Release

Deutsche Bank

DEUTSCHE BANK REPORTS THIRD QUARTER 2008 NET INCOME OF EUR 414 MILLION

- *Income before income taxes of EUR 93 million*
- *Corporate Banking & Securities: loss before income taxes of EUR 789 million after mark-downs of EUR 1.2 billion*
- *Further reductions in key exposures*
- *'Stable' businesses: income before income taxes of EUR 449 million*
- *Tier 1 ratio further improves to 10.3%*

FRANKFURT AM MAIN, 30 October 2008 – Deutsche Bank (XETRA: DBKGn.DE / NYSE: DB) today reported net income of EUR 414 million, versus EUR 1.6 billion in the third quarter 2007. Earnings per share on a diluted basis were EUR 0.83 for the third quarter 2008, versus EUR 3.31 per share in the prior year quarter. Income before income taxes was EUR 93 million, versus EUR 1.4 billion in the prior year quarter. Mark-downs of EUR 1.2 billion were recorded on leveraged loans and loan commitments, residential mortgage-backed securities, monoline insurers, commercial real estate and on available for sale positions. The Tier 1 capital ratio, reported under Basel II, was 10.3%, versus 9.3% at the end of the second quarter 2008.

Dr. Josef Ackermann, Chairman of the Management Board, said: *"The third quarter 2008 was characterised by a considerable intensification of the credit crisis in September. Despite these extraordinary conditions, Deutsche Bank reported a profit for the quarter. We also continued to bolster our solid capital position and strong funding base – both vital in times of acute market stress. Our agreement to acquire a stake in Deutsche Postbank underlined our determination to grow our core businesses."*

He added: *"After a period of exceptional market turbulence, the outlook for our business remains challenging. Conditions in the equity and credit markets remain extremely difficult and we continue to monitor our exposures in these areas. We raised our target Tier 1 capital ratio to 10%, and announced our firm commitment to reduce the size of our balance sheet, thereby improving our leverage ratio. I am confident that by the end of this year, we will see meaningful progress on this high-priority initiative. Furthermore, we will balance our dividend policy with our commitment to conserving capital strength in a highly uncertain environment."*

In respect of the fair value option on own debt, Deutsche Bank, consistent with prior periods, elects this option only for a very small portion of its debt issuance, which resulted in a gain of EUR 146 million during the quarter. For comparative purposes, it is noted that election of the fair value option on all the bank's own debt would have resulted in a gain in excess of EUR 2 billion in the third quarter.

In October 2008 the European Union endorsed amendments to IAS 39 and IFRS 7, 'Reclassification of Financial Assets', which permit the reclassification of trading assets and assets available for sale in cases involving a clear change of management intent. In accordance with these amendments, Deutsche Bank reclassified certain assets, for which no active market existed in the third quarter and which management intends to hold for the foreseeable future, out of trading assets and assets available for sale, and into loans. If these reclassifications had not been made, the income statement for the quarter would have included negative fair value movements relating to the reclassified assets of EUR 845 million. Additionally, incremental net interest margin relating to reclassified assets was EUR 53 million for the quarter.

Group Highlights

Net revenues for the quarter were EUR 4.4 billion, after mark-downs of EUR 1.2 billion in Corporate Banking & Securities (CB&S), down 14% versus EUR 5.1 billion after EUR 2.2 billion of mark-downs in the third quarter 2007.

The Corporate and Investment Bank (CIB) reported net revenues of EUR 1.7 billion, down 11% versus the third quarter 2007.

In CB&S, net revenues were EUR 1.0 billion, down 20% versus the prior year quarter. In Sales and Trading (Debt and other products), net revenues were EUR 924 million, up 60% versus the prior year quarter, reflecting year-on-year growth in foreign exchange, interest rate trading and commodities trading, which was counterbalanced by significant negative revenues in credit trading due to deteriorating market conditions. Revenues were also affected by mark-downs of EUR 705 million, compared with mark-downs of EUR 1.6 billion in the prior year quarter. Revenues in Sales and Trading (Equity) were negative EUR 142 million, compared to positive EUR 428 million in the prior year quarter, reflecting very significant dislocations in global equity markets in the month of September which adversely affected equity values in cash equities, equity derivatives and proprietary trading. Advisory revenues were EUR 185 million, down by 31%, primarily reflecting lower levels of market activity. Revenues in Equity Origination were EUR 85 million, versus EUR 204 million in the third quarter 2007, primarily reflecting significantly lower levels of issuance activity against a backdrop of exceptionally difficult conditions on equity markets. Revenues in Debt Origination were negative EUR 368 million, compared to negative EUR 324 million in the prior year quarter. Mark-downs in leveraged loans and loan commitments were below the levels of the third quarter 2007. CB&S net revenues included the aforementioned gain of EUR 146 million from changes in the credit spreads on certain of Deutsche Bank's own debt on which the Bank elected the fair value option.

