



# Release

Frankfurt am Main

29 April 2014

## Deutsche Bank reports first quarter 2014 income before income taxes of EUR 1.7 billion

### Group results

- Income before income taxes (IBIT) of EUR 1.7 billion, down 30% from 1Q2013
- Core Bank IBIT, which excludes the Non-Core Operations Unit, declined 17% to EUR 2.2 billion
- Net revenues of EUR 8.4 billion fell 11% year over year, largely due to a decline in Corporate Banking & Securities results
- Noninterest expenses of EUR 6.5 billion fell 2% year over year
- Adjusted cost base of EUR 6.0 billion was essentially unchanged from prior year, partly reflecting costs related to regulatory requirements
- 7.9% post-tax return on average active equity

### Capital and de-leveraging

- 9.5% fully loaded Common Equity Tier 1 ratio according to Capital Requirements Regulation (CRR)/Capital Requirements Directive 4 (CRD 4)
- 13.2% phase-in Common Equity Tier 1 ratio more than three times current regulatory requirement
- Risk-weighted assets grew EUR 23 billion from 4Q2013 to EUR 373 billion
- CRD 4 leverage ratio improved to 3.2%
- EUR 22 billion of leverage exposure reduction in 1Q2014
- Cumulative leverage reduction of EUR 116 billion since June 2013, nearly half of EUR 250 billion year end 2015 target already achieved
- Announced issuance of Additional Tier 1 capital in order to strengthen the Tier 1 capital by a minimum of EUR 1.5 billion in aggregate; this is part of the total target volume of approximately EUR 5 billion of CRD 4 compliant Additional Tier 1 capital which the Bank plans to issue by the end of 2015

### Segment results

- Corporate Banking & Securities (CB&S): IBIT of EUR 1.5 billion declined 22%, reflecting a 10% decline in revenues and essentially unchanged noninterest expenses partly due to regulatory requirements and business

- investments
- Private & Business Clients (PBC): IBIT of EUR 520 million increased 8% primarily from a one-time gain on disposal and increased investment product revenues
  - Global Transaction Banking (GTB): IBIT of EUR 367 million grew 15% largely due to lower provisions for credit losses
  - Deutsche Asset & Wealth Management (DeAWM): IBIT declined 23% to EUR 169 million reflecting a 14% decline in revenues from lower non-recurring fund management revenues and higher cost-to-achieve
  - Non-Core Operations Unit (NCOU): Loss before income tax of EUR 532 million includes the Special Commodities Group (transferred from CB&S during 1Q2014) which contributed a loss before income tax of EUR 191 million in the quarter

Deutsche Bank (XETRA: DBKGn.DE / NYSE: DB) today reported results for 1Q2014. Group net revenues of 8.4 billion declined 11% from the prior year while noninterest expenses fell 2% to EUR 6.5 billion. Income before income taxes of EUR 1.7 billion declined 30%. Diluted earnings per share for the quarter were EUR 1.03, compared to EUR 1.71 in 1Q2013. Post-tax return on average active equity was 7.9%, versus 12.3% in 1Q2013.

Commenting on 1Q2014 results, Jürgen Fitschen and Anshu Jain, Co-Chief Executive Officers, said: "Our core businesses all contributed to a resilient performance in the quarter, which enabled us to grow our common equity base by over EUR 1 billion. Corporate Banking & Securities performed well in challenging markets, Private & Business Clients produced first quarter profitability which was amongst its best ever, Global Transaction Banking grew pre-tax profit despite intense margin and competitive pressure while Deutsche Asset & Wealth Management produced solid underlying results and positive net money flows while simultaneously progressing business integration."

They added: "We have taken another step forward in building a better capitalized bank by launching the inaugural issue of our EUR 5 billion Additional Tier 1 capital program. We have also responded to the twin demands of a changing business environment and greater clarity on the interpretation of regulatory implementation. We invested substantially in our platform in response to these demands, which was reflected in our cost base during the quarter."

