Deutsche Bank

Deutsche Bank
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Chief Risk Officer

Passion to Perform

Goldman Sachs European Financials Conference
Madrid, 10 June 2010

1Q2010: Improved profitability with lower risk profile

		1Q2009	1Q2010
Profitability	Income before income taxes (in EUR bn)	1.8	**2.8**
	Net income (in EUR bn)	1.2	**1.8**
	Pre-tax RoE (target definition)[(1)]	25%	**30%**
		31 Dec 2009	31 Mar 2010
Capital	Tier 1 capital ratio	12.6%	**11.2%**
	Core Tier 1 capital ratio	8.7%	**7.5%**
	Tier 1 capital (in EUR bn)	34.4	**32.8**
Balance sheet	Total assets (IFRS, in EUR bn)	1,501	**1,670**
	Total assets (U.S. GAAP pro-forma, in EUR bn)	891	**978**
	Leverage ratio (target definition)[(2)]	23	**23**
Risk	VaR (Average, in EUR m) [(3)]	127	**116**
	Provision for credit losses (in EUR m)	560	**262**

(1) Based on average active equity
(2) Total assets based on U.S. GAAP pro-forma divided by total equity per target definition
(3) Amount refers to the time period 1 January and the end of the respective quarter, for 1-day holding period, 99% confidence level (CIB trading units only)

Management Agenda Phase 4: Well placed to deliver

Management Agenda Phase 4

2009 – 2011

Increase CIB profitability with renewed risk and balance sheet discipline	Focus on core PCAM businesses and home market leadership
Focus on Asia as a key driver of revenue growth	Reinvigorate our performance culture

Phase 4: Financial goals and constraints

		Phase 4 potential 2011
Performance	Revenue growth p.a.	~ 8%
	Income before income taxes, in EUR bn(1)	~ 10.0
	Return on Equity(2)	25% over-the-cycle
	Cost / income ratio	~ 65%
Constraints	Tier 1 ratio	≥10%
	Leverage(3)	≤25x

(1) Before Corporate Investments and Consolidations & Adjustments
(2) Pre-tax return on Average Active Equity
(3) Per target definition: Assets based on U.S.GAAP ‘pro-forma’; total equity adjusted for FV gains / losses on DB issued debt

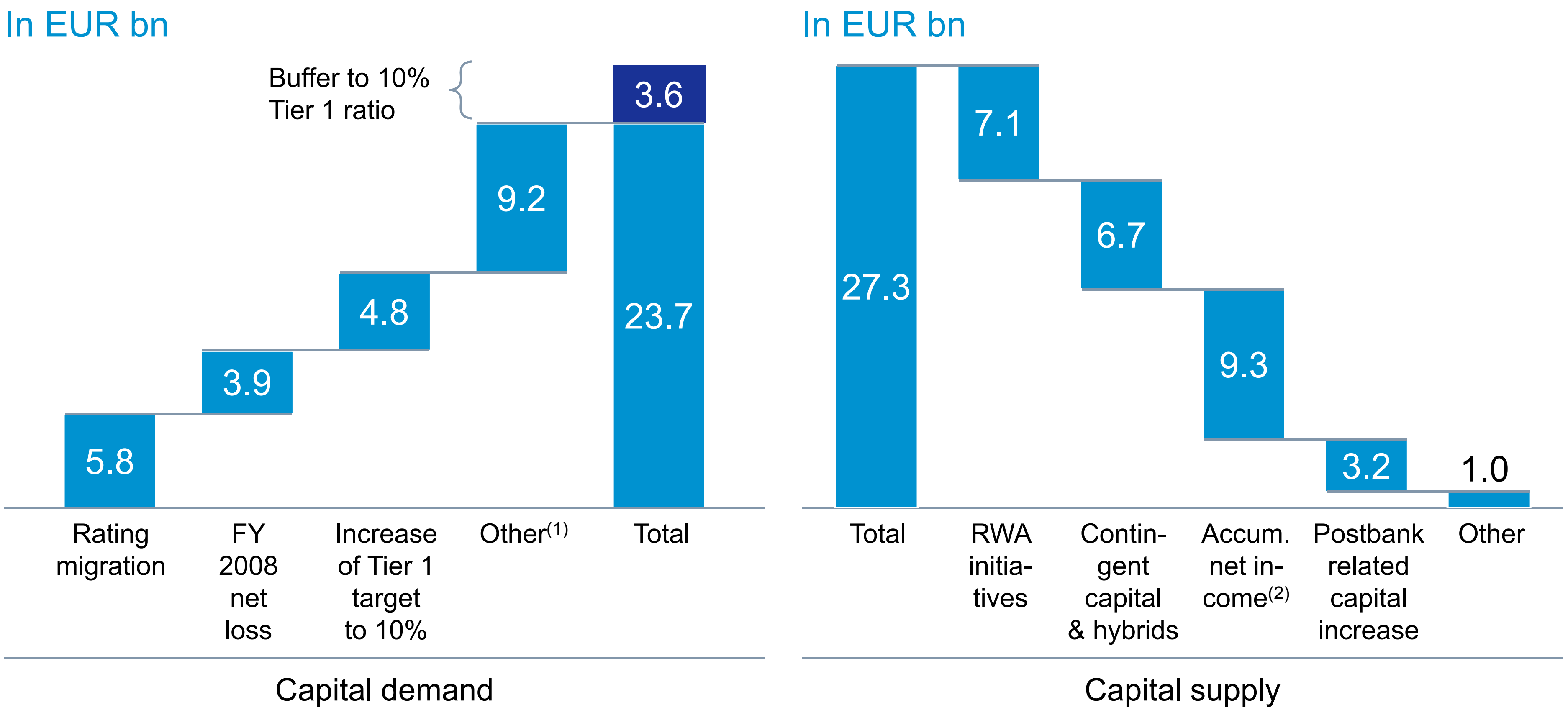
Phase 4: On track to achieve targets
Income before income taxes, in EUR bn

	1Q2010 reported	Phase 4 potential 2011	Prospects / Key features
Corporate Banking & Securities	2.6	6.3	— Capture client flow / market share with prudent risk taking — Record performance in traditionally strong first quarter
Global Transaction Banking	0.1	1.3	— Expansion in key regions and client sectors — Upside potential from interest rate increase
Asset and Wealth Management	(0.0)	1.0	— AM: Benefits from right-sizing the platform — PWM: Exploit undisputed home market leadership and grow Asia
Private & Business Clients	0.2	1.5	— Reap benefits from sales initiatives in Germany and Europe — Positive impact from efficiency measures
Total business divisions	2.9	10.0	

Note: Figures may not add up due to rounding differences

Capital management during crisis: Supply exceeded demand

Capital demand / supply, 3Q2007 – 1Q2010



(1) Dividend accruals, growth of RWA and capital deduction items
(2) Excluding FY2008 net loss;

Regulatory reforms – Basel 2.5
Significant but manageable challenges

New trading book rules

- Correlation trading
- Trading book securitisation
- Stressed Value at Risk
- Incremental risk charge

Management action plan

- ✓ Creation of a dedicated unit in Sales & Trading for asset disposal
- ✓ Focus on Level 3 and IAS 39 assets
- ✓ Extension of ratings to trading positions
- ✓ Restructure of trades with customers
- ✓ Roll-off profile

Regulatory reforms – Basel 3.0
Considerable level of uncertainty

New capital rules

- Capital deductions (DTA, pension plans, minority interests)
- Treatment of equity positions
- Weighting of derivatives (CVA)
- New definition of hybrids
- Leverage ratio

Management action plan

- ✓ DTA consumption by earnings
- ✓ Extensive use of central counterparties
- ✓ Potential new hybrid capital issuances
- ✓ Potential new contingent capital issuances

