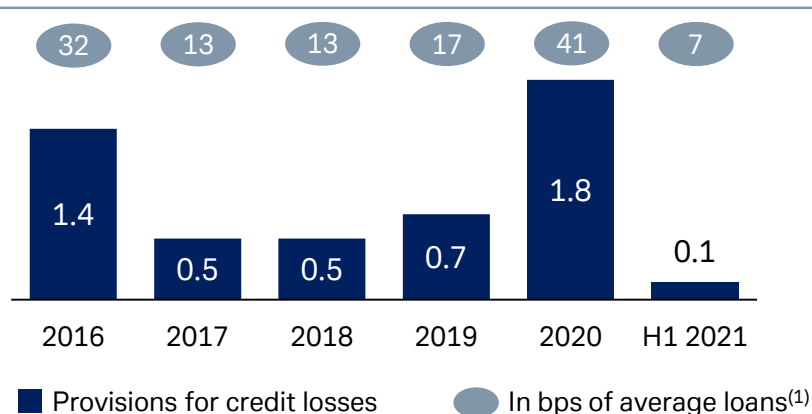
(3) Unplanned SRF charge increase is defined as difference of SRF charge for H1 2021 versus the amount that was initially planned for that period as indicated in December 2020

# Disciplined risk management

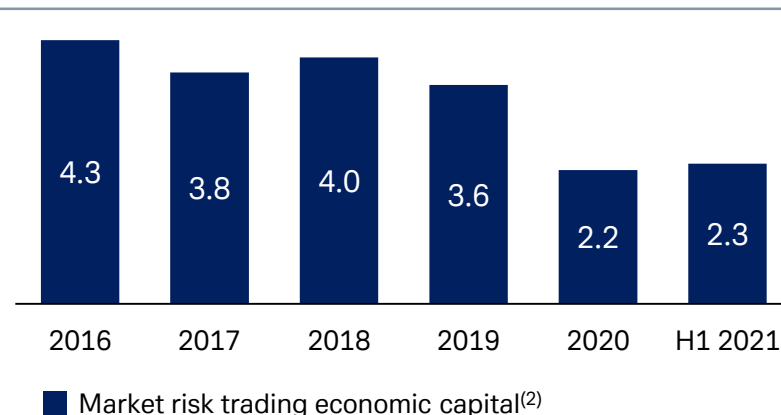
In € bn, unless stated otherwise



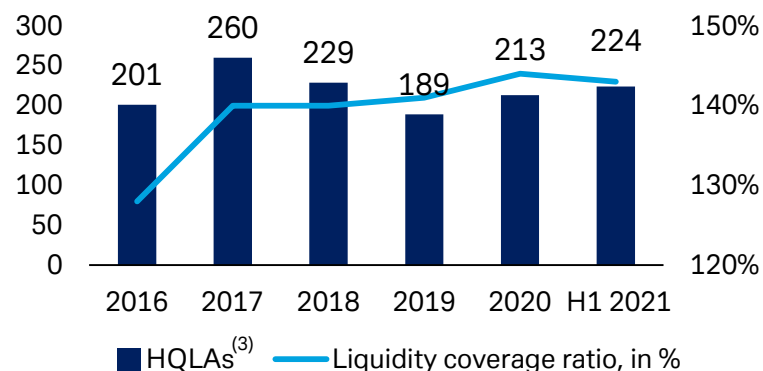
## Credit risk



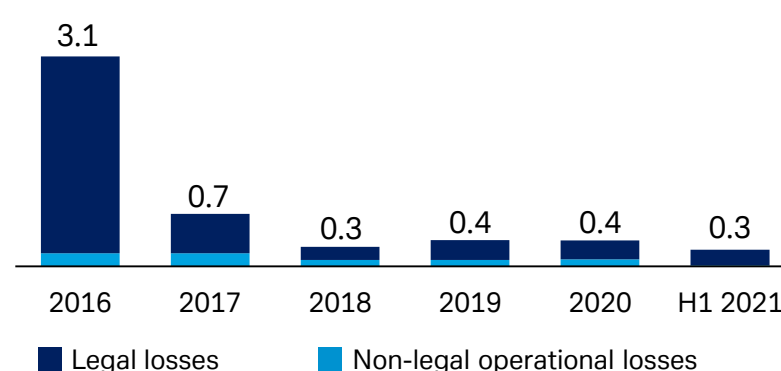
## Market risk



## Liquidity risk



## Non-financial risk<sup>(4)</sup>



(1) Loans gross of allowance at amortized cost

(2) Sum of traded market risk economic capital and traded default risk economic capital. Scope includes fair value banking book

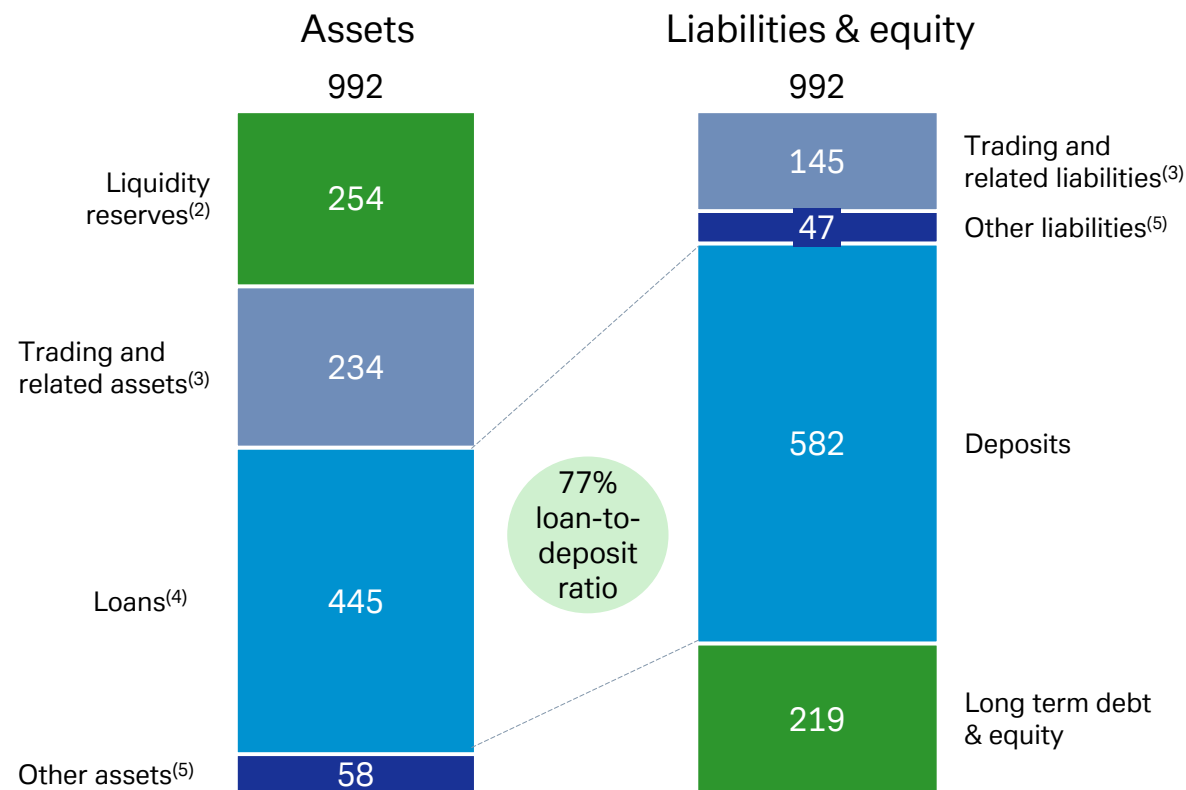
(3) High-quality liquid assets

(4) For risk management purposes, operational risk includes legal risk arising from loss events for operational shortcomings but excludes business and reputational risk



# Conservatively managed balance sheet

Net balance sheet<sup>(1)</sup>, in € bn, as of 30 June 2021



## Comments

- Resilient balance sheet to navigate current environment
- Liquidity reserves account for 26% of net balance sheet
- Conservative loan-to-deposit ratio provides room for further growth
- Highly diversified and stable funding profile:
  - 81% from most stable sources, 85% including TLTRO
  - ~60% of net balance sheet funded via deposits
  - Only 1% reliance on short-term unsecured wholesale funding

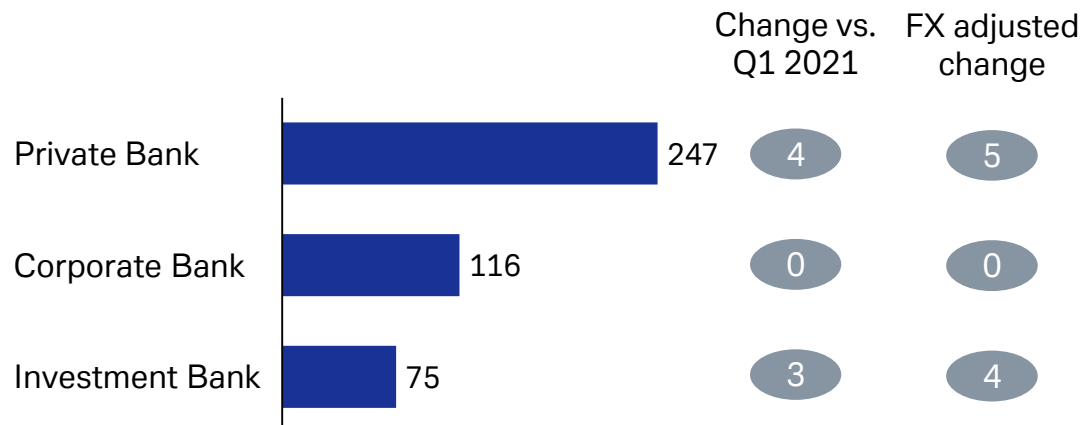
- (1) Net balance sheet of € 992bn is defined as IFRS balance sheet (€ 1,320bn) adjusted to reflect the funding required after recognizing legal netting agreements (€ 219bn), cash collateral received (€ 35bn) and paid (€ 29bn), and offsetting pending settlement balances (€ 46bn)
- (2) Liquidity reserves comprise of total stock of high-quality liquid assets (HQLA), including assets subject to transfer restrictions and other central bank eligible securities
- (3) Trading and related assets along with similar liabilities, includes debt and equity securities (excluding highly liquid securities), derivatives, repos, securities borrowed and lent, brokerage receivables and payables, and loans measured at fair value
- (4) Loans at amortized cost, gross of allowances
- (5) Other assets include goodwill and other intangible, property and equipment, tax assets, cash and equivalents which are not part of liquidity reserve and other receivables. Other liabilities include accrued expenses, investment contract liabilities, financial liabilities designated at fair value through P&L excluding those included in trading and related assets

