Key updates communicated during Q1 2021

31 March 2021

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Revenues:

- At our Q4 2020 results presentation, we confirmed our strong momentum and the sustainability of our revenues, particularly in light of the continued strength in our Investment Bank, with its strong performance in January https://www.db.com/ir/en/download/Transcript_Analyst_Call_Q4_2020.pdf
- On March 18, at the Morgan Stanley European Financial Conference, we outlined that the Investment Bank revenue momentum had continued and that quarter-to-date revenues were up in the Investment Bank (across the franchise, in Origination & Advisory as well as in FIC and in particular in Credit Trading) by about 20% year-over-year https://www.db.com/ir/en/download/Fabrizio_Campelli_at_Morgan_Stanley_Virtual_European_Financials_Conference.pdf

Bank levy:

- At the Investor Deep Dive 2020, we described our expectation on the Single Resolution Fund bank levy to be approximately EUR300 million for 2021. That was predicated on the assumption of the overall Single Resolution Fund being capped at approximately EUR55 billion
- At the Morgan Stanley European Financial Conference, we outlined with the latest guidance from the Single Resolution Board that the fund may be expanded to over EUR70 billion and that we have been adjusting our charges accordingly. Therefore, we expect bank levies in 2021 to be closer to last year's level, at around EUR600 million
- We would not expect this to be the case in 2022 and we continue to advocate that the peculiarities of 2020, which saw the pandemic expand the deposit base across European banks, should be resolved and should be addressed in future calculations
- We remain committed to the EUR16.7 billion target on adjusted costs (excluding transformation charges) in 2022
- We will do everything we can, even in 2021, to counter the pre-tax profit impact of the incremental charge https://www.db.com/ir/en/download/Fabrizio_Campelli_at_Morgan_Stanley_Virtual_European_Financials_Conference.pdf

Provision for credit losses:

- For Q1, we expect our provision for credit losses to come in at probably around half of the consensus (as per March 18) of EUR360 million
- We expect overall for 2021, that the overall provision for credit losses profile to be modestly lower than we had for 2020

- For 2022 onwards, we expect to see a more normalized provision for credit losses environment of around 25 to 30 basis points
  https://www.db.com/ir/en/download/Fabrizio_Campelli_at_Morgan_Stanley_Virtual_European_Financials_Conference.pdf

CET1 ratio:

- Our CET 1 ratio was 13.6% at the end of 2020, above the guidance of 13%, that we provided at the Investor Deep Dive 2020
- EUR4 billion of RWA delays in regulatory inflation, principally the Targeted Review of Internal Models which we expected to conclude in the fourth quarter, is now expected to occur in the first quarter of 2021, which increases our full year regulatory inflation assumption to approximately EUR20 billion
- Nearly all of this RWA inflation is expected to occur in the first half of 2021, equivalent to approximately 80 basis points of CET1 capital
  https://www.db.com/ir/en/download/Transcript_Analyst_Call_Q4_2020.pdf

TLTRO:

- On TLTRO, we said that in Q1 2021 we would reach accounting certainty on the second growth condition of 0% between March 2020 and March 2021, that will allow us to accrue for TLTRO as a -100bps instrument for the first quarter and a catch up for the second half of 2020
- All in all we expect to book around EUR125 million in the first quarter
  https://www.db.com/ir/en/download/Transcript_Fixed_Income_Call_Q4_2020.pdf

Issuance:

- Following the outlook revision from Moody's at the end of 2020, both Fitch and S&P revised their outlook on our ratings from 'negative' to 'positive' in January and February, reflecting continued transformation progress towards our 2022 targets
- During Q1 2021, we were active in the issuance market across several instruments which were met with strong investor appetite
- Following a USD1.25 billion Tier 2 transaction through the New York branch in January, we used the positive market environment and raised EUR3.7 billion senior non-preferred across two benchmark transactions (EUR3 billion and GBP600 million) in February
- This was followed by a USD800 million senior preferred green bond issuance in March, our second green bond issue and inaugural USD senior preferred transaction
- On March 30, we also issued a USD 750 million senior non-preferred bond, with Diversity & Inclusion firms as bookrunners

Greensill:

- At the Morgan Stanley European Financial Conference, we stated that we do not have as a bank any direct exposure to Greensill or the GFG Alliance
- As a German bank we are a contributor to the German deposit insurance schemes, and there will likely be an impact from that perspective
- These schemes are fully funded, and there is currently no expectation of any imminent impact deriving from those events. Over time, there may be the need to replenish the schemes
- Volume and timing of this are still unclear, but we do not envisage this to be imminent
  https://www.db.com/ir/en/download/Fabrizio_Campelli_at_Morgan_Stanley_Virtual_European_Financials_Conference.pdf

US client position:

- As reported, we have significantly de-risked our exposure without incurring any losses. We are managing down the immaterial remaining client positions, on which we also do not expect to incur any loss

Management Board updates:

- On March 29, the Supervisory Board announced several changes to the Management Board
  https://www.db.com/news/detail/20210329-deutsche-bank-focuses-its-management-board-to-support-sustainable-profitability?language_id=1

Disclaimer

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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 US 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.

This transcript 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 transcript, refer to the Q4 2020 financial data supplement, which is available at www.db.com/ir.

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