



# Release

Frankfurt am Main

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## Deutsche Bank reports second quarter 2014 income before income taxes of EUR 917 million

### Group results

- Income before income taxes (IBIT) of EUR 917 million, an increase of 16% from 2Q2013
- Core Bank IBIT, which excludes the Non-Core Operations Unit (NCOU), of EUR 1.5 billion, up 2% from the prior year period
- Net revenues of EUR 7.9 billion, down 4% year over year largely reflecting lower revenues in NCOU
- Noninterest expenses of EUR 6.7 billion, down 4% from 2Q2013
- Adjusted cost base of EUR 5.7 billion, down 3% from 2Q2013
- Post-tax return on average active equity (RoE) in 2Q2014 of 1.6% for the Group and 4.9% for the Core Bank

### Capital and de-leveraging

- Common Equity Tier 1 (CET1) ratio of 11.5% on a fully loaded Capital Requirements Regulation (CRR)/Capital Requirements Directive 4 (CRD4) basis at quarter end
- Fully loaded CET1 ratio benefited by 250 bps from successful EUR 8.5 billion capital raise during the quarter
- Phase-in CET1 ratio of 14.7%
- CRD4 fully loaded leverage of 3.4%
- Leverage ratio also benefited from EUR 3.5 billion issuance of Additional Tier 1 (AT1) capital during the quarter
- Risk-weighted assets (RWA) on a fully loaded CRR/CRD4 basis of EUR 399 billion, 7% higher than 1Q2014

### Segment results

- Corporate Banking & Securities (CB&S) 2Q2014 IBIT of EUR 885 million, 17% above 2Q2013 reflecting a 1% decline in revenues, largely due to lower net revenues in Equity Sales & Trading, offset by a 7% decline in noninterest expenses
- Private & Business Clients (PBC) IBIT of EUR 403 million was down 21%

- from prior year largely reflecting non-recurring gains in the prior year period
- Global Transaction Banking (GTB) IBIT of EUR 228 million declined 29% from 2Q2013, largely driven by a litigation related charge
- Deutsche Asset & Wealth Management (DeAWM) IBIT was EUR 204 million, up from EUR 80 million in 2Q2013 on 9% growth in revenues and 3% lower noninterest expenses; net new money of EUR 11 billion
- Non-Core Operations Unit (NCOU) loss before income tax was EUR 580 million compared to EUR 672 million in 2Q2013, as the current quarter included a loss of EUR 314 million in revenues from debt refinancing restructuring of Maher Terminals

Deutsche Bank (XETRA: DBKGn.DE / NYSE: DB) today reported results for 2Q2014. Group net revenues of EUR 7.9 billion declined 4% from the prior year while noninterest expenses fell 4% to EUR 6.7 billion. Income before income taxes was EUR 917 million in 2Q2014, 16% higher than 2Q2013 largely reflecting a 4% decline in noninterest expenses, particularly lower performance related expense, and lower provisions for credit losses.

Jürgen Fitschen and Anshu Jain, Co-Chief Executive Officers, said: “Deutsche Bank delivered a quarter of strong underlying performance with pre-tax profit up 16% year-on-year. In the first six months of 2014, Core Bank adjusted profits were EUR 5 billion, despite a tough operating environment and continued investments in our businesses as we implement Strategy 2015+.”

They added: “All our core businesses contributed to this result. In particular, Corporate Banking & Securities delivered robust revenues, growing profits, and for the second consecutive quarter, strong relative performance, regaining its top-3 position in global fixed income and capturing our best ever market share in corporate finance. In addition, Deutsche Asset & Wealth Management more than doubled pre-tax profits versus the prior year quarter, improved revenue quality, and attracted its best net money inflows since 2010.”

They concluded: “These results reflect progress with Strategy 2015+, which we reinforced with two capital raises in the quarter. Nonetheless, our environment is complex. The world’s economies are growing at different speeds, and this may cause differences in the pace at which interest rates normalize, creating opportunities; however, emerging geopolitical events in Ukraine and the Middle East may impact financial markets and our clients, and we continue to adapt to a fast changing regulatory framework. We remain committed to working systematically through our strategic agenda and, with enhanced capital strength, we face these challenges with greater confidence.”

