

Deutsche Bank A.Ş.



# Annual Report 2018



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# Deutsche Bank A.Ş.

03 Message from the Chairman and the  
CEO

## Message from the Chairman and the CEO

Dear Shareholders,

We look back on 2018 as a year when overall global economic growth remained resilient around its highest level in a decade. Pace of recovery in the United States gained more steam, while growth in the Euro slowed down. Economic expansion in emerging markets remained undisrupted, despite continued softening in China. The recovery in global commodity prices helped in the first three quarters, while a large drop in oil prices during Q4 2018 provided some disinflationary pressure across the globe. The sell-off in developed market equities through year-end also led to worries over durability of latest resilience seen in global growth dynamics. The Federal Reserve Board carried on with its policy rate normalization process and hiked its funds rate four times. 2018 was a year of high global volatility, in comparison to a relatively soft 2017, when risk events, such as the Brexit and trade tensions, induced bouts of oscillations in the markets.

Following a robust performance in 2017, Turkish economy slowed down noticeably during 2018. Real GDP growth retreated to 2.6% in 2018 after 7.4% in the preceding year. Domestic absorption remained resilient during the first half; however, decelerated markedly in the second half, following adverse confidence shock in the aftermath of exorbitant lira weakness during August. Weak Turkish lira and resilient European demand however helped export performance during Q4 2018. External gap shrank visibly to 3.5% of GDP due to recovery in tourism revenues, squeezed import demand, and tamer gold imports. However, inflation ended the year at 20.3%, on the back of higher import prices and food prices.

In such a challenging year for Turkish markets, we recorded a Net Income of TRY 122million, driven by the increase in Euro/TRY exchange rate and fee income of Global Transaction Banking revenues. On the other hand, increased volatility in the second half of the year dragged down Global Markets revenues significantly. The subdued activity of our MNC clients and relatively low demand for loans translated to a 10% shrinkage of our balance sheet, from TRY 3billion to TRY 2.7billion.

Therefore, the smaller loan book took our Capital Adequacy Ratio far above the regulatory limits and market-wide levels. Subject to regulatory approval, we expect to pay dividends of around TRY 110million. With the current capital levels, we are well positioned for further growth in loans and hence, of our balance sheet.

In-line with Deutsche Bank Group, we maintained our focus on the core values and beliefs: Integrity, Sustainable Performance, Client Centricity, Innovation, Discipline, and Partnership. Our strong corporate culture is founded on these values, which are essential to the Bank's long-term success.

Throughout 2018, we continue to remain committed to our corporate social responsibilities. In order to strengthen the fabric of the society and help enhance the environment in which we operate, our employees participated in various activities organized or initiated by our CSR volunteers.

Looking ahead into the rest of 2019, the world economy is expected to grow at a slightly slower pace than in 2018. Economic activity looks set to moderate in emerging markets - in tandem with a softer Chinese business cycle, whilst growth in Europe is likely to lose momentum the most despite some moderation in the UK. US momentum is expected to decelerate as well due to tighter financial conditions and dissipating fiscal tailwinds. The Federal Reserve Board is expected to deliver only one hike this year. On the domestic front, we expect Turkey to grow at a much slower pace than in 2018. The authorities will continue to support economic activity via monetary and fiscal-related measures, suggesting domestic absorption may recover in the second half of the year while net exports this time emerges as main driver of growth. A further recovery in tourism receipts, weaker lira and moderating

import growth will likely see the current account deficit narrow further to 2.4% of GDP. Inflation is likely to remain in the double-digit territory but display a marked deceleration in the second half of 2019 on the back of weak demand-pull pressure and supportive base effects, and end the year at 14% after oscillating around 20% in the first half. Central Bank is expected to embark on an easing cycle from late Q2 2019 onwards and lower its policy rate by over 500bps during the year to support growth.

As we did in this year, we will strive to increase our revenues and operational efficiencies in the next year. We are very confident that we will deliver outstanding service to our clients, and sustainable value to our shareholders.



Peter Tils  
Chairman of the  
Board of Directors



A. Orhan Özalp\*  
CEO

(\*) A. Orhan Ozalp was appointed as CEO with the Board Resolution no 01/19 and dated 14 January 2018.

# 1

## Introduction

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## History of Deutsche Bank A.Ş.

- Established as Türk Merchant Bank A.Ş. in 1987.
- Renamed as Bankers Trust A.Ş. in 1997.
- Continued operations as Deutsche Bank A.Ş. as of 2000 following Deutsche Bank's acquisition of Bankers Trust.
- Having provided corporate banking services under an investment banking license until 2004, Deutsche Bank A.Ş. applied to the Banking Regulation and Supervision Agency (BRSA) for permission to accept deposits in an attempt to expand its product range.
- Obtained permission to accept deposits in October 2004.
- Added corporate cash management and custody and settlement services to its product portfolio in 2005.
- The Bank acquired the domestic custody portfolio of T. Garanti Bankası A.Ş. in 2007
- Deutsche Bank A.Ş. Securities Services holds 43 pct of the non resident investors portfolio as of 2018 in the Turkish market.
- Received authorization to participate in Treasury auctions as a primary dealer in 2018 as every year since 2005.
- Received factoring and forfeiting licenses in February 2012, in accordance with the decision taken by the Banking Regulation and Supervision Agency.
- Upon the application made to the Capital Markets Board in accordance with the newly introduced capital markets legislation, the Bank was granted license to provide dealing on own account, limited custody and general custody services on 5.11.2015.
- The Bank has no branches.
- The Trade Registry Number of the Bank is 244378.
- The Central Registration System Number (MERSIS) of the Bank is: 0-8760-0487-2200015
- Bank's web address: [www.db.com.tr](http://www.db.com.tr)
- Bank's E-mail address: [muhaberat.ist@list.db.com](mailto:muhaberat.ist@list.db.com)
- Bank's Head Office address: Esentepe Mahallesi Büyükdere Caddesi Tekfen Tower
- No: 209 K: 17-18 Şişli 34394 Istanbul/Turkey
- Electronic Notification Address (National Electronic Notification System) is 25999-32177-21566
- Bank's Registered Electronic Mail (KEP) is [db.iletisim@db.hs03.kep.tr](mailto:db.iletisim@db.hs03.kep.tr)

## Financial Highlights

December 31, 2018

### Summary Financial Highlights

(TL 000)	2018
Cash and Cash Equivalents	1,017,100
Financial Assets at Fair Value Through Profit / Loss	362,073
Loans (Net)	1,138,888
Total Assets	2,662,332
Deposits	965,156
Shareholders' Equity	588,734
Interest Income	431,808
Net Operating Profit	156,562

### Financial Ratios

(%)	2018
Capital Adequacy Ratio	31,49
Shareholders' Equity/Assets	22,11

### Off-Balance Sheet Items

(TL 000)	2018
Guarantees and Warranties	308,002
Commitments	1,003,995
Derivative Financial Instruments	2,180,235
Items Held in Custody	58,959,842

## Amendments to the Articles of Association

No amendments were made to the Articles of Association of Deutsche Bank A.Ş. during 2018.

## Extraordinary General Assembly Meeting in 2018

No Extraordinary General Assembly Meetings were held during 2018. Ordinary General Assembly Meeting of Deutsche Bank A.Ş. was held on March 30, 2018.

## Shareholder Structure, Changes during the Year, Qualified Shares and Management Shares

All shareholders of Deutsche Bank A.Ş. are Deutsche Bank Group companies.

The Bank holds no privileged shares.

There was no change in the shareholder structure in 2018.

The Bank did not acquire its own shares.

The most recent shareholder structure is presented in the table below.

Chairman and Members of the Board of Directors, Members of the Audit Committee, CEO and Assistant General Managers do not own any shares in the Bank.

Shareholder	Number of Shares	01.01.2018 - 31.12.2018	
		Shares Capital (TL)	Share (%)
Deutsche Bank AG	1,349,999,730	134,999,973	99.99
Süddeutsche Vermögensverwaltung GmbH	68	6,8	<1
DB Industrial Holdings GmbH	68	6,8	<1
Nordwestdeutscher Wohnungsbau-träger GmbH	67	6,7	<1
DB Capital Markets (Deutschland) GmbH	67	6,7	<1
<b>Total</b>	<b>1,350,000,000</b>	<b>135,000,000</b>	<b>100</b>

## Ownership Investments

The Bank does not have any ownership investments, either directly or indirectly.

## Deutsche Bank A.Ş. within the Banking Industry

Operating in Turkey since 1987, leveraging the strong global banking network of its parent company Deutsche Bank AG, Deutsche Bank A.Ş. is primarily focused on corporate banking. Offering its corporate banking services with a workforce of 109 employees, Deutsche Bank A.Ş. is the Istanbul based subsidiary of Deutsche Bank Group, which has approximately 95,000 employees and EUR 1.380 billion in total assets (as of September 2018) throughout the world. Deutsche Bank A.Ş. targets the highest levels of quality in all product and service segments in which it is active, and strives to be one of the prime relationship banks of each client.

In 2018, the Bank continued to act as a leader in the outright purchases and sales market for bonds and bills and over-the counter fixed income securities and foreign currency vs. Turkish lira transactions. Having started to provide custody services as of 2005, Deutsche Bank A.Ş. has become an extremely reputable bank, preferred by foreign investors for its custody services. The bank has a 43% market share among all the custodian banks that keep custody of securities portfolios of foreign institutional investors in accordance with Central Bank's and Central Securities Depository of Turkey, MKK's records.

The bank mediates cash management circulation in domestic and international trade and provides services and consultancy to clients in Turkey in the fields of short and medium term trade financing and risk management via its specialist teams. Besides conventional foreign trade products, the bank has become a reliable partner in its clients' banking transactions by providing customized solutions in terms of trade financing products and corporate cash management.

The bank continues to work actively in preparation of major foreign company acquisition financing packages of Turkish groups.

Deutsche Bank A.Ş. aims to provide services in line with the priorities and requirements of its local and multinational customer segment, so as to develop strategic and longstanding relations with its prominent customers. In doing so, it takes advantage of Deutsche Bank's global know-how and maximizes the coordination within different product groups, thus providing the most effective solutions through exclusively designed financing techniques and banking services for its clients.

Bank's target for 2019 will be to reinforce its reputation as a reliable and permanent business partner by establishing longstanding relations with its clients.

## Research and Development

After many years of providing corporate banking services in Turkey under an investment banking license, Deutsche Bank A.Ş. began offering commercial banking services in October 2004 after having been granted a deposit taking license. Deutsche Bank A.Ş. continuously seeks to enhance the quality and diversity of the services it provides. The Bank has been developing systems and products to ensure the highest level of quality and diversity of its products in line with its expanding businesses. Having started as an extension of its main business line in 2006, Custody Services were

structured to ensure compliance with the new capital markets legislation. The Bank was granted the license to provide Dealing on Own Account, Limited Custody and General Custody services on 5.11.2015.

Combining its local experience with its main shareholder Deutsche Bank AG's global network, expertise and know-how in the areas of public offerings, block sales and derivative products, Deutsche Bank A.Ş. continues to provide capital markets and treasury solutions. Risk controlling, service management and capacity expansion were our main focus in 2018.

The Bank, in line with its strategies, will continue delivering against one of its main focus areas of regulatory compliance and capacity optimization in 2019.

## Operations in 2018

Deutsche Bank A.Ş. believes that Turkey, which has long stood out among emerging economies, offers tremendous potential for growth and investment in the years ahead. Corresponding to this perspective, the Bank is continuing its expansion into Turkey with a primary focus on corporate banking.

The organization of Deutsche Bank A.Ş. is composed of Corporate and Investment Bank, Global Transaction Banking, Support Functions and Internal Systems.

### Corporate and Investment Bank:

Corporate and Investment Bank brings together the bank's market-leading expertise in Foreign Exchange, Rates, Credit Trading and Emerging Markets Debt.

**Trading:** This unit conducts the structuring and sales transactions of debt and money market instruments. It mediates the spot trading and derivatives trading transactions of financial institutions, insurance companies and corporations in foreign exchange and TL. The unit also conducts transactions of debt instruments, treasury bonds, trading of bonds and derivative products. Moreover, it provides clients with exchange rate and interest risk management services by pursuing risk management policies.

### Institutional and Treasury Coverage

Institutional and Treasury Coverage (ITC) includes the Financing & Solutions Group (FSG) and Corporate Banking Coverage (CBC). These departments work closely with treasury and capital markets teams and GTB to provide best available services and solutions to our client base.

**Financial Solutions Group:** The Financial Solutions unit offers Turkish companies, operating both in Turkey and abroad, access to Deutsche Bank's global platform and accumulation of knowledge in the field of structured finance and risk management. By working in cooperation with the Corporate Coverage, the Bank aims to comprehensively understand every facet of its clients' needs. The Bank is then able to efficiently and rapidly generate appropriate solutions by working with the right teams within Deutsche Bank.

It offers a platform to financial institutions for all financial product transactions, especially exchange and fixed income securities. In addition the group also offers long-term funding and structured products by tailoring the design of the products for its clients, allowing them to benefit from the worldwide distribution network and product know-how of Deutsche Bank.

**Corporate Banking Coverage:** The Corporate Banking Coverage unit aims to provide services in line with the priorities and requirements of its local and multinational customer segment, so as to develop strategic and longstanding relations with its prominent customers. In doing so, the Group takes advantage of Deutsche Bank's global know-how and maximizes the coordination within different product groups, thus providing the most effective solutions through exclusively designed financing techniques and banking services for its clients. CBC works closely with its partners in Transaction Banking, Financing and Solutions Group and Risk Management.

## Global Transaction Banking

The Global Transaction Banking consists of five units providing services to corporates and financial institutions; which are Securities Services, Trade Finance, Cash Management and Trade Finance Financial Institutions, Corporate Cash Management Sales, Global Subsidiary Coverage.

**Securities Services:** With its Securities Services Unit, established by a highly competent and experienced team in 2005, Deutsche Bank A.Ş. has become an extremely reputable bank, preferred by foreign investors for its custody services. As of 2018, the Bank has a 43% market share among all the custodian banks that keep custody of securities portfolios of foreign institutional investors.

In 2018, Deutsche Bank A.Ş. continued to provide qualified and specialist services to its current customers. Having received the general license for custody in accordance with the Capital Markets Law in 2015, the Bank has maintained its successful custody and intermediary services by providing the best solutions for its non-resident clients even during the most volatile times of the markets.

Deutsche Bank A.Ş. Securities Services maintained their 'TOP RATED' status, first granted in 2009, by repeatedly scoring high points in the annual customer poll conducted by the Global Custodian magazine in 2018, as in previous years. In this way, it has asserted its first class quality of client services.

In 2019, Deutsche Bank A.Ş. plans to increase its market share and maintain and develop its leading position in the market for clearing and custody activities through new products to be included in its already wide product range.

**Trade Finance:** Trade Finance unit intermediates domestic and international trade. The team, expert in trade services and finance, has been serving its clients for short and medium term trade financing and risk management. Deutsche Bank A.Ş. offers value added solutions based on 100 years plus experience in more than 70 countries of Deutsche Bank AG, its main shareholder, to its clients. In addition to traditional trade services and products, the Bank has become a reliable partner in providing tailor made solutions to meet its clients' trade finance needs.

In Corporate Banking, enhancing the efficiency of resources, managing liquidity and risks, and, for this purpose, setting the necessary targets and attaining them gain more and more importance with each passing day. As Deutsche Bank A.Ş., we contribute to efficient management of our clients' working capital and we pay our best efforts to meet their demands with innovative solutions.

Although the competition is becoming fiercer, particularly in corporate banking as a result of rising interest to Turkey, as Deutsche Bank A.Ş. Trade Finance we develop suitable products which meet the needs of changing conditions and business models for more productive activities, as a result of which, we have gradually strengthened our market share.

