



The financial crisis and Deutsche Bank – a preliminary assessment

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14th Handelsblatt Conference

Frankfurt, 8 September 2009

A Passion to Perform.

Deutsche Bank



Agenda

1 The crisis so far: Winning models or winning competencies?

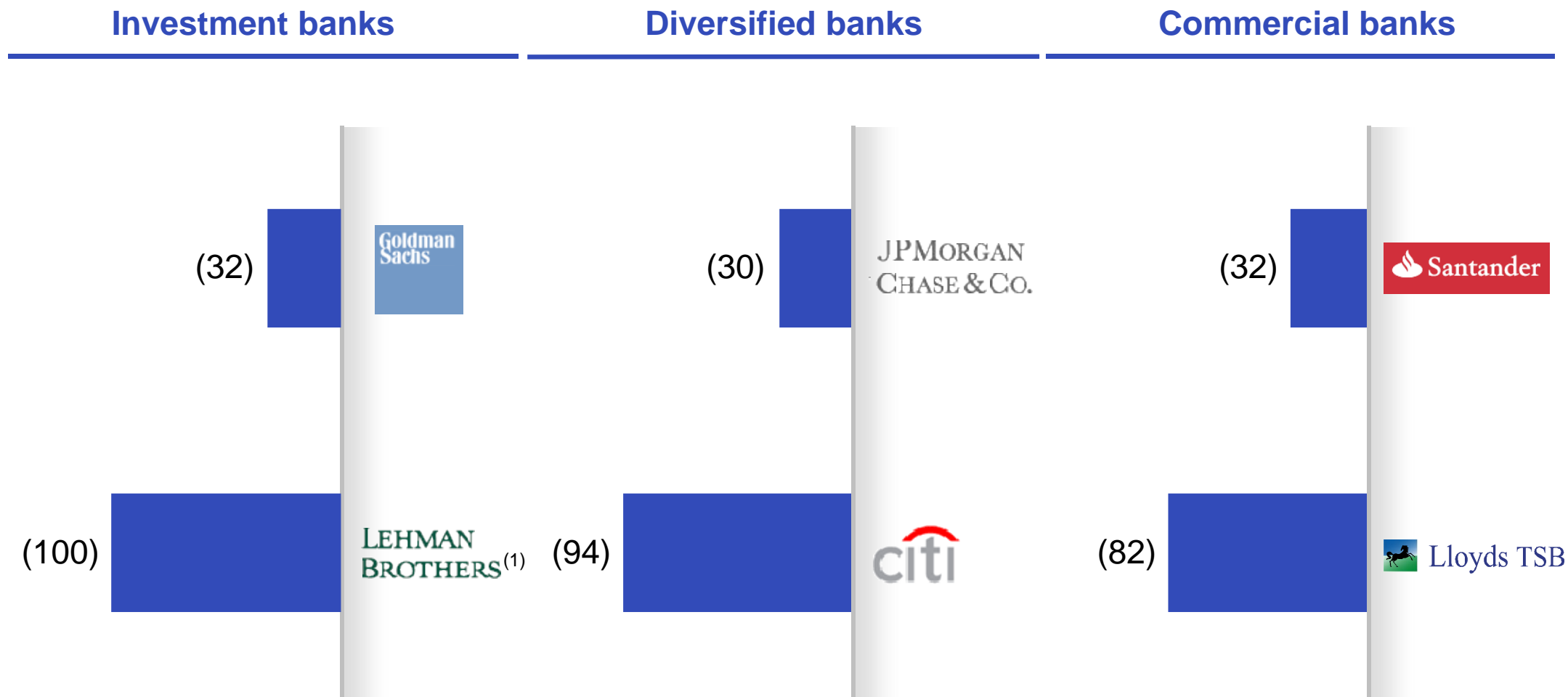
2 Looking forward: Views on what's to come

3 Deutsche Bank through the crisis



No single model emerged as a 'winner'...

Share price development 1 July 2009 vs. 1 July 2007, local currency basis, in %



(1) Until 17 September 2008

Source: Bloomberg

... but a number of critical competencies can be identified

Key challenges ...

- Cost and availability of short term funding
- Complex, intransparent risks
- Loss absorption (trading losses, mark-downs)
- Notional balance sheet exposure
- Concentration of exposures

... corresponding competencies

Funding base / liquidity management

Risk management

Capital strength

Balance sheet efficiency

Diversification

The market rewards a stable funding base

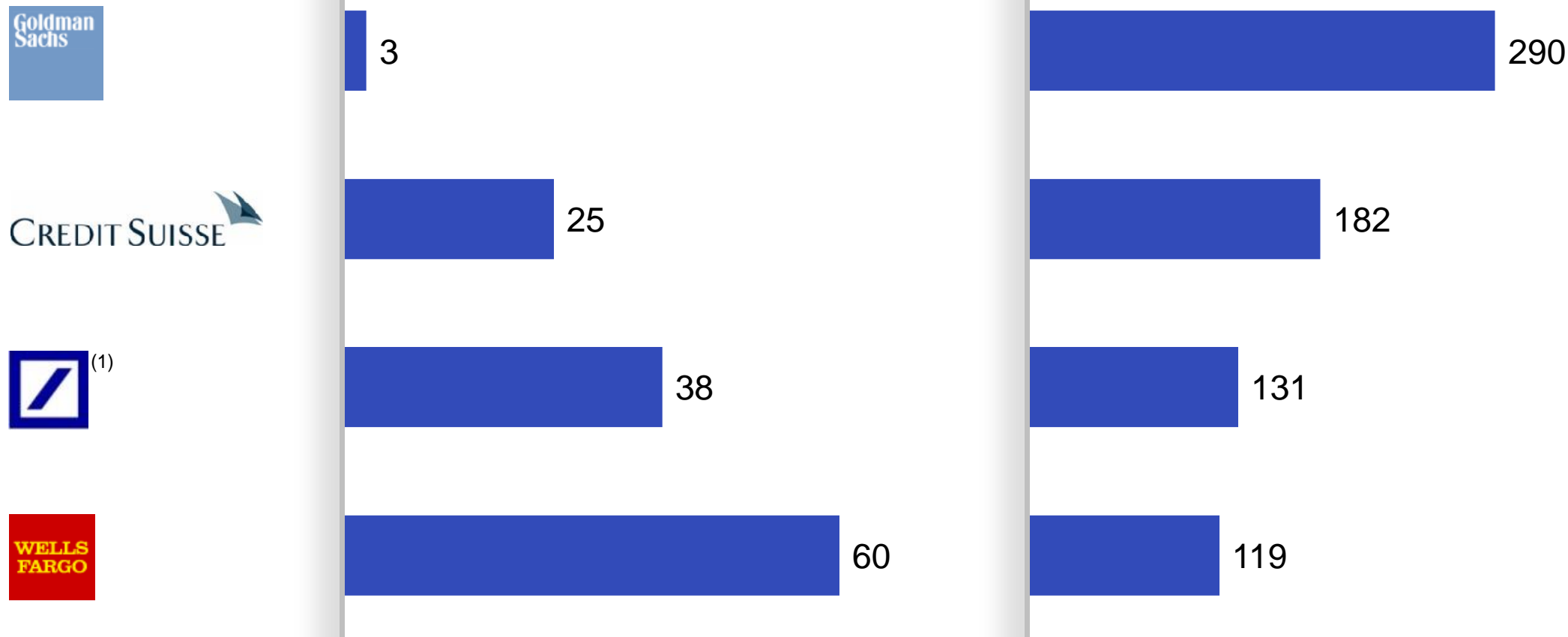
Per 31 December 2008

Customer deposits in % of
balance sheet

5-year senior CDS

In %

In bps



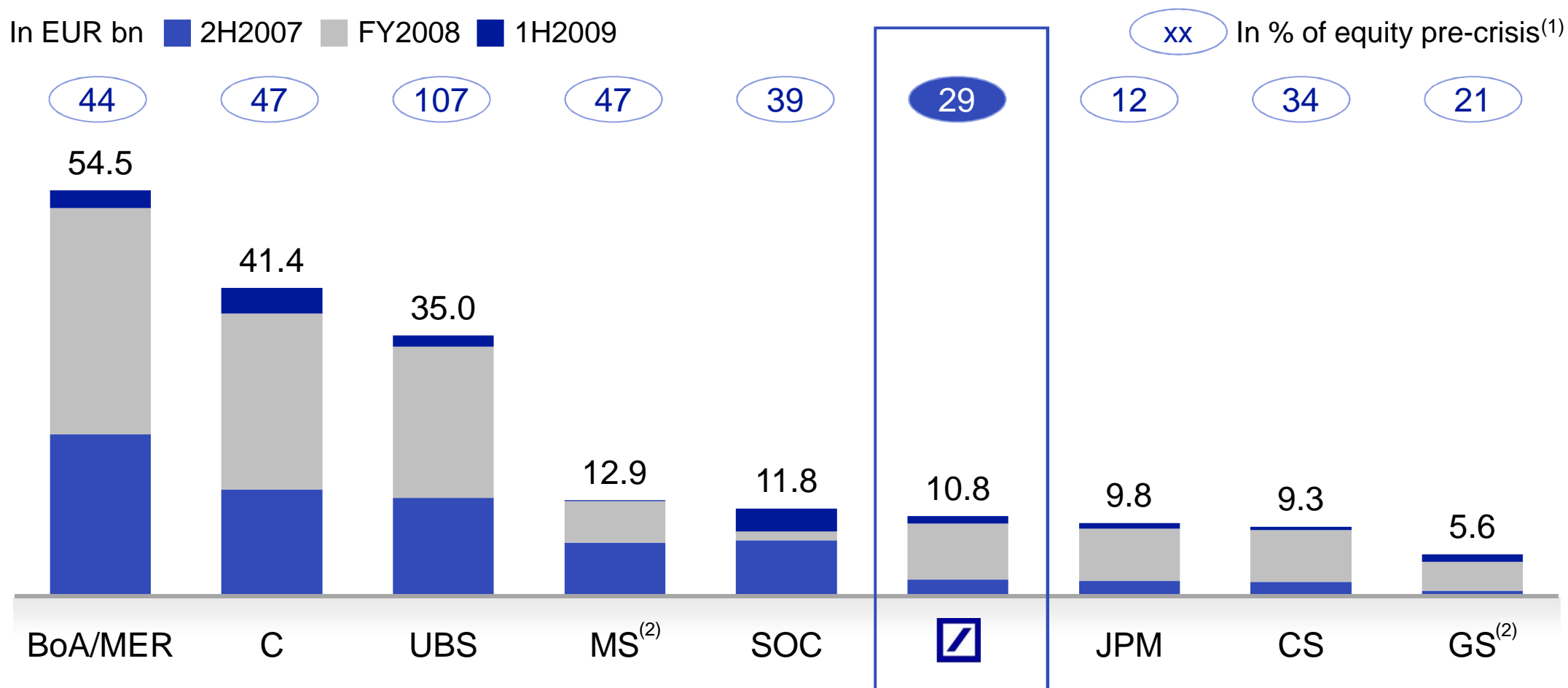
(1) Based on U.S. GAAP 'pro-forma' assets
Source: Company data, Bloomberg, zeb
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Risk management: A key differentiator

