Media Release

Frankfurt am Main 26 April 2018

Deutsche Bank reports net income of 120 million euros for the first quarter of 2018

Christian Sewing, Chief Executive Officer, said: “We are on a good track both in the DWS asset management business and in our Private & Commercial Bank, although we need to substantially improve profitability in both. Our Corporate & Investment Bank is also doing well in some areas and held or gained market share in certain areas. However, we are not strong enough in other areas of this business. Therefore we have to act decisively and to adjust our strategy. There is no time to lose as the current returns for our shareholders are not acceptable.”

Deutsche Bank (XETRA: DBKGn.DE/NYSE: DB) reported income before income taxes of 432 million euros, versus 878 million euros in the first quarter of 2017. Net income was 120 million euros, versus 575 million euros in the prior year period.

Revenues were down slightly, and were impacted by exchange rate movements. In the first-quarter of 2018, net revenues were 7.0 billion euros, down 5% versus the prior year period. The year-on-year development was primarily driven by exchange rate movements, notably the appreciation of the euro against the US dollar, and lower revenues in the Corporate & Investment Bank. The prior year quarter was negatively impacted by Debt Valuation Adjustments.

Adjusted costs were essentially stable, and up slightly on an FX-adjusted basis. Noninterest expenses were 6.5 billion euros in the quarter, up 2% versus the prior year period. Adjusted for exchange rate movements, noninterest expenses were up 6%. Adjusted Costs were 6.3 billion euros, essentially unchanged on a reported basis, and up 4% taking account of exchange rate movements. Current - quarter adjusted costs included bank levies of 0.7 billion euros.

Bank levies increased by 124 million euros or 23% year-on-year, mainly driven by industry-wide higher annual contributions to the Single Resolution Fund, for which the full-year estimate is recorded in the first quarter. IT costs were higher by 86 million euros, or 118 million euros on an exchange rate adjusted basis, driven by depreciation charges on self-developed software, IT investments in the Private & Commercial Bank and investments to modernise IT infrastructure. Compensation

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and benefits expenses were slightly lower, as lower headcount and lower retention accruals more than offset wage inflation.

Credit quality remained strong. Provision for credit losses of 88 million euros declined by 34% versus the prior year quarter, partly reflecting releases in the Corporate & Investment Bank, driven primarily by favourable developments in the shipping segment.

The capital ratio remains solid. The Common Equity Tier 1 (CET1) ratio was 13.4% at the end of the first quarter, versus 14.0% at the end of 2017. CET1 capital declined by 1 billion euros, or 0.7 billion euros net of FX, largely due to adjustments including the treatment of irrevocable payment commitments to the Single Resolution Fund, adoption of the IFRS 9 accounting standard, and a number of other smaller movements. These were partly offset by a capital benefit from the partial initial public offering of DWS. Risk weighted assets (RWA) rose by 10 billion euros to 354 billion euros in the quarter, principally driven by business-related RWA growth in the Corporate & Investment Bank, together with a rise in market risk RWA against a backdrop of higher market volatility. The leverage ratio (CRR/CRD 4 fully loaded) was 3.7%, compared to 3.8% at the end of the fourth quarter of 2017.

Progress on the execution of strategy during the first quarter of 2018

The bank made progress with the implementation of its strategy in a number of areas during the quarter. The initial public offering of the asset management business, DWS, was successfully completed in March, only a year after its announcement. The bank continued to focus its geographic perimeter, reaching agreement on the sale of retail operations in Portugal, following the announcement in the previous quarter of the partial disposal of the bank’s Polish retail operations.

The integration of Postbank and Deutsche Bank’s Private & Commercial Clients business in Germany is proceeding on schedule. The bank has now received confirmation from the European Central Bank that the merged entity may apply the capital waiver permitting more efficient liquidity management for Deutsche Bank. Progress was also made on securing other approvals for the merger from the German authorities which are expected during the second quarter.

