

Basis of Preparation (unaudited)

The accompanying condensed consolidated interim financial statements, which include Deutsche Bank AG and its subsidiaries, are stated in Euro. They are presented in accordance with the requirements of IAS 34, "Interim Financial Reporting", and have been 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"). The Group does not use the "carve-out" relating to hedge accounting included in IAS 39, "Financial Instruments: Recognition and Measurement", as endorsed by the EU. The adoption of IFRIC 14, "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction", which is effective for annual periods beginning on or after January 1, 2008, and which has not yet been endorsed by the EU, had no impact on Deutsche Bank's interim financial statements.

Deutsche Bank's condensed consolidated interim financial statements are unaudited and include supplementary disclosures on segment information, income statement and balance sheet and other financial information. They should be read in conjunction with the audited consolidated financial statements of Deutsche Bank for 2007, for which the same accounting policies have been applied, except for changes due to the adoption of IFRIC 14, as mentioned above, and the adoption of the amendments to IAS 39, "Financial Instruments: Recognition and Measurement", and IFRS 7, "Financial Instruments: Disclosures", titled "Reclassification of Financial Assets", as mentioned on page 63.

The preparation of financial statements under IFRS requires management to make estimates and assumptions for certain categories of assets and liabilities. Areas where this is required include the fair value of certain financial assets and liabilities, the allowance for loan losses, the impairment of goodwill, other intangibles and assets other than loans, the recognition and measurement of deferred tax assets, provisions for uncertain income tax positions, legal and regulatory contingencies, the reserves for insurance and investment contracts, reserves for pensions and similar obligations. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's estimates and the results reported should not be regarded as necessarily indicative of results that may be expected for the entire year.

In accordance with IAS 34 income tax expense is recognized in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. If, for example, relatively small changes in the income before income taxes result in significant changes to the estimated tax rate, the actual effective income tax rate based on year-to-date results represents the best estimate of the annual effective income tax rate.

Prior periods in these condensed consolidated interim financial statements were adjusted as described in Note [44] of Deutsche Bank's consolidated financial statements for 2007. In the second quarter 2008, retrospective adjustments were made in the income statement, balance sheet and cash flow statement with no impact on net income or on shareholder's equity. The 2008 adjustments related to the following items:

- Additional counterparty netting and certain reclassification items were identified which reduced total assets and total liabilities for December 31, 2006, each quarter end in 2007 and for March 31, 2008.

in € m.	Mar 31, 2008	Dec 31, 2007	Sep 30, 2007	Jun 30, 2007	Mar 31, 2007	Dec 31, 2006
Total assets (as reported)	2,305,337	2,020,349	1,891,875	1,953,445	1,759,911	1,584,493
Adjustment	155,583	96,092	74,440	96,567	66,149	64,108
Total assets (adjusted)	2,149,754	1,924,257	1,817,435	1,856,878	1,693,762	1,520,385
Total liabilities (as reported)	2,269,303	1,981,883	1,854,244	1,916,352	1,722,970	1,551,018
Adjustment	155,583	96,092	74,440	96,567	66,149	64,108
Total liabilities (adjusted)	2,113,720	1,885,791	1,779,804	1,819,785	1,656,821	1,486,910

- The presentation of interest and similar income and interest expense was adjusted with no impact on net interest income for each quarter in 2007 and the first quarter in 2008.

in € m.	Three months ended Mar 31, 2008	Twelve months ended Dec 31, 2007	Nine months ended Sep 30, 2007	Six months ended Jun 30, 2007	Three months ended Mar 31, 2007
Interest and similar income (as reported)	16,537	67,706	51,569	34,874	16,269
Adjustment	1,188	3,031	3,044	2,278	488
Interest and similar income (adjusted)	15,349	64,675	48,525	32,596	15,781
Interest expense (as reported)	13,861	58,857	45,412	30,850	14,216
Adjustment	1,188	3,031	3,044	2,278	488
Interest expense (adjusted)	12,673	55,826	42,368	28,572	13,728

Impact of Changes in Accounting Principles (unaudited)

IAS 39 AND IFRS 7

In October 2008, the IASB issued amendments to IAS 39, "Financial Instruments: Recognition and Measurement", and IFRS 7, "Financial Instruments: Disclosures", titled "Reclassification of Financial Assets". The amendments to IAS 39 permit (1) certain reclassifications of non-derivative financial assets (other than those designated under the fair value option) out of the fair value through profit or loss category and (2) also allow the reclassification of financial assets from the available for sale category to the loans and receivables category in particular circumstances. The amendments to IFRS 7 introduce additional disclosure requirements if an entity has reclassified financial assets in accordance with the amendments to IAS 39. The amendments are effective retrospectively from July 1, 2008. The impact of the reclassifications permissible under the amendments was to increase income before income taxes by € 825 million. For further information, please refer to Amendments to IAS 39 and IFRS 7, "Reclassification of Financial Assets" on page 63 of this document.

IMPROVEMENTS TO IFRS

In May 2008, the IASB issued amendments to IFRS, which resulted from the IASB's annual improvements project. They comprise amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to a variety of individual IFRS standards. Most of the amendments are effective for annual periods beginning on or after January 1, 2009, with earlier application permitted. While approved by the IASB, the standard has yet to be endorsed by the EU. The Group is currently evaluating the potential impact that the adoption of the amendments will have on its consolidated financial statements.

IFRS 3 AND IAS 27

In January 2008, the IASB issued a revised version of IFRS 3, "Business Combinations" ("IFRS 3 R"), and an amended version of IAS 27, "Consolidated and Separate Financial Statements" ("IAS 27 R"). IFRS 3 R reconsiders the application of acquisition accounting for business combinations and IAS 27 R mainly relates to changes in the accounting for non-controlling interests and the loss of control of a subsidiary. Under IFRS 3 R, the acquirer can elect to measure any non-controlling interest on a transaction-by-transaction basis, either at fair value as of the acquisition date or at its proportionate interest in the fair value of the identifiable assets and liabilities of the acquiree. When an acquisition is achieved in successive share purchases (step acquisition), the identifiable assets and liabilities of the acquiree are recognized at fair value when control is obtained. A gain or loss is recognized in profit or loss for the difference between the fair value of the previously held equity interest in the acquiree and its carrying amount. IAS 27 R also requires the effects of all transactions with noncontrolling interests to be recorded in equity if there is no change in control. Transactions resulting in a loss of control result in a gain or loss being recognized in profit or loss. The gain or loss includes a remeasurement to fair value of any retained equity interest in the investee. In addition, all items of consideration transferred by the acquirer are measured and recognized at fair value, including contingent consideration, as of the acquisition date. Transaction costs incurred by the acquirer in connection with the business combination do not form part of the cost of the business combination transaction but are expensed as incurred unless they relate to the issuance of debt or equity securities, in which case they are accounted for under IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 3 R and IAS 27 R are effective for business combinations in annual periods beginning on or after July 1, 2009, with early application permitted provided that both Standards are applied together. While approved by the IASB, the standards have yet to be endorsed by the EU. The Group is currently evaluating the potential impact that the adoption of IFRS 3 R and IAS 27 R will have on its consolidated financial statements.

IAS 32 AND IAS 1

In February 2008, the IASB issued amendments to IAS 32, “Financial Instruments: Presentation”, and IAS 1, “Presentation of Financial Statements”, titled “Puttable Financial Instruments and Obligations Arising on Liquidation”. The amendments provide for equity treatment, under certain circumstances, for financial instruments puttable at fair value and obligations arising on liquidation only. They are effective for annual periods beginning on or after January 1, 2009, with earlier application permitted. While approved by the IASB, the standards have yet to be endorsed by the EU. The adoption of the amendments is not expected to have a material impact on the Group’s consolidated financial statements.

Segment Information (unaudited)

The following segment information has been prepared in accordance with IFRS 8, “Operating Segments”, which defines requirements for the disclosure of financial information of an entity’s operating segments. It follows the “management approach”, which requires presentation of the segments on the basis of the internal reports about components of the entity which are regularly reviewed by the chief operating decision-maker in order to allocate resources to a segment and to assess its performance.

BUSINESS SEGMENTS

The Group’s segment reporting follows the organizational structure as reflected in its internal management reporting systems, which are the basis for assessing the financial performance of the business segments and for allocating resources to the business segments.

