Deutsche Bank

# Q2 2020 results

29 July 2020

# Continued progress on strategic transformation

- Delivered against all targets and major milestones in first 12 months of strategic transformation
- Momentum in core businesses driving Group profitability despite Capital Release Unit wind-down, elevated provision for credit losses and transformation costs
- Benefited from conservative risk management across credit, market and operational risk
- Strengthened capital and liquidity while supporting clients through stress period
- Progress on broader agenda - introduced sustainable financing target and improved employee engagement

# Delivering against key milestones

## Exit businesses

Exit from Equities Trading and refocus Rates

- ✓ Completed exit from Equities Trading
- ✓ Ongoing execution of Prime Finance transfer
- ✓ Re-sized Rates

## Create four client-centric divisions

Focus on market leading businesses with attractive growth and return profiles

- ✓ Created new business divisions
- ✓ Executing on business strategies
- ✓ Strengthened cross divisional collaboration

## Cut costs

Reduce adjusted costs[1] by € 6bn by 2022

- ✓ 50% of target cost reduction run-rate complete
- ✓ Three quarters of transformation costs absorbed
- ✓ Execution on transformation initiatives to drive structural cost savings

## Invest in technology & growth

Further improve technology and control framework

- ✓ € 13bn technology investment reaffirmed
- ✓ Defined technology strategy
- ✓ Progress on regulatory remediation

## Manage and liberate capital

Maintain conservative balance sheet with strong capital and liquidity

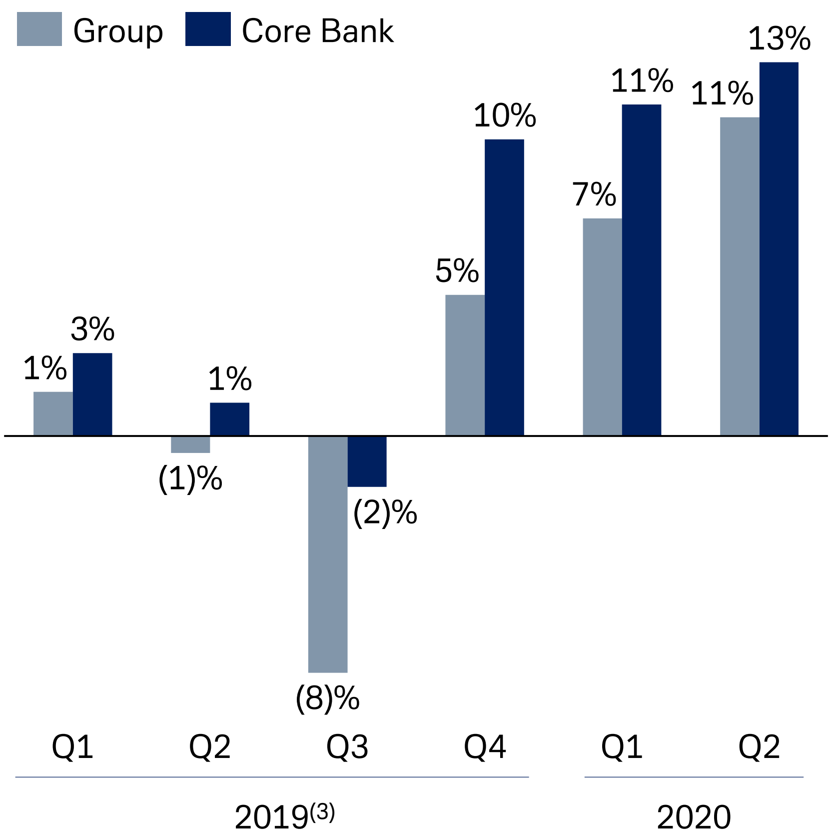
- ✓ Reduced Capital Release Unit RWA by ~40%
- ✓ Maintained strong CET1 ratio while absorbing regulatory headwinds
- ✓ Sufficient capital and liquidity to support client growth

(1) Throughout this presentation, adjusted costs defined as total noninterest expenses excluding the impairment of goodwill and other intangibles, litigation and restructuring and severance

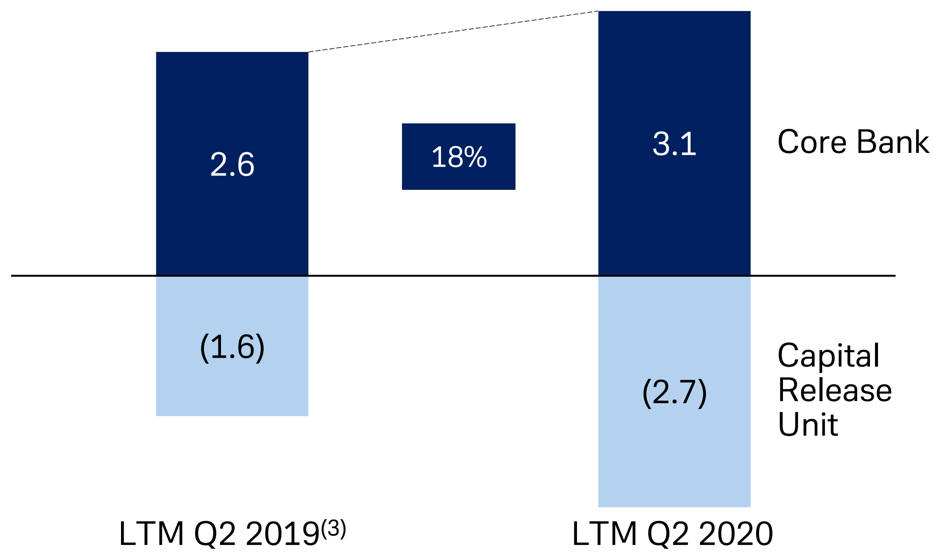
# Strategic transformation drives growth and higher profitability

In € bn, unless stated otherwise

## Operating leverage[1]




## Last 12 months (LTM) adjusted profit (loss) before tax[2]




Note: Throughout this presentation totals may not sum due to rounding differences. From 1 Jan 2020 financials have been prepared in accordance with IFRS as adopted by the EU

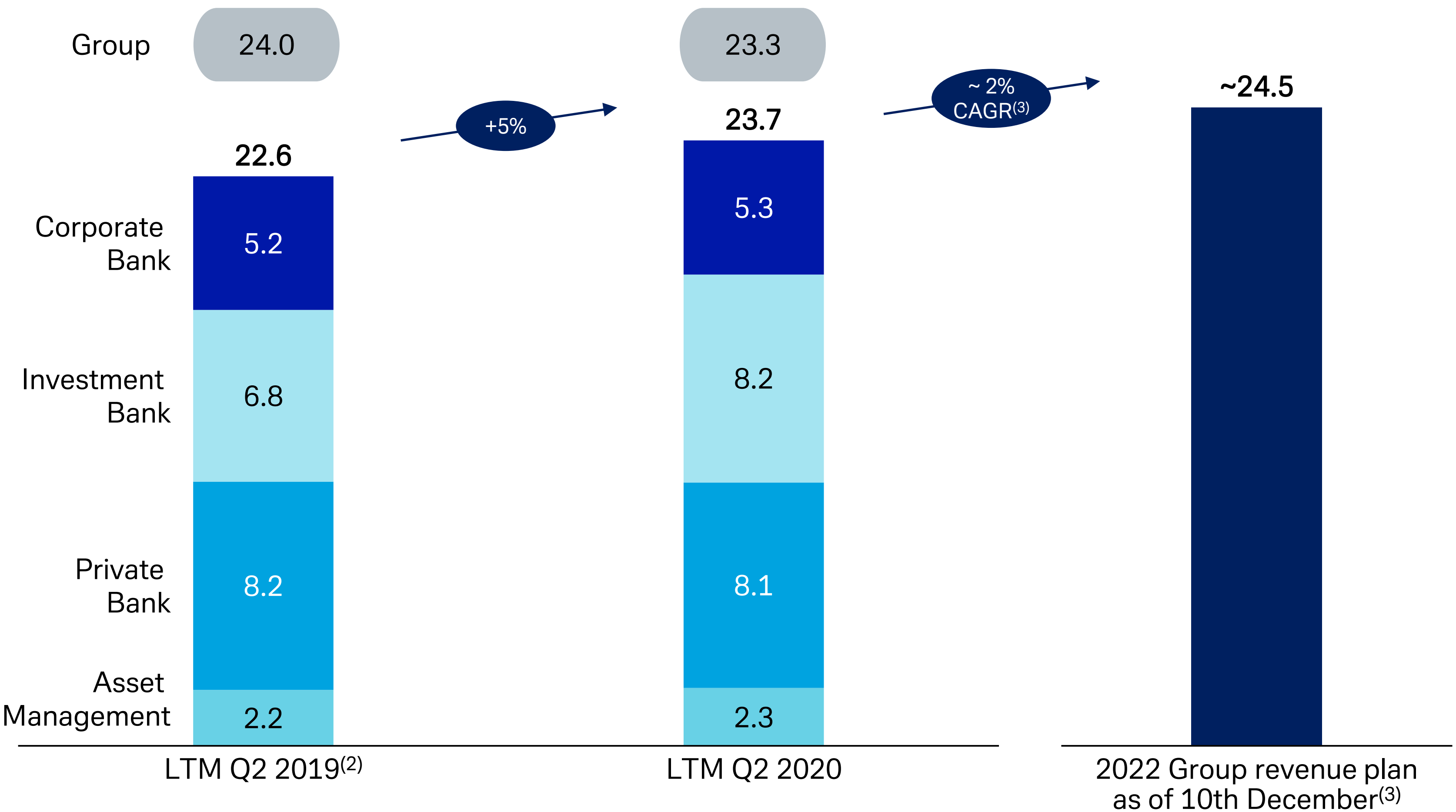
(1) Year-on-year change in % of revenues excluding specific items less year-on-year change in % of adjusted costs ex. transformation charges. Detailed on slide 38

(2) LTM detailed on slide 37

(3) 2018 revenue ex. specific items, adjusted costs ex. transformation charges and adjusted profit (loss) before tax based on reporting structure as disclosed in 2019 annual report

# Stabilizing revenues under re-focused strategy

Last 12 months (LTM) revenues[1] ex. specific items, in € bn

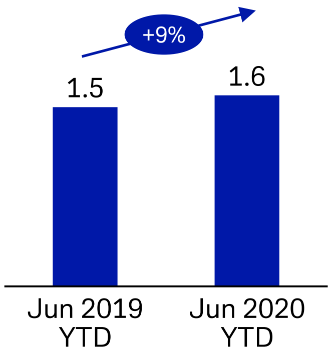



(1) Corporate & Other revenues (LTM Q2 2019: € 213m, LTM Q2 2020: € (102)m) are not shown on this chart but are included in Core Bank totals. LTM detailed on slide 37
(2) H2 2018 revenues ex. specific items based on reporting structure as disclosed in 2019 annual report
(3) Compound annual growth rate from LTM Q2 2020 to full year 2022 revenue plan as outlined at the Investor Deep Dive in December 2019

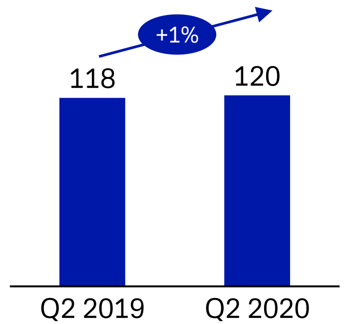
# Continued momentum in all four businesses

## Corporate Bank

# Corporate cash transactions, in bn

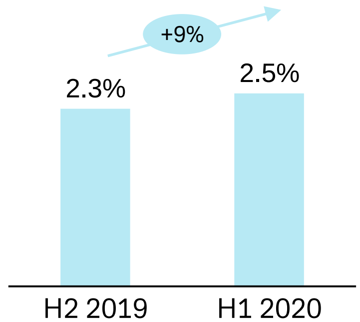



Loans, in € bn



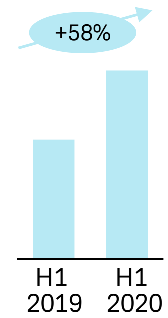

## Investment Bank

Origination & Advisory market share(1)

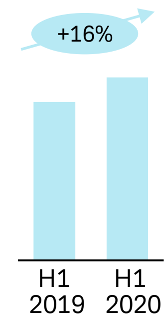



Revenues in FIC(2) with

Top 100 institutional clients

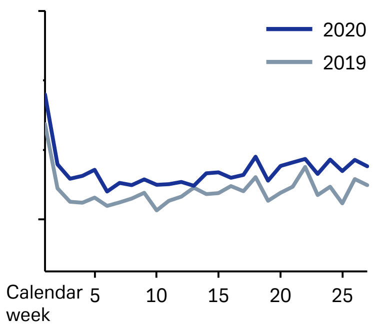



Corporate clients

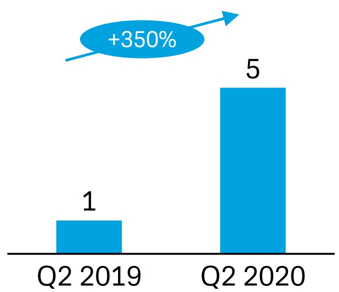



## Private Bank

New mortgage volumes

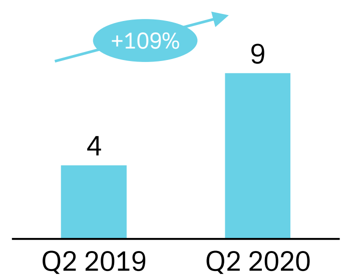



Investment product net inflows, in € bn

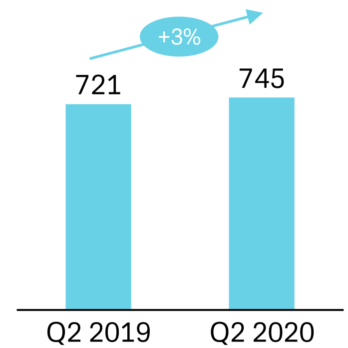



## Asset Management

Net flows, in € bn




Assets under Management, in € bn




(1) Source: Dealogic
(2) Fixed Income & Currencies Sales & Trading

# Maintained strong balance sheet

| | Q4 2019 | Q1 2020 | Q2 2020 | |
|---|---|---|---|---|
| Common Equity Tier 1 capital ratio | 13.6% | 12.8% | 13.3% | 283bps above regulatory requirements |
| Liquidity reserves | € 222bn | € 205bn | € 232bn | Increase driven by lower lending volumes and deposit growth |
| Liquidity Coverage Ratio | 141% | 133% | 144% | € 64bn above regulatory requirements |
| Provision for credit losses as a % of loans | 17bps | 44bps | 69bps | Consistently below peer average |

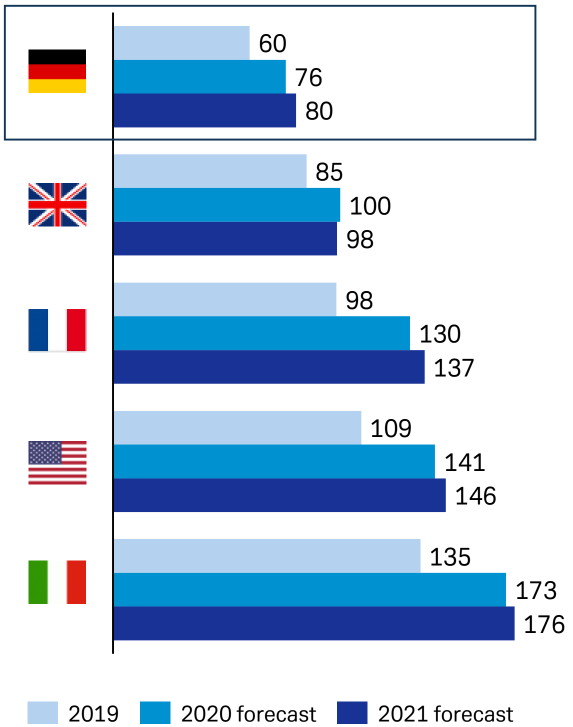
# We are benefiting from our strong position in Germany

