



# Building a retail powerhouse in Europe's biggest economy

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*Passion to Perform*

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## 1 **Deutsche Bank Group performance**

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2 Retail powerhouse in Europe's biggest economy

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3 Postbank: The perfect fit

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4 An attractive business case

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# 3Q2010 at a glance



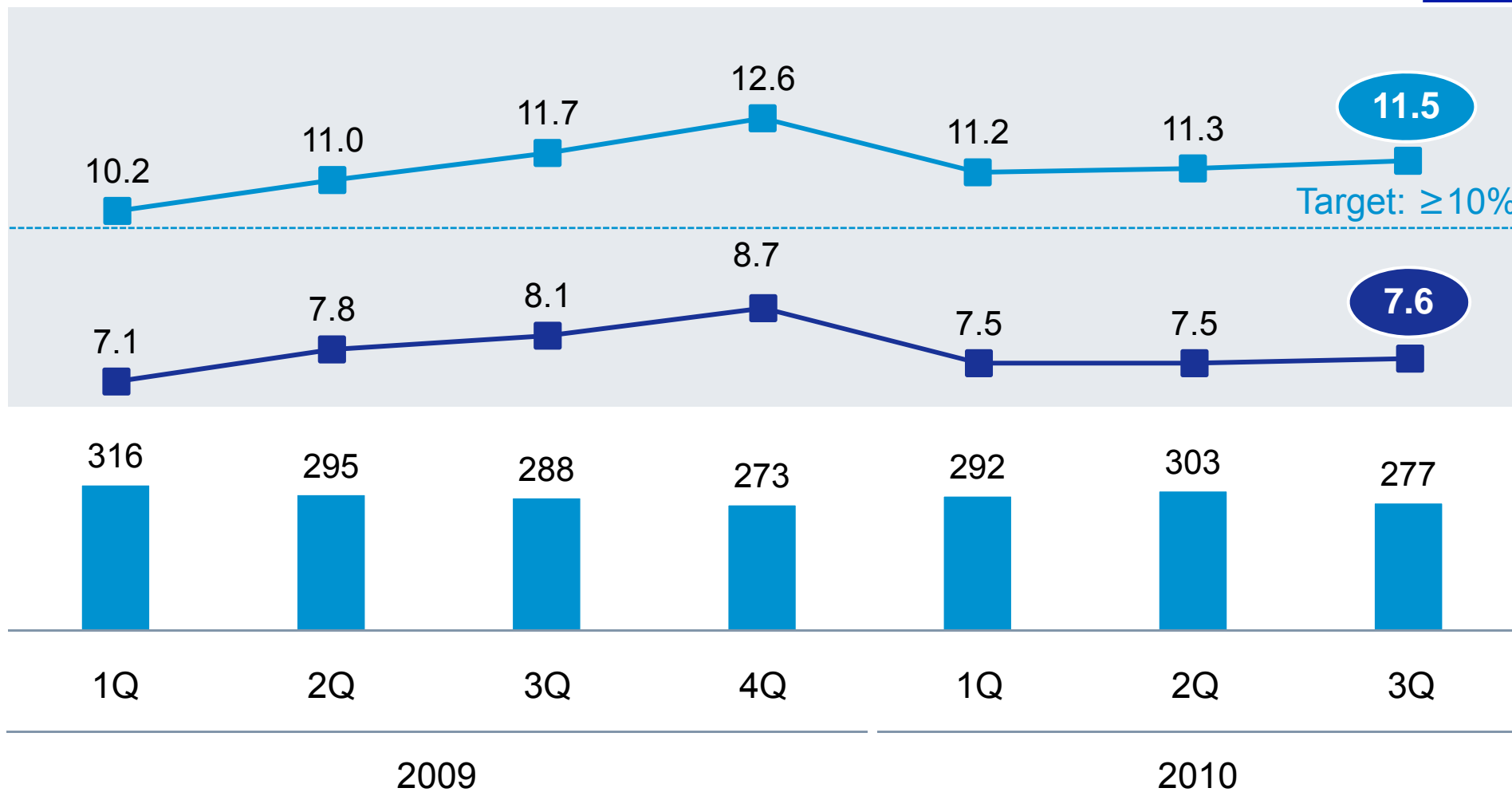
	3Q2010	3Q2010 ex Postbank effect <sup>(3)</sup>	3Q2009	
<b>Profita- bility</b>	Income before income taxes (in EUR bn)	<b>(1.0)</b>	<b>1.3</b>	1.3
	Net income (in EUR bn)	<b>(1.2)</b>	<b>1.1</b>	1.4
	Pre-tax RoE (target definition) <sup>(1)</sup>	<b>13%</b>	<b>13%</b>	14%
	Diluted EPS (in EUR)	<b>(1.75)</b>	<b>1.70</b>	1.92
		30 Sep 2010 ex 30 Sep 2010 Postbank effect <sup>(3)</sup>	30 Jun 2010	
<b>Capital</b>	Tier 1 capital ratio	<b>11.5%</b>	<b>11.9%</b>	11.3%
	Core Tier 1 capital ratio	<b>7.6%</b>	<b>8.1%</b>	7.5%
	Tier 1 capital (in EUR bn)	<b>31.8</b>	<b>33.6</b>	34.3
<b>Balance sheet</b>	Total assets (IFRS, in EUR bn)	<b>1,958</b>	<b>1,960</b>	1,926
	Total assets (adjusted, in EUR bn)	<b>1,044</b>	<b>1,047</b>	1,043
	Leverage ratio (target definition) <sup>(2)</sup>	<b>25</b>	<b>24</b>	23

(1) Based on average active equity

(2) Total assets (adjusted) divided by total equity per target definition

(3) The Postbank related effect of EUR (2.3) bn is a non-cash charge with no tax benefit attached, which represents the difference between the previous carrying value of the equity method investment and the fair value of current stake as of 30 September 2010 (taking into account the VWAP of 25.00 EUR per share of the PTO as recoverable amount)

# Capital ratios and risk-weighted assets



■ Tier 1 ratio, in % 
 ■ Core Tier 1 ratio, in % 
 ■ RWA, in EUR bn

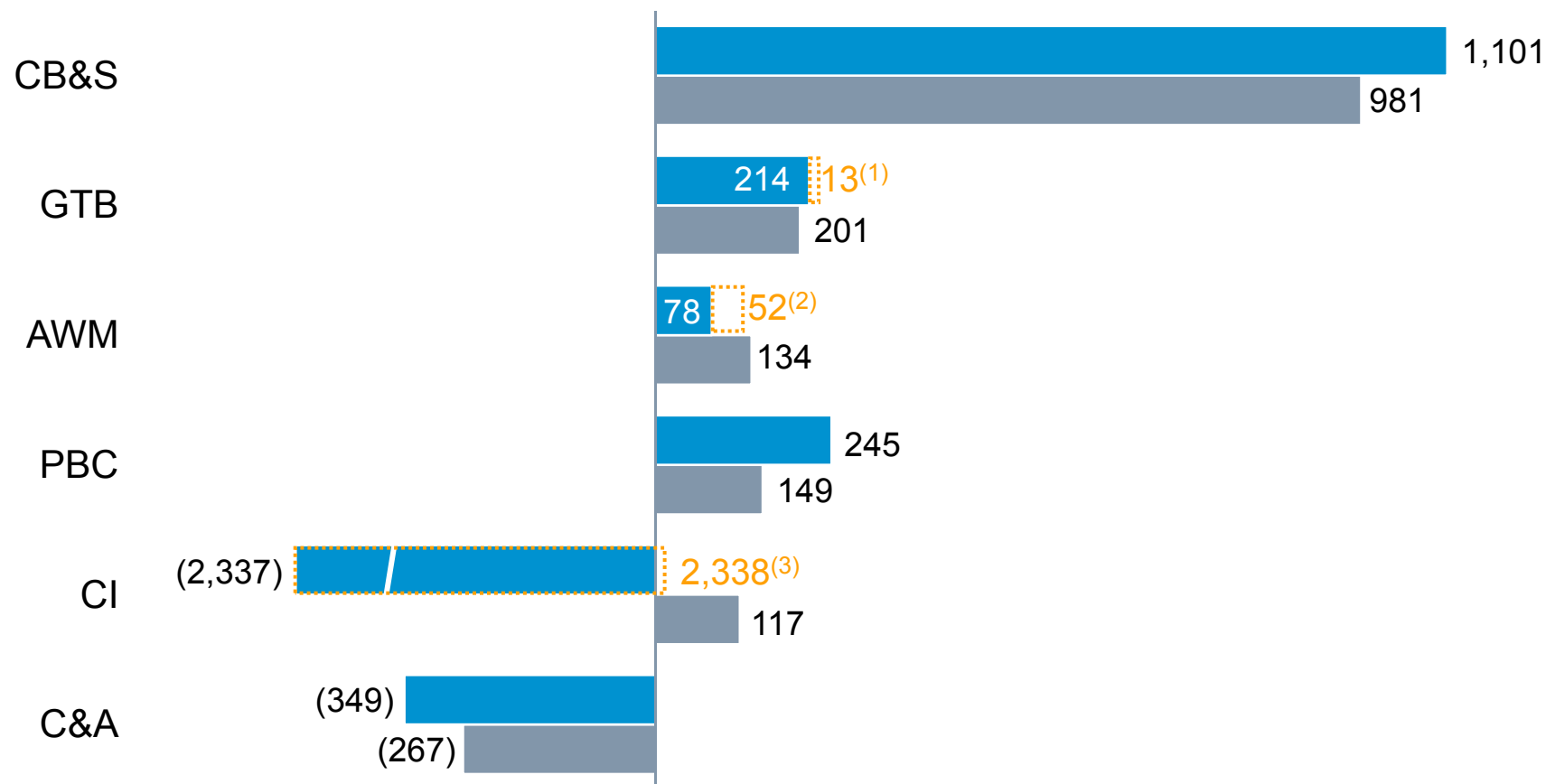
Note: Tier 1 ratio = Tier 1 capital / RWA; core Tier 1 ratio = (Tier 1 capital - hybrid Tier 1 capital) / RWA