During the first nine months of 2008, there were no material changes in the organizational structure which affected the composition of the business segments. Restatements due to minor changes in the organizational structure have been implemented in the presentation of prior period comparables if they were considered in the Group’s management reporting systems.

The following describes certain transactions which impacted the Group’s segment operations:

- On January 31, 2008, the Group acquired HedgeWorks LLC, a hedge fund administrator based in the United States. It is included in the corporate division Global Transaction Banking.
- Effective March 12, 2008, the Group completed the acquisition of a 60 % interest in Far Eastern Alliance Asset Management Co. Limited, a Taiwanese investment management firm, which is included in the corporate division Asset and Wealth Management.
- Effective June 3, 2008, the Group sold its Italian life insurance company DWS Vita S.p.A. to Zurich Financial Services Group. The business was included within the corporate division Asset and Wealth Management.
- Effective June 13, 2008, the Group sold DWS Investments Schweiz AG, comprising the Swiss fund administration business of the corporate division Asset and Wealth Management, to State Street Bank.
- On June 30, 2008, the Group consolidated Maher Terminals LLC and Maher Terminals of Canada Corp, collectively and hereafter referred to as Maher Terminals, a privately held operator of port terminal facilities in North America. RREEF Infrastructure acquired all third party investors’ interests in the North America Infrastructure Fund, whose sole underlying investment is Maher Terminals. The investment is included in the corporate division Asset and Wealth Management.

SEGMENTAL RESULTS OF OPERATIONS

The following tables present the results of the business segments, including the reconciliation to the consolidated results under IFRS, for the three and nine months ended September 30, 2008 and September 30, 2007.

Three months ended Sep 30, 2008	Corporate and Investment Bank			Private Clients and Asset Management			Corporate Invest- ments	Consoli- dation & Adjust- ments	Total Consoli- dated
	Corporate Banking & Securities	Global Trans- action Banking	Total	Asset and Wealth Manage- ment	Private & Business Clients	Total			
in € m. (unless stated otherwise)									
Net revenues	1,016	692	1,707	713	1,435	2,148	261	252	4,367¹
Provision for credit losses	66	0	66	1	168	169	(1)	1	236
Total noninterest expenses	1,758	410	2,168	810	1,004	1,814	21	36	4,038
therein:									
Policyholder benefits and claims	(41)	–	(41)	0	–	0	–	0	(40)
Impairment of intangible assets	–	–	–	8	–	8	–	–	8
Restructuring activities	–	–	–	–	–	–	–	–	–
Minority interest	(20)	–	(20)	(3)	(0)	(3)	2	21	–
Income (loss) before income taxes	(789)	281	(507)	(95)	262	167	238	195	93
Cost/income ratio	173 %	59 %	127 %	114 %	70 %	84 %	8 %	N/M	92 %
Assets ²	1,893,732	39,111	1,916,702	59,579	127,522	187,046	7,500	10,945	2,060,691
Average active equity ³	18,703	1,083	19,786	4,555	3,669	8,223	409	3,250	31,668
Pre-tax return on average active equity ⁴	(17) %	104 %	(10) %	(8) %	29 %	8 %	N/M	N/M	1 %

N/M – Not meaningful

1 Includes a gain from the sale of industrial holdings (Allianz SE) of € 229 million, which are excluded from the Group's target definition.

2 The sum of corporate divisions does not necessarily equal the total of the corresponding group division because of consolidation items between corporate divisions, which are to be eliminated on group division level. The same approach holds true for the sum of group divisions compared to 'Total Consolidated'.

3 For management reporting purposes goodwill and other intangible assets with indefinite lives are explicitly assigned to the respective divisions. Average active equity is first allocated to divisions according to goodwill and intangible assets, remaining average active equity is allocated to the divisions in proportion to the economic capital calculated for them.

4 For the calculation of pre-tax return on average active equity please refer to page 78 of this document. For 'Total Consolidated' pre-tax return on average shareholders' equity is 1 %.

Three months ended Sep 30, 2007	Corporate and Investment Bank			Private Clients and Asset Management			Corporate Invest- ments	Consoli- dation & Adjust- ments	Total Consoli- dated
	Corporate Banking & Securities	Global Trans- action Banking	Total	Asset and Wealth Manage- ment	Private & Business Clients	Total			
in € m. (unless stated otherwise)									
Net revenues	1,265	661	1,926	1,126	1,441	2,567	654	(52)	5,095¹
Provision for credit losses	(17)	(2)	(19)	1	124	124	(1)	0	105
Total noninterest expenses	1,454	399	1,853	859	1,013	1,872	26	(210)	3,541
therein:									
Policyholder benefits and claims	–	–	–	11	–	11	–	1	12
Impairment of intangible assets	–	–	–	–	–	–	–	–	–
Restructuring activities	(1)	(0)	(1)	(0)	(0)	(1)	(0)	(0)	(2)
Minority interest	8	–	8	1	0	1	1	(9)	–
Income (loss) before income taxes	(179)	263	85	265	304	569	629	167	1,449
Cost/income ratio	115 %	60 %	96 %	76 %	70 %	73 %	4 %	N/M	69 %
Assets (as of Dec 31, 2007) ²	1,785,546	32,083	1,799,664	39,081	117,533	156,391	13,002	8,695	1,924,257
Average active equity ³	20,206	1,128	21,335	5,192	3,382	8,574	371	241	30,520
Pre-tax return on average active equity ⁴	(4) %	93 %	2 %	20 %	36 %	27 %	N/M	N/M	19 %

N/M – Not meaningful

1 Includes gains from the sale of industrial holdings (Linde AG and Allianz SE) of € 305 million and from the sale of premises (sale and leaseback transaction 60 Wall Street) of € 187 million, which are excluded from the Group's target definition.

2 The sum of corporate divisions does not necessarily equal the total of the corresponding group division because of consolidation items between corporate divisions, which are to be eliminated on group division level. The same approach holds true for the sum of group divisions compared to 'Total Consolidated'.

3 For management reporting purposes goodwill and other intangible assets with indefinite lives are explicitly assigned to the respective divisions. Average active equity is first allocated to divisions according to goodwill and intangible assets, remaining average active equity is allocated to the divisions in proportion to the economic capital calculated for them.

4 For the calculation of pre-tax return on average active equity please refer to page 78 of this document. For 'Total Consolidated' pre-tax return on average shareholders' equity is 16 %.

Nine months ended Sep 30, 2008	Corporate and Investment Bank			Private Clients and Asset Management			Corporate Invest- ments	Consoli- dation & Adjust- ments	Total Consoli- dated
	Corporate Banking & Securities	Global Trans- action Banking	Total	Asset and Wealth Manage- ment	Private & Business Clients	Total			
in € m. (unless stated otherwise)									
Net revenues	4,079	2,023	6,102	2,676	4,367	7,042	1,262	(30)	14,375¹
Provision for credit losses	44	2	46	2	438	440	(2)	1	485
Total noninterest expenses	6,769	1,206	7,976	2,342	3,035	5,377	69	(12)	13,409
therein:									
Policyholder benefits and claims	(69)	–	(69)	18	–	18	–	3	(48)
Impairment of intangible assets	5	–	5	8	–	8	–	–	13
Restructuring activities	–	–	–	–	–	–	–	–	–
Minority interest	(32)	–	(32)	(4)	0	(4)	2	34	–
Income (loss) before income taxes	(2,704)	815	(1,889)	335	894	1,230	1,193	(53)	481
Cost/income ratio	166 %	60 %	131 %	88 %	69 %	76 %	5 %	N/M	93 %
Assets ²	1,893,732	39,111	1,916,702	59,579	127,522	187,046	7,500	10,945	2,060,691
Average active equity ³	19,232	1,065	20,296	4,597	3,444	8,042	315	2,238	30,891
Pre-tax return on average active equity ⁴	(19) %	102 %	(12) %	10 %	35 %	20 %	N/M	N/M	2 %

N/M – Not meaningful

1 Includes gains from the sale of industrial holdings (Daimler AG, Allianz SE and Linde AG) of € 1,228 million and a gain from the sale of the investment in Arcor AG & Co. KG of € 97 million, which are excluded from the Group's target definition.

2 The sum of corporate divisions does not necessarily equal the total of the corresponding group division because of consolidation items between corporate divisions, which are to be eliminated on group division level. The same approach holds true for the sum of group divisions compared to 'Total Consolidated'.