New liquidity rules

- Liquidity coverage ratio (LCR)
- Net stable funding ratio

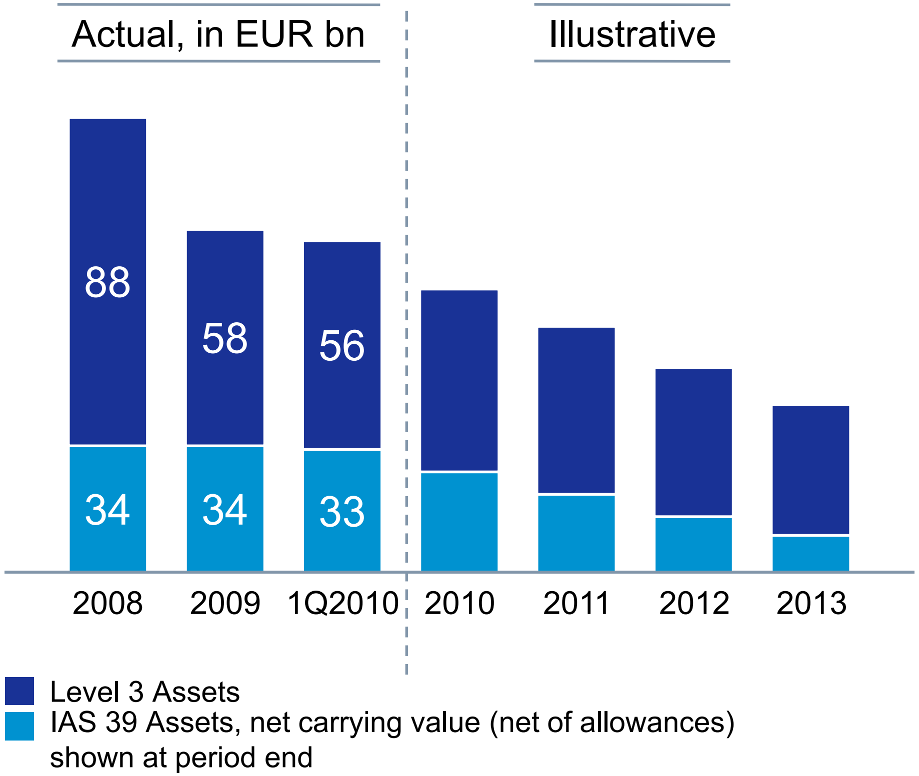
Management action plan

- ✓ Change of composition of Strategic Liquidity Reserve
- ✓ Increase term-funding programs

Significant uncertainty on the shape of future regulation along with any proposed implementation timeline

Releasing tied-up capital
De-risked legacy and Level 3 assets

IAS 39 and Level 3 assets



Key focus areas

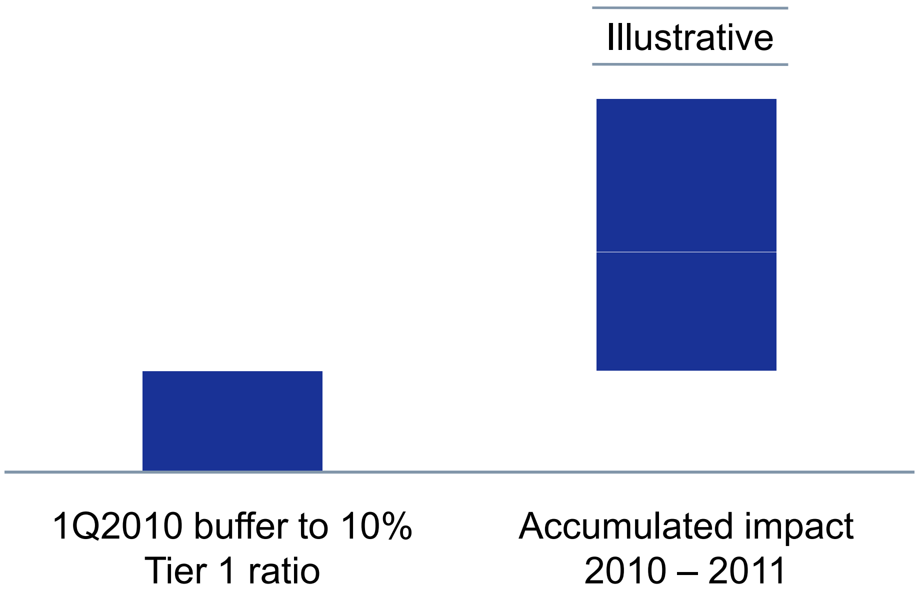
- Loan sales
- Cancellation of trades
- Restructure of assets
- All with manageable costs to P&L

Resulting in significant RWA reduction

Building Deutsche Bank's capital base

Significant retained earnings potential

Impact on Tier 1 ratio from retained earnings



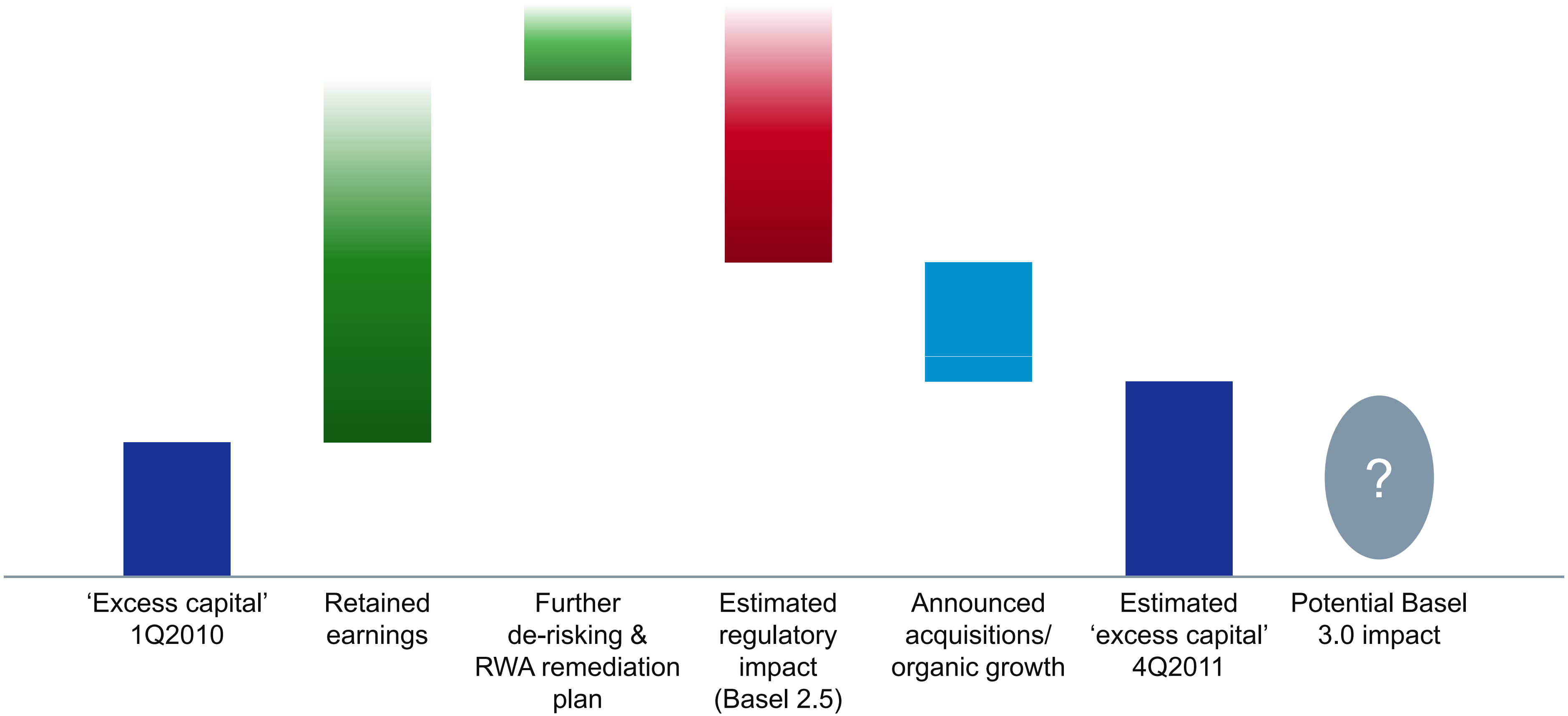
Note: Detailed assumptions for 2010 – 2011 were published at Deutsche Bank's Investor Day on 14 December 2009

Salient points

- Phase 4 assumptions – Environmental
  - No further major market dislocation
  - Normalisation of valuations, interest rates
  - Rising fee pool, higher than pre-crisis margins
  - Global GDP growth ≥ 2% p.a. over the period
- Phase 4 assumptions – Deutsche Bank
  - No significant further write-downs
  - Market share gains
  - EUR 1 bn efficiency gains out of infrastructure
- Dividends
  - Bulk of retained earnings for building capital
  - Return to standard dividends upon clarity of regulatory reform

Dynamic capital management
Challenging but feasible

Illustrative



Managing growth and regulatory challenges relies on organic capital generation. Equity issuance is for buying future cash flows only.

