

Consolidated Statement of Income (unaudited)

Income Statement

in € m.	Three months ended		Six months ended	
	Jun 30, 2006	Jun 30, 2005	Jun 30, 2006	Jun 30, 2005
Interest revenues	15,493	11,468	27,978	20,376
Interest expense	13,623	9,855	24,504	17,320
Net interest revenues	1,870	1,613	3,474	3,056
Provision for loan losses	95	75	105	169
Net interest revenues after provision for loan losses	1,775	1,538	3,369	2,887
Commissions and fees from fiduciary activities	1,034	848	1,972	1,657
Commissions, broker's fees, markups on securities underwriting and other securities activities	1,289	951	2,575	1,869
Fees for other customer services	630	553	1,287	1,160
Trading revenues, net	1,717	1,593	4,688	4,004
Net gains on securities available for sale	125	90	167	200
Net income from equity method investments	51	88	322	220
Other revenues	84	165	305	318
Total noninterest revenues	4,930	4,288	11,316	9,428
Compensation and benefits	3,088	2,640	6,712	5,638
Net occupancy expense of premises	250	258	500	503
Furniture and equipment	38	40	80	80
IT costs	371	373	744	750
Agency and other professional service fees	298	197	569	379
Communication and data services	153	145	311	292
Other expenses	583	643	1,198	1,192
Goodwill impairment/impairment of intangibles	–	–	–	–
Restructuring activities	57	116	99	284
Total noninterest expenses	4,838	4,412	10,213	9,118
Income before income tax expense and cumulative effect of accounting changes	1,867	1,414	4,472	3,197
Income tax expense	641	467	1,582	1,116
Reversal of 1999/2000 credits for tax rate changes	–	–	–	31
Income before cumulative effect of accounting changes, net of tax	1,226	947	2,890	2,050
Cumulative effect of accounting changes, net of tax	–	–	46	–
Net income	1,226	947	2,936	2,050

Earnings per Share (EPS)

in €	Three months ended		Six months ended	
	Jun 30, 2006	Jun 30, 2005	Jun 30, 2006	Jun 30, 2005
Earnings per common share:				
Basic:				
Income before cumulative effect of accounting changes, net of tax	2.74	2.04	6.41	4.40
Cumulative effect of accounting changes, net of tax ¹	–	–	0.10	–
Net income	2.74	2.04	6.51	4.40
Diluted:				
Income before cumulative effect of accounting changes, net of tax ²	2.17	1.90	5.48	4.06
Cumulative effect of accounting changes, net of tax ¹	–	–	0.09	–
Net income	2.17	1.90	5.57	4.06
Number of shares in m.				
Denominator for basic earnings per share – weighted-average shares outstanding	446.8	463.8	450.8	465.7
Denominator for diluted earnings per share – adjusted weighted-average shares after assumed conversions	511.7	498.9	514.8	503.9

¹ Related to SFAS 123(R), the cumulative effect of accounting changes, net of tax, was € 0.09 on basic EPS and € 0.08 on diluted EPS for the six months ended June 30, 2006. Related to EITF 05-5, the cumulative effect of accounting changes, net of tax, was € 0.01 on basic and diluted EPS each for the six months ended June 30, 2006.

² Including numerator effect of assumed conversions. The effect for the three and six months ended June 30, 2006 was € (0.22) and € (0.13), respectively. The effect for the three and six months ended June 30, 2005 was € 0.00 and € (0.01), respectively.

Consolidated Balance Sheet

Assets

in € m.	Jun 30, 2006 (unaudited)	Dec 31, 2005
Cash and due from banks	6,987	6,571
Interest-earning deposits with banks	17,306	11,963
Central bank funds sold and securities purchased under resale agreements	150,272	130,993
Securities borrowed	106,065	101,125
Bonds and other fixed-income securities	271,391	260,469
Equity shares and other variable-yield securities	92,624	99,479
Positive market values from derivative financial instruments	78,096	75,354
Other trading assets	13,431	13,091
Total trading assets	455,542	448,393
Securities available for sale	21,640	21,675
Other investments	4,380	7,382
Loans, net	163,958	151,355
Premises and equipment, net	4,791	5,079
Goodwill	6,779	7,045
Other intangible assets, net	1,129	1,198
Other assets	119,444	99,382
Total assets	1,058,293	992,161