They concluded: "As we approach the half way point of Strategy 2015+, we are pleased to have progressed step by step toward our 2015 objectives and are ahead of plan on key dimensions. We remain focused on meeting these objectives and reiterate our commitment to our business model."

## Group Results

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	8,392	6,564	9,391	(999)	1,828
Provision for credit losses	246	725	354	(108)	(479)
Noninterest expenses	6,466	7,607	6,623	(157)	(1,141)
Income (loss) before income taxes	1,680	(1,768)	2,414	(734)	3,448
Net income	1,103	(1,365)	1,661	(558)	2,469
Cost/income ratio	77 %	116 %	71 %	7 %	(39)%
Post-tax return on average active equity	8 %	(10)%	12 %	(4)%	18 %

## Adjusted cost base

in EUR m. (unless stated otherwise)	1Q	2Q	3Q	4Q	1Q
	2013				2014
<b>Noninterest expenses</b>	<b>6,622</b>	<b>6,950</b>	<b>7,215</b>	<b>7,607</b>	<b>6,466</b>
<b>Adjusted cost base</b>	<b>6,034</b>	<b>5,910</b>	<b>5,600</b>	<b>5,604</b>	<b>5,992</b>
<i>excludes:</i>					
Cost-to-Achieve	224	357	242	509	310
Litigation	132	630	1,163	1,111	0
Policyholder benefits and claims	191	(7)	171	104	52
Other severance	10	42	14	2	27
Remaining	32	17	24	277 <sup>1</sup>	85
<b>Cost/income ratio (adjusted)<sup>2</sup></b>	<b>64%</b>	<b>72%</b>	<b>72%</b>	<b>85%</b>	<b>71%</b>
<b>Compensation ratio</b>	<b>38%</b>	<b>39%</b>	<b>38%</b>	<b>41%</b>	<b>40%</b>

Note: Figures may not add up due to rounding

1) Includes impairment of goodwill and intangibles of EUR 79 m and a significant impact from correction of historical internal cost allocation

2) Adjusted cost base divided by reported revenues

Results in 1Q2014 reflect a mixed performance with a reduced year-on-year revenue contribution from Corporate Banking & Securities (CB&S), Deutsche Asset & Wealth Management (DeAWM), and our Non-Core Operating Unit (NCOU) with substantially unchanged results across Global Transaction Banking (GTB) and slightly higher revenues in Private & Business Clients (PBC). Lower client investment activity exacerbated by uncertainty around emerging markets as well as continued low interest rates and a highly competitive environment are reflected in decreased revenues across most businesses. We made further progress in our Operational Excellence (OpEx) program, which focuses in 2014 on more complex initiatives. Cost reductions from the ongoing implementation of OpEx allowed us to counterbalance higher cost caused by increasing regulatory requirements, and enabled us to continue to invest in platform improvements.

Our net revenues in 1Q2014 decreased by 11 %, or EUR 999 million, to EUR 8.4 billion, compared to EUR 9.4 billion in 1Q2013. In CB&S, revenues were EUR 4.1 billion, down EUR 471 million, or 10 %, versus 1Q2013. The decrease was mainly attributable to reduced revenues in Sales & Trading (debt and other products), which were down by EUR 285 million, or 10 %, compared to 1Q2013, resulting from lower client activity reflecting low volatility and ongoing uncertainty around emerging markets. In addition, revenues in CB&S decreased due to losses from Debt Valuation Adjustment (DVA) in 1Q2014, whereas a gain for DVA was recorded in 1Q2013. PBC revenues were EUR 2.5 billion in 1Q2014, up EUR 91 million, or 4 %, compared to 1Q2013. The increase was primarily driven by subsequent gains related to a business sale closed in a prior period, but also due

