Deutsche Bank SAE

Cédulas Hipotecarias Cover Pool Update
4Q2017
Cover Pool Details – Overview
(1/2)

Cover Pool details (as of 4Q17)

- Total Mortgage Portfolio: 7.9 EUR bn
- Eligible mortgages: 7.3 EUR bn
- Legal Issuance Capacity: 5.8 EUR bn
- Outstanding Cédulas: 2.5 EUR bn

**OC level = 137%**

Outstanding Cédulas – Maturity profile

- 2018: Retained 0.6 EUR bn, Public Placement 0.5 EUR bn
- 2019: Retained 1.0 EUR bn, Public Placement 0.8 EUR bn
- 2020: Retained 1.0 EUR bn
- 2021: Retained 0.5 EUR bn
- 2022: Retained 0.9 EUR bn
- 2023: Retained 0.5 EUR bn
- 2024: Retained 0.9 EUR bn

- No new issuance in 4Q17
- Outstanding volume at €5,325m by end of 4Q17
Cover Pool Details – Overview (2/2)

Cover Pool details\(^{(1)}\) (as of 4Q17)

- Average outstanding loan size: EUR 98.6k
- Number of loans: 80,651
- Weighted avg. loan seasoning (years): 7.2
- Weighted avg. remaining loan maturity (years): 20.2
- Total pool weighted avg. Loan-to-Value (LTV): 49.3%
- Total pool Non-Performing Loan (NPL) ratio: 2.01%
- Interest rate type: 99.9% FRN
- Residential mortgages: 95.0%
- EUR denominated loans: 98.9%
- 1\(^{st}\) residence mortgages: 88.8%

Cover Pool eligibility

- Eligible 92%
- Non-eligible 8%

\(^{(1)}\) Figures based on total cover pool (EUR 7.9bn)
Cover Pool Details\(^{(1)}\) – Mortgage quality

(1/3)

**Cover Pool by asset type**

- Focus on residential mortgages
- Marginal exposure to commercial mortgages
- Almost no exposure to real estate developers

**Cover Pool Loan-to-Value (LTV) profile**

- Low Loan-to-Value portfolio due to prudent lending policy

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\(^{(1)}\) Figures based on total cover pool (EUR 7.9bn)
**Cover Pool Details**<sup>(1)</sup> – Mortgage quality (2/3)

### Historical development of NPL<sup>(2)</sup> ratio

- **4Q2017** NPL ratio basically unchanged on low level

### Distribution by average loan size

- Well diversified portfolio
- No large lending risk concentration

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(1) Figures based on total cover pool (EUR 7.9bn)
(2) NPL: Non-performing loans - Loan is defined as non-performing if a loan is due more than 90 days in arrears

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Cédulas Hipotecarias Investor Update

4Q 2017
Cover Pool Details\(^{(1)}\) – Mortgage quality
(3/3)

Cover Pool maturity profile

- Long-term mortgage portfolio
- Remaining average maturity over 20 years

Seasoning

- High credit quality demonstrated by high seasoning score

\(^{(1)}\) Figures based on total cover pool (EUR 7.9bn)
Top 10 regions account for over 79% of DB S.A.E.'s mortgage portfolio

Madrid and Barcelona region represent over 50% of total mortgage portfolio:
- Lower unemployment rate than the Spanish average
- Highest contributors to Spanish GDP
- Economically resilient regions

Mortgage loans - location

<table>
<thead>
<tr>
<th>Location</th>
<th>% of Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Madrid</td>
<td>26.1</td>
</tr>
<tr>
<td>Barcelona</td>
<td>26.1</td>
</tr>
<tr>
<td>Málaga</td>
<td>4.1</td>
</tr>
<tr>
<td>Alicante</td>
<td>4.2</td>
</tr>
<tr>
<td>Valencia</td>
<td>4.0</td>
</tr>
<tr>
<td>Sevilla</td>
<td>3.8</td>
</tr>
<tr>
<td>Baleares</td>
<td>3.8</td>
</tr>
<tr>
<td>Girona</td>
<td>2.6</td>
</tr>
<tr>
<td>Tarragona</td>
<td>2.3</td>
</tr>
<tr>
<td>Cadiz</td>
<td>2.1</td>
</tr>
<tr>
<td>Rest</td>
<td>20.9</td>
</tr>
</tbody>
</table>

(1) Figures based on total cover pool (EUR 7.9bn)
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