**Cash Management and Trade Finance Financial Institutions:** As one of the leading global banks in the field of Cash Management, Deutsche Bank continues to provide services as one of the solution partners and main correspondents for Turkish banks. Enjoying this position to provide cash management solutions to banks, the unit performs US Dollar money transfers through Deutsche Bank Trust Company Americas, New York; Euro transfers through Deutsche Bank AG, Frankfurt Branch and Sterling transfers through Deutsche Bank AG, London Branch. Services provided by the unit include Dollar and Euro based commercial and treasury money transfers, liquidity management and sales and support services for related products. While supporting clients with local, regional and global cash management solutions, the unit aims to provide the most efficient and the best services through its extensive global branch network.

Having been providing its clients with foreign trade services in more than 40 countries, Deutsche Bank offers solutions for foreign trade products and trade financing through its experience, knowledge and wide variety of products in order to maximize the level of its clients' efficiency in foreign trade transactions. By taking an active role in the guarantee transactions and in confirmation, financing and discounting of letters of credit from Turkish financial institutions to those abroad, the division performs the sales and marketing of similar products used in the financing of global trade.

Through difficult times in financial markets and the global economy, the Bank has maintained uninterrupted and consistent support for Financial Institutions. Thus, it aims to always be the most reliable and preferred business partner of Turkish banks by continuing to share its Cash Management and Foreign Trade products with clients, as well as to provide innovative solutions and global experience.

**Corporate Cash Management:** Corporates operating globally have to cope with economic complexity, shifting regulatory landscapes, as well as unfamiliar markets and currencies. To thrive, the treasury of tomorrow needs to have greater transparency over cash flows and payments, digital capabilities and the ability to marry flexibility with control.

Our cash management corporate experts provide a wide range of world-class solutions that can help clients improve liquidity and cash flow and optimize their treasury and payment businesses.

We also offer a complete range of services to handle the complexities of global, regional and domestic cash management, including global payments, check services, liquidity management, information and reporting services.

**Global Subsidiary Coverage:** Thanks to the synergy created by Deutsche Bank AG's network and global footprint, our unit serves global companies operating in Turkey with the highest international banking experience, provides consultancy for Cash Management, Treasury Management and Trade Financing and offers solutions. Our goal here is to contribute to our clients' working capital management. With the local expertise and experience of Deutsche Bank AG and our global branch network, we bring unique solutions to our corporate clients. Our goal is to become a reliable partner in the banking processes of our customers by providing custom solutions as well as traditional products.

## Support Functions and Internal Systems

Financial Reporting, Treasury, Legal, Human Resources, Credit Allocation, Technology and Operations and Chief Information Security Office are included under Support Functions; whereas, Internal Audit, Risk Management, Compliance and AFC, are included under Internal Systems.

### Support Functions

**Financial Reporting:** The Finance Unit examines the Bank's financial position through its daily and monthly reports and informs the management on the results. In order to adequately assess the performance of profit centers, the unit prepares the financial statements for these units on a daily and monthly basis. The unit is in charge of providing the information flow for the Bank's audit by the independent auditor and regulatory bodies. The Finance Unit generates new projects for Executive Management reporting and internal control systems and supports other related projects, the unit prepares the Bank's financial statements and related disclosures in the required format and submits them to entities such as the Banking Regulation and Supervision Agency, Central Bank of Turkey, Undersecretariat of Treasury, Capital Markets Board and The Banks Association of Turkey.

**Treasury:** Treasury unit, which is established within Deutsche Bank A.Ş. in 2017, is mainly responsible for managing asset and liability, capital, liquidity and publishing transfer pricing of the Bank in accordance with strategy and risk appetite of bank while complying with internal and regulatory requirements. Most of these responsibilities performed by Trading until Treasury has started as a separate unit in DB A.Ş.

Treasury's key responsibilities are to make sure that there is enough liquidity in the bank at any given point in time, that there is capital available when needed and that funds can be raised as and when necessary, all at a reasonable cost whilst balancing the needs of business growth and regulatory demands. Treasury's role extends to business steering through the effective transfer pricing of these liquidity and capital resources to the businesses. Treasury's fiduciary mandate, which encompasses the Bank's funding pools, Asset and liability management (ALM) and fiduciary buffer management, supports businesses in delivering on their strategic targets.

**Legal:** The Legal Unit provides legal consultancy services to the business and support service divisions of Deutsche Bank A.Ş. and performs Corporate Secretariat functions. It reviews the compliance of contracts to which the Bank is a party, as well as transactions and texts prepared by other divisions of the Bank with the applicable laws, and expresses its opinions with respect to legal implications to the divisions. The Legal Unit is also responsible for examining the Bank's new projects and recently developed products from a legal point of view, and where necessary, for offering legally compliance alternatives. The Unit also serves as the secretariat to General Assembly, Board of Directors, Audit Committee, Credit Committee, Executive Council and Operating Council meetings. The Legal Unit represents the Bank in lawsuits to which the Bank is a party or appoints 3rd party law firms for this purpose.

In 2019, the Legal Unit aims to continue providing legal consultancy services related to the finance sector and issues concerning the Bank, to provide legal support for potential projects, and to conduct the necessary studies in order for the Bank to be in compliance with the amended legislation.

**Human Resources:** Human Resources Unit acts in accordance with the principle that its employees are Bank's most valuable assets, draws its strength from the employees, and provides equal opportunities with innovative human resources applications supporting and improving the employees. In addition to a fair wage structure, which aims to increase loyalty of the employees towards the Bank and to meet their needs under challenging conditions of competition, HR also provides conditions that will enable the employees to establish their work-life balance. In order to keep the organizational structure dynamic, the unit provides an efficient communication and motivation environment where the employees are able to use their creativity and to express their opinions, and adopts a transparent management policy that accommodates and embraces different opinions and knowledge. Human Resources Unit supports professional and personal development of the employees, reinforces their connection with the Bank and therefore plays a strategic role in attaining the Bank's targets with ease. The unit manages the relevant structures and processes in accordance with the policies and procedures stipulated in the Laws and regulations. Possible impacts of legislation amendments to current practices are discussed at the Executive Council and the Operating Council. Furthermore, issues that concern the Bank as a whole, personnel policies and social organizations, etc. are, discussed in Executive Council where necessary and put into effect by General Manager, Chief Operating Officer (Chair of Operations Council) and Human Resources. Promotion proposals up to the level of Managing Director, based on Executive Council's review are approved by the Board of Directors, and announced to the employees.

**Credit Allocation:** Credit Allocation Unit is responsible from reviewing loan applications received from business units for the existing or new credit clients, assessment of their financial statements, accurate and proper reflection of the financial analyses to the credit packages and, subsequent to finalization of these processes, presentation of the credit packages to the appropriate credit authority (General Manager, Credit Committee or Board of Directors) in co-operation with the business units. The Unit will, if deemed necessary, be further responsible from paying visits to clients, conducting reviews to see whether there are any excesses in the credit limits assigned, evaluation of possible NPLs with Legal and Risk Management units and, if applicable, presentation of these credits to the appropriate authorities.

**Technology and Operations:** Technology and Operations focused on compliance with the current legislation, risk management, service management and capacity increasing by increasing the capacity of the already established technical and operational structure, and improved the control structure.

**Technology Unit:** Employing the applicable legislation and standards established by both the main partner and the Bank, knowledge, risk approach and innovation culture; the Technology Unit establishes, develops and operates technological infra/super structure of the Bank. The Unit is responsible from governance and executing the procedural structure to ensure the integrity, safety and performance of the environment, where the data and processes of the Bank, which are vital for the operation of the Bank, are processed and retained.

**Operations Unit:** The Unit performs transactions of all business units required to provide banking services in accordance with the applicable legislation, Bank's standards and accepted high quality control and workflow practices. In an attempt to perform this function in the best conditions, the Unit establishes simple, clearcut and transparent business processes. It follows-up the new technologies, processes, legislation, standards and market practices required to implement these processes and

develops and builds them in the best possible manner at both the Bank and via the vendors used by the Bank. In order to provide continuity of the technological infra/super structure, both data centers and subsequent user areas have been structured to operate with real time synchronization.

In addition to on-going compliance with the current legislation and risk management projects, Technology and Operations will work on alternative communication and integration channels in order to provide different products to our clients.

**Chief Information Security Office:** At Deutsche Bank, the Chief Security Office (CSO) is responsible for the bank's security matters. The CSO implements technology and physical security protection in accordance with the Group's Risk Appetite. CSO develops and drives the global implementation and operationalization of our group-wide information security strategy and ensures that the bank's people and assets are appropriately protected.

To protect the bank's information and systems, we take a multi-layered, defense-in-depth approach to building information security controls into every layer of technology, including data, devices, and applications. This delivers end-to-end protection, while also providing multiple opportunities to detect, prevent, respond, and recover from cyber threats. This approach is a key facet of the bank's technology infrastructure and our Group Information Security Strategy to increase security and stability of the technology platforms.

In addition to prevention methods and controls like threat intelligence, data leakage prevention, vulnerability management, and continuous staff awareness programs, we also prioritize detection, backed up by a robust response process. Our Cyber Intelligence and Response Centers in Singapore, Germany and the U.S. are set up to provide 24/7 coverage across different time zones ("follow the sun" model), thus improving the bank's capability to detect threats and respond to incidents worldwide.

## Internal Systems

**Internal Audit:** The Internal Audit Unit monitors the internal control structure at all Deutsche Bank A.Ş. units regularly and independently on behalf of the Board of Directors. Internal Audit evaluates the units' transactions and practices on the basis of targets, their compliance with internal/external regulations and their performance within the framework of risk analysis, and focuses on assisting the Board of Directors regarding the effectiveness of the corporate management.

Internal Audit checks that the Bank's ethical standards have been fully implemented by the business units. In addition to monitoring the compliance with internal and external regulations, Internal Audit also conducts dynamic and effective monitoring of the working environment at all business and support units through a risk-based approach.

**Risk Management:** The Risk Management Unit is responsible for Bank-wide implementation of the standards "regarding the risk-return structure of the Bank's cash flows and monitoring, controlling and, when necessary, modifying the nature and level of the operations" that were devised and put into effect by the Board of Directors within the framework of the BRSA regulations.

The Risk Management Unit is responsible from understanding risks and conducting sufficient evaluations before entering a transaction, setting risk management policies and practice methods based on risk management strategies, ensuring the application and adaptation of risk management policies and practice methods. Maintaining quantified risks within limits and reporting the risk measurements and risk monitoring results to the Board of Directors or Board Member responsible from Internal Systems and senior management, on a regular and timely basis are also included among the responsibilities of the Unit.

**Compliance and AFC Unit and Internal Control:** Compliance and Anti-Financial Crime's responsibilities in terms of compliance are to ensure compliance of internal by-laws and applications and each and every contract and similar legal text that may be binding on Deutsche Bank with the related applicable laws, regulations, ethical principles and widely-accepted Principles of Corporate Governance. Within this framework, it is responsible from conducting the necessary research and preparing the necessary reports regarding the businesses and transactions of the Bank's clients by taking the relevant laws and regulations, especially the Banking Law no. 5411 and Law no. 5549 on Prevention of Laundering Proceeds of Crime as basis. It acts as a bridge between business units. The unit provides recommendations about maintaining the necessary legal compliance and cooperation in relations with the supervisory and regulatory institutions determined by laws and regulations. The unit also undertakes to give opinions and recommendations about the necessary issues to the Board of Directors, Executive Management and business units, in compliance with the related legislation.

The Compliance and AFC Unit is secondarily responsible for the internal control activities after the unit, which is liable from the operation of all control systems established within the body of Deutsche Bank A.Ş. in the first place, primarily the financial and operational systems. The Unit maintains its activities within the framework of the policy approved by the Board of directors.

The principle of separation of powers has been established for the necessary control points within the Bank. The independence of the internal control process from the functional activity units has been sufficiently assured and tasks and responsibilities within the corporate structure have been separated on the basis of function. Thanks to this organizational structure, measures within the internal control system are implemented independently and objectively with the principle of the separation of powers. The internal control system is regulated in compliance with the types and levels of risks emerging in relation with the character and content of the Bank's activities.

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## Management and Corporate Governance

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## Board of Directors

- 1 Peter Johannes Maria Tils**  
**Chairman of the Board of Directors**  
Born in 1952, Peter Tils graduated from the University of Cologne with an MBA. He has more than 41 years of experience in banking. Mr. Tils joined Deutsche Bank AG in 1977 and has been serving as the Chief Executive Officer for the Central and Eastern Europe Region at Deutsche Bank in Frankfurt since 2005. Tils was appointed as the Chairman of the Board of Directors of Deutsche Bank A.Ş. on November 21, 2012.
- 2 Ersin Akyüz\***  
**Member of the Board of Directors**  
**CEO**  
Born in 1961, Mr. Akyüz has a Bachelor's Degree and Master's degree in Economics from the London School of Economics in addition to a Master's degree in Business Administration from the University of Chicago. Assuming various positions both in Turkey and abroad in his 30 - year banking career, Mr. Akyüz joined Deutsche Bank A.Ş. in February 2008 as the CEO and Board Member.
- 3 Hamit Sedat Eratalar**  
**Member of the Board of Directors Responsible from Internal Systems**  
Born in 1952, Mr. Eratalar is a graduate of Ankara University, Department of Economics and Public Finance. He worked as a partner at Arthur Andersen between 1981 and 2001. Serving as a founding partner at Eratalar Management Consulting since 2001, Mr. Eratalar has been working as a Member of Board of Directors at Deutsche Bank A.Ş. since August 2001 and as a Board Member responsible from Internal Systems since 2006.
- 4 Özge Kutay**  
**Member of the Board of Directors responsible from Financial Reporting**  
**Chief Operating Officer**  
Born in 1970, Ms. Kutay is a graduate of the Faculty of Business Administration at Istanbul University. Starting her career at the Turkey Office of KPMG in 1993, Ms. Kutay has 25 years of experience in banking and business administration. Having been employed by Deutsche Bank A.Ş. since 1998, she served as an Assistant General Manager between 2001 and 2012 before being appointed as a member of the Board of Directors in October 2012.
- 5 Ann Maria Francine Vanhaeren**  
**Member of the Board of Directors, Member of the Audit Committee**  
Born in 1972, Ann Vanhaeren holds a License in Law from the Catholic University of Leuven, Belgium and a Master of Laws (LL.M.) degree from University College London, University of London, London. Having worked in ING and HSBC before joining Deutsche Bank AG in 2014, Vanhaeren is currently Head of Compliance, EMEA. Vanhaeren was appointed as a member of the Board of Directors and a member of the Audit Committee of Deutsche Bank A.Ş. in August 2015.

(\*) Ersin Akyüz resigned from his duties as General Manager and Board Member on 14.01.2019 and A. Orhan Özalp was appointed as his replacement.

**6 Ajay Avtar Singh, Member of the Board of Directors\***

Born in 1973, Ajay Avtar Singh holds a Bachelor's Degree in Pharmaceutical Research from the JN Medical College and Master Degree in Business Administration from Syracuse University. Mr. Singh is the Head of Global Securities Services. He has 19 years of experience in leading position in the banking industry. Before he joined Deutsche Bank in 2011 as Global head of Listed Derivatives business, he was the European Head of Futures and Options/ OTC Clearing at Goldman Sachs.

**7 Jorge Andrés Otero Letelier, Member of the Board of Directors**

Born in 1969, Jorge Andrés Otero Letelier holds a Bachelor's Degree in Finance from the University of Santiago, Chile and a Master in Business Administration from New York University. Mr. Otero has more than 20 years of experience in banking, including 12 years where he held managerial positions with Deutsche Bank in New York, London and Singapore covering Emerging Markets. He is currently the Head of Credit for APAC, EEMEA and Latin America. Mr. Otero is also a member of the Supervisory Board of OOO Deutsche Bank in Moscow and previously served on the Management Board of Deutsche Bank Mexico S.A.

**8 Arzu Orhon, Member of the Board of Directors, Member of the Audit Committee**

Born in 1969, Arzu Orhon holds BA Economics Degree from Bosphorus University Dept of Economics and MBA in Banking from Exeter University. Ms Orhon has 19 years of working experience in Banks and Financial Institutions. She started her career in Ernst&Young as an auditor, she worked with ABN AMRO Bank and Citibank. She joined Deutsche Bank in 2000 and has led the Global Banking/Global Transaction Business team till 2009 when she has left the Bank. Orhon, rejoined the Bank and she was appointed as Board Member and Audit Committee Member in September 2017. Ms Arzu Orhon has got relevant banking experience, not only in the market but also around the local regulation and centric organisation of DB Group.