Mark-downs of selected banks since beginning of crisis

In EUR bn ■ 2H2007 ■ FY2008 ■ 1H2009



(1) Shareholders' equity as of 30 June 2007 (2) 2H2007-4Q2008 based on diverging fiscal year

Note: Converted into EUR based on average FX rate of respective reporting period Source: Company data, Bloomberg

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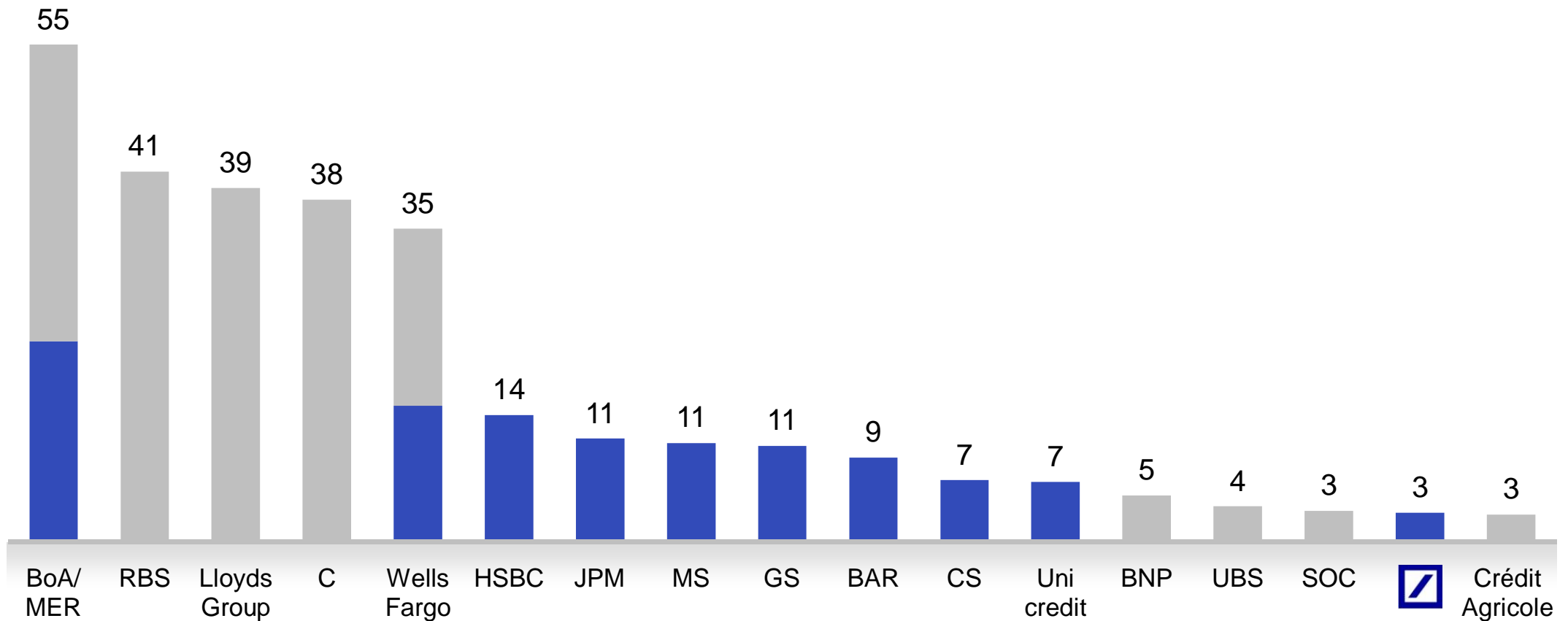
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Demand for capital has had consequences for shareholders and governments

Equity raisings (announced) since 1 July 2008, in EUR bn

■ Government
■ Private



Note: Converted into EUR based on FX-rate as of the announcement date/reporting date; per end of June

Source: Company data, Bloomberg, U.S. Dept. of Treasury

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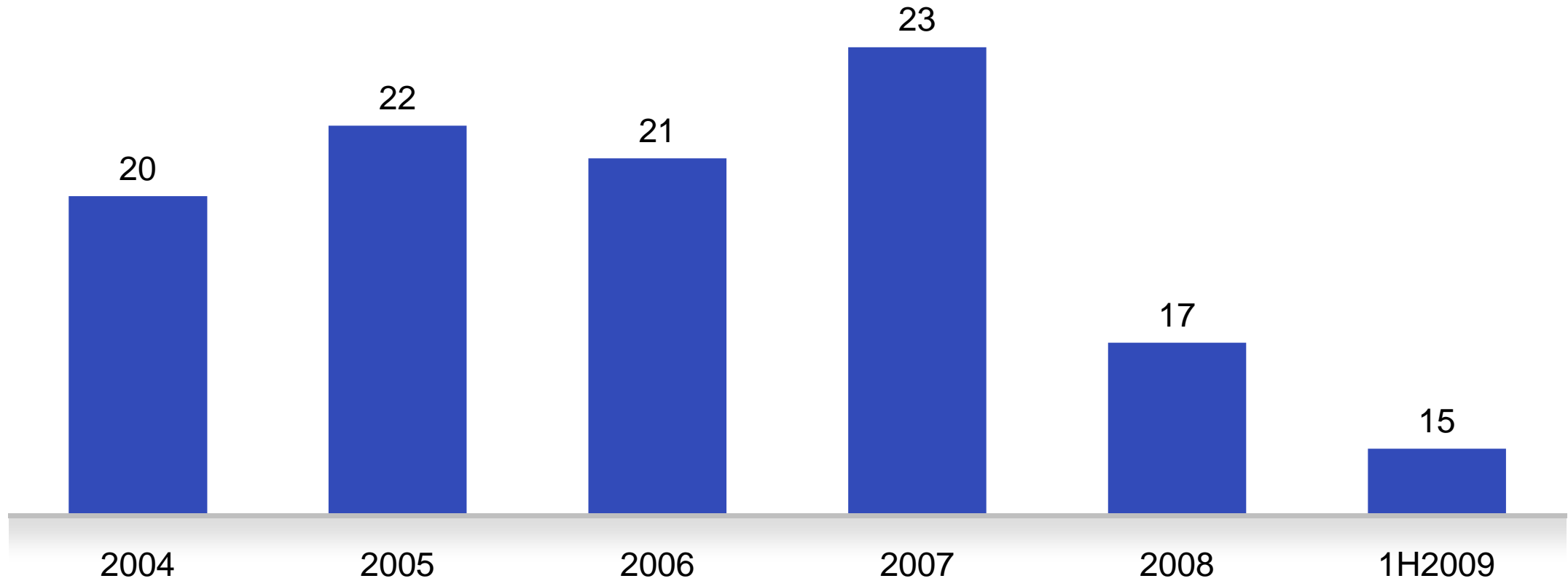
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Balance sheet efficiency has become critical

Leading banks: Leverage ratio 2004 - 2009

Total assets / total equity per end of fiscal year



Note: Includes Citi, Morgan Stanley, Goldman Sachs, Bank of America, JPMorgan Chase, Credit Suisse, Deutsche Bank (2004-2006 based on U.S. GAAP, 2007-1H2009 based on target definition; 2007 do not reflect revised application of U.S. GAAP netting rules started in September 2008)

Source: Company data, zeb / Bankscope

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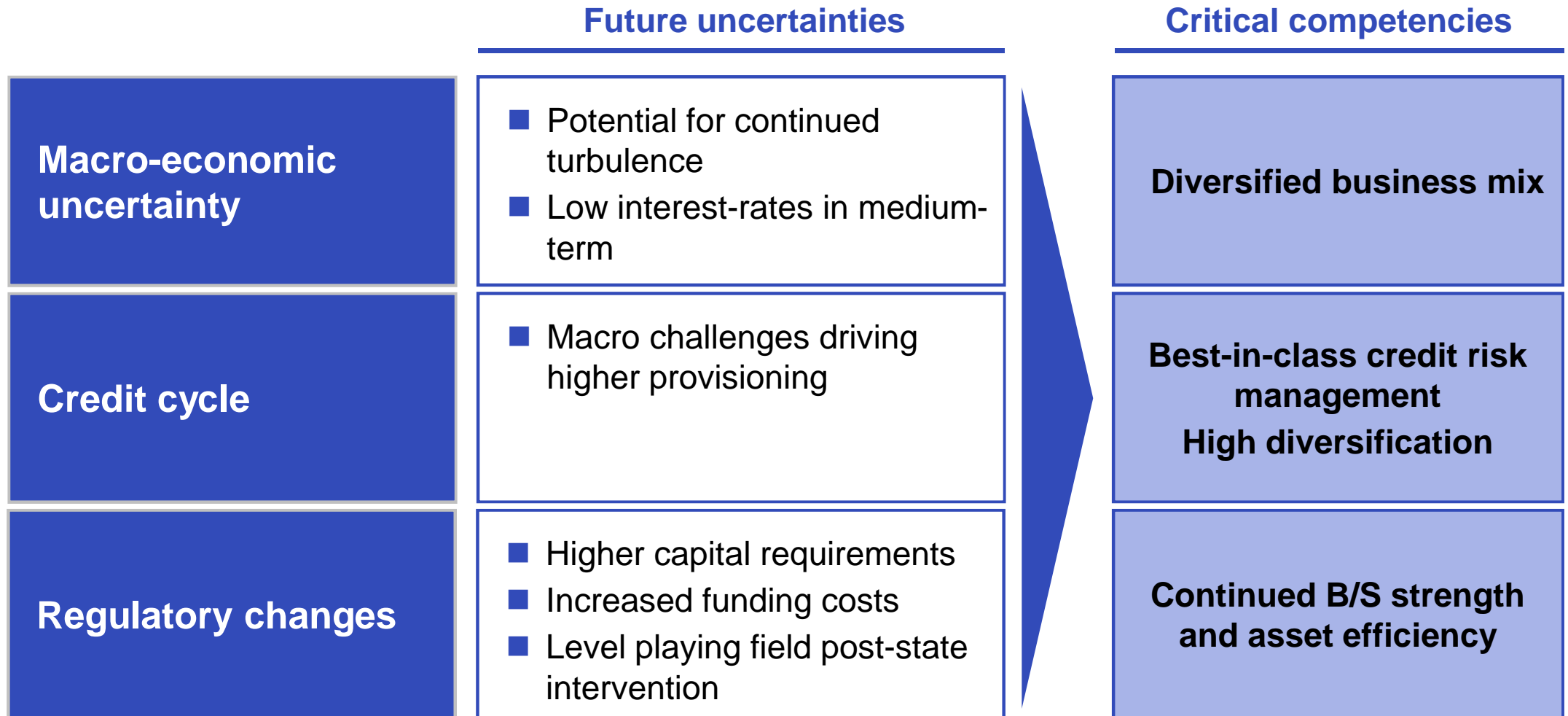
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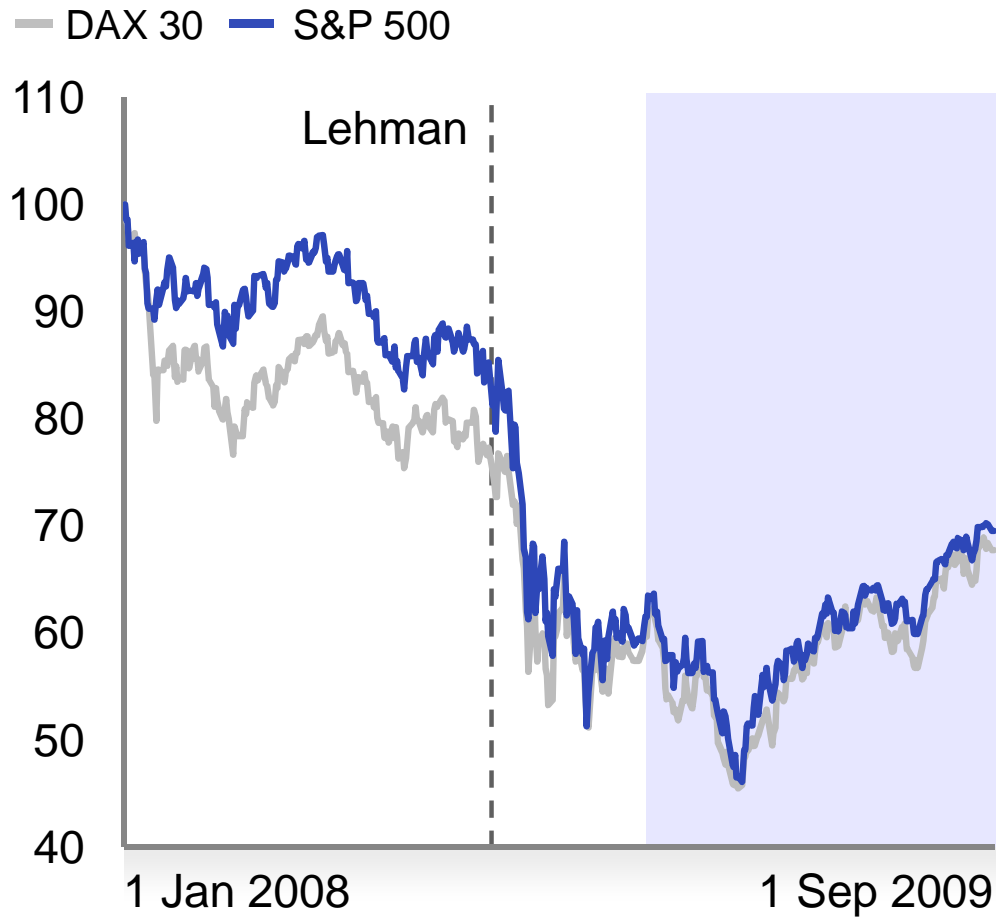
Future uncertainties and critical competencies