## Group Results

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	7,860	8,392	8,215	(355)	(532)
Provision for credit losses	250	246	473	(224)	3
Noninterest expenses	6,693	6,466	6,950	(257)	227
Income (loss) before income taxes	917	1,680	792	126	(763)
Net income	238	1,103	335	(97)	(866)
Cost/income ratio	85 %	77 %	85 %	1 ppt	8 ppt
Post-tax return on average active equity	2 %	8 %	2 %	(1)ppt	(6)ppt

## Adjusted cost base

in € m. (unless stated otherwise)	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13
Noninterest expenses	6,701	6,466	7,607	7,215	6,950	6,623
Adjusted cost base	5,731	5,992	5,604	5,600	5,910	6,034
<i>excludes:</i>						
Cost-to-Achieve	375	310	509	242	357	224
Litigation	470	0	1,111	1,163	630	132
Policyholder benefits and claims	80	52	104	171	(7)	191
Other severance	16	27	2	14	42	10
Remaining	29	85	277 <sup>1</sup>	24	17	32
Cost/income ratio (adjusted) <sup>2</sup>	73%	71%	85%	72%	72%	64%
Compensation ratio	38%	40%	41%	38%	39%	38%

Note: Figures may not add up due to rounding

<sup>1</sup>) Includes impairment of goodwill and intangibles of EUR 79 million and a significant impact from correction of historical internal cost allocation

<sup>2</sup>) Adjusted cost base divided by reported revenues

**Group net revenues** in 2Q2014 decreased by 4%, to EUR 7.9 billion, compared to EUR 8.2 billion in the prior year quarter.

CB&S revenues in 2Q2014 were EUR 3.5 billion, down 1% from 2Q2013. This was mainly attributable to a 11% decline in Equity Sales & Trading revenues, being largely offset by a 10% growth in Origination & Advisory revenues.

PBC revenues in 2Q2014 were 3% lower than 2Q2013. The decrease was primarily driven by non-recurring items related to Postbank that occurred in 2Q2013. Excluding the effect of those items in the prior year period revenues were relatively unchanged.

GTB revenues of EUR 1.0 billion were unchanged compared to 2Q2013 as revenue growth in Trade Finance and Trust & Securities Services offset the absence of a gain from the sale of Deutsche Card Services in 2Q2013.

DeAWM revenues increased by 9% to EUR 1.1 billion from 2Q2013, reflecting mark-to-market movements related to Abbey Life policyholder positions, which are offset in noninterest expenses. Excluding the impact of Abbey Life, revenues were unchanged from the prior year period.

NCOU revenues in 2Q2014 were negative EUR 44 million, a decrease by EUR 322 million from 2Q2013. This decline was primarily due to the realisation of EUR 314 million in accumulated losses triggered by the restructuring of Maher Terminals' debt financing.

Compared to 1Q2014, net revenues decreased 6%, or EUR 532 million. This was mainly attributable to a 25% decline in Debt Sales & Trading revenues, partly offset by a 30% growth in Advisory & Debt Origination revenues. Additionally, revenues were lower in PBC, driven by a subsequent 1Q2014 gain of sale closed in a prior period, and in NCOU, reflecting the aforementioned loss from debt refinancing restructuring of Maher Terminals.

**Group provision for credit losses** declined 47% in 2Q2014 to EUR 250 million compared to 2Q2013. This reduction reflects lower provisioning in NCOU, good credit quality in the German retail portfolio and the non-recurrence of large single items in 2Q2013.

Compared to 1Q2014, provision for credit losses were unchanged in the current quarter.

**Group noninterest expenses** fell 4% from 2Q2013 to EUR 6.7 billion. Non-Compensation expenses of EUR 3.7 billion were 1% lower than 2Q2013. Compensation and benefits in 2Q2014 was EUR 3.0 billion, 7% lower than 2Q2013. This primarily reflected lower performance related compensation, mainly in CB&S. The adjusted cost base, which excludes the impact of litigation, cost-to-achieve (CtA), policyholder items and other items, declined 3% to EUR 5.7 billion primarily as a result of the lower compensation expense.

Compared to 1Q2014, noninterest expenses grew 4%, or EUR 227 million. Non-Compensation expenses increased 19%, reflecting litigation related charges in the current quarter. Compensation and benefits were 11% lower, down EUR 358 million, reflecting lower performance related compensation in CB&S.

**Group income before income taxes** was EUR 917 million in 2Q2014, 16% higher than 2Q2013, as the decline in revenues was offset by the aforementioned decline in costs and lower provision for credit losses.

