Release **Deutsche Bank**

DEUTSCHE BANK REPORTS SECOND QUARTER 2008 NET INCOME OF EUR 645 MILLION

- *Income before income taxes of EUR 642 million*
- *Corporate Banking & Securities: loss before income taxes of EUR 311 million after mark-downs of EUR 2.3 billion*
- *Significant reduction in key exposures*
- *Solid performance of 'stable' businesses (Global Transaction Banking, Private Clients and Asset Management): income before income taxes of EUR 854 million*
- *Strong net new money inflows of EUR 10 billion*
- *BIS Tier 1 capital ratio of 9.3%, well above target range*
- *Balance sheet reduced by EUR 159 billion to EUR 1,991 billion*

FRANKFURT AM MAIN, 31 July 2008 – Deutsche Bank (XETRA: DBKGn.DE / NYSE: DB) today reported net income of EUR 645 million, and diluted earnings of EUR 1.27 per share, for the second quarter 2008, versus EUR 1.8 billion, and diluted earnings of EUR 3.60 per share, in the second quarter 2007. Income before income taxes was EUR 642 million, versus EUR 2.7 billion in the second quarter 2007. Mark-downs of EUR 2.3 billion were recorded on residential mortgage-backed securities (predominantly Alt-A), monoline insurers, commercial real estate, leveraged finance loans and loan commitments, and other positions. The BIS Tier 1 capital ratio at the end of the quarter, reported under Basel II, was 9.3%.

Dr. Josef Ackermann, Chairman of the Management Board, said: *"The second quarter of 2008 proved to be another very challenging quarter for the banking industry. The environment continued to affect the performance of our investment banking business, but our 'stable' businesses again proved their resilience. Despite additional mark-downs we produced a solid profit. We also maintained our capital strength and made significant progress on reducing key exposures. A year has now passed since the beginning of the credit downturn, and over this period, Deutsche Bank has earned a total of EUR 3.1 billion in net income. We have shown our strength in difficult conditions."*

He added: *"Looking forward, we remain cautious for the remainder of 2008. Deutsche Bank has clear priorities. We will continue to strictly manage cost, risk and capital, and to reduce our exposures in key areas. We will seek opportunities to gain market share by capitalising on our relatively robust performance through the current downturn. We will continue to invest in all our core businesses, both organically and by acquisition, but we will not relax our discipline."*

Group Highlights

Net revenues for the quarter were EUR 5.4 billion, after mark-downs in Corporate Banking & Securities (CB&S) of EUR 2.3 billion, compared to net revenues of EUR 8.8 billion in the second quarter 2007.

The Corporate and Investment Bank (CIB) recorded net revenues of EUR 2.9 billion, compared to EUR 6.0 billion in the second quarter 2007.

In CB&S, net revenues were EUR 2.2 billion, after the aforementioned mark-downs of EUR 2.3 billion, compared to net revenues of EUR 5.3 billion in the second quarter 2007. In Sales & Trading (Debt and other products) net revenues were EUR 602 million, compared to EUR 2.9 billion in the second quarter 2007, after mark-downs in the current quarter of EUR 2.1 billion. These mark-downs were as follows: residential mortgage-backed securities (EUR 1.0 billion), monoline insurers (EUR 0.5 billion), commercial real estate (EUR 0.3 billion, including specific hedges), and impairment losses on available for sale assets (EUR 0.2 billion). Revenues in credit trading also declined year-on-year. These reductions more than offset year-on-year revenue growth in foreign exchange, money markets and interest rate products. In Sales & Trading (Equity), revenues were EUR 830 million versus EUR 1.4 billion in the second quarter 2007, primarily reflecting lower revenues in equity derivatives, due to lower customer activity in structured products and persistent difficult conditions in correlation trading, which more than offset year-on-year revenue growth in prime services. Advisory revenues were EUR 125 million, versus EUR 256 million in the second quarter 2007, reflecting lower levels of merger and acquisition activity. Origination revenues were EUR 266 million, versus EUR 638 million in the second quarter 2007, reflecting mark-downs of EUR 200 million in leveraged finance and lower levels of market activity in equity issuance. Net revenues for the second quarter 2008 included a gain of EUR 13 million from changes in the credit spreads on certain of Deutsche Bank's own debt on which the bank elected to use the fair value option. The application of the fair value option on the bank's liabilities remained unchanged from prior reporting periods. The aggregate gain recorded on the Group's own debt since 1 January 2007 was slightly above EUR 100 million.