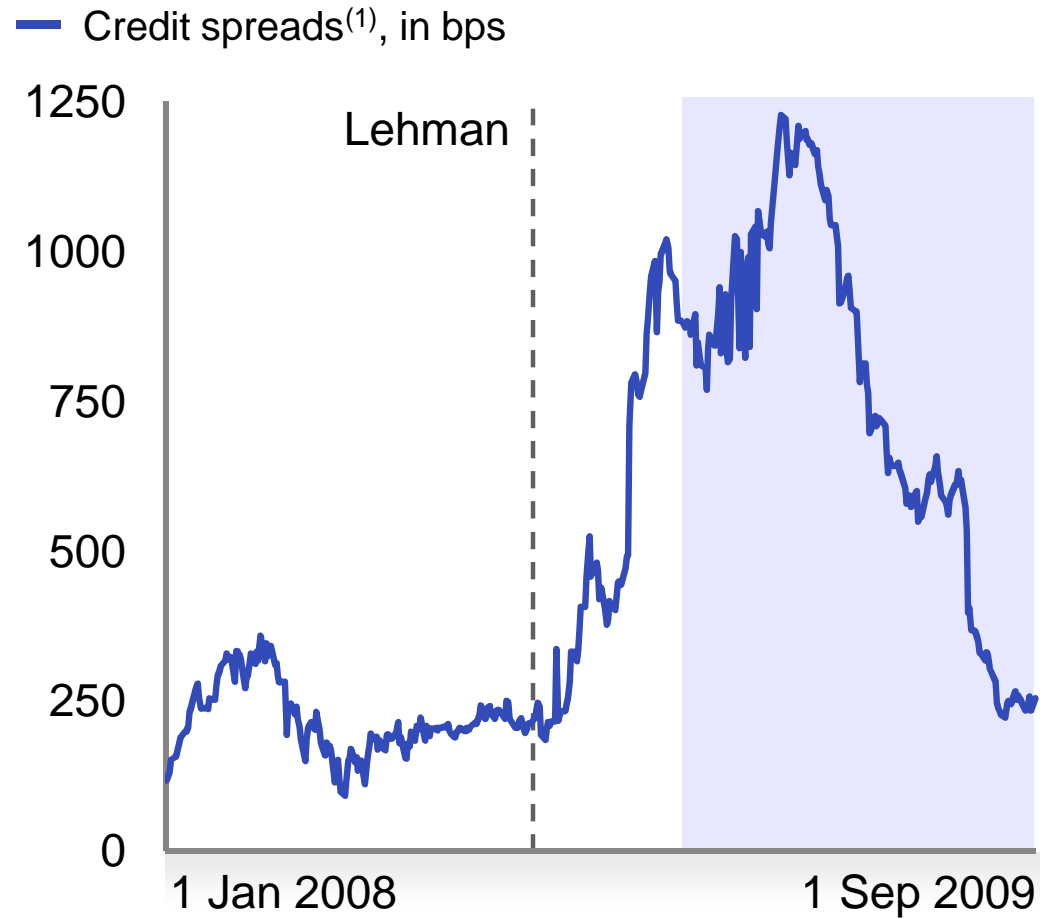
Markets are showing clear signs of recovery ...

Indexed, 1 January 2008 = 100

Recovery in equity



Stabilizing of credit spreads



(1) iTraxx Europe crossover series 1 (5 years); index of 'sub-investment-grade'-rated credit default swaps

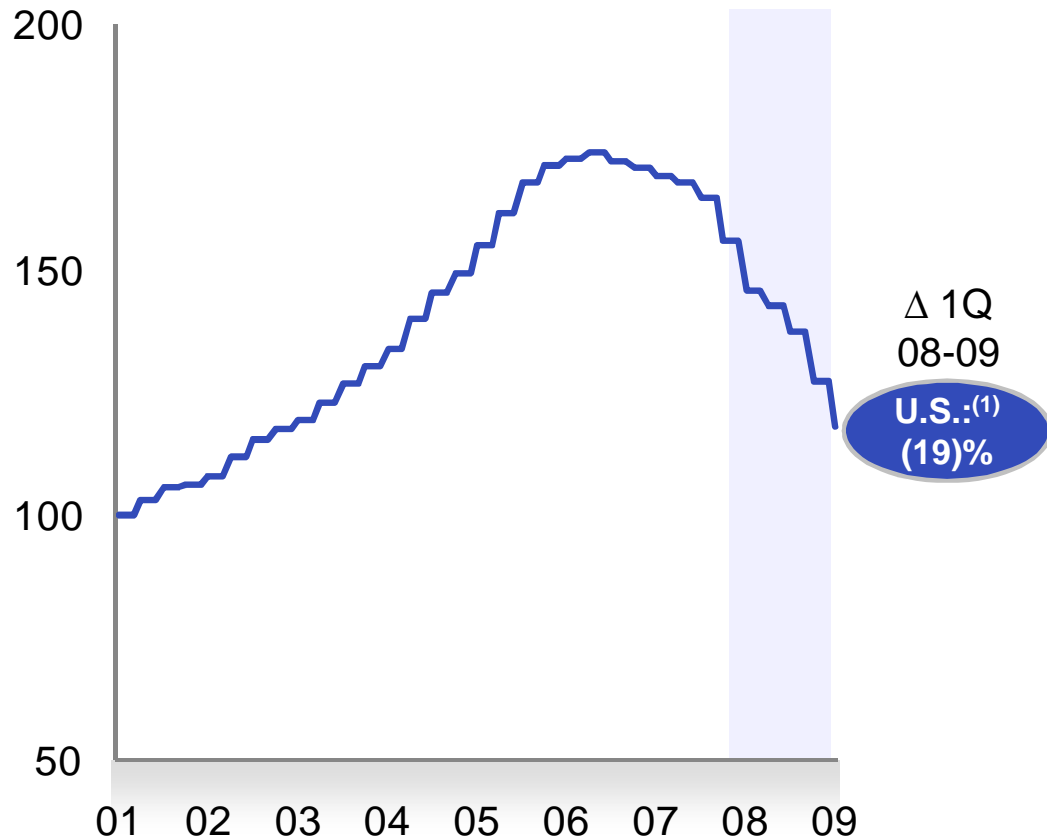
Source: Datastream, Bloomberg



... but fundamentals remain weak in key economies

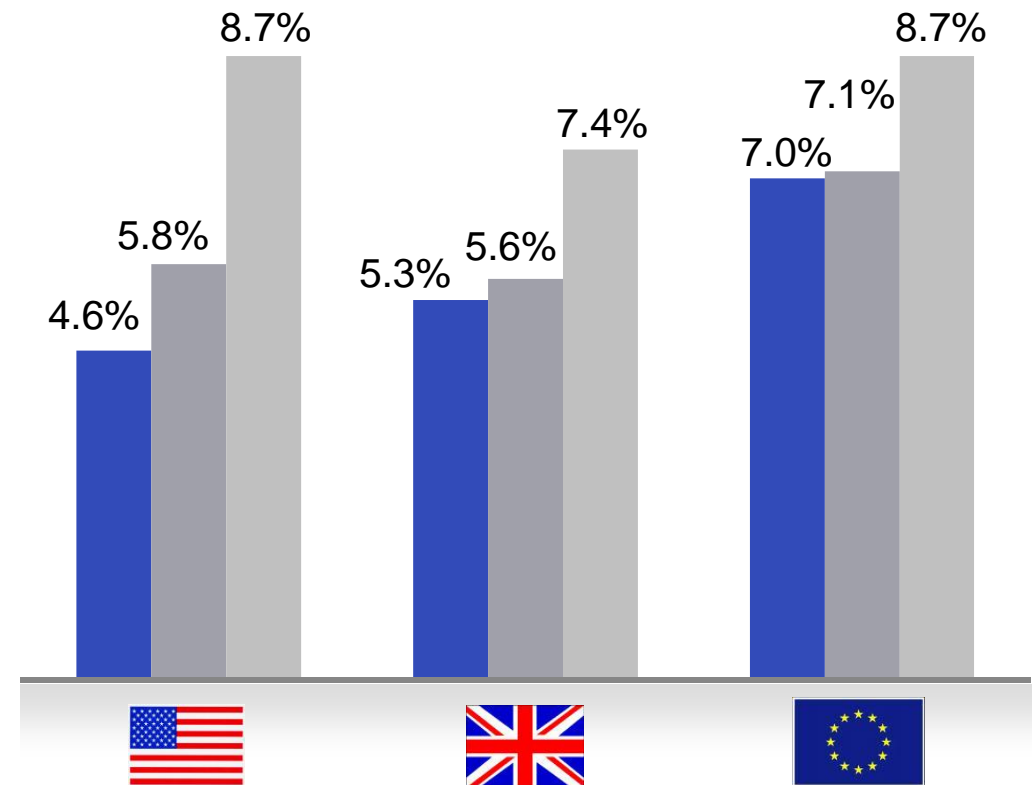
Residential real estate price index

Indexed value, 100 = 1Q2001; until 1Q2009



Unemployment levels in key economies⁽²⁾

■ 2007 ■ 2008 ■ June 2009



(1) Indexed data (quarterly) based on S&P Case Shiller composite of 20 metropolitan regions