to higher revenues in investment and insurance products. Revenues in GTB were EUR 1.0 billion, marginally down by EUR 6 million, or 1 %, from 1Q2013 impacted by a highly competitive environment and continued low interest rates. DeAWM revenues decreased by EUR 177 million, or 14 %, to EUR 1.1 billion, versus 1Q2013 mainly driven by mark-to-market movements on policyholder positions in Abbey Life, largely offset in noninterest expenses. Revenues in the NCOU were EUR 74 million, a decrease by EUR 367 million, or 83 %, in 1Q2014, reflecting a reduction of assets following our de-risking activities and losses incurred by the Special Commodities Group (SCG), primarily driven by losses on our exposure to traded products in the U.S. power sector. Consolidation & Adjustments (C&A) net revenues declined from negative EUR 259 million in 1Q2013 to negative EUR 327 million in 1Q2014. This development was predominantly attributable to valuation and timing differences from different accounting methods used for management reporting and IFRS as well as negative impacts from funding valuation adjustments on internal uncollateralized derivatives.

Provision for credit losses was EUR 246 million in 1Q2014, a decrease of EUR 108 million, or 30 %, compared to 1Q2013. This reduction primarily reflects the non-recurrence of a number of large single items in GTB, CB&S and NCOU recorded in 1Q2013. The provision for credit losses increase in PBC was driven by a positive one-off effect from portfolio sales in 1Q2013, that was not replicated in 1Q2014. After adjusting for this one-off effect, the provision for credit losses in PBC decreased reflecting the ongoing strong credit environment in Germany.

Noninterest expenses were EUR 6.5 billion in the quarter, down EUR 157 million, or 2 %, compared to 1Q2013. Compensation and benefits, which amounted to EUR 3.3 billion, were down EUR 200 million, or 6 %, compared to 1Q2013. This primarily reflects lower variable compensation, including reduced deferred award amortisation, mainly in CB&S. General and administrative expenses were EUR 3.0 billion, up EUR 192 million, or 7 %, compared to 1Q2013. One driver for the increase were cost-to-achieve related to OpEx, which were EUR 301 million in 1Q2014 versus EUR 219 million in 1Q2013. Other drivers were higher expenses relating to increased regulatory requirements, higher investments in platforms, as well as an impairment in NCOU. In part, these costs were offset by lower litigation related charges and the ongoing positive impact from our OpEx program. Policyholder benefits and claims, which are offsetting mark-to-market movements on investments held to back insurance policyholder claims in Abbey Life, were EUR 52 million in 1Q2014, a reduction of EUR 141 million compared to 1Q2013.

Overall, income before income taxes was EUR 1.7 billion in 1Q2014 versus EUR 2.4 billion in 1Q2013, mainly driven by lower revenues which were partly offset by costs reductions.

Net income for 1Q2014 was EUR 1.1 billion, compared to EUR 1.7 billion in 1Q2013. Income tax expense in 1Q2014 was EUR 577 million versus EUR 753 million in the comparative period. The effective tax rate in the current quarter was 34 % versus 31 % in 1Q2013.

## Capital, Funding, and Liquidity

Group

in EUR bn (unless stated otherwise)	Mar 31, 2014	Dec 31, 2013	Mar 31, 2013
CET1 capital ratio <sup>1</sup>	9.5%	9.7%	8.8%
Risk-weighted assets <sup>1</sup>	373	350	380
Liquidity reserves	173	196	230
Total assets (IFRS)	1,637	1,611	2,033
CRD 4 exposure	1,423	1,445	n/a
Leverage ratio <sup>2</sup>	3.2%	3.1%	n/a

1) based on CRR/CRD 4 (pro-forma for 2013, fully loaded)

2) based on CRR/CRD 4 (pro-forma for 2013, fully loaded adjusted)

The bank's fully loaded CRR/CRD 4 Common Equity Tier 1 (CET1) capital ratio was 9.5% as of 31 March 2014, down from 9.7% as of 31 December 2013. Fully loaded CRR/CRD 4 CET1 capital increased by EUR 1.3 billion in 1Q2014 to EUR 35.3 billion, the largest driver being the first quarter's net income attributable to DB Shareholders of EUR 1.1 billion. Fully loaded CRR/CRD 4 risk-weighted assets (RWA) increased by EUR 23 billion to EUR 373 billion at the end of 1Q2014, mainly a result of increased credit risk-RWA.