Liabilities and Shareholders' Equity

in € m.	Jun 30, 2006 (unaudited)	Dec 31, 2005
Noninterest-bearing deposits	27,533	30,005
Interest-bearing deposits	339,720	350,782
Total deposits	367,253	380,787
Bonds and other fixed-income securities	96,379	81,294
Equity shares and other variable-yield securities	33,224	28,473
Negative market values from derivative financial instruments	91,188	84,580
Total trading liabilities	220,791	194,347
Central bank funds purchased and securities sold under repurchase agreements	184,282	143,524
Securities loaned	11,191	24,581
Other short-term borrowings	28,839	20,549
Other liabilities	91,087	81,377
Long-term debt	121,467	113,554
Obligation to purchase common shares	4,319	3,506
Total liabilities	1,029,229	962,225
Common shares, no par value, nominal value of € 2.56	1,330	1,420
Additional paid-in capital	14,581	11,672
Retained earnings	22,023	22,628
Common shares in treasury, at cost	(2,139)	(3,368)
Equity classified as obligation to purchase common shares	(4,319)	(3,506)
Share awards	–	2,121
Accumulated other comprehensive income (loss)		
Deferred tax on unrealized net gains on securities available for sale relating to 1999 and 2000 tax rate changes in Germany	(2,164)	(2,164)
Unrealized net gains on securities available for sale, net of applicable tax and other	1,829	2,498
Unrealized net gains (losses) on derivatives hedging variability of cash flows, net of tax	(52)	9
Minimum pension liability, net of tax	(8)	(8)
Foreign currency translation, net of tax	(2,017)	(1,366)
Total accumulated other comprehensive loss	(2,412)	(1,031)
Total shareholders' equity	29,064	29,936
Total liabilities and shareholders' equity	1,058,293	992,161

Segmental Results of Operations (unaudited)

Three months ended Jun 30, 2006	Corporate and Investment Bank			Private Clients and Asset Management			Corporate Investments	Total Management Reporting
	Corporate Banking & Securities	Global Transaction Banking	Total	Asset and Wealth Management	Private & Business Clients	Total		
in € m. (except percentages)								
Net revenues	3,965	564	4,529	1,080	1,229	2,309	145	6,983
Underlying revenues	3,965	564	4,529	1,034	1,229	2,263	92	6,885
Provision for loan losses	(17)	1	(16)	0	88	89	22	95
Provision for off-balance sheet positions ¹	6	(6)	(0)	(0)	(0)	(0)	(16)	(16)
Provision for credit losses	(11)	(6)	(17)	0	88	88	7	78
Operating cost base	2,754	365	3,120	830	860	1,690	31	4,840
Minority interest	11	–	11	(4)	0	(4)	(1)	6
Restructuring activities	17	8	25	10	22	32	0	57
Goodwill impairment/ impairment of intangibles	–	–	–	–	–	–	–	–
Policyholder benefits and claims	–	–	–	11	–	11	–	11
Provision for off-balance sheet positions ¹	6	(6)	(0)	(0)	(0)	(0)	(16)	(16)
Total noninterest expenses	2,789	367	3,155	846	881	1,727	14	4,897
Income before income taxes	1,193	197	1,390	233	260	493	109	1,991
Add (deduct):								
Net losses on securities available for sale/industrial holdings including hedging	–	–	–	–	–	–	1	1
Significant equity pick-ups/ net gains from investments ²	–	–	–	–	–	–	(54)	(54)
Net gains from businesses sold/ held for sale	–	–	–	(35)	–	(35)	–	(35)
Net gains related to premises	–	–	–	–	–	–	–	–
Restructuring activities	17	8	25	10	22	32	0	57
Goodwill impairment/ impairment of intangibles	–	–	–	–	–	–	–	–
Underlying pre-tax profit	1,211	204	1,415	209	281	490	56	1,961
Cost/income ratio in %	70	66	70	78	72	75	21	70
Underlying cost/income ratio in %	69	65	69	80	70	75	33	70
Assets ³	939,728	22,125	948,949	34,480	86,563	121,008	14,560	1,051,324
Risk-weighted positions (BIS risk positions)	168,505	13,304	181,809	12,042	62,168	74,210	4,923	260,942
Average active equity	16,334	1,065	17,399	4,934	2,270	7,204	1,159	25,762
Pre-tax return on average active equity in %	29	74	32	19	46	27	38	31
Underlying pre-tax return on average active equity in %	30	77	33	17	50	27	19	30

¹ Provision for off-balance sheet positions is reclassified from "Noninterest expenses" to "Provision for credit losses".

² Includes net gains/losses from significant equity method investments and other significant investments.

³ 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 the group division level. The same approach holds true for the sum of group divisions compared to Total Management Reporting, which include consolidation items between group divisions.