Source: IHS Global Insight, OECD

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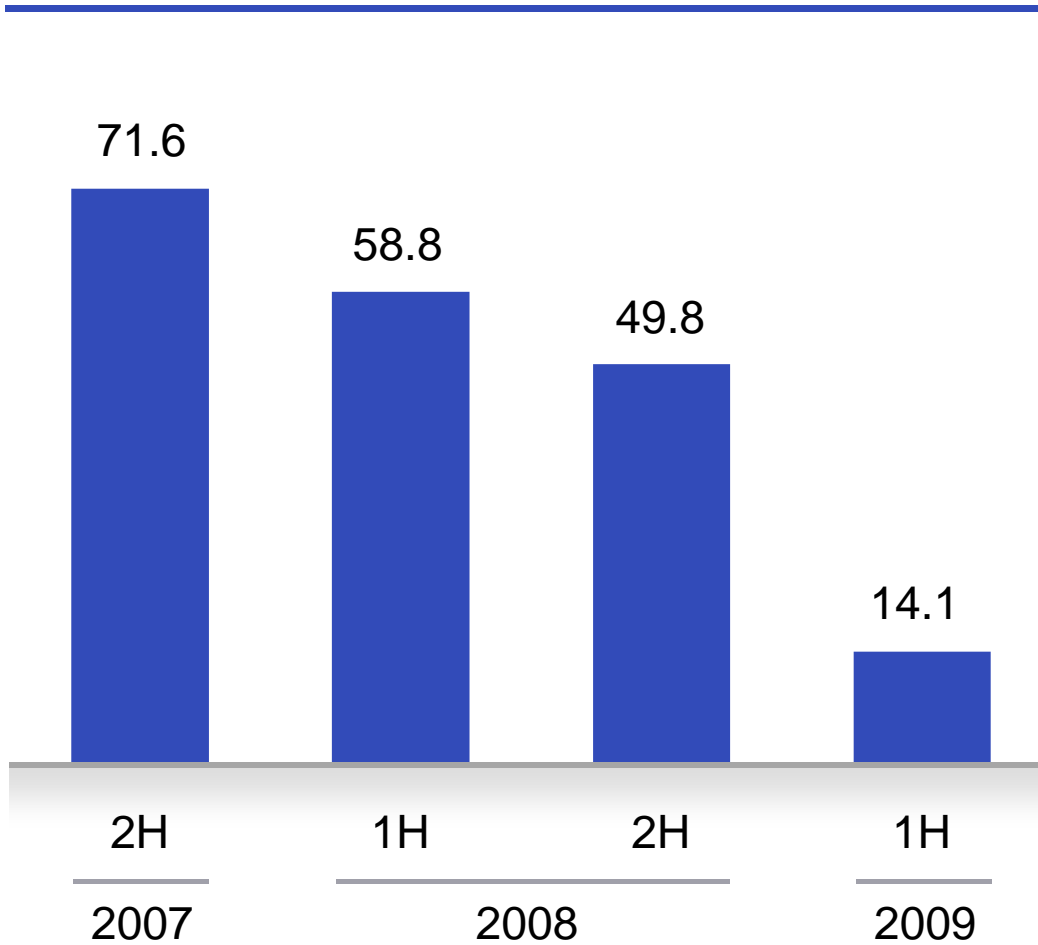
(2) 2007, 2008: yearly average; 2009: 6 months average



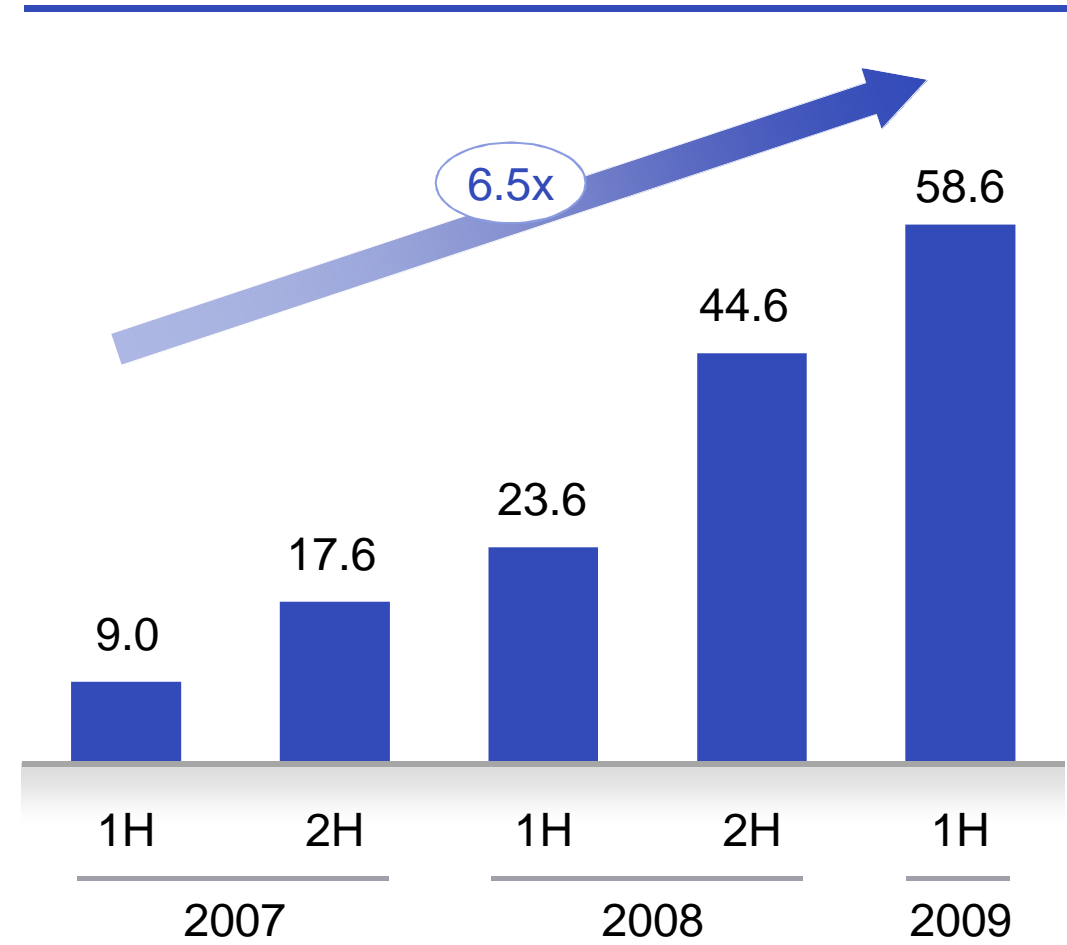
The focus shifts to credit losses

In EUR bn

Mark-downs⁽¹⁾



Provision for credit losses⁽¹⁾



(1) Includes Bank of America, Citi, JPMorgan Chase, BNP Paribas, Société Générale, Credit Suisse, UBS, Morgan Stanley, Goldman Sachs, Merrill Lynch (until 2H2008), Deutsche Bank. Note: Converted into EUR based on average FX rate of respective reporting period. Source: Company data

Regulatory intervention will impact all industry players

Expected areas of intervention

Supervision	Capital adequacy and leverage
	Risk and liquidity management
	Shadow banking system
	Remuneration
	OTC market infrastructure
Accounting	Disclosure rules
	Consolidation of off-balance sheet risks
	Mark-to-market / fair value accounting

Implications

Restrained growth and returns

Reduced revenue pools

Increased funding costs

Risk of competitive distortions from 'national solutions'