# Positive IBIT contribution from all operating segments

## Income before income taxes, in EUR m



- 3Q2010
- 3Q2009
- 3Q2010 acquisition impact / Postbank effect



- (1) ABN AMRO Netherlands impact
- (2) PWM: Sal. Oppenheim / BHF impact
- (3) Postbank effect

# Performance vs. targets

## Income before income taxes, in EUR bn



	9M2010 reported	Phase 4 potential 2011	Acquisition impact
Corporate Banking & Securities	4.5	6.3	
Global Transaction Banking	0.8	1.3	▶ 9M2010 excluding ABN AMRO Netherlands acquisition: EUR 0.6 bn
Asset and Wealth Management	0.1	1.0	▶ 9M2010 excluding Sal. Oppenheim / BHF acquisition: EUR 0.3 bn
Private & Business Clients	0.7	1.5	
<b>Total business divisions</b>	<b>6.1</b>	<b>10.0</b>	

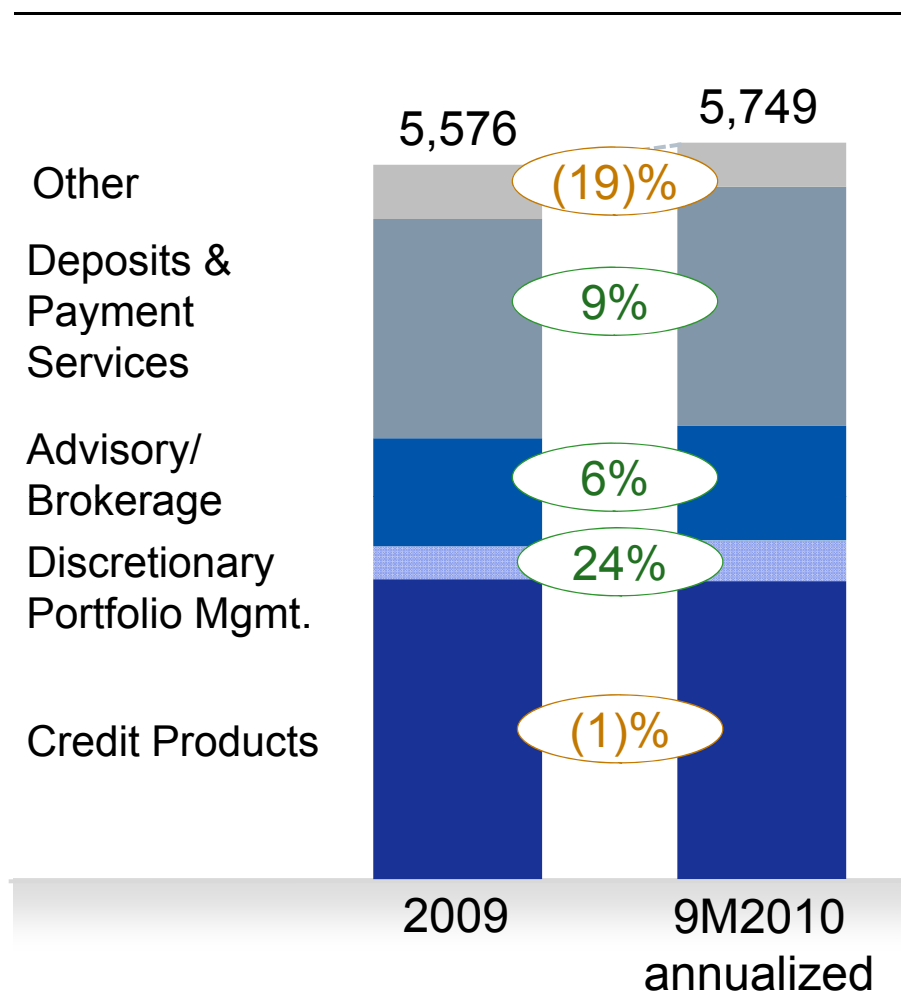
Note: Figures may not add up due to rounding differences

# PBC gaining momentum

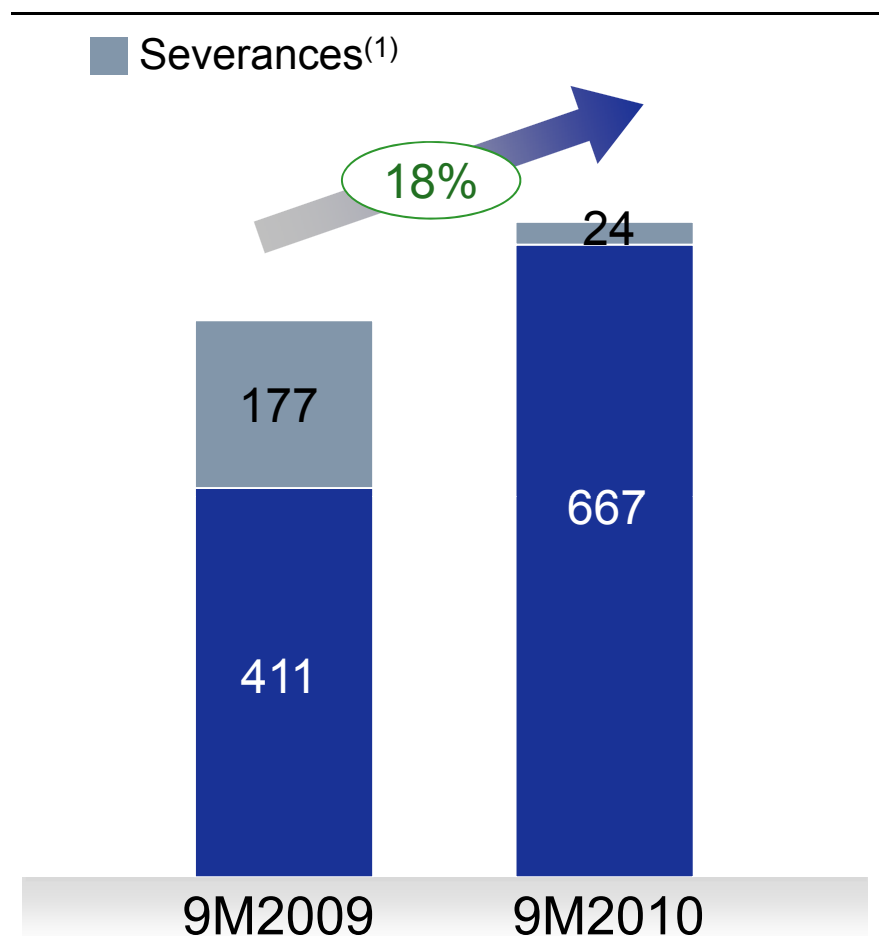
In EUR m



## Revenues



## Income before income taxes



(1) Includes direct severances booked in business allocations of severance booked in infrastructure

# Agenda



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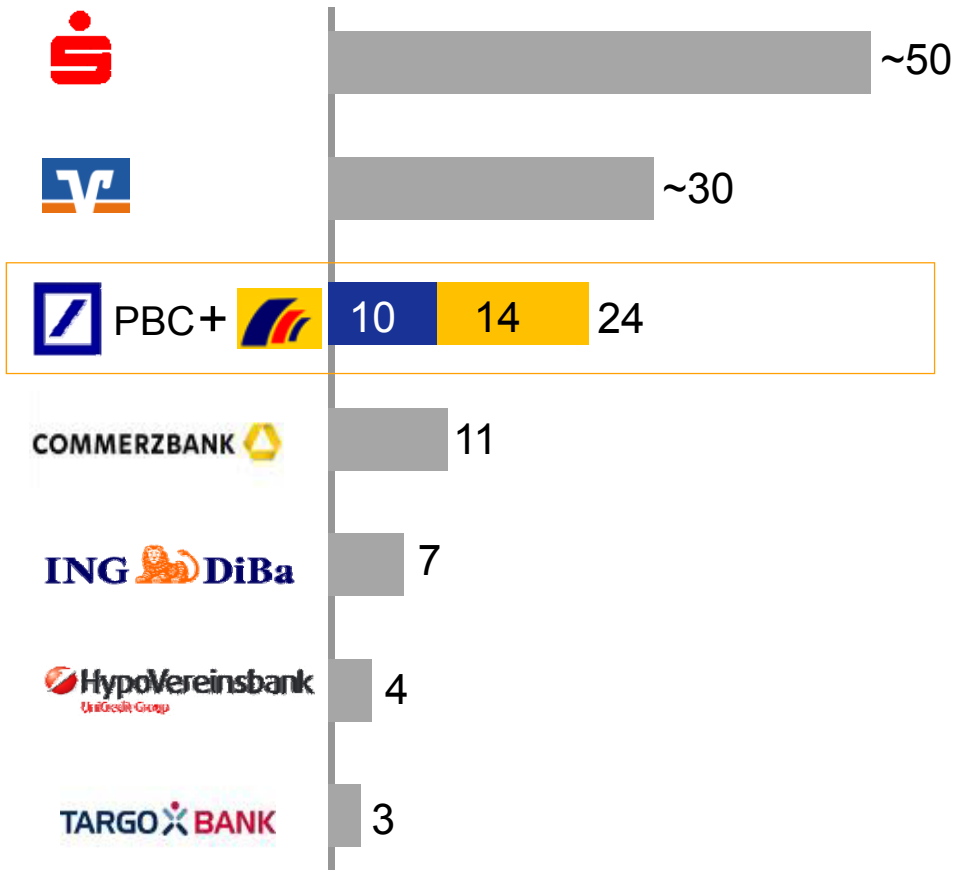