The Bank's 2014 issuance plan is EUR 20 billion. As of 31 March 2014 issuance stands at EUR 8.5 billion at an average spread of 37 basis points over the relevant floating index (e.g. Libor). Highlight in 1Q2014 was a USD 3.5 billion triple-tranche senior unsecured benchmark in 3 and 5 years tenor.

Liquidity reserves were EUR 173 billion, of which 43% being in cash and cash equivalents and primarily held at central banks.

Total assets were EUR 1,637 billion as of 31 March 2014, reflecting an increase of EUR 25 billion, or 2%, versus 31 December 2013.

According to CRR/CRD 4 rules, leverage exposure was EUR 1,423 billion as of 31 March 2014, a decrease of EUR 22 billion, or 1%, compared to 31 December 2013.

The leverage ratio, on an adjusted fully loaded basis according to CRR/CRD 4, increased to 3.2% as of 31 March 2014 compared to 3.1% as of 31 December 2013.

## Segment results

### Corporate Banking & Securities (CB&S)

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	4,076	2,500	4,547	(471)	1,575
Provision for credit losses	16	70	51	(36)	(54)
Noninterest expenses	2,547	2,303	2,578	(30)	244
Noncontrolling interest	21	(4)	10	12	25
Income (loss) before income taxes	1,492	132	1,908	(417)	1,360
Cost/income ratio	63 %	92 %	57 %	6 %	(30)%
Post-tax return on average active equity	19 %	(3)%	27 %	(8)%	22 %

CB&S reported solid revenues in the current quarter despite the challenging market environment and uncertainty around emerging markets.

1Q2014 net revenues were EUR 4.1 billion, a decrease of EUR 471 million or 10 % from the EUR 4.5 billion in 1Q2013. In addition to the other effects on CB&S' revenues described below, CB&S net revenues were impacted by three valuation adjustment items. First, a mark-to-market gain of EUR 31 million (1Q2013: a gain of EUR 14 million) related to mitigating hedges for CRR/CRD 4 risk-weighted assets (RWA) arising on Credit Valuation Adjustment (CVA). Second, a gain of EUR 18 million related to the Funding Valuation Adjustment (FVA). Partly offsetting these was a loss of EUR 42 million (1Q2013: a gain of EUR 122 million) related to the impact of a Debt Valuation Adjustment (DVA) on certain derivative liabilities. Excluding these items from both 2014 and 2013, net revenues decreased by EUR 342 million, or 8 %, compared to 1Q2013.

Sales & Trading (debt and other products) net revenues were EUR 2.4 billion in 1Q2014, a decrease of EUR 285 million, or 10 %, compared to 1Q2013. Revenues in Foreign Exchange were significantly lower than the prior year quarter due to lower client activity reflecting lower volatility and challenging trading environment. Revenues in Credit Solutions were lower than the prior year quarter primarily due to reduced margins in the Commercial Real Estate business, as well as lower revenues in Asia region. Emerging Market revenues were lower than the prior year quarter due to ongoing uncertainty around emerging markets. Revenues in Global Liquidity Management were lower than the prior year quarter reflecting both a smaller portfolio and an one-off gain in 1Q2013. Revenues in Flow Credit were higher than the prior year quarter driven by strong performance in distressed products. Revenues in Rates were higher than the prior year quarter driven by increased client activity notably in the Europe region.

Sales & Trading (equity) generated net revenues of EUR 772 million in 1Q2014, in line with 1Q2013. Equity Trading and Equity Derivatives revenues were in line with the prior year quarter, despite the challenging market conditions. Prime Finance revenues were higher than the prior year quarter reflecting increased client balances.

Origination and Advisory generated revenues of EUR 625 million in 1Q2014, a decrease of EUR 50 million, or 7 %, compared to 1Q2013. Debt Origination revenues were lower than the prior year quarter driven by reduced issuance levels. Revenues in Advisory were significantly higher than the prior year quarter driven by

increased market share. Revenues in Equity Origination were in line with the prior year quarter.