Compared to 1Q2014, income before income taxes declined 45% to EUR 917 million in the current quarter, reflecting the decline in revenues and higher noninterest expenses.

**Group net income** was EUR 238 million, 29% lower than 2Q2013. Income tax expense in 2Q2014 was EUR 679 million. The effective tax rate of 74% was mainly impacted by expenses, such as litigation, that are not deductible for tax purposes and income taxes of prior periods.

## Capital, Funding, and Liquidity

Group

in EUR bn (unless stated otherwise)	<u>Jun 30, 2014</u>	<u>Mar 31, 2014</u>	<u>Dec 31, 2013</u>
CET1 capital ratio <sup>1</sup>	11.5%	9.5%	9.7%
Risk-weighted assets <sup>1</sup>	399	373	350
Liquidity reserves	199	173	196
Total assets (IFRS)	1,665	1,637	1,611
CRD4 leverage exposure	1,447	1,423	1,445
Leverage ratio <sup>2</sup>	3.4%	2.5%	2.4%

1) based on CRR/CRD4 fully loaded (pro-forma for 2013)

2) based on CRR/CRD4 fully loaded (pro-forma for 2013)

The bank's fully loaded **CRR/CRD4 Common Equity Tier 1 (CET1) capital ratio** was 11.5% as of 30 June 2014, up from 9.5% as of 31 March 2014. Fully loaded CRR/CRD4 CET1 capital increased by EUR 10.7 billion in 2Q2014 to EUR 46.0 billion, principally reflecting gross proceeds from our share issuance of EUR 8.5 billion, and a further EUR 1.3 billion for the related 10/15% effect, net off issuance costs and dividend accruals for the newly issued shares. Fully loaded CRR/CRD4 risk-weighted assets (RWA) increased by EUR 25 billion to EUR 399 billion at the end of 2Q2014. The largest individual impacts were EUR 7.8 billion related to Operational Risk RWA, principally all from model and methodology changes and EUR 3.7 billion in relation to the capital raise.

As of 30 June 2014 year-to-date **debt issuance** was EUR 24.8 billion at an average spread of 47 basis points over the relevant floating index (e.g. Libor). The main highlight in 2Q2014 was the Bank's inaugural Additional Tier 1 triple-tranche benchmark issue with an equivalent value of EUR 3.5 billion. The Group's 2014 initial issuance plan of EUR 20 billion has now been increased to EUR 30-35 billion to fund additional growth and take advantage of attractive market conditions.

**Liquidity reserves** were EUR 199 billion as of 30 June 2014, 45% of which being in cash and cash equivalents primarily held at central banks.

**Total assets** were EUR 1,665 billion as of 30 June 2014, reflecting an increase of EUR 54 billion, or 3%, versus 31 December 2013.

According to CRR/CRD4 rules, **leverage exposure** was EUR 1,447 billion as of 30 June 2014, materially unchanged compared to 31 December 2013.

The **leverage ratio**, on a fully loaded basis according to CRR/CRD4, increased to 3.4% as of 30 June 2014 compared to 2.4% as of 31 December 2013.

## Segment results

### Corporate Banking & Securities (CB&S)

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	3,532	4,076	3,579	(46)	(543)
Provision for credit losses	44	16	26	18	29
Noninterest expenses	2,603	2,547	2,794	(191)	56
Noncontrolling interest	1	21	1	(1)	(21)
Income (loss) before income taxes	885	1,492	758	127	(607)
Cost/income ratio	74 %	63 %	78 %	(4)ppt	11 ppt
Post-tax return on average active equity	9 %	19 %	10 %	(0)ppt	(10)ppt

**CB&S net revenues** in 2Q2014 declined 1% to EUR 3.5 billion from the prior year period, despite a challenging market environment of low volatility and client activity. Net revenues included a EUR 114 million loss for the combined impact of Credit Valuation Adjustment (CVA), Debt Valuation Adjustment (DVA) and Funding Valuation Adjustment (FVA) (2Q2013: a loss of EUR 88 million).

**Debt Sales & Trading** net revenues were EUR 1.8 billion 2Q2014, in line with 2Q2013. Revenues declined in Foreign Exchange and Core Rates, which were affected by low levels of volatility and client activity. Within the Credit businesses, Flow Credit, and RMBS benefitted from a more favorable operating environment compared to 2Q2013, while Credit Solutions also produced strong revenue growth in the quarter.