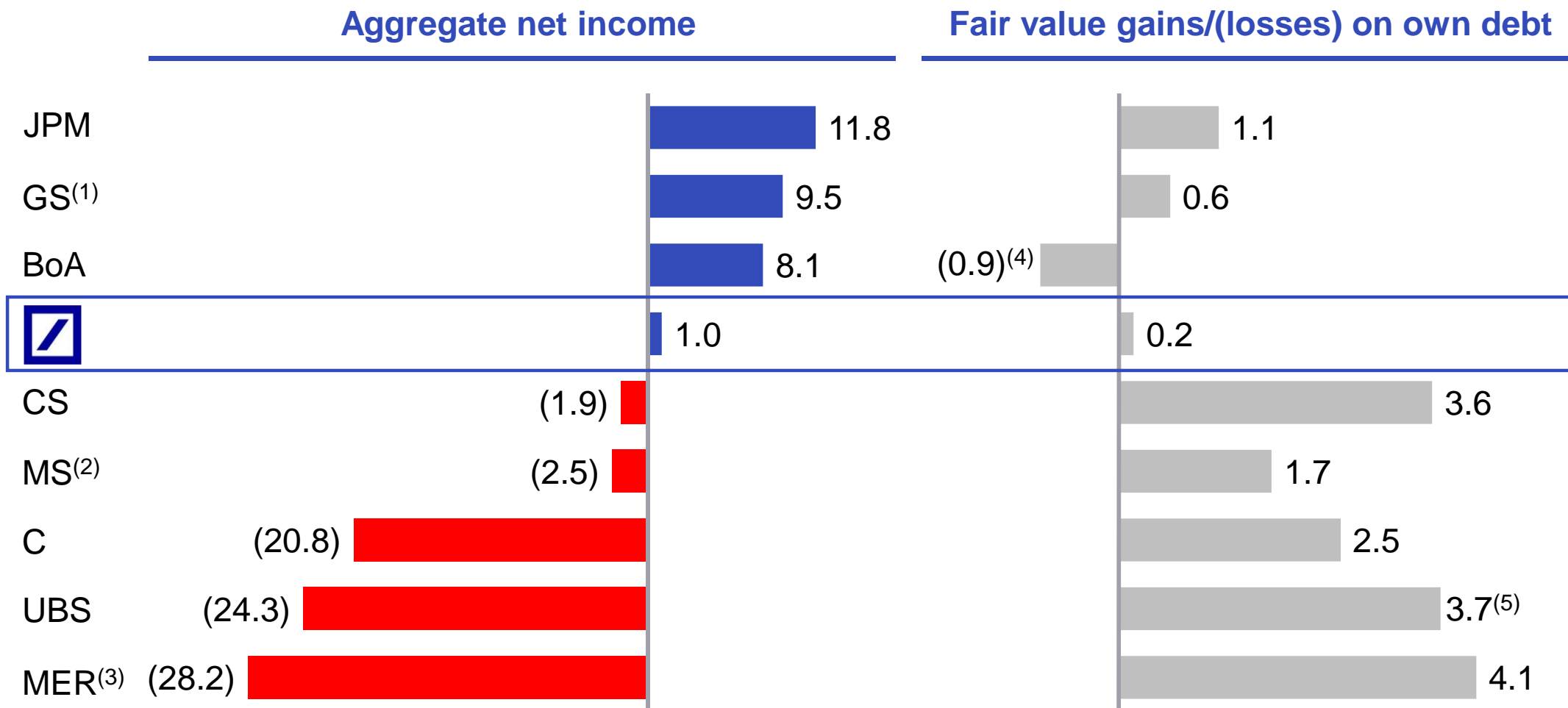


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Deutsche Bank a relative winner in the crisis ...

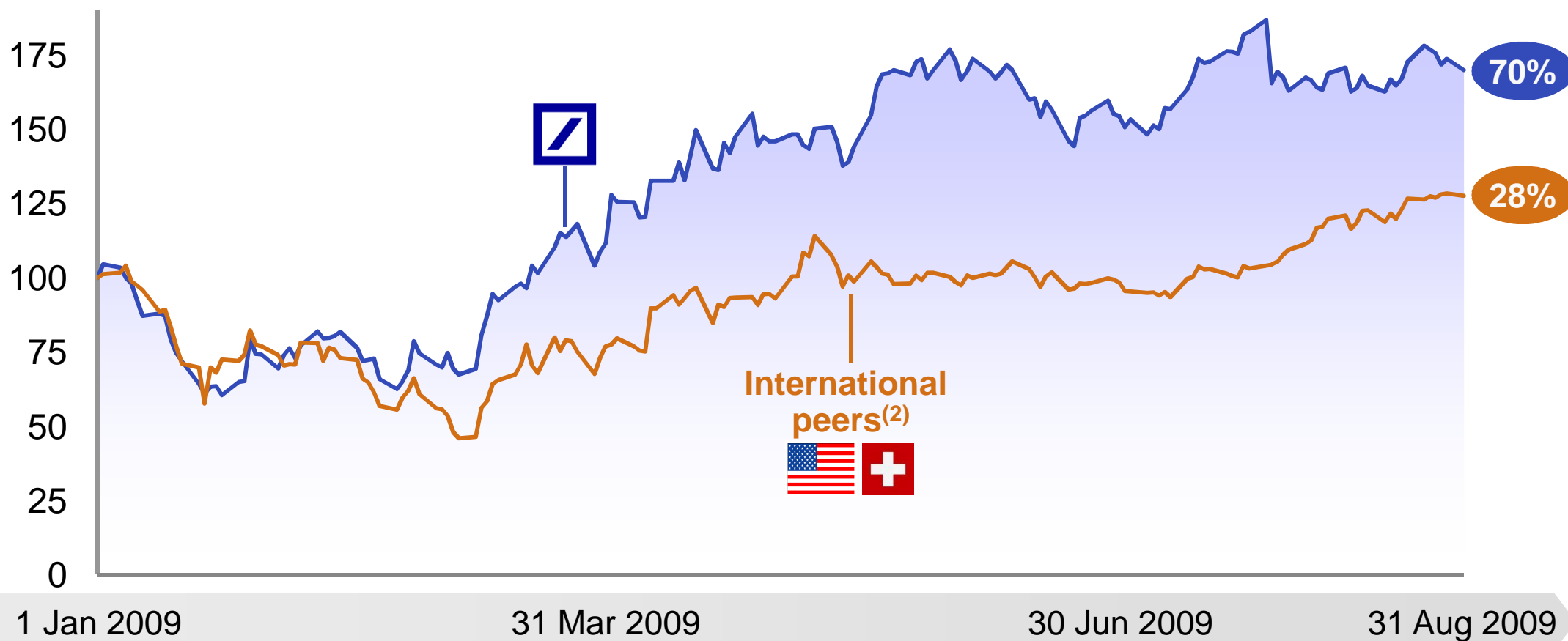
3Q2007 - 2Q2009, in EUR bn



(1) 3Q2007-4Q2008 based on diverging fiscal year (2) 3Q2007-4Q2007 net income and 3Q2007, 4Q2007, 3Q2008, 4Q2008 FV gains/(losses) based on diverging fiscal year
 (3) 3Q2007-4Q2008 (4) Reflects 1Q2009-2Q2009 only, no information was provided for previous periods (5) Reflects fair value gain on Mandatory Convertible Notes of EUR 2.4 bn in 1Q2008
 Note: Based on FY2007, 1Q2008-2Q2009 fair value gains/(losses) on own debt; for peers net income reflects net income attributable to the shareholders of the parent; converted into EUR based on average FX rate of respective reporting period Source: Company data

... as recognized by the market

In EUR⁽¹⁾, indexed: 1 Jan 2009 = 100



(1) International peers' share prices converted into EUR based on daily FX rates
(2) International peers (Citi, JPMorgan Chase, Bank of America, UBS, Credit Suisse)

Source: Bloomberg

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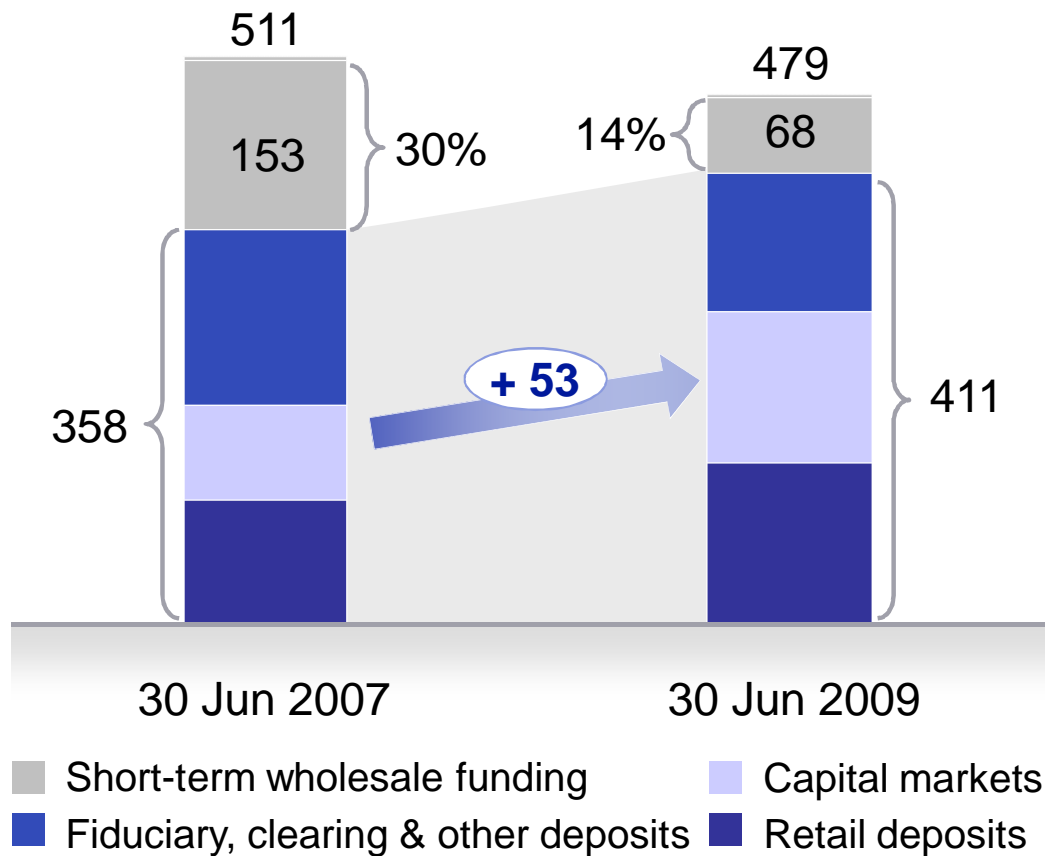
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Strong, good-quality, diversified funding base