3 For management reporting purposes goodwill and other intangible assets with indefinite lives are explicitly assigned to the respective divisions. Average active equity is first allocated to divisions according to goodwill and intangible assets, remaining average active equity is allocated to the divisions in proportion to the economic capital calculated for them.

4 For the calculation of pre-tax return on average active equity please refer to page 78 of this document. For 'Total Consolidated' pre-tax return on average shareholders' equity is 2 %.

Nine months ended Sep 30, 2007	Corporate and Investment Bank			Private Clients and Asset Management			Corporate Invest- ments	Consoli- dation & Adjust- ments	Total Consoli- dated
	Corporate Banking & Securities	Global Trans- action Banking	Total	Asset and Wealth Manage- ment	Private & Business Clients	Total			
in € m. (unless stated otherwise)									
Net revenues	12,691	1,928	14,620	3,273	4,309	7,581	1,351	(99)	23,454¹
Provision for credit losses	(80)	(1)	(82)	1	364	365	(0)	(1)	283
Total noninterest expenses	8,999	1,206	10,205	2,521	3,050	5,571	191	(109)	15,859
therein:									
Policyholder benefits and claims	–	–	–	62	–	62	–	4	67
Impairment of intangible assets	–	–	–	–	–	–	54	–	54
Restructuring activities	(3)	(1)	(4)	(6)	(0)	(6)	(0)	0	(10)
Minority interest	18	–	18	6	0	7	(5)	(20)	–
Income (loss) before income taxes	3,754	724	4,478	744	894	1,638	1,166	30	7,312
Cost/income ratio	71 %	63 %	70 %	77 %	71 %	73 %	14 %	N/M	68 %
Assets (as of Dec 31, 2007) ²	1,785,546	32,083	1,799,664	39,081	117,533	156,391	13,002	8,695	1,924,257
Average active equity ³	19,181	1,091	20,272	5,125	3,413	8,538	508	164	29,482
Pre-tax return on average active equity ⁴	26 %	88 %	29 %	19 %	35 %	26 %	N/M	N/M	33 %

N/M – Not meaningful

1 Includes gains from the sale of industrial holdings (Fiat S.p.A., Linde AG and Allianz SE) of € 432 million, income from equity method investments (Deutsche Interhotel Holding GmbH & Co. KG) of € 178 million, net of goodwill impairment charge of € 54 million, and a gain from the sale of premises (sale and leaseback transaction 60 Wall Street) of € 317 million, which are excluded from the Group's target definition.

2 The sum of corporate divisions does not necessarily equal the total of the corresponding group division because of consolidation items between corporate divisions, which are to be eliminated on group division level. The same approach holds true for the sum of group divisions compared to 'Total Consolidated'.

3 For management reporting purposes goodwill and other intangible assets with indefinite lives are explicitly assigned to the respective divisions. Average active equity is first allocated to divisions according to goodwill and intangible assets, remaining average active equity is allocated to the divisions in proportion to the economic capital calculated for them.

4 For the calculation of pre-tax return on average active equity please refer to page 78 of this document. For 'Total Consolidated' pre-tax return on average shareholders' equity is 27 %.

RECONCILIATION OF SEGMENTAL RESULTS OF OPERATIONS TO CONSOLIDATED RESULTS OF OPERATIONS ACCORDING TO IFRS

Income before income taxes in Consolidation & Adjustments was € 195 million in the third quarter 2008 compared to € 167 million in the prior year quarter. Net revenues in the third quarter 2008 were driven by significant positive effects from different accounting methods used for management reporting and IFRS for economically hedged short-term funding positions, driven by a sharp increase in short-term interest rates. Partly offsetting these positive effects were results not attributable to the segments including charges related to litigation provisions. Noninterest expenses in the prior year quarter included a recovery of value added tax and insurance reimbursements associated with several litigation cases.

In the first nine months of 2008 the loss before income taxes in Consolidation & Adjustments was € 53 million compared to an income before income taxes of € 30 million in the first nine months of 2007. In addition to the factors mentioned for the three months comparison above, higher net interest expenses not allocated to the segments contributed to the variance between the nine months 2008 and 2007.

ENTITY-WIDE DISCLOSURES

The Group presents revenues for groups of similar products and services by group division on a standalone basis derived from the Group's management accounting systems. The following tables present the net revenue components of the Corporate and Investment Bank Group Division and the Private Clients and Asset Management Group Division for the three months and nine months ended September 30, 2008 and September 30, 2007.

in € m.	Corporate and Investment Bank			
	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Sales & Trading (Equity)	(142)	428	1,433	3,545
Sales & Trading (Debt and other products)	924	576	2,843	6,819
Total Sales & Trading	782	1,004	4,276	10,364
Origination (Equity)	85	204	308	650
Origination (Debt)	(368)	(324)	(1,623)	416
Total Origination	(283)	(120)	(1,315)	1,065
Advisory	185	269	437	775
Loan products	500	214	1,053	749
Transaction services	692	661	2,023	1,928
Other products	(167)	(101)	(373)	(262)
Total¹	1,707	1,926	6,102	14,620

¹ Total net revenues presented above include net interest income, net gains (losses) on financial assets/liabilities at fair value through profit or loss and other revenues such as commissions and fee income.

in € m.	Private Clients and Asset Management			
	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Portfolio/fund management	617	800	1,909	2,244
Brokerage	459	533	1,526	1,668
Loans/deposits	828	803	2,448	2,339
Payments, account & remaining financial services	257	263	806	748
Other products	(13)	167	353	583
Total¹	2,148	2,567	7,042	7,581

¹ Total net revenues presented above include net interest income, net gains (losses) on financial assets/liabilities at fair value through profit or loss and other revenues such as commissions and fee income.

The presentation of PCAM product revenues was adjusted during the third quarter 2008 following a refinement of product classifications. These changes primarily impacted the product revenue categories Loans/deposits, Brokerage and Payments, account & remaining financial services in PBC. The adjustment had no impact on PCAM's total revenues and changes within a product category did not exceed 10 % for any of the periods affected.

Information on the Income Statement (unaudited)

NET INTEREST INCOME AND NET GAINS (LOSSES) ON FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS BY GROUP DIVISION

in € m.	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Net interest income	3,062	2,133	8,689	6,157
Trading income	(5,367)	(4,177)	(20,849)	2,990
Net gains (losses) on financial assets/liabilities designated at fair value through profit or loss ¹	3,955	3,342	17,384	3,289
Total net gains (losses) on financial assets/liabilities at fair value through profit or loss	(1,412)	(835)	(3,465)	6,279
Total net interest income and net gains (losses) on financial assets/liabilities at fair value through profit or loss	1,650	1,298	5,224	12,436
Breakdown by Group Division/CIB product:				
Sales & Trading (Equity)	(451)	44	602	2,554
Sales & Trading (Debt and other products)	1,114	349	2,821	5,868
Total Sales & Trading	663	393	3,423	8,422
Loan products ²	435	91	761	372
Transaction services	338	322	967	960
Remaining products ³	(684)	(488)	(2,469)	(218)
Total Corporate and Investment Bank	752	318	2,681	9,536
Private Clients and Asset Management	989	879	2,849	2,620
Corporate Investments	(24)	81	(144)	214
Consolidation & Adjustments	(66)	21	(161)	65
Total net interest income and net gains (losses) on financial assets/liabilities at fair value through profit or loss	1,650	1,298	5,224	12,436

1 Includes gains of € 2.3 billion and € 2.8 billion from securitization structures for the three months ended September 30, 2008 and September 30, 2007, respectively, and of € 13.3 billion and € 2.8 billion for the nine months ended September 30, 2008 and September 30, 2007, respectively. Fair value movements on related instruments of € (2.6) billion and € (3.3) billion for the three months ended September 30, 2008 and September 30, 2007, respectively, and of € (15.5) billion and € (3.3) billion for the nine months ended September 30, 2008 and September 30, 2007, respectively, are reported within trading income. Both are reported under Sales & Trading (Debt and other products). The difference between these gains and losses represents the Group's share of the losses in these consolidated securitization structures.

2 Includes the net interest spread on loans as well as the fair value changes of credit default swaps and loans designated at fair value through profit or loss.

3 Includes net interest income and net gains (losses) on financial assets/liabilities at fair value through profit or loss on origination, advisory and other products.