In Global Transaction Banking (GTB), net revenues were EUR 671 million, up 2% versus the second quarter 2007, primarily reflecting revenue growth in Trade Finance and investment income.

In Private Clients and Asset Management (PCAM), net revenues were EUR 2.4 billion, versus EUR 2.6 billion in the second quarter 2007.

In Asset and Wealth Management (AWM), net revenues were EUR 962 million, down 16% versus the second quarter 2007, reflecting lower fee and commission income due in part to the impact of deteriorating market conditions, and revenues which arose in the prior year quarter from the sale of business activities and investments.

In Private & Business Clients (PBC), net revenues were EUR 1.5 billion, up 2% versus the second quarter 2007. Brokerage and portfolio/fund management revenues were lower than in the prior year quarter, reflecting less favorable conditions in equity markets, but this development was offset by growth in revenues from loans, deposits, insurance brokerage and payments and account services.

In Corporate Investments (CI), net revenues were EUR 296 million, up 14% versus the second quarter 2007, primarily reflecting gains on partial sales from the bank's industrial holdings portfolio and from the disposal of other investments, which were in part offset by negative mark-to-market adjustments on the valuation of Deutsche Bank's option to increase its stake in Hua Xia Bank in China. Dividend income in the current quarter was EUR 111 million, down from EUR 130 million in the prior year quarter.

For the first six months of 2008, Group net revenues were EUR 10.0 billion, after mark-downs in CB&S of EUR 2.7 billion in the first quarter 2008 and EUR 2.3 billion in the second quarter 2008, versus net revenues of EUR 18.4 billion in the first six months of 2007.

Provision for credit losses was EUR 135 million, versus EUR 81 million in the second quarter 2007. This development reflects lower releases and recoveries within CB&S, together with higher provisions in PBC, which in turn mainly reflect that division's organic growth in consumer finance, principally in Poland, and increased credit costs in Spain.

For the first six months of 2008, provision for credit losses was EUR 249 million, versus EUR 178 million in the first half of 2007.

Noninterest expenses were EUR 4.6 billion in the quarter, down 23% from EUR 6.0 billion in the second quarter 2007. Compensation and benefits were EUR 2.7 billion, down 31% versus the second quarter 2007, primarily reflecting lower accruals for performance-related compensation in light of lower operating results. Deutsche Bank's variable compensation reflects both Group and segmental performance, and second quarter 2008 variable compensation expenses included adjustments to accruals reflected in segmental results, driven by lower operating performance. General and administrative expenses were EUR 1.8 billion, down 14% versus the second quarter 2007, reflecting foreign exchange movements, lower litigation-related expenses and cost containment initiatives. Policyholder benefits and claims were EUR 119 million, up from EUR 27 million in the second quarter 2007, primarily reflecting provisions for liabilities to policyholders for the closed book insurance business acquired from Abbey Life, in respect of which an offsetting revenue amount was included in Other products in CB&S.

For the first six months of 2008, noninterest expenses were EUR 9.4 billion, down 24% from EUR 12.3 billion in the first six months of 2007.

Income before income taxes was EUR 642 million in the second quarter 2008, versus EUR 2.7 billion in the second quarter 2007. Pre-tax return on average active equity was 9%. Per the Group's target definition, which excludes certain significant gains of EUR 242 million in the current quarter and EUR 131 million in the second quarter 2007, income before income taxes would be EUR 404 million compared to EUR 2.6 billion in the prior year period. Pre-tax return on average active equity per the Group's target definition was 5%, versus 34% in the second quarter 2007.

For the first six months of 2008, income before income taxes was EUR 388 million, versus EUR 5.9 billion in the first six months of 2007.