Key takeaways

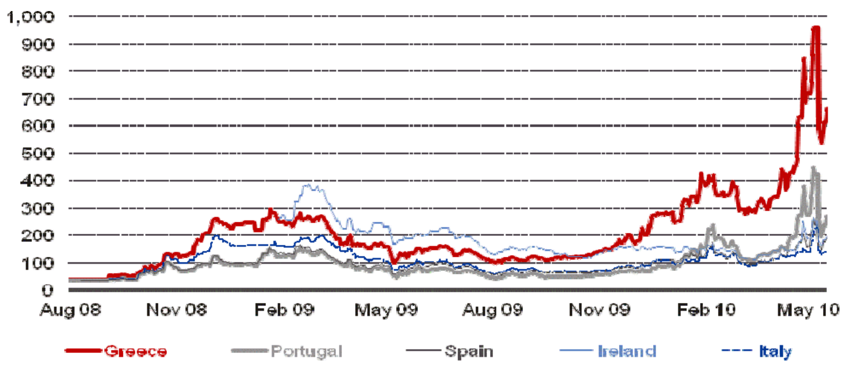
- Significant existing capital buffer
- Significant regulatory uncertainty especially with regards to timing makes it hard to precisely quantify impact
- Nevertheless, future retained earnings coupled with RWA initiatives leave DB in a strong position
- Fresh capital for buying new earnings streams only


Deutsche Bank
Additional information

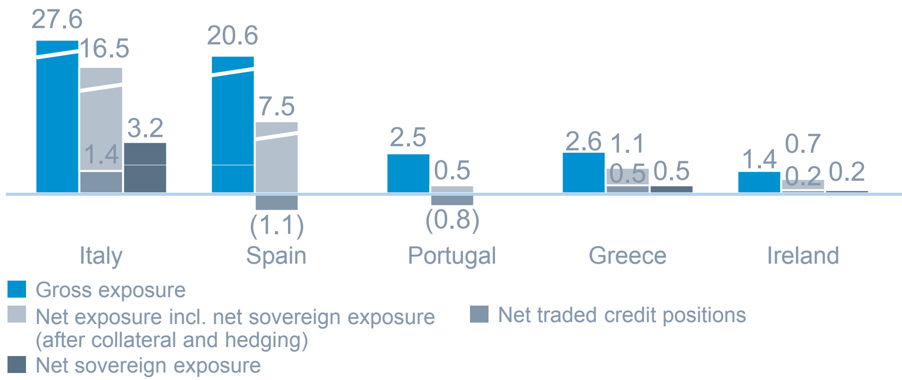
Sovereign risk – Hot spots in Southern Europe

Concerns about sovereign risk – potential tertiary effect through contagion

CDS spreads by country (in bps)



DB exposures[1] by country, 31 Mar 2010



Limited primary/ secondary portfolio concerns…	
	— **Sovereign**: Overall relatively small, except Italy — **CIB**: Focus on better rated clients; corporates / FIs with satisfactory diversification & risk mitigation — **PBC**: Large presence in Spain and Italy, mitigated by low concentration risk and collateral
…but potential risk of tertiary market impact due to contagion	— Significant spread widening could lead to losses on our illiquid GM/GB legacy positions — Temporarily reduced liquidity in EU debt and equity markets — European banks with significant cross border funding would exhibit renewed stress

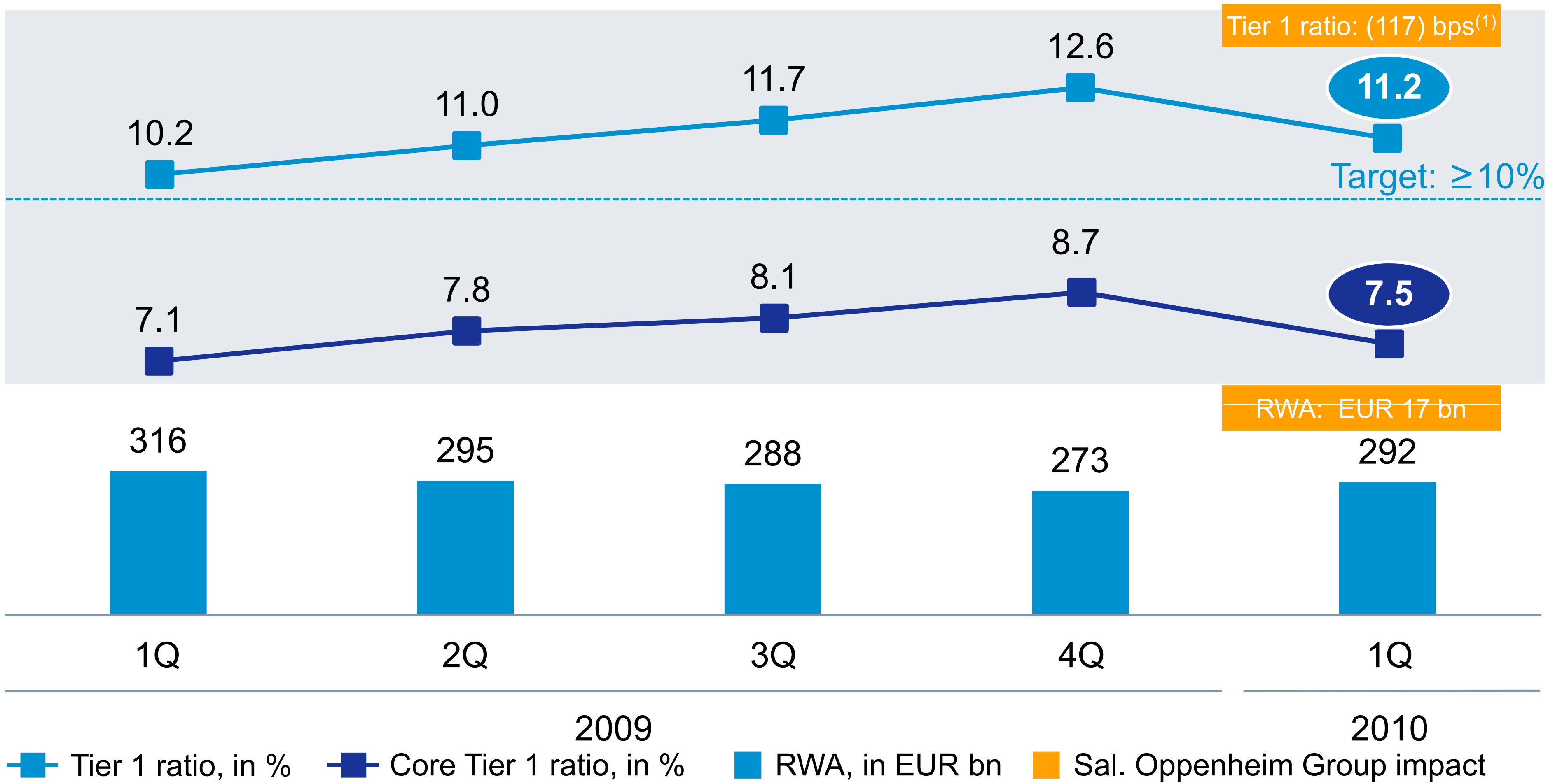
(1) Includes exposure for CIB, PBC, PWM and traded credit positions; no net sovereign exposure to Spain and Portugal

Sovereign risk: Greece
Stress contagion scenario impact analysis

Impact	Market scenarios	Potential impact on DB	Risk
Primary	— Hair cut on Greek sovereign debt — Shipping : Greek ship owners wealth largely held in domestic assets (e.g. stakes in banks); losses and tighter liquidity with negative impact on CAPEX, future earnings — HF and HNWI impacted by direct losses on Greek Sovereign/FI holdings	— Limited losses from sovereign debt exposure — Limited net shipping exposure (after collateral) — Greek FI/Sovereign exposure driven by FX and Rates derivatives to double — Immediate liquidity and P&L impact negligible as very small local DB franchise — PWM exposure to Greek clients manageable given large AuM; overall HF portfolio net short	yellow yellow yellow green green
Secondary	— Greek sov debt restructuring results in ~ EUR 50-75bn losses for European banks — FIs with larger sovereign holdings and/or exposure to Greek banking sector come under pressure	— Funding cost increase — Share price under pressure — Collateral (Greek govt) held negligible; Prime Finance exposure limited after collateral	yellow yellow yellow
Tertiary	— Credit spreads rise sharply as financials widen & liquidity dries up for riskier assets — Severe contagion globally, initially with spill over into weak EU and some CEE — Equities fall, financials underperform — USD, Treasuries, precious metals benefit from “flight to safety”; USD strengthening leads to currency volatility in EMs (e.g. LatAM, less impact on Asia)	— Further loss potential on illiquid legacy assets — Aggregate short TCP position in Spain, Portugal and Ireland — However, contagion impact beyond PIIGS countries could be material — Derivative exposure MTM to rise, driven by falling EUR, spread widening — Capital hedged against EUR depreciation	red green red red green

Note: Scenario based on holistic overview (tertiary risks over 10 day period); effects may not necessary be sequential or in described order
Traffic lights denote overall downside scenario impact on Deutsche Bank. TCP = Traded credit positions