COMMISSIONS AND FEE INCOME

in € m.	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Commissions and fees from fiduciary activities	818	1,117	2,606	3,039
Commissions, broker's fees, mark-ups on securities underwriting and other securities activities	981	1,302	2,989	4,081
Fees for other customer services	581	597	1,880	1,969
Total commissions and fee income	2,380	3,016	7,475	9,089

PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

in € m.	Retirement benefit plans		Post-employment medical plans	
	Three months ended		Three months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Current service cost	55	64	1	1
Interest cost	114	108	2	2
Expected return on plan assets	(113)	(108)	–	–
Amortization of actuarial loss (gain)	(3)	–	(1)	(1)
Past service cost (credit) recognized immediately	1	1	–	–
Settlements/curtailments	–	(4)	–	–
Effect of the limit in IAS 19.58(b)	1	–	–	–
Total expense defined benefit plans	55	61	2	2

in € m.	Retirement benefit plans		Post-employment medical plans	
	Nine months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Current service cost	164	196	2	2
Interest cost	343	325	5	6
Expected return on plan assets	(340)	(325)	–	–
Amortization of actuarial loss (gain)	(8)	(1)	(4)	(2)
Past service cost (credit) recognized immediately	3	5	–	–
Settlements/curtailments	–	(4)	–	–
Effect of the limit in IAS 19.58(b)	3	1	–	–
Total expense defined benefit plans	165	197	3	6

Expenses for defined contribution plans for the three months ended September 30, 2008 and September 30, 2007, were €48 million and €49 million, respectively. For the nine months ended September 30, 2008 and September 30, 2007, expenses totaled € 163 million and € 154 million, respectively.

In addition, employer contributions to the mandatory German social security pension plan for the three months ended September 30, 2008 and September 30, 2007, were € 39 million and € 38 million, respectively. Contributions amounted to € 116 million and € 113 million for the nine months ended September 30, 2008 and September 30, 2007, respectively.

The Group expects to contribute approximately €200 million to its retirement benefit plans in 2008. The final amounts to be contributed in 2008 will be determined in the fourth quarter 2008.

GENERAL AND ADMINISTRATIVE EXPENSES

in € m.	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
General and administrative expenses:				
IT costs	446	466	1,325	1,361
Occupancy, furniture and equipment expenses	346	340	1,026	991
Professional service fees	312	313	809	903
Communication and data services	173	168	510	504
Travel and representation expenses	120	129	363	390
Payment and clearing services	106	108	315	325
Marketing expenses	78	104	268	300
Other expenses	561	207	1,287	1,075
Total general and administrative expenses	2,142	1,835	5,903	5,849

Information on the Balance Sheet (unaudited)

FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

in € m.	Sep 30, 2008	Dec 31, 2007
Trading assets:		
Trading securities	347,378	449,684
Positive market values from derivative financial instruments	727,061	506,967
Other trading assets ¹	68,508	104,236
Total trading assets	1,142,947	1,060,887
Financial assets designated at fair value through profit or loss:		
Securities purchased under resale agreements	151,170	211,142
Securities borrowed	57,106	69,830
Loans	20,215	21,522
Other financial assets designated at fair value through profit or loss	11,618	14,630
Total financial assets designated at fair value through profit or loss	240,109	317,124
Total financial assets at fair value through profit or loss	1,383,056	1,378,011

1 Includes traded loans of € 64,841 million and € 102,093 million as of September 30, 2008 and December 31, 2007, respectively.

in € m.	Sep 30, 2008	Dec 31, 2007
Trading liabilities:		
Trading securities	96,775	106,225
Negative market values from derivative financial instruments	707,206	512,436
Other trading liabilities	322	830
Total trading liabilities	804,303	619,491
Financial liabilities designated at fair value through profit or loss:		
Securities sold under repurchase agreements	117,635	184,943
Loan commitments	1,304	526
Long-term debt	38,841	52,327
Other financial liabilities designated at fair value through profit or loss	4,261	3,002
Total financial liabilities designated at fair value through profit or loss	162,041	240,798
Investment contract liabilities ¹	7,433	9,796
Total financial liabilities at fair value through profit or loss	973,777	870,085

1 These are investment contracts where the policy terms and conditions result in their redemption value equaling fair value.

FINANCIAL ASSETS AVAILABLE FOR SALE

in € m.	Sep 30, 2008	Dec 31, 2007
Debt securities	21,503	30,419
Equity securities	4,159	8,240
Other equity interests	1,181	1,204
Loans	1,591	2,431
Total financial assets available for sale	28,434	42,294

AMENDMENTS TO IAS 39 AND IFRS 7, "RECLASSIFICATION OF FINANCIAL ASSETS"

Following the amendments to IAS 39 and IFRS 7, "Reclassification of Financial Assets", the Group reclassified certain trading assets and financial assets available for sale to loans and receivables. The Group identified assets, eligible under the amendments, for which at July 1, 2008, it had a clear change of intent to hold for the foreseeable future rather than to exit or trade in the short term. Under IAS 39 as amended, the reclassifications were made with effect from July 1, 2008 at fair value at that date. The disclosures below detail the impact of the reclassifications to the Group.

The following table shows carrying values and fair values of the reclassified assets.

in € m.	Jul 1, 2008	Sep 30, 2008	
	Carrying value	Carrying value	Fair value
Trading assets reclassified to loans	12,824	12,837	12,094
Financial assets available for sale reclassified to loans	12,059	12,064	11,292
Total financial assets reclassified to loans	24,883	24,901	23,386

As of the reclassification date, effective interest rates on reclassified trading assets ranged from 3 % to 15 % with expected recoverable cash flows of € 26 billion. Effective interest rates on reclassified financial assets available for sale ranged from 5 % to 9 % with expected recoverable cash flows of € 18 billion. Ranges of effective interest rates were determined based on weighted average rates by business.

If the reclassification had not been made, the Group's income statement for the third quarter 2008 would have included unrealized fair value losses on the reclassified trading assets of € 726 million and additional impairment of € 119 million on the reclassified financial assets available for sale which were impaired. For the third quarter 2008 shareholders' equity (position Net gains (losses) not recognized in the income statement) would have included € 649 million of unrealized fair value losses on the reclassified financial assets available for sale which were not impaired.

After reclassification, the reclassified financial assets contributed the following amounts to income before income taxes for the third quarter 2008.

in € m.	Three months ended Sep 30, 2008
Net interest income	352
Provision for credit losses	(72)
Income before income taxes on reclassified trading assets	280
Net interest income	170
Provision for credit losses	—
Income before income taxes on reclassified financial assets available for sale	170

In the second quarter 2008, € 152 million of unrealized fair value losses on the reclassified trading assets and € 167 million of impairment on reclassified financial assets available for sale were recognized in the consolidated income statement. Unrealized fair value losses of € 126 million on reclassified financial assets available for sale that were not impaired were recorded directly in shareholders' equity. As of June 30, 2008, such unrealized fair value losses recorded directly in shareholders' equity amounted to € 1.0 billion. This amount will be released from this posi-

tion in shareholders' equity and accreted to the carrying value of the reclassified financial assets available for sale on an effective interest rate basis.

PROBLEM LOANS AND IFRS IMPAIRED LOANS

in € m.	Sep 30, 2008			Dec 31, 2007		
	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Nonaccrual loans	1,893	1,272	3,165	1,702	1,129	2,831
Loans 90 days or more past due and still accruing	15	179	194	30	191	220
Troubled debt restructurings	120	–	120	93	–	93
Total problem loans	2,028	1,451	3,479	1,824	1,320	3,144
Thereof: IFRS impaired loans	1,515	1,272	2,787	1,516	1,129	2,645

ALLOWANCE FOR CREDIT LOSSES

Allowance for loan losses in € m.	Nine months ended Sep 30, 2008			Nine months ended Sep 30, 2007		
	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Balance, beginning of year	930	775	1,705	985	684	1,670
Provision for loan losses	35	484	519	(64)	376	312
Net charge-offs	(132)	(344)	(476)	(107)	(281)	(388)
Charge-offs	(190)	(464)	(654)	(190)	(373)	(563)
Recoveries	58	120	178	83	92	175
Changes in the group of consolidated companies	–	–	–	(1)	–	(1)
Exchange rate changes/other	(5)	(18)	(23)	(38)	(25)	(63)
Balance, end of period	828	897	1,725	775	755	1,530

Allowance for off-balance sheet positions in € m.	Nine months ended Sep 30, 2008			Nine months ended Sep 30, 2007		
	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Balance, beginning of year	101	118	219	127	129	256
Provision for off-balance sheet positions	(20)	(14)	(34)	(31)	2	(29)
Changes in the group of consolidated companies	–	–	–	6	2	8
Exchange rate changes	–	2	2	–	(5)	(5)
Balance, end of period	81	106	187	102	128	230

ASSETS HELD FOR SALE

In 2007 we acquired two infrastructure investments in the corporate division Asset and Wealth Management in North America with the intention to transfer them to funds managed by RREEF and to other third party investors. The investments were classified as held for sale. Due to the current market conditions the timing of the ultimate disposal of these investments is uncertain and disposal is unlikely to happen in 2008. As a result, the assets and liabilities were no longer classified as held for sale as of September 30, 2008. The revenues and expenses, which were not to be recognized during the held for sale period, were recognized at the date of reclassification. This resulted in a negative impact on revenues of €65 million and an increase of expenses of €38 million in the corporate division Asset and Wealth Management in the third quarter 2008. These amounts included a charge to revenues of €22 million and expenses of €21 million which related to 2007.