# Loan demand picking up in Q2

In € bn



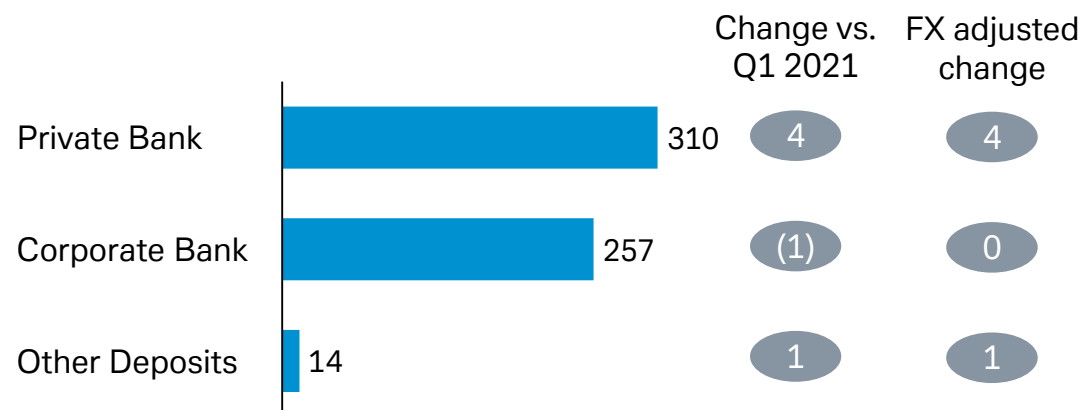
## Loan developments



## Comments

- Continued growth in Private Bank from mortgage and collateralized lending
- Corporate Bank benefitting from growth in TLTRO eligible lending, offset by repayments of credit facilities
- Growth in FIC Financing facilitating strong client demand in our core lending businesses while maintaining risk discipline

## Deposit developments



## Comments

- Continued growth in most stable Private Bank deposits despite charging expansion
- Normalization of Corporate Bank deposits following temporary inflows in Q1 2021
- Targeted growth in USD wholesale funding

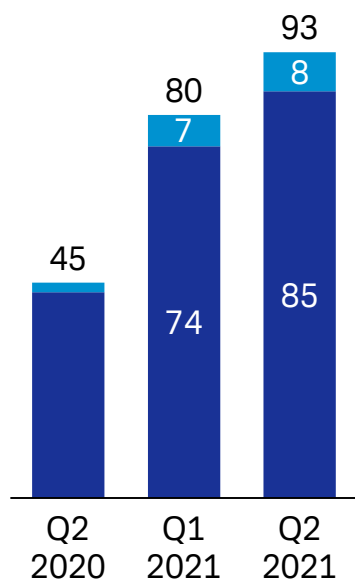
Note: Loans gross of allowances at amortized costs (IFRS 9)

# Further growth in deposit charging revenues

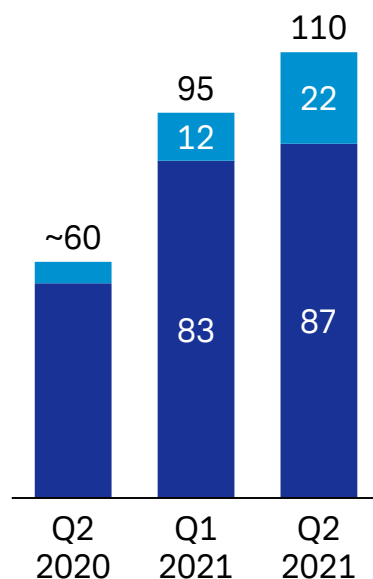
In € bn, unless otherwise stated



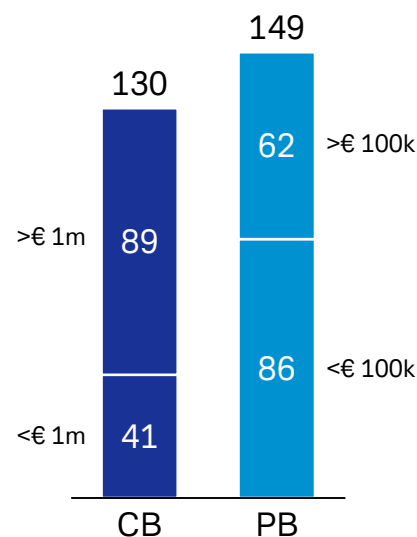
Quarterly charging revenues, in € m



Charging agreements<sup>(1)</sup>



Q2 2021 deposits by total client holdings<sup>(2)</sup>



## Comments

- On track to reach updated 2022 revenue target already this year
- Corporate Bank revenues further benefitting from lowering charging thresholds on existing charging agreements. Good progress rolling out charging agreements in Business Banking
- Significant progress in Private Bank rolling out charging agreements to existing accounts, partially offsetting ongoing interest rate headwinds
- German supreme court ruling not impacting charging strategy for German retail bank as we continue working with clients on individual solutions

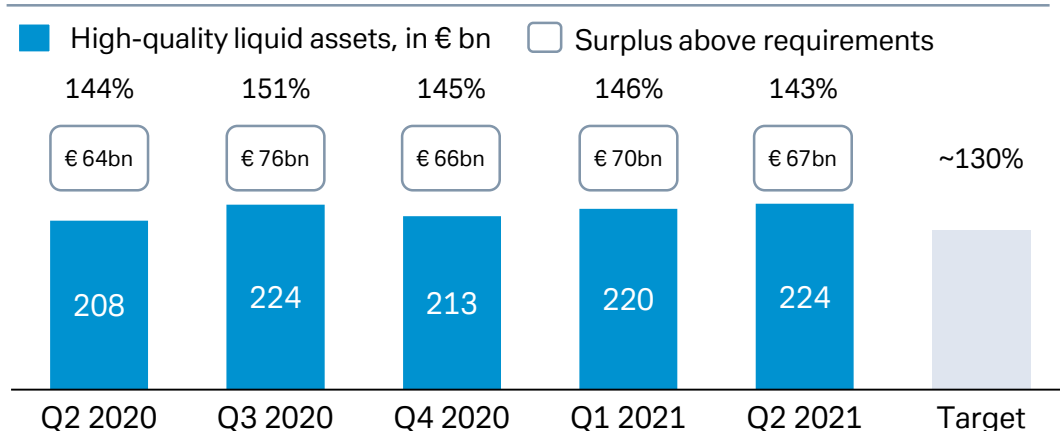
■ Private Bank ■ Corporate Bank

(1) Total Euro current account balances of Corporate Bank and Private Bank deposits with implemented charging agreements. Individual charging thresholds apply  
 (2) Euro current account deposits only. End of period balances

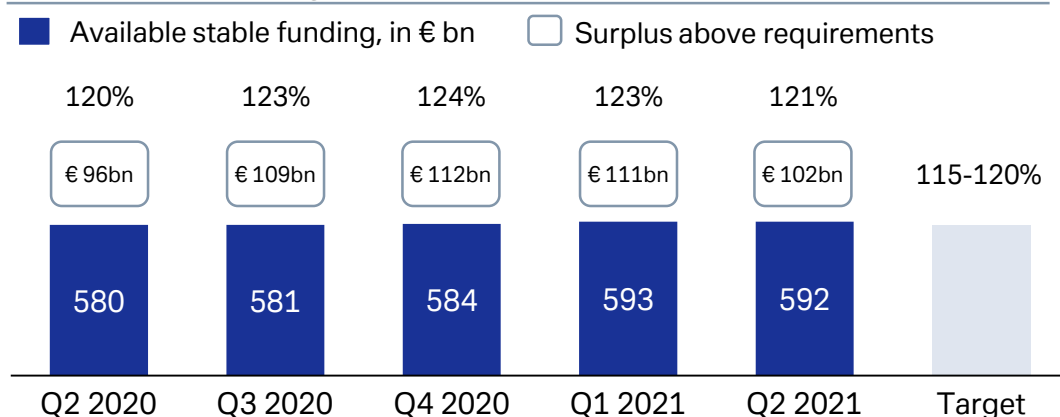
# Sound liquidity and funding profile



## Liquidity coverage ratio<sup>(1)</sup>



## Net stable funding ratio<sup>(2)</sup>



## Comments

- Liquidity coverage and net stable funding ratios remained stable in the second quarter
- Higher liquidity levels were driven by deposit increases and TLTRO financing, but offset by larger net cash outflows given loan commitments and net derivatives outflows
- Liquidity will be prudently managed towards targeted levels while remaining comfortably above regulatory requirements
- Strategic transformation has supported a stable funding profile:
  - Less reliance on short-term wholesale funding
  - Focus on our core businesses, with greater stable deposit funding sources
  - Accessing low-cost TLTRO funding

(1) Liquidity coverage ratio based on Commission Delegated Regulation 2015/61

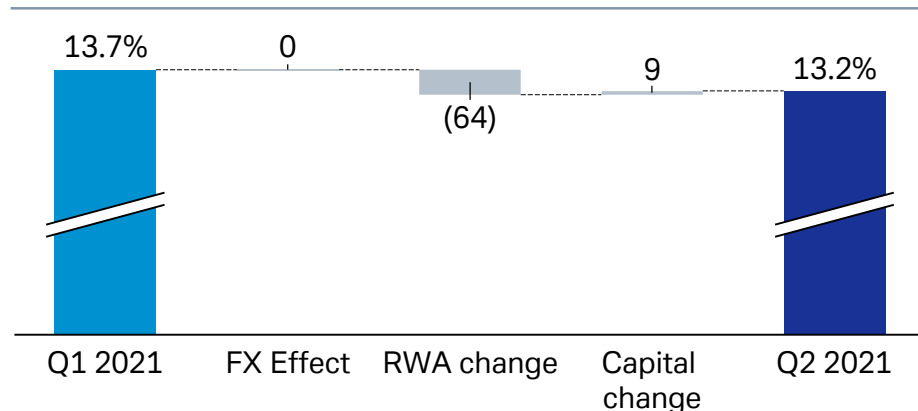
(2) Available stable funding numbers refer to NSFR weighted EUR amounts and are based on EU pro-forma for periods up to Q1 2021. Preliminary Q2 2021 is in line with the Capital Requirements Regulation (CRR) as amended by CRR II

# Significant 2021 regulatory RWA inflation absorbed in Q2

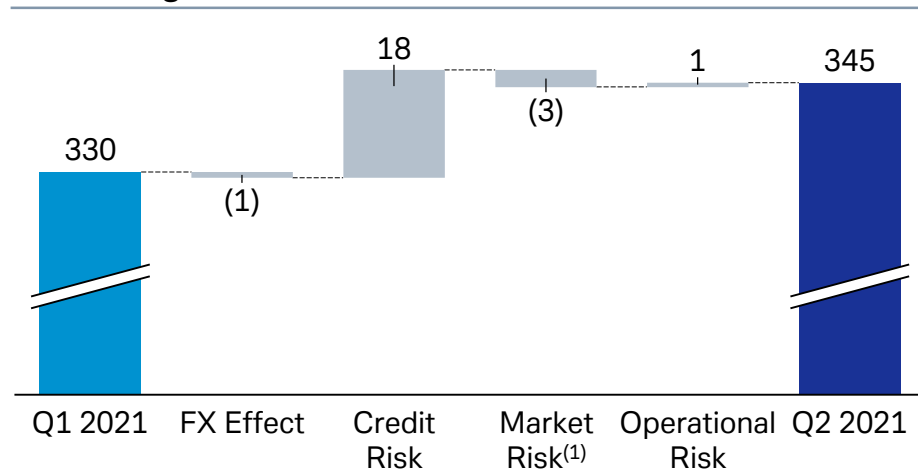
In € bn, except CET1 ratio movements (in basis points), period end, fully-loaded