Three months ended Jun 30, 2005	Corporate and Investment Bank			Private Clients and Asset Management			Corporate Invest- ments	Total Manage- ment Reporting
	Corporate Banking & Securities	Global Trans- action Banking	Total	Asset and Wealth Manage- ment	Private & Business Clients	Total		
in € m. (except percentages)								
Net revenues	3,081	479	3,560	865	1,147	2,011	258	5,829
Underlying revenues	3,081	479	3,560	856	1,147	2,002	200	5,763
Provision for loan losses	(18)	16	(2)	(1)	73	73	4	75
Provision for off-balance sheet positions ¹	12	(7)	5	(0)	(0)	(0)	(0)	5
Provision for credit losses	(6)	9	3	(1)	73	73	4	80
Operating cost base	2,334	357	2,691	735	827	1,562	52	4,305
Minority interest	9	–	9	(3)	0	(3)	(0)	6
Restructuring activities	39	9	47	54	15	69	(0)	116
Goodwill impairment/ impairment of intangibles	–	–	–	–	–	–	–	–
Policyholder benefits and claims	–	–	–	9	–	9	–	9
Provision for off-balance sheet positions ¹	12	(7)	5	(0)	(0)	(0)	(0)	5
Total noninterest expenses	2,393	359	2,752	794	842	1,637	52	4,440
Income before income taxes	705	104	810	71	231	302	202	1,313
Add (deduct):								
Net gains on securities available for sale/industrial holdings including hedging	–	–	–	–	–	–	(0)	(0)
Significant equity pick-ups/ net gains from investments ²	–	–	–	–	–	–	(18)	(18)
Net gains from businesses sold/ held for sale	–	–	–	–	–	–	–	–
Net gains related to premises	–	–	–	–	–	–	(40)	(40)
Restructuring activities	39	9	47	54	15	69	(0)	116
Goodwill impairment/ impairment of intangibles	–	–	–	–	–	–	–	–
Underlying pre-tax profit	744	113	857	125	246	371	144	1,372
Cost/income ratio in %	77	76	77	92	73	81	20	76
Underlying cost/income ratio in %	76	74	76	86	72	78	26	75
Assets (as of Dec 31, 2005) ³	872,951	18,056	881,649	37,150	86,528	123,640	15,025	984,184
Risk-weighted positions (BIS risk positions)	146,237	12,560	158,797	12,729	56,958	69,687	10,020	238,504
Average active equity	12,365	1,323	13,688	4,789	1,512	6,301	3,592	23,581
Pre-tax return on average active equity in %	23	32	24	6	61	19	22	22
Underlying pre-tax return on average active equity in %	24	34	25	10	65	24	16	23

¹ Provision for off-balance sheet positions is reclassified from "Noninterest expenses" to "Provision for credit losses".

² Includes net gains/losses from significant equity method investments and other significant investments.

³ 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 the group division level. The same approach holds true for the sum of group divisions compared to Total Management Reporting, which include consolidation items between group divisions.

Reconciliation of Reported to Underlying Results (unaudited)

Set forth below are the reconciliations of non-U.S. GAAP financial measures to the most directly comparable U.S. GAAP financial measures.

in € m.	Three months ended		Change in %	Six months ended		Change in %
	Jun 30, 2006	Jun 30, 2005		Jun 30, 2006	Jun 30, 2005	
Reported net revenues¹	6,800	5,901	15	14,790	12,484	18
Add (deduct):						
Net (gains) losses on securities available for sale/industrial holdings including hedging	1	(0)	N/M	(8)	(87)	(91)
Significant equity pick-ups/net gains from investments ²	(54)	(18)	N/M	(179)	(44)	N/M
Net gains from businesses sold/held for sale	(35)	–	N/M	(35)	–	N/M
Net (gains) losses related to premises	–	(40)	N/M	2	(40)	N/M
Policyholder benefits and claims ³	(11)	(9)	27	(29)	(23)	24
Underlying revenues	6,702	5,835	15	14,541	12,290	18
Reported provision for loan losses	95	75	26	105	169	(38)
Provision for off-balance sheet positions ⁴	(16)	5	N/M	(23)	(8)	196
Provision for credit losses	78	80	(2)	82	161	(49)
Reported noninterest expenses	4,838	4,412	10	10,213	9,118	12
Add (deduct):						
Restructuring activities	(57)	(116)	(51)	(99)	(284)	(65)
Goodwill impairment/impairment of intangibles	–	–	N/M	–	–	N/M
Provision for real estate fund investor compensation	5	–	N/M	5	–	N/M
Minority interest	(5)	(11)	(56)	(24)	(22)	9
Policyholder benefits and claims ³	(11)	(9)	27	(29)	(23)	24
Provision for off-balance sheet positions ⁴	16	(5)	N/M	23	8	196
Operating cost base	4,788	4,272	12	10,090	8,798	15
Reported income before income taxes⁵	1,867	1,414	32	4,472	3,197	40
Add (deduct):						
Net (gains) losses on securities available for sale/industrial holdings including hedging	1	(0)	N/M	(8)	(87)	(91)
Significant equity pick ups/net gains from investments ²	(54)	(18)	N/M	(179)	(44)	N/M
Net gains from businesses sold/held for sale	(35)	–	N/M	(35)	–	N/M
Net (gains) losses related to premises	–	(40)	N/M	2	(40)	N/M
Restructuring activities	57	116	(51)	99	284	(65)
Goodwill impairment/impairment of intangibles	–	–	N/M	–	–	N/M
Provision for real estate fund investor compensation	(5)	–	N/M	(5)	–	N/M
Underlying pre-tax profit	1,831	1,472	24	4,346	3,310	31

N/M – Not meaningful

¹ Net interest revenues before provision for loan losses and total noninterest revenues.