# PBC / Postbank to become a clear leader in Germany and to close the gap vs. large European players



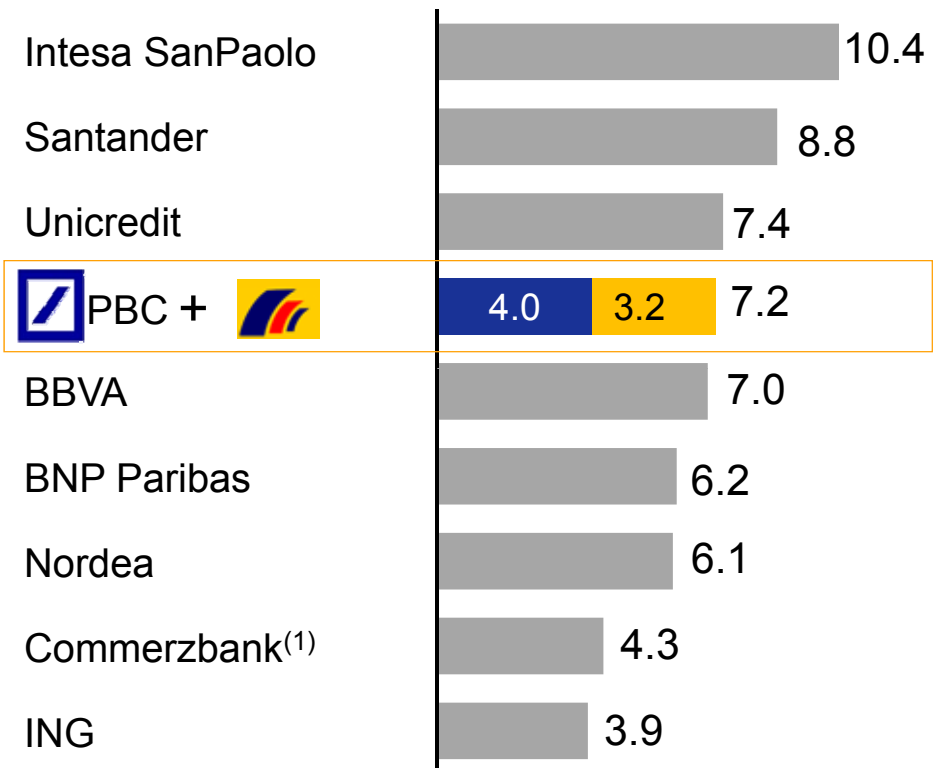
## German retail market

Domestic clients, Dec 2009, in million



## European retail peers

Domestic net revenues in retail business, FY2009, in EUR bn



(1) Segment Private Customers  
Source: Company data

# A retail powerhouse



## Facts and figures





30 September 2010 / 9M2010

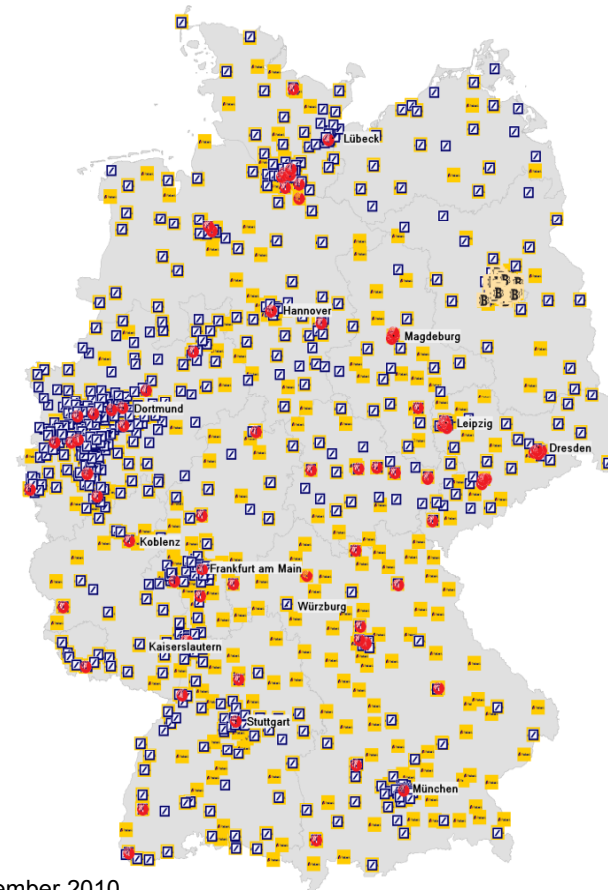
	PBC global	Postbank	Pre- integration PBC + PB
Clients, in m	14.5	14.0 <sup>(1)</sup>	28.5
Branches	1,760	1,119 <sup>(1)</sup>	2,879
Mobile Sales Force	>3,000	>4,000	>7,000
Post Partner agencies		>4,500	>4,500
FTE	23,684	20,695	44,379
Securities, in EUR bn	115	12	127
Deposits, in EUR bn	110	114	224
Loans, in EUR bn	101	108	209
RWA, in EUR bn	37	68	105
Revenues, in EUR m	4,312	2,883	7,195
IBIT, in EUR m	667	296	964

EUR 260 bn  
retail deposits<sup>(3)</sup>

- (1) Postbank Annual Report 2009 (German version p. 10); on Postbank Interim Report as of 30 September 2010
- (2) Includes sight, term, savings and home savings deposits from retail and business clients
- (3) Includes EUR 50 bn Deutsche Bank Private Wealth Management, and excludes business clients

## German branch networks

 Deutsche Bank: 774 / 
  Berliner Bank: 61  
 Postbank: 1,119 / 
  norisbank: 94



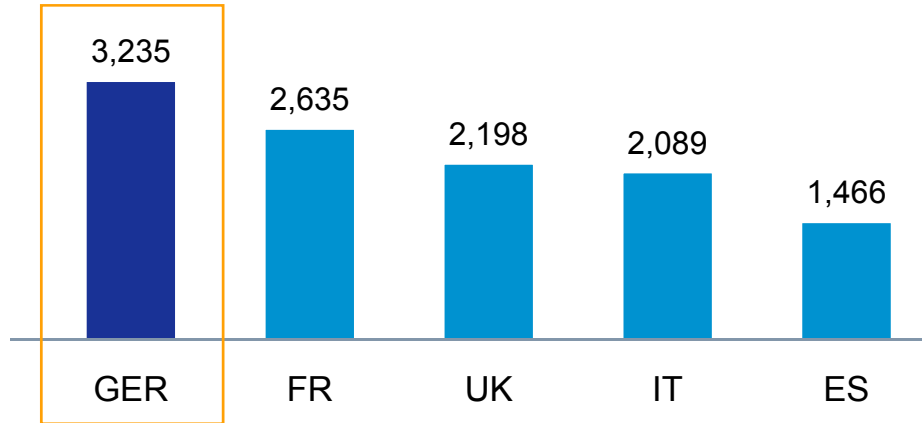
Karte: PBC BMD / Vertriebsnetzmanagement

# Germany: Healthy market environment ...



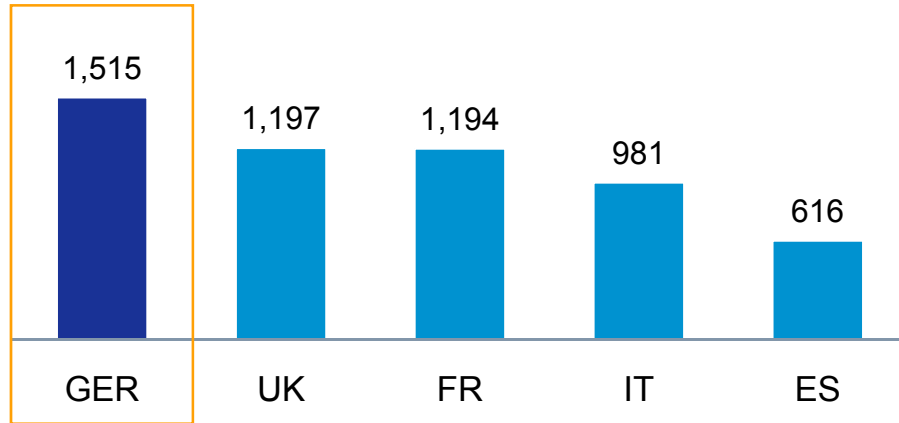
Germany with strong economy, ...