## CET1 ratio



## Risk-weighted assets



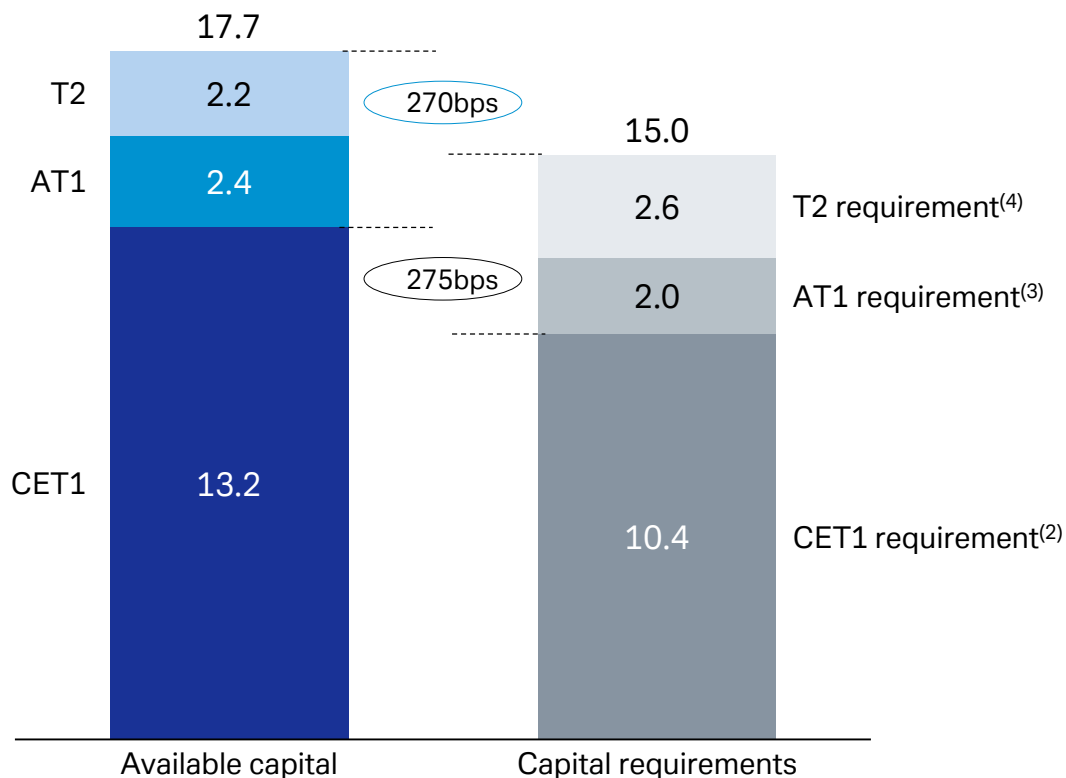
(1) Including Credit Valuation Adjustment (CVA) RWA

## Comments

- Q2 2021 CET1 ratio down by 55bps compared to Q1 2021 mainly due to expected regulatory impacts:
  - (64)bps from RWA changes, including ~ (70)bps RWA inflation due to TRIM decisions on leveraged lending and bank exposures as well as CRR2 rule changes effective from Q2 2021
  - 9bps mainly due to positive net income partially offset by dividend accrual and AT1 coupon accrual
- RWA up by € 15bn compared to Q1 2021 mainly due to:
  - € 18bn Credit Risk RWA principally from RWA inflation
  - € (3)bn Market Risk & CVA RWA as COVID-19 volatility phases out
  - € 1bn Operational Risk RWA due to external loss events
- This quarter's TRIM impact represents the last remaining decisions from the ECB's multi year program
- ~ (20)bps CET1 ratio burden from EBA guidelines and other regulatory changes expected in H2 2021

# Capital ratios well above regulatory requirements<sup>(1)</sup>

In %, as of 30 June 2021, phase-in view



## Comments

- Buffer to total capital requirement decreased by 51bps to 270bps over the quarter:
  - (54)bps relates to lower CET1 ratio and requirement<sup>(5)</sup> with buffer over CET1 requirement now at 275bps
  - 3bps in combined AT1/T2 bucket with € 1.25 new AT1 issuance largely offset by € 15bn higher RWA, € 0.3bn T2 call and € 0.2bn higher T2 maturity haircuts
- Distance to regulatory requirements of € 9bn remains at a comfortable level after absorbing regulatory inflation

(1) Maximum distributable amount (MDA)

(2) CET1 requirement includes Pillar 1 requirement (4.50%), Pillar 2 requirement (1.41%), capital conservation buffer (2.50%), G-SIB buffer (2.00%), countercyclical capital buffer (0.02%)

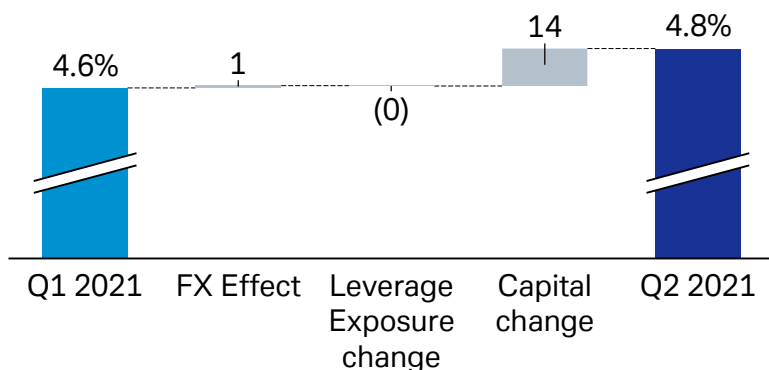
(3) T1 requirement includes higher Pillar 1 requirement (6.00%) and Pillar 2 requirement (1.88%) compared to footnote (2)

(4) Total Capital requirement includes higher Pillar 1 requirement (8.00%) and Pillar 2 requirement (2.50%) compared to footnotes (2) and (3)

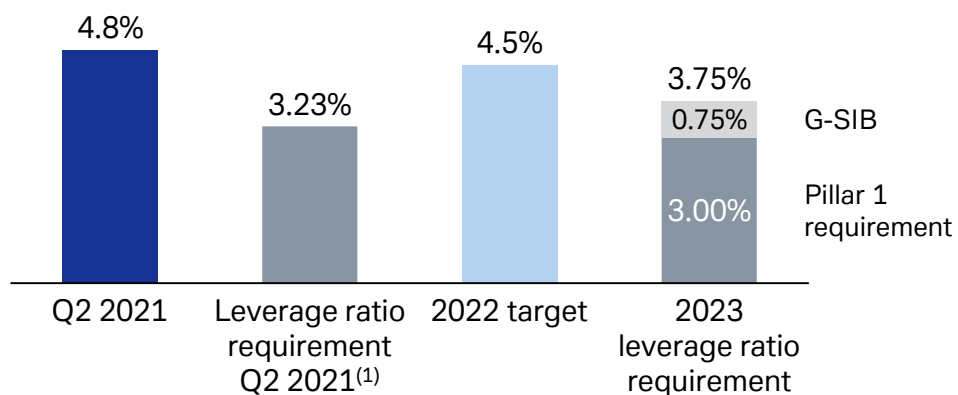
(5) Reflecting (1)bps lower countercyclical capital buffer quarter on quarter

# Leverage ratio increase driven by AT1 issuance

In € bn, except movements (in bps), period end, fully-loaded



Tier 1 capital	51.0	(0.1)	-	1.6	52.5
Leverage exposure	1,105	(5)	0	-	1,100



## Comments

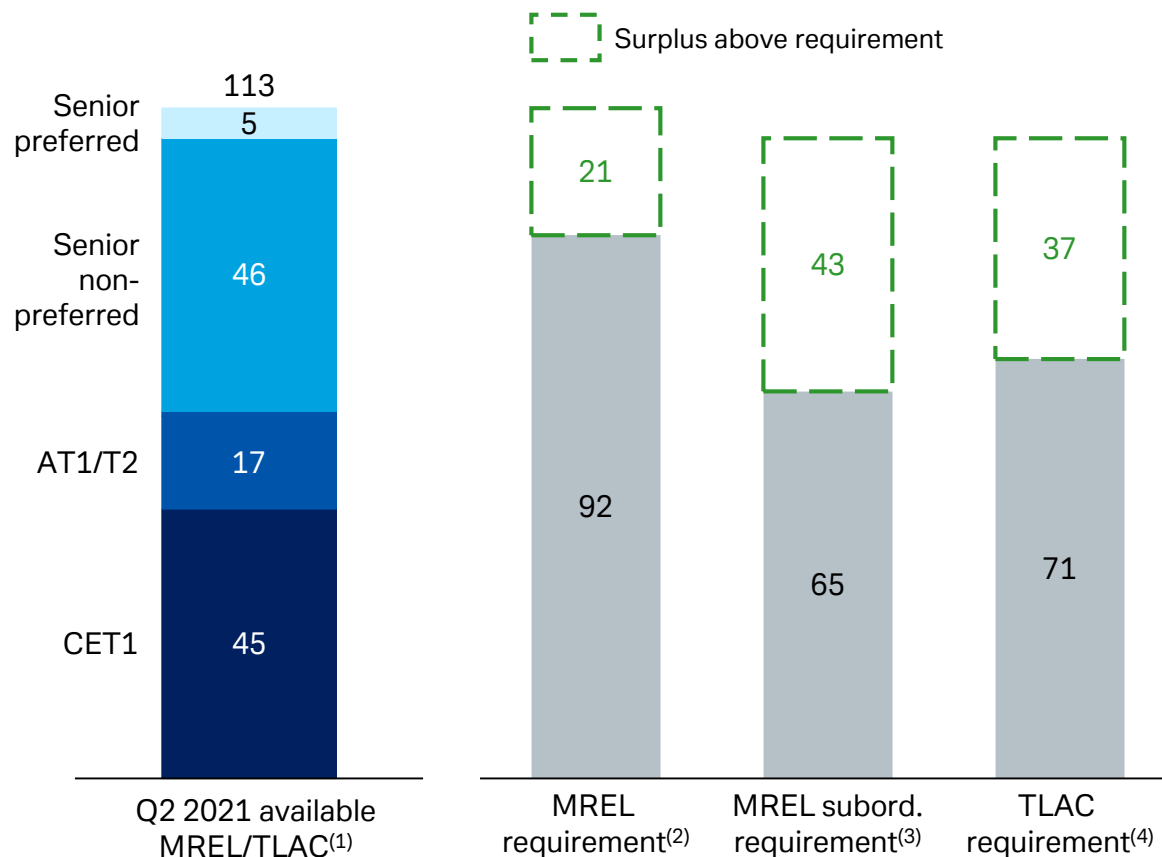
- Leverage ratio increased by 15bps in the quarter:
  - 1bp from FX translation effects
  - (0)bps from leverage exposure including loan growth, regulatory changes (incl. SA-CCR), and higher ECB cash exclusion
  - 14bps from capital change mainly driven by € 1.25bn AT1 issuance in May 2021, as well as earnings impact
- Pro-forma leverage ratio of 4.3% including certain central bank balances<sup>(2)</sup>

(1) Calibrated in line with CRR2 legislation regarding central bank balance exclusion

(2) Q1 2021 and Q2 2021 leverage exposure excludes certain central bank balances after the ECB decisions of 17 Sep 2020 and 18 Jun 2021 and implementation of CRR2. Q2 2021 phase-in leverage is 4.87%

# Significant buffer over loss absorbing capacity requirements

Loss absorbing capacity, in € bn, as of 30 June 2021



## Comments

- Q2 2021 available loss absorbing capacity significantly above all regulatory requirements
- MREL is the most binding bail-in constraint with a buffer of € 21bn
- The MREL buffer is expected to reduce later this year once the new RWA based MREL requirement from the SRB is received

(1) Includes adjustments to regulatory Tier 2 capital. Available TLAC/subordinated MREL does not include plain-vanilla senior preferred debt

(2) 8.58% of € 1,069bn Total Liabilities and Own Funds (TLOF)

(3) 6.11% of € 1,069bn Total Liabilities and Own Funds (TLOF)