Loan products revenues were EUR 255 million in 1Q2014, compared to EUR 250 million in 1Q2013.

Net revenues from other products were EUR 9 million loss in 1Q2014, a decrease of EUR 148 million compared to 1Q2013, driven by the aforementioned loss of EUR 42 million from DVA on certain derivative liabilities compared to a gain of EUR 122 million in the prior year quarter.

In provision for credit losses, CB&S recorded a net charge of EUR 16 million in 1Q2014, compared to a net charge of EUR 51 million in 1Q2013, due to reduced provisions taken in the Shipping portfolio and releases taken in the Americas region.

Noninterest expenses decreased by EUR 30 million compared to 1Q2013. The decrease is mainly due to lower performance based compensation and litigation charges, partly offset by an increase in regulatory driven costs.

Income before income taxes was EUR 1.5 billion in 1Q2014, compared to EUR 1.9 billion in 1Q2013, mainly driven by lower revenues.

## Private & Business Clients (PBC)

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	2,476	2,393	2,385	91	82
Provision for credit losses	140	243	111	29	(102)
Noninterest expenses	1,815	1,932	1,791	24	(117)
Noncontrolling interest	0	0	0	0	0
<b>Income (loss) before income taxes</b>	<b>520</b>	<b>218</b>	<b>483</b>	<b>37</b>	<b>302</b>
Cost/income ratio	73 %	81 %	75 %	(2)%	(7)%
Post-tax return on average active equity	10 %	0 %	10 %	0 %	10 %

PBC recorded in 1Q2014 a solid improvement in income before income taxes compared to the prior year quarter, which reflected a one-off gain as well as higher revenues from investment & insurance products.

1Q2014 net revenues in PBC increased by EUR 91 million, or 4 %, to EUR 2.5 billion, compared to the prior year quarter. The increase in other product revenues of EUR 81 million, or 89 %, was primarily driven by a subsequent gain of EUR 70 million related to a business sale closed in a prior period. Higher revenues from investment & insurance products of EUR 33 million, or 10 %, compared to 1Q2013 reflected an improved contribution of all business units. Credit products revenues increased by EUR 4 million, or 1 %, reflecting volume increase mainly in the mortgage portfolio in Private & Commercial Banking in the previous quarters. Net revenues from deposits decreased by EUR 16 million, or 2 %, compared to 1Q2013, as a result of de-leveraging mainly in Postbank. Net revenues from payments, cards & accounts decreased by EUR 8 million, or 3 %, compared to 1Q2013. Net revenues from Postal and supplementary Postbank Services declined

by EUR 4 million, or 3 %, compared to 1Q2013, reflecting usual quarterly revenue fluctuations.

Provision for credit losses increased by EUR 29 million, or 26 %, compared to 1Q2013 due to the one off effect of approximately EUR 30 million realised in 1Q2013 from a portfolio sale. Excluding this positive effect provision for credit losses decreased reflecting mainly the continued positive economic environment in Germany. In the prior year, an additional credit of EUR 14 million was recorded in other interest income representing increases in the credit quality of Postbank loans recorded at fair value on initial consolidation by the Group.

Noninterest expenses increased by EUR 24 million, or 1 %, to EUR 1.8 billion, compared to 1Q2013. The cost increase is primarily driven by EUR 24 million higher cost-to-achieve as part of our OpEx program. Excluding cost-to-achieve, noninterest expenses remained unchanged, compared to 1Q2013. Decreases in the direct costs reflecting savings from our OpEx measures were offset by higher infrastructure expenses compared to 1Q2013.

Income before income taxes increased by EUR 37 million, or 8 %, compared to 1Q2013, mainly driven by higher revenues.

Invested assets increased by EUR 2 billion compared to December 31, 2013, mainly due to inflows in securities.