Net income in the quarter was EUR 645 million, versus EUR 1.8 billion in the second quarter 2007. A tax benefit of EUR 3 million was recorded in the quarter, versus a tax expense of EUR 922 million in the second quarter of 2007. The net benefit in the current quarter was mainly driven by the geographic mix of income and successful resolution of outstanding tax matters which more than offset a tax charge related to share-based compensation as a result of a decline in Deutsche Bank's share price. Diluted earnings per share were EUR 1.27, versus EUR 3.60 in the second quarter 2007.

For the first six months of 2008, net income was EUR 504 million, versus EUR 3.9 billion in the first six months of 2007.

The BIS Tier 1 Capital ratio, reported under Basel II, was 9.3% at the end of the quarter, up from 9.2% at the end of the first quarter 2008 and versus 8.4% (reported under Basel I) at the end of the second quarter 2007. At the end of the quarter, risk-weighted assets were EUR 305 billion, up from EUR 303 billion at the end of the first quarter 2008. Tier 1 capital at the end of the quarter was EUR 28.3 billion. In the second quarter 2008, the Group also made a dividend accrual equivalent to 25% of the annual dividend payment per share for 2007, as was the case in the first quarter, bringing the cumulative dividend accrual for the first half of 2008 to EUR 2.25 per share. Total assets at the end of the quarter were EUR 1,991 billion, a reduction of EUR 159 billion during the quarter, primarily reflecting a decrease in positive market values from derivatives and reductions in repo and stock borrow assets. Deutsche Bank also completed its original full year 2008 issuance plan during the quarter. In the first half of 2008, the bank raised a total of EUR 40 billion of funding with maturities in excess of one year.

Business Segment Review

Corporate and Investment Bank Group Division (CIB)

Corporate Banking & Securities (CB&S)

Sales & Trading (Debt and other products) generated revenues of EUR 602 million in the second quarter 2008, a decrease of EUR 2.3 billion, or 79 %, compared to the second quarter of 2007. The decrease in revenues was primarily driven by mark-downs of EUR 2.1 billion on holdings of residential mortgage-backed securities (EUR 1.0 billion) and commercial real estate loans (EUR 309 million), further provisions against monoline insurers (EUR 530 million) and impairment losses on available for sale positions (EUR 203 million).

Revenues excluding mark-downs, while below second quarter 2007 levels, remained strong given the difficult market environment. In our credit business, revenues declined year-on-year driven by a reduction in structured product activity and a weaker proprietary trading performance. Revenues in foreign exchange, money markets and interest rate products increased compared to the prior year quarter, due to both strong customer volumes and favorable market positioning, although revenues fell versus the first quarter in line with seasonal patterns experienced in previous years. We were ranked as the world's leading provider of risk management solutions by Euromoney Magazine, as the largest derivatives dealer to institutional investors by Risk Magazine, and as the leading derivatives house in Asia by Asia Risk.

Sales & Trading (Equity) generated revenues of EUR 830 million in the second quarter 2008, a decrease of EUR 573 million, or 41 %, versus the same quarter 2007. Revenues from equity derivatives were materially lower than in the second quarter 2007 due to lower customer activity in structured products and ongoing challenges in correlation trading. We made further progress in prime brokerage, acquiring significant new business from both existing and new clients. Revenues from designated proprietary trading activities were marginally lower than in the second quarter 2007.

Origination and Advisory generated revenues of EUR 391 million in the second quarter 2008 compared to EUR 895 million in the second quarter 2007. The reduction in revenues was due to continued weakness in the advisory and financing markets, with volumes down significantly versus the same period 2007. Although Advisory revenues declined consistent with the overall market, we increased our share and ranking in announced transaction volumes, achieving a number two position in Europe and a number four position, our best ever, in the U.S.. In Equity Origination, revenues were down reflecting significantly lower market volumes, with more than half of the market activity dominated by a small number of large transactions. In Debt Origination, Investment Grade revenues increased in a challenging market and we maintained a top five global ranking. Overall, debt origination revenues were negatively impacted by limited new issuance in leveraged finance (Sources for all rankings, market volume and fee pool data: Thomson Financial, Dealogic).