The German government has the room to act decisively during COVID-19…

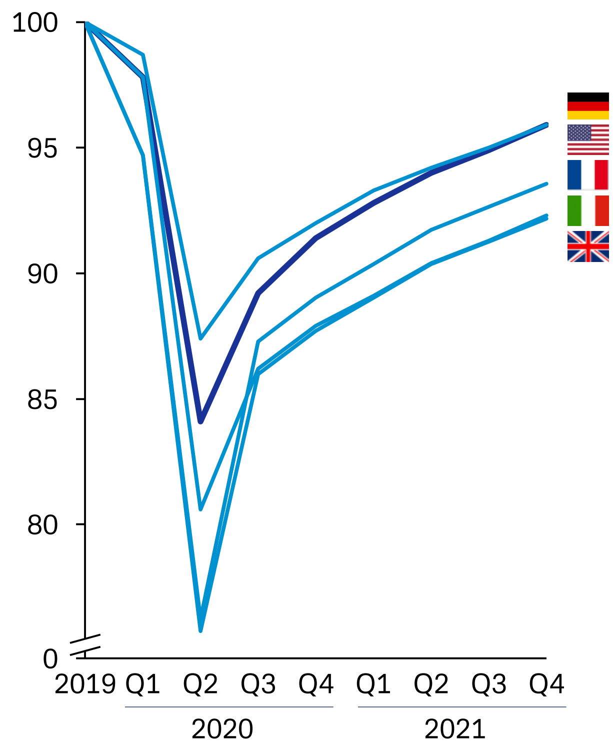
…which we expect to lead to a less severe GDP decline than in other countries…

…and combined with low debt levels should make Germany a more stable market

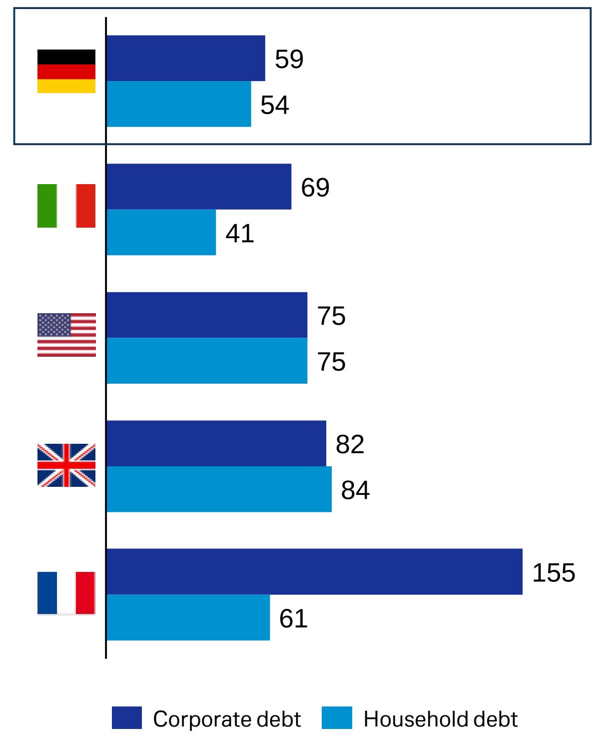
Government debt
As % of GDP




GDP growth estimates
Indexed to 2019




Corporate and household debt
As % of 2019 GDP




Source: DB Research, Bundesbank, IMF

# Disciplined delivery of transformation agenda

## Transformation delivery

- **>100%** Achieved targeted cost savings from transformation initiatives in H1 2020
- **>70** Key milestones achieved in Q2 2020
- **>60** Key transformation initiatives in progress

## Key achievements in Q2 2020

- ✓ Completed German legal entity merger
- ✓ Announced creation of International Private Bank
- ✓ Completed integration of Corporate Bank Germany
- ✓ Simplified DWS organizational structure
- ✓ Signed letter of intent with Google Cloud to form strategic global, multi-year partnership
- ✓ Migrated to a new IT platform in Italy

**Reinvigorating our employees – best people survey results since 2012**

# Maintaining the cadence of transformation

- Continue execution of strategic agenda to deliver on financial targets
- Apply learnings from the COVID-19 pandemic to generate additional efficiencies
- Build further client momentum to support revenues and profitability
- Accelerate digital transition and launch new products leveraging partnership with Google Cloud
- Lay detailed path to deliver on growing importance of Sustainability for Deutsche Bank and stakeholders

# Q2 2020 Group financial highlights

In € m, unless stated otherwise

| | | Q2 2020 | Change in % vs. Q2 2019 | Change in % vs. Q1 2020 |
|---|---|---|---|---|
| Revenues | Revenues | 6,287 | 1 | (1) |
| | Revenues ex specific items[1] | 6,269 | 3 | (0) |
| Costs | Noninterest expenses | 5,367 | (23) | (5) |
| | Adjusted costs ex. transformation charges[2] | 4,923 | (8) | (10) |
| Profitability | Profit (loss) before tax | 158 | n.m. | (23) |
| | Adjusted profit (loss) before tax [3] | 419 | (1) | 39 |
| | Profit (loss) | 61 | n.m. | (7) |
| | RoTE (%)[4] | (0.6) | 23.7 ppt | (0.3) ppt |
| Risk and Capital | Provision for credit losses (bps of loans)[5] | 69 | 54 bps | 25 bps |
| | CET1 ratio (%) | 13.3 | (16) bps | 42 bps |
| | Leverage ratio (%, fully loaded) | 4.2 | 24 bps | 20 bps |
| Per share metrics | Diluted earnings per share (in €) | (0.15) | (91) | n.m. |
| | Tangible book value per share (in €) | 23.31 | (5) | 0 |

(1) Specific items detailed on slide 33
(2) Transformation charges of € 95m in Q2 2020, € 351m in Q2 2019 and € 84m in Q1 2020
(3) Detailed on slide 36
(4) Throughout this presentation post-tax return on tangible shareholders' equity is calculated on net income after AT1 coupons. Tangible shareholders' equity Q2 2020: € 49.4bn, Q2 2019: € 53.8bn and Q1 2020: € 49.7bn
(5) Q2 2020 provision for credit losses annualized as % of loans gross of allowances for loan losses (€ 442bn as of 30 Jun 2020), 57bps of loans annualizing H1 2020 provision for credit losses

# COVID-19 impact on financials[1]

| | COVID-19 impact Q1 2020 | COVID-19 impact Q2 2020 | Drivers |
|---|---|---|---|
| Provision for credit losses | € (260)m | € (410)m | — Changes to macro-economic outlook<br>— Client credit rating migration<br>— Increase in defaults |
| CET1 ratio[2] | (40)bps | 12bps | — Higher Market Risk RWA due to increased average market volatility in the second quarter<br>— Lower Credit Risk RWA as increase from rating migration more than offset by reversal of Q1 client drawings and lower derivative RWA<br>— Reversal of Q1 2020 prudent valuation impact |
| Liquidity reserves | € (17)bn | € 12bn | — Repayment of committed credit facilities and reduced client demand for lending |
| Level 3 assets | € 4bn | € (2)bn | — Partial reversal of the first quarter increase and transfer of assets into Level 3 seen at the end of the first quarter |

(1) Reflects management estimates of the discrete impacts of COVID-19
(2) Excludes benefits of regulatory changes enacted as part of COVID-19

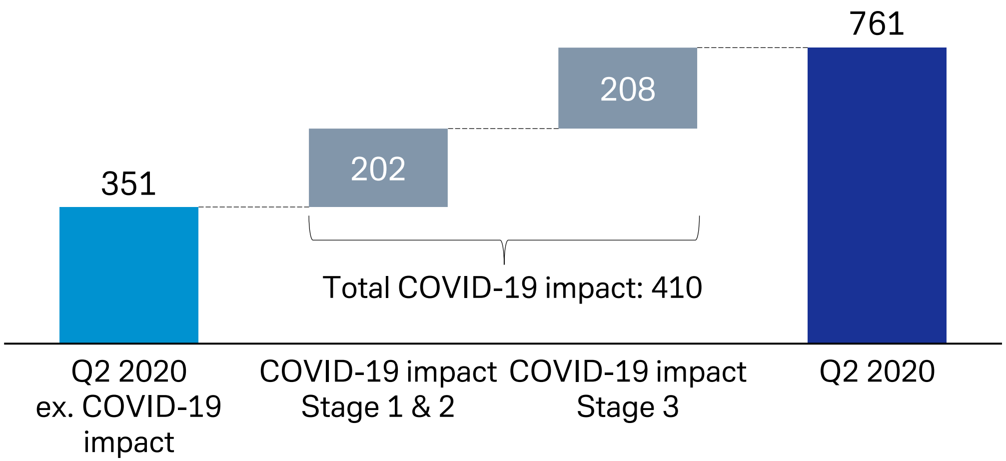
# Supporting clients through COVID-19

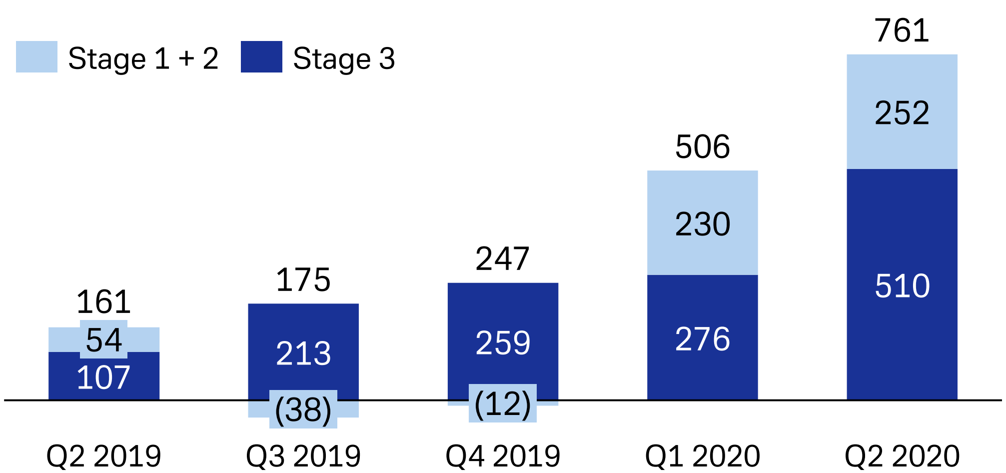
| | # Customers | Loan Amount | |
|---|---|---|---|
| Legislative & voluntary industry-driven moratoria[1] | >100k | € 9bn | — Mainly legislative moratoria in Germany and Italy<br>— More than 90% to Private Bank clients<br>— Represents 2% of Group loan portfolio |
| Voluntary bilateral forbearance measures | ~3k | € 7bn | — Bilateral forbearance mainly in the Investment Bank and Corporate Bank |
| New lending subject to public guarantee schemes | ~5k | € 1.4bn | — Additional € 1.2bn committed but not yet drawn and pipeline of € 5bn<br>— Mainly guaranteed by KfW |

(1) Population meeting criteria in EBA press release "Statement on the application of the prudential framework regarding default, forbearance and IFRS9 in light of COVID 19 measures" published on March 25, 2020. Includes loans meeting regulatory forbearance criteria to obligors whose credit standing would not be significantly affected by the current situation in the long- term

# Provision for credit losses

In € m, unless stated otherwise

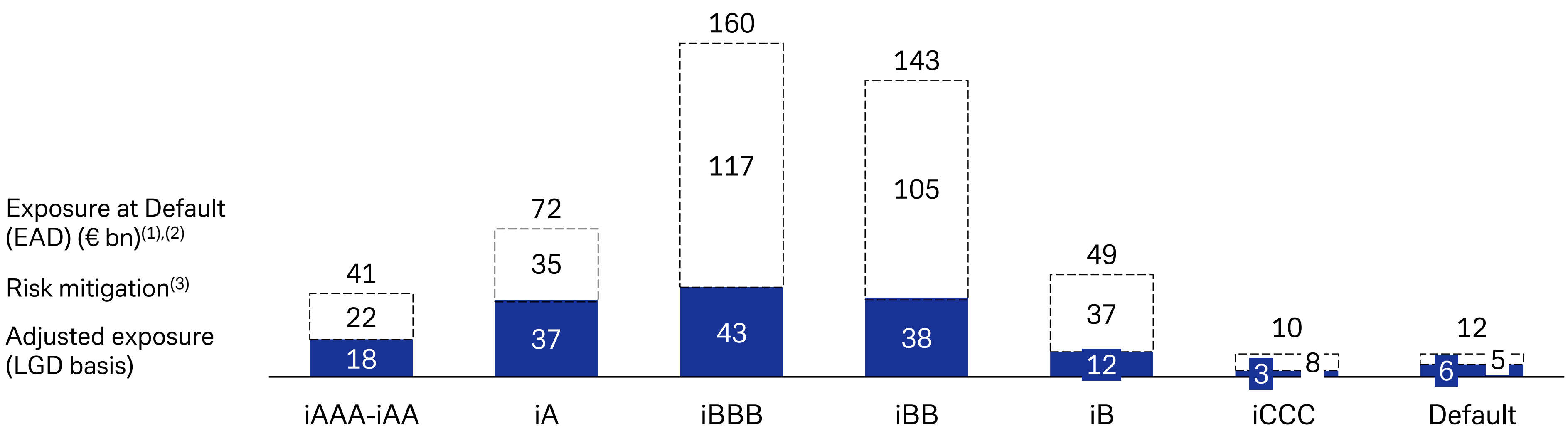



- Provisions increased in line with expectations
- COVID-19 related Stage 1 and 2 provisions reflect changes in macro-economic outlook since March 31 and a management overlay to account for uncertainties in the outlook
- Client credit rating migrations predominately affecting the Investment Bank
- Stage 3 provisions driven by higher volumes of actual defaults, mainly in the Investment Bank
- Non-COVID-19 related provisions driven by a small number of idiosyncratic events
- Provisions in H2 2020 expected to decline from H1 2020 but remain elevated compared to pre COVID-19 levels
- Reaffirm previous guidance for provision for credit losses of 35-45bps of loans in 2020

# Risk in lower rating buckets well mitigated and provisioned

Preliminary



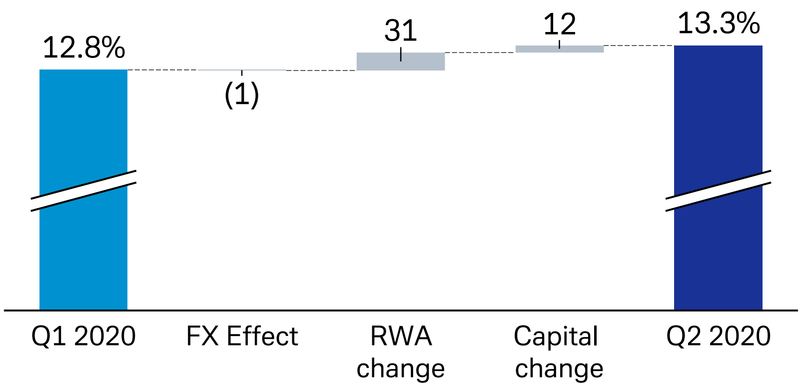

| | iAAA-iAA | iA | iBBB | iBB | iB | iCCC | Default |
|---|---|---|---|---|---|---|---|
| Probability of default (bps) | 0 - 4 | 4 - 11 | 11 - 50 | 50 - 227 | 227 – 1,022 | >1,022 | N/A |
| Regulatory Expected Loss (€ m)(4) | 3 | 14 | 101 | 335 | 502 | 384 | 2,895 |
| Allowance for credit losses (€ m) | 1 | 7 | 66 | 308 | 710 | 365 | 3,442 |

(1) EAD for loans gross of allowances for loan losses across IRBA/CRSA and securitization frameworks
(2) Includes € 11bn of movements in EAD to AAA-AA (+€ 8bn) and A (+€ 3bn) rating bands from BB (-€ 5bn), B (-€ 4bn) and CCC (-€ 1bn) rating bands to reflect probability of default substitution effects of guarantees
(3) Risk mitigation reflects difference between EAD and Adjusted Exposure (Loss given default basis), namely asset collateral, hedges and other risk mitigation
(4) Excludes Purchase of Credit Impaired (POCI) assets