OTHER ASSETS AND OTHER LIABILITIES

in € m.	Sep 30, 2008	Dec 31, 2007
Other assets:		
Brokerage and securities related receivables		
Cash/margin receivables	40,110	34,277
Receivables from prime brokerage	39,480	44,389
Pending securities transactions past settlement date	38,619	14,307
Receivables from unsettled regular way trades	91,420	58,186
Total brokerage and securities related receivables	209,629	151,159
Accrued interest receivable	5,650	7,549
Other	23,518	24,189
Total other assets	238,797	182,897

in € m.	Sep 30, 2008	Dec 31, 2007
Other liabilities:		
Brokerage and securities related payables		
Cash/margin payables	25,792	17,029
Payables from prime brokerage	81,416	39,944
Pending securities transactions past settlement date	30,045	12,535
Payables from unsettled regular way trades	74,479	58,901
Total brokerage and securities related payables	211,732	128,409
Accrued interest payable	5,244	6,785
Other	48,368	36,315
Total other liabilities	265,344	171,509

LONG-TERM DEBT

in € m.	Sep 30, 2008	Dec 31, 2007
Senior debt:		
Bonds and notes:		
Fixed rate	77,220	72,173
Floating rate	49,343	46,384
Subordinated debt:		
Bonds and notes:		
Fixed rate	3,905	3,883
Floating rate	4,583	4,263
Total long-term debt	135,051	126,703

SHARES ISSUED AND OUTSTANDING

On September 22, 2008, Deutsche Bank AG issued 40 million new common shares at € 55 per share, resulting in total proceeds of € 2.2 billion. The shares were issued with full dividend rights for the year 2008 from authorized capital and without subscription rights.

in million	Sep 30, 2008	Dec 31, 2007
Shares issued	570.9	530.4
Shares in treasury	25.2	29.3
– thereof buyback	24.9	29.1
– thereof other	0.3	0.2
Shares outstanding	545.7	501.1

CHANGES IN EQUITY

in € m.	Nine months ended	
	Sep 30, 2008	Sep 30, 2007
Common shares		
Balance, beginning of year	1,358	1,343
Capital increase	102	–
Common shares issued under share-based compensation plans	1	10
Balance, end of period	1,461	1,353
Additional paid-in capital		
Balance, beginning of year	15,808	15,246
Net change in share awards in the reporting period	30	(40)
Capital increase	2,098	–
Common shares issued under share-based compensation plans	17	236
Tax benefits related to share-based compensation plans	(139)	(53)
Option premiums on options on Deutsche Bank common shares	5	70
Net gains (losses) on treasury shares sold	(161)	(20)
Other	(50)	2
Balance, end of period	17,608	15,441
Retained earnings		
Balance, beginning of year	25,116	20,451
Net income attributable to Deutsche Bank shareholders	952	5,521
Cash dividends declared and paid	(2,274)	(2,005)
Dividend related to equity classified as obligation to purchase common shares	226	277
Other effects from options on Deutsche Bank common shares	(6)	(6)
Other	(88)	(83)
Balance, end of period	23,926	24,155
Common shares in treasury, at cost		
Balance, beginning of year	(2,819)	(2,378)
Purchases of shares	(19,239)	(37,039)
Sale of shares	18,602	35,642
Treasury shares distributed under share-based compensation plans	1,031	963
Balance, end of period	(2,425)	(2,812)
Equity classified as obligation to purchase common shares		
Balance, beginning of year	(3,552)	(4,307)
Additions	(366)	(1,189)
Deductions	1,219	1,922
Balance, end of period	(2,699)	(3,574)
Net gains (losses) not recognized in the income statement, net of tax		
Balance, beginning of year	1,133	2,403
Change in unrealized net gains (losses) on financial assets available for sale, net of applicable tax and other	(4,147)	798
Change in unrealized net gains (losses) on derivatives hedging variability of cash flows, net of tax	(22)	(18)
Foreign currency translation, net of tax	(47)	(857)
Balance, end of period	(3,083)	2,326
Total shareholders' equity, end of period	34,788	36,889
Minority interest		
Balance, beginning of year	1,422	717
Minority interest in net profit or loss	(34)	19
Increases	667	268
Decreases and dividends	(237)	(248)
Foreign currency translation, net of tax	22	(15)
Balance, end of period	1,840	741
Total equity, end of period	36,628	37,630

Other Financial Information (unaudited)

REGULATORY CAPITAL

The following two tables present a summary of the Group's regulatory capital and risk position. Amounts presented for 2008 are pursuant to the revised capital framework presented by the Basel Committee in 2004 ("Basel II") as adopted into German law by the German Banking Act and the Solvency Regulation ("Solvabilitätsverordnung"). The amounts presented for 2007 are based on the Basel I framework and thus calculated on a non-comparative basis.

in € m.	Sep 30, 2008	Dec 31, 2007
	Basel II	Basel I
Tier 1 capital:		
Common shares	1,461	1,358
Additional paid-in capital	17,608	15,808
Retained earnings, common shares in treasury, equity classified as obligation to purchase common shares, foreign currency translation, minority interest	18,145	17,717
Noncumulative trust preferred securities	8,742	5,602
Items to be fully deducted from Tier 1 capital (inter alia goodwill and other intangible assets)	(12,069)	(12,165)
Items to be partly deducted from Tier 1 capital ¹	(1,102)	N/A
Total Tier 1 capital	32,785	28,320
Tier 2 capital:		
Unrealized gains on listed securities (45 % eligible)	39	1,472
Other inherent loss allowance	N/A	358
Cumulative preferred securities	1,198	841
Qualified subordinated liabilities	7,648	7,058
Items to be partly deducted from Tier 2 capital ¹	(1,102)	N/A
Total Tier 2 capital	7,783	9,729
Available Tier 3 capital	–	–
Total regulatory capital	40,568	38,049

N/A – Not applicable

¹ Pursuant to KWG section 10 (6) and section 10 (6a) in conjunction with KWG section 10a.

REGULATORY RISK POSITION AND CAPITAL ADEQUACY RATIOS

in € m. (unless stated otherwise)	Sep 30, 2008	Dec 31, 2007
	Basel II	Basel I
Credit risk	260,132	314,845
Market risk	21,646	13,973
Operational risk	37,670	N/A
Total risk position	319,448	328,818
Tier 1 capital ratio in %	10.3 %	8.6 %
Total capital ratio in %	12.7 %	11.6 %

N/A – Not applicable

Basel II requires the deduction of goodwill from Tier 1 capital. However, for a transitional period the German Banking Act allows the partial inclusion of certain goodwill components in Tier 1 capital pursuant to KWG section 64h (3). While such goodwill components are not included in the regulatory capital and capital adequacy ratios shown above, the Group makes use of this transition rule in its capital adequacy reporting to the German regulatory authorities.

As of September 30, 2008, the transitional item amounted to € 1,127 million. In the Group's reporting to the German regulatory authorities, the Tier 1 capital, total regulatory capital and the total risk position shown above were increased by this amount. Correspondingly, the Group's reported Tier 1 and total capital ratios including this item were 10.6 % and 13.0 % at the end of the quarter.