(4) 20.53% of € 345bn Risk Weighted Assets

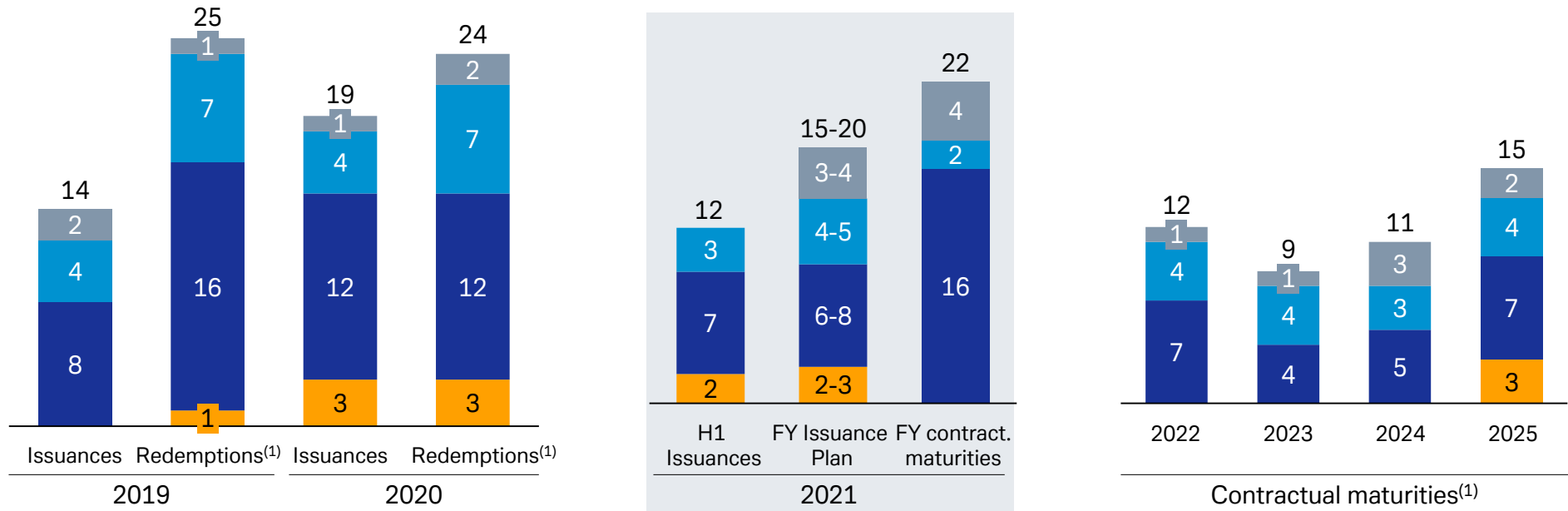


# Balanced maturity profile provides flexibility in future

In € bn, unless stated otherwise



■ Covered Bonds ■ Senior Structured/Preferred ■ Senior Non-Preferred ■ AT1 / T2



## Comments

- € 4.9bn issued during Q2, taking total 2021 issuance volume to € 11.8bn year-to-date
- Issuance highlights:
  - € 1.25bn PerpNC7 AT1
  - USD Dual tranche: \$ 1bn 3y senior preferred and \$ 1.5bn 11NC10 senior non-preferred
- 2021 issuance plan remains at € 15-20bn

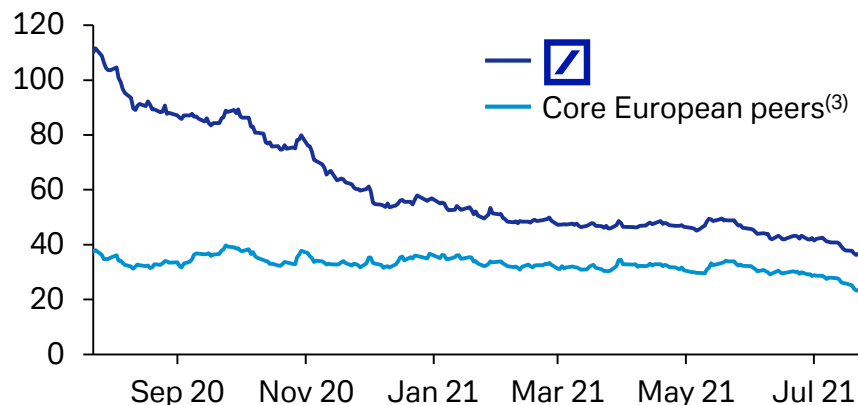
(1) Historical redemptions include non-contractual outflows (e.g. calls, knock-outs, buybacks) whereas (future) contractual maturities do not. Contractual maturities for 2019 and 2020 were € 22bn and € 17bn respectively

# Contraction of spreads to peer levels

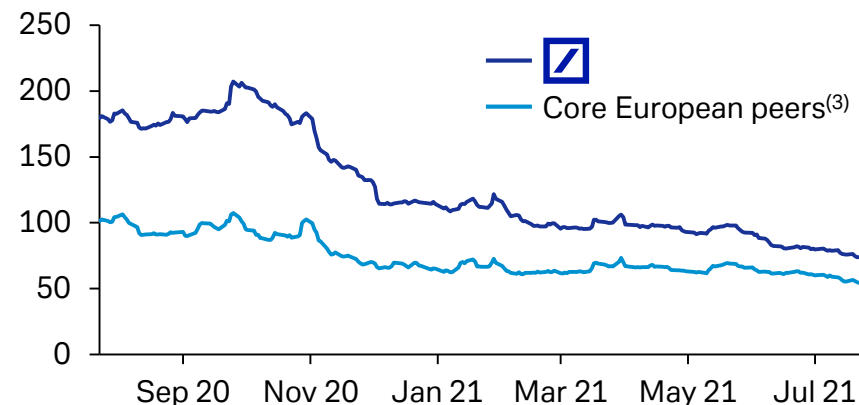
In bps, unless stated otherwise



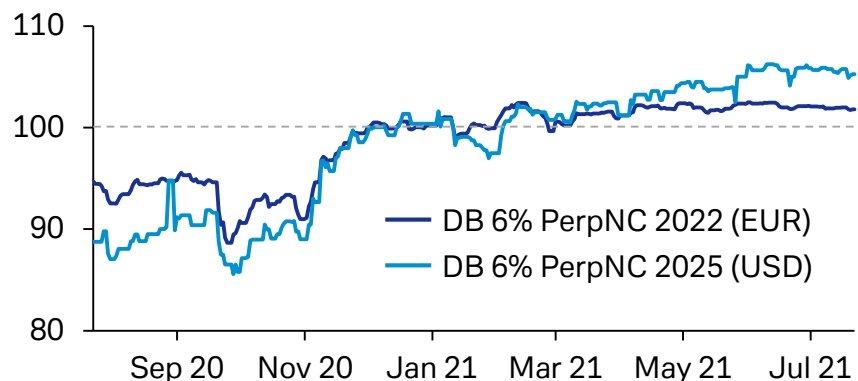
DB senior preferred (EUR)<sup>(1)</sup> vs. peer average<sup>(3)(4)</sup>



DB senior non-preferred (EUR)<sup>(2)</sup> vs. peer average<sup>(3)(4)</sup>



AT1 price development<sup>(4)</sup>



## Comments

- Year on year, Deutsche Bank's EUR cash spreads narrowed the gap to core European peers<sup>(3)</sup>:
  - Senior preferred cash spread tightened by 73bps and outperformed peer average tightening by 59bps
  - Senior non-preferred cash spread tightened by 106bps and outperformed peer average tightening by 59bps

(1) DB SP EUR Bond: DB 1 3/8 06/10/26  
 (2) DB SNP EUR Bond: DB 2 5/8 02/12/26  
 (3) Core European peers: Barclays, BNP Paribas, Credit Suisse, Société Générale, UBS  
 (4) Source: Bloomberg, as of 23 July 2021



Resilient and low-risk balance sheet with high portion of funding from stable sources

Sustainable revenue generation continues even in normalized environment

Cost discipline drives CIR towards 70% target despite uncontrollable items

Improved credit environment leads to reduced CLP guidance of ~20bps for 2021

Improved profitability supports the path to 8% RoTE target



# Appendix

# Current ratings

As of 29 July 2021



			Moody's Investors Services	S&P Global Ratings	Fitch Ratings	DBRS
Counterparty obligations (e.g. deposits / structured notes / derivatives / swaps / trade finance obligations)			A3	BBB+ <sup>(1)</sup>	BBB+	A (high)
Senior unsecured	Long-term	Preferred <sup>(2)</sup>	A3	BBB+	BBB+	A (low)
		Non-preferred	Baa3	BBB-	BBB	BBB (high)
Tier 2			Ba2	BB+	BB+	-
Additional Tier 1			B1	BB-	BB-	-
Short-term			P-2	A-2	F2	R-1 (low)
Outlook			Review for Upgrade	Positive	Positive	Stable

(1) The Issuer Credit Rating (ICR) is S&P's view on an obligor's overall creditworthiness. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation

(2) Defined as senior unsecured debt rating at Moody's and S&P, as preferred senior debt rating at Fitch and as senior debt at DBRS

# AT1 and Trust Preferred Securities outstanding<sup>(1)</sup>



Issuer	Type	Regulatory capital treatment <sup>(1)</sup>	ISIN	Current coupon	Nominal outstanding	Original issuance date	Next call date	Subsequent call period
Postbank Funding Trust I	Legacy	AT1 / - <sup>(2)</sup>	DE000A0DEN75	0.165%	€ 300m	02 Dec 04	02 Dec 21	Semi-annually
Postbank Funding Trust II	Legacy	AT1 / - <sup>(2)</sup>	DE000A0DHUM0	3.750%	€ 500m	23 Dec 04	23 Dec 21	Annually
Deutsche Bank Frankfurt	New-style	AT1 / AT1	DE000DB7XHP3	6.000%	€ 1750m	27 May 14	30 Apr 22	Every 5 years
Postbank Funding Trust III	Legacy	AT1 / - <sup>(2)</sup>	DE000A0D24Z1	0.248%	€ 300m	07 Jun 05	07 Jun 22	Annually
Deutsche Bank Frankfurt	New-style	AT1 / AT1	US251525AN16	7.500%	\$ 1500m	21 Nov 14	30 Apr 25	Every 5 years
Deutsche Bank Frankfurt	New-style	AT1 / AT1	XS1071551474	4.789%	\$ 1250m	27 May 14	30 Apr 25	Every 5 years
Deutsche Bank Frankfurt	New-style	AT1 / AT1	US251525AX97	6.000%	\$ 1250m	14 Feb 20	30 Oct 25	5 years / 1 year
Deutsche Bank Frankfurt	New-style	AT1 / AT1	XS1071551391	7.125%	£ 650m	27 May 14	30 Apr 26	Every 5 years
Deutsche Bank Frankfurt	New-style	AT1 / AT1	DE000DL19VZ9	4.625%	€ 1250m	12 May 21	30 Oct 27	Short 7 years / 1 year

- Grandfathered legacy hybrid instruments subject to reducing Tier 1 capital recognition during phase-out period
  - Base notional for portfolio cap was fixed at € 12.5bn (notional as per YE 2012)
  - Maximum recognizable volume decreases by 10% each year (from 10% in 2021 to 0% in 2022)
  - As of 30 June 2021, the total amount of Legacy T1 instruments amounted to € 1.1bn

Note: Additional information is available on the Deutsche Bank IR website (creditor information section)

(1) Pre 2022 (subject to portfolio cap, market making and own bonds related adjustments). Post 2022 based on prevailing CRD/CRR