Tier 1 capital remains well above target

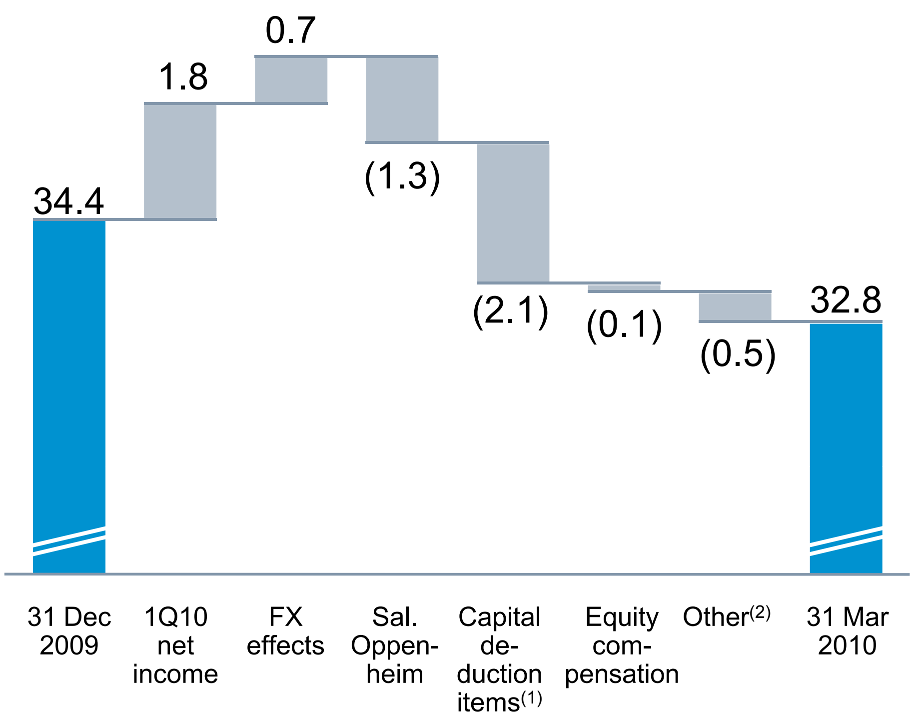


Note: Core Tier 1 ratio = Tier 1 capital less hybrid Tier 1 capital divided by RWAs

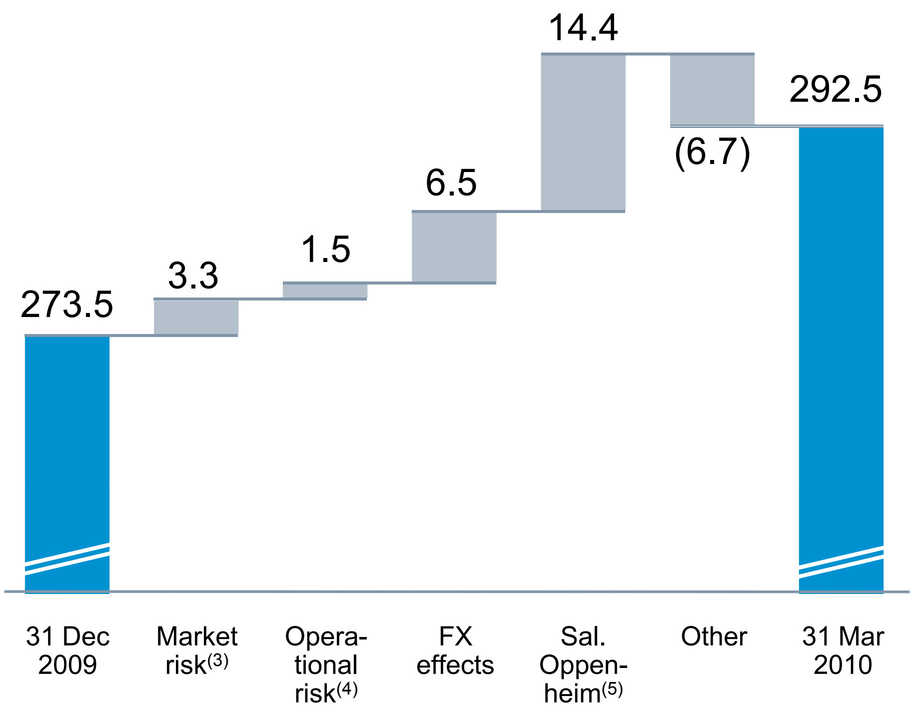
(1) Includes Tier 1 capital deduction (including goodwill and other intangibles) of EUR 1.3 bn and EUR 17 bn RWA

Tier 1 capital and RWA development
In EUR bn

Tier 1 capital



RWA

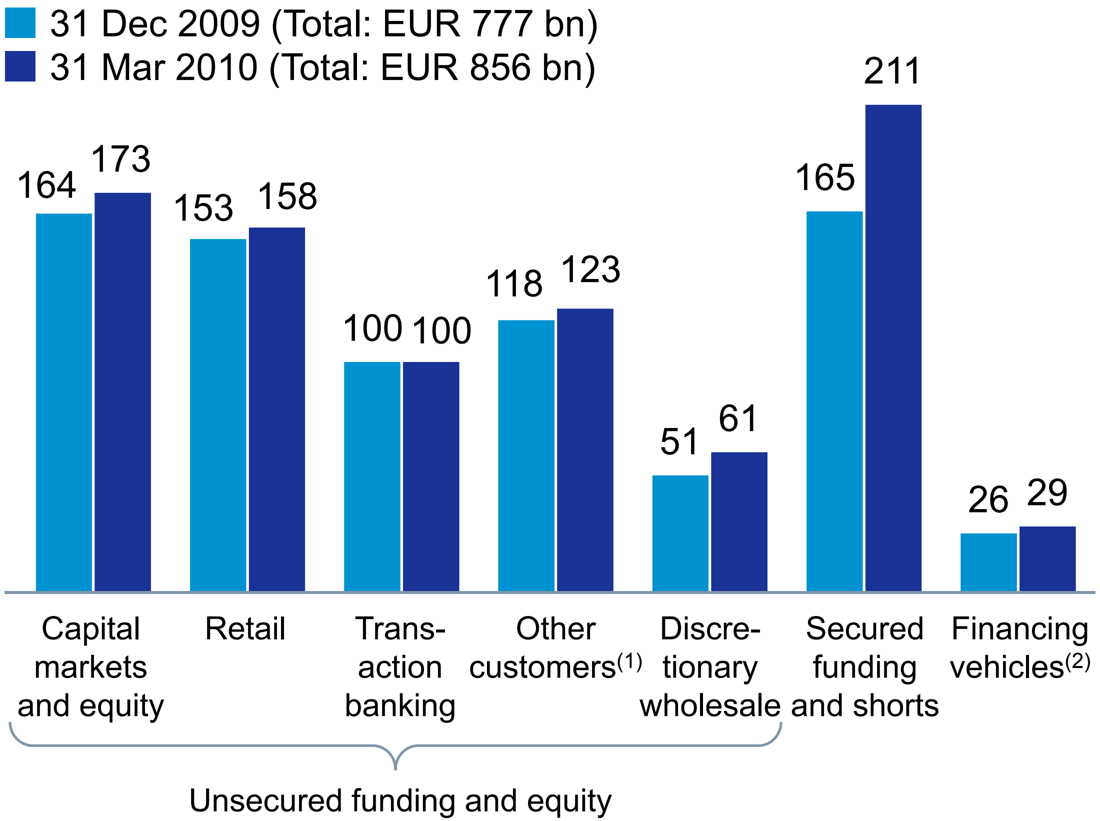


Note: Figures may not add up due to rounding differences
(1) Primarily reflecting deductions in relation to certain securitization positions in the trading book
(2) Other includes dividend accrual and actuarial gains/losses on pension plans
(3) Contains EUR 1 bn market risk Sal. Oppenheim
(4) Contains EUR 1.6 bn operational risk Sal. Oppenheim
(5) Credit Risk RWA only