GDP, 2009, in USD bn



... affluent private customers, ...

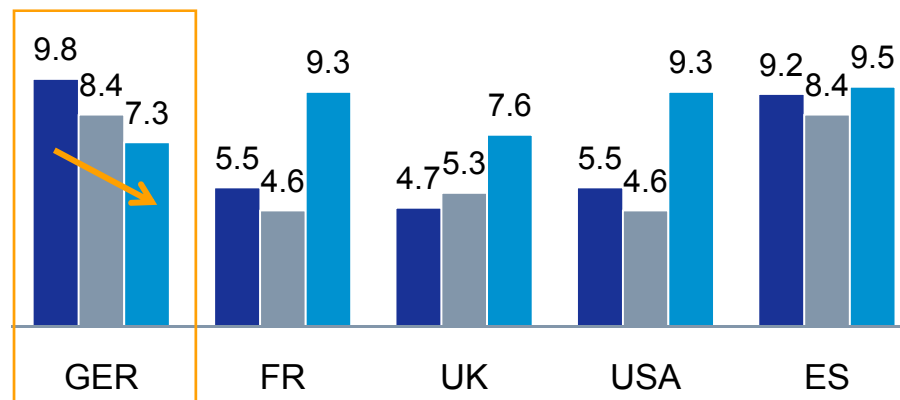
Disposable income of private households, 2007, in EUR bn



...and favourable labour market

Unemployment, in %

■ 2004 ■ 2007 ■ 2009



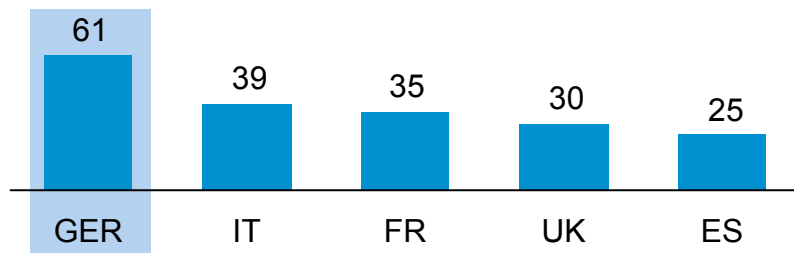
Source: DB Research, ECB, Company reports

# ...and a retail banking environment better than perceived

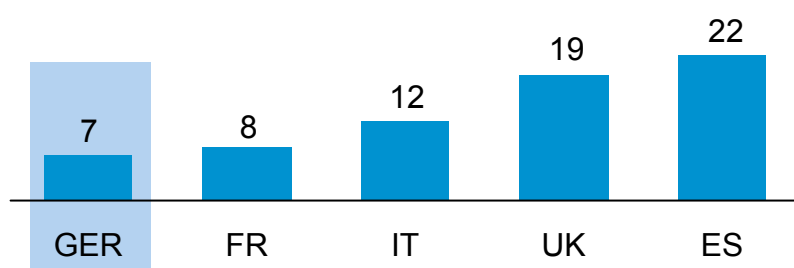


## Retail banking markets overview

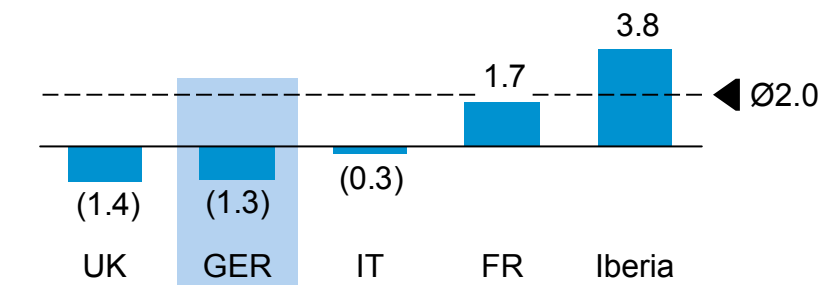
Retail banking revenues after risk costs 2009<sup>(1)</sup>, in EUR bn



LLP ratio, 2007 – 2009 median<sup>(2)</sup>, in %



Cost CAGR of key banks '06 – '09<sup>(3)</sup>, in %



## Positioning of combined PBC / Postbank

- Significant combined PBC / Postbank share in Europe's largest retail banking market
- Price leadership in standard products and leading advisory services to form strong basis for further organic market share growth

- Healthy German retail credit market environment with no signs of overheating ...
- ... offering significant growth environment e.g. in mortgage and consumer lending to affluent

- Positive cost trend in German retail banking market – with further potential to be realized
- Combined PBC / Postbank to benefit from scale advantages vs. peers across all sectors

(1) Projected, source McKinsey (2) Loan loss provisions in % of revenues in retail banking, average of leading market players of respective country (3) Source: BCG  
Source: DB Research, ECB, Company Reports



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# Rationale for Postbank acquisition

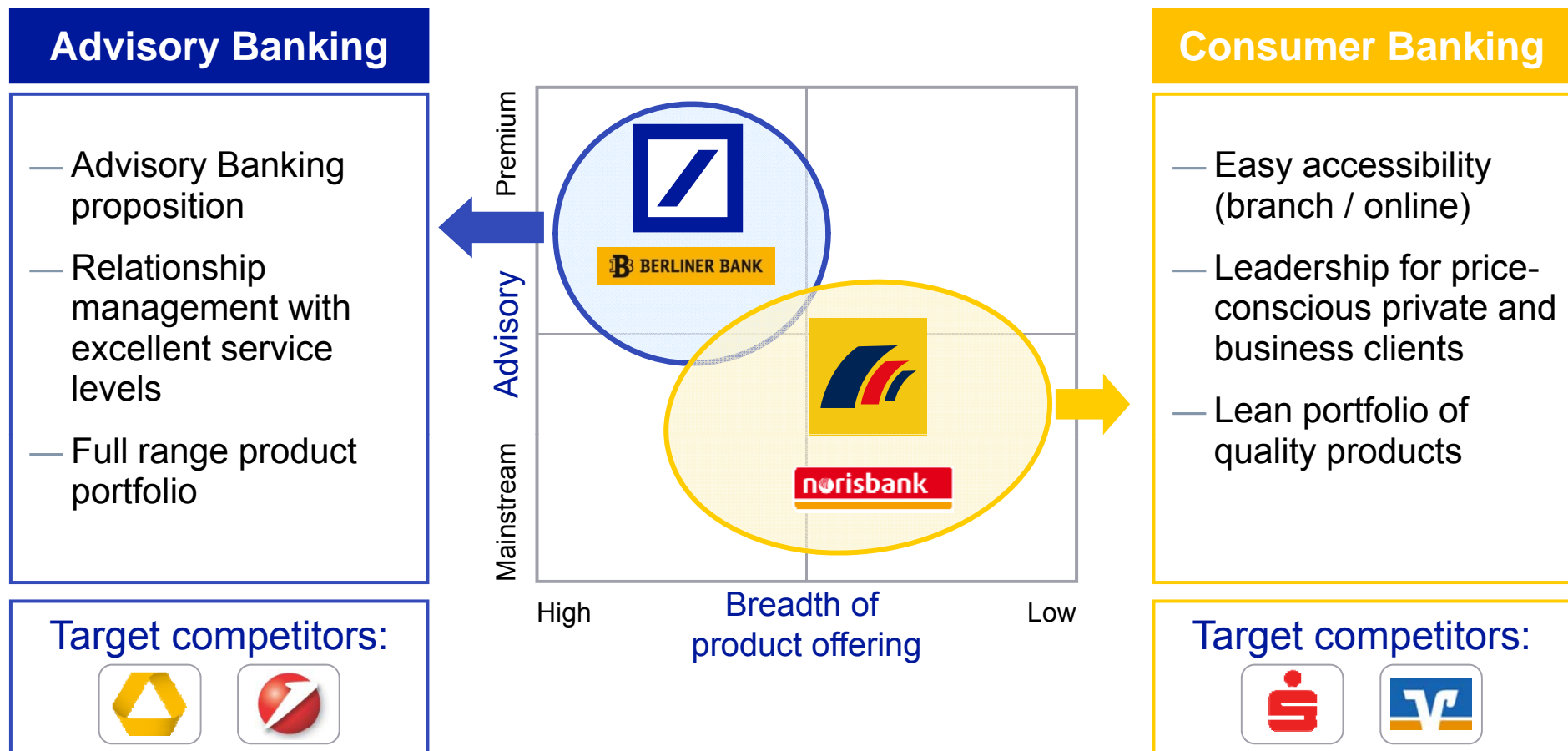


<b>What we get</b>	<ul style="list-style-type: none"><li>— Customer bank (EUR 121 bn assets)<sup>(1)</sup>:  Leverage Large, lean, profitable</li><li>— Non-customer bank (EUR 121 bn assets):  Run-off Large, capital consumptive and less profitable</li></ul>
<b>Good for PBC</b>	<ul style="list-style-type: none"><li>— Become the undisputed leader in German retail banking</li><li>— Achieve critical mass and close gap to European peers</li><li>— Realize substantial synergies</li><li>— Leverage Postbank distribution platform</li></ul>
<b>Good for Deutsche Bank Group</b>	<ul style="list-style-type: none"><li>— Rebalance earnings mix</li><li>— Potential capital relief from mid-term run-off of non-core assets</li><li>— Significant expansion of retail deposit base enhances funding mix</li></ul>