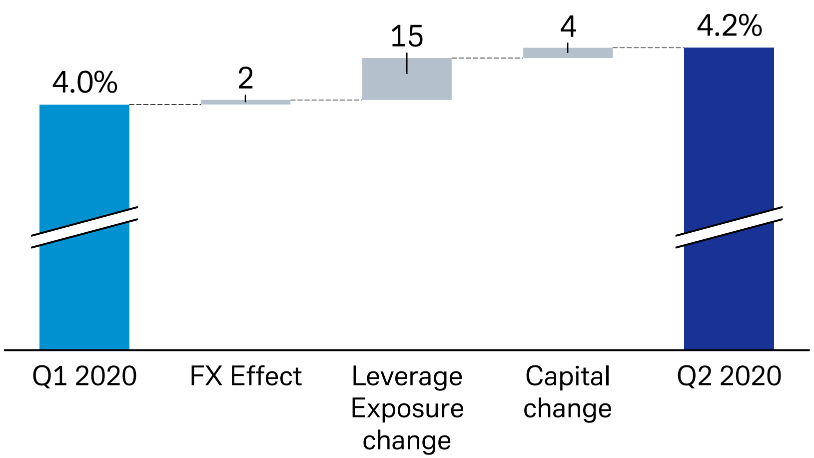
# Capital ratios

## Movements in basis points, period end

### CET1 ratio[1]




### Leverage ratio, fully loaded[1]

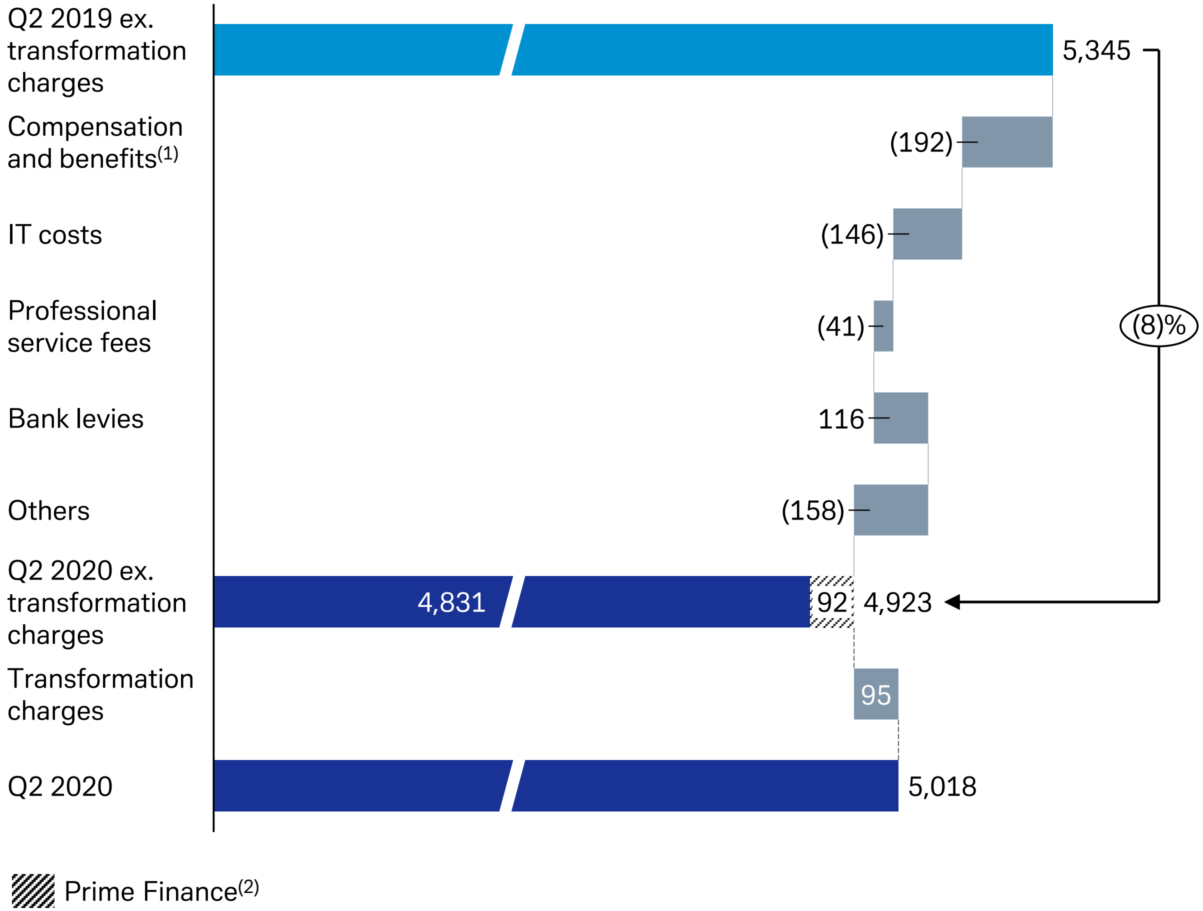



- CET1 capital ratio increased by 42bps in the quarter
- ~12bps due to COVID-19, notably:
  - Higher Market Risk RWA due to increased average market volatility in the second quarter
  - Lower Credit Risk RWA as repayment of credit facilities and lower derivative exposure more than offset rating migrations
  - Reversal of most of the Q1 2020 prudent valuation impact
- ~11bps from CRR quick fix including SME support factor and IFRS 9 transition
- ~20bps (excluding COVID-19 and CRR quick fix)
  - ~13bps from Capital Release Unit RWA reductions
  - ~7bps Core Bank, principally from Investment Bank and Corporate Bank

- Leverage ratio increased by 20bps in the quarter to 4.2%
  - ~5bps improvement from FX and higher Tier 1 capital
  - ~16bps from CRR quick-fix bringing forward the ability to net down pending settlements for regulatory leverage by one year
  - ~(1)bps from materially off-setting movements, notably higher cash balances and lower loan, derivative and other exposures
- Pro-forma leverage ratio 4.4% excluding ECB cash

(1) Includes € 0.2bn from IFRS9 transitional impact (CRR Article 473a)

# Adjusted costs
In € m




## Year-on-year drivers

- Reductions in all categories except bank levies
- Lower compensation and benefits reflect workforce reductions and a change in estimate for certain deferred compensation awards
- IT costs decreased mainly due to lower software amortization
- Decrease in professional service fees and other costs reflecting continued disciplined management of non-compensation costs
- Higher bank levies reflect changes in the input assumptions made by the Single Resolution Board

Note: Adjusted costs detailed on slide 35
(1) Excludes severance of € 62m in Q2 2020 and € 42m in Q2 2019 as this is excluded from adjusted costs as detailed on slide 30
(2) Expenses eligible for reimbursement related to Prime Finance. Detailed on slide 30

# Segment results

# Corporate Bank

In € m, unless stated otherwise

| | | Q2 2020 | Change in % vs. Q2 2019 | Change in % vs. Q1 2020 |
|---|---|---|---|---|
| Revenues | Revenues | 1,328 | 3 | 0 |
| | Revenues ex. specific items[1] | 1,328 | 3 | 0 |
| Costs | Noninterest expenses | 1,106 | (27) | 2 |
| | of which: Adjusted costs ex. transformation charges[2] | 1,011 | (0) | (4) |
| Profitability | Profit (loss) before tax | 77 | n.m. | (42) |
| | Adjusted profit (loss) before tax[3] | 91 | (61) | (46) |
| | RoTE (%)[4] | 1.6 | 10.7 ppt | (1.8) ppt |
| Balance sheet (€ bn) | Loans[5] | 120 | 1 | (8) |
| | Deposits | 264 | 2 | 2 |
| | Leverage exposure | 267 | 0 | (2) |
| Risk | Risk weighted assets (€ bn) | 56 | (7) | (4) |
| | Provision for credit losses (bps of loans)[6] | 48 | 28 bps | 16 bps |

## Q2 2020 year-on-year comments

- Revenues excluding episodic items declined slightly as interest rate headwinds more than offset repricing efforts and balance sheet initiatives
- Progress on strategic initiatives with charging agreements in place on ~€ 50bn of deposits
- Non-interest expenses declined as the absence of a goodwill impairment in the prior year period was partly offset by higher litigation charges
- Adjusted costs excluding transformation charges flat as cost initiatives were offset by higher internal service cost allocations
- Loans, leverage exposure and risk weighted assets decreased versus the first quarter, mainly from repayments of credit facilities
- Provision for credit losses driven by the worsening macro-economic outlook and a small number of single names

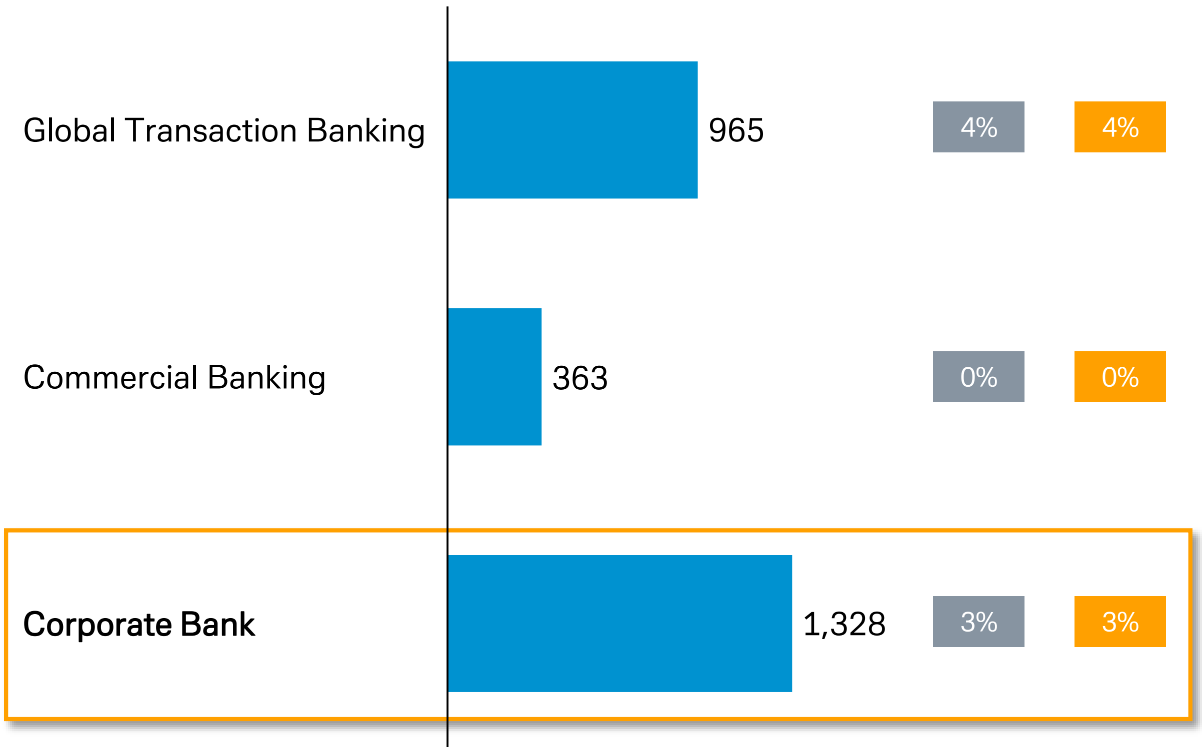
(1) Specific items detailed on slide 33
(2) Transformation charges of € 4m for Q2 2020 and € 26m for Q1 2020
(3) Detailed on slide 36
(4) Post-tax return on tangible shareholders' equity applying a 28% tax rate. Allocated tangible shareholders' equity Q2 2020: € 8.9bn, Q2 2019: € 9.4bn and Q1 2020: € 9.2bn
(5) Loans gross of allowances for loan losses
(6) Q2 2020 provision for credit losses annualized as % of loans (gross of allowances for loan losses), 42bps of loans annualizing H1 2020 provision for credit losses

# Q2 2020 Corporate Bank revenue performance

In € m, unless stated otherwise

X% Excluding specific items[1]

Change vs. Q2 2019




## Q2 2020 year-on-year drivers

**Global Transaction Banking:**

— Cash Management lower excluding episodic items. Interest headwinds partly offset by deposit repricing and balance sheet management initiatives

— Trade Finance and Lending slightly higher, mainly reflecting credit loss recoveries

— Securities Services and Trust and Agency Services lower driven by interest rate headwinds

**Commercial Banking:**

— Slightly lower excluding episodic items as volume and fee income growth were offset by interest rate headwinds

(1) Specific items detailed on slide 33

# Investment Bank

## In € m, unless stated otherwise

| | | Q2 2020 | Change in % vs. Q2 2019 | Change in % vs. Q1 2020 |
|---|---|---|---|---|
| Revenues | Revenues | 2,654 | 46 | 13 |
| | Revenues ex. specific items[1] | 2,639 | 52 | 15 |
| Costs | Noninterest expenses | 1,329 | (14) | (10) |
| | of which: Adjusted costs ex. transformation charges[2] | 1,284 | (7) | (12) |
| Profitability | Profit (loss) before tax | 956 | n.m. | 54 |
| | Adjusted profit (loss) before tax[3] | 984 | n.m. | 64 |
| | RoTE (%)[4] | 11.5 | 9.2 ppt | 3.8 ppt |
| Balance sheet (€ bn) | Loans[5] | 80 | 15 | (9) |
| | Leverage exposure | 492 | 7 | (7) |
| Risk | Risk weighted assets (€ bn) | 129 | 7 | (4) |
| | Provision for credit losses (bps of loans)[6] | 182 | 156 bps | 70 bps |

### Q2 2020 year-on-year comments

- Revenues significantly higher on strong client flows and market conditions
- Progress on strategic priorities: continued client re-engagement and IT application decommissioning
- Non-interest expenses declined on the absence of litigation expenses and adjusted cost reductions
- Adjusted costs excluding transformation charges lower driven by front office headcount reductions in 2019 and lower internal service cost allocations
- Repayment of client credit facilities drove reduction in leverage exposure and risk weighted assets in the quarter, partly offset by higher Market Risk RWA on higher volatility
- Significantly higher provision for credit losses primarily driven by COVID-19 related impairments

(1) Specific items detailed on slide 33
(2) Transformation charges of € 28m for Q2 2020, and € 14m for Q1 2020
(3) Detailed on slide 36
(4) Post-tax return on tangible shareholders' equity applying a 28% tax rate. Allocated tangible shareholders' equity Q2 2020: € 22.3bn, Q2 2019: € 21.5bn and Q1 2020: € 21.3bn
(5) Loans gross of allowances for loan losses
(6) Q2 2020 provision for credit losses annualized as % of loans (gross of allowances for loan losses), 152bps of loans annualizing H1 2020 provision for credit losses

# Q2 2020 Investment Bank revenue performance

In € m, unless stated otherwise

X% Excluding specific items[1]

| | In € m | Change vs. Q2 2019 | Excluding specific items[1] |
|---|---|---|---|
| Fixed Income, Currency Sales & Trading | 2,050 | 39% | 46% |
| Origination & Advisory | 639 | 73% | 73% |
| Other | (35) | | |
| **Investment Bank** | 2,654 | 46% | 52% |

## Q2 2020 year-on-year drivers

**Fixed Income, Currency Sales & Trading:**

- Rates, FX and Emerging Markets revenues significantly higher on increased client activity, higher volatility and benefits of strategic repositioning
- Higher trading revenues in credit driven by significantly improved performance in flow businesses across all regions
- Financing revenues broadly flat with a strong recovery from challenging market conditions in Q1 2020

**Origination & Advisory:**

- Equity Origination revenues significantly higher on record industry volumes
- Debt Origination revenues significantly higher on record industry volumes, market share gains in Investment Grade debt
- Significantly lower Advisory revenues on lower market activity
- De-risked majority of commitment pipeline during the quarter

(1) Specific items detailed on slide 33

# Private Bank

In € m, unless stated otherwise

| | | Q2 2020 | Change in % vs. Q2 2019 | Change in % vs. Q1 2020 |
|---|---|---|---|---|
| Revenues | Revenues | 1,981 | (5) | (8) |
| | Revenues ex. specific items[1] | 1,955 | (5) | (9) |
| Costs | Noninterest expenses | 1,997 | (15) | 6 |
| | of which: Adjusted costs ex. transformation charges[2] | 1,736 | (4) | (4) |
| Profitability | Profit (loss) before tax | (241) | (22) | n.m. |
| | Adjusted profit (loss) before tax[3] | (80) | n.m. | n.m. |
| | RoTE (%)[4] | (7.7) | 1.8 ppt | (10.8) ppt |
| Business volume (€ bn) | Loans[5] | 232 | 4 | 1 |
| | Deposits | 292 | 1 | 2 |
| | Assets under Management[6] | 471 | (1) | 7 |
| Risk | Risk weighted assets (€ bn) | 76 | 3 | 0 |
| | Provision for credit losses (bps of loans)[7] | 39 | 28 bps | 15 bps |