Modest reliance on shorter term wholesale funding

In EUR bn

Funding sources overview



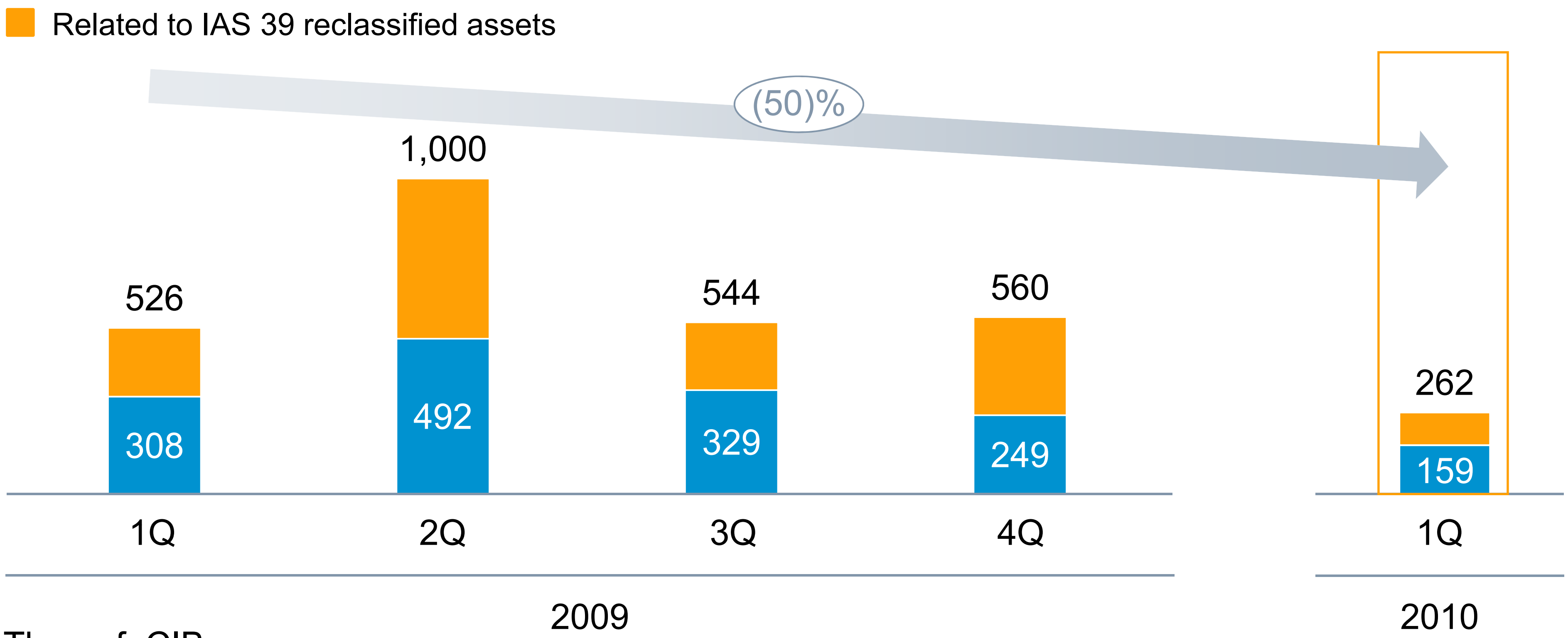
Liquidity position

- Secured funding increase mainly against highly liquid trading assets
- Incremental discretionary wholesale funding more than offset by increase of available cash balances
- Available cash and strategic liquidity reserve exceed net funding gap under combined stress scenario
- YTD execution of 2010 issuance volume well ahead of plan (>50% of EUR 19 bn plan)

Note: Figures may not add up due to rounding differences
(1) Other includes fiduciary, self-funding structures (e.g. X-markets), margin / Prime Brokerage cash balances (shown on a net basis)
(2) Includes ABCP conduits

Reduced provisioning for credit losses

In EUR m

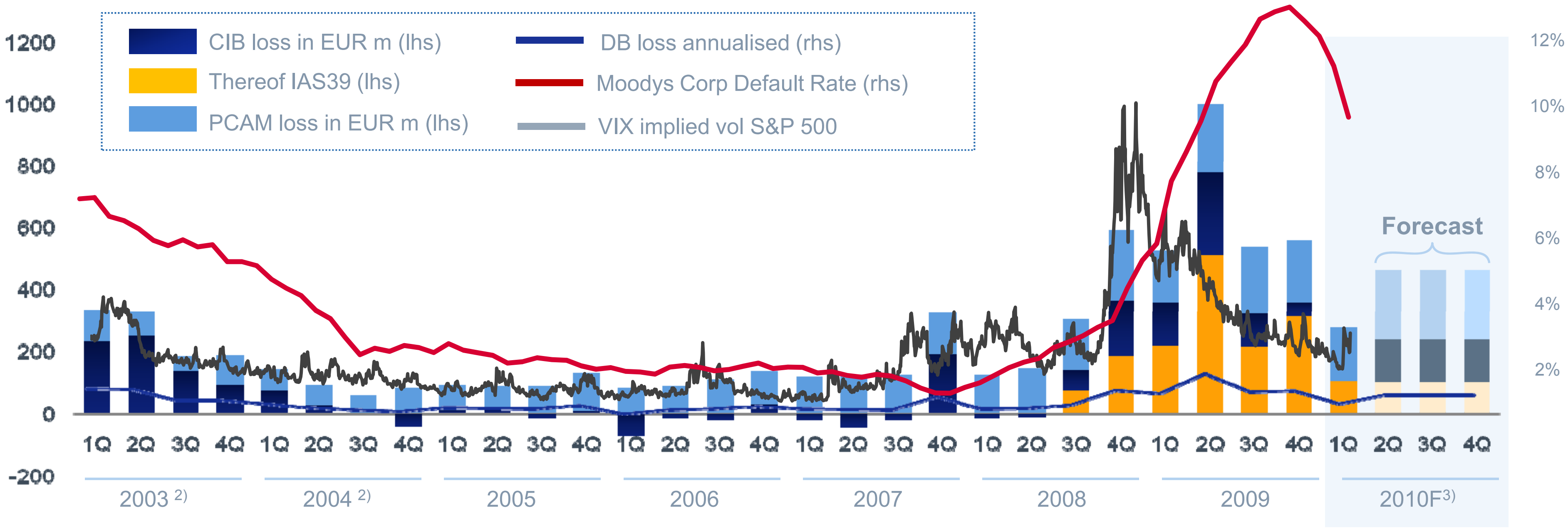


	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010
Thereof: CIB	357	779	323	357	90
Thereof: PCAM	169	221	214	201	173

Note: Divisional figures do not add up due to omission of Corporate Investments; figures may not add up due to rounding differences

LLPs stabilising as market shows signs of recovery

Loan loss provisions development: 2003 – 1Q2010



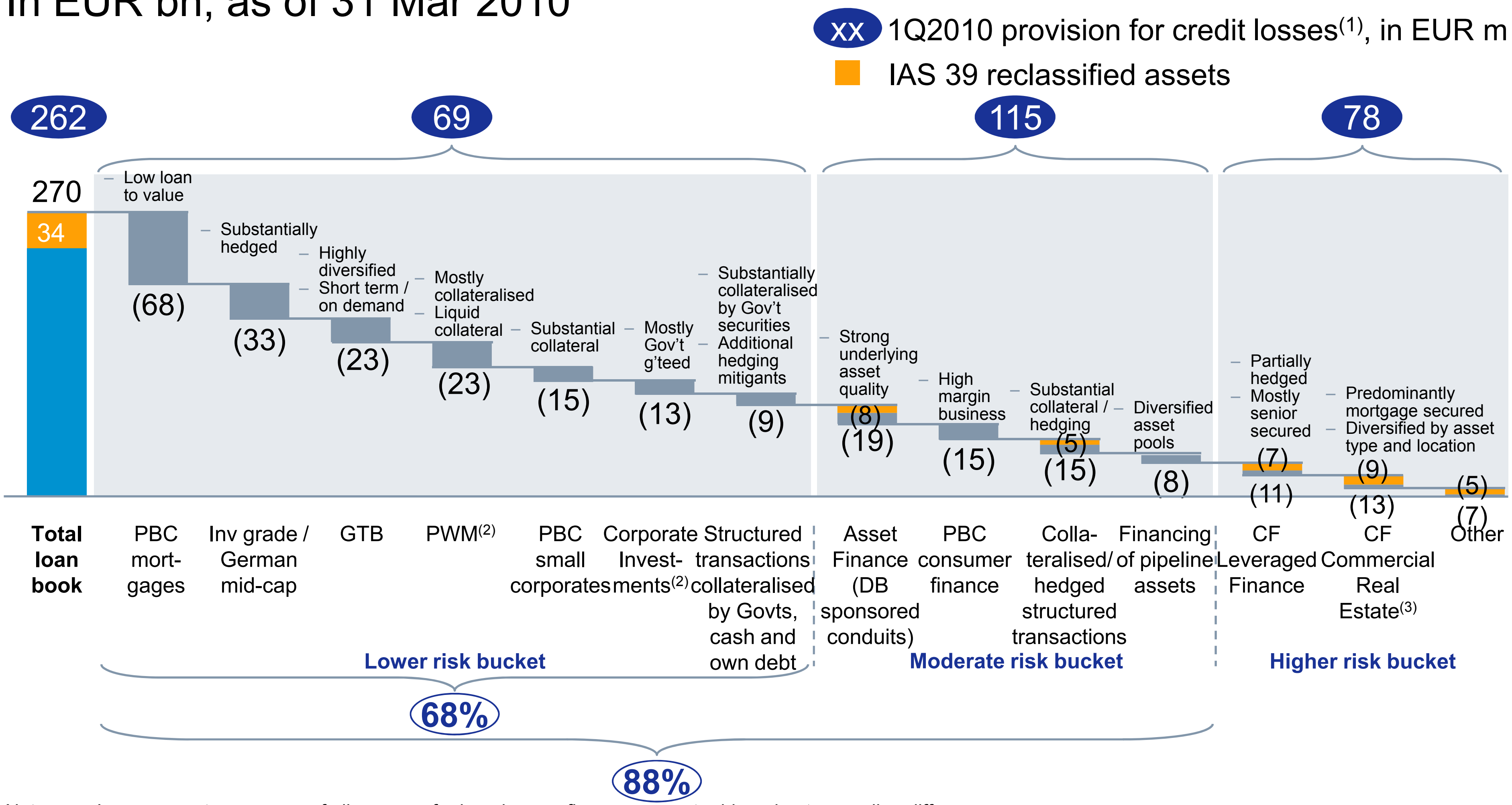
Favourable LLP development, particularly with IAS39 assets