 Accelerate re-rating of Deutsche Bank

(1) Includes commercial real estate portfolio potentially subject to optimization measures

# Complementary business propositions ...



Note: Page with brand focus, not necessarily legal entities

# ... reflected in different business mix

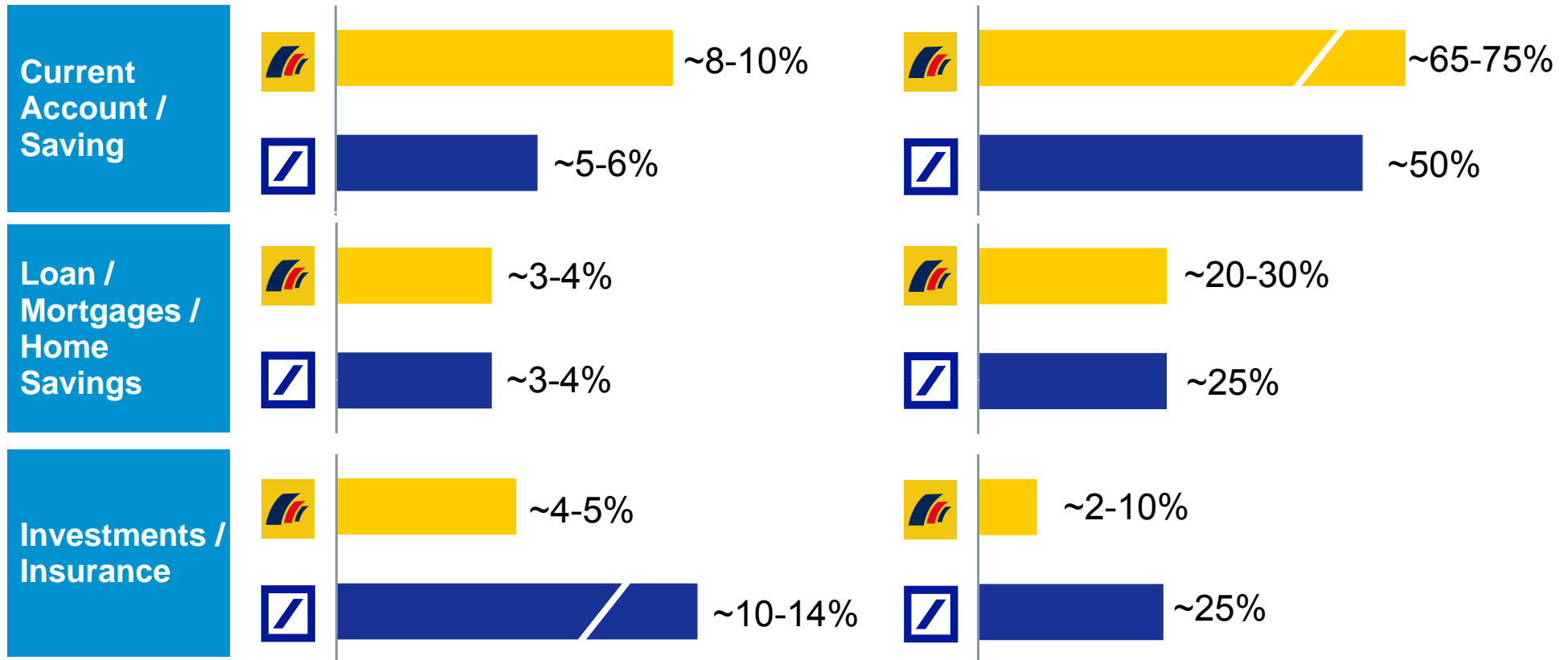


## Market share<sup>(1)</sup>

In %

## Revenues<sup>(2)</sup>

In % of total



(1) FMDS Data (and eFinancLab) 2009 analysis (508) by DB Market Research; current account / savings used 'banking relation' and 'current account'; investment / insurance used 'investment account' and 'shares', full market > 100% due to multi banking usage

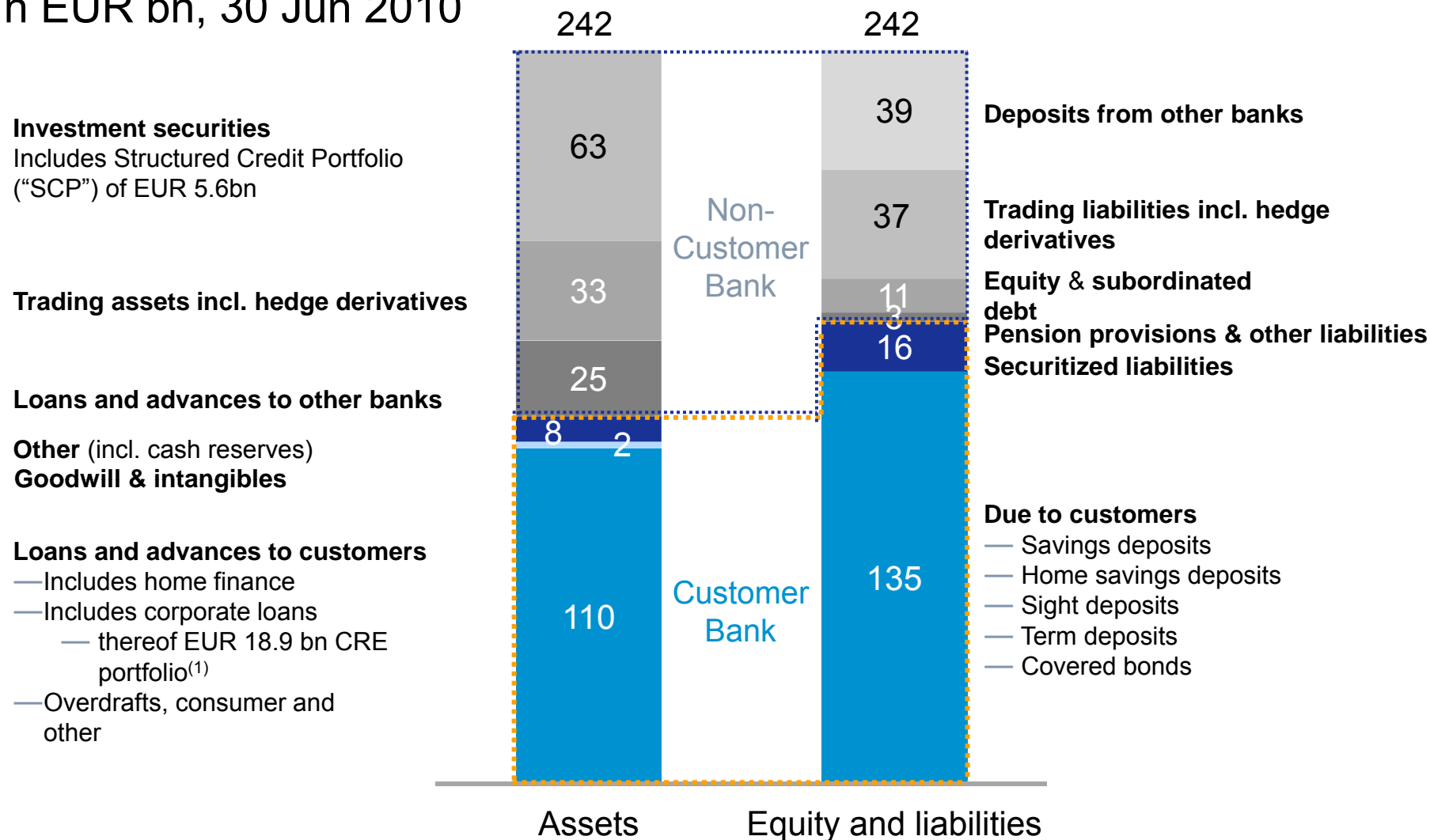
(2) Postbank: Focus retail and business (small cap) client segment; data outside in estimation based on market revenue pools and expert opinion / modelling; Deutsche Bank: PBC Germany incl. Berliner Bank, excl. norisbank, Management Reporting (UBR), all Data 2009



# Postbank balance sheet: Non-customer vs. customer bank



In EUR bn, 30 Jun 2010



(1) Potentially subject to optimization measures  
 Note: Numbers may not add up due to rounding, does not include off-balance sheet exposures  
 Source: Company information, DB analysis