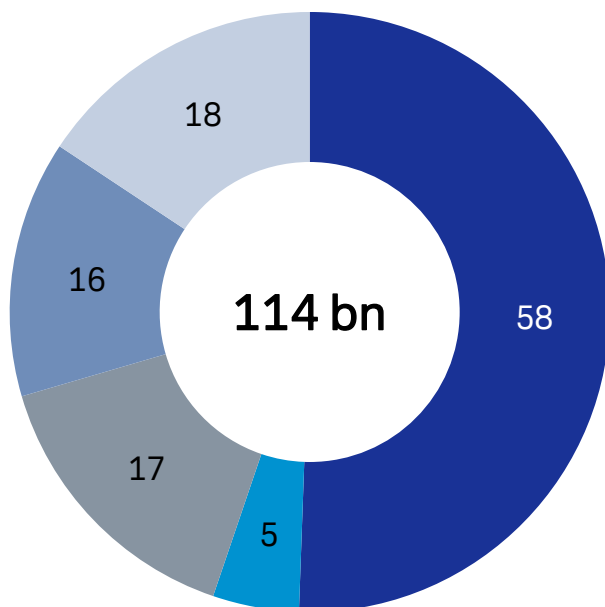
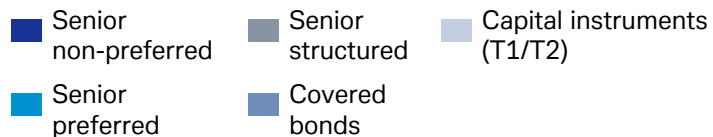
(2) Instruments losing capital and TLAC/MREL recognition from 2022

# Additional funding disclosure

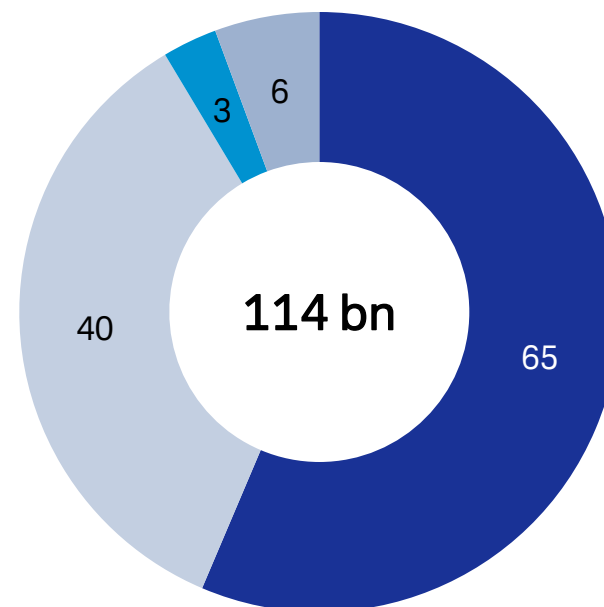
Capital markets issuance outstanding, in € bn, Q2 2021



## By product



## By currency

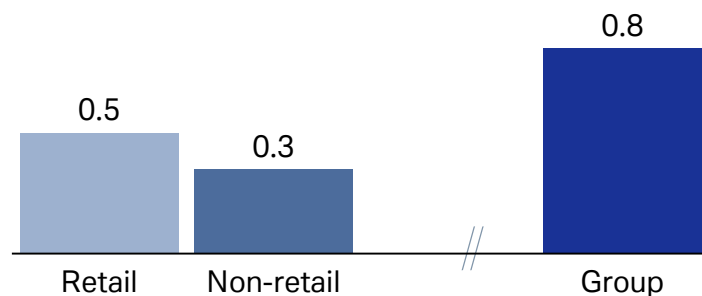


# Net interest income sensitivity

Hypothetical +100 bps parallel shift impact, in € bn

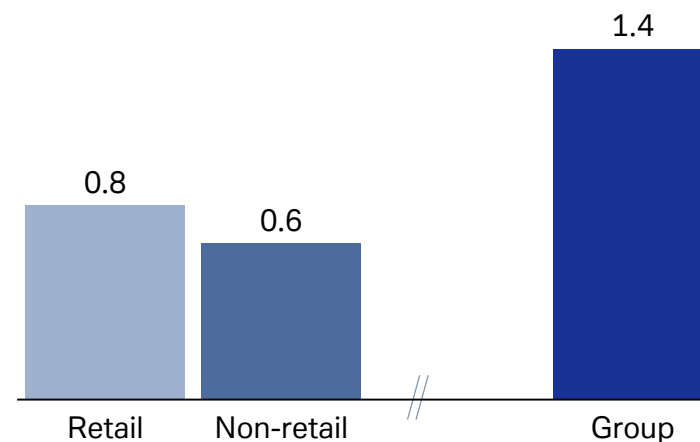


## First year



		Maturity		
EUR	> 3M	0.3	0.1	0.4
	≤ 3M	0.2	0.2	0.4
USD	> 3M	0.0	0.1	0.1
	≤ 3M	0.0	0.0	0.0

## Second year

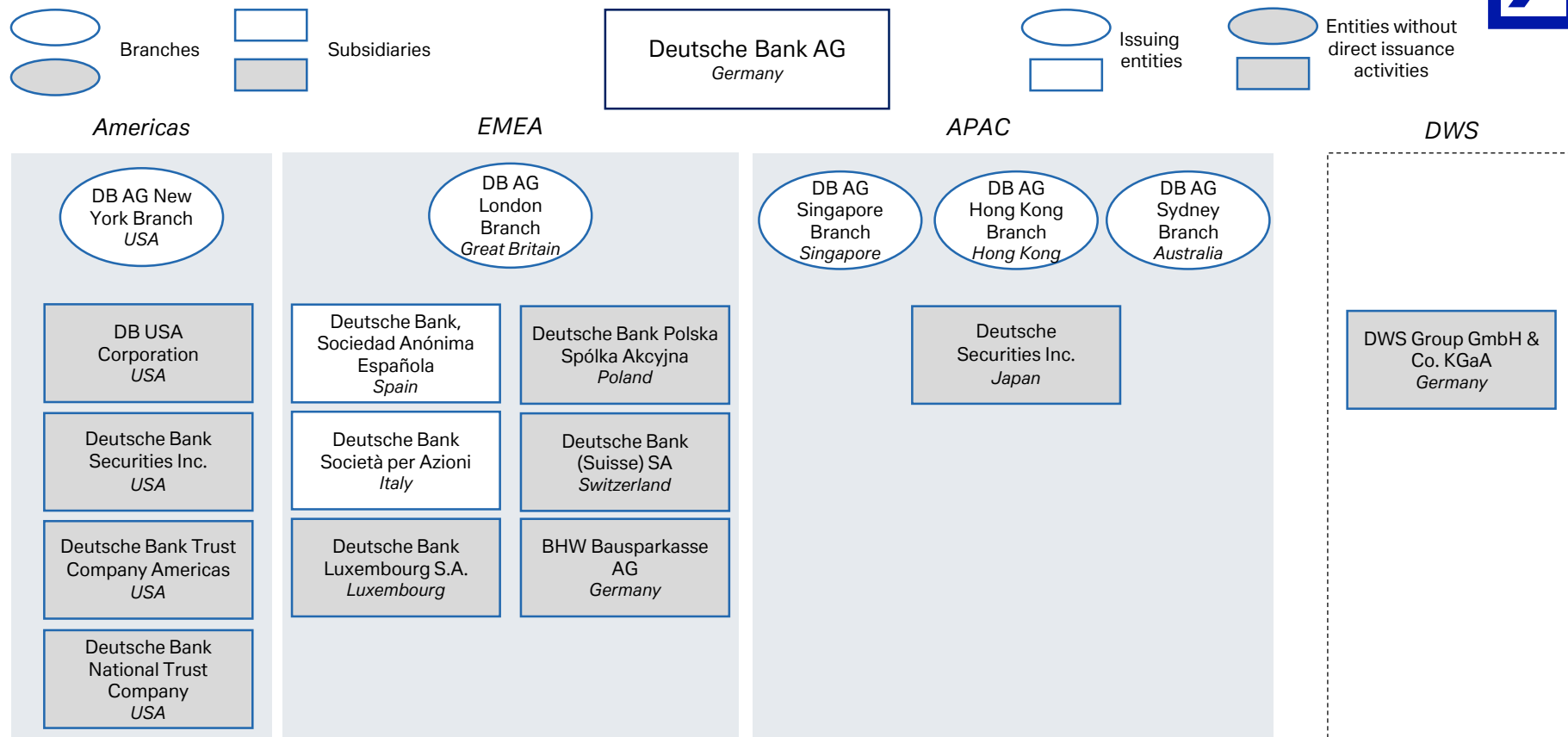


		Maturity		
EUR	> 3M	0.6	0.2	0.7
	≤ 3M	0.2	0.3	0.4
USD	> 3M	0.1	0.1	0.2
	≤ 3M	0.0	0.0	0.1

Note: Estimates are based on a static balance sheet, excluding trading positions & DWS, and at constant exchange rates. The parallel yield curve shift by +100 basis points assumes an immediate increase of all interest rate tenors and no additional management action. Figures do not include mark-to-market / Other comprehensive income effects on centrally managed positions not eligible for hedge accounting. Unchanged rates impact estimated as delta between annualized last quarter's NII and first and second 12 months' NII forecast under unchanged interest rates respectively



# Simplified legal entity structure



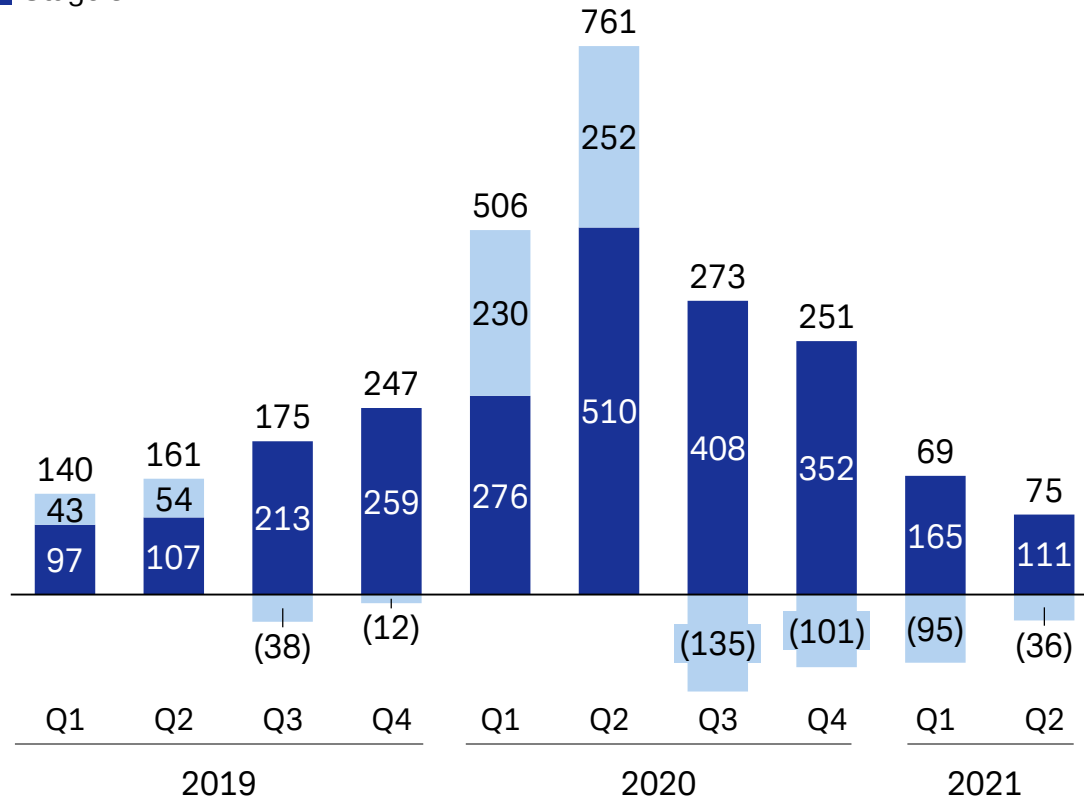
- This chart shows a selection of DB's material operating entities that, together with DB's global branch network, account for 90% of the group's consolidated revenues
- Deutsche Bank AG has established branch presences across Germany and in international locations such as inter alia New York, London, Singapore and Hong Kong
- As the Group's parent entity, Deutsche Bank AG is the direct or indirect holding company for the Group's subsidiaries