In Global Transaction Banking (GTB), net revenues were EUR 692 million, up 5% versus the third quarter 2007, reflecting year-on-year growth in Trade Finance and Cash Management for financial institutions.

In Private Clients and Asset Management (PCAM), net revenues for the third quarter were EUR 2.1 billion, down 16% versus the third quarter 2007.

In Asset and Wealth Management (AWM), net revenues were EUR 713 million, down 37% versus the prior year quarter. This development reflects a year-on-year decline in Asset Management revenues driven by lower fee and commission income, including lower performance fees in line with deteriorating conditions in equity markets in the quarter, together with lower levels of activity in real estate asset management, and discretionary injections of EUR 55 million into certain money market funds.

In Private & Business Clients (PBC), revenues were EUR 1.4 billion, essentially unchanged versus the prior year quarter. A year-on-year decline in revenues from brokerage was counterbalanced by growth in almost all other revenue categories, including the impact of a successful launch of a portfolio management product during the quarter.

In Corporate Investments (CI), revenues were EUR 261 million, down 60% versus the third quarter 2007. Revenues in the current quarter reflected primarily a gain of EUR 229 million related to Deutsche Bank's disposal of a stake in Allianz SE. In the prior year quarter, revenues primarily reflected the partial disposal of industrial holdings, the sale and leaseback of the bank's premises at 60 Wall Street, and appreciation of the bank's option to increase its investment in Hua Xia Bank Co. Ltd (China).

For the first nine months of 2008, Group net revenues were EUR 14.4 billion, after mark-downs of EUR 6.1 billion, compared to revenues of EUR 23.5 billion, after mark-downs of EUR 2.3 billion, in the first nine months of 2007.

Provision for credit losses for the quarter was EUR 236 million, versus EUR 105 million in the third quarter 2007. Provisions in CIB were EUR 66 million, versus a credit of EUR 19 million in the prior year quarter, reflecting EUR 72 million of provisions in respect of loans reclassified in accordance with the aforementioned accounting amendments. Provisions in PCAM were EUR 169 million, versus EUR 124 million in the prior year quarter, primarily reflecting deteriorating credit conditions in Spain and the expansion of PBC's consumer finance business in Poland in line with strategy.

For the first nine months of 2008, provision for credit losses was EUR 485 million, compared to EUR 283 million in the first nine months of 2007.

Noninterest expenses for the quarter were EUR 4.0 billion, up 14% versus the third quarter 2007. Compensation expenses were EUR 1.9 billion, versus EUR 1.7 billion in the prior year quarter. This development primarily reflects accruals for performance-related compensation, which were a net release in the third quarter of 2007 as a result of a partial reversal of accruals made during the first half of 2007. General and administrative expenses were EUR 2.1 billion, versus EUR 1.8 billion in the prior year quarter. This development reflects the non-recurrence of a value added tax reimbursement and insurance reimbursements in the prior year quarter. Excluding these items, and expenses in the current quarter related to a pending tender offer to repurchase Auction Rate Securities from retail clients and a charge related to a RREEF infrastructure investment which ceased to meet the criteria for the held for sale category, general and administrative expenses would have been essentially in line with the prior year quarter.

For the first nine months of 2008, noninterest expenses were EUR 13.4 billion, down 15% versus EUR 15.9 billion in the first nine months of 2007.

Income before income taxes for the quarter was EUR 93 million, compared to EUR 1.4 billion in the third quarter 2007. Pre-tax return on average active equity for the quarter was 1%, compared to 19% in the prior year quarter. Per the bank's target definition, which excludes gains of EUR 229 million in the current quarter, loss before income taxes was EUR 116 million, and pre-tax return on average active equity was negative 1%, compared to positive 12% in the prior year quarter.

For the first nine months of 2008, income before income taxes was EUR 481 million, compared to EUR 7.3 billion in the first nine months of 2007.