**9 Claire Coustar, Member of the Board of Directors**

Claire Coustar is MD and Head of Latam and CEEMEA Structuring. Claire joined Deutsche Bank in 2003, and during her tenor she has held various positions in the Emerging Market Structuring team and was co-head of the CEEMEA Structured Credit Trading team. Her team provides structured finance, investment products and local Rates/FX solutions on the CEEMEA and Latin American markets. Prior to Deutsche Bank Claire held various positions at Merrill Lynch, including Commodity Derivative, European Securitization and Latin America Structured Products groups. Coustar was appointed as a member of the Board of Directors of Deutsche Bank A.Ş. in February 2018.

None of the members of the Board of Directors is involved in transactions with the Bank either in their own capacity or on behalf of third persons or engaged in operations considered under the prohibition of competition.

(\*) Ajay Avtar Singh resigned from his duties as Board Member with the Board Resolution no 14 /18 and dated 12 June 2018.

## Senior Management

### **Ersin Akyüz, Member of the Board of Directors, CEO\***

Born in 1961, Mr. Akyüz has a Bachelor's Degree and Master's degree in Economics from the London School of Economics in addition to a Master's degree in Business Administration from the University of Chicago. Assuming various positions both in Turkey and abroad in his 30-year banking career, Mr. Akyüz joined Deutsche Bank A.Ş. in February 2008 as the CEO and Member of the Board of Directors. Mr. Akyüz resigned from his duties on 14 January 2019.

### **Özge Kutay, Member of the Board of Directors responsible from Financial Reporting, Chief Operating Officer**

Born in 1970, Ms. Kutay is a graduate of the Faculty of Business Administration at Istanbul University. Starting her career at the Turkey Office of KPMG in 1993, Ms. Kutay has 25 years of experience in banking and business administration. Having been employed by Deutsche Bank A.Ş. since 1998, she served as an Assistant General Manager between 2001 and 2012 before being appointed as a member of the Board of Directors in October 2012.

### **Ali Doğrusöz, Assistant General Manager, Technology and Operations**

Born in 1963, Mr. Doğrusöz received a Bachelor's Degree of Science in Mechanical Engineering degree from North Carolina State University, and a Master of Science degree in Mechanical Engineering from Middle East Technical University. Mr. Doğrusöz started his career in 1988 as a Systems Developer in the area of Multi-dimensional data modelling and analytics. In 1997 he moved to Turkey for sales and consulting assignments in the area of Data Warehousing and Data Mining. He joined Deutsche Bank A.Ş. in 2002 as the Assistant General Manager.

### **Abidin Orhan Özalp, Assistant General Manager, Institutional Treasury Coverage Group\***

Born in 1982, Orhan Özalp graduated from Koç University with double major in Economics and Business Management. Joining Deutsche Bank in February 2006, Özalp held various coverage and management positions in Financial Institutions Coverage, Structured Product Origination and Sales, FIC and Equity Derivatives Sales in Deutsche Bank A.Ş. After working as Director and Managing Director in Institutional Treasury Coverage Group from 2013 to 2017, Özalp was appointed as Assistant General Manager responsible from Institutional Treasury Coverage Group in April 2018 and as CEO of Deutsche Bank A.Ş. in January 2019.

### **Hakan Ulutaş, Assistant General Manager - Global Transaction Banking**

Born in 1965, Mr. Ulutaş is a graduate of Istanbul University, Department of Business Administration and holds a master's degree in Business Administration from Marmara University as well as a master's degree in Management from North Carolina State University. Mr. Ulutaş spent 26 years of his 28-year professional career in the banking sector. Hakan Ulutaş has been with Deutsche Bank A.Ş. since 2004. Ulutaş was appointed as the Assistant General Manager in October 2012.

### **Feyza Aktaş, Director-Global Transaction Banking, Global Subsidiaries Coverage**

Born in 1972, Ms. Aktaş graduated from the Marmara University with a degree from the Department of International Relations. Serving in the corporate banking sector since 1995, Ms. Aktaş joined Deutsche Bank A.Ş. in 2007. Since 2012, Ms. Aktaş is managing the Global Subsidiaries Coverage Department.

(\*) Ersin Akyüz resigned from his duties as CEO and Board Member on 14.01.2019 and A. Orhan Özalp was appointed as his replacement.

## Senior Management

### **Senem Ertuncay Kuzu, Director, Corporate and Investment Bank, Corporate Banking Coverage**

Born in 1976, Ertuncay Kuzu has a Bachelor's Degree in Economics from Middle East Technical University. Have been working in the banking sector since 1998, Ertuncay Kuzu has joined Deutsche Bank A.Ş. in 2007. Ertuncay Kuzu is Head of Corporate Banking Coverage division since 2016.

### **Esra Özakdağ, Director, Global Transaction Banking, Cash Management and Trade Finance FI, Sales and Client Manager**

Born in 1983, Mrs. Özakdağ has a Bachelor's Degree in Economics and International Relations from Connecticut College and an Executive MBA degree from Bogazici University. Having served in the banking sector since 2006, Esra Özakdağ joined Deutsche Bank in 2012. Özakdağ works as a manager in Global Transaction Banking, Cash Management and Trade Finance, FI.

### **Yeşim Timur, Director, Global Transaction Banking, Trade Finance**

Born in 1974, Timur has a Bachelor's Degree in Business Administration from Istanbul University. Having served in the banking sector since 1997, Timur has joined Deutsche Bank A.Ş. in 2013. Timur is Head of Trade Finance division since 2018.

### **Umut Yücel, VP, Global Transaction Banking, Corporate Cash Management**

Born in 1974, Mr. Yucel has BA degree in International Relations from Marmara University and MS degree in International Relations from the Middle East Technical University. Having served for 15 years in similar positions in various banks, he joined Deutsche Bank A.Ş. in July 2014.

### **Ayhan Eryiğit, Vice President, Human Resources**

Born in 1972, Eryiğit holds an undergraduate degree in business administration from Istanbul University and an MBA from Yeditepe University. Eryiğit started his professional career in 1996 and has been working in human resources field of the banking sector since 1998. Eryiğit joined Deutsche Bank A.Ş. in 2013.

### **Can Göğüş, Vice President, Credit Allocation**

Born in 1971, Göğüş holds a Bachelor's Degree of Science degree in Mechanical Engineering from Tennessee Technological University and an MBA from Carnegie Mellon University. Göğüş started his professional career in 1996 and has been working in corporate client coverage & credit fields of the banking sector since 2002. Göğüş joined Deutsche Bank A.Ş. in 2017.

### **Nazım Aslan, Vice President, Treasury**

Born in 1980, Aslan holds an undergraduate degree in Economics from Boğaziçi University and a master's degree in Money, Capital Markets and Financial Institution from İstanbul University. Aslan started his professional career in 2005 and has been working in Treasury field of the banking sector since 2008. Aslan joined Deutsche Bank A.Ş. in 2017.

### **Nesrin Akyüz, Vice President, Finance**

Born in 1975, Nesrin Akyüz graduated from the Middle East Technical University with a degree from the Department of Business Administration. Having gained auditing experience in various banks since 1997, Akyüz joined Deutsche Bank A.Ş. in 2006.

**Özge Sanioğlu, Vice President, Legal**

Born in 1980, Mrs. Sanioğlu graduated from İstanbul University, Faculty of Law. Sanioğlu has 15 years of professional experience, 11 of which were in the banking sector. Mrs. Sanioğlu has been with Deutsche Bank A.Ş. since July 2012.

**Abdullah Kaçmaz, Vice President, Internal Audit**

Born in 1980, Kaçmaz graduated from Istanbul University, Department of Economics. Kaçmaz started his banking career in 2002 and joined Deutsche Bank A.Ş. in 2011. Kaçmaz holds CIA (Certified Internal Auditor), CISA (Certified Information Systems Auditor), CRMA (Certification in Risk Management Assurance) and CRISC (Certified in Risk and Information Systems Control) certificates. Kaçmaz was appointed as Head of Internal Audit of Deutsche Bank A.Ş. on November 17, 2014.

**Esra Kumru Besim, Vice President, Risk Management**

Born in 1973, Kumru Besim graduated from Sankt Georg Austrian College and Istanbul University, Faculty of Business Administration (English). After completing a certificate program in University of California, Berkeley, Besim started her banking career in 1998 in Financial Control and Planning departments of various banks and joined Deutsche Bank A.Ş.'s Financial Control Unit in 2006. After establishing Internal Control under the Compliance and Internal Control Unit in 2011, she was appointed as the Vice President responsible from Risk Management in April 2015.

**Kaan Kantarcıoğlu, Vice President, Compliance and Anti Financial Crime**

Born in 1970, Kaan Kantarcıoğlu graduated from Boğaziçi University, Department of Political Science and International Relations. Since 1993, Kantarcıoğlu worked in various roles within banking and Turkish capital markets sectors and joined Deutsche Bank Group in 2004. Kantarcıoğlu was appointed as Head of Compliance and Anti Financial Crime and Compliance Officer of Deutsche Bank A.Ş. on March 15, 2017. At the same time, Personel responsible from Internal Control, appointed to perform internal control activities of the Bank, administratively reports to Kantarcıoğlu.

**Senem Gürsan, Assistant Vice President, Chief Security Office**

Born in 1979, Gürsan received a Bachelor's degree in Physics Engineering from Ankara University and a Master's degree in Business Administration from İstanbul Bilgi University. Starting her career at Roketsan A.Ş. in 2004, Mrs. Gürsan assumed IT Project Manager role in various companies and joined Deutsche Bank A.Ş. in 2014. Mrs. Gürsan is serving as CISO since June, 2018.

## Independent Auditor

During the Ordinary General Assembly of the Bank held on March 30, 2018, it was resolved with unanimous vote to select KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the Independent Auditor for a period of 1 year.

## Committees and Councils

### Audit Committee

Arzu Orhon, Member  
Ann Maria Francine Vanhaeren, Member

The Audit Committee was established on October 31, 2006, pursuant to the Board of Directors Resolution no. 48/6. The Audit Committee convened 17 times during the 2018 fiscal year.

### Credit Committee

Ersin Akyüz, Chairman\*  
H. Sedat Eratalar, Member  
Özge Kutay, Member  
Arzu Orhon, Alternate Member

The Credit Committee was established to allocate credits under the authority delegated to the committee by the Board of Directors' decision no. 84 dated December 13, 2010. The Committee takes loan decisions within the limits determined for itself, and by determining the allocation conditions. The Credit Committee convenes twice a week or when deemed necessary.

### Executive Council (EXCO)

Ersin Akyüz, Chairman\*  
Özge Kutay, Vice Chairman, Member  
Hakan Ulutaş, Member  
A. Orhan Özalp, Member  
Nesrin Akyüz, Member

The Executive Council meets once a month for a number of purposes including Deutsche Bank's global strategies to be followed in Turkey, generating ideas for the mutual development of coordination and new business ideas among the executive units established in Turkey, in addition to exploring cross-selling opportunities, coordination with the infrastructure units and assessing any risks regarding the reputation of Deutsche Bank's franchise.

(\*) Ersin Akyüz resigned from his duties as CEO and Board Member on 14.01.2019 and A. Orhan Özalp was appointed as his replacement.

#### **Operating Council (OPCO)**

Özge Kutay, Chairman  
Ali Dođrusöz, Vice Chairman, Member  
Kaan Kantarciođlu, Member  
Ayhan Eryiđit, Member  
Özge Saniođlu, Member  
E. Kumru Besim, Member  
Nesrin Akyüz, Member  
Senem Gürsan, Member

The Operating Council convenes once in every week. The Council is a platform where all Operations, Support and Control Units discuss the developments, changes and problems regarding the operations of the Bank, produce solutions and organize the effective utilization and allocation of resources.

#### **Assets and Liabilities Committee (ALCO)**

Ersin Akyüz, Chairman\*  
Nazım Aslan, Vice-chairperson, Member  
Özge Kutay, Member  
Hakan Ulutaş, Member  
Joachim Bartsch, Member  
Nesrin Akyüz, Member  
E. Kumru Besim, Member  
Can Göğüş, Member  
Hakan Birinci, Member  
Ahmet Eren, Member

The ALCO is responsible from analyzing the Bank's future capital requirements by overseeing the structure of the Bank's assets and liabilities, and evaluating risk-bearing assets, liquidity and market risk. The ALCO convenes quarterly under the presidency of the Bank's CEO.

#### **Compensation Committee**

Peter Tils, Chair  
Ann Vanhaeren, Member

Deutsche Bank A.Ş. Board of Directors is, in addition to the application fields of Global Compensation Policy – Deutsche Bank Group, also required to approve, regularly review and apply appropriate Policies regarding Compensation of Senior Managers of the Internal Systems Units, Variable Compensation and its Principles, as stipulated in the Guideline on Good Remuneration Practices in Banks (Guideline), publicly announced by the Banking Regulation and Supervision Agency (BRSA). Board of Directors of Deutsche Bank A.Ş. performs the responsibilities indicated in this document by means of a Compensation Committee to be made up of at least two members.

Compensation Committee convenes at least annually and reviews compliance of the Compensation Policy with the local legislation and global applications and issues a report to the Board of Directors. This review also includes whether or not compensation processes and applications of Deutsche Bank A.Ş. are compatible with the risk appetite, strategy and long-term goals of the Bank and whether or not they are in contradiction with the provisions of the BRSA's Guideline. Head of Human Resources Unit of Deutsche Bank A.Ş. attends Compensation Committee meetings to provide the necessary explanations on performance or compensation and to share his/her opinions. Minutes of the Compensation Committee are kept by the Head of Human Resources at the Human Resources Office.

(\* ) Ersin Akyüz resigned from his duties as CEO and Board Member on 14.01.2019 and A. Orhan Özalp was appointed as his replacement.

### **Risk Management Meetings**

Weekly meetings on “Market Risk” are held upon participation of the Board Member responsible from Internal Systems, Head of Markets Unit and Head of Deutsche Bank A.Ş. Risk Management Unit. If it is needed, General Manager is also invited to these meetings.

The objective of these meetings is to review the developments in the economy, (FX rates, Interest Rates etc.) discuss the position of the bank in terms of Government Bond portfolio and bank’s FX position, (if any) and check whether the bank is within the Bank Limits for Market Risk (like PV01, the effect of 1 basis change in interest rates to the Bank’s P/L). Stress test results are also discussed in these meetings before they are submitted to the Board of Directors for approval.

Monthly Risk Management meetings where Market Risk, Operational Risk and Credit Risk related matters are discussed are also held. Board Member responsible from Internal Systems, COO, Head of Markets Unit, Head of Compliance and Internal Control, Head of Deutsche Bank A.Ş. Risk Management Unit and Head of Credit Allocation Unit participate in these meetings. If it is needed, General Manager is also invited to these meetings.

The objective of these meetings is to review the developments in the economy, to discuss all kinds of credit, market or operational risk related matters and to check whether the bank is within the Bank Limits. Results of the stress test regarding credit, market and operational risk are also discussed in these meetings before they are submitted to the Board of Directors for approval.

### **Participation of Board Members and Committee Members in Meetings**

The Board of Directors meets at least twice a month in accordance with the Bank’s Articles of Association and governing legislation to oversee matters related to the Bank and to make decisions (within the scope of its duties and responsibilities). When deemed necessary, the Chairman of the Board of Directors also calls for meetings. During 2018, members participated in Board meetings regularly, conforming to the criteria for a quorum to convene and make decisions.

The Audit Committee meets at least once a month. In principle, Committee members participate in all meetings. However, in the event that they are not present at the Bank, due to business travel arrangements or other reasons, they participate through teleconferencing to present their opinions and suggestions regarding agenda items. In 2018, the Committee Members participated in Committee meetings regularly.