**Equity Sales & Trading** net revenues declined 11% to EUR 698 million in 2Q2014, largely driven by Equity Derivatives as a result of challenging market conditions. Cash Equities revenues were lower driven by lower client volumes in the secondary markets.

**Origination and Advisory** net revenues increased 10% to EUR 811 million in 2Q2014. Revenues in Equity Origination were significantly higher than the prior year quarter driven by strong deal flow notably in Europe. Revenues in Advisory were higher than the prior year quarter reflecting increased market share. Debt Origination revenues were in line with the prior year quarter.

Compared to 1Q2014, net revenues declined 13%, or EUR 543 million, including a EUR 114 million loss for the combined impact of CVA, DVA and FVA in 2Q2014 (1Q2014: a gain of EUR 7 million).

**Debt Sales & Trading** net revenues decreased 25%, or EUR 607 million, compared to 1Q2014. Revenues in Distressed Products were significantly lower than 1Q2014, which reported strong revenues in Americas and Europe. Revenues also declined in Rates and Foreign Exchange, which were affected by low levels of volatility and client activity.

**Equity Sales & Trading** net revenues declined 10% from 1Q2014, reflecting lower revenues in Cash Equities and Equity Derivatives businesses due to challenging market conditions.

Origination and Advisory net revenues increased 30%, or EUR 187 million, from 1Q2014. Revenues were higher in Equity Origination, driven by strong deal flow notably in the Europe region, and in Advisory and Debt Origination.

**CB&S noninterest expenses** of EUR 2.6 billion declined 7% in 2Q2014 compared to the prior year period. The decrease reflected lower performance based compensation and litigation charges, partly offset by the ongoing implementation of the Operational Excellence (OpEx) program and regulatory costs.

Compared to 1Q2014, noninterest expenses increased 2%, mainly due to higher litigation charges and the ongoing implementation of the OpEx program, partly offset by lower performance based compensation.

**CB&S income before income taxes** was EUR 885 million, up EUR 127 million compared to the prior year quarter, mainly driven by a decrease in noninterest expenses. Adjusted post-tax RoE in 2Q2014 was 15%.

Compared to 1Q2014, income before income taxes was down EUR 607 million, mainly driven by the decrease in revenues and higher litigation related expenses.

## Private & Business Clients (PBC)

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	2,367	2,476	2,448	(81)	(108)
Provision for credit losses	145	140	194	(49)	5
Noninterest expenses	1,819	1,815	1,747	72	4
Noncontrolling interest	0	0	0	0	(0)
Income (loss) before income taxes	403	520	507	(104)	(117)
Cost/income ratio	77 %	73 %	71 %	5 ppt	4 ppt
Post-tax return on average active equity	7 %	10 %	9 %	(2)ppt	(3)ppt

**PBC net revenues** of EUR 2.4 billion in 2Q2014 declined 3% from the prior year period. The decrease primarily reflected the absence of Postbank-related one-off items that occurred in 2Q2013. Excluding the impact of those non-recurring items, PBC revenues were essentially unchanged from the prior year period.

Compared to 1Q2014, net revenues declined by 4%, or EUR 108 million. The decrease reflects lower revenues in Other products, which were down EUR 65 million, mainly driven by a subsequent 1Q2014 gain of sale in Private & Commercial Banking closed in a prior period. Revenues from investments & insurance products decreased EUR 41 million, mainly due to seasonally stronger revenues in 1Q2014.

**PBC provision for credit losses** in 2Q2014 fell 25% to EUR 145 million versus the prior year period. The credit quality of PBC's loan book remains good reflecting the benign economic environment in Germany.

Compared to 1Q2014, provision for credit losses increased slightly by EUR 5 million, reflecting regular quarterly deviations.

**PBC noninterest expenses** in 2Q2014 increased 4% to EUR 1.8 billion versus 2Q2013. The cost increase is primarily driven by charges for loan processing fees triggered by a change in German legal practice in May 2014 as well as a release of a provision related to the Hua Xia Bank credit card cooperation in 2Q2013. Excluding these specific items noninterest expenses were essentially unchanged.

Compared to 1Q2014, noninterest expenses were flat, reflecting a negative impact from the aforementioned change in German legal practice, partly offset by lower cost-to-achieve related to the OpEx program.