COMMITMENTS AND CONTINGENT LIABILITIES

The table below summarizes the contractual amounts of the Group's irrevocable lending-related commitments and contingent liabilities. Contingent liabilities mainly consist of financial and performance guarantees, standby letters of credit and indemnity agreements. The contractual amount of these commitments is the maximum amount at risk for the Group if the customer fails to meet its obligations. Probable losses under these contracts are recognized as provisions.

in € m.	Sep 30, 2008	Dec 31, 2007
Irrevocable lending commitments	119,684	128,511
Contingent liabilities	53,571	49,905
Total	173,255	178,416

Commitments and contingent liabilities stated above do not represent expected future cash flows as many of these contracts will expire without being drawn. The Group may require collateral to mitigate the credit risk of commitments and contingent liabilities.

OTHER CONTINGENCIES

Due to the nature of its business, the Group is involved in litigation, arbitration and regulatory proceedings in Germany and in a number of jurisdictions outside Germany, including the United States, arising in the ordinary course of business. In accordance with applicable accounting requirements, the Group provides for potential losses that may arise out of contingencies, including contingencies in respect of such matters, when the potential losses are probable and estimable. Contingencies in respect of legal matters are subject to many uncertainties and the outcome of individual matters is not predictable with assurance. Significant judgment is required in assessing probability and making estimates in respect of contingencies, and the Group's final liabilities may ultimately be materially different. The Group's total liability recorded in respect of litigation, arbitration and regulatory proceedings is determined on a case-by-case basis and represents an estimate of probable losses after considering, among other factors, the progress of each case, the Group's experience and the experience of others in similar cases, and the opinions and views of legal counsel. Although the final resolution of any such matters could have a material effect on the Group's consolidated operating results for a particular reporting period, the Group believes that it will not materially affect its consolidated financial position. In respect of each of the matters specifically described below, some of which consist of a number of claims, it is the Group's belief that the reasonably possible losses relating to each claim in excess of any provisions are either not material or not estimable.

The Group's significant legal proceedings are described below.

TAX-RELATED PRODUCTS. Deutsche Bank AG, along with certain affiliates, and current and former employees (collectively referred to as "Deutsche Bank"), have collectively been named as defendants in a number of legal proceedings brought by customers in various tax-oriented transactions. Deutsche Bank provided financial products and services to these customers, who were advised by various accounting, legal and financial advisory professionals. The customers claimed tax benefits as a result of these transactions, and the United States Internal Revenue Service has rejected those claims. In these legal proceedings, the customers allege that the professional advisors, together with Deutsche Bank, improperly misled the customers into believing that the claimed tax benefits would be upheld by the Internal Revenue Service. The legal proceedings are pending in numerous state and federal courts and in arbitration, and claims against Deutsche Bank are alleged under both U.S. state and federal law. Many of the claims against Deutsche Bank are asserted by individual customers, while others are asserted on behalf of a putative customer class. No litigation class has been certified as against Deutsche Bank. Approximately 82 legal proceedings have been resolved and dismissed with prejudice as against Deutsche Bank. Approximately 9 other legal proceedings remain pending as against Deutsche Bank and are currently at various pre-trial stages, including discovery. The Bank has received a number of unfiled claims as well, and has resolved certain of those unfiled claims.

The United States Department of Justice ("DOJ") is also conducting a criminal investigation of tax-oriented transactions that were executed from approximately 1997 through 2001. In connection with that investigation, DOJ has sought various documents and other information from Deutsche Bank and has been investigating the actions of various individuals and entities, including Deutsche Bank, in such transactions. In the latter half of 2005, DOJ brought criminal charges against numerous individuals based on their participation in certain tax-oriented transactions while employed by entities other than Deutsche Bank. In the latter half of 2005, DOJ also entered into a Deferred Prosecution Agreement with an accounting firm (the "Accounting Firm"), pursuant to which DOJ agreed to defer prosecution of a criminal charge against the Accounting Firm based on its participation in certain tax-oriented transactions provided that the Accounting Firm satisfied the terms of the Deferred Prosecution Agreement. On February 14, 2006, DOJ announced that it had entered into a Deferred Prosecution Agreement with a financial institution (the "Financial Institution"), pursuant to which DOJ agreed to defer prosecution of a criminal charge against the Financial Institution based on its role in providing financial products and services in connection with certain tax-oriented transactions provided that the Financial Institution satisfied the terms of the Deferred Prosecution Agreement. Deutsche Bank provided similar financial products and services in certain tax-oriented transactions that are the same or similar to the tax-oriented transactions that are the subject of the above-referenced criminal charges. Deutsche Bank also provided financial products and services in additional tax-oriented transactions as well. DOJ's criminal investigation is ongoing.

KIRCH LITIGATION. In May 2002, Dr. Leo Kirch personally and as an assignee of two entities of the former Kirch Group, i.e., PrintBeteiligungs GmbH and the group holding company TaurusHolding GmbH & Co. KG, initiated legal action against Dr. Rolf-E. Breuer and Deutsche Bank AG alleging that a statement made by Dr. Breuer (then the Spokesman of Deutsche Bank AG's Management Board) in an interview with Bloomberg television on February 4, 2002 regarding the Kirch Group was in breach of laws and financially damaging to Dr. Kirch.

On January 24, 2006, the German Federal Supreme Court sustained the action for the declaratory judgment only in respect of the claims assigned by PrintBeteiligungs GmbH. Such action and judgment did not require a proof of any loss caused by the statement made in the interview. PrintBeteiligungs GmbH is the only company of the Kirch Group which was a borrower of Deutsche Bank AG. Claims by Dr. Kirch personally and by TaurusHolding GmbH & Co. KG were dismissed. To be awarded a judgment for damages against Deutsche Bank AG, Dr. Kirch had to file a new lawsuit. In May 2007, Dr. Kirch filed an action as assignee of PrintBeteiligungs GmbH against Deutsche Bank AG and Dr. Breuer for the payment of approximately € 1.6 billion at the time of the filing (the amount depends, among other things, on the development of the price for the shares of Axel Springer AG) plus interest. In these proceedings he will have to prove that such statement caused financial damages to PrintBeteiligungs GmbH and the amount thereof. In the Group's view, the causality in respect of the basis and scope of the claimed damages has not been sufficiently substantiated in the complaint.

On December 31, 2005, KGL Pool GmbH filed a lawsuit against Deutsche Bank AG and Dr. Breuer. The lawsuit is based on alleged claims assigned from various subsidiaries of the former Kirch Group. KGL Pool GmbH seeks a declaratory judgment to the effect that Deutsche Bank AG and Dr. Breuer are jointly and severally liable for damages as a result of the interview statement and the behavior of Deutsche Bank AG in respect of several subsidiaries of the Kirch Group. In December 2007, KGL Pool GmbH supplemented this lawsuit by a motion for payment of approximately € 2.0 billion plus interest as compensation for the purported damages which two subsidiaries of the former Kirch Group allegedly suffered as a result of the statement by Dr. Breuer. In the Group's view, due to the lack of a relevant contractual relationship with any of these subsidiaries there is no basis for such claims, and the causality in respect of the basis and scope of the claimed damages has not been sufficiently substantiated in the complaint.

CREDIT-RELATED MATTERS. Deutsche Bank has received subpoenas and requests for information from certain regulators and government entities concerning its activities regarding the origination, purchase, and securitization of subprime and non-subprime residential mortgages. Deutsche Bank is cooperating fully in response to those subpoenas and requests for information. Deutsche Bank has also been named as defendant in various civil litigations (including putative class actions), brought under the Securities Act of 1933 or state common law, related to the residential mortgage business. Included in those litigations are (i) three putative class actions pending in California Superior Court in Los Angeles County regarding the role of Deutsche Bank's subsidiary Deutsche Bank Securities Inc. ("DBSI"), along with other financial institutions, as an underwriter of offerings of certain securities and mortgage pass-through certificates issued by Countrywide Financial Corporation or an affiliate; and (ii) a putative class action pending in the United States District Court for the Southern District of New York regarding the role of DBSI, along with other financial institutions, as an underwriter of offerings of certain mortgage pass-through certificates issued by affiliates of Novastar Mortgage Funding Corporation. In addition, certain affiliates of Deutsche Bank, including DBSI, have been named in a putative class action pending New York Supreme Court in Nassau County regarding their roles as issuer and underwriter of certain mortgage pass-through securities. Each of the civil litigations is in its early stages.