# Provision for credit losses

In € m



Stage 1 + 2  
Stage 3



## Q2 2021 comments

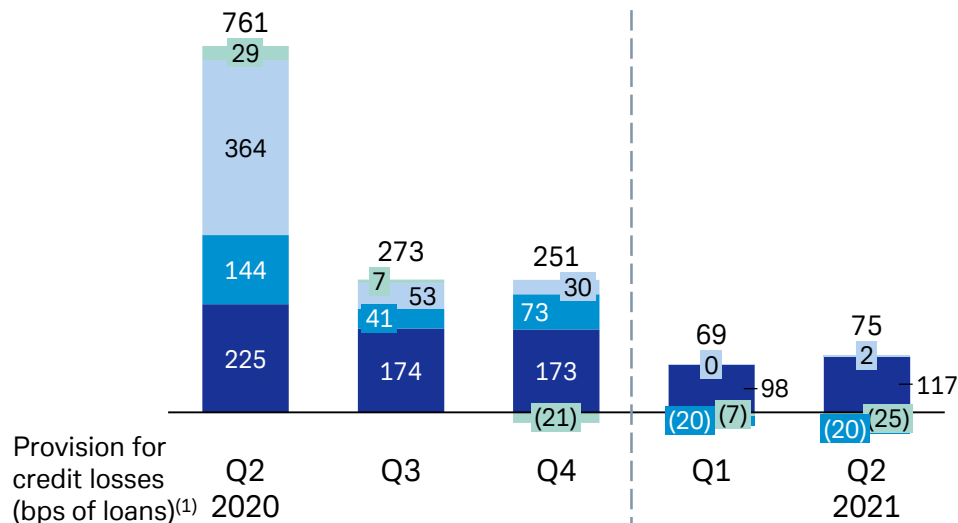
- Q2 provisions in line with previous quarter and significantly below the previous year
- Lower Stage 3 provisions across all businesses from few impairment events
- Stage 1+2 releases from the improved macroeconomic outlook offset by conservative management overlay

# Provision for credit losses and stage 3 loans



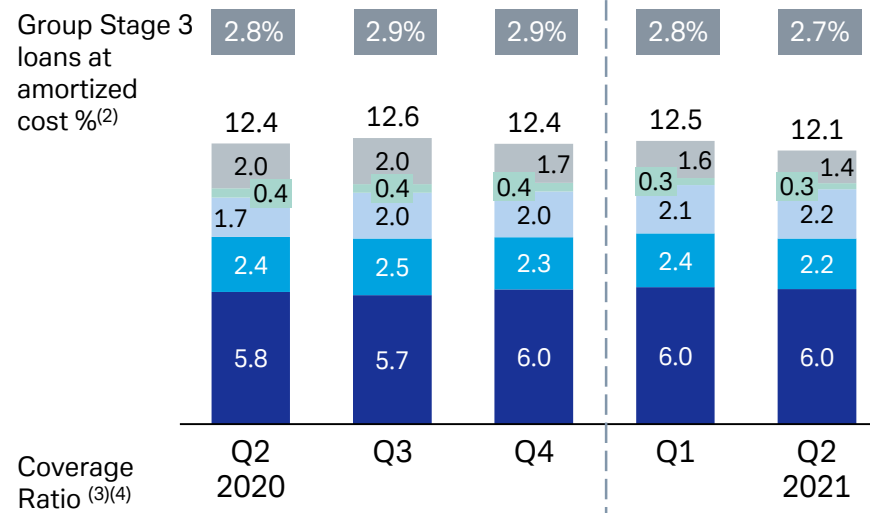
## Provision for credit losses, in € m

■ Private Bank    ■ Investment Bank  
■ Corporate Bank    ■ Capital Release Unit



## Stage 3 at amortized cost, in € bn

■ PB (ex-POCI)    ■ CRU (ex-POCI)  
■ CB (ex-POCI)    ■ Purchased or Originated Credit Impaired (POCI)  
■ IB (ex-POCI)



Group Stage 3 loans at amortized cost %<sup>(2)</sup>

Coverage Ratio <sup>(3)(4)</sup>

	Q2 2020	Q3	Q4	Q1	Q2 2021	Q2 2020	Q3	Q4	Q1	Q2 2021
<b>Group</b>	67	25	23	6	7	33%	33%	34%	34%	34%
<b>CB</b>	46	14	26	(7)	(7)	43%	42%	46%	45%	44%
<b>IB</b>	172	28	17	0	1	17%	16%	14%	14%	15%
<b>PB</b>	39	30	29	16	19	32%	35%	35%	36%	37%

Note: Provisions for credit losses in the Corporate & Other and Asset Management segments are not shown on this chart but are included in the DB Group totals

(1) Quarterly provision for credit losses annualized as bps of average quarterly loans gross of allowance at amortized cost

(2) IFRS 9 stage 3 assets at amortized cost including POCI as % of loans at amortized cost (€ 445bn as of 30 June 2021)

(3) IFRS 9 stage 3 allowance for credit losses for assets at amortized cost excluding POCI divided by stage 3 assets at amortized cost excluding POCI

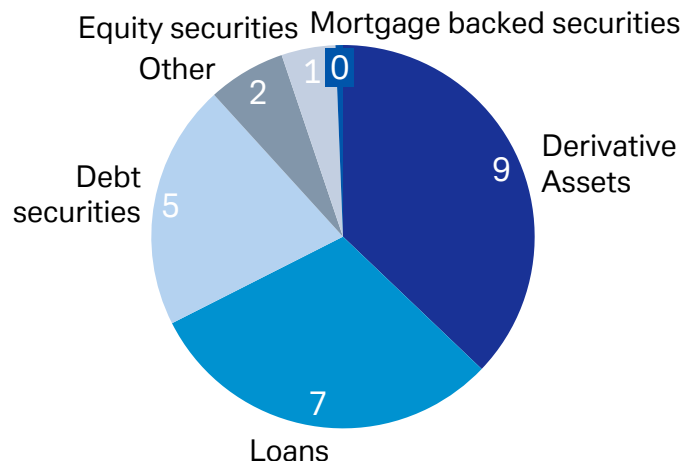
(4) IFRS 9 stage 1 coverage ratio for assets at amortized cost (excluding country risk allowance) is 0.1% and IFRS 9 stage 2 coverage ratio for assets at amortized cost (excluding country risk allowance) is 1.5% as of 30 June 2021

# Level 3 assets

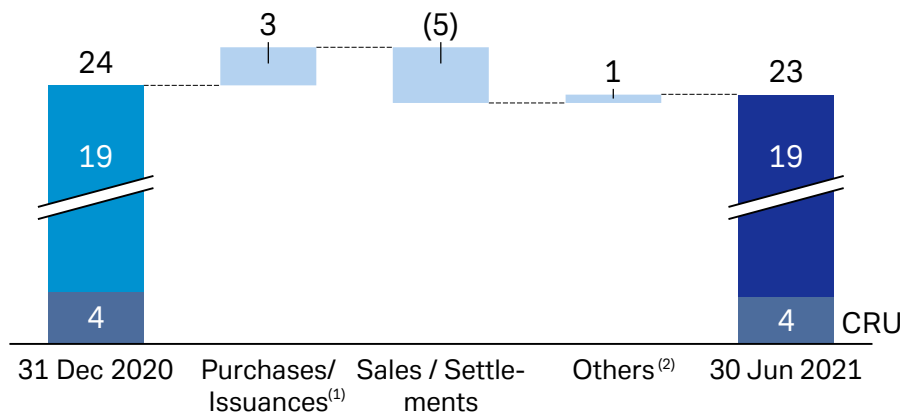
In € bn, as of 30 June 2021



## Assets (total: € 23bn)



## Movements in balances



## Comments

- Level 3 is an indicator of valuation uncertainty and not of asset quality
- The decrease in Level 3 assets reflects:
  - Portfolios are not static with significant turnover during the year
- Variety of mitigants to valuation uncertainty:
  - Prudent Valuation capital deductions<sup>(3)</sup> specific to Level 3 balances of ~€ 0.7bn
  - Uncertain inputs often hedged
  - Exchange of collateral with derivative counterparties

(1) Issuances include cash amounts paid on the primary issuance of a loan to a borrower

(2) Includes other transfers into (out of) level 3, including methodology refinements and mark-to-market adjustments

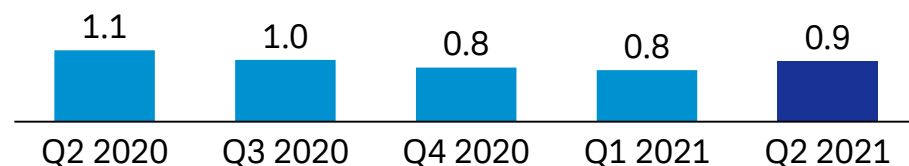
(3) Additional value adjustments deducted from CET 1 capital pursuant to Article 34 of Regulation (EU) No. 2019/876 (CRR)

# Litigation update

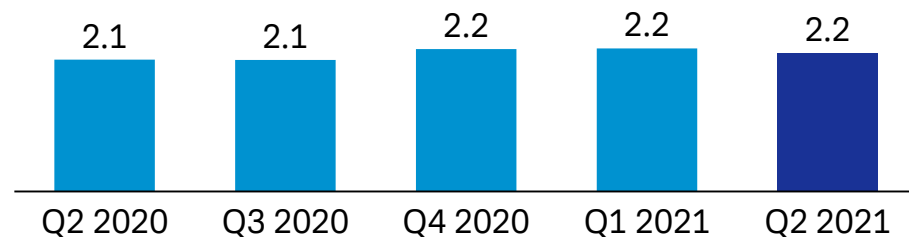
In € bn, period end



## Litigation provisions<sup>(1)</sup>



## Contingent liabilities<sup>(1)</sup>



## Comments

- Provisions increased modestly by € 0.1bn quarter on quarter
- Contingent liabilities remained stable quarter on quarter. Contingent liabilities include possible obligations where an estimate can be made and outflow is more than remote but less than probable for significant matters

Note: Figures reflect current status of individual matters and provisions. Litigation provisions and contingent liabilities are subject to potential further developments