First-quarter revenue development in Deutsche Bank’s businesses

Corporate & Investment Bank (CIB): Revenues were 3.8 billion euros, down 13% year-on-year. Revenues in all business units were lower year-on-year. This development was partly impacted by specific effects, including exchange rate movements, changes in funding allocation methodology introduced in the second quarter of 2017, and one-time items in both the current quarter and prior year period. These were partly offset by the positive year-on-year impact of debt valuation adjustments. Excluding these items, revenues declined 11% year-on-year.

In our Sales & Trading businesses, Fixed Income and Currencies (FIC) revenues were down 16%, or 12% when adjusted for the specific effects mentioned above, versus a relatively strong prior year period. Equity Sales & Trading revenues declined 21% on a reported basis but were broadly flat year-on-year when adjusted for specific effects mentioned above, which included a one-time gain on the sale of a stake in BATS, the stock exchange operator, of approximately 80 million euros in the prior year quarter.

Global Transaction Banking revenues declined by 12%, partly reflecting the exchange rate impacts and changes in funding allocation methodology mentioned above, with Cash Management revenues impacted by earlier perimeter reductions. Revenues in Origination & Advisory were down 27% year-on-year against the backdrop of a decline of approximately 25% in euro terms in the industry fee pool versus the prior year period (source: *Dealogic*).

Private & Commercial Bank (PCB): Revenues were 2.6 billion euros, down 2% year-on-year on a reported basis. This development was largely attributable to specific one-time gains in the prior year quarter, which exceeded the net positive impact of specific items in the first quarter of 2018 by approximately 80 million euros. The prior year quarter saw positive impacts related to the workout of legacy positions in Sal. Oppenheim and the sale of Private Client Services. The current quarter saw a gain from a property sale within Postbank, offset by negative impacts from the agreements related to the sale of the Portuguese operations and partial sale of the Polish operations. When adjusted for these items, revenues were essentially stable year-on-year as higher loan revenues offset the ongoing impact of lower interest rates as well as the impact of the implementation of MiFID II.

Asset Management (AM): The Asset Management segment now consists almost entirely of the business of the majority owned subsidiary DWS. The results of the Asset Management segment, however, include certain items which are not part of the public company, DWS, whose results are published separately today. Asset Management revenues were 545 million euros, 10% lower year-on-year. This development was partly driven by exchange rate movements, a loss related to the sale of the German private equity business in the current quarter, and the non-recurrence of revenues in the prior year period from disposals of non-core businesses. Adjusting for these items, revenues declined 3% year-on-year.

The segment reported net asset outflows of 8 billion euros, attributable mainly to outflows of predominantly low-margin assets, specifically redemptions from two clients: a US client repatriating balance sheet investments to the US following the implementation of US tax reform and a redemption from a European insurance client. Assets under management declined 3% during the quarter, reflecting net outflows together with foreign exchange and market impacts. In Europe, DWS ranked second in inflows of exchange traded products in the quarter with inflows of 3.6 billion euros (Source: ETFGI).

Note: for exchange rate-adjusted year-on-year comparisons, prior year figures are recalculated using the corresponding current year's monthly FX rates.

Group Results

in € m (unless stated otherwise)	Q1 2018	Q1 2017	Q4 2017	YoY	QoQ
Net revenues	**6,976**	**7,346**	**5,710**	**(369)**	**1,267**
Provision for credit losses	(88)	(133)	(129)	46	42
Noninterest expenses	**(6,457)**	**(6,334)**	**(6,986)**	**(123)**	**529**
therein:					
Impairment of goodwill & intangibles	0	0	(15)	0	15
Litigation	(66)	31	(131)	(97)	64
Restructuring and severance	(41)	(29)	(440)	(12)	399
Adjusted costs	**(6,350)**	**(6,336)**	**(6,401)**	**(14)**	**51**
Income (loss) before income taxes	432	878	(1,406)	(446)	1,838
Net income	120	575	(2,425)	(455)	2,545
Cost/income ratio	93 %	86 %	122 %	6 ppt	(30)ppt
Compensation ratio	43 %	43 %	59 %	0 ppt	(16)ppt
RWA (in € bn)	354	358	344	(3)	10
Tangible book value per share (in €)	25.70	32.00	25.94	(6.30)	(0.24)