Unsecured funding

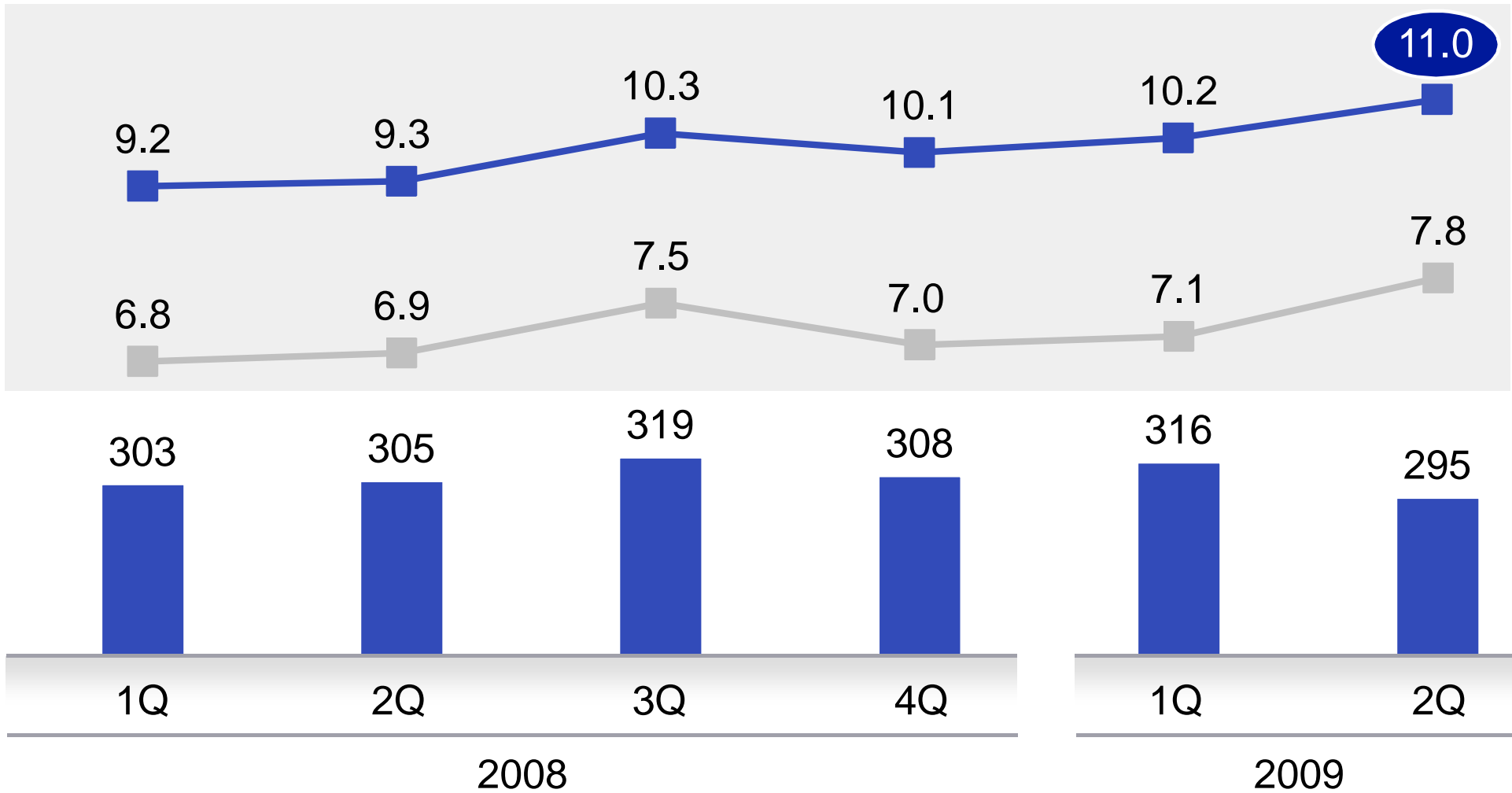
In EUR bn



Liquidity position

- Cash and liquidity reserves significantly exceed short-term wholesale funding of EUR 68 bn
- Comprehensive monthly liquidity stress testing, incl. contingent liquidity risks
- Cash and liquidity reserves safeguard prolonged positive net liquidity position under all stress scenarios
- Our liquidity management is rated A by Moody's (best possible score)

Best Tier 1 capital ratio since Basel framework was introduced



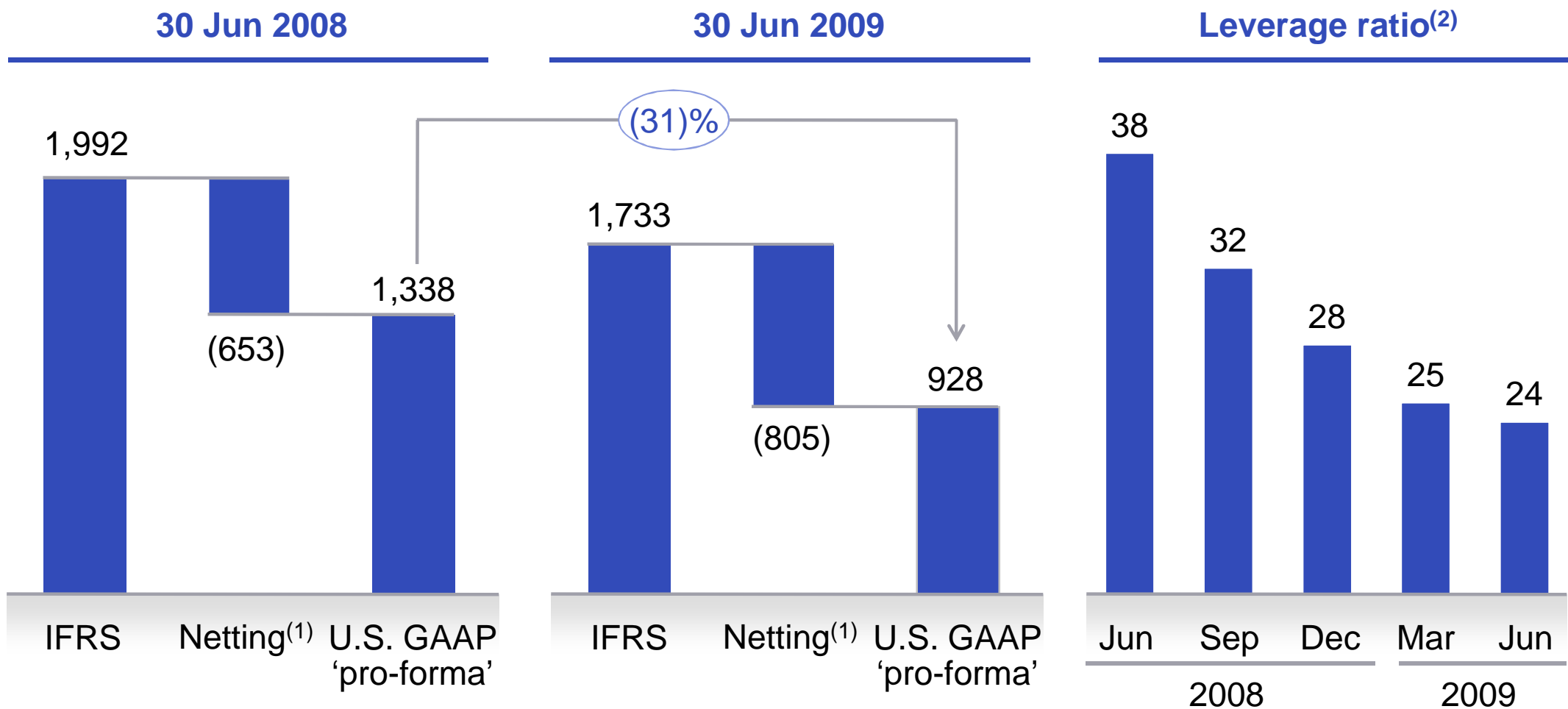
Target:
~10%

■ Tier 1 ratio, in %
 ■ Core Tier 1 ratio, in %
 ■ RWA, in EUR bn

Note: Core Tier 1 ratio = Tier 1 capital less Hybrid Tier 1 Capital divided by RWAs
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Increased asset efficiency

In EUR bn

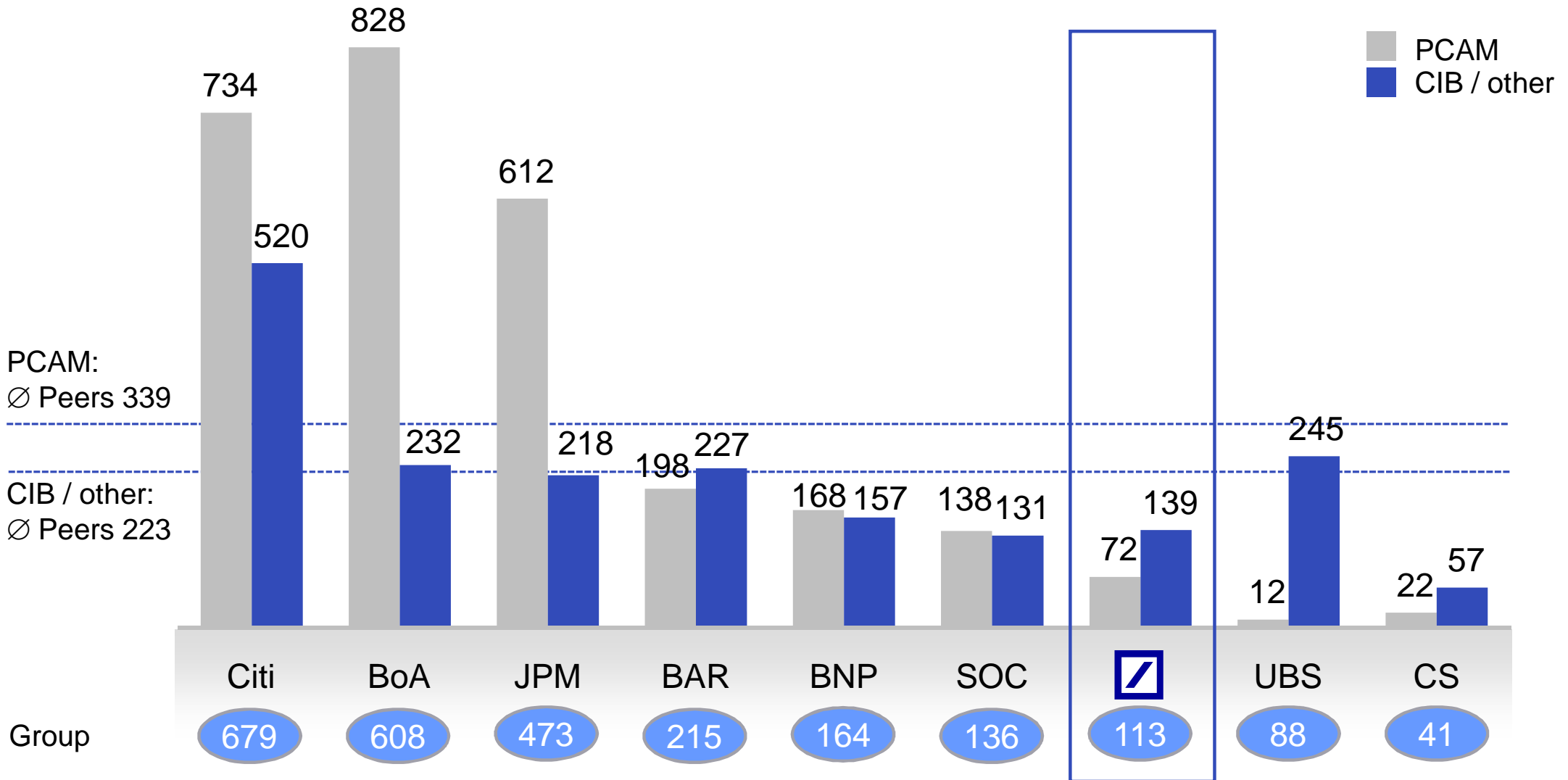


(1) For 30 June 2009 incl. derivatives netting of EUR 681 bn, pending settlements netting of EUR 113 bn and repo netting of EUR 10 bn; for 30 June 2008 incl. derivatives netting of EUR 498 bn, pending settlements netting of EUR 92 bn and repo netting of EUR 62 bn (2) Target definition

Note: Figures may not add up due to rounding differences

Disciplined credit risk management

1H2009 provisioning ratio, in bps⁽¹⁾



(1) Annualized, 1H2009 provision for credit losses divided by loan book as of 31 December 2008