- 1Q2010 LLPs almost halved to EUR 262 m vs. 1Q2009 (LLPs on IAS39 <50% of 1Q2009)
- Despite encouraging outcome, we leave full-year forecast unchanged given market uncertainties in a fragile economic recovery

(1) All bps annualised
(2) 31 Dec 2009 loan book used to calculate bps
(3) Forecast based on 2010 base case

Composition of loan book and provisions by category

In EUR bn, as of 31 Mar 2010



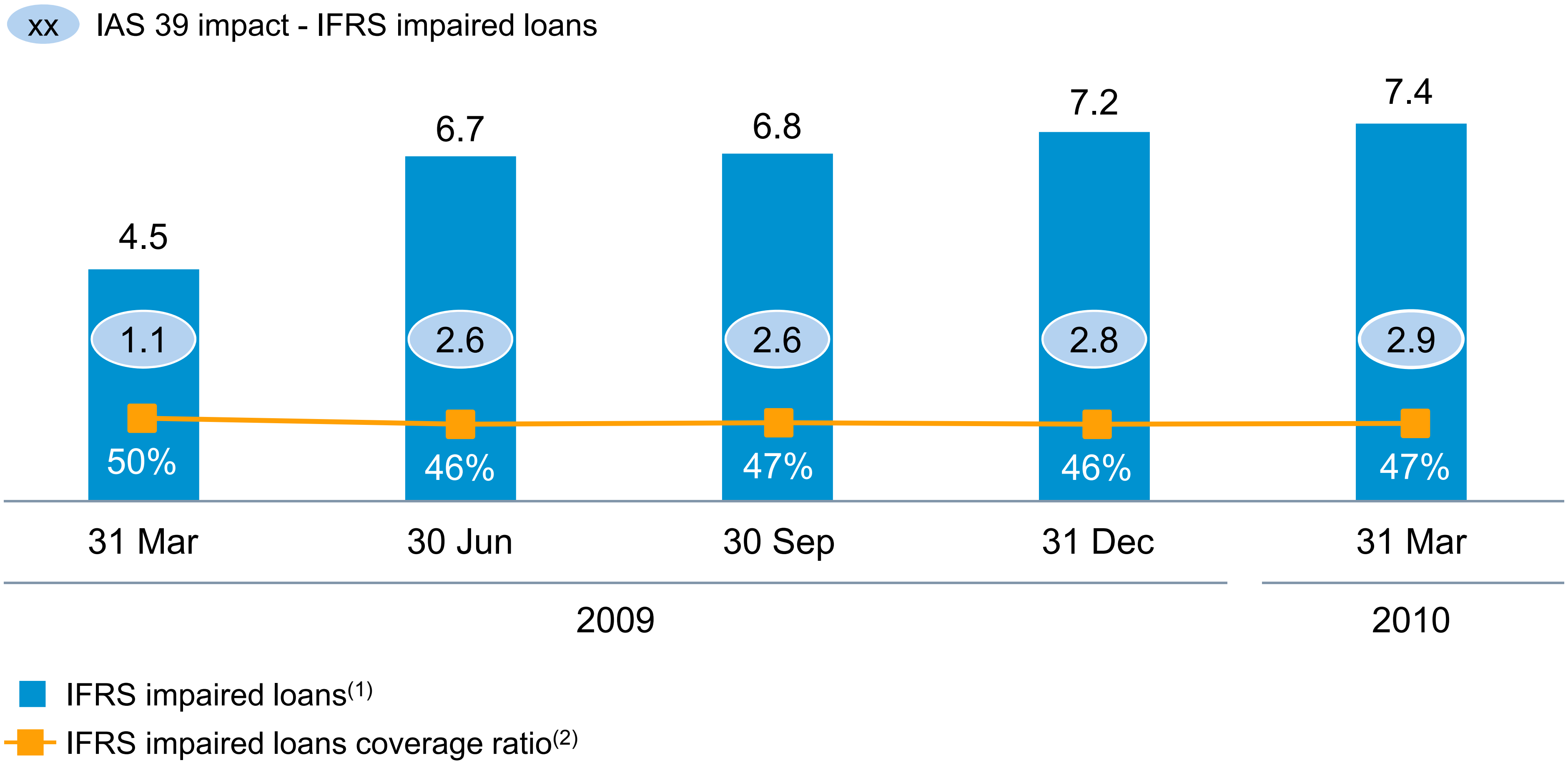
Note: Loan amounts are gross of allowances for loan losses; figures may not add up due to rounding differences

(1) Includes provision for off-balance sheet positions

(2) Includes loans of EUR 3.2 bn in PWM and EUR 1.8 bn in CI related to Sal. Oppenheim acquisition

(3) Includes loans from CMBS securitizations

Impaired loans
In EUR bn



(1) IFRS impaired loans include loans which are individually impaired under IFRS, i.e. for which a specific loan loss allowance has been established, as well as loans collectively assessed for impairment which have been put on nonaccrual status

(2) Total on-balance sheet allowances divided by IFRS impaired loans (excluding collateral); total on-balance sheet allowances include allowances for all loans individually impaired or collectively assessed

Pro-forma impact of IAS 39 reclassifications

In EUR m

	FY2008 - 1Q2009	2Q2009 - 4Q2009	Total FY08-FY09	1Q2010	Total FY08-1Q10
Incremental reported income[1]	(162)	(1,188)	(1,350)	(128)	(1,478)
Fair value P&L impact of reclassified assets	4,653	(231)	4,422	(279)	4,143
Net pro-forma impact on reported income before income taxes	**4,491**	**(1,419)**	**3,072**	**(407)**	**2,665**
Fair value impact on equity relating to assets previously classified as AfS	2,231	(1,621)	609	(125)	484
Total pro-forma impact on shareholders' equity	**6,722**	**(3,040)**	**3,681**	**(532)**	**3,149**
Carrying value at period end[2]	**38,126**	**33,554**		**33,009**	

Note: At the reclassification dates, assets had a carrying value of EUR 37.9 bn; incremental RWAs were EUR 4.4 bn; figures may not add up due to rounding differences

(1) Net of provision for credit losses

(2) Net of allowances

IAS 39 reclassified assets overview

As of 31 March 2010

Asset class	Carrying value[3]	# of assets	% inv grade	Impaired loans (EUR bn)	# of impaired loans	LLP run rate (annualised)	LLP run rate vs. Dec 09	CV / FV delta (% total)
Leveraged Finance	6.6	205	0%	2.1 (32%)	10 (4.9%)	377bps		0.3 bn (10%)
Commercial Real Estate	8.8	438	48%	0.2 (2%)	7 (1.6%)	126bps		0.4 bn (12%)
Asset Finance	8.0	123	76 %	0.4 (4%)	3 2.4%	–		1.0 bn (31%)
Other	5.4	279[1]	63%	0.4 (7%)	5[1] (1.8%)	21bps		1.3 bn (40%)
Coll. / hedged transactions	5.2	340	94%	–	1 (0.3%)	15bps[2]		0.2 bn (6%)
Total	34.0 bn	1,385	58%	2.9 (9%)	26 (1.9%)	109bps		3.3 bn