## Global Transaction Banking (GTB)

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	1,028	976	1,034	(6)	51
Provision for credit losses	24	86	92	(68)	(62)
Noninterest expenses	637	805	623	14	(168)
Income (loss) before income taxes	367	86	318	49	281
Cost/income ratio	62 %	82 %	60 %	2 %	(20)%
Post-tax return on average active equity	19 %	(4)%	19 %	0 %	23 %

In 1Q2014, continued low interest rate levels, a still highly competitive environment as well as the difficult geopolitical circumstances affected some GTB markets. Furthermore, adverse FX-movements impacted the result reported in Euro. However, compared to 1Q2013, GTB's net revenues decreased only marginally by EUR 6 million, or 1 %. In Trade Finance, revenues increased due to strong volumes. Revenues in Trust & Securities Services showed a solid development based on growing volumes and included a gain on the sale of registrar services GmbH. Cash Management increasingly came under pressure, suffering from the ongoing low interest rates.

Provision for credit losses was EUR 24 million in 1Q2014, compared to EUR 92 million in 1Q2013. The decrease is primarily attributable to the non-recurrence of a single client credit event in Trade Finance that occurred in 2013 as well as to lower provisions in the commercial banking activities in the Netherlands.

Noninterest expenses increased by EUR 14 million, or 2 %, compared to the prior year quarter. 1Q2014 included cost-to-achieve related to the OpEx program of



EUR 19 million versus EUR 7 million in 1Q2013. The remaining increase reflects other expenses in relation to the execution of Strategy 2015+.

Income before income taxes increased by EUR 49 million, or 15 %, compared to 1Q2013 due to lower provision for credit losses offset partially by a higher cost base.

## Deutsche Asset & Wealth Management (DeAWM)

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	1,067	1,185	1,244	(177)	(118)
Provision for credit losses	(1)	9	13	(14)	(10)
Noninterest expenses	900	975	1,012	(112)	(76)
Noncontrolling interest	0	1	1	(0)	(1)
Income (loss) before income taxes	169	200	219	(50)	(31)
Cost/income ratio	84 %	82 %	81 %	3 %	2 %
Post-tax return on average active equity	7 %	4 %	11 %	(3)%	4 %

In the current operating environment DeAWM continued to benefit from the rise of equity markets as seen in the increase of assets under management in 1Q2014. Market conditions remain susceptible to volatility resulting in lower client activity and lower revenue on trading, additionally the low interest rate environment continues to challenge deposit revenue margins. DeAWM sees continued progression in the growth of its credit loan portfolio, with revenues and margins increasing and credit losses remaining comparatively low. DeAWM's initiative to improve its operating and technology platform continues to deliver cost efficiencies.

In DeAWM, net revenues were EUR 1.1 billion in 1Q2014, a decrease of EUR 177 million, or 14 %, compared to 1Q2013 mainly comprised of EUR 159 million mark to market movements on policyholder positions in Abbey Life, largely offset by lower noninterest expenses.

Management Fees and other recurring revenues increased by EUR 18 million, or 3 %, due to an increase of the average assets under management for the quarter following the positive market effect and a favorable shift in product mix from growth in Alternatives and private clients. Performance and transaction fees and other non recurring revenues were down EUR 23 million, or 11 % driven by lower transaction revenues particularly foreign exchange products around private clients. Other product revenues decreased compared to 1Q2013 by EUR 27 million, or 29 %, mainly due to an impairment loss on existing disposal groups held for sale and reduced net gains on fair value changes. Net interest income increased by EUR 15 million, or 11 %, due to increased lending volume and improved lending margins in 1Q2014. Mark-to-market movements on policyholder positions in Abbey Life decreased by EUR 159 million, or 76 % versus 1Q2013.

Provision for credit losses decreased by EUR 14 million compared to 1Q2013 mainly resulting from lower specific client lending provisions in the U.S. and recovery of prior losses in 1Q2014.