Mark-to-market losses, net of fees, of EUR 200 million were recorded against leveraged finance loans and loan commitments during the second quarter, partially offset by related positive net interest income of EUR 151 million. Significant progress was made in the reduction of our leveraged finance commitment backlog with the amount of legacy exposure down by 42 % at the end of the second quarter 2008 versus the amount of exposure outstanding as at June 30, 2007.

Loan products revenues were EUR 312 million for the second quarter 2008, an increase of EUR 98 million, or 46 %, from the same period last year, largely due to mark-to-market gains resulting from tightening credit spreads on investment grade loans for which we have elected the fair value option.

Other products revenues were EUR 47 million in the second quarter 2008 compared to negative revenues of EUR 93 million in the prior year quarter. This primarily reflected premiums received on the closed book insurance business which was acquired from Abbey Life in the fourth quarter 2007. This effect was offset by noninterest expenses in policyholder benefits and claims and therefore had no impact on profitability.

In provision for credit losses, CB&S recorded a net release of EUR 14 million in the second quarter 2008 compared to a net release of EUR 42 million in the prior year quarter.

Noninterest expenses were EUR 2.5 billion in the second quarter 2008, a decrease of 30 %, or EUR 1.1 billion, compared to the second quarter 2007, primarily reflecting lower performance-related compensation in line with operating results.

Income (loss) before income taxes in CB&S was a loss of EUR 311 million in the second quarter 2008, compared to income of EUR 1.8 billion in the prior year quarter.

Global Transaction Banking (GTB)

GTB generated net revenues of EUR 671 million, up EUR 15 million versus the same period last year and a record for a second quarter. The increase was attributable to Trade Finance with higher volumes in the documentary business and stronger guarantee business in Asia/Pacific and Europe, as well as to higher investment income. Also contributing to revenue growth were higher assets under custody which increased 3 % compared to 30 June 2007, reflecting new client mandates and higher business volumes from our existing client base. These positive factors were partly offset by a weaker U.S. Dollar, lower U.S. interest rates and more challenging market conditions.

In provision for credit losses, a net charge of EUR 4 million was recorded in the second quarter 2008, while no net provision was recorded in the second quarter 2007.

Noninterest expenses were EUR 383 million in the second quarter 2008, down EUR 27 million, or 7 %, compared to the second quarter last year. This reflects a reduction in performance-related compensation in line with group-wide results and lower transaction-related costs, driven by efficiency improvements, and continued cost discipline.

Income before income taxes was EUR 283 million, a second-quarter record, an increase of EUR 37 million, or 15 %, compared to the prior year quarter, due in part to the aforementioned reduction in performance-related compensation.

Private Clients and Asset Management Group Division (PCAM)

Asset and Wealth Management (AWM)

AWM generated net revenues of EUR 962 million in the second quarter 2008, a decline of EUR 177 million, or 16 %, compared to the same period in 2007. Portfolio / Fund Management revenues in Asset Management (AM) were lower by EUR 82 million, or 14 %, and in Private Wealth Management (PWM) by EUR 12 million, or 11 %. In both business divisions the declines were mainly driven by the impact of unfavorable market conditions in the second quarter 2008 on asset-based fees as well as the impact of the strong Euro. These developments were only partly compensated by the effects of continued invested asset inflows.

Brokerage revenues were essentially unchanged versus prior year levels despite the effects from the unfavorable market conditions and the stronger Euro. Loan/deposit revenues also remained essentially unchanged compared to the second quarter 2007. Revenues from other products of EUR 58 million declined EUR 83 million, or 59 %, compared to the second quarter 2007. This decline was mainly driven by higher sales gains in the second quarter of 2007, including a gain of EUR 48 million from the sale of AM's Australian manufacturing platform, partially offset by current quarter gains on sales of AM European business activities. Results from investments were also down from the prior year quarter. In addition, unit-linked insurance contracts contributed to the development with an offset in noninterest expenses.