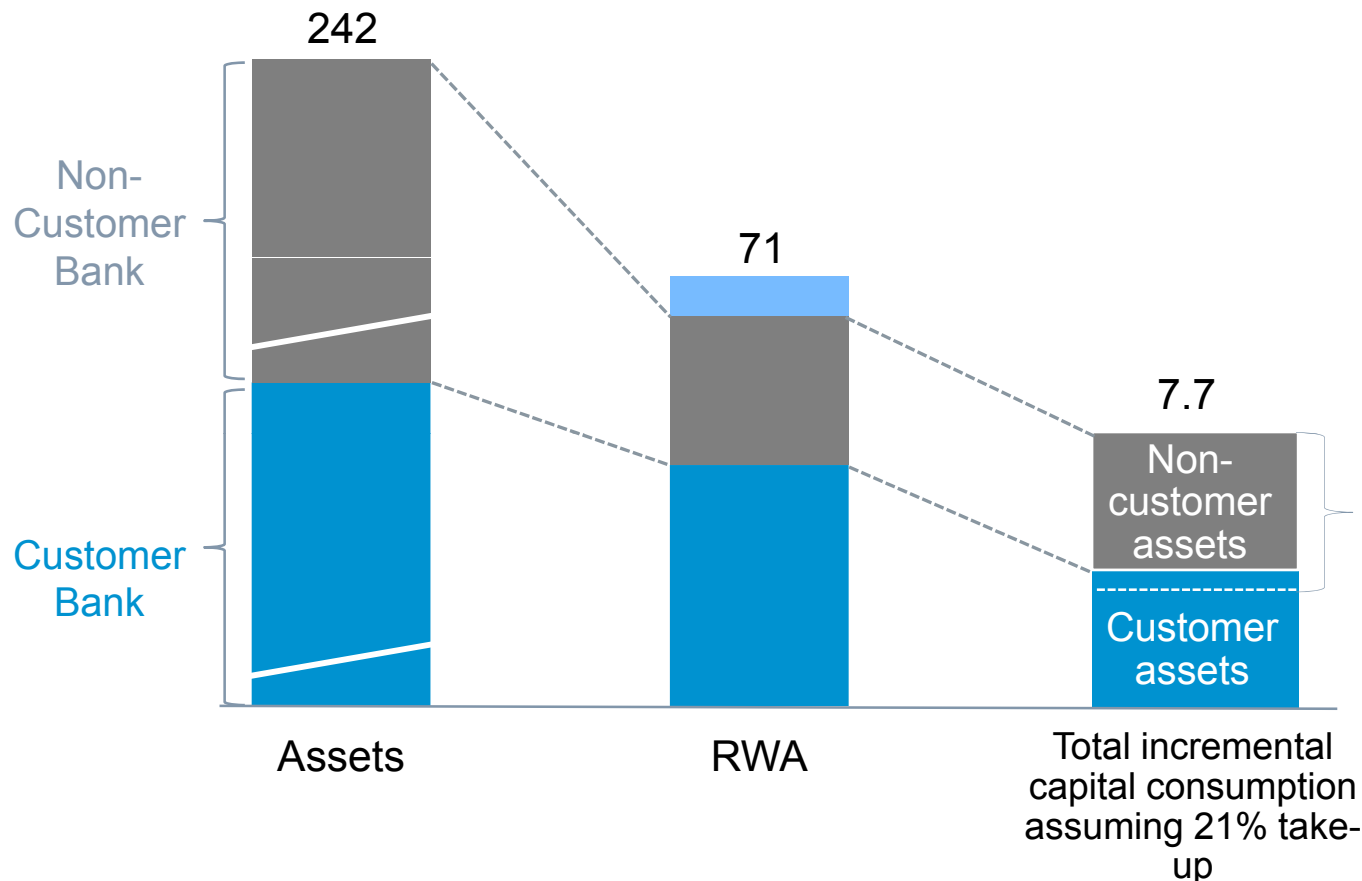
# Potential for mid-term capital relief from run-off of non-customer assets

30 June 2010, in EUR bn



illustrative

■ Operational risk



Aspire to free-up capital and redeploy at higher RoE<sup>(1)</sup>

(1) Capital relief potential includes EUR 0.9 bn RWA reductions (outside-in assuming risk weights as of 30 June 2010 and 10% Tier 1 ratio) from run-off of investment securities portfolio, as indicated by Postbank, and certain deductions for non-homogeneous loans, partly referring to customer assets, which are expected to reverse by end 2011, as indicated by Postbank

Note: Scale not linear due to presentation purposes

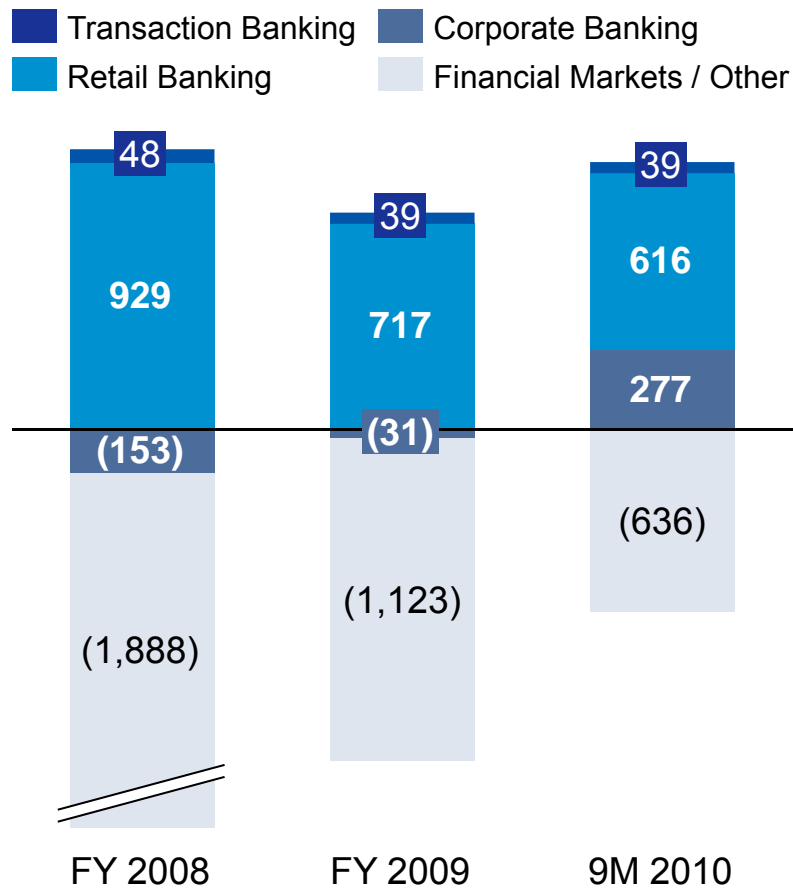
# Postbank's retail business is profitable and stable

In EUR m



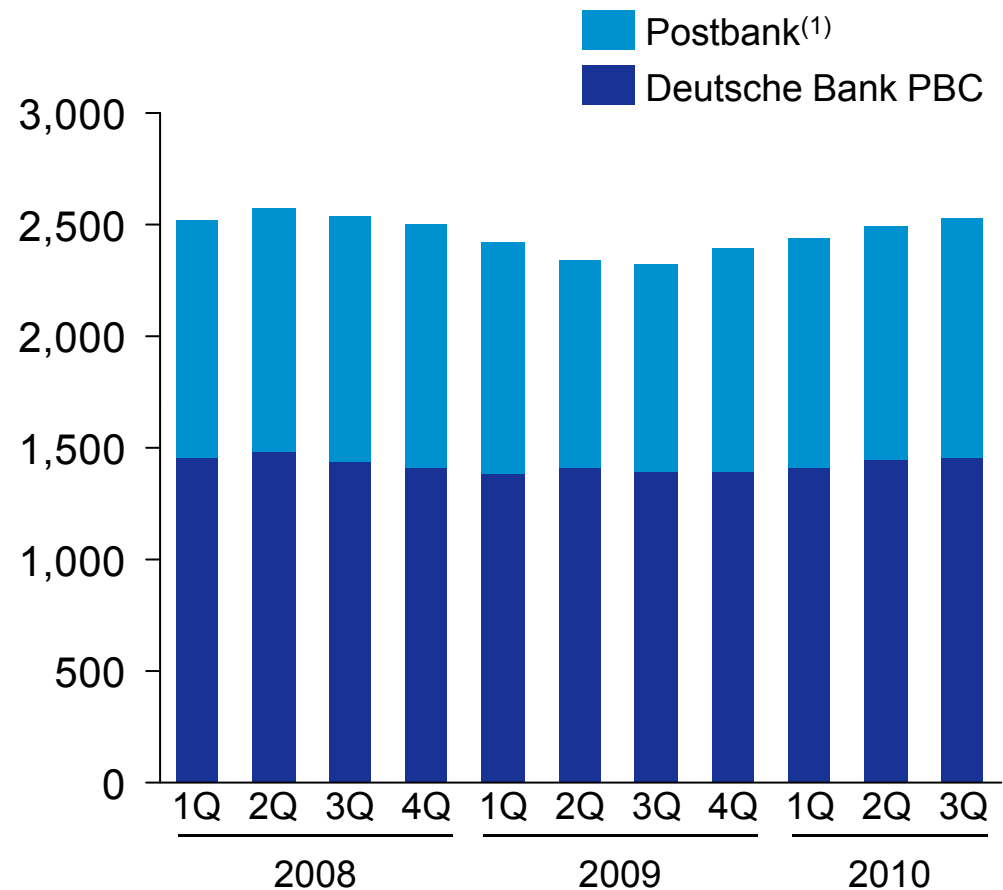
Postbank's retail division with consistent profits through the crisis