## Q2 2020 year-on-year comments

- Revenues declined on certain items related to strategy execution, ongoing deposit margin compression and COVID-19 partly offset by volume growth
- Progress on strategic priorities: € ~75m of German merger-related cost synergies in the quarter, German legal entity merger completed, aligned digital venture projects and established the International Private Bank
- Adjusted costs excluding transformation charges declined as reorganization measures and workforce reductions more than offset higher internal service cost allocations
- Net inflows of € 5bn investment products, € 3bn net new client loans
- Provision for credit losses impacted by macro-economic updates; gains on portfolio sales in prior year quarter

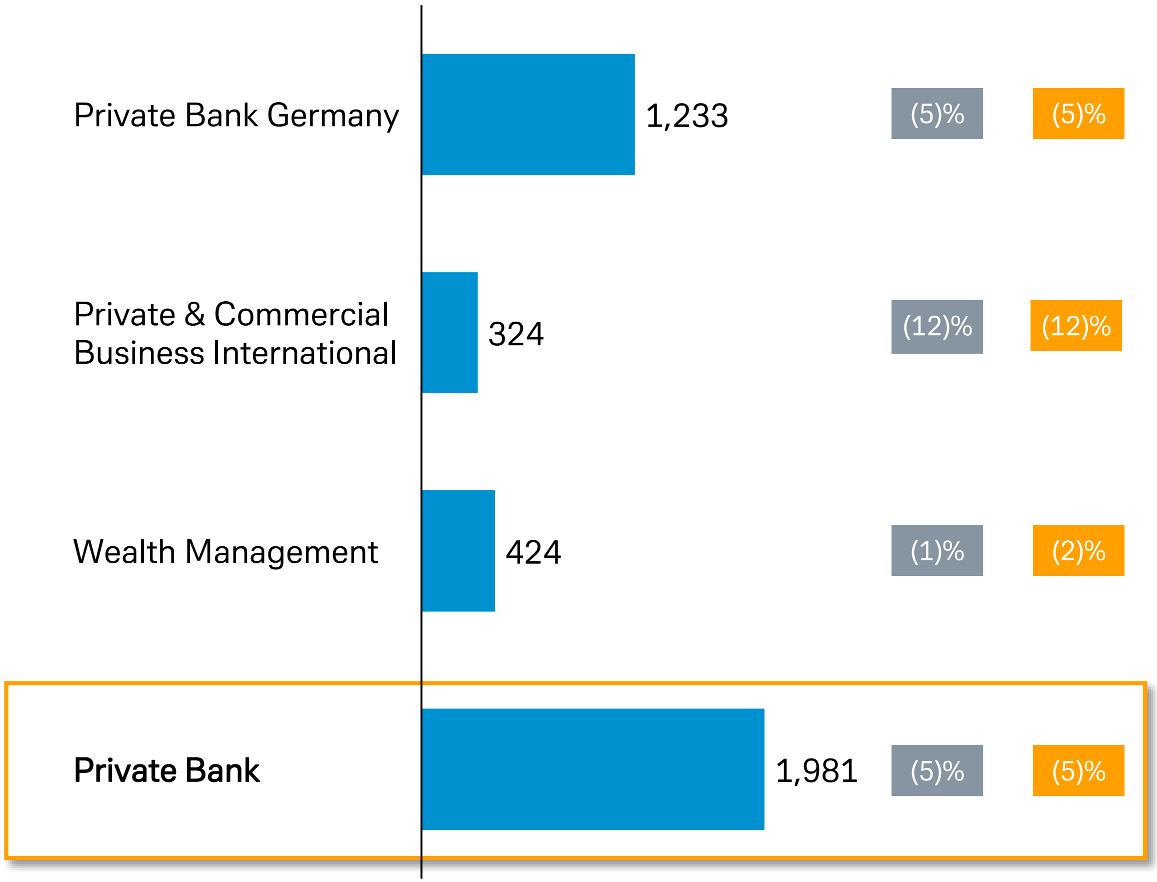
(1) Specific items detailed on slide 33
(2) Transformation charges of € 51m for Q2 2020, € 12m for Q2 2019 and € 15m for Q1 2020
(3) Detailed on slide 36
(4) Post-tax return on tangible shareholders' equity applying a 28% tax rate. Allocated tangible shareholders' equity Q2 2020: € 10.1bn, Q2 2019: € 10.1bn and Q1 2020: € 10.3bn
(5) Loans gross of allowances for loan losses
(6) Includes deposits if they serve investment purposes. Detailed on slide 51
(7) Q2 2020 provision for credit losses annualized as % of loans (gross of allowances for loan losses), 31bps of loans annualizing H1 2020 provision for credit losses

# Q2 2020 Private Bank revenue performance

In € m, unless stated otherwise

X% Excluding specific items[(1)]

Change vs. Q2 2019




## Q2 2020 year-on-year drivers

**Private Bank Germany:**

- Revenues declined on certain items related to strategy execution and higher funding cost allocations; impacts from ongoing deposit margin compression and COVID-19 partly offset by volume growth
- 9th consecutive quarter of loan growth with net new client loans of € 2bn, mostly mortgages
- Net inflows in investment products of € 2bn

**Private & Commercial Business International:**

- Revenues impacted by COVID-19, one-off re-hedging charges in Italy and ongoing deposit margin compression
- Net inflows in investment products of € 1bn

**Wealth Management:**

- Revenues essentially flat as growth in lending and benefits of targeted hiring largely offset impacts from COVID-19 and deposit margin compression
- Net inflows in investment products of € 3bn

(1) Specific items detailed on slide 33

# Asset Management

In € m, unless stated otherwise

| | | Q2 2020 | Change in % vs. Q2 2019 | Change in % vs. Q1 2020 |
|---|---|---|---|---|
| Revenues | Revenues | 549 | (8) | 6 |
| | Revenues ex. specific items[1] | 549 | (8) | 6 |
| Costs | Noninterest expenses | 400 | (15) | 7 |
| | of which: Adjusted costs ex. transformation charges[2] | 382 | (13) | 4 |
| | Cost/income ratio (%) | 73 | (6) ppt | 1 ppt |
| Profitability | Profit (loss) before tax | 114 | 27 | 3 |
| | Adjusted profit (loss) before tax[3] | 132 | 13 | 12 |
| | RoTE (%)[4] | 17.7 | 4.0 ppt | 1.1 ppt |
| | Mgmt fee margin (bps)[5] | 28.1 | (2.2) bps | (1.4) bps |
| AuM (€ bn) | Assets under Management | 745 | 3 | 6 |
| | Net flows | 9 | n.m. | n.m. |

Q2 2020 year-on-year comments

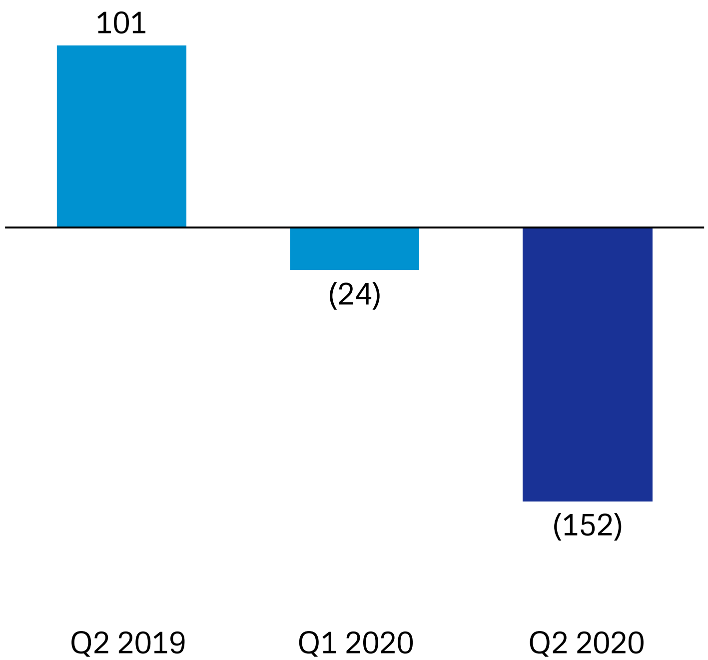
- Revenues declined principally reflecting the non-repetition of periodic performance fees in the prior year period
- Adjusted costs excluding transformation charges declined on lower carried interest related to performance fees and implementation of cost efficiency initiatives
- Profit before tax increased as cost reductions more than offset lower revenues
- Net inflows of € 9bn in the quarter despite difficult environment
- Assets under Management rebounded in the quarter on positive market performance and net inflows

(1) Specific items detailed on slide 33
(2) Transformation charges of € 0m for Q2 2020 and € 0m for Q1 2020
(3) Detailed on slide 36
(4) Post-tax return on tangible shareholders' equity applying a 28% tax rate. Allocated tangible shareholders' equity Q2 2020: € 1.8bn, Q2 2019: € 1.8bn and Q1 2020: € 1.8bn
(5) DWS disclosed margin. Asset Management reported management margin of 28.0bps for Q2 2020, annualized management fees divided by average Assets under Management

# Corporate & Other

In € m

## Profit (loss) before tax




| | Q2 2020 | Change vs. Q2 2019 | Change vs. Q1 2020 |
|---|---|---|---|
| **Profit (loss) before tax** | (152) | (254) | (129) |
| Funding & liquidity | (53) | (73) | (6) |
| Valuation & Timing differences[1] | (42) | (280) | (232) |
| Shareholder expenses | (107) | 22 | (16) |
| Noncontrolling interest[2] | 42 | (8) | 9 |
| Other | 7 | 86 | 116 |

(1) Valuation and Timing reflects the mismatch in revenue from instruments accounted on an accrual basis under IFRS that are economically hedged with derivatives that are accounted for on a mark-to-market basis

(2) Reversal of noncontrolling interests reported in operating business segments (mainly Asset Management)

# Capital Release Unit

In € m, unless stated otherwise

| | | Q2 2020 | Absolute change vs. Q2 2019 | Absolute change vs. Q1 2020 |
|---|---|---|---|---|
| Revenues | Revenues | (70) | (291) | (11) |
| | Revenues ex. specific items[1] | (47) | (269) | 35 |
| Costs | Noninterest expenses | 496 | (499) | (199) |
| | Adjusted costs ex. transformation charges[2] | 430 | (182) | (231) |
| Profitability | Profit (loss) before tax | (595) | 171 | 172 |
| | Adjusted profit (loss) before tax[3] | (515) | (98) | 243 |
| Balance sheet & Risk (€ bn) | Leverage exposure | 102 | (147) | (16) |
| | Risk weighted assets | 43 | (22) | (2) |
| | of which: Operational Risk RWA | 26 | (7) | 0 |

Q2 2020 comments

- Revenues driven by de-risking and hedging costs partly offset by reversal of previously incurred funding valuation adjustments and expenses eligible for reimbursement related to Prime Finance
- Noninterest expenses included bank levies of € 54m in Q2 2020 and € 247m in Q1 2020
- Adjusted costs excluding bank levies and transformation charges down 38% year-on-year and 9% quarter-on-quarter
- Risk weighted assets declined in the quarter as € 3bn of de-risking was offset by higher Market Risk RWA given market volatility
- Leverage exposure declined in the quarter on de-risking, optimization and market movements
- RWA down 34% and leverage exposure by 59% year-on-year

(1) Specific items detailed on slide 33
(2) Transformation charges of € 54m for Q2 2020 and € 339m for Q2 2019 and € 29m for Q1 2020
(3) Detailed on slide 36

# Outlook and conclusions

- Continue to navigate challenging environment while advancing on strategic path for each business
- Normalization of revenue environment likely in the second half of 2020
- Reaffirm 2020 adjusted cost targets
- Provision for credit losses still expected to be 35-45 basis points of loans in 2020
- Significant room to support clients and maintain Common Equity Tier 1 ratio above 12.5% target for 2022
- Working towards 2022 targets, including 8% post-tax return on tangible equity

# Appendix

# Sustainability at Deutsche Bank

| Our key focus areas | Recent achievements |
|---|---|
| Sustainable Finance | – Sustainable Finance target of at least € 200bn by 2025 announced<br>– Inaugural green bond issued in June 2020 |
| Policies & Commitments | – Joined the German Financial Sector Collective Action on Climate: commitment to align our portfolios with Paris Agreement target<br>– Joined Equator Principles association emphasizing our commitment to responsible banking<br>– Strengthened our rules for financing of fossil fuels incl. commitment to exit coal mining by 2025 |
| Own Operations | – Target announced to source 100% renewable electricity by 2025<br>– Change in travel policy announced aiming to reduce air travel |
| Thought Leadership | – dbSustainability: a new Deutsche Bank Research offering for ESG investors launched |

We support all the major international standards and guidelines:

UNITED NATIONS
- Business and Human Rights
- Responsible Banking
- Sustainable Development Goals
- International Bill of Rights

PARIS2015 UN CLIMATE CHANGE CONFERENCE COP21·CMP11

Paris Pledge for Action

EU Transparency Register

Core Labor Standards of the International Labor Organization

GRI

Global Reporting Initiatives

IFC International Finance Corporation WORLD BANK GROUP

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

# Definition of adjustments

| | |
|---|---|
| Revenues excluding specific items | Revenues excluding specific items are calculated by adjusting net revenues under IFRS for specific revenue items which generally fall outside the usual nature or scope of the business and are likely to distort an accurate assessment of the divisional operating performance. Excluded items are Debt Valuation Adjustment (DVA) and material transactions or events that are either one-off in nature or belong to a portfolio of connected transactions or events where the P&L impact is limited to a specific period of time as shown on slides 33 and 34 |
| Adjusted costs | Adjusted costs are calculated by deducting (i) impairment of goodwill and other intangible assets, (ii) litigation charges, net and (iii) restructuring and severance from noninterest expenses under IFRS as shown on slide 33 |
| Transformation charges | Transformation charges are costs, included in adjusted costs, that are directly related to Deutsche Bank's transformation as a result of the strategy announced on 7 July 2019. Such charges include the transformation-related impairment of software and real estate, the accelerated software amortization and other transformation charges like onerous contract provisions or legal and consulting fees related to the strategy execution as shown on slide 39 |
| Transformation-related effects | Transformation-related effects are financial impacts, in addition to transformation charges, resulting from the strategy announced on 7 July 2019, which are recorded outside of adjusted costs. These include goodwill impairments in the second quarter 2019, as well as restructuring and severance expenses from the third quarter 2019 onwards. In addition to the aforementioned pre-tax items, transformation-related effects on a post-tax basis include pro-forma tax effects on the aforementioned items and deferred tax asset valuation adjustments in connection with the transformation the Group as shown on slide 39 |
| Expenses eligible for reimbursement related to Prime Finance | BNP Paribas and Deutsche Bank have signed a master transaction agreement to provide continuity of service to Deutsche Bank's Prime Finance and Electronic Equities clients. Under the agreement Deutsche Bank will continue to operate the platform until clients can be migrated to BNP Paribas, and expenses of the transferred business are eligible for reimbursement by BNP Paribas |
| Adjusted profit (loss) before tax | Adjusted profit (loss) before tax is calculated by adjusting the profit (loss) before tax under IFRS for specific revenue items, transformation charges, impairment of goodwill and other intangible assets and restructuring and severance expenses as shown on slide 36 |

# Core Bank financial highlights

## Q2 2020, in € bn, unless stated otherwise

| | Core Bank | Change vs. Q2 2019 | Change vs. Q1 2020 | Capital Release Unit |
|---|---|---|---|---|
| Revenues | 6.4 | 6% | (1)% | (0.1) |
| Revenues ex. specific items | 6.3 | 8% | (1)% | (0.0) |
| Noninterest expenses | 4.9 | (19)% | (1)% | 0.5 |
| Adjusted costs ex. transformation charges[1] | 4.5 | (5)% | (6)% | 0.4 |
| Profit (loss) before tax (in € m) | 753 | n.m. | (23) | (595) |
| Adjusted profit (loss) before tax (in € m)[2] | 935 | 11 | (12) | (515) |
| Risk weighted assets | 288 | 2% | (3)% | 43 |
| *of which: Operational Risk* | *45* | *(12)%* | *(2)%* | *26* |
| Leverage exposure (fully loaded) | 1,091 | 3% | (4)% | 102 |