### **Transactions conducted by Members of the Board of Directors with the Bank**

Pursuant to the permission granted by the Bank’s General Assembly, none of the members of the Board of Directors is involved in transactions with the Bank either in their own capacity or on behalf of third parties or engaged in operations considered under the prohibition of competition.

### **Financial Benefits provided to Senior Executives**

Total benefits provided to senior executives such as Chairman of the Board of Directors, members of the Board, the CEO, the Assistant General Managers and supervisors of the units amounted to TL 24.460 thousands. Furthermore, expenses such as transportation and accommodation of senior executives amounted to TL 743 thousands.

## Information on Dividend Distribution Policy

The Bank has adopted as its dividend distribution policy to distribute all of its profit available for distribution to its shareholders by receiving the necessary BRSA approval, provided that there are no unfavorable conditions prevalent in the national and/or global economic conditions and the Bank's total equity adequacy ratio is at the target level. The allocation and the distribution of the net profit are decided at the Deutsche Bank A.Ş. shareholders' Annual General Assembly.

Banking Regulation and Supervision Agency's (BRSA) permission is sought for dividend distribution. Dividend distribution shown below is presented to the approval of the General Assembly of the Bank, provided that the necessary BRSA permission is received. In case permission of BRSA on dividend distribution is different from the dividend distribution plan herein below, dividend distribution will be made as permitted by the BRSA.

### Dividend Distribution Table for 2018 (TL Thousands)

<u>2018 Dividend Distribution</u>	<u>TL k</u>
Net Profit of the Period	122.490
Deferred Tax Income	1.612
Net Profit of the Period after the Deferred Tax Income	120.878
1 <sup>st</sup> Legal Reserves based on Article 519 of the Turkish Commercial Code	-
1 <sup>st</sup> Dividend to Shareholders	6.750
2nd Dividend to Shareholders	103.753
2nd Legal Reserves over paid and distributed amounts	10.375
Amounts allocated to Extraordinary Reserves	1.612

### Dividend Ratio Table

	Group	Total Distributed Dividend		Total Distributed Dividend / Net Distributable Dividend	Dividend Amount Corresponding to Share With a Nominal Value of TL 0.1	
		Cash (TL)	Bonus (TL)	Ratio of the Period (%)	Amount (TL)	Ratio (%)
GROSS	-	110.502.293	-	91,42%	0.08185	81,85355
NET	-	104.977.177	-	86,85%	0.07776	77,76087

During the Annual General Assembly of the Bank to be held on March 28, 2019, it will be presented to the approval of the shareholders that out of the net profit for the period that ended on December 31, 2018 in the amount of TL 122.490 thousands, based on the approval of the BRSA to be received, TL 110.503 thousands will be distributed as dividend, TL 10.375 thousands will be set aside as legal reserves; whereas, TL 1.612 thousands, from deferred tax income, will be allocated to Extraordinary Reserves.

## Human Resources Policy

**Recruitment:** Employing the right persons with the right qualifications, who will apply Bank's strategy, adopt and appropriate Deutsche Bank's corporate culture, at the right positions is the basic principle underlying the recruitment policy. Managers, who are responsible from execution of their unit's activities in line with the applicable legislation, should have sufficient expertise in their unit's area of activity and employees of each unit should have the qualifications their duties, authorities and responsibilities require. It is essential that recruitment processes and applications be based on objective criteria and executed in accordance with the principle of equal opportunity.

Open positions are published at Deutsche Bank's career portal and intra-group requests and group employee references are primarily assessed; however, direct applications to the Bank are also taken into account. Contractual career portals and, when deemed necessary, human resources consultancy firms are engaged during the recruitment process. Recruitment process is executed via interviews held by Human Resources upon participation of heads of relevant units. During the interviews, candidates are assessed in terms of their suitability to the organization and conformity to the qualifications sought by the relevant position. These interviews enable recruitment of potential candidates in appropriate positions within the organization. Job offers are made to candidates whose processes are successfully completed; those candidates who cannot be recruited within the Bank as a result of their interviews are notified to this effect.

**Career Management:** The Bank provides various internal career development opportunities to its employees including internal recruitment, appointment, promotion, rotation and international assignments in accordance with DB Group's strategy and business requirements. International assignments are important for the Bank because of the experience they bring to the employees. Employees are given the chance to have access to global opportunities related to the unit in which they are currently employed and to apply to positions suitable for themselves. In the short and long-term assignments, it is aimed to ensure that employees are employed in the right place, at the right time and that human resource is used efficiently. Professional knowledge, skills and sense of responsibility of employees, who exceed the expectations with their high performance, make them candidates for higher positions.

**Promotions:** Managers of candidates for higher positions up to Managing Director level brief the EXCO on the performance of the employee. EXCO, based on the job definitions and performance criteria determined by the senior management, reviews the request and sends it to the Board of Directors for further approval, delays it for further assessment on a future date or vetos the request.

In case of promotion of Head of Human Resources or an Executive Council member, Board of Directors will assess the promotion and provide the approval.

**Appointments:** Human Resources communicates the criteria sought for senior management appointments in Internal Systems in position basis by giving details such as experience, competence, license, certificates, etc. Appointment resolutions are adopted by the Board of Directors.

**Performance Management:** Targets are assigned to each employee based on their duties and responsibilities, Bank's strategies, aims and values. It is essential that performance criteria be established so as not to give rise to any conflicts of interest. After the targets are communicated with the employees, their strengths as well as weaknesses are observed during the assessment process. After self-assessment of the employee is taken in light of the targets assigned, performance management continues with feedbacks received from managers. Results of performance assessment provide data for career planning and a basis to determine training and development needs and remuneration. Performance of internal systems personnel are assessed independent from the performance of executive units they control.

In line with Bank's continuous learning and development strategy, career management and planning are made in order to increase skills and competencies of employees, to ensure that they realize their potentials by means of custom-made investments and to enrich career opportunities.

Furthermore, supervisors of personnel employed in units engaged in different dimensions of operational risk such as AFC-Compliance, Human Resources, Information Technologies and Financial Reporting, which assume responsibility for factors that have direct and/or indirect impact on general operational risk level of the banks or those units that bear responsibility in areas that indirectly cause the risk are, whilst liable from management of the operational risk in their own area of activity, on the other side, assess, where appropriate or necessary, provision of information and support to other units regarding the types, level and management of operational risk to which they are exposed within the scope of Performance Management.

**Remuneration and Benefits:** Remuneration and benefits policy of the Bank is based on establishing a working environment in accordance with the general applications of the Bank and principles that foresee fair and balanced remuneration based on work and performance, in parallel to the remuneration data unique to the sector, which has the ability to compete in the labour market; rewards high performance; encourages success and is compatible with globally-acknowledged values. Payments made to employees are associated not only with the short-term performance of the Bank such as profit or revenue, but also determined so as to have a positive impact on the corporate values and be in harmony with objective criteria. Premium payments exceeding a certain limit are deferred. It is ensured that remunerations paid to employees are in harmony with the ethical values, interior balance and strategic targets of the Bank. Salaries of Internal Systems personnel are determined based on their performance regarding their own functions. Salaries are reviewed based on criteria such as market dynamics, medium and long term requirements, performance of the Bank and its employees, and revised when deemed fit. Board delegated Compensation Committee is responsible from review of Compensation Policies, ensuring their compliance with long-term strategies of the Bank and application.

Benefits provided to employees other than annual salary payments are Private Health Insurance, Life Insurance, Transportation (Personnel Shuttles) Benefit and Lunch Ticket. General Manager, Country COO and Human Resources are authorized in managing and executing all kinds of benefits and benefits related procedure and policies.

**Training and Development:** As of the first day of their employment, Bank employees are expected to complete training sessions on Bank's corporate culture, general compliance rules and compliance and risk rules unique to the Bank within 1 month.

It must be ensured that personnel with the same seniority and for the purpose of engagement in similar activities are employed with similar levels of experience and knowledge and it is essential that these personnel are trained in similar topics with equal durations. It is confirmed before employment whether the personnel who will be employed in positions with licensing requirements are duly licensed. Employees who may be employed in positions with licensing requirements are encouraged to attend licensing examinations and to receive the required licenses.

Training requirements of the employees are determined in accordance with performance assessments, changing legislation and needs, in cooperation with their managers. Deutsche Bank employees, in addition to the locally executed training programs, also make use of the international opportunities and experience provided by Deutsche Bank Group. The Bank considers development of its employees in the international arena important; therefore, training sessions contributing to personal development of the employees are also provided. With a central internet based training management system, all training-related applications are consolidated and all employees have been provided with access with personal passwords.

As of December 31, 2018, Deutsche Bank A.Ş. had 109 employees and Personnel Turnover Rate during 2018 was 10.7%. 72.9% of our employees are university graduates, 24.3% hold Masters and/or PhD degrees and 2.8% are high school graduates.

As of December 31, 2018, 40.2% of our employees are male and 59.8% are female.

## Outsourced Services

The business lines and names of the entities that we have outsourced services in 2018 are listed below pursuant to Regulation on Bank's outsourced Services.

<b>Service Provider</b>	<b>Unit that outsourced service</b>	<b>Service Details</b>
BT Bilişim Hizmetleri A.Ş.	Technology - Operations	Provision of building to the secondary data center
Dataassist Bilgi Teknolojileri A.Ş.	Human Resources	Payroll services
Manpower İnsan Kaynakları Ltd. Şti.	Human Resources	Human Resources services
BİS Çözüm Bilgisayar ve Entegrasyon Hiz. Ve Tic. A.Ş.	Technology - Operations	Licensing and maintenance of the main banking system, optional application development (software) projects
Deutsche Bank AG	Technology - Operations	Used by Compliance and Internal Control for suspicious activity detection. Maintenance and repairs of the system; receiving L2 and L3 support and support in scenario writing
Deutsche Bank AG	Technology - Operations	Identification, content and user management
Deutsche Bank AG	Technology - Operations	Network maintenance services
Deutsche Bank AG	Technology - Operations	Maintenance and support service for all applications that require a web server
Deutsche Bank AG	Technology - Operations	Operational support services under Hotscan (embargo filtering) application
Deutsche Bank AG	Technology - Operations	Maintenance and support services for ETL interface application between DBTrader, FMS and Winbank
Deutsche Bank AG	Technology - Operations	Support services for receiving and sending SWIFT messages
Deutsche Bank AG	Technology - Operations	Operational support services under the application used for reconciliation
Deutsche Bank AG	Technology - Operations	Operational support services used for reconciliation
CBRE Emlak Danışmanlık Limited Şirketi	Corporate Services	Provision of correspondence services and management of card access system in the Bank and Disabled Staff Management

<b>Service Provider</b>	<b>Unit that outsourced service</b>	<b>Service Details</b>
Global Bilişim Bilgisayar Yazılım Danışmanlık San. Ve Tic. Ltd. Şti.	Technology - Operations	Developing application (interface) that ensures communication between the systems of the Central Bank and the Bank and maintenance of the same.
Platin S.M.M.M. Ltd. Şti.	Finance	Accounting entries, issuance of tax returns, printing ledgers, filing accounting entries
DBOI	Technology - Operations	Client Information Services
HCL	Technology - Operations	Incident Management, Problem Management, End User Services, Remote Connection Services and Remote Helpdesk Services
Iron Mountain Arşivleme Hizmetleri Anonim Şirketi	Corporate Services	Procuring archiving, destruction and document classification services
Risk Yazılım Teknolojileri Dan. Eğt. Tic. ve Ltd. Şti.	Risk Management	Calculation of Bank's Capital Adequacy Ratio and systemic control of the ratio to see its compliance with the limits pre-determined by the Bank
Seri Bilgi Teknolojileri Destek Hizmetleri ve Ticaret Limited Şti.	Technology - Operations	Provision of outsourcing services for the end user hardware and application support
Deutsche Bank AG	Information Security	Automatic applications and processes used by the Bank are aligned to ensure that user accounts of resigned personnel can be entirely deleted from the system within 24 hours after the IT request is filed. Therefore, it is ensured that a resigned ex-personnel is unable to have access to the system. User accounts of new personnel will be automatically opened after the IT request is filed and the necessary approvals are completed.
Turkkep Kayıtlı Elektronik Posta Hizmetleri Sanayi Ve Ticaret Anonim Şirketi	Corporate Services	E-correspondence package (EYP) and archiving services to be taken from the relevant supplier, to provide registered e-mail Sender of the correspondence sent to the official institutions of the bank - Registered e-mail Sending and management system

## Related - Party Transactions

Within the scope of its activities, the Bank enters into various transactions with Group companies. These transactions are conducted at market prices and for fully commercial purposes. The resulting profit/loss is reflected in the income statement.

The related party transactions of Deutsche Bank A.Ş. are reported in detail in the notes to the financial statements included in this annual report.

The Bank did not take part in any legal transactions with the controlling Company or with any party related to the controlling Company and/or with the direction of the controlling Company for the benefit of the controlling Company or its related parties. Since banking regulations and market conditions are taken into account as far as the relations with the Group companies are concerned, measures are neither taken nor specifically avoided to be taken for the benefit of the controlling Company or its related parties in the past fiscal year.

## Corporate Social Responsibility

Deutsche Bank A.Ş. considers corporate social responsibility to be an area of importance and priority. The Bank takes a highly sensitive approach to the production of social responsibility projects and the support of existing projects. Deutsche Bank A.Ş. is aware of the fact that social responsibility is as important as providing customer satisfaction, employee motivation and a healthy, efficient and high-quality working environment.

Deutsche Bank A.Ş. pays prioritized attention to ensure that its employees are individuals who are socially and environmentally conscious, sensitive and prepared to take responsibility. Therefore, employees are encouraged to take responsibility individually and to carry out their own projects. With the "initiative plus" projects designed and implemented by the main partner Deutsche Bank AG in all Deutsche Bank offices all around the world, employees who actively design and develop individual projects on education, sustainability, arts and social issues are supported, it is ensured that they build up their own teams for the implementation and completion of their projects and they are given 2 work days of paid leave as well as monetary contribution. With social responsibility projects they develop on different areas and themes within the scope of "initiative plus" concept, Deutsche Bank employees both contribute to their own personal development and feel the satisfaction of being able to cater to the well-being of their society.

### **We continue to support children's education:**

The Educational Volunteers Foundation of Turkey (TEGV) aims to ensure that primary education age children enjoy their childhood, receive multidirectional educational support and benefit from new generation learning opportunities so that they may look to the future with hope.

We, as Deutsche Bank, launched and successfully completed many projects, each more fruitful than the other, in 2018 and contributed to the education of approximately 1.000 children.

- In 2018, Deutsche Bank runners, who ran for charity, became hope for children of Mardin with "Run to Mardin, Run for Education" Project in Runatalolia and Istanbul Marathon.

- In addition to these activities, Deutsche Bank employees became TEGV volunteers and came together with children in “coding” and “values” activities in Istanbul.

We also donated the revenue of our newyear charity sale to TEGV and further supported the Foundation by celebrating the newyear of our stakeholders with TEGV greeting cards, notebooks and day planners.

**We continue to make contributions to non-profit organizations:**

Having participated in the 40th Istanbul Marathon Charity race and ran the 10k course, Deutsche Bank Corporate Team made donations to various non-profit organizations.

**We support the Spinal Cord Paralytics Association of Turkey’s bottle cap collecting project:**

Deutsche Bank employees who believe that everyone should take responsibility for a better environment, support Spinal Cord Paralytics Association of Turkey’s bottle cap collecting project. Spinal Cord Paralytics Association of Turkey delivers the bottle caps collected for recycling and meet the requirements of people with disabilities with the income generated. Acting responsibly and sensibly, our employees collect the plastic bottle caps in recycling containers and these bottle caps are periodically sent to the headquarters of the Association. Therefore, we both contribute to this project of the Spinal Cord Paralytics Association of Turkey and protect our environment. Furthermore, we are currently discussing new opportunities of cooperation with the Spinal Cord Paralytics Association of Turkey.