AUCTION RATE SECURITIES. Deutsche Bank and DBSI are the subject of a putative class action, filed in the United States District Court for the Southern District of New York, asserting various claims under the federal securities laws on behalf of all persons or entities who purchased and continue to hold Auction Rate Securities ("ARS") offered for sale by Deutsche Bank and DBSI between March 17, 2003 and February 13, 2008. DBSI and Deutsche Bank Alex. Brown, a division of DBSI, have also been named as defendants in three individual actions asserting various claims under the federal securities laws and state common law by three investors in ARS. The purported class action and individual actions are in their early stages.

Deutsche Bank is named as a defendant, along with ten other financial institutions, in two putative class actions, filed in the United States District Court for the Southern District of New York, asserting violations of the antitrust laws. One of the putative class actions was brought on behalf of all issuers of ARS underwritten by the defendants between May 12, 2003 and February 13, 2008 and who were obligated to make interest payments on the ARS as of February 13, 2008, and the other putative class action was brought on behalf of all persons or entities who acquired ARS from the defendants and who continue to hold the ARS as of February 13, 2008. The putative class actions, which are in their early stages, allege that the defendants conspired to artificially support and then, in February 2008, restrain the ARS market.

Deutsche Bank, along with other industry participants, has also received numerous regulatory requests, including requests from the Securities and Exchange Commission ("SEC") and certain state regulatory agencies, in connection with investigations relating to the marketing and sale of ARS to clients, the failures of the ARS auctions, and Deutsche Bank's and DBSI's role and participation in these auctions. DBSI has also received requests from the Financial Industry Regulatory Authority ("FINRA") seeking information about DBSI's proprietary and client holdings of ARS. In August 2008, Deutsche Bank entered into agreements in principle with the New York Attorney General's Office ("NYAG") and with a task force of the North American Securities Administration Association ("NASAA"), representing a consortium of other states and U.S. territories, regarding Deutsche Bank's and its subsidiaries' sale and marketing of ARS. Under the agreements in principle, Deutsche Bank and its subsidiaries have agreed to purchase from their retail, certain smaller and medium-sized institutional, and charitable clients, ARS that those clients purchased from Deutsche Bank and its subsidiaries prior to February 13, 2008. In the third quarter 2008, Deutsche Bank took provisions of U.S.\$ 83 million reflecting the decline in market values of the ARS to be repurchased under the above agreements in principle. Deutsche Bank and its subsidiaries have also agreed to work to expeditiously provide liquidity solutions for their larger institutional clients who purchased ARS from Deutsche Bank and its subsidiaries, and to pay a penalty to the NYAG and NASAA in the amount of U.S.\$ 15 million.

ÖBB LITIGATION. In September 2005, Deutsche Bank AG entered into a Portfolio Credit Default Swap (“PCDS”) transaction with ÖBB Infrastruktur Bau AG (“ÖBB”), a subsidiary of Österreichische Bundesbahnen-Holding Aktiengesellschaft. Under the PCDS, ÖBB assumed the credit risk of a € 612 million AAA rated tranche of a diversified portfolio of corporates and asset-backed securities (“ABS”). As a result of the developments in the ABS market since mid 2007, the market value of the PCDS declined and the ÖBB Group recorded an aggregate mark-to-market loss of about € 140 million on this position in its financial accounts for the fiscal year 2007. In June of 2008, ÖBB filed a claim against Deutsche Bank AG in the Vienna Trade Court, asking that the Court declare the PCDS null and void. ÖBB argue that the transaction violates Austrian law, and allege to have been misled about certain features of the PCDS.

BUSINESS COMBINATIONS

On January 31, 2008, the Group acquired 100 % of HedgeWorks LLC (“HedgeWorks”), a hedge fund administrator based in the United States. The cost of the business combination consisted of a cash payment of € 20 million and another € 15 million subject to the acquiree exceeding certain performance targets over the next three years. Based on provisional values, the purchase price was allocated as goodwill of € 29 million, other intangible assets of € 5 million and net tangible assets of € 1 million. HedgeWorks is included in GTB.

Effective March 12, 2008, the Group completed the acquisition of a 60 % majority stake in Far Eastern Alliance Asset Management Co. Limited, a Taiwanese investment management firm which was subsequently renamed “Deutsche Far Eastern Asset Management Company Limited”. The preliminary cost of the acquisition consisted of a cash consideration of € 5 million, for which the Group purchased a 25 % stake and subscribed to newly issued shares amounting to 35 % of the share capital. The purchase price on provisional values is allocated as net tangible assets of € 5 million. The acquiree is included in AWM.

Commencing June 30, 2008, the Group has consolidated Maher Terminals LLC and Maher Terminals of Canada Corp, collectively and hereafter referred to as Maher Terminals, a privately held operator of port terminal facilities in North America, which it previously accounted for under the held for sale category. Following the initial sale of an 11.4 % minority stake to the RREEF North America Infrastructure Fund in 2007 and in a subsequent effort in 2008 to restructure the fund, RREEF Infrastructure reacquired all outstanding interests in the North America Infrastructure Fund, whose sole investment is Maher Terminals, for a total consideration of € 109 million. In discontinuing the held for sale accounting for the investment as of September 30, 2008, the reacquisition was accounted for as a purchase transaction. On provisional values, the cost of this acquisition was allocated as goodwill of € 30 million and net assets of € 79 million. The investment is included in AWM.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2008, and the year ended December 31, 2007, the Group has had business relationships with a number of related parties. Transactions with these parties are made in the ordinary course of business and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons. These transactions did not involve more than the normal risk of collectibility or present other unfavorable features.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Deutsche Bank, directly or indirectly. The Group considers the members of the Management Board and the Supervisory Board to constitute key management personnel for purposes of IAS 24. Among the Group's transactions with key management personnel as of September 30, 2008, were loans and commitments of €4 million and deposits of €3 million. As of December 31, 2007, there were loans and commitments of €4 million and deposits of €1 million among the Group's transactions with key management personnel. In addition, the Group provides banking services, such as payment and account services as well as investment advice, to key management personnel and their close family members.

TRANSACTIONS WITH SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER RELATED PARTIES

Transactions between Deutsche Bank AG and its subsidiaries also meet the definition of related party transactions. When these transactions are eliminated on consolidation they are not disclosed in the Group's financial statements.

LOANS

During the nine months ended September 30, 2008, and year ended December 31, 2007, the Group made loans to related parties and entered into guarantees on behalf of certain related parties. The table below shows the amounts of loans made and repaid, loan balances outstanding, and guarantees made by the Group on behalf of related parties.

in € m.	Associated companies and other related parties	
	Sep 30, 2008	Dec 31, 2007
Loans outstanding, beginning of period	2,081	622
Loans issued during the period	1,234	1,790
Loan repayment during the period	89	161
Changes in the group of consolidated companies ¹	(1,362)	(2)
Exchange rate changes	15	(89)
Other changes	–	(79)
Loans outstanding, end of period²	1,879	2,081
Other credit risk related transactions:		
Provision for loan losses	2	–
Guarantees and commitments ³	181	233

1 Two entities that were accounted for using the equity method were fully consolidated for the first time in the second quarter of 2008. Therefore loans made to these investments were eliminated on consolidation.

2 The amount of loans past due were nil as of September 30, 2008, and totaled € 3 million as of December 31, 2007, respectively. Loans include loans to joint ventures of € 116 million and € 24 million as of September 30, 2008 and December 31, 2007, respectively.

3 The guarantees above included credit and finance guarantees, financial letter of credits and standby letter of credits, commitments from pending transactions, loan commitments for book claims and bills of exchange as well as guarantees that are related to leasing transactions.

DEPOSITS

in € m.	Associated companies and other related parties	
	Sep 30, 2008	Dec 31, 2007
Deposits outstanding, beginning of period	962	855
Deposits received during the period	923	294
Deposits repaid during the period	287	89
Changes in the group of consolidated companies ¹	–	(43)
Exchange rate changes	(33)	(55)
Other changes	–	–
Deposits outstanding, end of period¹	1,565	962

¹ The above deposits were made in the ordinary course of business. Deposits included also € 2 million and € 3 million deposits from joint ventures as of September 30, 2008 and December 31, 2007, respectively.

In addition, the Group had trading assets of € 72 million and trading liabilities of € 64 million with associated companies as of September 30, 2008. As of December 31, 2007, trading positions with associated companies were € 67 million.

TRANSACTIONS WITH PENSION PLANS

The Group has business relationships with a number of its pension plans pursuant to which it provides financial services to these plans, including investment management services. Pension funds may hold or trade Deutsche Bank shares or securities. As of September 30, 2008, transactions with these plans were not material for the Group.