Note: Figures may not add up due to rounding differences

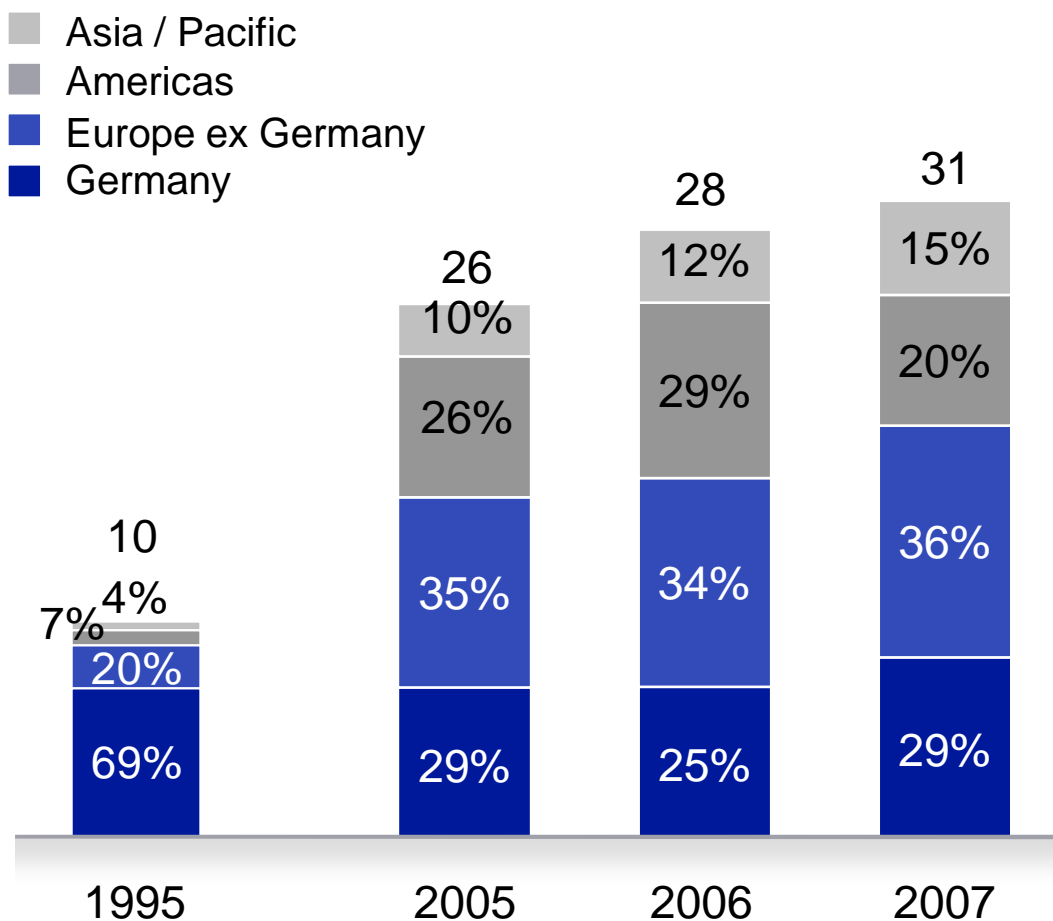
Source: Company data



Strong geographical and business diversification

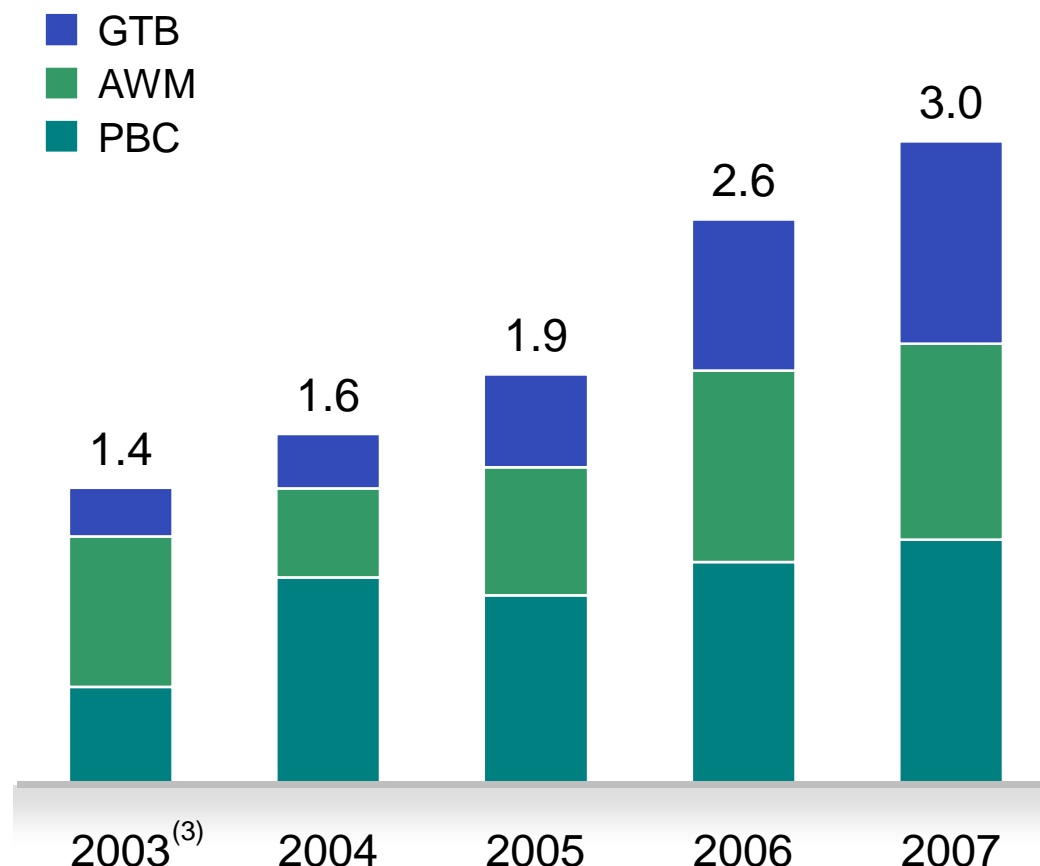
In EUR bn

Regional distribution of revenues⁽¹⁾



Non-Investmentbanking profits

Income before income taxes⁽²⁾



(1) 1995 based on IAS, 2005 based on U.S. GAAP, 2006 onwards based on IFRS (figures are therefore not fully comparable); distribution for 1995 based on total net revenues before consolidation, distribution for 2005 onwards based on net revenues of CIB and PCAM; total net revenues also include Corporate Investments and C&A

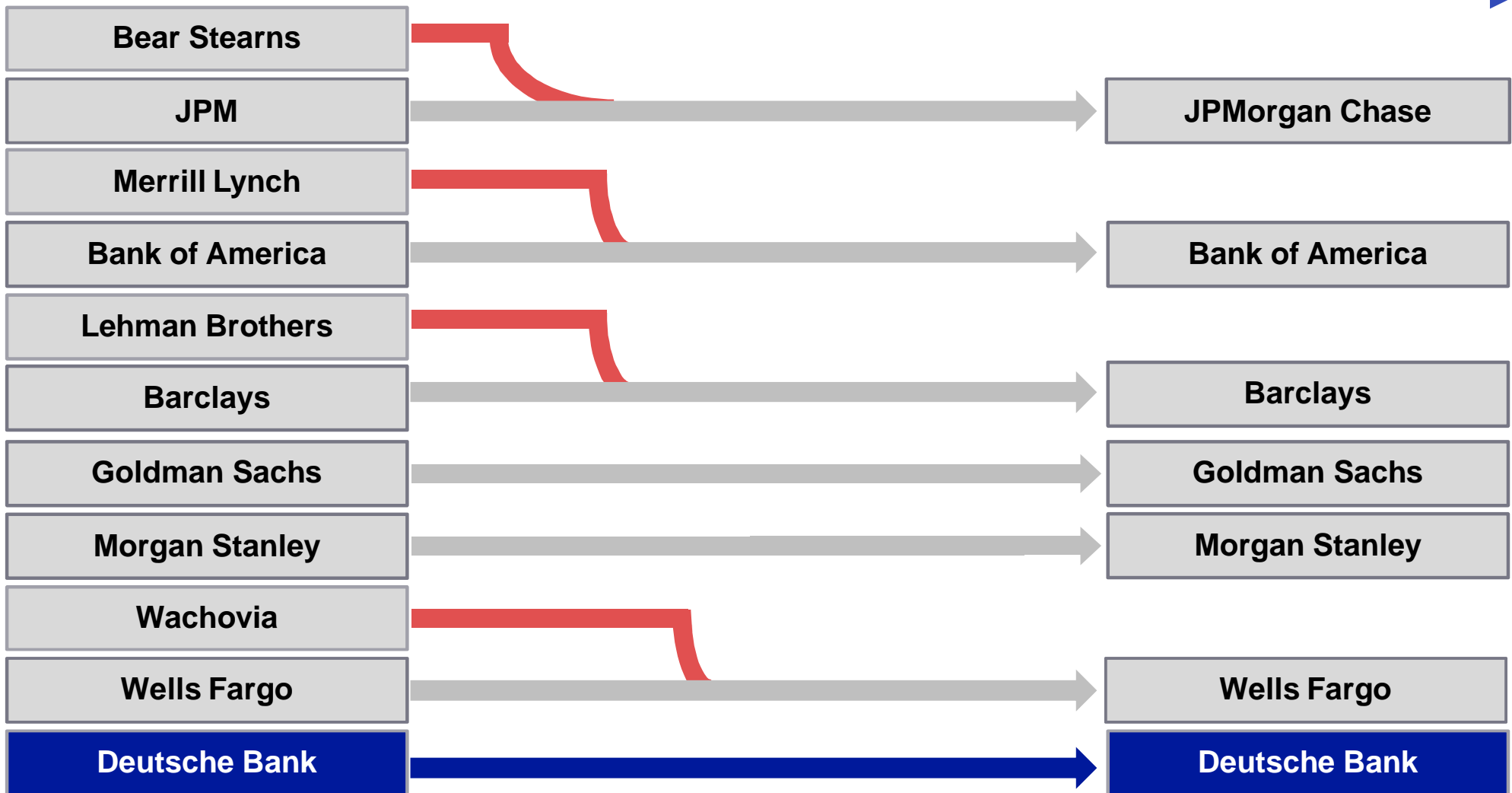
(2) 2003 - 2005 based on U.S. GAAP, 2006 onwards based on IFRS (3) GTB adjusted for gain on sale of GSS Note: Figures may not add up due to rounding differences

Significant structural changes: 'Winners emerge' ...