(1) Excludes European mortgage loan portfolio with 7,964 and student loan portfolio with 8,893 collectively assessed assets

(2) Increase in LLP run rate refers to a single name EUR 2 m facility

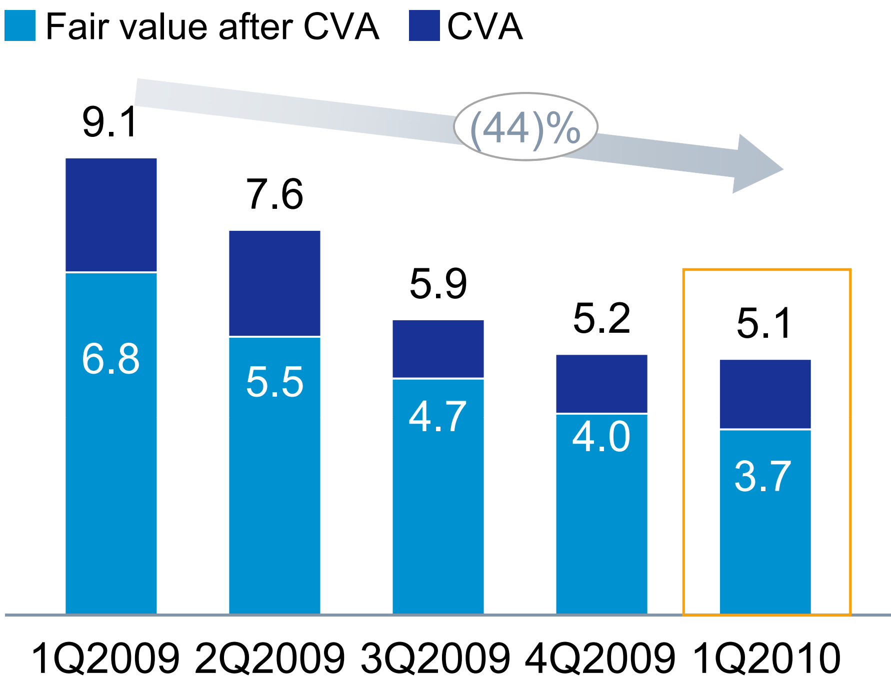
(3) Represents gross loan number

Monoline update

Exposure materially reduced, reserve levels remain adequate

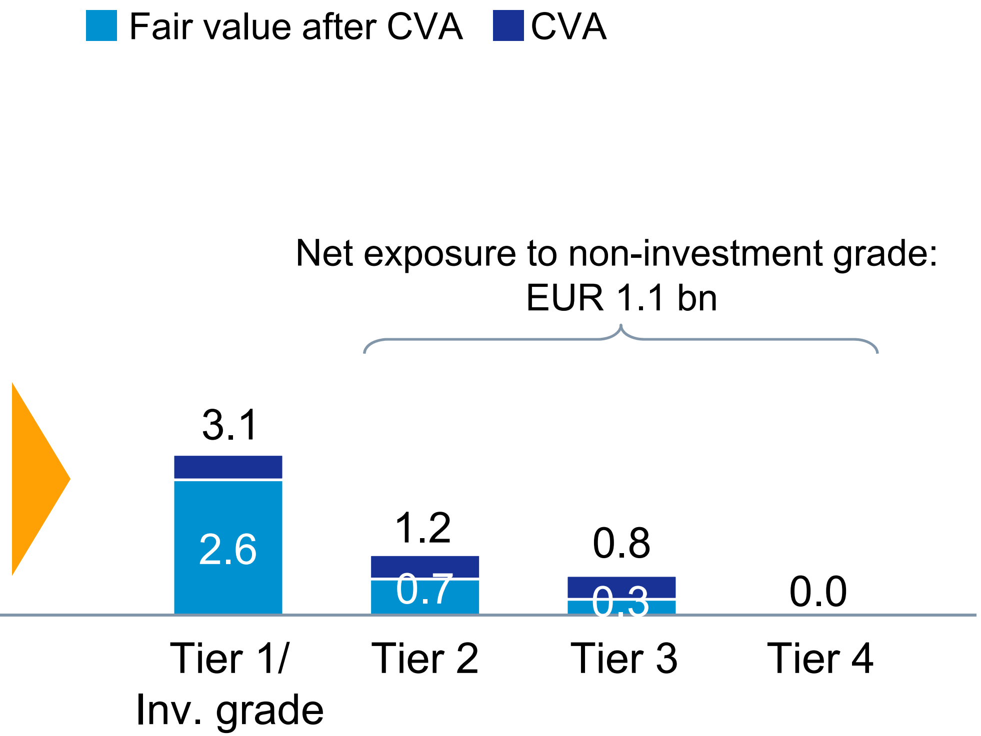
Substantial reduction since 1Q2009 peak …

In EUR bn[1]



… and exposure adequately reserved

In EUR bn, as of 31 Mar 2010

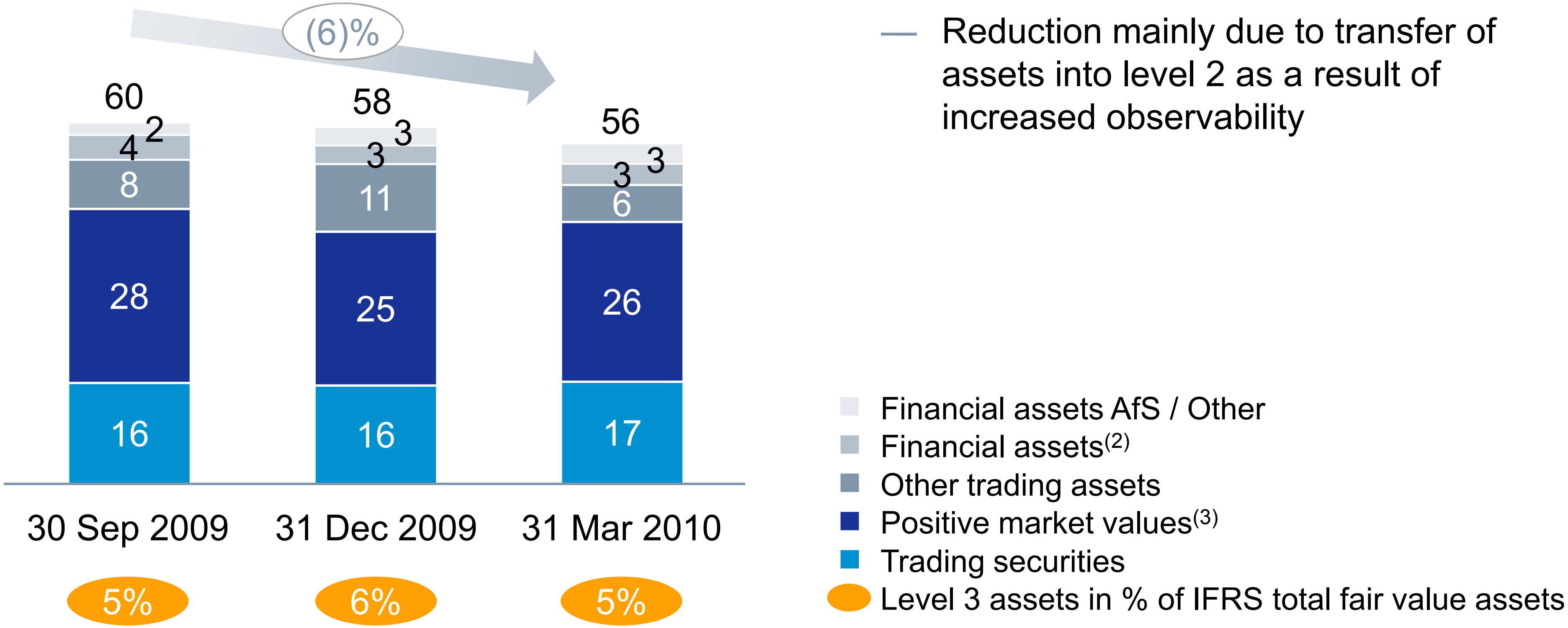


Note: Tiering is an internal Credit Risk Management designation (Tier 1 = strongest / Tier 4 = weakest)
(1) Excludes counterparty exposure to monoline insurers that relates to wrapped bonds

Value of Level 3 assets(1)