(1) Includes civil litigation and regulatory enforcement matters

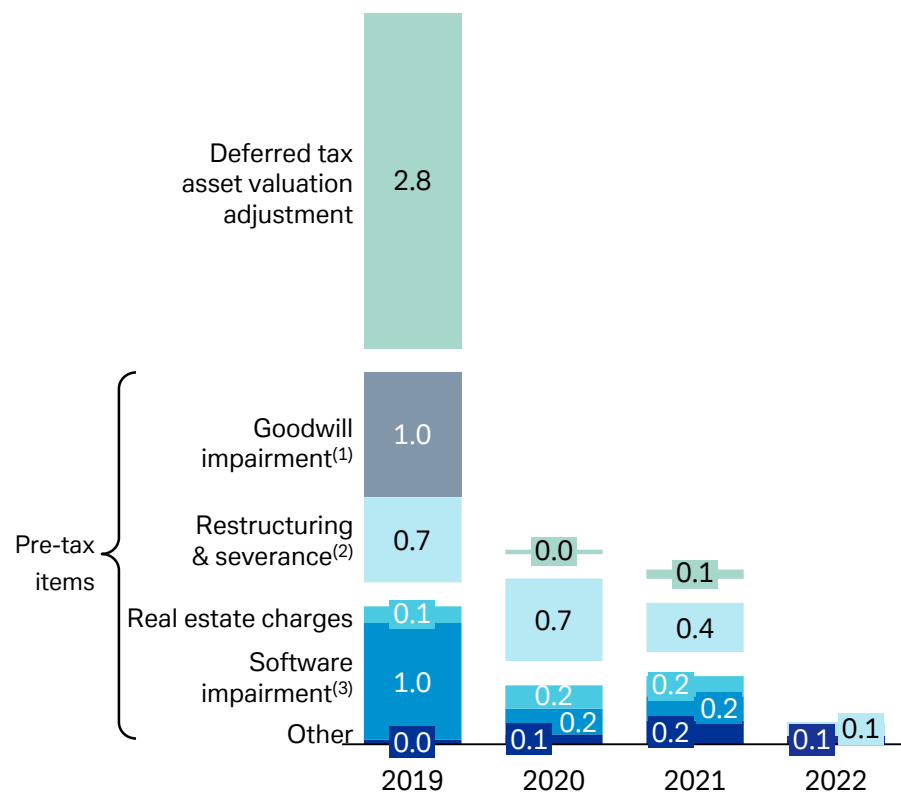
# Definition of adjustments



Revenues excluding specific items	Revenues excluding specific items are calculated by adjusting net revenues under IFRS for specific revenue items which generally fall outside the usual nature or scope of the business and are likely to distort an accurate assessment of the divisional operating performance. Excluded items are Debt Valuation Adjustment (DVA) and material transactions or events that are either one-off in nature or belong to a portfolio of connected transactions or events where the P&L impact is limited to a specific period of time as shown on slides 34 and 35
Adjusted costs	Adjusted costs are calculated by deducting (i) impairment of goodwill and other intangible assets, (ii) net litigation charges and (iii) restructuring and severance from noninterest expenses under IFRS as shown on slides 34 and 35
Transformation charges	Transformation charges are costs, included in adjusted costs, that are directly related to Deutsche Bank's transformation as a result of the strategy announced on 7 Jul 2019 and certain costs related to incremental or accelerated decisions driven by the changes in our expected operations due to the COVID-19 pandemic. Such charges include the transformation-related impairment of software and real estate, the accelerated software amortization and other transformation charges like onerous contract provisions or legal and consulting fees related to the strategy execution
Transformation-related effects	Transformation-related effects are financial impacts, in addition to transformation charges (as defined above), which are recorded outside of adjusted costs. These include goodwill impairments in the second quarter 2019, as well as restructuring and severance expenses from the third quarter 2019 onwards. In addition to the aforementioned pre-tax items, transformation-related effects on a post-tax basis include pro-forma tax effects on the aforementioned items and deferred tax asset valuation adjustments in connection with the transformation of the Group as shown on slide 30
Expenses eligible for reimbursement related to Prime Finance	BNP Paribas and Deutsche Bank have signed a master transaction agreement to provide continuity of service to Deutsche Bank's Prime Finance and Electronic Equities clients. Under the agreement Deutsche Bank will continue to operate the platform until clients can be migrated to BNP Paribas, and expenses of the transferred business are eligible for reimbursement by BNP Paribas
Adjusted profit (loss) before tax	Adjusted profit (loss) before tax is calculated by adjusting the profit (loss) before tax under IFRS for specific revenue items, transformation charges, impairment of goodwill and other intangible assets and restructuring and severance expenses as shown on slide 36

# Transformation-related effects

In € bn, unless stated otherwise



	Q2 2021	2019 – Q2 2021 cumulative expenses	2019 – 2022 expected cumulative expenses	% of total 2019 – Q2 2021
Deferred Tax Asset valuation adjustment	0.0	2.8	2.9	98%
<b>Nonoperating costs<sup>(4)</sup></b>				
Goodwill impairment	-	1.0	1.0	100%
Restructuring & severance	0.1	1.6	1.9	82%
<b>Transformation charges<sup>(5)</sup></b>				
Real estate charges	0.0	0.4	0.5	87%
Software impairment/accelerated amortization	0.0	1.2	1.4	89%
Other	0.0	0.2	0.4	47%
<b>Total transformation-related effects</b>				<b>90%</b>

Note: Estimated restructuring and severance, impairments, deferred tax valuation adjustments and other transformation charges in future periods are preliminary and subject to change. Non-tax items are shown on a pre-tax basis. Defined on slide 29

- (1) Non tax-deductible
- (2) Excludes H1 2019 restructuring & severance of € 0.1bn, prior to the strategic announcement on 7 July 2019
- (3) Includes accelerated software amortization
- (4) Excluded from adjusted costs. Definition of adjusted costs detailed on slide 29
- (5) Included in adjusted costs

# Core Bank adjusted post-tax RoTE

In € m, unless stated otherwise



	Q1 2020	Q2 2020	H1 2020	Q1 2021	Q2 2021	H1 2021
Profit (loss)	616	486	1,103	1,333	1,013	2,346
Profit (loss) attributable to noncontrolling interests	(23)	(32)	(56)	(36)	(33)	(69)
Profit (loss) attributable to additional equity components	(73)	(91)	(164)	(85)	(93)	(177)
Profit (loss) attributable to Deutsche Bank shareholders	520	363	883	1,212	887	2,100
Revenue specific items <sup>(1)</sup>	(52)	(41)	(93)	(9)	(25)	(35)
Transformation charges <sup>(1)</sup>	55	41	96	104	86	191
Goodwill impairment	0	-	0	-	-	-
Restructuring & severance	84	182	266	57	116	173
Tax adjustments	7	(82)	(75)	(44)	(28)	(72)
of which: Tax effect of above adjustment items <sup>(2)</sup>	(24)	(51)	(75)	(43)	(49)	(92)
of which: Adjustments for share based payment related effects	26	(61)	(35)	(1)	-	(1)
of which: Adjustments for DTA valuation adjustments	5	30	35	-	21	21
Adjusted profit (loss) attributable to Deutsche Bank shareholders	614	463	1,077	1,321	1,035	2,356
Average tangible shareholders' equity	42,566	43,027	42,774	44,571	45,364	44,929
Adjusted Post-tax RoTE (in %)	5.8	4.3	5.0	11.9	9.1	10.5
Reported post-tax RoTE (in %)	4.9	3.4	4.1	10.9	7.8	9.3

(1) Detailed on slide 34

(2) Pre-tax adjustments taxed at a rate of 28%



# Group adjusted post-tax RoTE ex unforeseen factors

In € m, unless stated otherwise



	H1 2021
Profit (loss) before tax	2,754
Revenue specific items <sup>(1)</sup>	(35)
Transformation charges <sup>(1)</sup>	215
Impairment of goodwill / other intangibles	-
Restructuring & severance	181
<b>Adjusted profit (loss) before tax</b>	<b>3,115</b>
Tax expense (benefit) - reported	(889)
Tax effect of above adjustments items <sup>(2)</sup>	(101)
Adjustments for share based payment related effects	(1)
Adjustments for DTA valuation adjustments	21
Tax expense (benefit) - adjusted	(970)
<b>Adjusted profit (loss)</b>	<b>2,145</b>
Profit (loss) attributable to noncontrolling interests	(69)
Profit (loss) attributable to additional equity components	(196)
<b>Adjusted profit (loss) attributable to Deutsche Bank shareholders</b>	<b>1,880</b>
Average allocated tangible shareholders' equity	49,563
<b>Adjusted post-tax RoTE</b>	<b>7.6</b>
<b>Adjusted profit (loss) before tax</b>	<b>3,115</b>
BGH ruling impact <sup>(3)</sup>	226
Unplanned SRF charge increase <sup>(4)</sup>	273
Additional deposit protection scheme cost	42
<b>Adjusted profit (loss) before tax ex unforeseen factors</b>	<b>3,656</b>
Tax expense (benefit) - adjusted	(970)
Tax effect of above unforeseen factors <sup>(2)</sup>	(151)
Tax expense (benefit) - adjusted ex unforeseen factors	(1,122)
<b>Adjusted profit (loss) ex unforeseen factors</b>	<b>2,535</b>
Profit (loss) attributable to noncontrolling interests	(69)
Profit (loss) attributable to additional equity components	(196)
<b>Adjusted profit (loss) attributable to Deutsche Bank shareholders</b>	<b>2,270</b>
Average allocated tangible shareholders' equity	49,563
<b>Adjusted post-tax RoTE ex unforeseen factors</b>	<b>9.2</b>
Reported post-tax return on average shareholders' equity	5.8
Reported post-tax RoTE (in %)	6.5

(1) Detailed on slide 34

(2) Pre-tax adjustments taxed at a rate of 28%

(3) Ruling by the German Federal Court of Justice (Bundesgerichtshof, or "BGH") in April 2021 relating to customer consent for pricing changes on current accounts

(4) Unplanned SRF charge increase is defined as difference of SRF charge for H1 2021 versus the amount that was initially planned for that period as indicated in December 2020

# Private Bank – Impact of BGH ruling<sup>(1)</sup>

In € m, unless stated otherwise



	Q2 2020	Q1 2021	Q2 2021
<b>Revenues</b>			
Net revenues	1,960	2,178	2,018
BGH ruling - impact of forgone revenues	-	-	94
of which: Private Bank Germany - BGH ruling - impact of foregone revenues	-	-	93
Net revenues ex BGH ruling	1,960	2,178	2,112
of which: Private Bank Germany net revenues ex BGH ruling	1,210	1,346	1,292
Revenue specific items <sup>(2)</sup>	(25)	(24)	(35)
Net revenues ex specific items ex BGH ruling	1,934	2,153	2,077
<b>Post-tax RoTE</b>			
Profit (loss) before tax	(257)	274	(11)
Revenue specific items <sup>(2)</sup>	(25)	(24)	(35)
Transformation charges <sup>(2)</sup>	51	36	57
Impairment of goodwill / other intangibles	-	-	-
Restructuring & Severance	136	11	76
Adjusted profit (loss) before tax	(95)	297	87
BGH ruling - impact of foregone revenues	-	-	94
BGH ruling - litigation charges	-	-	128
Adjusted profit (loss) before tax ex BGH ruling	(95)	297	309
Adjusted profit (loss) ex BGH ruling <sup>(3)</sup>	(69)	214	222
Profit (loss) attributable to noncontrolling interests	-	-	-
Profit (loss) attributable to additional equity components	(21)	(21)	(23)
Adjusted profit (loss) attributable to Deutsche Bank shareholders ex BGH ruling	(90)	192	199
Average allocated tangible shareholders' equity	9,932	11,259	11,378
Adjusted post-tax RoTE ex BGH ruling (in %)	(3.6)	6.8	7.0
Reported post-tax RoTE (in %)	(8.3)	6.3	(1.1)