**PBC income before income taxes** in 2Q2014 declined 21% to EUR 403 million compared to 2Q2013. The decline is largely related to the absence of non-recurring items that occurred in 2Q2013. Excluding the impact of those items, IBIT was relatively unchanged versus the prior year period.

Compared to 1Q2014, income before income taxes declined by EUR 117 million, primarily due to the impact of specific items as mentioned above.

**Invested assets** increased by EUR 2 billion compared to 31 March 2014, mainly due to market appreciation and net inflows mainly in securities.

## Global Transaction Banking (GTB)

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	1,035	1,028	1,036	(1)	7
Provision for credit losses	47	24	79	(32)	23
Noninterest expenses	759	637	633	126	122
Income (loss) before income taxes	228	367	324	(95)	(138)
Cost/income ratio	73 %	62 %	61 %	12 ppt	11 ppt
Post-tax return on average active equity	10 %	19 %	17 %	(6)ppt	(8)ppt

**GTB net revenues** in 2Q2014 of EUR 1.0 billion were unchanged from 2Q2013 despite the prior year period including a gain from the sale of Deutsche Card Services. Revenues in Trade Finance and Trust & Securities Services increased because of strong volume growth while Cash Management revenues were solid despite the low interest rate environment.

Compared to 1Q2014, revenues increased 1%, despite a gain from the sale of registrar services GmbH included in 1Q2014. The increase was primarily driven by a stable pipeline and strong volumes.

**GTB provision for credit losses** in 2Q2014 declined 41% to EUR 47 million from the prior year period. The decline reflects the non-recurrence of a single client credit event in the prior year.

Compared to 1Q2014, provision for credit losses increased by EUR 23 million, which was predominantly driven by higher provisions in the commercial banking activities in the Netherlands.



**GTB noninterest expenses** of EUR 759 million in 2Q2014 grew 20% compared to the prior year quarter, primarily reflecting a litigation related charge. Furthermore, investments in platforms to enable business growth and higher expenses to comply with regulatory requirements contributed to the increase.

Compared to 1Q2014, noninterest expenses increased by 19%, or EUR 122 million, for the same drivers.

**GTB income before income taxes** in 2Q2014 decreased by 29% to EUR 228 million, largely due to a litigation related charge.

Compared to 1Q2014, income before income taxes decreased by 38%, primarily related to a litigation related charge as well as higher provision for credit losses.

## Deutsche Asset & Wealth Management (DeAWM)

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	1,134	1,067	1,041	93	66
Provision for credit losses	(6)	(1)	0	(7)	(5)
Noninterest expenses	936	900	961	(25)	36
Noncontrolling interest	(0)	(0)	(1)	0	0
Income (loss) before income taxes	204	169	80	124	35
Cost/income ratio	83 %	84 %	92 %	(10)ppt	(2)ppt
Post-tax return on average active equity	8 %	7 %	4 %	5 ppt	1 ppt

**DeAWM net revenues** were EUR 1.1 billion in 2Q2014, 9% higher than the prior year period largely reflecting EUR 93 million of mark to market movements on policyholder positions in Abbey life, largely offset within noninterest expenses. Excluding the effect of Abbey Life, net revenues were unchanged versus the prior year quarter. Management fees grew in the quarter reflecting growth in average assets which benefitted from net asset inflows of EUR 11 billion. However, that was offset by a decline in performance and transaction fees because of lower performance fees in alternatives and active, and lower transaction revenues from capital markets and foreign exchange products for private clients.

Compared to 1Q2014, net revenues increased 6%, or EUR 66 million. This reflects higher mark-to-market movements on policyholder positions in Abbey Life, increased Management Fees and other recurring revenues, as well as higher revenues from other products, mainly due to a gain on sales from divestments. Performance and transaction fees and other non recurring revenues were down, driven by lower transaction revenues from capital markets and foreign exchange products due to reduced client activity.

**DeAWM provision for credit losses** decreased by EUR 7 million compared to 2Q2013 mainly resulting from lower specific client lending provisions and recovery of prior losses in 2Q2014.

Compared to 1Q2014, provision for credit losses decreased EUR 5 million, driven by higher recoveries of prior losses in 2Q2014.

**DeAWM noninterest expenses** of EUR 936 million in 2Q2014 decreased by 3% compared to 2Q2013. Lower OpEx related costs-to-achieve, partially offset by higher policyholder benefits and claims and litigation, drove this decline. Excluding these effects, noninterest expenses are down 3% year on year mainly due to continued savings from OpEx initiatives.