Noninterest expenses of EUR 900 million in 1Q2014 decreased by EUR 112 million, or 11 %, compared to 1Q2013 driven by lower policyholder benefits and claims and

litigation partly offset by higher CtA spending in 1Q2014. Excluding these effects, the underlying cost base is down 2 % year on year mainly due to continued savings from OpEx initiatives.

Income before income taxes was EUR 169 million in 1Q2014, a decrease of EUR 50 million, or 23 %, compared to 1Q2013. This reflects increased CtA activity related to OpEx and lower revenue due to reduced performance and transactions fees and other non-recurring items.

In 1Q2014, invested assets increased by EUR 11 billion to EUR 934 billion due to positive market effects and inflows.

## Non-Core Operations Unit (NCOU)

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	74	(157)	441	(367)	230
Provision for credit losses	67	319	87	(20)	(252)
Noninterest expenses	539	799	613	(74)	(260)
Noncontrolling interest	(1)	(2)	(1)	0	2
Income (loss) before income taxes	(532)	(1,272)	(258)	(273)	740

Net revenues for the NCOU in the reporting period decreased by EUR 367 million, or 83 %, to EUR 74 million, driven by lower portfolio revenues reflecting the significant reduction in assets since 1Q2013 and the impact from losses of EUR 151 million incurred by the Special Commodities Group (SCG). The SCG losses resulted primarily from our exposure to traded products in the U.S. power sector, where a price spike caused by the severe weather conditions occurred in January 2014. NCOU's overall de-risking activity continued in 1Q2014 generating a net gain in the period.

Provision for credit losses in 1Q2014 decreased by EUR 20 million compared to 1Q2013, predominantly driven by the absence of single client events which occurred in the prior year.

Noninterest expenses in 1Q2014 were EUR 539 million. The decrease of EUR 74 million includes lower legal provisions, partly offset by an impairment. Costs excluding litigation related charges and impairments are approximately 17 % lower versus the same quarter in the prior year which includes effects from our de-risking strategy.

The loss before income taxes increased by EUR 273 million, versus the same quarter in 2013, driven by the reduction in portfolio revenues as a result of asset sales and due to the integration of SCG.

The CRR/CRD 4 fully loaded RWA movement during 1Q2014 includes EUR 3.3 billion from capital accretive de-risking activity which was primarily offset by CVA driven RWA adjustments. The associated reduction in adjusted assets was EUR 12 billion, which includes EUR 6.4 billion following completion of the BHF-BANK sale and EUR 3.5 billion reduction in SCG related exposures.

## Consolidation & Adjustments (C&A)

in EUR m. (unless stated otherwise)	1Q2014	4Q2013	1Q2013	1Q14 vs. 1Q13	1Q14 vs. 4Q13
Net revenues	(327)	(334)	(259)	(68)	7
Provision for credit losses	1	0	0	0	1
Noninterest expenses	28	792	6	22	(764)
Noncontrolling interest	(20)	5	(10)	(11)	(26)
Income (loss) before income taxes	(336)	(1,131)	(255)	(80)	796

Loss before income taxes in C&A was EUR 336 million in 1Q2014, compared to a loss of EUR 255 million in the prior year quarter. This development was predominantly attributable to negative EUR 94 million Funding Valuation Adjustments in 1Q2014 on internal uncollateralized derivatives between Treasury and CB&S. Timing differences from different accounting methods used for management reporting and IFRS amounted to negative EUR 133 million compared to negative EUR 159 million in 1Q2013. These valuation & timing differences predominantly reflect a decrease of the Euro and U.S. dollar interest rates in the longer tenors and the impact from narrowed USD/EUR basis spreads. Accruals for the German Bank levy were up compared to 1Q2013 reflecting an increase of relevant 2013 net income of Deutsche Bank AG according to German GAAP.

This release 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 2014 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from [www.deutsche-bank.com/ir](http://www.deutsche-bank.com/ir).

This release also contains non-IFRS financial measures. For a reconciliation to directly comparable figures reported under IFRS, refer to the 1Q2014 Interim Report, which is available at [www.deutsche-bank.com/ir](http://www.deutsche-bank.com/ir).