² Includes net gains/losses from significant equity method investments and other significant investments.

³ Policyholder benefits and claims are reclassified from "Noninterest expenses" to "Underlying revenues".

⁴ Provision for off-balance sheet positions is reclassified from "Noninterest expenses" to "Provision for credit losses".

⁵ Income before income tax expense and cumulative effect of accounting changes.

Reconciliation of Group Reported and Underlying Ratios

(unaudited)

in € m.	Three months ended		Change	Six months ended		Change
	Jun 30, 2006	Jun 30, 2005		Jun 30, 2006	Jun 30, 2005	
Reconciliation of cost ratios:						
Reported noninterest expenses	4,838	4,412	10 %	10,213	9,118	12 %
Deduct:						
Compensation and benefits	3,088	2,640	17 %	6,712	5,638	19 %
Non-compensation noninterest expenses	1,750	1,772	(1)%	3,501	3,480	1 %
Add (deduct):						
Restructuring activities	(57)	(116)	(51)%	(99)	(284)	(65)%
Goodwill impairment/impairment of intangibles	–	–	N/M	–	–	N/M
Provision for real estate fund investor compensation	5	–	N/M	5	–	N/M
Minority interest	(5)	(11)	(55)%	(24)	(22)	9 %
Policyholder benefits and claims	(11)	(9)	27 %	(29)	(23)	24 %
Provision for off-balance sheet positions	16	(5)	N/M	23	8	196 %
Non-compensation operating cost base	1,700	1,632	4 %	3,378	3,160	7 %
Cost/income ratio	71.1%	74.8%	(3.7)ppt	69.1%	73.0%	(3.9)ppt
Underlying cost/income ratio	71.4%	73.2%	(1.8)ppt	69.4%	71.6%	(2.2)ppt
Compensation ratio	45.4%	44.7%	0.7 ppt	45.4%	45.2%	0.2 ppt
Underlying compensation ratio	46.1%	45.2%	0.9 ppt	46.2%	45.9%	0.3 ppt
Non-compensation ratio	25.7%	30.0%	(4.3)ppt	23.7%	27.9%	(4.2)ppt
Underlying non-compensation ratio	25.4%	28.0%	(2.6)ppt	23.2%	25.7%	(2.5)ppt
Reconciliation of profitability ratios:						
Net income	1,226	947	29 %	2,936	2,050	43 %
Add (deduct):						
Reversal of 1999/2000 credits for tax rate changes	–	–	N/M	–	31	N/M
Cumulative effect of accounting changes, net of tax	–	–	N/M	(46)	–	N/M
Adjusted net income	1,226	947	29 %	2,890	2,081	39 %
Average shareholders' equity	30,092	26,778	12 %	30,215	26,589	14 %
Add (deduct):						
Average unrealized gains on securities available for sale, net of applicable tax	(2,192)	(1,443)	52 %	(2,390)	(1,591)	50 %
Average dividend accruals	(1,768)	(1,125)	57 %	(1,656)	(1,083)	53 %
Average active equity	26,132	24,210	8 %	26,169	23,915	9 %
Return on average shareholders' equity (after tax)	16.3%	14.1%	2.2 ppt	19.4%	15.4%	4.0 ppt
Adjusted return on average active equity (after tax)	18.8%	15.6%	3.2 ppt	22.1%	17.4%	4.7 ppt
Pre-tax return on average shareholders' equity	24.8%	21.1%	3.7 ppt	29.6%	24.0%	5.6 ppt
Pre-tax return on average active equity	28.6%	23.4%	5.2 ppt	34.2%	26.7%	7.5 ppt
Underlying pre-tax return on average active equity	28.0%	24.3%	3.7 ppt	33.2%	27.7%	5.5 ppt
Equity turnover (based on average shareholders' equity)	90.4%	88.1%	2.3 ppt	97.9%	93.9%	4.0 ppt
Equity turnover (based on average active equity)	104.1%	97.5%	6.6 ppt	113.0%	104.4%	8.6 ppt
Underlying equity turnover (based on average active equity)	102.6%	96.4%	6.2 ppt	111.1%	102.8%	8.3 ppt
Profit margin	27.5%	24.0%	3.5 ppt	30.2%	25.6%	4.6 ppt
Underlying profit margin	27.3%	25.2%	2.1 ppt	29.9%	26.9%	3.0 ppt

ppt – percentage points N/M – Not meaningful