Compared to 1Q2014, noninterest expenses increased 4%, or EUR 36 million, driven primarily by higher policyholder and benefit claims and higher cost-to-achieve related to OpEx.

**DeAWM income before income taxes** in 2Q2014 increased 154% to EUR 204 million from the prior year quarter. This reflects decreased OpEx related cost-to-achieve spending and reduced costs from successful progress in integration efforts across DeAWM.

Compared to 1Q2014 income before income taxes increased by EUR 35 million, or 21%, mainly driven by higher revenues, partly offset by higher noninterest expenses, in particular policyholder and benefit claims as well as cost-to-achieve related to OpEx.

**Invested assets** were EUR 955 billion as of 30 June 2014, an increase of EUR 21 billion versus 31 March 2014, mainly driven by market appreciation of EUR 16 billion and inflows of EUR 11 billion. Net inflows of EUR 11 billion were recorded across all products, with strong flows in both retail and institutional business.

## Non-Core Operations Unit (NCOU)

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	(44)	74	279	(322)	(117)
Provision for credit losses	19	67	174	(155)	(48)
Noninterest expenses	517	539	777	(260)	(22)
Noncontrolling interest	0	(1)	(0)	1	1
Income (loss) before income taxes	(580)	(532)	(672)	92	(49)

**NCOU net revenues** in 2Q2014 declined EUR 322 million to negative EUR 44 million. This largely reflected the transfer of EUR 314 million in mark-to-market losses previously reported in equity to the income statement, which was triggered by the restructuring of Maher Terminals' debt financing. Additionally, portfolio revenues declined reflecting the significant reduction in assets year-on-year. This was offset by one time recoveries related to settlement payments and lower RMBS repurchase reserves being taken in the quarter.

Compared to 1Q2014, net revenues declined EUR 117 million, driven by mark-to-market losses of EUR 314 million in relation to the restructuring of Maher Terminals' debt financing. Additionally, 1Q2014 included losses of EUR 151 million in the Special Commodities Group, which resulted primarily from our exposure to traded products in the U.S. power sector.

**NCOU provision for credit losses** in 2Q2014 was EUR 155 million lower versus 2Q2013 due to specific gains from asset sales as well as lower provisions for IAS 39 reclassified assets.

Compared to 1Q2014, provisions declined 71%, or EUR 48 million, mainly driven by gains from asset sales.

**NCOU noninterest expenses** decreased by EUR 260 million, or 33%, compared to 2Q2013. The decrease versus the previous year was driven by lower litigation-related expenses as well as the sale of BHF-BANK which resulted in lower direct costs in NCOU's operating assets.

Compared to 1Q2014, noninterest expenses decreased 4% to EUR 517 million in 2Q2014, reflecting lower litigation related expenses as well as the sale of BHF-BANK.

**NCOU loss before income taxes** in 2Q2014 was EUR 580 million, EUR 92 million better than the prior year period.

Compared to 1Q2014, loss before income taxes increased by 9% to EUR 580 million, EUR 49 higher than 1Q2014.

## Consolidation & Adjustments (C&A)

in EUR m. (unless stated otherwise)	2Q2014	1Q2014	2Q2013	2Q14 vs. 2Q13	2Q14 vs. 1Q14
Net revenues	(164)	(327)	(168)	3	163
Provision for credit losses	0	1	0	0	(0)
Noninterest expenses	59	28	38	21	31
Noncontrolling interest	(1)	(20)	(1)	(0)	20
Income (loss) before income taxes	(223)	(336)	(205)	(18)	113

**C&A loss before income taxes** was EUR 223 million in 2Q2014, compared to a loss of EUR 205 million in the prior year quarter. This result was predominantly attributable to Funding Valuation Adjustments and higher costs related to regulatory requirements in the quarter.

Compared to 1Q2014, the C&A loss before income taxes of EUR 223 million in 2Q2014 was lower by EUR 113 million. This decrease was predominantly attributable to lower valuation & timing differences.

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 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 2014 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from [www.deutsche-bank.com/ir](http://www.deutsche-bank.com/ir).

This release also contains non-IFRS financial measures. For a reconciliation to directly comparable figures reported under IFRS, refer to the 2Q2014 Interim Report, which is available at [www.deutsche-bank.com/ir](http://www.deutsche-bank.com/ir).