(1) Transformation charges of € 41m in Core Bank and € 54m in Capital Release Unit in Q2 2020
(2) Profit (loss) before tax adjusted for specific revenue items, transformation charges as well as restructuring & severance costs and goodwill impairments. Detailed on slide 36

# Core Bank financial highlights

H1 2020, in € bn, unless stated otherwise

| | Core Bank | Change vs. H1 2019 | Capital Release Unit |
|---|---|---|---|
| Revenues | 12.8 | 7% | (0.1) |
| Revenues ex. specific items | 12.7 | 7% | (0.1) |
| Noninterest expenses | 9.8 | (10)% | 1.2 |
| Adjusted costs ex. transformation charges(1) | 9.3 | (5)% | 1.1 |
| Profit (loss) before tax | 1.7 | 164% | (1.4) |
| Adjusted profit (loss) before tax (2) | 2.0 | 21% | (1.3) |
| Risk weighted assets | 288 | 2% | 43 |
| *of which: Operational Risk* | *45* | *(12)%* | *26* |
| Leverage exposure (fully loaded) | 1,091 | 3% | 102 |

(1) Transformation charges of € 96m in Core Bank and € 83m in Capital Release Unit in H1 2020

(2) Profit (loss) before tax adjusted for specific revenue items, transformation charges as well as restructuring & severance costs and goodwill impairments. Detailed on slide 36

# Specific revenue items and adjusted costs – Q2 2020
In € m

| | Q2 2020 | | | | | | | | Q2 2019 | | | | | | | | Q1 2020 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CB | IB | PB | AM | C&O | Core Bank | CRU | Group | CB | IB | PB | AM | C&O | Core Bank | CRU | Group | CB | IB | PB | AM | C&O | Core Bank | CRU | Group |
| Revenues | 1,328 | 2,654 | 1,981 | 549 | (154) | 6,357 | (70) | 6,287 | 1,294 | 1,823 | 2,087 | 594 | 184 | 5,982 | 221 | 6,203 | 1,326 | 2,339 | 2,162 | 519 | 63 | 6,409 | (59) | 6,350 |
| DVA - IB Other / CRU | - | (27) | - | - | - | (27) | (23) | (49) | - | (15) | - | - | - | (15) | - | (15) | - | 46 | - | - | - | 46 | 24 | 70 |
| Change in valuation of an investment - FIC S&T | - | 42 | - | - | - | 42 | - | 42 | - | 101 | - | - | - | 101 | - | 101 | - | (10) | - | - | - | (10) | - | (10) |
| Sal. Oppenheim workout - Wealth Management | - | - | 25 | - | - | 25 | - | 25 | - | - | 23 | - | - | 23 | - | 23 | - | - | 16 | - | - | 16 | - | 16 |
| Revenues ex. specific items | 1,328 | 2,639 | 1,955 | 549 | (154) | 6,316 | (47) | 6,269 | 1,294 | 1,737 | 2,064 | 594 | 184 | 5,872 | 221 | 6,094 | 1,326 | 2,303 | 2,145 | 519 | 63 | 6,357 | (82) | 6,275 |

| | Q2 2020 | | | | | | | | Q2 2019 | | | | | | | | Q1 2020 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CB | IB | PB | AM | C&O | Core Bank | CRU | Group | CB | IB | PB | AM | C&O | Core Bank | CRU | Group | CB | IB | PB | AM | C&O | Core Bank | CRU | Group |
| Noninterest expenses | 1,106 | 1,329 | 1,997 | 400 | 40 | 4,871 | 496 | 5,367 | 1,509 | 1,544 | 2,336 | 471 | 131 | 5,992 | 995 | 6,987 | 1,088 | 1,475 | 1,890 | 374 | 116 | 4,944 | 695 | 5,638 |
| Impairment of goodwill and other intangible assets | - | - | - | - | - | - | - | - | 491 | - | 545 | - | - | 1,036 | (0) | 1,035 | - | - | - | 0 | - | 0 | - | 0 |
| Litigation charges, net | 81 | 2 | 75 | (0) | (1) | 156 | 9 | 165 | (12) | 135 | (14) | 2 | 19 | 129 | 35 | 164 | (0) | 1 | 2 | (0) | 11 | 14 | 1 | 14 |
| Restructuring and severance | 10 | 16 | 136 | 18 | 2 | 182 | 3 | 185 | 18 | 25 | (8) | 28 | 20 | 82 | 9 | 92 | 10 | (2) | 66 | 7 | 3 | 84 | 3 | 88 |
| Adjusted costs | 1,015 | 1,311 | 1,786 | 382 | 39 | 4,534 | 484 | 5,018 | 1,013 | 1,384 | 1,814 | 442 | 93 | 4,745 | 951 | 5,696 | 1,078 | 1,476 | 1,822 | 367 | 103 | 4,845 | 691 | 5,536 |
| Transformation charges[1] | 4 | 28 | 51 | 0 | (42) | 41 | 54 | 95 | - | - | 12 | - | (0) | 12 | 339 | 351 | 26 | 14 | 15 | 0 | 0 | 55 | 29 | 84 |
| Adjusted costs ex. transformation charges | 1,011 | 1,284 | 1,736 | 382 | 81 | 4,493 | 430 | 4,923 | 1,013 | 1,384 | 1,801 | 442 | 93 | 4,733 | 612 | 5,345 | 1,052 | 1,462 | 1,807 | 366 | 103 | 4,791 | 661 | 5,452 |

(1) Defined on slide 30

# Specific revenue items and adjusted costs – H1 2020

In € m

| | H1 2020 | | | | | | | | H1 2019 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CB | IB | PB | AM | C&O | Core Bank | CRU | Group | CB | IB | PB | AM | C&O | Core Bank | CRU | Group |
| Revenues | 2,653 | 4,993 | 4,142 | 1,068 | (91) | 12,766 | (129) | 12,637 | 2,636 | 3,811 | 4,212 | 1,119 | 168 | 11,945 | 608 | 12,554 |
| DVA - IB Other / CRU | - | 20 | - | - | - | 20 | 1 | 21 | - | (64) | - | - | - | (64) | - | (64) |
| Change in valuation of an investment - FIC S&T | - | 32 | - | - | - | 32 | - | 32 | - | 138 | - | - | - | 138 | - | 138 |
| Sal. Oppenheim workout - Wealth Management | - | - | 42 | - | - | 42 | - | 42 | - | - | 66 | - | - | 66 | - | 66 |
| Revenues ex. specific items | 2,653 | 4,942 | 4,101 | 1,068 | (91) | 12,673 | (130) | 12,543 | 2,636 | 3,737 | 4,146 | 1,119 | 168 | 11,806 | 608 | 12,414 |

| | H1 2020 | | | | | | | | H1 2019 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CB | IB | PB | AM | C&O | Core Bank | CRU | Group | CB | IB | PB | AM | C&O | Core Bank | CRU | Group |
| Noninterest expenses | 2,194 | 2,804 | 3,887 | 774 | 156 | 9,815 | 1,191 | 11,006 | 2,521 | 3,272 | 4,141 | 869 | 162 | 10,964 | 1,942 | 12,906 |
| Impairment of goodwill and other intangible assets | - | - | - | 0 | - | 0 | - | 0 | 491 | - | 545 | - | - | 1,036 | (0) | 1,035 |
| Litigation charges, net | 81 | 3 | 77 | (0) | 10 | 170 | 9 | 179 | (12) | 132 | (37) | 1 | 22 | 106 | 41 | 147 |
| Restructuring and severance | 21 | 14 | 202 | 25 | 4 | 266 | 7 | 273 | 20 | 43 | (26) | 32 | 17 | 85 | 13 | 98 |
| Adjusted costs | 2,093 | 2,787 | 3,608 | 749 | 142 | 9,379 | 1,174 | 10,554 | 2,022 | 3,097 | 3,659 | 836 | 123 | 9,737 | 1,888 | 11,626 |
| Transformation charges[1] | 30 | 42 | 65 | 1 | (41) | 96 | 83 | 179 | - | - | 12 | - | (0) | 12 | 339 | 351 |
| Adjusted costs ex. transformation charges | 2,063 | 2,746 | 3,543 | 748 | 183 | 9,283 | 1,091 | 10,375 | 2,022 | 3,097 | 3,647 | 836 | 123 | 9,725 | 1,549 | 11,274 |

(1) Defined on slide 30

# Adjusted costs excluding transformation charges

In € m, unless otherwise stated

| | | Q2 2020 | Q2 2019 | YoY | Q1 2020 | QoQ |
|---|---|---|---|---|---|---|
| Adjusted costs **excluding** transformation charges | Compensation and benefits | 2,579 | 2,771 | (7)% | 2,675 | (4)% |
| | IT costs | 860 | 1,006 | (14)% | 870 | (1)% |
| | Professional service fees | 243 | 285 | (15)% | 221 | 10% |
| | Occupancy, furniture and equipment expenses | 368 | 378 | (3)% | 388 | (5)% |
| | Communication, data services, marketing | 175 | 227 | (23)% | 183 | (4)% |
| | Other | 573 | 669 | (14)% | 612 | (6)% |
| | **Adjusted costs ex. bank levies** | **4,799** | **5,336** | **(10)%** | **4,948** | **(3)%** |
| | Bank levies | 124 | 8 | n.m. | 503 | (75)% |
| | **Adjusted costs ex. transformation charges** | **4,923** | **5,345** | **(8)%** | **5,452** | **(10)%** |
| Reconciliation adjusted costs excluding transformation charges to adjusted costs | Compensation and benefits | 4 | - | n.m. | - | n.m. |
| | IT costs | 70 | 333 | (79)% | 72 | (3)% |
| | Professional service fees | 4 | - | n.m. | 3 | 15% |
| | Occupancy | 11 | - | n.m. | 8 | 48% |
| | Communication, data services, marketing | 5 | - | n.m. | 0 | n.m. |
| | Other | 0 | 18 | (99)% | 1 | n.m. |
| | Transformation charges | 95 | 351 | (73)% | 84 | 13% |
| | **Adjusted costs** | **5,018** | **5,696** | **(12)%** | **5,536** | **(9)%** |

# Adjusted profit (loss) before tax (PBT)

In € m

| Q2 2020 | Reported PBT | Specific revenue items | Transfor-mation charges[1] | Goodwill impairments | Restructuring & severance | Adjusted PBT |
|---|---|---|---|---|---|---|
| CB | 77 | - | 4 | - | 10 | 91 |
| IB | 956 | (16) | 28 | - | 16 | 984 |
| PB | (241) | (25) | 51 | - | 136 | (80) |
| AM | 114 | - | 0 | - | 18 | 132 |
| C&O | (152) | - | (42) | - | 2 | (192) |
| Core Bank | 753 | (41) | 41 | - | 182 | 935 |
| CRU | (595) | 23 | 54 | - | 3 | (515) |
| Group | 158 | (18) | 95 | - | 185 | 419 |

| Q2 2019 | Reported PBT | Specific revenue items | Transfor-mation charges[1] | Goodwill impairments | Restructuring & severance | Adjusted PBT |
|---|---|---|---|---|---|---|
| CB | (277) | - | - | 491 | 18 | 232 |
| IB | 218 | (86) | - | - | 25 | 157 |
| PB | (311) | (23) | 12 | 545 | (8) | 215 |
| AM | 89 | - | - | - | 28 | 117 |
| C&O | 101 | - | (0) | - | 20 | 121 |
| Core Bank | (180) | (109) | 12 | 1,036 | 82 | 841 |
| CRU | (766) | - | 339 | (0) | 9 | (418) |
| Group | (946) | (109) | 351 | 1,035 | 92 | 424 |

| Q1 2020 | Reported PBT | Specific revenue items | Transfor-mation charges[1] | Goodwill impairments | Restructuring & severance | Adjusted PBT |
|---|---|---|---|---|---|---|
| CB | 132 | - | 26 | - | 10 | 168 |
| IB | 622 | (36) | 14 | - | (2) | 598 |
| PB | 133 | (16) | 15 | - | 66 | 197 |
| AM | 110 | - | 0 | 0 | 7 | 118 |
| C&O | (24) | - | 0 | - | 3 | (21) |
| Core Bank | 973 | (52) | 55 | 0 | 84 | 1,061 |
| CRU | (767) | (24) | 29 | - | 3 | (758) |
| Group | 206 | (76) | 84 | 0 | 88 | 303 |

(1) Defined on slide 30

# Last 12 months (LTM) reconciliation

In € m

| | Q3 2018[1] | Q4 2018[1] | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 | Q2 2019 LTM[2] | Q2 2020 LTM[3] |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Core Bank | 5,716 | 5,280 | 5,964 | 5,982 | 5,484 | 5,528 | 6,409 | 6,357 | 22,941 | 23,778 |
| CRU | 459 | 294 | 387 | 221 | (222) | (179) | (59) | (70) | 1,362 | (529) |
| Group | 6,175 | 5,575 | 6,351 | 6,203 | 5,262 | 5,349 | 6,350 | 6,287 | 24,303 | 23,248 |
| **Revenues ex. specific items** | | | | | | | | | | |
| CB | 1,260 | 1,353 | 1,342 | 1,294 | 1,328 | 1,291 | 1,326 | 1,328 | 5,249 | 5,272 |
| IB | 1,799 | 1,221 | 2,000 | 1,737 | 1,744 | 1,495 | 2,303 | 2,639 | 6,757 | 8,180 |
| PB | 2,052 | 2,002 | 2,082 | 2,064 | 2,018 | 1,966 | 2,145 | 1,955 | 8,200 | 8,085 |
| AM | 567 | 514 | 525 | 594 | 543 | 671 | 519 | 549 | 2,200 | 2,281 |
| C&O | 54 | (8) | (16) | 184 | (67) | 56 | 63 | (154) | 213 | (102) |
| Core Bank | 5,732 | 5,082 | 5,933 | 5,872 | 5,566 | 5,478 | 6,357 | 6,316 | 22,619 | 23,717 |
| CRU | 459 | 294 | 387 | 221 | (122) | (163) | (82) | (47) | 1,362 | (415) |
| Group | 6,191 | 5,376 | 6,320 | 6,094 | 5,444 | 5,315 | 6,275 | 6,269 | 23,981 | 23,302 |
| **Adjusted costs ex. transformation charges** | | | | | | | | | | |
| Core Bank | 4,738 | 4,707 | 4,993 | 4,733 | 4,683 | 4,603 | 4,791 | 4,493 | 19,170 | 18,569 |
| CRU | 724 | 715 | 937 | 612 | 557 | 499 | 661 | 430 | 2,988 | 2,147 |
| Group | 5,462 | 5,422 | 5,930 | 5,345 | 5,240 | 5,102 | 5,452 | 4,923 | 22,158 | 20,716 |
| **Profit (loss) before tax** | | | | | | | | | | |
| Core Bank | 811 | 103 | 833 | (180) | 329 | (436) | 973 | 753 | 1,567 | 1,618 |
| CRU | (305) | (422) | (541) | (766) | (1,016) | (857) | (767) | (595) | (2,034) | (3,234) |
| Group | 506 | (319) | 292 | (946) | (687) | (1,293) | 206 | 158 | (467) | (1,616) |
| **Adjusted profit (loss) before tax** | | | | | | | | | | |
| Core Bank | 902 | 78 | 805 | 841 | 646 | 466 | 1,061 | 935 | 2,626 | 3,107 |
| CRU | (277) | (415) | (538) | (418) | (730) | (712) | (758) | (515) | (1,647) | (2,715) |
| Group | 625 | (337) | 267 | 424 | (84) | (246) | 303 | 419 | 979 | 392 |

(1) Q3 2018 and Q4 2018 figures based on reporting structure as disclosed in 2019 annual report
(2) Q2 2019 LTM figures refer to the sum of Q3 2018, Q4 2018, Q1 2019 and Q2 2019
(3) Q2 2020 LTM figures refer to the sum of Q3 2019, Q4 2019, Q1 2020 and Q2 2020