Net income for the quarter was EUR 414 million, versus EUR 1.6 billion in the third quarter 2007. A tax benefit of EUR 321 million was recorded in the quarter, versus a tax benefit of EUR 182 million in the third quarter of 2007. The net benefit in the current quarter was mainly driven by a favorable geographic mix of income and a credit of EUR 34 million policyholder tax in respect to the Abbey Life business. Unused tax losses in certain U.S. entities did not contribute to the tax line as recognized deferred tax assets. Diluted earnings per share for the quarter were EUR 0.83, versus EUR 3.31 for the third quarter 2007.

For the first nine months of 2008, net income was EUR 918 million, compared to EUR 5.5 billion in the first nine months of 2007. Diluted earnings per share were EUR 1.85, versus EUR 11.13 in the prior year period.

The Tier 1 capital ratio, reported under Basel II, improved to 10.3% at the end of the quarter, up from 9.3% at the end of the second quarter and in excess of the bank's target, which was recently raised to 10%. During the quarter the bank raised EUR 2.2 billion of new equity in relation to the agreement to purchase a stake in Deutsche Postbank, which contributed approximately 70 basis points to this development. This transaction is expected to close in the first quarter of 2009. Risk-weighted assets were EUR 319 billion, up from EUR 305 billion at the end of the previous quarter. This development primarily reflects the appreciation of dollar-based risk-weighted assets due to currency movements during the quarter. Total assets at the end of the quarter were EUR 2,061 billion, up from EUR 1,991 billion at the end of the second quarter. This development reflects the appreciation of dollar-based assets due to currency movements, growth in positive market values from derivatives due to market volatility, and new business. These effects more than counterbalanced managed balance sheet reductions in financial assets at fair value of approximately EUR 103 billion during the quarter.

Business Segment Review

Corporate and Investment Bank Group Division (CIB)

Corporate Banking & Securities (CB&S)

Deutsche Bank's Sales & Trading businesses suffered from the sharp deterioration in market conditions, especially in late September following the bankruptcy filing by Lehman Brothers. As market conditions deteriorated, a number of market participants, including hedge funds, were forced to sell down substantial positions in assets such as convertibles, investment-grade and high-yield bonds, default swaps and long-short equity strategies. These market conditions have continued in the fourth quarter of the year.

In this challenging environment, the bank marked down positions in Credit Proprietary Trading and Equities Proprietary Trading (EPT) books to significantly lower levels. Proprietary positions have been reduced in size, particularly in EPT, although market liquidity was not sufficient to eliminate risk in all cases and the bank remains exposed to further deterioration in prices for these positions.

Sales & Trading (Debt and other products) generated revenues of EUR 924 million in the third quarter 2008 versus EUR 576 million in the third quarter 2007. If reclassifications in accordance with the aforementioned amendments to IAS 39 had not been made, the income statement for the third quarter would have included negative fair value adjustments of EUR 527 million. The third quarter 2008 included trading losses of EUR 873 million in Credit Proprietary Trading. In addition, further mark-downs of EUR 705 million related to residential mortgage-backed securities (EUR 202 million), commercial real estate loans (EUR 163 million), further provisions against monoline insurers (EUR 255 million) and impairment losses on available for sale positions (EUR 85 million). The third quarter of 2007 included mark-downs of EUR 1.6 billion.

Revenues excluding mark-downs and proprietary trading losses remained robust given the difficult market environment. In Deutsche Bank's credit business, revenues declined year-on-year driven by a reduction in structured product activity. Revenues in foreign exchange, money markets and interest rate products were a record for a third quarter, due to both exceptionally strong client flows and favorable positioning.

Sales & Trading (Equity) revenues were negative EUR 142 million in the third quarter 2008, a decrease of EUR 570 million versus the same quarter 2007. The decrease was primarily driven by losses in EPT of EUR 386 million. Revenues from equity derivatives were materially lower than in the third quarter 2007 due to lower customer activity in structured products and continued market dislocation in correlation and volatility. Performance was more robust in other customer-facing equities businesses. Prime brokerage gained significant net new balances from hedge funds.