Noninterest expenses in the second quarter 2008 were EUR 720 million, a decrease of EUR 125 million, or 15 %. The main driver of the decrease was reduced performance-related compensation reflecting lower segmental and group-wide performance. Additionally, the impact of a strong Euro, and lower non-compensation costs and policyholder benefits and claims contributed to this development.

Income before income taxes was EUR 242 million compared to EUR 292 million in the second quarter 2007.

Invested assets increased by EUR 2 billion to EUR 700 billion in the second quarter of 2008. This increase is attributable to net new assets of EUR 8 billion of which PWM generated over EUR 6 billion and AM over EUR 1 billion. These inflows were partly offset by negative performance movements reflecting current market conditions.

Private & Business Clients (PBC)

Net revenues were a record EUR 1.5 billion, an increase of EUR 36 million, or 2 %, compared to the second quarter 2007. Payments, Account & Remaining Financial Services increased by EUR 36 million, or 16 %, primarily driven by insurance brokerage as well as payment and account services. Loan/Deposit revenues increased by EUR 24 million, or 3 %, compared to the prior year quarter, primarily driven by significantly higher deposit volumes. Almost completely offsetting this development were Brokerage revenues, which declined by EUR 55 million, or 16 %, from the prior year quarter and revenues from Portfolio/Fund Management, which were lower by EUR 3 million, or 6 %. Both categories were impacted by persistent unfavorable market conditions in the second quarter 2008. Revenues from Other Products increased by EUR 35 million, or 49 %, compared to the prior year quarter. The second quarter 2008 included a gain related to the sale of businesses of EUR 10 million and a gain on the sale of Mastercard shares of EUR 9 million.

Provision for credit losses in the second quarter was EUR 144 million, an increase of EUR 20 million, or 16 %, compared to the same period last year, due to organic growth in consumer finance, principally in Poland, and increased credit costs in Spain.

Noninterest expenses in the second quarter 2008 were EUR 1.0 billion, a decrease of EUR 15 million, or 2 %, compared to the second quarter 2007 due to lower performance-related compensation in line with group-wide results, partly offset by the effects of higher staff levels.

Income before income taxes was EUR 328 million in the second quarter, an increase of EUR 31 million, or 11 %, compared to the second quarter 2007, due in part to the aforementioned reduction of performance-related compensation.

In the current quarter, PBC's business volumes increased in both deposit and lending businesses. Invested Assets were EUR 198 billion as at 30 June 2008, essentially unchanged compared to 31 March 2008. In the second quarter PBC generated net new assets of EUR 3 billion, offset by the negative impact of market depreciation of EUR 2 billion.

PBC acquired 161,000 net new clients in the second quarter 2008, resulting in a total of 14.1 million clients, mainly due to increases in Germany, Italy and Poland.

Corporate Investments Group Division (CI)

CI's income before income taxes was EUR 275 million in the second quarter 2008, compared to EUR 233 million in the second quarter 2007. The current quarter included gains from our industrial holdings portfolio of EUR 145 million related to the partial sale of our stakes in Daimler AG and Allianz SE, a gain of EUR 96 million related to the disposal of our investment in Arcor AG & Co. KG and dividend income of EUR 111 million. Mark-downs, including the impact from our option to increase our share in Hua Xia Bank Co. Ltd., negatively impacted the current quarter. The second quarter 2007 included a net gain of EUR 126 million from the sale and leaseback transaction of our property at 60 Wall Street and dividend income of EUR 130 million.

Consolidation & Adjustments

Loss before income taxes in Consolidation & Adjustments was EUR 176 million in the second quarter 2008 compared to EUR 120 million in the prior year quarter. The second quarter 2008 was impacted by higher negative adjustments for differences in the accounting methods used for management reporting and IFRS compared to the second quarter 2007. The prior year quarter also included charges for litigation provisions and a charge related to the purchase of a bank-occupied building.

This release 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 trading revenues, potential defaults of borrowers or trading counterparties, the implementation of our management agenda, 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 26 March 2008 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from www.deutsche-bank.com/ir .