# Operating leverage[1]

## In € m, unless stated otherwise

| | Q1 2018[2] | Q2 2018[2] | Q3 2018[2] | Q4 2018[2] | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 | Q1 2019 vs. Q1 2018 | Q2 2019 vs. Q2 2018 | Q3 2019 vs. Q3 2018 | Q4 2019 vs. Q4 2018 | Q1 2020 vs. Q1 2019 | Q2 2020 vs. Q2 2019 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues ex. specific items** | | | | | | | | | | | | | | | | |
| Core Bank | 6,080 | 5,853 | 5,732 | 5,082 | 5,933 | 5,872 | 5,566 | 5,478 | 6,357 | 6,316 | (2)% | 0% | (3)% | 8% | 7% | 8% |
| Group | 6,661 | 6,397 | 6,191 | 5,376 | 6,320 | 6,094 | 5,444 | 5,315 | 6,275 | 6,269 | (5)% | (5)% | (12)% | (1)% | (1)% | 3% |
| **Adjusted costs ex. transformation charges** | | | | | | | | | | | | | | | | |
| Core Bank | 5,268 | 4,770 | 4,738 | 4,707 | 4,993 | 4,733 | 4,683 | 4,603 | 4,791 | 4,493 | (5)% | (1)% | (1)% | (2)% | (4)% | (5)% |
| Group | 6,350 | 5,577 | 5,462 | 5,422 | 5,930 | 5,345 | 5,240 | 5,102 | 5,452 | 4,923 | (7)% | (4)% | (4)% | (6)% | (8)% | (8)% |

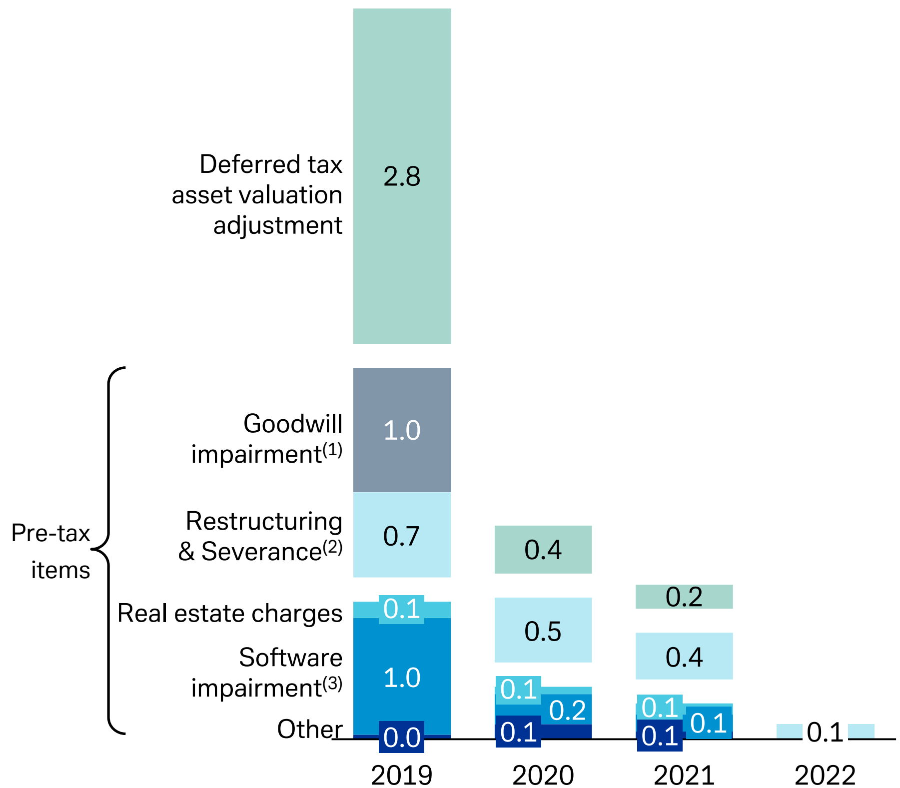
**Operating leverage[1]**

| | Q1 2019 vs. Q1 2018 | Q2 2019 vs. Q2 2018 | Q3 2019 vs. Q3 2018 | Q4 2019 vs. Q4 2018 | Q1 2020 vs. Q1 2019 | Q2 2020 vs. Q2 2019 |
|---|---|---|---|---|---|---|
| Core Bank | 3% | 1% | (2)% | 10% | 11% | 13% |
| Group | 1% | (1)% | (8)% | 5% | 7% | 11% |

(1) Year-on-year change in % of revenues excluding specific items less year-on-year change in % of adjusted costs ex. transformation charges
(2) 2018 figures based on reporting structure as disclosed in 2019 annual report

# Transformation-related effects

In € bn




| | | Q2 2020 | 2019 – 2022 expected cumulative expenses | % of total 2019 – Q2 2020 |
|---|---|---|---|---|
| | Deferred Tax Asset valuation adjustment | 0.0 | 3.4 | 83% |
| Nonoperating costs(4) | Goodwill impairment | - | 1.0 | 100% |
| | Restructuring & Severance | 0.2 | 1.8 | 56% |
| Transformation charges(5) | Real estate charges | 0.0 | 0.3 | 54% |
| | Software impairment/ accelerated amortization | 0.1 | 1.4 | 80% |
| | Other | 0.0 | 0.2 | 32% |
| **Total transformation-related effects** | | | | **76%** |

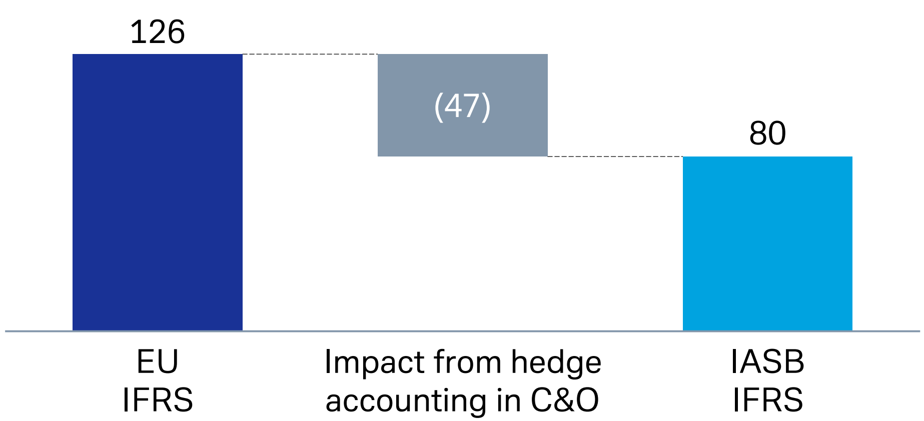
Note: Estimated restructuring and severance, impairments, deferred tax valuation adjustments and other transformation charges in future periods are preliminary and subject to change. Non-tax items are shown on a pre-tax basis
(1) Non-tax deductible
(2) Excludes H1 2019 Restructuring & Severance of € 0.1bn, prior to the strategic announcement on 7 July 2019
(3) Includes accelerated software amortization
(4) Excluded from adjusted costs. Definition of adjusted costs detailed on slide 30
(5) Included in adjusted costs

# Bridge from EU IFRS to IASB IFRS

Profit (loss), in € m

## Q2 2020

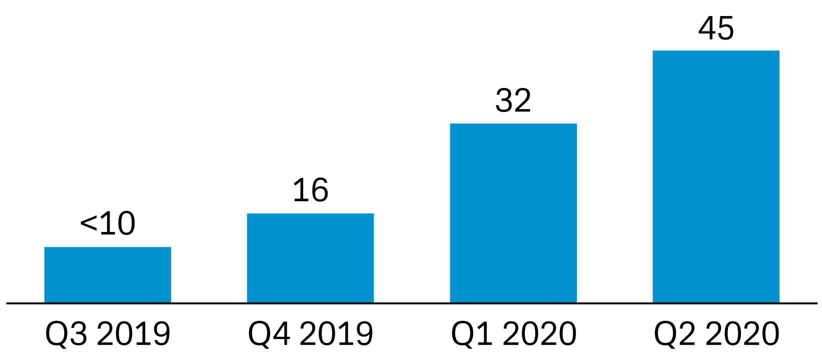

## H1 2020



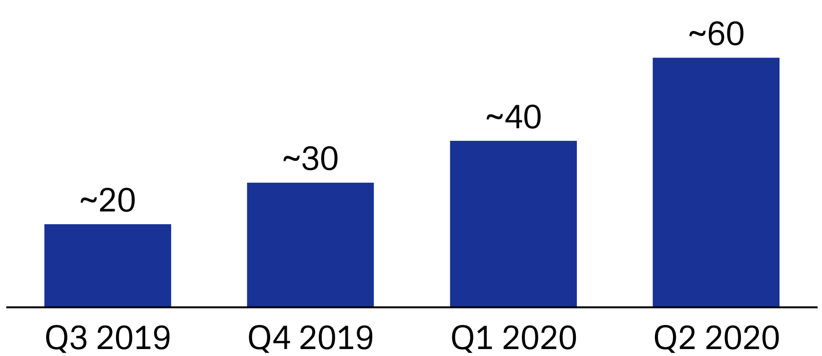

- Deutsche Bank's financial statements have historically been prepared based on the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union ("EU")
- Since 2020, the Group applies fair value hedge accounting for portfolio hedges of interest rate risk (macro hedging) to hedge account modelled deposits under the EU carve out version of IAS 39. Therefore resulting in a difference between IFRS as endorsed by the EU and IFRS as issued by the IASB
- The Group's Q2 2020 profit is approximately € 23m lower under IFRS as endorsed by the EU compared to IFRS as issued by the IASB (PBT impact € 55m) mainly reflecting the impact from declining euro interest rates on Fair Value hedge accounted deposits
- In H1 2020 profit is approximately € 47m higher under IFRS as endorsed by the EU compared to IFRS as issued by the IASB (PBT impact € (77)m)
- To reflect reporting obligations in Germany and the US, DB is preparing separate sets of interim financial information from Q1 2020 onwards (i.e. locally: based on IFRS as adopted by the EU; US: based on IFRS as issued by the IASB)

# Deposit charging

## Quarterly revenue impact, € m




## Charging agreements[1], € bn

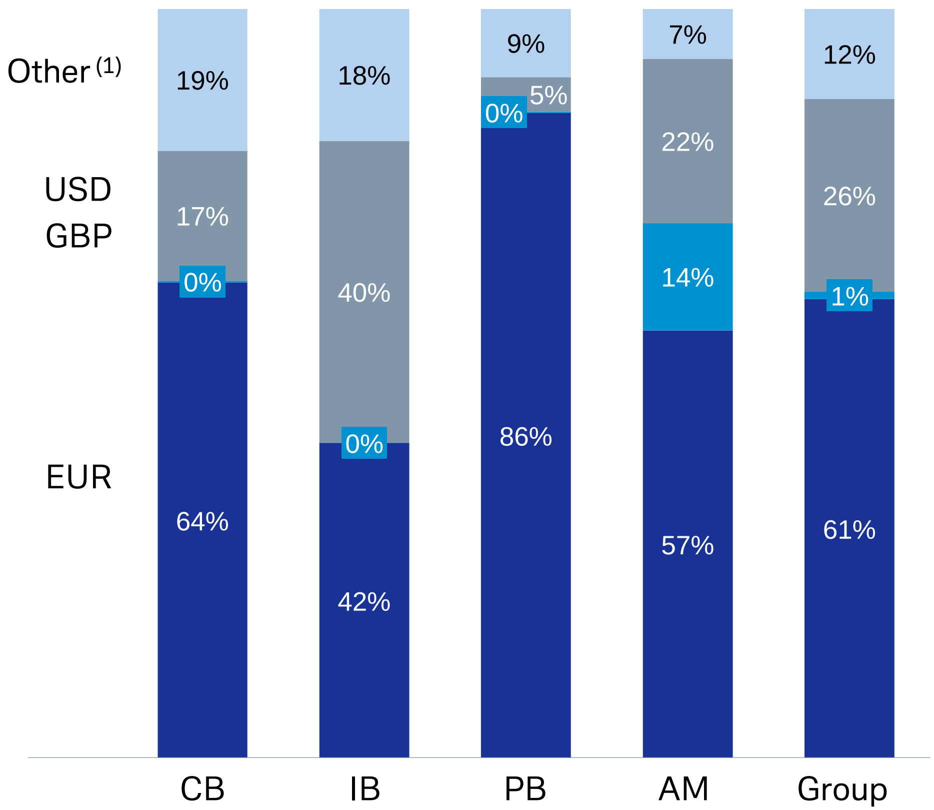



- Well on track to achieve 2022 revenue plan for passing through negative rates, predominantly reflecting higher deposit retention than forecasted
- 90% of charging agreements currently in the Corporate Bank
- Implementation of charging agreements now shifting to smaller client balances
- Private Bank Germany now passing on negative interest rates to new accounts above € 100k. Priority remains to migrate clients into investment products to offset continued low-interest rate environment

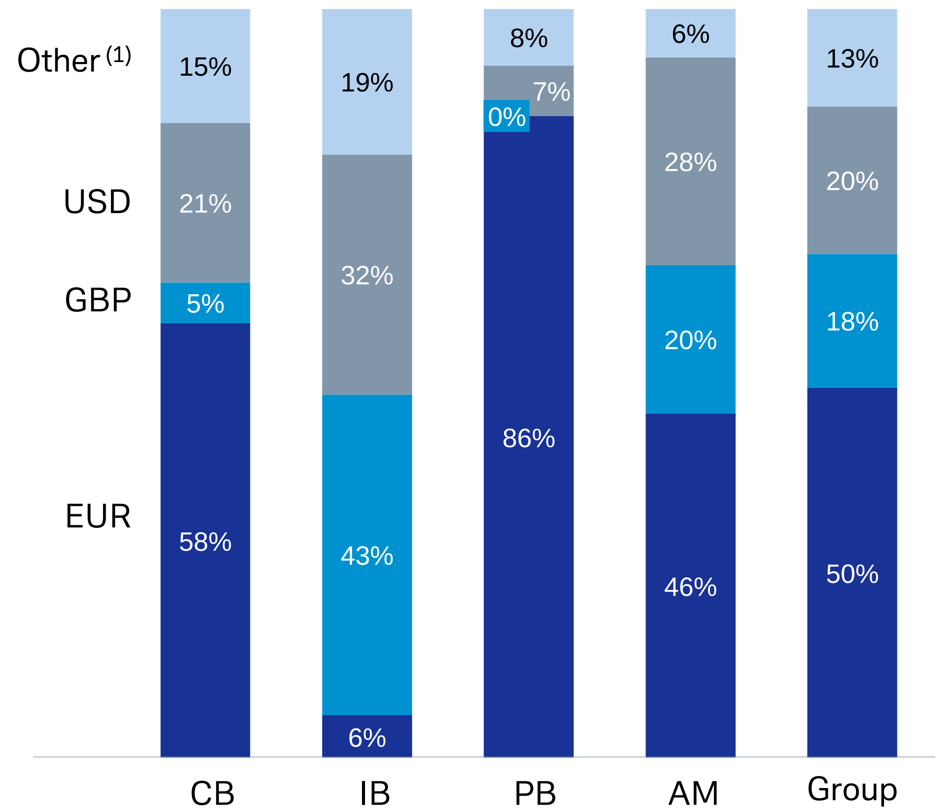
(1) Total euro current account balances of corporate, institutional, commercial and private clients with implemented charging agreements. Individual charging thresholds apply

# Indicative regional currency mix - Q2 2020

## Net revenues




## Total noninterest expenses

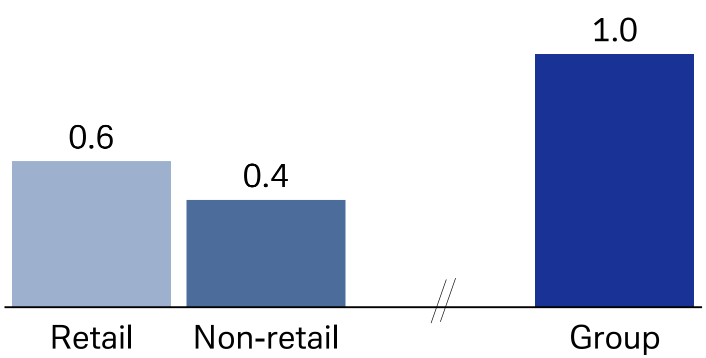



Note: Classification is based primarily on the currency of DB's Group office in which the Revenues and Noninterest expenses are recorded and therefore only provide an indicative approximation
(1) Primarily includes Singapore Dollar (SGD), Indian Rupee (INR), and Hong Kong Dollar (HKD)