Asset classes

In EUR bn



1Q2010 development

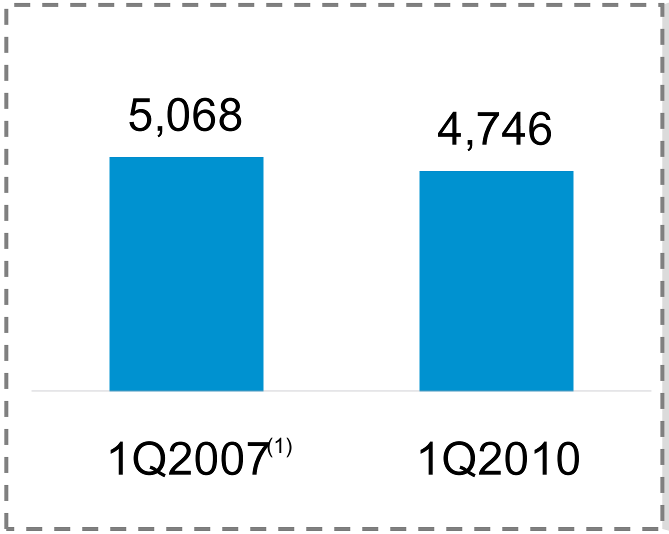
- Key changes:
  - Reduction mainly due to transfer of assets into level 2 as a result of increased observability

Note: Total includes PCAM; figures may not add up due to rounding differences
(1) IFRS netting convention applied
(2) Designated at fair value through profit or loss
(3) From derivative financial instruments

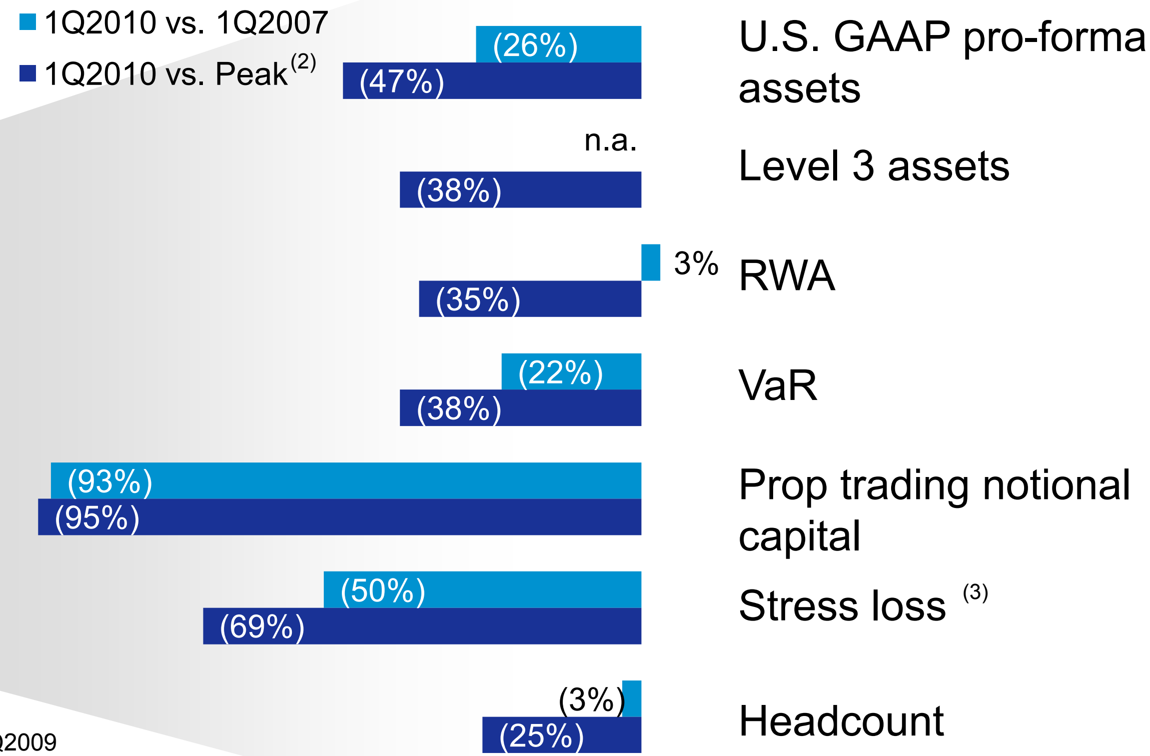
Global Markets 1Q2010 vs. 1Q2007: A tale of two cities

Similar top line revenue performance . . .

S&T revenues, in EUR m



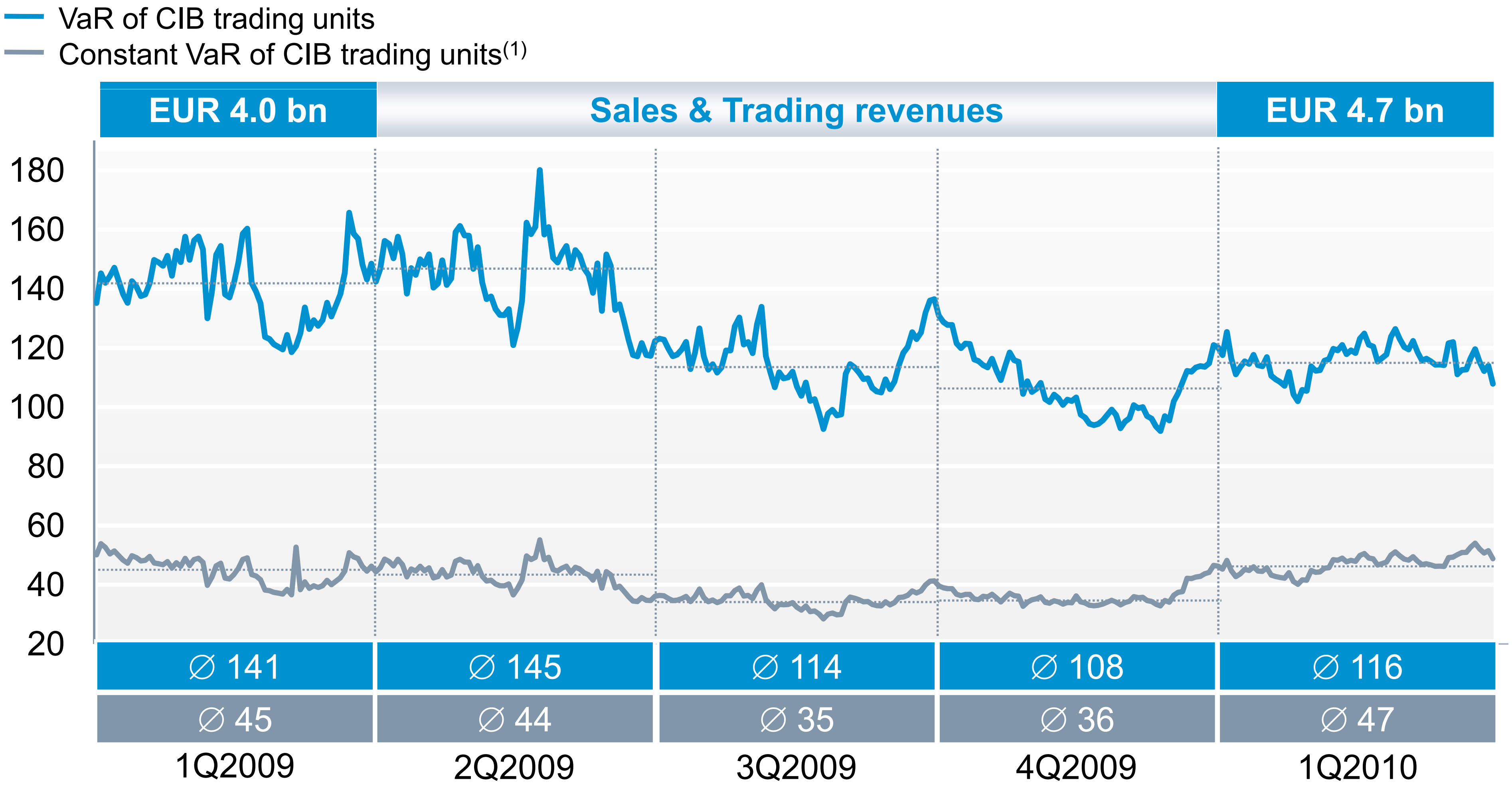
. . . using significantly lower resources



(1) 1Q2007 based on structure as of 2008
(2) Peak refers to highest level during the period 3Q2007 to 4Q2009
(3) Maximum potential loss across all risk types
Note: S&T revenues differ from Global Markets revenues due to some revenue reallocation between GM and GB

VaR of CIB trading units; higher revenues with lower risk

99%, 1 day, in EUR m



(1) Constant VaR is an approximation of how the VaR would have developed in case the impact of the market data on the current portfolio of trading risks would not have changed during the period and if VaR would not have been affected by any methodology changes during that period

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 16 March 2010 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from www.deutsche-bank.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 1Q2010 Financial Data Supplement, which is accompanying this presentation and available at www.deutsche-bank.com/ir.