PB pre-tax profit by segment (reported figures)



PBC's stable revenue stream will be strengthened further

Pro-forma combined PBC / Postbank revenues



(1) Reported revenues adjusted from an outside-in perspective for one-off effects mainly from impairments on investment securities, measurement losses on embedded derivatives and gains/losses on sale of investment securities

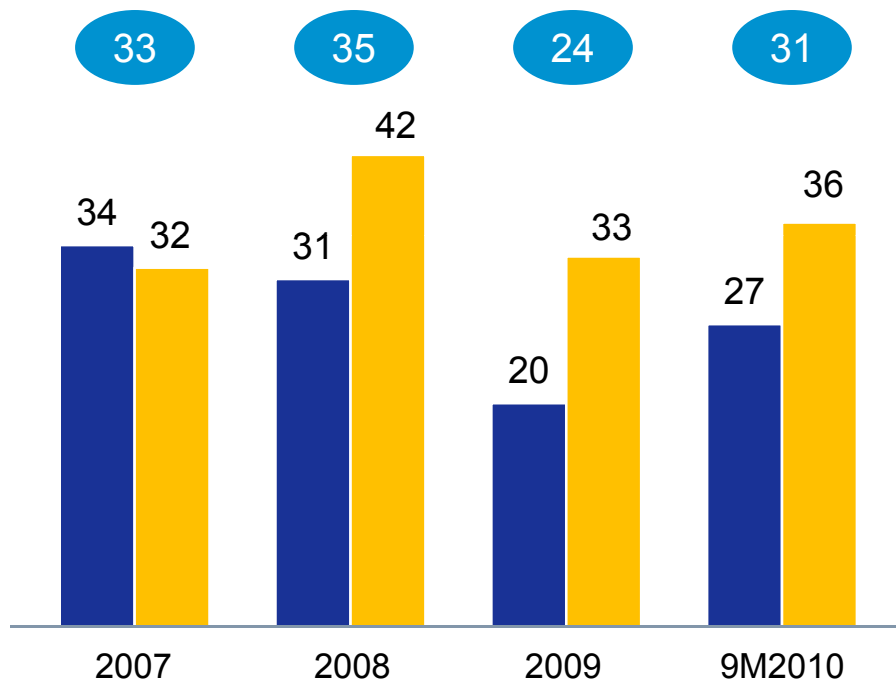
# PBC and PB Retail key ratios: RoE and CIR



## High RoEs through the crisis ...

### Pre-tax RoE, in %

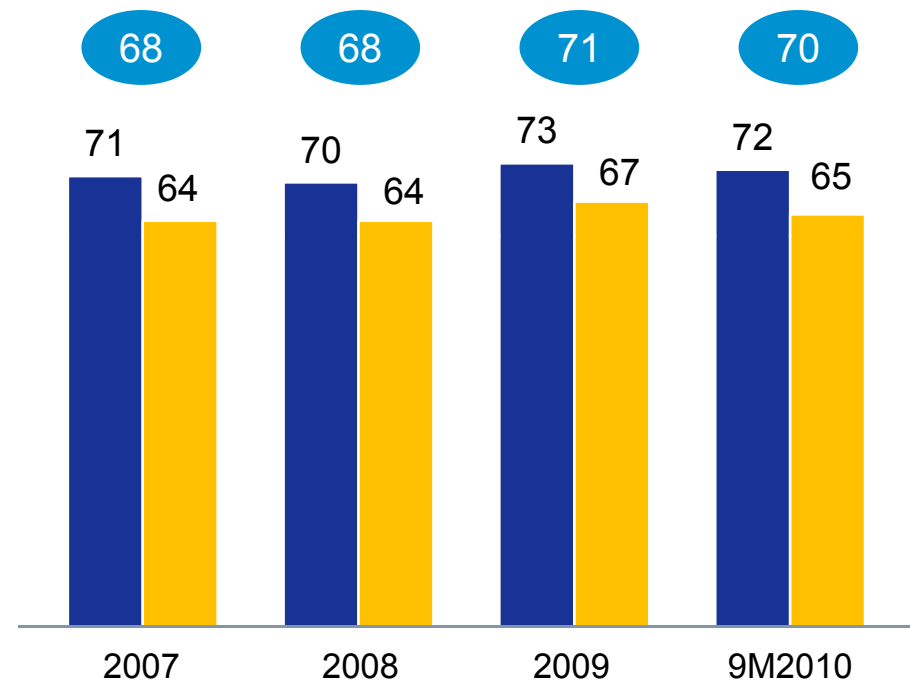
- PBC (1)
- Postbank Retail reported
- ⓧ Combined



## ... but efficiency to be improved

### Cost-Income-Ratio, in %

- PBC (1)
- Postbank Retail reported
- ⓧ Combined



(1) Excl. severance payments

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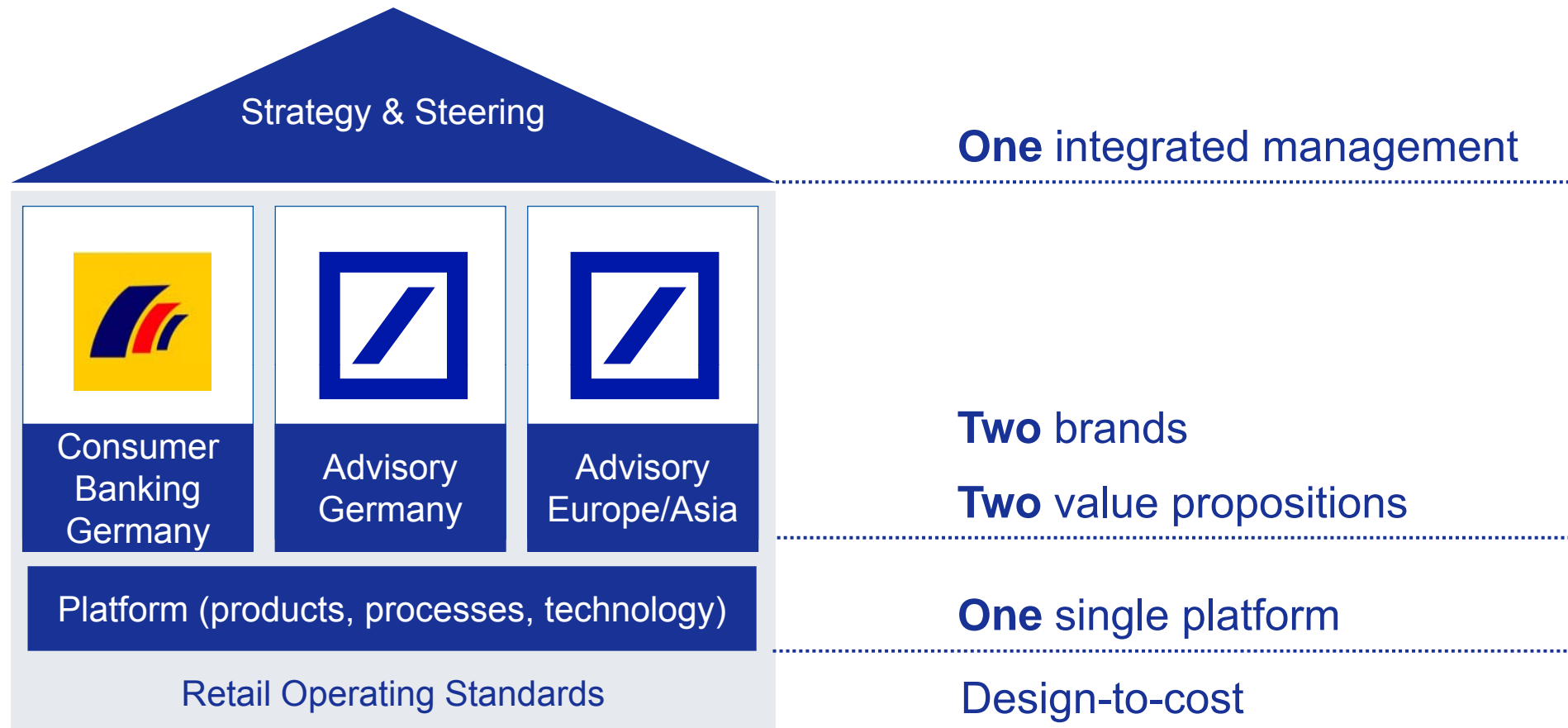
3 Postbank: The perfect fit

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# Integrated target operating model will enable us to benefit from broad market coverage



# Guiding principles for the design of the target platform



## Single platform

- Consistent **harmonization of processes and operating setup** (e.g., sourcing, degree of centralization)

## Functional integration

- Maximum degree of **integration**
- **Consolidation** of scattered functional activities
- Manage functions according to **retail operating standards**

## Design-to-cost/ Retailization

- Unit cost reduction / **standardization** along common service levels
- Protection of factor **cost advantages** of PBC by optimization of existing legal entity structures