**We paid our best efforts to create an awareness on Down Syndrome, a genetic condition:**

Due to significance of creating an awareness to help people with Down Syndrome to become happy, independent and productive individuals and to build lives to themselves that are integrated with the rest of the society, Deutsche Bank A.Ş. employees were briefed on Down Syndrome, which is a genetic condition rather than a disease, and to draw attention on this condition, the Feast following Ramadan was celebrated by gifting Deutsche Bank A.Ş. employees with chocolate and brochures of the Down Sendromu Derneği (Down Syndrome Society). Bank’s employees provided support to ensure that a child with Down Syndrome, born to a family on low income, lives in better conditions. Furthermore, old newspapers were collected in Bank’s headquarters in order to be sent to the Down Syndrome Society for recycling purposes.

# 3

## Operating and Financial Review and Risk Management

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## Report of the Audit Committee

The Audit Committee did not observe any adverse occurrences regarding the Bank's internal control, internal audit and risk management systems during the 2018 fiscal year. The Committee regularly corresponded with the Bank's internal systems department managers, closely monitored the Bank's risk and operations and ensured that all measures were taken for timely identification and elimination of any risk. Regarding the compliance of the Bank's accounting practices with the Banking Law No. 5411 and other applicable legislation, the Committee reviewed the assessment of the independent auditors and did not encounter any discrepancies.

**Our observations and opinions on the Bank's risk management and internal control activities are as follows:**

**Supervision by the Board of Directors and Executive Management:** The Board of Directors consists of experienced members who work actively in the banking sector, are specialized in various fields of the banking profession and possess sufficient knowledge on different types of assumed risks, how these risks occur and how they can be managed.

The Executive Management works in close contact with the Board of Directors, is knowledgeable and experienced on risk and is capable of utilizing the know-how and experience of the parent bank, Deutsche Bank AG, in these areas.

Responsibilities regarding continuous risk reporting associated with developments in the financial markets, risk management practices and the Bank's operations have been identified. Risk reporting is performed on a daily basis.

The Board of Directors and the Executive Management monitor the reliability and functioning of accounting and reporting systems through specialists who are not users of these systems.

The Board of Directors, Executive Management and the parent company, Deutsche Bank AG, continuously review risk acceptance limits and implement the necessary preventive measures in response to changing market conditions.

The Board of Directors, Executive Management and the parent company, Deutsche Bank AG, act conscientiously to ensure that the Bank's business units and business lines employ personnel who possess the necessary knowledge, experience and expertise regarding the nature and scope of the tasks being performed.

In addition, employees are offered the opportunity to benefit from the Deutsche Bank AG specialists, their knowledge and experience.

Through "the Code of Business Conduct and Ethics for Deutsche Bank Group" document notified to the Deutsche Bank employees during the recruitment process against signature, the Board of Directors, Executive Management and the main partner, Deutsche Bank AG, have determined the general rules in order to form the human resources team to conduct the Bank's activities in a safe

and reliable way. Thus, the necessary measures undertaken to carry out the Bank's operations in a safe and reliable manner and to ensure that employees are honest and ethical and that they behave consistently with the Bank's prudent management philosophy and conduct.

The Board of Directors and Executive Management, monitor all operations of the Bank adequately through various internal audit and control systems.

Before the Bank embarks on a new line of business or launches a new product, the Board of Directors, Executive Management and the parent company, Deutsche Bank AG, require the implementation of New Product Approval and New Business Approval procedures to assess all potential risk which may arise from such business or products, and provide the necessary infrastructure and internal controls for the management of such risk.

The New Product Approval and New Business Approval procedures intend to overview the adequacy of the Bank's infrastructure necessary for identifying, monitoring and controlling the potential risk before embarking on a new operation or launching a new product.

The Bank's risk in trading treasury bills and government bonds has been identified and policies, implementation methods and limits to measure, monitor and control these have been established.

These policies, implementation methods and limits are consistent with the level of experience, goals and objectives and financial strength of Deutsche Bank A.Ş. as well as of the parent bank, Deutsche Bank AG.

Hierarchical structure of the authorities and responsibilities in the Bank's operations are set out in the organization chart.

On behalf of the Audit Committee  
Arzu Orhon, Audit Committee Member

## Management Declaration

As a result of the assessment made by the Board of Directors of Deutsche Bank A.Ş. ("Bank") pursuant to Regulation on Bank Information Systems and Banking Processes Audit to be Performed by External Audit Institutions, which became effective on December 31, 2009 and publicly announced at the Official Gazette on January 13, 2010 with issue no. 27461, by the Banking Regulation and Supervision Agency and the Circular Letter dated June 30, 2010 with no. B.02.1.BDK.0.77.00.00.010.06.02/3 on "Management Declaration", Board of Directors has approved that the internal controls on information systems and banking processes are effective, adequate and compliant with the applicable legislation for the audit period of January 1, 2018 – December 31, 2018.

## Audits

During the accounting period, Independent Auditor of the Bank performed interim quarterly reviews and an annual review.

## Other Information Regarding Activities

No legal action was lodged against the Bank that would affect the Bank's fiscal position and actions.

No administrative or legal sanction was applied against the Bank's Board of Directors.

## Operating and Financial Review

As of December 31, 2018, the Bank's total assets amounted to TL 2.662.332 thousands, decreased by 12% compared to the previous year.

At the end of 2017, loans amounted to TL 1.715.824 thousands; whereas, on December 31, 2018, they decreased by 34% and amounted to TL 1.138.888 thousands. Short-term loans amounted to TL 919.019.

Whilst at the end of 2017, total deposits amounted to TL 935.327 thousands, they increased by 3% and amounted to TL 965.156 thousands on December 31, 2018.

Off-balance sheet items decreased from TL 11.632.653 thousands on December 31, 2017 to TL 3.492.232 thousands on December 31, 2018 due to "Turkish Lira Settled Forward Foreign Exchange Sale Auctions" which were arranged by the Central Bank of Turkey in 2017 and matured in 2018.

By the end of 2018, the Bank's net profit after taxes was TL 122.490 thousands. 2017 net profit of the Bank was TL 56.043 thousands.

On and off-balance sheet foreign currency balances are managed concurrently. While loans and cash and balances with the Central Bank comprise the majority of the Bank's assets, the majority of its profit is derived from interest from securities and loans and profits from derivative financial instruments. The Bank's liquidity and interest risk are managed diligently by taking into account its capital and the funding limit set by Deutsche Bank AG, for the risk exceeding a reasonable amount, by selling forward securities to Deutsche Bank AG, London. The Bank's parent company, Deutsche Bank AG, undertakes that it will fulfill the contracted responsibilities of Deutsche Bank A.Ş. based on its declaration which was approved at the General Assembly and published in its annual report.

## Financial Targets Monitoring

The annual budget is set by the Bank's Board of Directors in line with the targets and monitoring activities and checked to see whether or not operational results are in line with the budget. Profit/loss, balance sheet and risk weighted assets, established in accordance with the internal assessment process, are approved by the Board of Directors of the Bank. In the current period, although net income of Global Markets was lower than the budget due to fluctuations in the market, actual net income of Global Transaction Banking was much higher than the budget which resulted in overall Bank actual revenue to be higher than the budget.

Decisions taken by General Assembly are fulfilled by the Board of Directors without exception.

## Risk Management Policies

### General Policies

Deutsche Bank A.Ş. maintains Turkish Lira denominated Treasury Bills and Government Bonds portfolio for trading purposes but is not engaged in equity/ stock trading. Bank's tenor cap for cash corporate loans is five years. The bank applies different limits for cash loans and for letters of guarantee and credit. Deutsche Bank A.Ş. also has country and sector concentration limits. The bank does not engage in interbank money market transactions with a maturity exceeding six months.

Foreign currency transactions with banks and the other corporations are conducted on "delivery versus payment" basis; banks and corporations with a settlement limit are exceptions to this rule. The bank has an approval procedure for the new products and business lines. Insurance transactions regarding operational risk are coordinated with Deukona. Matters regarding reputational risk are discussed and resolved in the Executive Council. Business Continuity and Disaster Recovery Plan is regularly reviewed and tested.

Compliance with the relevant policies and limits are checked daily. All kinds of breaches are reported to the senior management, relevant units and the Board Member responsible from Internal Systems.

## Risk Management

Risk Management is an independent unit responsible for risk management for all types of market, operation and credit risk. It applies the policies defining the precautions regarding monitoring, managing and administering and reporting the risks determined under the Regulation on the Internal Systems of the Banks. Function of the Risk Management Unit is to ensure that all risks that the Bank is exposed to are defined, measured, monitored, controlled and reported in a consolidated and unconsolidated manner by means of the policies, procedures and limits specified to monitor, supervise and control, and if necessary, change the risk return structure contained by the future cash flows of the Bank, and accordingly the characteristics and level of the operations of the Bank. The basic risk management divisions that should be preliminarily assessed by our Bank are defined herein below:

### Market Risk

Market risk is the possibility to incur a loss arising from Bank's general market risk, exchange rate risk (potential losses that may be incurred by the Bank as a result of changes in exchange rates due to all of its foreign currency assets and liabilities), interest rate risk (potential losses that may be incurred by the Bank as a result of the movements in interest rates due to its positions regarding financial instruments), swap risk (potential losses that may be incurred by the Bank due to price fluctuations of securities, foreign exchanges or merchandise subject to transactions as a result of failure to realize a swap transaction on its due date in case of transactions which cover delivery of securities, foreign exchanges or merchandise on the basis of prices on a certain due date and foresee that both parties meet their obligations on such due dates) and counterparty credit risk in trading accounts. Market Risk Management also includes liquidity risk (the risk of Bank's failing to fulfil its responsibilities on time due to the fact that it does not have cash stock or flow that is sufficient to meet the cash outflow totally or on time as a result of an imbalance in the cash flow) management.

Board of Directors is the ultimate owner of managing market risk within DB A.Ş. Market risk is managed with an integrated approach taking into consideration various units across DB A.Ş. where ultimate responsibility rests with Trading Unit. It is essential to structure a transparent and systematic market risk approach for market risk with clearly defined roles and responsibilities.

### Credit Risk

Credit risk is defined as the condition our Bank is in and the potential loss it may incur if and when a customer of our Bank or a counterparty that our Bank is in a business relationship fails to partially or totally fulfil its obligations arising from a contract it signed with the Bank on time. All processes pertaining to credit allocation by the Bank in favour of real persons or legal entities directly or indirectly, utilization, monitoring and operation of the said credit are regarded under the credit risk management. The principal amount of credit risk is the sum of the credit risk amounts regarding on-balance sheet assets, non-cash credits, liabilities and derivative financial instruments. It further includes Credit Risk, Counterparty credit risk management, Concentration risk management and Country risk management.

Before accepting credit risk, fundamental principle underlying the credit risk management is examining the client. Choosing clients in a prudent manner in accordance with the principle of "Know Your Client" is achieved through co-operation with business units working as the first line of defence of the Bank. New risk acceptance always requires approved plans for finalization of the risk

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position taken in accordance with the applicable rules. In spite of the fact that collaterals or other risk mitigating tools serve as alternative sources for repayment, they may not be used as substitutes to high quality credit approval standards or assessment of counterparty's ability to repay their debts in a comprehensive manner. Main aim of the Bank is to avoid excessive concentration, to establish a diversified and marketable credit portfolio in an attempt to minimize large scale risks and thus to protect Bank's capital under all market conditions. To achieve this, concentrations are assessed and managed taking Bank's risk appetite into account.

### Operational Risk

Operational risk is the possibility to incur a loss arising from insufficient or ineffective internal processes, failures related to employees and systems or external sources, and it includes legal risk. Aim of the Operational Risk Management is to early detect/foresee the possible operational risks that the Bank may be exposed to and to protect the Bank from any possible losses that it may incur as a result of operational risks, to establish and ensure operation of the necessary mechanisms needed for efficient management of operational risks that may pose a delay or obstacle to achieving Deutsche Bank A.Ş.'s aims, and to decrease the possibility of being exposed to operational risk and, thereby, to participate into creation of a stronger capital base.

In order to manage operational risk in a transparent manner, responsibilities and duties related to operational risk management are clearly defined. Problems related to operational risk are escalated to the relevant authorities on time. Units are responsible from undertaking the financial impact associated with the operational risk incidents and costs arising from management, mitigation, transferring and acceptance of the same.

Risks breaching the applicable legislation or regulations are not accepted; these risks must always be mitigated once they are detected.

## Credit Ratings

Deutsche Bank A.Ş. is not rated by rating agencies.

As of December 31, 2018, international rating agencies had attached the following ratings to the Bank's parent company, Deutsche Bank AG:

	Short-term Rating	Long-term Rating	Outlook	Individual Rating
Moody's Investors Service	P - 2	A3	Negative	ba1
Standard & Poor's	A - 2	BBB+	Stable	bbb
Fitch Ratings	F2	A-	Stable	bbb+

## Summary of Five - Year Financial Highlights

<b>Assets (TL 000)</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Cash and Balances with the Central Bank	332,442	510,718	346,325	503,401	533,958
Financial Assets at Fair Value Through Profit/Loss	362,073	409,591	1,146,777	345,170	578,215
Derivative Financial Assets	38,727	30,915	25,827	10,926	3,467
Banks	684,157	331,881	392,363	357,992	35,210
Receivables from Money Markets	-	-	-	-	550,169
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-
Loans (Net)	1,138,888	1,715,824	1,398,853	1,743,295	1,090,757
Equity Investments	-	-	-	-	-
Tangible Assets (Net)	4,805	2,462	1,929	2,216	2,042
Intangible Assets (Net)	3,976	3,016	6,773	13,445	20,013
Tax Assets	3,960	2,076	4,659	-	827
Other Assets	93,304	35,411	47,533	36,405	107,189
<b>Total Assets</b>	<b>2,662,332</b>	<b>3,041,894</b>	<b>3,371,039</b>	<b>3,012,850</b>	<b>2,921,847</b>
<b>Liabilities (TL 000)</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Deposits	965,156	935,327	914,052	606,882	680,744
Derivative Financial Liabilities	45,176	31,976	26,572	10,504	3,192
Money Market Funds	-	-	945,000	99,124	31,283
Loans Received	1,004,274	1,492,184	923,179	1,723,245	1,638,258
Securities Issued (Net)	-	-	-	-	-
Funds	-	-	-	-	-
Other Liabilities	8,965	25,566	5,237	9,991	5,662
Factoring Liabilities	-	-	-	-	-
Lease Liabilities	-	-	-	-	-
Provisions and Tax Liability	50,027	48,114	41,668	52,386	55,485
Subordinated Debt Instruments	-	-	-	-	-
Shareholders' Equity	588,734	508,727	515,331	510,718	507,223
<b>Total Equity and Liabilities</b>	<b>2,662,332</b>	<b>3,041,894</b>	<b>3,371,039</b>	<b>3,012,850</b>	<b>2,921,847</b>
<b>Statement of Profit or Loss (TL 000)</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Interest Income	431,808	248,564	205,329	187,768	223,716
Interest Expense	28,584	54,522	70,734	63,934	77,012
Net Interest Income/(Expense)	403,224	194,042	134,595	123,834	146,704
Net Fees and Commissions Income/(Expense)	47,479	43,712	36,058	44,219	45,623
Trading Profit/Loss (Net)	-183,492	-61,602	-2,867	6,360	1,619
Other Operating Income	18,571	9,502	20,957	15,886	12,441
Gross Profit From Operating Activities	285,782	185,654	188,383	190,299	206,387
Allowances for Expected Credit Losses (-)	862	53	5,240	329	3,826
Other Operating Expenses (-)	128,358	115,707	98,705	99,427	100,522
Net Operating Profit/(Loss)	156,562	69,894	84,438	90,543	102,039
Net Monetary Position Gain/(Loss)	-	-	-	-	-
Profit/(Loss) Before Taxes From Continuing Operations	156,562	69,894	84,438	90,543	102,039
Provision for Taxes on Income From Continuing Operations (-)	34,072	13,851	15,203	18,054	21,468
Net Profit/(Loss) From Continuing Operations	122,490	56,043	69,235	72,489	80,571
Net Profit/(Loss) From Discontinued Operations	-	-	-	-	-
<b>Net Profit/(Loss)</b>	<b>122,490</b>	<b>56,043</b>	<b>69,235</b>	<b>72,489</b>	<b>80,571</b>
<b>Debt / Equity Ratio (%)</b>	<b>343.72</b>	<b>488.48</b>	<b>546.06</b>	<b>479.67</b>	<b>465.11</b>



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**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT  
AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT  
ORIGINALLY ISSUED IN TURKISH**

To the Shareholders of Deutsche Bank Anonim Şirketi

**Opinion**

We have audited the annual report of Deutsche Bank Anonim Şirketi (the "Bank") for the period between 1 January 2018 and 31 December 2018, since we have audited the complete set unconsolidated financial statements for this period.