# Net interest income sensitivity

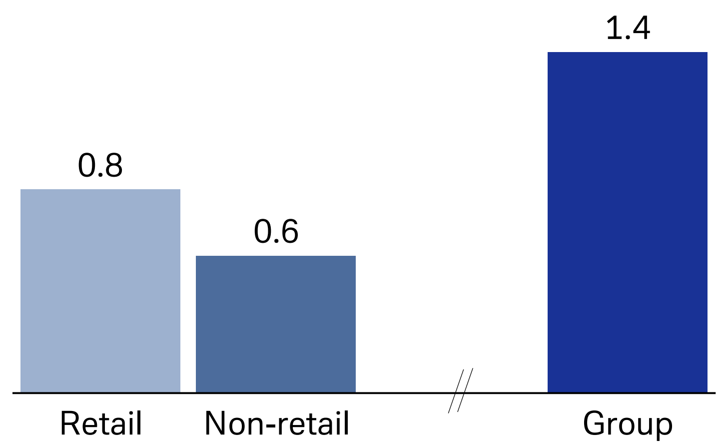
## Hypothetical +100bps parallel shift impact, in € bn

### First year




| Currency | Maturity | Retail | Non-retail | Group |
|---|---|---|---|---|
| EUR | > 3M | 0.3 | 0.0 | 0.3 |
| EUR | ≤ 3M | 0.3 | 0.3 | 0.6 |
| USD | > 3M | 0.0 | 0.0 | 0.1 |
| USD | ≤ 3M | 0.0 | 0.0 | 0.1 |

### Second year



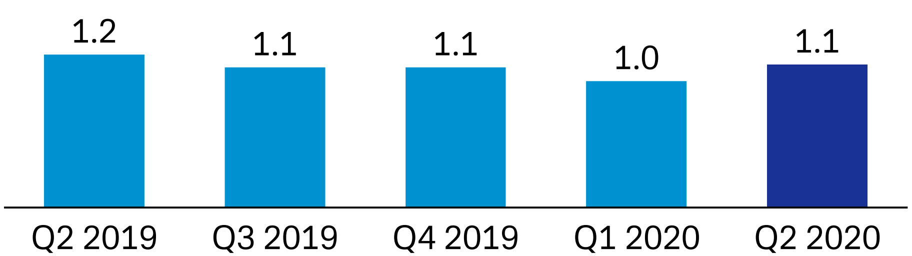

| Currency | Maturity | Retail | Non-retail | Group |
|---|---|---|---|---|
| EUR | > 3M | 0.5 | 0.1 | 0.6 |
| EUR | ≤ 3M | 0.3 | 0.3 | 0.6 |
| USD | > 3M | 0.0 | 0.1 | 0.1 |
| USD | ≤ 3M | 0.0 | 0.1 | 0.1 |

Note: Estimates are based on a static balance sheet, excluding trading positions & DWS, and at constant exchange rates. The parallel yield curve shift by +100 basis points assumes an immediate increase of all interest rate tenors and no additional management action. Figures do not include Mark-to-Market / Other Comprehensive Income effects on centrally managed positions not eligible for hedge accounting. Unchanged rates impact estimated as delta between annualized last quarter's NII and first and second 12 months' NII forecast under unchanged interest rates respectively

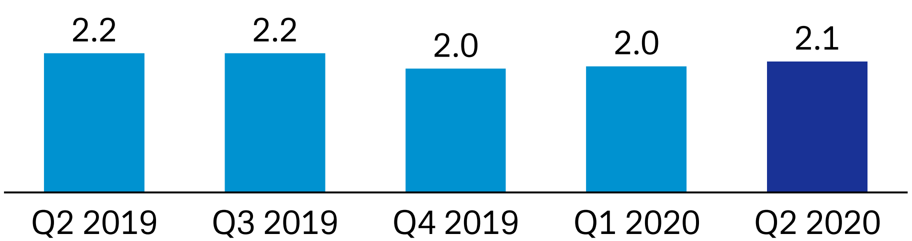
# Litigation update

In € bn, period end

## Litigation provisions[1]




## Contingent liabilities[1]




— Increase in provisions in the quarter predominately relates to the settlement with the New York Department of Financial Services in July 2020

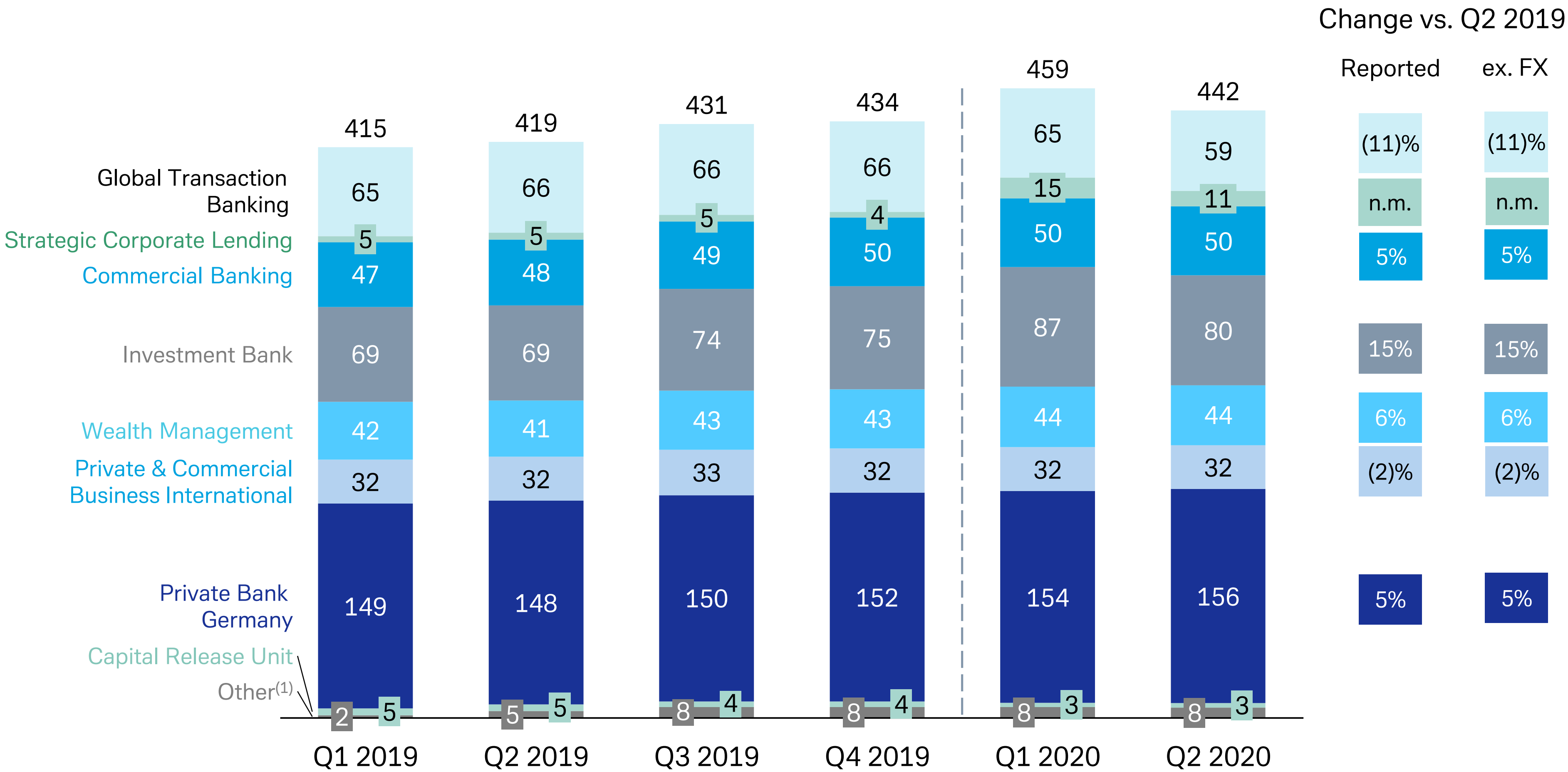
— Provisions include approximately € 0.1bn related to settlements already achieved or agreed in principle

— Contingent liabilities include possible obligations where an estimate can be made and outflow is more than remote but less than probable for significant matters

Note: Figures reflect current status of individual matters and provisions. Litigation provisions and contingent liabilities are subject to potential further developments
(1) Includes civil litigation and regulatory enforcement matters

# Loan book

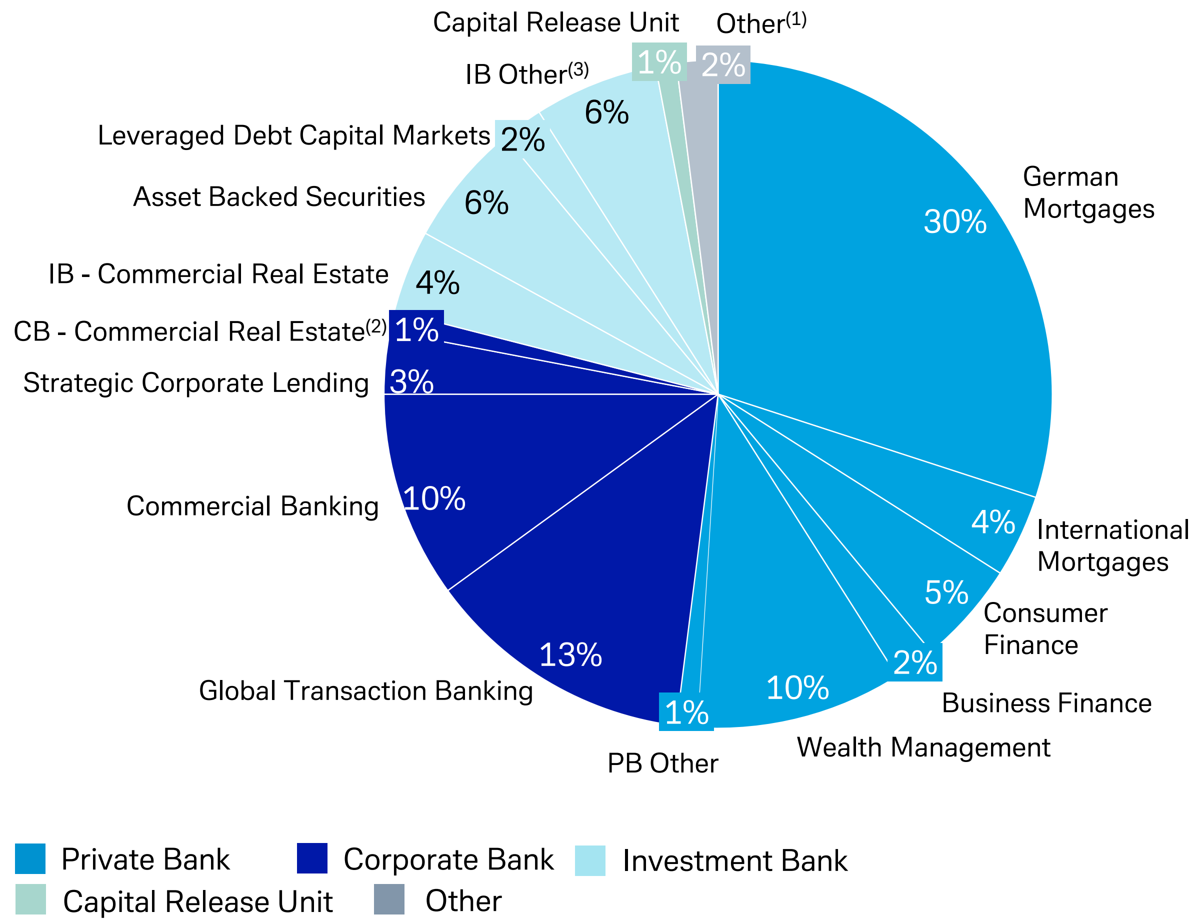
In € bn, period end




Note: Loan amounts are gross of allowances for loan losses
(1) Mainly Corporate & Other

# Loan book composition

## Q2 2020, IFRS loans; € 442bn

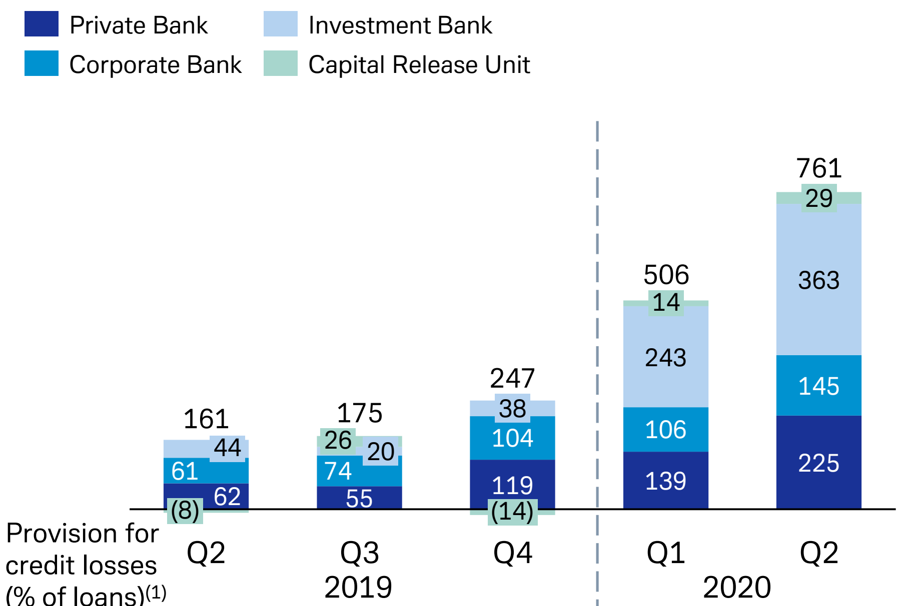



- Well diversified loan portfolio
- ~ 50% of loan portfolio in Private Bank, mainly consisting of German retail mortgages and secured lending in Wealth Management
- ~ 30% of loan portfolio in Corporate Bank, with loans in Global Transaction Banking (predominantly trade finance and working capital to corporate and institutional clients) and Commercial Banking (various loan products to Midcap and SME clients in Germany)
- Investment Bank loan portfolios contain well-secured, mainly asset backed loans, commercial real estate loans and collateralized financing. Well-positioned to withstand downside risks due to conservative underwriting standards and risk appetite frameworks limiting concentration risk

Note: Loan amounts are gross of allowances for loans
(1) Mainly Corporate and Others
(2) Non-recourse Commercial Real Estate business
(3) Includes APAC Commercial Real Estate business

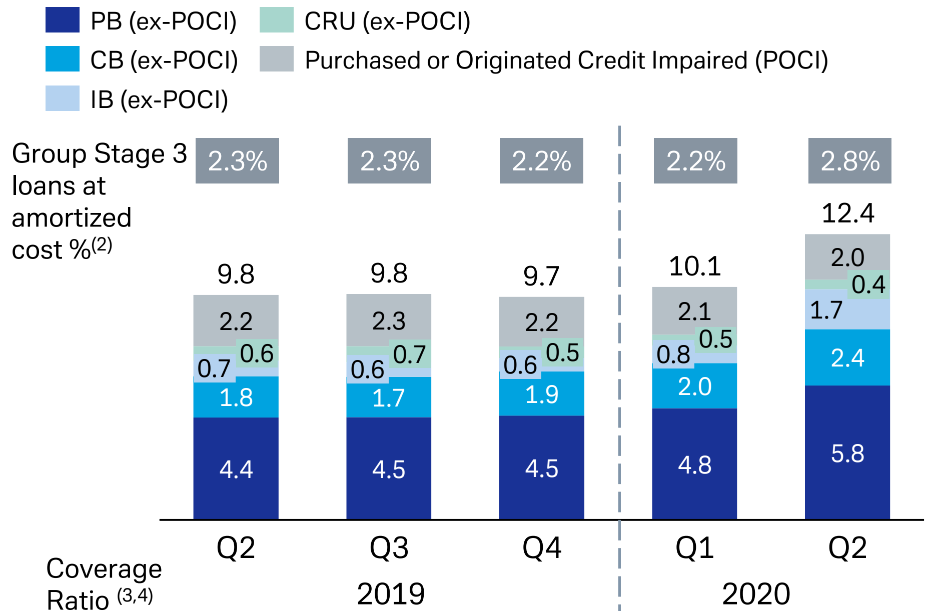
# Provision for credit losses and stage 3 loans