Origination and Advisory generated revenues of negative EUR 99 million in the third quarter 2008 compared with positive EUR 148 million in the third quarter 2007. If reclassifications in accordance with the aforementioned amendments to IAS 39 had not been made, the income statement for the third quarter would have included negative fair value adjustments of EUR 312 million, partly offset by a reduction of

EUR 146 million in interest income on these assets transferred from Origination and Advisory to Loan Products. The reduction in revenues resulted from the continued weakness in the advisory and especially the financing markets. Volumes were significantly down versus the same period in 2007 as activity continued to be affected by credit market conditions. Although Advisory revenues decreased consistent with the decline in the overall market, the bank increased global market share of fees and saw its ranking rise to number five in the third quarter. The bank also achieved the number one position year-to-date in EMEA by market share of fees, driven by its participation in major deals throughout 2008. In Origination (Equity), very challenging market conditions resulted in significantly reduced volumes with the market dominated by a few large transactions. In Origination (Debt), Investment Grade revenues decreased in a slowing market where the volatility hindered public bond execution. Overall, Debt Origination revenues were negatively impacted by limited new issuance in leveraged finance where very few large scale transactions are possible. However, the bank continued to underwrite transactions in the third quarter 2008 and the reduction of the leveraged finance commitment backlog is continuing with significant progress. The bank recorded mark-to-market losses, net of fees, of EUR 467 million against leveraged finance loans and loan commitments during the third quarter, compared to EUR 603 million in the prior year quarter. *(Sources for all rankings, market volume and fee pool data: Thomson Reuters, Dealogic).*

Loan products revenues were EUR 500 million for the third quarter 2008, an increase of EUR 286 million, or 134%, from the same period last year. The effect of the reclassifications in accordance with the aforementioned amendments to IAS 39 was the increase in interest income by EUR 146 million on assets that were transferred from Origination and Advisory to Loan Products. The remaining increase was driven by net mark-to-market gains across the investment grade loan portfolio together with the associated hedges.

Other products revenues were negative EUR 167 million in the third quarter 2008, a decrease of EUR 66 million, or 65%, compared to the prior year quarter. This mainly results from mark-to-market losses on investments held to back insurance policyholder claims in Abbey Life, which was acquired in the fourth quarter 2007. This effect is offset by policyholder benefits and claims in noninterest expenses and therefore has no overall impact on our net income.

In provision for credit losses, CB&S recorded a net charge of EUR 66 million in the third quarter 2008 compared to a net release of EUR 17 million in the prior year quarter. The provision for credit losses related to assets which had been reclassified in accordance with IAS 39 amounted to EUR 72 million.

Noninterest expenses were EUR 1.8 billion in the third quarter 2008, an increase of 21%, or EUR 305 million, compared to the third quarter 2007. The increase primarily reflects a net release in the third quarter 2007 to partially reverse performance-related compensation accruals made during the first half of 2007.

Income (loss) before income taxes in CB&S was a loss of EUR 789 million in the third quarter 2008, compared to a loss of EUR 179 million in the prior year quarter.

Global Transaction Banking (GTB)

GTB generated third quarter net revenues of EUR 692 million, an increase of EUR 31 million, or 5%, versus the prior year period. The increase was mainly related to Trade Finance and was driven by higher volumes in the documentary business and a stronger guarantee business in Asia/Pacific and Europe. Cash Management also generated higher revenues, resulting from significantly increased transaction volumes in both the Euro and U.S. dollar clearing business.

In provision for credit losses, no charge was recorded in the third quarter 2008, compared to a net release of EUR 2 million in the same quarter of the previous year.

Noninterest expenses were EUR 410 million in the third quarter 2008, up EUR 11 million, or 3%, compared to the prior year quarter. This development was mainly driven by an increase in staff levels as well as higher transaction-related costs.

Income before income taxes was a record third quarter of EUR 281 million, an increase of EUR 18 million, or 7%, compared to the prior year quarter.

Private Clients and Asset Management Group Division (PCAM)

Asset and Wealth Management (AWM)

Net revenues in AWM were EUR 713 million in the third quarter 2008, a decrease of EUR 413 million, or 37%, compared to the prior year quarter. Portfolio / Fund management revenues in Asset Management (AM) were lower by EUR 195 million, or 31%, and decreased by EUR 14 million, or 13%, in Private Wealth Management (PWM). Both business divisions were impacted by ongoing unfavorable market conditions, which affected performance fees and asset-based fees. In PWM, this development was partly compensated for by revenue growth from the inflow of invested assets. Brokerage revenues decreased by EUR 23 million, or 9%, compared to the third quarter 2007, mainly caused by lower client activity in the current market environment. Loan/deposit revenues were up EUR 18 million, or 34%, mainly reflecting increases in loan volumes. Other products recorded revenues of negative EUR 114 million in the third quarter 2008 compared to revenues of positive EUR 86 million in the prior year period. The current year quarter included a charge of EUR 65 million related to a consolidated infrastructure investment in AM's RREEF business, which ceased to meet the criteria for the held for sale category due to current market conditions, as well as discretionary injections of EUR 55 million into consolidated money market funds and impairment losses on seed capital investments. The third quarter 2007 included gains in AM's RREEF business from the sale of assets.