In our opinion, the unconsolidated financial information included in the annual report and the analysis of the Board of Directors by using the information included in the audited unconsolidated financial statements regarding the position of the Bank are consistent, in all material respects, with the audited complete set of unconsolidated financial statements and information obtained during the audit and provides a fair presentation.

**Basis for Opinion**

We conducted our audit in accordance with "Regulation on Independent Audit of the Banks" published in the Official Gazette No.29314 dated 2 April 2015 by Banking Regulation and Supervision Agency ("BRSA Auditing Regulation") and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") ("Standards on Auditing issued by POA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Annual Report* section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors issued by POA (POA's Code of Ethics) and the ethical requirements in the regulations issued by POA that are relevant to audit of financial statements, and we have fulfilled our other ethical responsibilities in accordance with the POA's Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Auditor's Opinion on Complete Set of Unconsolidated Financial Statements

We have expressed an unqualified opinion on the complete set of unconsolidated financial statements of the Bank for the period between 1 January 2018 and 31 December 2018 on 13 March 2019.

### Board of Directors' Responsibility for the Annual Report

In accordance with the Articles 514 and 516 of the Turkish Commercial Code numbered 6102 ("TCC") and Regulation on the Principles and Procedures Concerning the Preparation of and Publishing Annual Reports by the Bank ("Regulation") published in the Official Gazette dated 1 November 2006 and Numbered 26333, the Bank's management is responsible for the following regarding the annual report:

a) The Bank's management prepares its annual report within the first three months following the date of statement of financial position and submits it to the general assembly.

b) The Bank's management prepares its annual report in such a way that it reflects the operations of the year and the unconsolidated financial position of the Bank accurately, completely, directly, true and fairly in all respects. In this report, the financial position is assessed in accordance with the Bank's unconsolidated financial statements. The annual report shall also clearly indicate the details about the Bank's development and risks that might be encountered. The assessment of the Board of Directors on these matters is included in the report.

c) The annual report also includes the matters below:

- Significant events occurred in the Company after the reporting period,
- The Bank's research and development activities.
- Financial benefits such as wages, premiums and bonuses paid to board members and key management personnel, appropriations, travel, accommodation and representation expenses, benefits in cash and kind, insurance and similar guarantees.

When preparing the annual report, the Board of Directors also considers the secondary legislation arrangements issued by the Ministry of Trade and related institutions.

### Auditor's Responsibility for the Audit of the Annual Report

Our objective is to express an opinion on whether the unconsolidated financial information included in the annual report in accordance with the TCC and the Regulation, and analysis of the Board of Directors by using the information included in the audited unconsolidated financial statements regarding the position of the Bank are consistent with the audited unconsolidated financial statements of the Bank and the information obtained during the audit and give a true and fair view and form a report that includes this opinion .

We conducted our audit in accordance with BRSAs Auditing Regulation and Standards on Auditing issued by POA. Those standards require compliance with ethical requirements and planning of audit to obtain reasonable assurance on whether the unconsolidated financial information included in the annual report and analysis of the Board of Directors by using the information included in the audited unconsolidated financial statements regarding the position of the Bank are consistent with the unconsolidated financial statements and the information obtained during the audit and provides a fair presentation.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of KPMG International Cooperative



Alper Güreng-SMMM  
Partner

13 March 2019  
İstanbul, Turkey

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## Independent Auditors' Report, Financial Statements and Disclosures

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**Convenience Translation of the Independent Auditors' Report Originally Prepared and Issued in Turkish to English  
(See Note I in Section Three)**

To the Shareholders of Deutsche Bank Anonim Şirketi

**A) Report on the Audit of the Unconsolidated Financial Statements**

**Opinion**

We have audited the unconsolidated financial statements of Deutsche Bank Anonim Şirketi ("the Bank") which comprise the unconsolidated statement of financial position as at 31 December 2018 and the unconsolidated statement of income, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of Deutsche Bank Anonim Şirketi and its subsidiaries as at 31 December 2018, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the "Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Legislation" which includes the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette No. 26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards for the matters not regulated by the aforementioned legislations.

**Basis for Opinion**

We conducted our audit in accordance with the "Regulation on Independent Audit of the Banks" published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") ("Standards on Auditing issued by POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We declare that we are independent of the Bank in accordance with the Ethics for Auditors issued by POA ("POA's Code of Ethics") and the ethical requirements in the regulations issued by POA that are relevant to audit of unconsolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the POA's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Impairment of loans measured at amortised cost**

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented Section Three, Note XXIV to the unconsolidated financial statements.



## Key audit matters

As of 31 December 2018, loans measured at amortised cost comprise 43% of the Bank's total assets.

The Bank recognizes its loans in accordance with the Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside (the "Regulation") published on the Official Gazette No. 29750 dated 22 June 2016 and TFRS 9 Financial Instruments standard ("Standard").

As of 1 January 2018, due to the adoption of the Regulation and Standard, in determining the impairment of loans the Bank started to apply "expected credit loss model" rather than the "incurred loss model". The new model contains significant assumptions and estimates.

The significant assumptions and estimates of the Bank's management are as follows:

- significant increase in credit risk
- incorporating the forward looking macroeconomic information in calculation of credit risk; and
- design and implementation of expected credit loss model.

The determination of the impairment of loans measured at amortised cost depends on the credit default status, the model based on the change in the credit risk at the first recognition date and the classification of the loans measured at amortised cost according to the model. Establishing an accurate classification is a significant process as the estimation of expected credit loss varies to the staging of the financial assets.

The Bank estimates expected credit losses credit basis.

The credit basis provisions are modelled by using current and past data sets and expectations and the forward looking expectations are reflected.

Impairment on loans measured at amortised cost was considered to be a key audit matter, due to the significance of the estimates, assumptions, the level of judgements and its complex structure as explained above.

## How the matter is addressed in our audit

Our procedures for testing the expected credit loss included below:

- We tested the design and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information risk management specialists.
- The contractual cash flow tests prepared for the financial assets of the Bank were examined and the results of the tests were checked for compliance with the loan agreements.
- The conformity of the subjective and objective criteria defined in the Bank's impairment model has been checked for compliance with the Standard.
- We evaluated the Banks's business model and methodology and the evaluation of the calculations were carried out with the control testing and detailed analysis by the involvement of specialist.
- We performed loan reviews for selected loan samples which include a detailed examination of loan files and related information and testing their classification. In this context, the current status of the loan customer has been evaluated by including prospective information.
- We tested the accuracy and completeness of the data in the calculation models for the loans which are assessed on credit basis. Additionally expected credit loss calculation was tested through recalculation.
- We evaluated the assessments which are used in determining the significant increase in credit risk.
- Additionally, we also evaluated the adequacy of the unconsolidated financial statement disclosures related to impairment provisions.

## Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of these unconsolidated financial statements in accordance with the BRSB Accounting and Reporting Legislation, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

## Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with Standards on Auditing issued by POA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## B) Report on Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code ("TCC") No. 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2018 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of KPMG International Cooperative

  
Alper Güvenç, SMMM  
Partner

13 March 2019  
İstanbul, Turkey

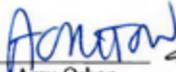
## THE FINANCIAL REPORT OF DEUTSCHE BANK A.Ş. AS OF 31 DECEMBER 2018

Bank's Head Office Address	:Esetepe Mahallesi, Büyükdere Cad. Tekfen Tower No: 209 Kat: 17-18 Şişli 34394 - İSTANBUL
Bank's Telephone and Fax Numbers	:(0212) 317 01 00 :(0212) 317 01 05
Bank's Web Address	:www.db.com.tr
E-mail address	:muhaberat.ist@list.db.com

The Deutsche Bank A.Ş.'s financial report prepared in accordance with the communiqué of Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

1. GENERAL INFORMATION ABOUT THE BANK
2. FINANCIAL STATEMENTS OF THE BANK
3. EXPLANATIONS ON THE CORRESPONDING ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
4. INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK
5. EXPLANATIONS AND NOTES RELATED TO FINANCIAL STATEMENTS
6. OTHER EXPLANATIONS AND NOTES
7. INDEPENDENT AUDITORS' REPORT

The financial statements and related disclosures and footnotes that were subject to independent audit, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying financial statements are presented in thousands of Turkish Lira (TL).

 Peter Johannes Maria Tils	 Arzu Orhon	 Ann Maria Francine Vanhaeren	 Abidin Orhan Özalp	 Özge Kutay	 Nesrin Akyüz
Chairman Of Board of Directors	Member of Audit Committee	Member of Audit Committee	General Manager	Board Member Responsible from Financial Reporting	Finance Manager

Information related with the personnel authorised to answer the questions regarding this financial report

Name-Surname / Title: Nesrin Akyüz / Finance Manager

Tel No: 0 212 317 02 27

Fax No: 0 212 317 01 05

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# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements As

### At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

#### SECTION ONE

##### General Information About The Bank

###### I. History of the Bank including its incorporation date, initial legal status, amendments to legal status

Deutsche Bank Anonim Şirketi (“the Bank”) was established with Council of Ministers Permit No. 87/12432, dated 16 December 1987. This permit was published in the Official Gazette dated 26 December 1987 and it was registered on 4 April 1988. The “Articles of Association” of the Bank were published in the Trade Registry Gazette on 7 April 1988. The commercial title of the Bank upon its establishment was “Türk Merchant Bank A.Ş.” which was changed to “Bankers Trust A.Ş.” on 17 April 1997. After the global merger of Bankers Trust and Deutsche Bank, the Bank’s commercial title has been changed to “Deutsche Bank Anonim Şirketi” at 1 March 2000. The Bank obtained the permission to accept deposits with the article numbered 1381 and dated 8 September 2004 of Banking Regulatory and Supervisory Agency (“BRSA”). This permission became valid after it was published in Official Gazette No. 25614 dated 15 October 2004. The Bank’s head office is located in Istanbul and has no branches.

Based on the decision taken at General Assembly Meeting of the Deutsche Bank Anonim Şirketi held on 28 March 2013, the Articles of Association has been amended in compliance with the Turkish Commercial Code (“TCC”) No. 6102. Accordingly, the “Articles of Association” of the Bank was updated and simplified in accordance with TCC no. 6012. The updated Articles of Association came into effect after being published in Trade Registry Gazette No. 8304 dated 19 April 2013.

###### II. Bank’s shareholder structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the year and information on Bank’s risk group

As of 31 December 2018, the Bank’s paid-in capital is comprised of 1.350.000.000 shares whose historical nominal unit values are TL 0,1. The Bank is one of the group companies of Deutsche Bank Group and 99,99% of the Bank’s capital is owned by Deutsche Bank AG.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

### III. Information on the Bank's board of directors' chairman and members, general manager, assistant general managers, audit committee members, general manager, change in top management and their shareholdings in the Bank

Title	Name Surname	Responsibilities	Appointment Date	Education	Experience in Banking and Business Administration
Chairman	Peter Johannes Maria Tils		21 November 2012	Undergraduate: Bonn University Political Economics Master: Köln University Management	41 years
Board Member and General Manager	Abidin Orhan Özalp <sup>(****)</sup>		14 January 2019	Undergraduate: Koc University Faculty of Economics and Administrative Sciences Economics and Business Administration	12 years
Board of Members	H. Sedat Eratatar	Internal Systems	2 August 2001	Undergraduate: Ankara University Economics and Public Finance Department	38 years
	Özge Kutay	Financial Reporting and support function	18 October 2012	Undergraduate: Istanbul University Faculty of Economics and Administrative Sciences	25 years
	Jorge Andres Otero Letelier <sup>(**)</sup>		15 March 2017	Undergraduate: Bachelor of Arts-Finance Master: MBA-Newyork	25 years
	Claire Coustar <sup>(*)</sup>		23 February 2018	Undergraduate: Babson College-Business Administration	24 years
Member of Board and Audit Committee	Michael Christoph Maria Dietz <sup>(*****)</sup>		28 February 2019	Undergraduate: Darmstat University-Mechanical Engineering	28 years
	Ann Maria Francine Vanhaeren		28 August 2015	Undergraduate: Belgium Catholic University Faculty of Law Master: University of London, Bachelor of Law	21 years
Assistant General Managers	Arzu Orhon		14 September 2017	Undergraduate: Boğaziçi University Faculty of Economics and Administrative Sciences Master: University of Exeter, Business	19 years
	Ali Doğrusöz	Technology and Operations	16 December 2002	Undergraduate: North Carolina University, Mechanical Engineering Master: METU Mechanical Engineering	30 years
	Hakan Ulutaş	Trade and Custody Service	18 October 2012	Undergraduate: Istanbul University Management Faculty Master: Marmara University Science Research and Application Center, Contemporary Business Education Directorate	26 years

The top management listed above holds no shares of the Bank.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements As

### At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Changes have occurred until reporting date:

<u>Title</u>	<u>Outgoing within the period</u>	<u>Assignments during the period</u>
Member of the Board <sup>(*)</sup>		Claire Coustar
Assistant General Managers <sup>(**)</sup>	Cenk Esener	
Member of the Board <sup>(***)</sup>	Ajay Avtar Singh	
Member of Board and General Manager <sup>(****)</sup>	Ersin Akyüz	
Member of Board and General Manager <sup>(****)</sup>		Abidin Orhan Özalp

<sup>(\*)</sup> Claire Coustar was appointed as a member of the board by decision of the Board of Directors dated 23 February 2018 numbered 04/18.

<sup>(\*\*)</sup> Vice president Cenk Esener resigned from the membership of the board on 15 March 2018.

<sup>(\*\*\*)</sup> Ajay Avtar Singh resigned from the membership of the board 12 June 2018 numbered 14/18.

<sup>(\*\*\*\*)</sup> Ersin Akyüz has resigned from his position as member of board of directors and general manager dated 14 January 2019 numbered 01/19.

<sup>(\*\*\*\*\*)</sup> Abidin Orhan Özalp was appointed as General Manager by decision of the Board of Director dated 14 January 2019 numbered 01/19.

<sup>(\*\*\*\*\*)</sup> Michel Christoph Maria Dietz was appointed as member of board of directors dated 28 February 2019 numbered 04/19

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### IV. Information on the Bank's qualified shareholders

The Bank's qualified shareholder, which has direct or indirect control power, due to the definition of qualified portion on Banking Act No. 5411 and regarding to Article 13th of Communiqué on Transactions Subject to Bank's Permission and Indirect Portion Ownership, is shown below:

Name Surname/Commercial Title	Share Amounts	Share Ratios	Paid Shares	Unpaid Shares
Deutsche Bank AG	134.999	99,99	134.999	-
Other	1	0,01	1	-
<b>Total</b>	<b>135.000</b>	<b>100</b>	<b>135.000</b>	<b>-</b>

#### V. Summary information on the Bank's activities and services

Activities of the Bank as stated in its Articles of Association are as follows:

- All banking operations;
- Jointly establishing enterprises with the corporations or individuals, joint ventures, investing to the existing or newly established commercial and industrial institutions, banks and financial institutions and transferring the shares of those enterprises;
- Providing commercial and insurance activities on behalf of the Bank or the domestic and foreign institutions, acting as agencies, and providing commitments to public and non-public entities in compliance and not restricted with the regulations set by the Banking Law and the related legislations;
- Purchasing and selling marketable securities on behalf of the Bank or third parties, issuing debt securities by taking the necessary permissions in accordance with the related legislation, establishing and managing investment funds and performing other capital market transactions, which are allowed by the Banking Law and operating in stock exchange;
- Performing factoring and forfaiting;
- Performing any transactions in foreign currency markets including derivative transactions on behalf of the Bank or its' customers;
- Performing equipment leasing and real estate financing by way of leasing the extent permitted by legislation;
- Acquiring intangible assets related with the Bank's operations and making savings on them;

The Bank, which has been providing investment banking services since its establishment date, has obtained the permission to accept deposits from BRSA Decision No. 1381 dated 8 September 2004, as a result of the Bank's growth and investment policies in Turkey. This permission became into force after it was published in Official Gazette No. 25614 dated 15 October 2004.