## Provision for credit losses, € m




| Provision for credit losses (% of loans)[1] | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 |
|---|---|---|---|---|---|
| Group | 0.14% | 0.15% | 0.17% | 0.44% | 0.57% |
| CB | 0.18% | 0.20% | 0.24% | 0.33% | 0.42% |
| IB | 0.15% | 0.13% | 0.14% | 1.11% | 1.52% |
| PB | 0.15% | 0.13% | 0.15% | 0.24% | 0.31% |

## Stage 3 at amortised cost, € bn



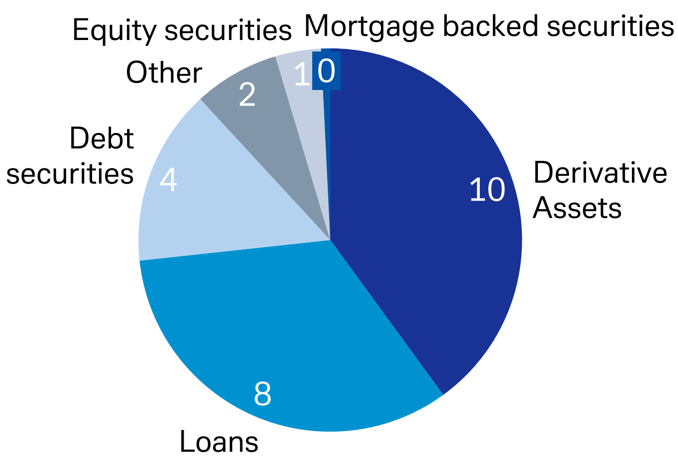

| Coverage Ratio [3,4] | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 |
|---|---|---|---|---|---|
| Group | 40% | 41% | 40% | 39% | 33% |
| CB | 44% | 46% | 44% | 47% | 43% |
| IB | 16% | 17% | 20% | 18% | 17% |
| PB | 41% | 42% | 41% | 39% | 32% |

Note: Provisions for credit losses in the Corporate & Other and Asset Management segments are not shown on this chart but are included in the DB Group totals
(1) 2020 Year-to-date provision for credit losses annualized as % of loans at amortized cost (€ 442 bn as of 30 June 2020)
(2) IFRS 9 stage 3 assets at amortized cost including POCI as % of loans at amortized cost (€ 442 bn as of 30 June 2020)
(3) IFRS 9 stage 3 allowance for credit losses for assets at amortized cost excluding POCI divided by stage 3 assets at amortized cost excluding POCI
(4) IFRS 9 stage 1 coverage ratio for assets at amortized cost (excluding country risk allowance) is 0.1% and IFRS 9 stage 2 coverage ratio for assets at amortized cost (excluding country risk allowance) is 1.5% as of 30 June 2020

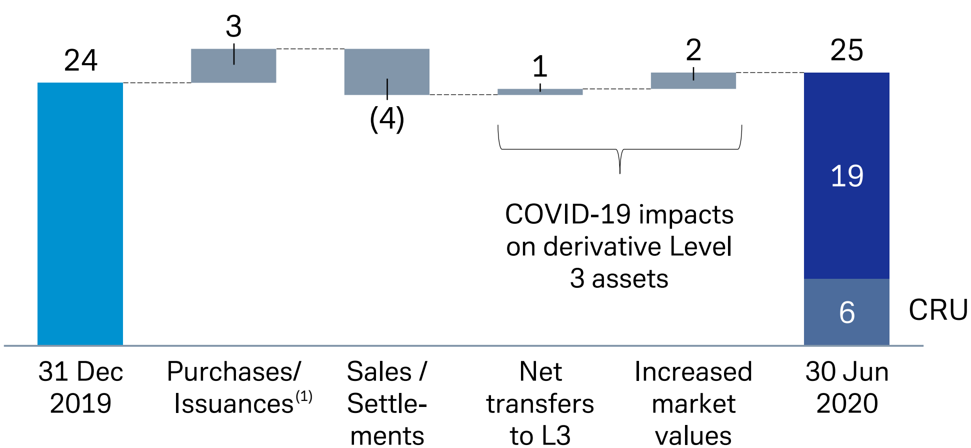
# Level 3 assets

## As of 30 June 2020, in € bn

### Assets (total: € 25bn)




### Movements in balances

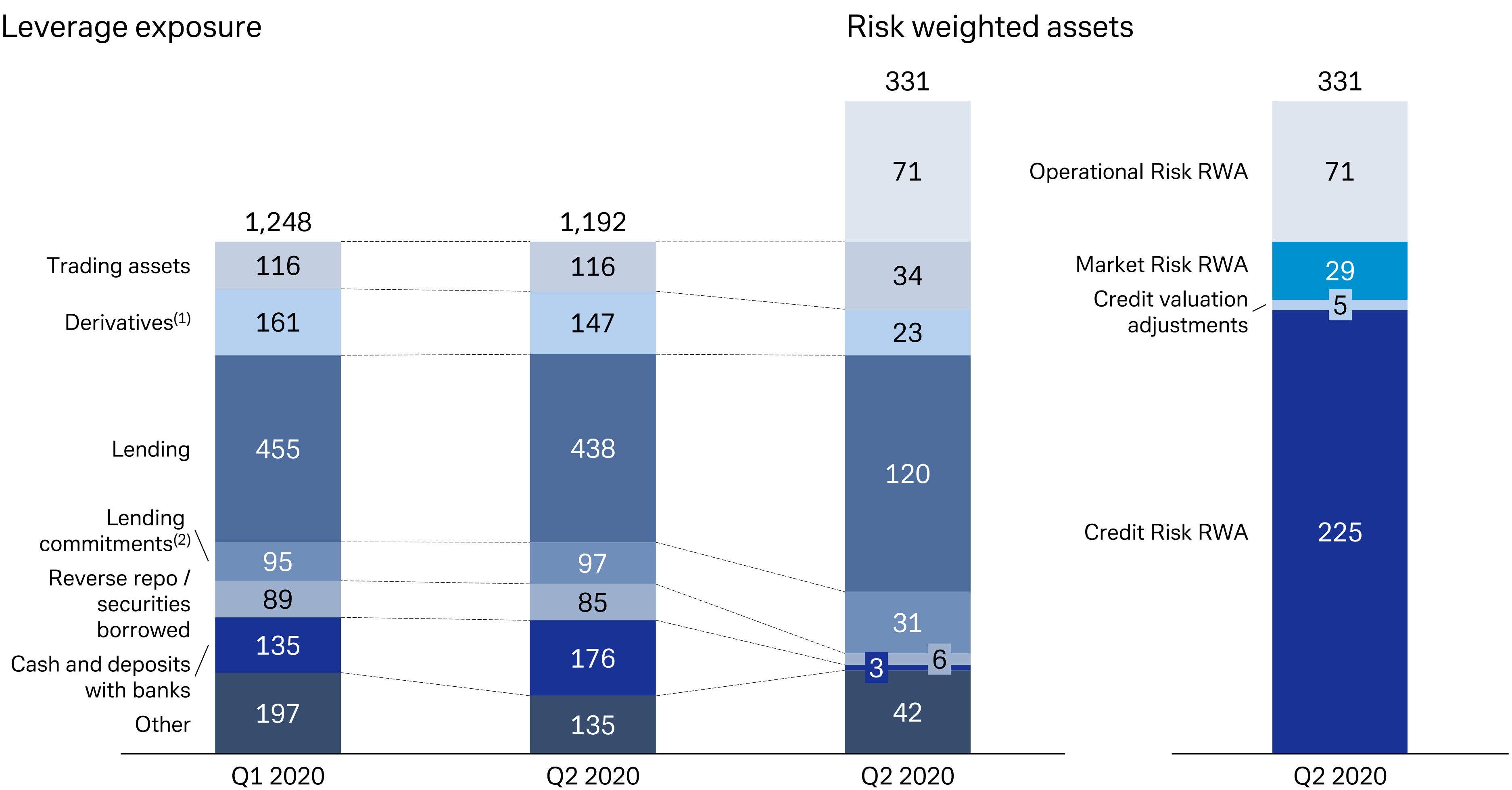



- Level 3 is an indicator of valuation uncertainty and not of asset quality
- Increase in Level 3 assets in H1 2020 reflects:
  - Net transfers due to the recent dispersion in market pricing (which partially reversed in Q2 2020)
  - Increased market values on existing Level 3 derivatives due to movements in interest rates (materially offset by equivalent increases in Level 3 liabilities)
- € 6bn of Level 3 assets in the Capital Release Unit
- Variety of mitigants to valuation uncertainty
  - Prudent Valuation capital deductions[2] specific to Level 3 balances of ~€ 0.7bn
  - Uncertain inputs often hedged
  - Exchange of collateral with derivative counterparties
- Portfolios are not static with significant turnover every year

(1) Issuances include cash amounts paid on the primary issuance of a loan to a borrower
(2) Additional value adjustments deducted from CET 1 capital pursuant to Article 34 of Regulation (EU) No. 2019/876 (CRR)

# Leverage exposure and risk weighted assets

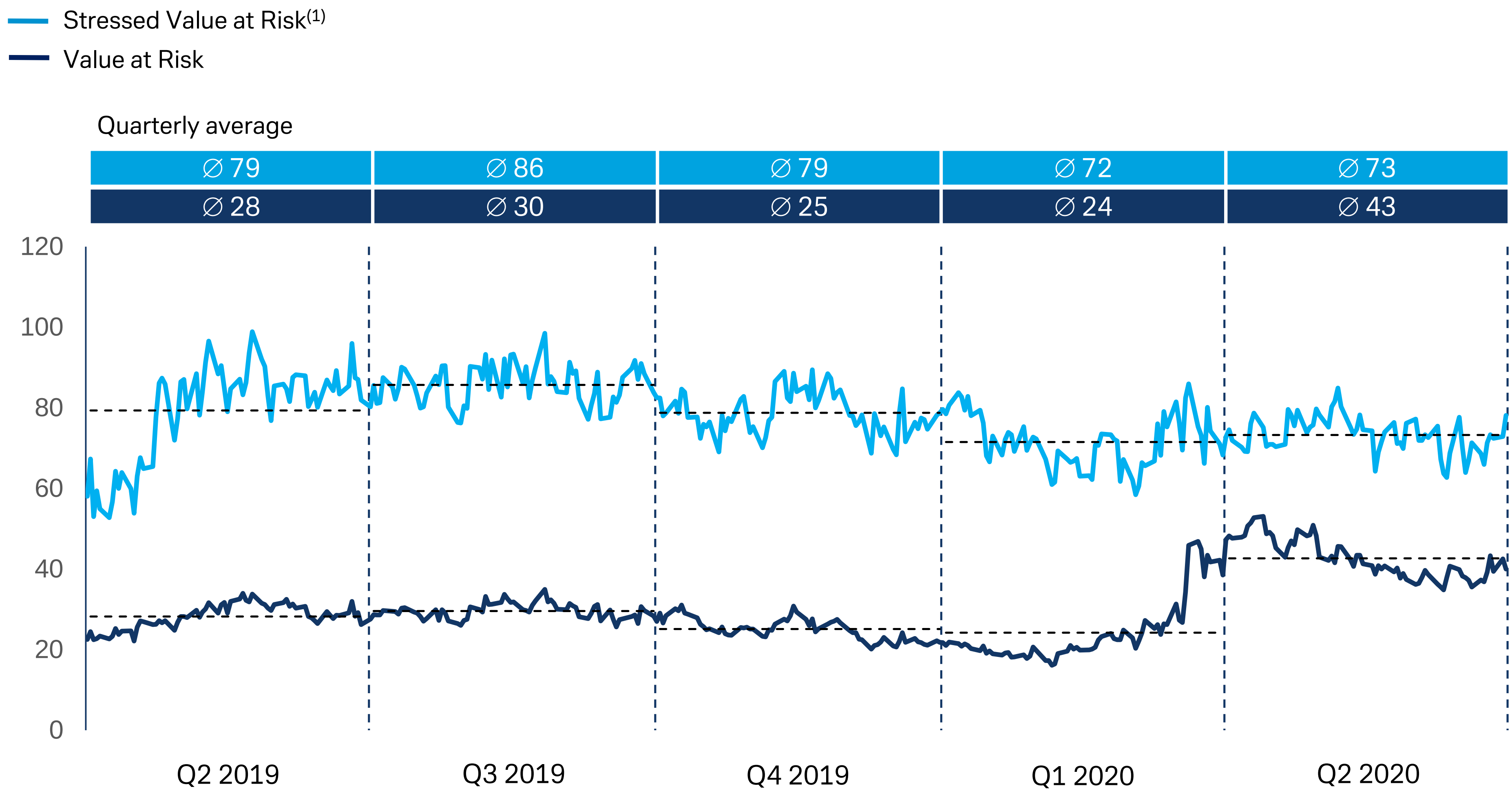
CRD4, fully loaded, in € bn, period end




(1) Excludes any related Market Risk RWA which have been fully allocated to non-derivatives trading assets
(2) Includes contingent liabilities

# Trading book Value at Risk

DB Group, 99%, 1 day, in € m, unless stated otherwise




(1) Stressed Value-at-Risk is calculated on the same portfolio as Value at Risk but uses historical market data from a period of significant financial stress (i.e. characterized by high volatility and extreme price movements)

# Assets under Management – Private Bank

In € bn

| | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 |
|---|---|---|---|---|---|---|
| Assets under Management | 473 | 478 | 481 | 482 | 442 | 471 |
| **Private Bank Germany** | **207** | **211** | **211** | **213** | **197** | **209** |
| therein: Deposits (1) | 106 | 108 | 106 | 104 | 106 | 106 |
| therein: Investment Products (2) | 102 | 103 | 105 | 109 | 91 | 103 |
| **Private & Commercial Business International** | **59** | **60** | **60** | **59** | **53** | **56** |
| therein: Deposits (1) | 10 | 10 | 10 | 9 | 9 | 9 |
| therein: Investment Products (2) | 49 | 50 | 50 | 50 | 44 | 48 |
| **Wealth Management** | **206** | **206** | **211** | **210** | **192** | **206** |
| *by product:* | | | | | | |
| Deposits (1) | 53 | 54 | 54 | 51 | 49 | 49 |
| Investment Products (2) | 153 | 153 | 157 | 159 | 143 | 158 |
| *by region: (3)* | | | | | | |
| Americas | 28 | 28 | 28 | 28 | 25 | 27 |
| Germany | 85 | 86 | 87 | 85 | 76 | 81 |
| Europe | 29 | 30 | 31 | 30 | 30 | 31 |
| Emerging Markets | 64 | 63 | 65 | 66 | 61 | 67 |
| Net flows - Assets under Management | 6.5 | 4.4 | (1.1) | (5.7) | 0.7 | 5.9 |
| **Private Bank Germany** | **4.1** | **3.1** | **(1.4)** | **(1.5)** | **0.6** | **2.1** |
| therein: Deposits (1),(4) | 3.5 | 2.3 | (2.2) | (1.5) | (0.8) | 0.5 |
| therein: Investment Products (2),(4) | 0.6 | 0.7 | 0.8 | 0.0 | 1.3 | 1.6 |
| **Private & Commercial Business International** | **(0.5)** | **0.6** | **(0.8)** | **(1.2)** | **(0.6)** | **0.4** |
| therein: Deposits (1),(4) | (0.3) | 0.1 | (0.4) | (0.3) | (0.2) | (0.1) |
| therein: Investment Products (2),(4) | (0.2) | 0.5 | (0.4) | (0.9) | (0.4) | 0.5 |
| **Wealth Management** | **2.8** | **0.7** | **1.1** | **(3.0)** | **0.7** | **3.4** |
| therein: Deposits (1),(4) | 1.5 | 0.7 | (0.7) | (2.2) | (2.1) | 0.2 |
| therein: Investment Products (2),(4) | 1.3 | (0.0) | 1.9 | (0.7) | 2.8 | 3.3 |

(1) Deposits are considered assets under management if they serve investment purposes. In Private Bank Germany and Private & Commercial Business International, this includes all time deposits and savings deposits. In Wealth Management, it is assumed that all customer deposits are held with us primarily for investment purposes; Wealth Management deposits under discretionary and wealth advisory mandate type were reported as Investment products
(2) Investment Products also include Insurances
(3) Regional view is based on a client view
(4) Net Flows as reported also include shifts between deposits

# 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 20 March 2020 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from www.db.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 Q2 2020 Financial Data Supplement, which is accompanying this presentation and available at www.db.com/ir.