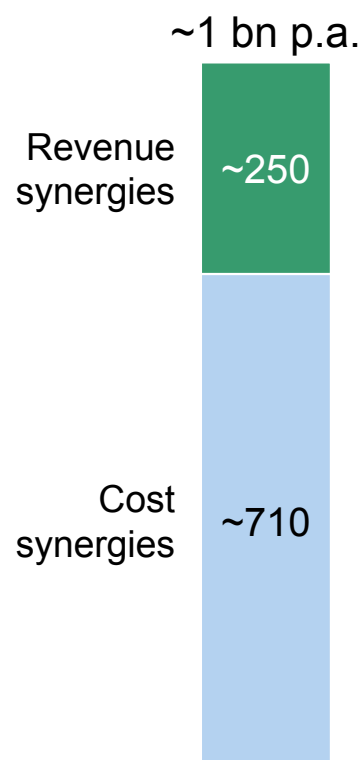
# Synergy targets and cost-to-achieve estimate

In EUR m



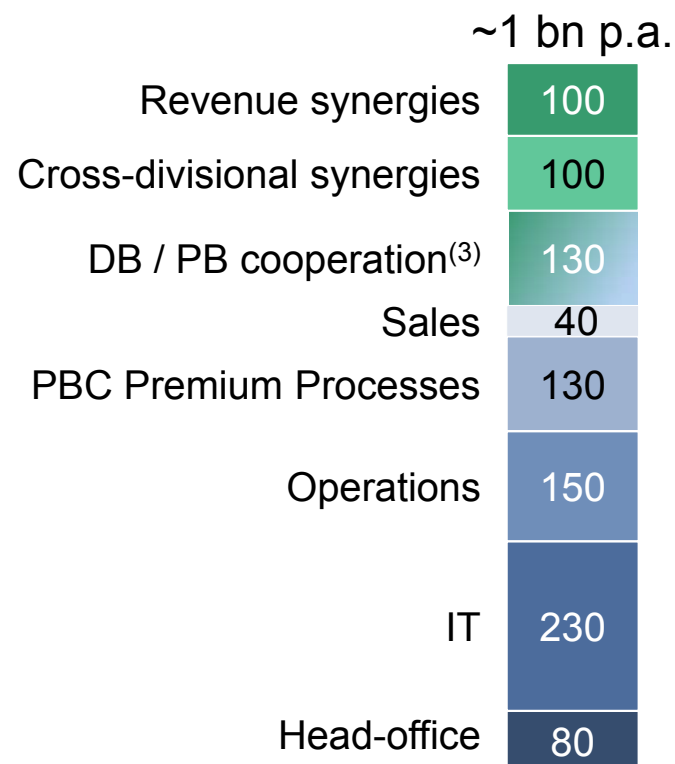
Outside-in view

## Split by type



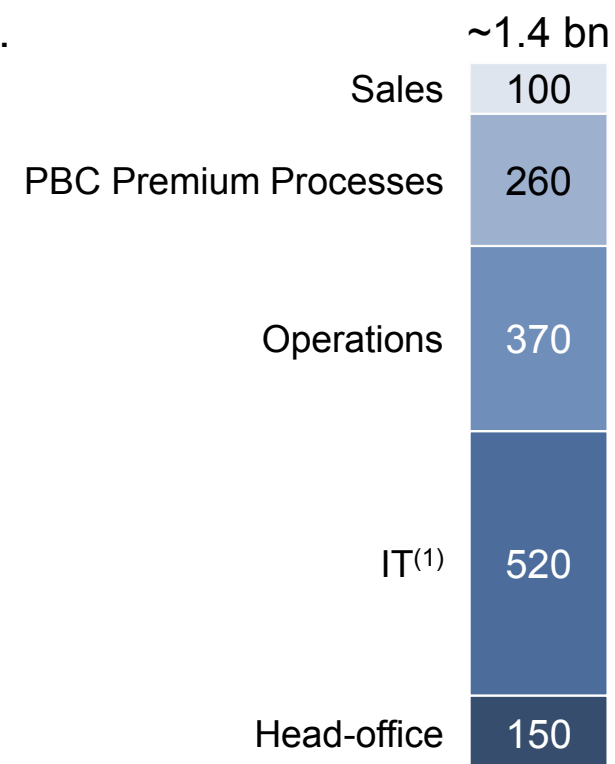
Run-rate  
(2014/15) <sup>(2)</sup>

## Split by category



Run-rate  
(2014/15) <sup>(2)</sup>

## Cost-to-achieve



Until  
2014/15

(1) Excl. depreciation of capitalized software after 2015

(2) Contribution of synergy programs reaches run-rate in 2014 / 15

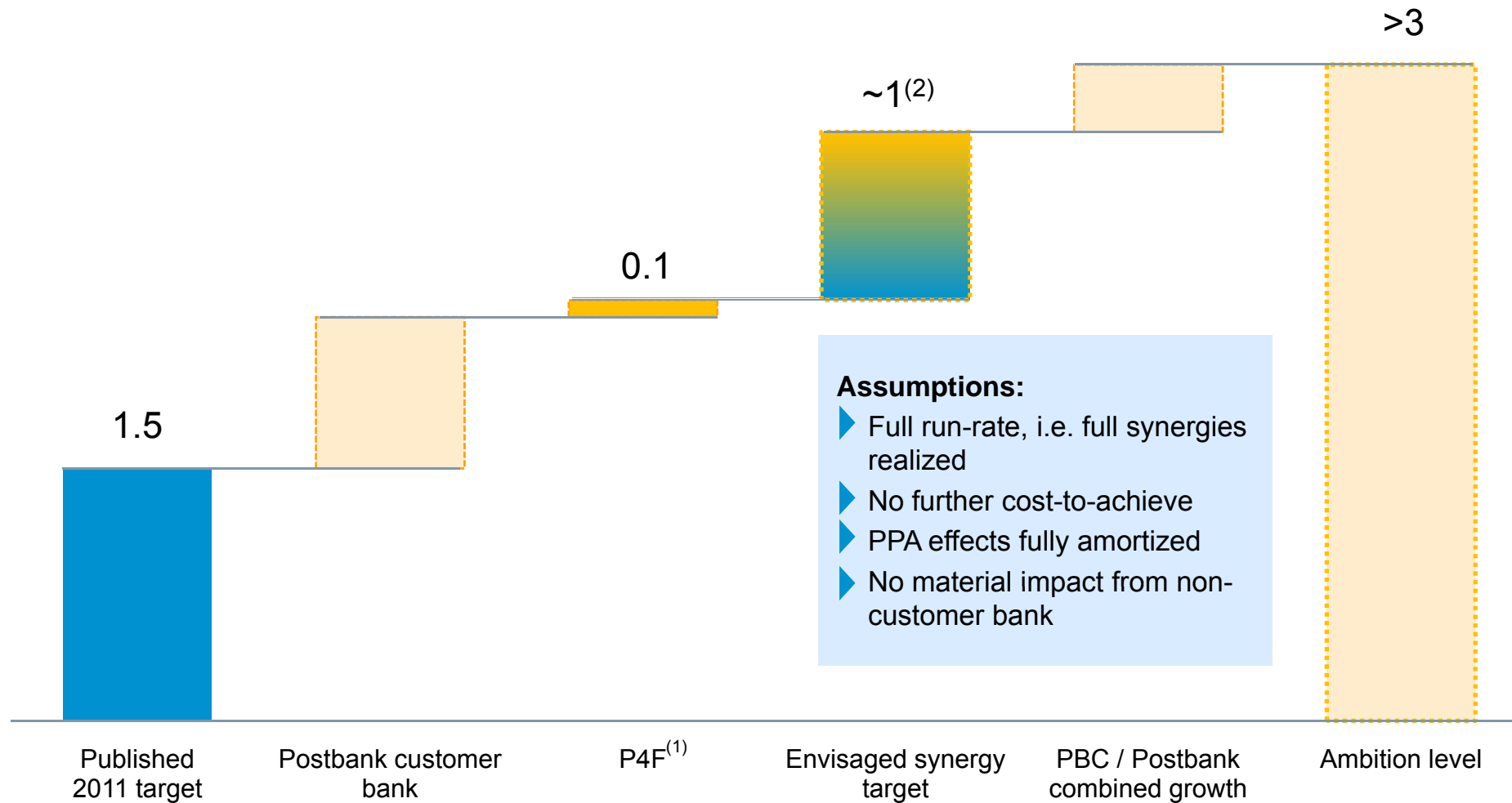
(3) Comprises revenue and cost synergies

Note: Excludes Postbank's stand-alone program P4F, and PBC's portion of the infrastructure efficiency program



# The roadmap to PBC's ambition level

Income before income taxes, in EUR bn



(1) Postbank for Future: Existing Postbank efficiency program, announced in November 2009

(2) Including EUR 0.1 bn cross-divisional synergies

# Ambition level for the combined retail franchise



▶ Revenues of EUR >10 bn

▶ Income before income taxes of EUR >3 bn

▶ Cost / income ratio of <60%

▶ Pre-tax RoE of >20%

▶ Top 5 retail deposit taker in Europe

## Assumptions:

- ▶ Full run-rate, i.e. full synergies realized
- ▶ No further cost-to-achieve
- ▶ PPA effects fully amortized
- ▶ No material impact from non-customer bank

# 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 16 March 2010 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 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 3Q2010 Financial Data Supplement, which is accompanying this presentation and available at [www.deutsche-bank.com/ir](http://www.deutsche-bank.com/ir).