Under the Capital Markets Board Authorization Certificate, the Bank was allowed to perform the following activities and services as of 5 November 2015:

- Brokerage services
- Limited Custody Service
- General Custody Service

The main operations of the Bank are, Interbank Money Market transactions, purchasing and selling marketable securities, foreign currency transactions, corporate cash loan, providing collateralised non-cash loans related with commercial activities and custody services. After obtaining commercial banking licence, in addition to the Bank's current operations like commercial banking and money market transactions, the Bank became structured to meet all of the needs of its' customers by providing services such as accepting deposits, opening individual accounts and selling cash management products and services, accordingly.

As of 31 December 2018, the number of employees of the Bank is 109 (31 December 2017: 119).



# Deutsche Bank Anonim Şirketi

## Balance Sheet (Statement Of Financial Position)

### As At 31 December 2017

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### I. BİLANÇO (FİNANSAL DURUM TABLOSU)

ASSETS	Note (5 - I)	Audited		Total
		TL	FC	
			Prior period	
			31 December 2017	
I. CASH AND BALANCES WITH THE CENTRAL BANK	(1)	23.144	487.574	510.718
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT/LOSS (Net)	(2)	409.591	30.915	440.506
2.1 Trading securities		409.591	30.915	440.506
2.1.1 Government debt securities		409.591	-	409.591
2.1.2 Share certificates		-	-	-
2.1.3 Trading derivative instruments		-	30.915	30.915
2.1.4 Other securities		-	-	-
2.2 Financial assets at fair value through profit/loss		-	-	-
2.2.1 Government debt securities		-	-	-
2.2.2 Share certificates		-	-	-
2.2.3 Loans		-	-	-
2.2.4 Other securities		-	-	-
III. BANKS	(3)	325.415	6.466	331.881
IV. MONEY MARKET PLACEMENTS		-	-	-
4.1 Interbank money market placements		-	-	-
4.2 Istanbul Stock Exchange money market placements		-	-	-
4.3 Receivables from reverse repurchase agreements		-	-	-
V. AVAILABLE FOR SALE FINANCIAL ASSETS (Net)	(4)	-	-	-
5.1 Share certificates		-	-	-
5.2 Government debt securities		-	-	-
5.3 Other securities		-	-	-
VI. LOANS AND RECEIVABLES	(5)	1.162.825	552.999	1.715.824
6.1 Loans		1.162.825	552.999	1.715.824
6.1.1 The Bank's risk group's loans		-	-	-
6.1.2 Government debt securities		-	-	-
6.1.3 Others		1.162.825	552.999	1.715.824
6.2 Loans at follow-up		-	-	-
6.3 Specific provisions (-)		-	-	-
VII. FACTORING RECEIVABLES		-	-	-
VIII. HELD TO MATURITY FINANCIAL ASSETS (Net)	(6)	-	-	-
8.1 Government bonds		-	-	-
8.2 Other securities		-	-	-
IX. INVESTMENTS IN ASSOCIATES (Net)	(7)	-	-	-
9.1 Consolidated according to equity method		-	-	-
9.2 Non-consolidated		-	-	-
9.2.1 Financial associates		-	-	-
9.2.2 Non-Financial associates		-	-	-
X. INVESTMENTS IN SUBSIDIARIES (Net)	(8)	-	-	-
10.1 Non-consolidated financial subsidiaries		-	-	-
10.2 Non-consolidated non-financial subsidiaries		-	-	-
XI. INVESTMENTS IN JOINT VENTURES (Net)	(9)	-	-	-
11.1 Consolidated according to equity method		-	-	-
11.2 Non-consolidated		-	-	-
11.2.1 Financial joint ventures		-	-	-
11.2.2 Non-financial joint ventures		-	-	-
XII. FINANCIAL LEASE RECEIVABLES (Net)	(10)	-	-	-
12.1 Financial lease receivables (Net)		-	-	-
12.2 Operational lease receivables		-	-	-
12.3 Other		-	-	-
12.4 Unearned Income (-)		-	-	-
XIII. DERIVATIVE FINANCIAL INSTRUMENTS HELD FOR RISK MANAGEMENT	(11)	-	-	-
13.1 Fair value hedges		-	-	-
13.2 Cash flow hedges		-	-	-
13.3 Net foreign investment hedges		-	-	-
XIV. TANGIBLE ASSETS (Net)	(12)	2.462	-	2.462
XV. INTANGIBLE ASSETS (Net)	(13)	3.016	-	3.016
15.1 Goodwill		-	-	-
15.2 Other intangibles		3.016	-	3.016
XVI. INVESTMENT PROPERTY (Net)	(14)	-	-	-
XVII. TAX ASSET	(15)	2.076	-	2.076
17.1 Current tax asset		-	-	-
17.2 Deferred tax asset		2.076	-	2.076
XVIII. ASSETS HELD FOR SALE OR FOR DISCONTINUED OPERATIONS (Net)	(16)	-	-	-
18.1 Held for sale		-	-	-
18.2 Related with discontinued operations		-	-	-
XIX. OTHER ASSETS	(17)	6.736	28.675	35.411
<b>TOTAL ASSETS</b>		<b>1.935.265</b>	<b>1.106.629</b>	<b>3.041.894</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Balance Sheet (Statement Of Financial Position)

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) (continued)

LIABILITIES	Note(5 - II)	Audited		Total
		TL	FC	
			31 Aralık 2018	
I. DEPOSITS	(1)	624.966	340.190	965.156
II. LOANS RECEIVED	(3)	-	1.004.274	1.004.274
III. MONEY MARKET FUNDS		-	-	-
IV. SECURITIES ISSUED (Net)		-	-	-
4.1 Bills		-	-	-
4.2 Asset backed securities		-	-	-
4.3 Bonds		-	-	-
V. FUNDS		-	-	-
5.1 Borrower funds		-	-	-
5.2 Others		-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	(2)	-	45.176	45.176
7.1 Derivative financial liabilities at fair value through profit or loss		-	45.176	45.176
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-
VIII. FACTORING LIABILITIES		-	-	-
IX. LEASE LIABILITIES	(5)	-	-	-
9.1 Financial lease		-	-	-
9.2 Operating lease		-	-	-
9.3 Other		-	-	-
9.4 Deferred financial lease expenses (-)		-	-	-
X. PROVISIONS	(7)	11.005	26.154	37.159
10.1 Restructuring provisions		-	-	-
10.2 Reserve for employee benefits		10.017	7.510	17.527
10.3 Insurance technical provisions (Net)		-	-	-
10.4 Other provisions		988	18.644	19.632
XI. CURRENT TAX LIABILITY	(8)	12.868	-	12.868
XII. DEFERRED TAX LIABILITY	(8)	-	-	-
XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(9)	-	-	-
13.1 Held for sale		-	-	-
13.2 Related to discontinued operations		-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS		-	-	-
14.1 Loans		-	-	-
14.2 Other debt instruments		-	-	-
XV. OTHER LIABILITIES		3.713	5.252	8.965
XVI. SHAREHOLDERS' EQUITY	(11)	588.734	-	588.734
16.1 Paid-in capital	(11)	135.000	-	135.000
16.2 Capital reserves		31.866	-	31.866
16.2.1 Share premium		-	-	-
16.2.2 Share cancellation profits		-	-	-
16.2.3 Other capital reserves		31.866	-	31.866
16.3 Accumulated other comprehensive income or loss not reclassified through profit or loss		(564)	-	(564)
16.4 Accumulated other comprehensive income or loss reclassified through profit or loss		-	-	-
16.5 Profit reserves		291.723	-	291.723
16.5.1 Legal reserves		84.802	-	84.802
16.5.2 Status reserves		-	-	-
16.5.3 Extraordinary reserves		206.921	-	206.921
16.5.4 Other profit reserves		-	-	-
16.6 Profit or loss		130.709	-	130.709
16.6.1 Prior years' profits or losses		8.219	-	8.219
16.6.2 Current period net profit or loss		122.490	-	122.490
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1.241.286</b>	<b>1.421.046</b>	<b>2.662.332</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Balance Sheet (Statement Of Financial Position)

### As At 31 December 2017

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

LIABILITIES	Note (5 - II)	TL	Audited Prior period 31 December 2017	
			FC	Total
<b>I. DEPOSITS</b>	(1)	595.626	339.701	935.327
1.1 The Bank's risk group's deposits		143.850	49	143.899
1.2 Others		451.776	339.652	791.428
<b>II. DERIVATIVE FINANCIAL LIABILITIES HELD FOR TRADING</b>	(2)	-	31.976	31.976
<b>III. FUNDS BORROWED</b>	(3)	-	1.492.184	1.492.184
<b>IV. INTERBANK MONEY MARKET</b>		-	-	-
4.1 Interbank money market funds		-	-	-
4.2 Istanbul Stock Exchange money market funds		-	-	-
4.3 Obligations under repurchase agreements		-	-	-
<b>V. SECURITIES ISSUED (Net)</b>		-	-	-
5.1 Bills		-	-	-
5.2 Asset backed securities		-	-	-
5.3 Bonds		-	-	-
<b>VI. FUNDS</b>		-	-	-
6.1 Borrower funds		-	-	-
6.2 Others		-	-	-
<b>VII. MISCELLANEOUS PAYABLES</b>		1.281	21.482	22.763
<b>VIII. OTHER EXTERNAL RESOURCES PAYABLE</b>	(4)	1.661	1.142	2.803
<b>IX. FACTORING PAYABLES</b>		-	-	-
<b>X. LEASE PAYABLES</b>	(5)	-	-	-
10.1 Finance lease payables		-	-	-
10.2 Operational lease payables		-	-	-
10.3 Others		-	-	-
10.4 Deferred expenses (-)		-	-	-
<b>XI. DERIVATIVE FINANCIAL LIABILITIES HELD FOR RISK MANAGEMENT</b>	(6)	-	-	-
11.1 Fair value hedges		-	-	-
11.2 Cash flow hedges		-	-	-
11.3 Net foreign investment hedges		-	-	-
<b>XII. PROVISIONS</b>		19.079	22.114	41.193
12.1 General provisions	(7)	8.905	-	8.905
12.2 Restructuring reserves		-	-	-
12.3 Reserve for employee benefits	(7)	8.680	6.337	15.017
12.4 Insurance technical provisions (Net)		-	-	-
12.5 Other provisions		1.494	15.777	17.271
<b>XIII. TAX LIABILITY</b>	(8)	6.921	-	6.921
13.1 Current tax liability		6.921	-	6.921
13.2 Deferred tax liability		-	-	-
<b>XIV. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)</b>	(9)	-	-	-
14.1 Held for sale		-	-	-
14.2 Discontinued operations		-	-	-
<b>XV. SUBORDINATED DEBTS</b>		-	-	-
<b>XVI. SHAREHOLDERS' EQUITY</b>	(11)	508.727	-	508.727
16.1 Paid-in capital	(11)	135.000	-	135.000
16.2 Capital reserves		31.866	-	31.866
16.2.1 Share premium		-	-	-
16.2.2 Share cancellation profits		-	-	-
16.2.3 Marketable securities value increase fund		-	-	-
16.2.4 Tangible assets revaluation differences		-	-	-
16.2.5 Intangible assets revaluation differences		-	-	-
16.2.6 Investment property revaluation differences		-	-	-
16.2.7 Bonus shares from associates, subsidiaries and joint-ventures		-	-	-
16.2.8 Hedging reserves (effective portion)		-	-	-
16.2.9 Revaluation surplus on assets held for sale and assets of discontinued operations		-	-	-
16.2.10 Other capital reserves		31.866	-	31.866
16.3 Profit reserves		285.818	-	285.818
16.3.1 Legal reserves		80.437	-	80.437
16.3.2 Status reserves		-	-	-
16.3.3 Extraordinary reserves		205.636	-	205.636
16.3.4 Other profit reserves		(255)	-	(255)
16.4 Profit or loss		56.043	-	56.043
16.4.1 Prior periods profit / loss		-	-	-
16.4.2 Current period profit / loss		56.043	-	56.043
<b>TOTAL LIABILITIES</b>		<b>1.133.295</b>	<b>1.908.599</b>	<b>3.041.894</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Balance Sheet (Statement Of Financial Position)

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### II. OFF-BALANCE SHEET COMMITMENTS

		Audited		
		Current period		
		31 December 2018		
OFF-BALANCE SHEET COMMITMENTS	Note (5 - III)	TL	FC	Total
<b>A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>2.153.943</b>	<b>1.338.289</b>	<b>3.492.232</b>
<b>I. GUARANTIES AND WARRANTIES</b>	(1)	<b>97.857</b>	<b>210.145</b>	<b>308.002</b>
1.1 Letters of guarantee		97.857	207.531	305.388
1.1.1 Guarantees subject to State Tender Law		-	-	-
1.1.2 Guarantees given for foreign trade operations		-	-	-
1.1.3 Other letters of guarantee		97.857	207.531	305.388
1.2 Bank acceptances		-	-	-
1.2.1 Import letter of acceptance		-	-	-
1.2.2 Other bank acceptances		-	-	-
1.3 Letters of credit		-	2.614	2.614
1.3.1 Documentary letters of credit		-	2.614	2.614
1.3.2 Other letters of credit		-	-	-
1.4 Guaranteed prefinancings		-	-	-
1.5 Endorsements		-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-
1.5.2 Other endorsements		-	-	-
1.6 Underwriting commitments		-	-	-
1.7 Factoring related guarantees		-	-	-
1.8 Other guarantees		-	-	-
1.9 Other sureties		-	-	-
<b>II. COMMITMENTS</b>	(1)	<b>1.003.995</b>	<b>-</b>	<b>1.003.995</b>
2.1 Irrevocable commitments		1.003.995	-	1.003.995
2.1.1 Forward asset purchase and sales commitments		128.960	-	128.960
2.1.2 Forward deposit purchase and sales commitments		-	-	-
2.1.3 Share capital commitments to associates and subsidiaries		-	-	-
2.1.4 Loan granting commitments		874.690	-	874.690
2.1.5 Securities issuance brokerage commitments		-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-
2.1.7 Commitments for cheque payments		122	-	122
2.1.8 Tax and fund obligations on export commitments		223	-	223
2.1.9 Commitments for credit card limits		-	-	-
2.1.10 Commitments for credit cards and banking services related promotions		-	-	-
2.1.11 Receivables from "short" sale commitments on securities		-	-	-
2.1.12 Payables from "short" sale commitments on securities		-	-	-
2.1.13 Other irrevocable commitments		-	-	-
2.2 Revocable commitments		-	-	-
2.2.1 Revocable loan granting commitments		-	-	-
2.2.2 Other revocable commitments		-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>1.052.091</b>	<b>1.128.144</b>	<b>2.180.235</b>
3.1 Derivative financial instruments held for risk management		-	-	-
3.1.1 Fair value hedges		-	-	-
3.1.2 Cash flow hedges		-	-	-
3.1.3 Hedge of net investment in foreign operations		-	-	-
3.2 Trading derivatives		1.052.091	1.128.144	2.180.235
3.2.1 Forward foreign currency purchases/sales		553.928	446.915	1.000.843
3.2.1.1 Forward foreign currency purchases		299.350	202.417	501.767
3.2.1.2 Forward foreign currency sales		254.578	244.498	499.076
3.2.2 Currency and interest rate swaps		498.163	681.229	1.179.392
3.2.2.1 Currency swaps-purchases		-	583.461	583.461
3.2.2.2 Currency swaps-sales		498.163	97.768	595.931
3.2.2.3 Interest rate swaps-purchases		-	-	-
3.2.2.4 Interest rate swaps-sales		-	-	-
3.2.3 Foreign currency, interest rate and security options		-	-	-
3.2.3.1 Foreign currency call options		-	-	-
3.2.3.2 Foreign currency put options		-	-	-
3.2.3.3 Interest rate call options		-	-	-
3.2.3.4 Interest rate put options		-	-	-
3.2.3.5 Security call options		-	-	-
3.2.3.6 Security put options		-	-	-
3.2.4 Foreign currency futures		-	-	-
3.2.4.1 Foreign currency futures-purchases		-	-	-
3.2.4.2 Foreign currency futures-sales		-	-	-
3.2.5 Interest rate futures		-	-	-
3.2.5.1 Interest rate futures-purchases		-	-	-
3.2.5.2 Interest rate futures-sales		-	-	-
3.2.6 Others		-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>58.907.233</b>	<b>52.609</b>	<b>58.959.842</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>58.907.233</b>	<b>52.609</b>	<b>58.959.842</b>
4.1 Customers' securities held		50.254.459	-	50.254.459
4.2 Investment securities held in custody		8.564.072	-	8.564.072
4.3 Checks received for collection		88.702	-	88.702
4.4 Commercial notes received for collection		-	-	-
4.5 Other assets received for collection		-	-	-
4.6 Assets received through public offering		-	-	-
4.7 Other items under custody		-	52.609	52.609
4.8 Custodians		-	-	-
<b>V. PLEDGED ITEMS</b>		<b>-</b>	<b>-</b>	<b>-</b>
5.1 Securities		-	-	-
5.2 Guarantee notes		-	-	-
5.3 Commodities		-	-	-
5.4 Warranties		-	-	-
5.5 Real estates		-	-	-
5.6 Other pledged items		-	-	-
5.7 Pledged items-depository		-	-	-
<b>VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>		<b>61.061.176</b>	<b>1.390.898</b>	<b>62.452.074</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Balance Sheet (Statement Of Financial Position)