Noninterest expenses in the third quarter 2008 decreased by EUR 49 million, or 6%, mainly due to a reduction in performance-related compensation reflecting lower segmental and group-wide performance. Lower policyholder benefits and claims also contributed to the decline. In PWM, noninterest expenses included a charge of EUR 59 million for a provision related to a pending tender offer to repurchase Auction Rate Securities (ARS) at par from retail clients following a legal settlement in the U.S. In AM, noninterest expenses included a charge of EUR 38 million due to the aforementioned consolidated RREEF investment which ceased to meet the criteria for the held for sale category as well as an impairment loss of EUR 8 million on intangible assets related to investment management agreements.

Against this backdrop, AWM recorded in the third quarter 2008 a loss before income taxes of EUR 95 million. In the same quarter last year, AWM generated income before income taxes of EUR 265 million.

Invested assets in AWM were EUR 700 billion, essentially unchanged compared to 30 June 2008. PWM increased its invested assets by EUR 6 billion, mainly by attracting net new money in challenging markets. AM recorded a decrease of invested assets driven by asset outflows of EUR 11 billion, mainly attributable to money market funds. The impact of declines in asset prices in the current market environment was more than offset by positive foreign exchange rate effects.

Private & Business Clients (PBC)

Net revenues were EUR 1.4 billion, essentially unchanged compared to the third quarter 2007. Revenues from portfolio/fund management increased by EUR 25 million, or 40%, reflecting a successful portfolio management product campaign during the third quarter 2008. Loan/deposit revenues increased by EUR 7 million, or 1%, compared to the prior year quarter, driven by higher loan and deposit volumes, partly offset by lower loan and deposit margins. Brokerage revenues were down by EUR 52 million, or 18 %, mainly due to lower client activity in a more difficult market environment in the third quarter 2008. Payments, account & remaining financial services were slightly lower than in the prior year quarter. Revenues from other products increased by EUR 20 million, or 25%, driven by PBC's asset and liability management function.

The provision for credit losses in the third quarter was EUR 168 million, up by EUR 45 million, or 36%, compared to the prior year period. This increase was due to deteriorating market conditions in Spain and organic growth in consumer finance, primarily in Poland.

Noninterest expenses in the third quarter 2008 were EUR 1.0 billion, slightly below those in the third quarter of 2007. Lower performance-related compensation in line with group-wide results was largely offset by the effects of higher staff levels.

Income before income taxes was EUR 262 million in the current quarter, a decrease of EUR 42 million, or 14%, compared to the third quarter 2007.

Invested assets were EUR 193 billion as of 30 September 2008, down by EUR 5 billion compared to 30 June 2008. PBC generated in the quarter net new assets of EUR 3 billion in a challenging market environment. Market depreciation negatively impacted invested assets of EUR 8 billion in the quarter.

PBC acquired 237,000 net new clients in the third quarter 2008, resulting in a total of 14.4 million clients, mainly due to increases in Germany, India and Italy.

Corporate Investments Group Division (CI)

CI's income before income taxes was EUR 238 million in the third quarter 2008, compared to EUR 629 million in the third quarter 2007. The current quarter included gains from the bank's industrial holdings portfolio of EUR 273 million related to the sale of its stake in Allianz SE and the reduction of a stake in Linde AG. The third quarter last year included net gains of EUR 347 million from the partial sale of stakes in Allianz SE and Linde AG and from the sale of the bank's stake in Deutsche Beteiligungs AG as well as EUR 187 million related to the sale and leaseback transaction of the bank's premises at 60 Wall Street. Mark-to-market gains, including the impact from the option to increase the bank's share in Hua Xia Bank Co. Ltd (China), positively impacted the third quarter of last year.

Consolidation & Adjustments

Income before income taxes in Consolidation & Adjustments was EUR 195 million in the third quarter 2008 compared to EUR 167 million in the prior year quarter. Net revenues in the third quarter 2008 were driven by significant positive effects from different accounting methods used for management reporting and IFRS for economically hedged short-term funding positions, driven by a sharp increase in short-term interest rates. Partly offsetting these positive effects were results not attributable to the segments including charges related to litigation provisions. Noninterest expenses in the prior year quarter included a recovery of value added tax and insurance reimbursements associated with several litigation cases.

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 .