Capital and leverage

in € bn (unless stated otherwise)	Mar 31, 2018	Mar 31, 2017	Dec 31, 2017	YoY	QoQ
CET1 capital ratio (CRR/CRD4 fully-loaded)	13.4%	11.8%	14.0%	1.6 ppt	(0.7) ppt
Total assets (IFRS)	1,478	1,565	1,475	(87)	3
Leverage exposure (CRR/CRD4 fully-loaded)	1,409	1,369	1,395	40	14
Tier 1 capital	52	47	53	5	(1)
Leverage ratio (CRR/CRD4 fully-loaded)	3.7%	3.4%	3.8%	0.3 ppt	(0.1) ppt

Note: Mar 31, 2018 Tier 1 capital (phase-in) was € 56 bn, and leverage ratio (phase-in) is 4.0%

Segment results

Corporate & Investment Bank (CIB)

in € m (unless stated otherwise)	Q1 2018	Q1 2017	Q4 2017	YoY	QoQ
Net revenues	3,846	4,408	2,732	(563)	1,114
Global Transaction Banking	918	1,042	944	(124)	(26)
Origination & Advisory	480	657	537	(177)	(57)
Sales & Trading (FIC)	1,910	2,270	1,079	(359)	831
Sales & Trading (Equity)	543	687	329	(143)	214
Provision for credit losses	3	(57)	(7)	60	10
Noninterest expenses	(3,641)	(3,570)	(3,423)	(71)	(218)
Noncontrolling interest	(3)	(4)	(1)	1	(1)
Income (loss) before income taxes	205	777	(700)	(572)	905
RWA (in € bn)	241	244	232	(3)	10

Private & Commercial Bank (PCB)

in € m (unless stated otherwise)	Q1 2018	Q1 2017	Q4 2017	YoY	QoQ
Net revenues	2,639	2,704	2,313	(65)	327
Provision for credit losses	(88)	(78)	(123)	(11)	34
Noninterest expenses	(2,229)	(2,197)	(2,853)	(32)	624
Noncontrolling interest	(0)	0	12	(0)	(12)
Income (loss) before income taxes	322	430	(651)	(108)	973
RWA (in € bn)	88	88	87	0	0

Asset Management (AM)

in € m (unless stated otherwise)	Q1 2018	Q1 2017	Q4 2017	YoY	QoQ
Net revenues	545	607	621	(61)	(76)
Provision for credit losses	(0)	0	0	(0)	(1)
Noninterest expenses	(472)	(421)	(507)	(51)	35
Noncontrolling interest	(0)	(0)	(0)	(0)	(0)
Income (loss) before income taxes	72	185	114	(113)	(41)
RWA (in € bn)	9	10	8	(1)	0

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An analyst call to discuss first-quarter 2018 financial results will take place today, Thursday, 26 April 2018, at 08.00 CEST. This conference call will be transmitted via internet: www.db.com/quarterly-results

A Fixed Income investor call will take place on Wednesday, 2 May 2018, at 14.00 CEST. This conference call will be transmitted via internet: www.db.com/bondholder-presentations

An Interim Report, a Financial Data Supplement (FDS), presentation and audio-webcast for the analyst conference call are available at: www.db.com/quarterly-results

The Deutsche Bank Pillar 3 Report, March 2018 (produced on a quarterly basis from now) as well as the “Disclosures for Global Systemically Important Institutions (G-SIIs) 2017” are both published today and are available at: www.db.com/regulatory-reporting

This document contains non-IFRS financial measures. For a reconciliation to directly comparable figures under IFRS, to the extent not provided herein, please refer to the Financial Data Supplement.

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