UPDATE ON SIGNIFICANT TRANSACTIONS

During the third quarter 2008, Deutsche Bank announced the following acquisitions that will affect its results in future periods.

On July 2, 2008, Deutsche Bank announced that it agreed with Fortis and ABN AMRO to acquire from ABN AMRO parts of its commercial banking activities in the Netherlands for € 709 million in cash. The businesses to be acquired serve over 35,000 commercial business clients as well as 8,000 private clients and employ 1,400 people. The transaction is subject to the Dutch Central Bank not raising objections and to approval by the European Commission. The European Commission approved the transaction on October 1 and 24, 2008. The review of the transaction by the Dutch Central Bank has not yet been completed.

On September 11, 2008, Deutsche Bank announced its intent to acquire a 40 % stake in UFG Invest, the Russian investment management company of UFG Asset Management, with an option to become a 100 % owner in the future. The transaction is expected to be completed by the end of 2008.

On September 12, 2008, Deutsche Bank announced its intent to purchase a minority stake of 29.75 % in Deutsche Postbank from Deutsche Post for € 2.8 billion in cash. The acquisition of this stake is subject to approval by regulatory and anti-trust authorities and the German Government and is expected to close in the first quarter of 2009. Furthermore, Deutsche Bank will have the option to acquire an additional 18.0 % stake from Deutsche Post and Deutsche Post will have the option to sell its remaining stake of 20.25 % plus one share to Deutsche Bank. To finance this purchase Deutsche Bank raised € 2.2 billion new equity.

EVENTS AFTER THE BALANCE SHEET DATE

The exceptionally adverse trading conditions continued in October. Among the areas that have been significantly adversely affected to date from this challenging environment are the Group's proprietary trading businesses (both in Sales & Trading debt and equity) as well as its Equity Derivative business. The financial effect on the Group's 2008 results will, of course, depend on exposures and conditions as of year end, and is therefore not estimable at this point in time.

Other Information

TARGET DEFINITION

As part of Phase 3 of the Group's Management Agenda, the Group has stated targets for its income before income taxes ("IBIT") attributable to Deutsche Bank shareholders, pre-tax return on average active equity and percentage growth in earnings per share. These targets are measured using target definitions that adjust IFRS financial measures to exclude certain significant gains (such as gains from the sale of industrial holdings, businesses or premises) and certain significant charges (such as charges from restructuring, goodwill impairment or litigation) if such gains or charges are not indicative of the future performance of the Group's core businesses. These target definitions, which are set forth below, are non-GAAP financial measures.

IBIT ATTRIBUTABLE TO DEUTSCHE BANK SHAREHOLDERS (TARGET DEFINITION): The IBIT attributable to Deutsche Bank shareholders target is based on income before income taxes attributable to Deutsche Bank shareholders (i.e., less minority interest), adjusted for certain significant gains and charges as follows.

in € m.	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Income before income taxes (IBIT)	93	1,449	481	7,312
Less pre-tax minority interest	21	(10)	34	(20)
IBIT attributable to Deutsche Bank shareholders	114	1,439	515	7,292
Add (deduct):				
Certain significant gains (net of related expenses)	(229) ¹	(491) ²	(1,325) ³	(873) ⁴
Certain significant charges	–	–	–	–
IBIT attributable to the Deutsche Bank shareholders (target definition)	(116)	948	(809)	6,418

1 Gain from the sale of industrial holdings (Allianz SE) of € 229 million.

2 Gains from the sale of industrial holdings (Linde AG and Allianz SE) of € 305 million and from the sale of premises (sale and leaseback transaction 60 Wall Street) of € 187 million.

3 Gains from the sale of industrial holdings (Daimler AG, Allianz SE and Linde AG) of € 1,228 million and a gain from the sale of the investment in Arcor AG & Co. KG of € 97 million.

4 Gains from the sale of industrial holdings (Fiat S.p.A., Linde AG and Allianz SE) of € 432 million, income from equity method investments (Deutsche Interhotel Holding GmbH & Co. KG) of € 178 million, net of goodwill impairment charge of € 54 million, and a gain from the sale of premises (sale and leaseback transaction 60 Wall Street) of € 317 million.

PRE-TAX RETURN ON AVERAGE ACTIVE EQUITY (TARGET DEFINITION): The pre-tax return on average active equity target is based on IBIT attributable to Deutsche Bank shareholders (target definition), as a percentage of the Group's average active equity, which is defined below. For comparison, also presented are pre-tax return on average shareholders' equity, which is defined as income before income taxes attributable to Deutsche Bank shareholders (i.e., less minority interest), as a percentage of average shareholders' equity, and pre-tax return on average active equity, which is defined as income before income taxes attributable to Deutsche Bank shareholders (i.e., less minority interest), as a percentage of average active equity.

AVERAGE ACTIVE EQUITY: The Group calculates active equity to make it easier to compare it to its competitors and refers to active equity in several ratios. However, active equity is not a measure provided for in IFRS and you should not compare the Group's ratios based on average active equity to other companies' ratios without considering the differences in the calculation. The items for which the Group adjusts the average shareholders' equity are average unrealized net gains on financial assets available for sale and average fair value adjustments on cash flow hedges (both components net of applicable taxes), as well as average dividends, for which a proposal is accrued on a quarterly basis and for which payments occur once a year following the approval by the general shareholders' meeting.

in € m. (unless stated otherwise)	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Average shareholders' equity	32,820	36,367	34,038	35,458
Add (deduct):				
Average unrealized net (gains) losses on financial assets available for sale/average fair value adjustments on cash flow hedges, net of applicable tax	65	(4,092)	(1,169)	(3,835)
Average dividend accruals	(1,217)	(1,755)	(1,979)	(2,142)
Average active equity	31,668	30,520	30,891	29,482
Pre-tax return on average shareholders' equity	1.4 %	15.8 %	2.0 %	27.4 %
Pre-tax return on average active equity	1.4 %	18.9 %	2.2 %	33.0 %
Pre-tax return on average active equity (target definition)	(1.5)%	12.4 %	(3.5)%	29.0 %

DILUTED EARNINGS PER SHARE (TARGET DEFINITION): The target for growth in earnings per share is based on diluted earnings per share (target definition), which is defined as net income attributable to Deutsche Bank shareholders (i.e., less minority interest), after assumed conversions, adjusted for post-tax effects of significant gains/charges and certain significant tax effects, divided by the weighted average number of diluted shares outstanding.

For reference, diluted earnings per share, which is defined as net income attributable to Deutsche Bank shareholders (i.e., less minority interest), after assumed conversions, divided by the weighted average number of diluted shares outstanding, is also provided.

in € m. (unless stated otherwise)	Three months ended		Nine months ended	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
Net income attributable to Deutsche Bank shareholders	435	1,622	952	5,521
Add (deduct):				
Post-tax effect of certain significant gains/charges	(229) ¹	(406) ²	(1,313) ³	(673) ⁴
Certain significant tax effects	–	(353) ⁵	–	(353) ⁵
Net income (loss) attributable to Deutsche Bank shareholders (basis for target definition EPS)	206	863	(361)	4,494
Diluted earnings per share	€ 0.83	€ 3.31	€ 1.85	€ 11.13
Diluted earnings per share (target definition)	€ 0.39	€ 1.76	€ (0.70)	€ 9.06

1 Gain from the sale of industrial holdings (Allianz SE) of € 229 million.

2 Gains from the sale of industrial holdings (Linde AG and Allianz SE) of € 305 million and the sale of premises (sale and leaseback transaction 60 Wall Street) of € 101 million.

3 Gains from the sale of industrial holdings (Daimler AG, Allianz SE and Linde AG) of € 1,228 million and a gain from the sale of the investment in Arcor AG & Co. KG of € 86 million.

4 Gains from the sale of industrial holdings (Fiat S.p.A., Linde AG and Allianz SE) of € 431 million, income from equity method investments (Deutsche Interhotel Holding GmbH & Co. KG) of € 125 million, net of goodwill impairment charge of € 54 million, and gains from the sale of premises (sale and leaseback transaction 60 Wall Street) of € 172 million.

5 Enactment of the German tax reform and utilization of capital losses.

MANAGEMENT BOARD

With effect from October 1, 2008, Stefan Krause assumed the position of Chief Financial Officer as successor to Anthony Di Iorio, who retired, as planned, on September 30, 2008.