(1) Ruling by the German Federal Court of Justice (Bundesgerichtshof, or 'BGH') in April 2021 relating to customer consent for pricing changes on current accounts

(2) Detailed on slide 34

(3) Pre-tax adjustments taxed at a rate of 28%

# Specific revenue items and adjusted costs – Q2 2021

In € m



	Q2 2021								Q2 2020								Q1 2021							
	CB	IB	PB	AM	C&O	Core Bank	CRU	Group	CB	IB	PB	AM	C&O	Core Bank	CRU	Group	CB	IB	PB	AM	C&O	Core Bank	CRU	Group
Revenues	1,230	2,394	2,018	626	(7)	6,262	(24)	6,238	1,341	2,676	1,960	549	(173)	6,353	(66)	6,287	1,313	3,097	2,178	637	(74)	7,152	81	7,233
DVA - IB Other / CRU	-	(9)	-	-	-	(9)	(1)	(11)	-	(27)	-	-	-	(27)	(23)	(49)	-	(15)	-	-	-	(15)	2	(13)
Change in valuation of an investment - FIC S&T	-	-	-	-	-	-	-	-	-	42	-	-	-	42	-	42	-	-	-	-	-	-	-	-
Sal. Oppenheim workout - IPB	-	-	35	-	-	35	-	35	-	-	25	-	-	25	-	25	-	-	24	-	-	24	-	24
Revenues ex specific items	1,230	2,403	1,984	626	(7)	6,236	(23)	6,214	1,341	2,661	1,934	549	(173)	6,312	(44)	6,269	1,313	3,112	2,153	637	(74)	7,142	79	7,222
	Q2 2021								Q2 2020								Q1 2021							
	CB	IB	PB	AM	C&O	Core Bank	CRU	Group	CB	IB	PB	AM	C&O	Core Bank	CRU	Group	CB	IB	PB	AM	C&O	Core Bank	CRU	Group
Noninterest expenses	1,004	1,346	1,913	395	81	4,739	259	4,998	1,120	1,327	1,992	400	34	4,872	496	5,367	1,104	1,605	1,805	405	156	5,076	498	5,574
Impairment of goodwill and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Litigation charges, net	2	5	128	1	11	146	2	148	81	2	75	(0)	(1)	156	9	165	(0)	12	1	-	0	14	64	78
Restructuring and severance	18	24	76	1	(2)	116	8	123	10	16	136	18	2	182	3	185	25	7	11	6	8	57	0	58
Adjusted costs	984	1,318	1,710	394	72	4,478	249	4,727	1,029	1,309	1,781	382	33	4,534	484	5,018	1,080	1,586	1,792	400	147	5,005	434	5,439
Transformation charges <sup>(1)</sup>	11	12	57	0	6	86	13	99	4	28	51	0	(42)	41	54	95	11	13	36	1	43	104	12	116
Adjusted costs ex transformation charges	973	1,306	1,652	393	66	4,391	236	4,628	1,025	1,281	1,730	382	75	4,493	430	4,923	1,068	1,573	1,756	399	104	4,900	422	5,322

(1) Defined on slide 29

# Specific revenue items and adjusted costs – H1 2021

In € m



	H1 2021								H1 2020							
	CB	IB	PB	AM	C&O	Core Bank	CRU	Group	CB	IB	PB	AM	C&O	Core Bank	CRU	Group
Revenues	2,544	5,491	4,196	1,263	(80)	13,413	57	13,471	2,666	5,030	4,127	1,068	(130)	12,761	(123)	12,637
DVA - IB Other / CRU	-	(24)	-	-	-	(24)	0	(24)	-	20	-	-	-	20	1	21
Change in valuation of an investment - FIC S&T	-	-	-	-	-	-	-	-	-	32	-	-	-	32	-	32
Sal. Oppenheim workout – IPB	-	-	59	-	-	59	-	59	-	-	42	-	-	42	-	42
Revenues ex specific items	2,544	5,516	4,137	1,263	(80)	13,379	57	13,435	2,666	4,979	4,085	1,068	(130)	12,668	(124)	12,543

	H1 2021								H1 2020							
	CB	IB	PB	AM	C&O	Core Bank	CRU	Group	CB	IB	PB	AM	C&O	Core Bank	CRU	Group
Noninterest expenses	2,109	2,951	3,718	800	237	9,815	757	10,572	2,217	2,802	3,877	774	145	9,815	1,190	11,006
Impairment of goodwill and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	0	-	0	-	0
Litigation charges, net	2	17	129	1	11	160	66	226	81	3	77	(0)	10	170	9	179
Restructuring and severance	43	31	87	6	6	173	8	181	21	14	202	25	4	266	7	273
Adjusted costs	2,064	2,904	3,502	793	220	9,482	683	10,165	2,116	2,785	3,598	749	131	9,379	1,174	10,554
Transformation charges <sup>(1)</sup>	22	25	93	1	49	191	25	215	30	42	65	1	(41)	96	83	179
Adjusted costs ex transformation charges	2,042	2,878	3,409	792	170	9,292	658	9,950	2,086	2,743	3,533	748	173	9,284	1,091	10,375

(1) Defined on slide 29

# Adjusted profit (loss) before tax (PBT)

In € m



## Q2 2021

	Reported PBT	Specific revenue items	Transformation charges <sup>(1)</sup>	Goodwill impairments	Restructuring & severance	Adjusted PBT
CB	246	-	11	-	18	274
IB	1,047	9	12	-	24	1,092
PB	(11)	(35)	57	-	76	87
AM	180	-	0	-	1	181
C&O	(39)	-	6	-	(2)	(35)
Core Bank	1,423	(25)	86	-	116	1,600
CRU	(258)	1	13	-	8	(236)
Group	1,165	(24)	99	-	123	1,364

## Q2 2020

	Reported PBT	Specific revenue items	Transformation charges <sup>(1)</sup>	Goodwill impairments	Restructuring & severance	Adjusted PBT
	78	-	4	-	10	92
	979	(16)	28	-	16	1,007
	(257)	(25)	51	-	136	(95)
	114	-	0	-	18	132
	(165)	-	(42)	-	2	(205)
	749	(41)	41	-	182	931
	(591)	23	54	-	3	(511)
	158	(18)	95	-	185	419

## Q1 2021

	Reported PBT	Specific revenue items	Transformation charges <sup>(1)</sup>	Goodwill impairments	Restructuring & severance	Adjusted PBT
CB	229	-	11	-	25	266
IB	1,490	15	13	-	7	1,526
PB	274	(24)	36	-	11	297
AM	183	-	1	-	6	190
C&O	(178)	-	43	-	8	(127)
Core Bank	1,999	(9)	104	-	57	2,151
CRU	(410)	(2)	12	-	0	(400)
Group	1,589	(11)	116	-	58	1,752

(1) Defined on slide 29

# Last 12 months (LTM) reconciliation

In € m



	Q3 2019 <sup>(1)</sup>	Q4 2019 <sup>(1)</sup>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q2 2020 LTM <sup>(2)</sup>	Q2 2021 LTM <sup>(3)</sup>
<b>Revenues</b>										
Core Bank	5,483	5,528	6,407	6,353	5,974	5,518	7,152	6,262	23,772	24,906
CRU	(220)	(180)	(57)	(66)	(36)	(65)	81	(24)	(523)	(44)
Group	5,262	5,349	6,350	6,287	5,938	5,453	7,233	6,238	23,248	24,862
<b>Revenues ex. specific items</b>										
CB	1,324	1,286	1,325	1,341	1,255	1,242	1,313	1,230	5,276	5,040
IB	1,757	1,497	2,318	2,661	2,365	1,915	3,112	2,403	8,233	9,796
PB	2,023	1,982	2,151	1,934	2,029	1,986	2,153	1,984	8,091	8,152
AM	543	671	519	549	563	599	637	626	2,281	2,424
C&O	(84)	44	43	(173)	(243)	(163)	(74)	(7)	(170)	(486)
Core Bank	5,564	5,479	6,355	6,312	5,968	5,579	7,142	6,236	23,711	24,926
CRU	(120)	(164)	(81)	(44)	(34)	(59)	79	(23)	(409)	(36)
Group	5,444	5,315	6,275	6,269	5,935	5,520	7,222	6,214	23,302	24,890
<b>Adjusted costs ex. transformation charges</b>										
Core Bank	(4,683)	(4,603)	(4,791)	(4,493)	(4,481)	(4,372)	(4,900)	(4,391)	(18,569)	(18,144)
CRU	(557)	(499)	(661)	(430)	(336)	(317)	(422)	(236)	(2,147)	(1,311)
Group	(5,240)	(5,102)	(5,452)	(4,923)	(4,816)	(4,689)	(5,322)	(4,628)	(20,716)	(19,455)
<b>Profit (loss) before tax</b>										
Core Bank	327	(435)	971	749	910	591	1,999	1,423	1,612	4,923
CRU	(1,014)	(858)	(765)	(591)	(428)	(417)	(410)	(258)	(3,228)	(1,512)
Group	(687)	(1,293)	206	158	482	175	1,589	1,165	(1,616)	3,411
<b>Adjusted profit (loss) before tax</b>										
Core Bank	645	467	1,059	931	1,209	984	2,151	1,600	3,101	5,943
CRU	(729)	(713)	(756)	(511)	(383)	(363)	(400)	(236)	(2,709)	(1,382)
Group	(84)	(246)	303	419	826	621	1,752	1,364	392	4,562

(1) 2019 figures based on reporting structure as disclosed in Annual Report 2020

(2) Q2 2020 LTM figures refer to the sum of Q3 2019, Q4 2019, Q1 2020 and Q2 2020

(3) Q2 2021 LTM figures refer to the sum of Q3 2020, Q4 2020, Q1 2021 and Q2 2021

# 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 12 March 2021 under the heading “Risk Factors.” Copies of this document are readily available upon request or can be downloaded from [www.db.com/ir](http://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 Q2 2021 Financial Data Supplement, which is accompanying this presentation and available at [www.db.com/ir](http://www.db.com/ir).

Results are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union (“EU”), including, from 2020, application of portfolio fair value hedge accounting for non-maturing deposits and fixed rate mortgages with pre-payment options (the “EU carve-out”). Fair value hedge accounting under the EU carve-out is employed to minimise the accounting exposure to both positive and negative moves in interest rates in each tenor bucket thereby reducing the volatility of reported revenue from Treasury activities. For the three-month period ended June 30, 2021, application of the EU carve out had a negative impact of € 5 million on profit before taxes and of € 9 million on profit. For the same time period in 2020 the application of the EU carve out had a negative impact of € 55 million on profit before taxes and of € 23 million on profit. For the six-month period ended June 30, 2021, application of the EU carve out had a negative impact of € 321 million on profit before taxes and of € 216 million on profit. For the same time period in 2020 the application of the EU carve out had a positive impact of € 77 million on profit before taxes and of € 47 million on profit. The Group’s regulatory capital and ratios thereof are also reported on the basis of the EU carve out version of IAS 39. The impact on profit also impacts the calculation of the CET1 capital ratio and had a negative impact of below one basis point as of both the three-month period ended June 30, 2021 and the three-month period ended June 30, 2020. For the six-month period ended June 30, 2021, application of the EU carve out had a negative impact on the CET1 capital ratio of 6 basis points and a positive impact of about one basis point for the six-month period ended June 30, 2020. In any given period, the net effect of the EU carve-out can be positive or negative, depending on the fair market value changes in the positions being hedged and the hedging instruments.