Acquired by

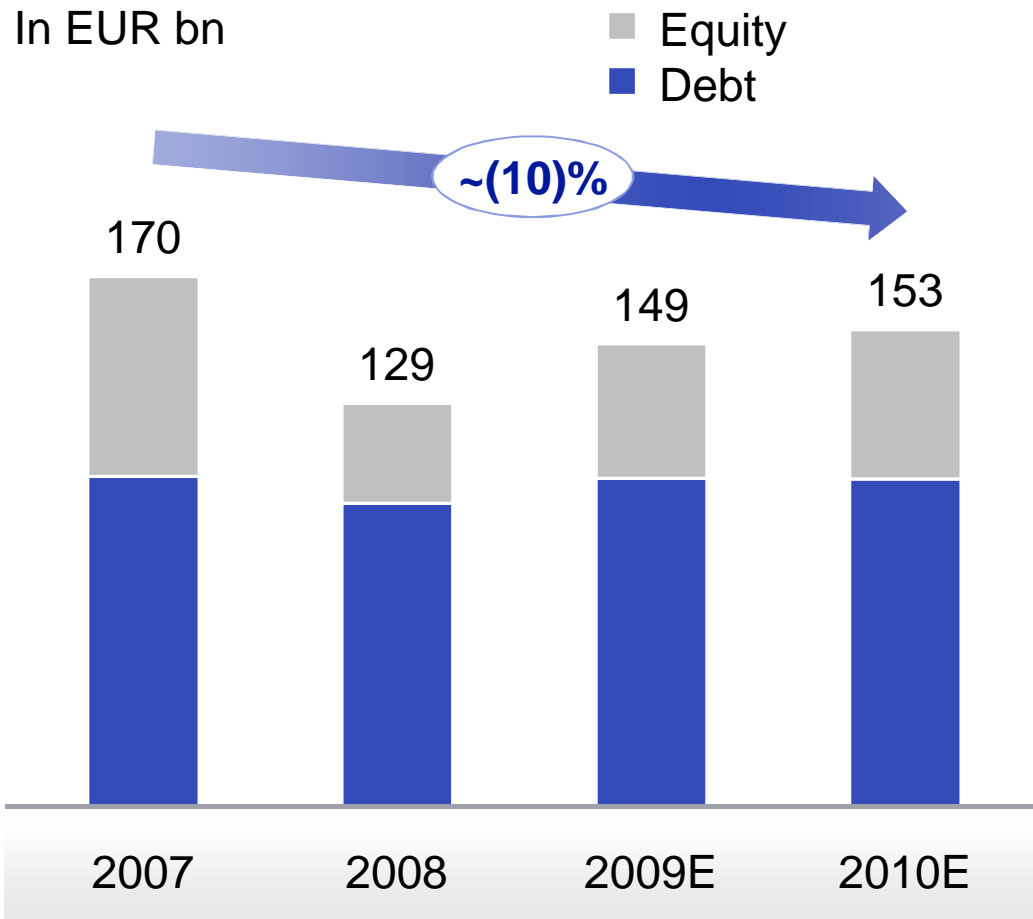
March 2008

Current

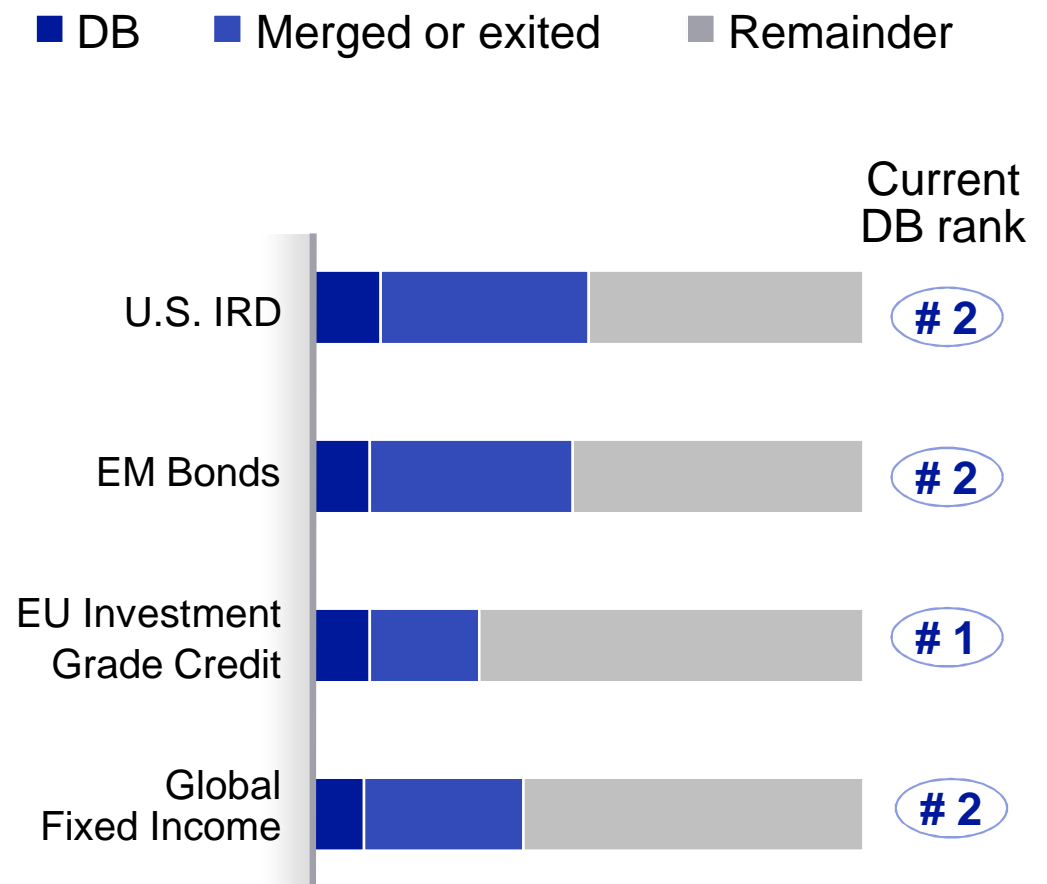


... creating an opportunity for Deutsche Bank to gain share in investment banking ...

Sales & Trading: Global revenue pool⁽¹⁾



Significant market share up for capture



(1) Deutsche Bank, McKinsey, Oliver Wyman, Coalition estimates of total market; underlying revenues excluding write-downs and losses

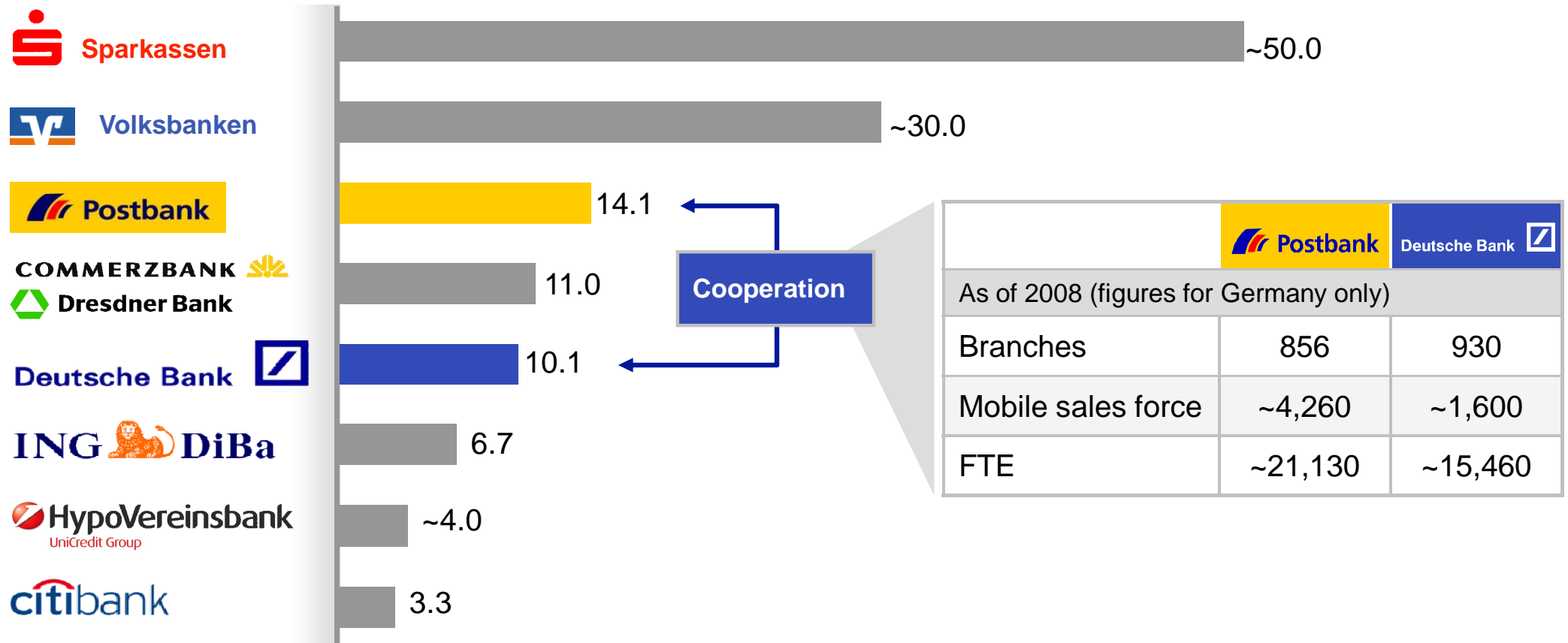
Note: IRD: Interest Rate Derivatives

Source: Company data, Greenwich Associates



... and increase strategic optionality in our home market

Clients of German retail banks as of 2008, in million



Deutsche Bank scorecard: 'A preliminary assessment'

Key financial data, 1H / 30 June 2008/2009

		30 June 2008	30 June 2009
Profitability	Income before income taxes (in EUR bn)	0.4	3.1
	Net income (in EUR bn)	0.5	2.3
	Pre-tax RoE (target definition) ⁽¹⁾	(4)%	20%
Capital and Risk	Tier 1 capital ratio	9.3%	11.0%
	Total assets (IFRS, in EUR bn)	1,992	1,733
	Total assets (U.S. GAAP 'pro-forma', in EUR bn)	1,338 ⁽²⁾	928

(1) Based on average active equity; pre-tax RoE reported per 30 June 2008: 3%, per 30 June 2009: 19%

(2) 30 June 2008 figures do not reflect revised application of U.S. GAAP netting rules started in September 2008





Cautionary statements

This presentation contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our revenues and in which we hold a substantial portion of our assets, the development of asset prices and market volatility, potential defaults of borrowers or trading counterparties, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and methods, and other risks referenced in our filings with the U.S. Securities and Exchange Commission. Such factors are described in detail in our SEC Form 20-F of 24 March 2009 under the heading “Risk Factors.” Copies of this document are readily available upon request or can be downloaded from www.deutsche-bank.com/ir.

This presentation also contains non-IFRS financial measures. For a reconciliation to directly comparable figures reported under IFRS, to the extent such reconciliation is not provided in this presentation, refer to the 2Q2009 Financial Data Supplement, which is accompanying this presentation and available at www.deutsche-bank.com/ir.