### As At 31 December 2017

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### II. OFF-BALANCE SHEET COMMITMENTS

OFF-BALANCE SHEET	Note (5 - III)	Audited		Total
		TL	FC	
			Prior period	
			31 December 2017	
<b>A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>5.007.402</b>	<b>6.625.251</b>	<b>11.632.653</b>
<b>I. GUARANTIES AND WARRANTIES</b>	(1)	<b>43.573</b>	<b>294.943</b>	<b>338.516</b>
1.1 Letters of guarantee		43.541	277.730	321.271
1.1.1 Guarantees subject to State Tender Law		-	-	-
1.1.2 Guarantees given for foreign trade operations		-	-	-
1.1.3 Other letters of guarantee		43.541	277.730	321.271
1.2 Bank acceptances		-	-	-
1.2.1 Import letter of acceptance		-	-	-
1.2.2 Other bank acceptances		-	-	-
1.3 Letters of credit		-	17.213	17.213
1.3.1 Documentary letters of credit		-	17.213	17.213
1.3.2 Other letters of credit		-	-	-
1.4 Guaranteed prefinancings		-	-	-
1.5 Endorsements		-	-	-
1.5.1 Endorsements to the Central Bank of Turkey		-	-	-
1.5.2 Other endorsements		-	-	-
1.6 Underwriting commitments		-	-	-
1.7 Factoring related guarantees		-	-	-
1.8 Other guarantees		-	-	-
1.9 Other sureties		32	-	32
<b>II. COMMITMENTS</b>	(1)	<b>846.111</b>	<b>4.191</b>	<b>850.302</b>
2.1 Irrevocable commitments		846.111	4.191	850.302
2.1.1 Forward asset purchase and sales commitments		27.568	4.191	31.759
2.1.2 Forward deposit purchase and sales commitments		-	-	-
2.1.3 Share capital commitments to associates and subsidiaries		-	-	-
2.1.4 Loan granting commitments		818.374	-	818.374
2.1.5 Securities issuance brokerage commitments		-	-	-
2.1.6 Commitments for reserve deposit requirements		-	-	-
2.1.7 Commitments for cheque payments		110	-	110
2.1.8 Tax and fund obligations on export commitments		59	-	59
2.1.9 Commitments for credit card limits		-	-	-
2.1.10 Commitments for credit cards and banking services related promotions		-	-	-
2.1.11 Receivables from "short" sale commitments on securities		-	-	-
2.1.12 Payables from "short" sale commitments on securities		-	-	-
2.1.13 Other irrevocable commitments		-	-	-
2.2 Revocable commitments		-	-	-
2.2.1 Revocable loan granting commitments		-	-	-
2.2.2 Other revocable commitments		-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>4.117.718</b>	<b>6.326.117</b>	<b>10.443.835</b>
3.1 Derivative financial instruments held for risk management		-	-	-
3.1.1 Fair value hedges		-	-	-
3.1.2 Cash flow hedges		-	-	-
3.1.3 Hedge of net investment in foreign operations		-	-	-
3.2 Trading derivatives		4.117.718	6.326.117	10.443.835
3.2.1 Forward foreign currency purchases/sales		2.988.745	2.942.096	5.930.841
3.2.1.1 Forward foreign currency purchases		1.478.033	1.485.536	2.963.569
3.2.1.2 Forward foreign currency sales		1.510.712	1.456.560	2.967.272
3.2.2 Currency and interest rate swaps		1.128.973	3.384.021	4.512.994
3.2.2.1 Currency swaps-purchases		247.028	2.010.565	2.257.593
3.2.2.2 Currency swaps-sales		881.945	1.373.456	2.255.401
3.2.2.3 Interest rate swaps-purchases		-	-	-
3.2.2.4 Interest rate swaps-sales		-	-	-
3.2.3 Foreign currency, interest rate and security options		-	-	-
3.2.3.1 Foreign currency call options		-	-	-
3.2.3.2 Foreign currency put options		-	-	-
3.2.3.3 Interest rate call options		-	-	-
3.2.3.4 Interest rate put options		-	-	-
3.2.3.5 Security call options		-	-	-
3.2.3.6 Security put options		-	-	-
3.2.4 Foreign currency futures		-	-	-
3.2.4.1 Foreign currency futures-purchases		-	-	-
3.2.4.2 Foreign currency futures-sales		-	-	-
3.2.5 Interest rate futures		-	-	-
3.2.5.1 Interest rate futures-purchases		-	-	-
3.2.5.2 Interest rate futures-sales		-	-	-
3.2.6 Others		-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>64.513.894</b>	<b>38.104</b>	<b>64.551.998</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>64.513.894</b>	<b>38.104</b>	<b>64.551.998</b>
4.1 Customers' securities held		55.762.603	-	55.762.603
4.2 Investment securities held in custody		8.695.509	-	8.695.509
4.3 Checks received for collection		55.782	-	55.782
4.4 Commercial notes received for collection		-	-	-
4.5 Other assets received for collection		-	-	-
4.6 Assets received through public offering		-	-	-
4.7 Other items under custody		-	38.104	38.104
4.8 Custodians		-	-	-
<b>V. PLEDGED ITEMS</b>		-	-	-
5.1 Marketable securities		-	-	-
5.2 Guarantee notes		-	-	-
5.3 Commodities		-	-	-
5.4 Warranties		-	-	-
5.5 Real estates		-	-	-
5.6 Other pledged items		-	-	-
5.7 Pledged items-depository		-	-	-
<b>VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES</b>		-	-	-
<b>TOTAL OFF-BALANCE SHEET ITEMS (A+B)</b>		<b>69.521.296</b>	<b>6.663.355</b>	<b>76.184.651</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Statement Of Profit Or Loss For The Year Ended 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

### III. STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSE ITEMS	Bağımsiz denetimden geçmiş Current period	
	Note (5 - IV)	1 January 31 December 2018
<b>I. INTEREST INCOME</b>	(1)	<b>431.808</b>
1.1 Interest income from loans		281.730
1.2 Interest income from reserve deposits		7.210
1.3 Interest income from banks		79.868
1.4 Interest income from money market transactions		1.164
1.5 Interest income from securities portfolio		60.573
1.5.1 Financial assets at fair value through profit or loss		60.573
1.5.2 Financial assets at fair value through other comprehensive income		-
1.5.3 Financial assets measured at amortised cost		-
1.6 Finance lease income		-
1.7 Other interest income		1.263
<b>II. INTEREST EXPENSE</b>	(2)	<b>28.584</b>
2.1 Interest on deposits		19.921
2.2 Interest on funds borrowed		3.223
2.3 Interest on money market transactions		4.831
2.4 Interest on securities issued		-
2.5 Other interest expenses		609
<b>III. NET INTEREST INCOME / EXPENSE (I - II)</b>		<b>403.224</b>
<b>IV. NET FEES AND COMMISSIONS INCOME / EXPENSE</b>		<b>47.479</b>
4.1 Fees and commissions received		67.853
4.1.1 Non-cash loans		2.806
4.1.2 Other	(12)	65.047
4.2 Fees and commissions paid		20.374
4.2.1 Non-cash loans		-
4.2.2 Other	(12)	20.374
<b>V. PERSONNEL EXPENSES (-)</b>	(7)	<b>54.615</b>
<b>VI. DIVIDEND INCOME</b>	(3)	<b>-</b>
<b>VII. TRADING PROFIT/LOSS (Net)</b>	(4)	<b>(183.492)</b>
7.1 Profit/losses from capital market transactions		1.163
7.2 Profit/losses from derivative financial transactions		345.744
7.3 Foreign exchange profit/losses		(530.399)
<b>VIII. OTHER OPERATING INCOME</b>	(5)	<b>18.571</b>
<b>IX. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII+VIII)</b>		<b>231.167</b>
<b>X. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)</b>	(6)	<b>862</b>
<b>XI. OTHER OPERATING EXPENSES (-)</b>	(7)	<b>73.743</b>
<b>XII. NET OPERATING PROFIT/LOSS (VIII-IX-X)</b>		<b>156.562</b>
<b>XIII. SURPLUS WRITTEN AS GAIN AFTER MERGER</b>		<b>-</b>
<b>AMOUNT OF EXCEPTION RECORDED</b>		<b>-</b>
<b>XIV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES</b>		<b>-</b>
<b>XV. NET MONETARY POSITION GAIN/LOSS</b>		<b>-</b>
<b>XVI. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XII+...+XV)</b>	(8)	<b>156.562</b>
<b>XVII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)</b>	(9)	<b>34.072</b>
17.1 Current tax charge		35.684
17.2 Expense effect of deferred tax (+)		-
17.3 Income effect of deferred tax (-)		(1.612)
<b>XVIII. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVI±XVII)</b>	(10)	<b>122.490</b>
<b>XIX. INCOME FROM DISCONTINUED OPERATIONS</b>		<b>-</b>
19.1 Income from assets held for sale		-
19.2 Profit from sale of associates, subsidiaries and joint ventures		-
19.3 Other income from discontinued operations		-
<b>XX. EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		<b>-</b>
20.1 Expenses on assets held for sale		-
20.2 Expenses on sale of associates, subsidiaries and joint-ventures		-
20.3 Other expenses from discontinued operations		-
<b>XXI. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XIX-XX)</b>		<b>-</b>
<b>XXII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		<b>-</b>
22.1 Current tax charge		-
22.2 Expense effect of deferred tax (+)		-
22.3 Income effect of deferred tax (-)		-
<b>XXIII. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)</b>		<b>-</b>
<b>XXIV. NET PROFIT/LOSSES (XVIII+XXIII)</b>	(10)	<b>122.490</b>
Earnings Per Share (TL Full)		0,0907

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Statement Of Profit Or Loss For The Year Ended 31 December 2017

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

### III. STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSE ITEMS	Note (5 - IV)	Audited
		Prior period
		1 January – 31 December 2017
I. INTEREST INCOME	(1)	248.564
1.1 Interest income from loans		132.605
1.2 Interest income from reserve deposits		4.971
1.3 Interest income from banks		15.067
1.4 Interest income from money market transactions		1
1.5 Interest income from securities portfolio		94.514
1.5.1 Trading financial assets		94.514
1.5.2 Financial assets valued at fair value through profit or loss		-
1.5.3 Financial assets available-for-sale		-
1.5.4 Investments held-to-maturity		-
1.6 Finance lease income		-
1.7 Other interest income		1.406
II. INTEREST EXPENSE	(2)	54.522
2.1 Interest on deposits		15.090
2.2 Interest on funds borrowed		3.909
2.3 Interest on money market transactions		35.421
2.4 Interest on securities issued		-
2.5 Other interest expenses		102
III. NET INTEREST INCOME / EXPENSE (I - II)		194.042
IV. NET FEES AND COMMISSIONS INCOME / EXPENSE		43.712
4.1 Fees and commissions received		61.916
4.1.1 Non-cash loans		2.457
4.1.2 Others	(12)	59.459
4.2 Fees and commissions paid		18.204
4.2.1 Non-cash loans		-
4.2.2 Others	(12)	18.204
V. DIVIDEND INCOME		-
VI. NET TRADING INCOME/LOSSES (Net)	(4)	(61.602)
6.1 Trading account income/losses		15.236
6.2 Income/losses from derivative financial instruments		133.216
6.3 Foreign exchange gains/losses		(210.054)
VII. OTHER OPERATING INCOME	(5)	9.502
VIII. TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		185.654
IX. PROVISION FOR LOSSES ON LOANS AND RECEIVABLES (-)	(6)	53
X. OTHER OPERATING EXPENSES (-)	(7)	115.707
XI. NET OPERATING PROFIT/LOSS (VIII-IX-X)		69.894
XII. INCOME RESULTED FROM MERGERS		-
XIII. INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		-
GAIN/LOSS ON NET MONETARY POSITION	-	-
XIV. PROFIT/LOSS BEFORE TAXES (XI+XII+XIII+XIV)	(8)	69.894
XV. PROVISION FOR TAXES	(9)	13.851
XVI. Current tax charge		15.136
16.1 Deferred tax charge/(credit)		(1.285)
16.2 NET OPERATING PROFIT/LOSS AFTER TAXES (XV-XVI)	(10)	56.043
XVII. INCOME FROM DISCONTINUED OPERATIONS		-
XVIII. Income from assets held for sale		-
18.1 Income from sale of associates, subsidiaries and joint-ventures		-
18.2 Others		-
18.3 EXPENSES FROM DISCONTINUED OPERATIONS (-)		-
XIX. Expenses on assets held for sale		-
19.1 Expenses on sale of associates, subsidiaries and joint-ventures		-
19.2 Others		-
19.3 PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XVIII-XIX)		-
XX. PROVISION FOR TAXES OF DISCONTINUED OPERATIONS		-
XXI. Current tax charge		-
21.1 Deferred tax charge/(credit)		-
21.2 NET PROFIT / LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XX+XXI)		-
XXII. NET PERIOD PROFIT/LOSS (XVII+XXII)		-
Earnings Per Share (TL Full)	(11)	56.043
PROFIT/LOSS BEFORE TAXES (XI+XII+XIII+XIV)		0,0415

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

## Deutsche Bank Anonim Şirketi

### Statement Of Profit Or Loss And Other Comprehensive Income

#### For The Year Ended 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited Current period 1 January – 31 December 2018
I. NET PERIOD PROFIT/LOSS	122.490
II. OTHER COMPREHENSIVE INCOME	(309)
2.1 Other Comprehensive Income That Will Not Be Reclassified to Profit or Loss	(309)
2.1.1 Gains (Losses) on Revaluation of Property, Plant and Equipment	-
2.1.2 Gains (losses) on revaluation of Intangible Assets	-
2.1.3 Gains (losses) on remeasurements of defined benefit plans	(386)
2.1.4 Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	-
2.1.5 Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	77
2.2 Other Comprehensive Income That Will Be Reclassified to Profit or Loss	-
2.2.1 Exchange Differences on Translation	-
2.2.2 Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	-
2.2.3 Income (Loss) Related with Cash Flow Hedges	-
2.2.4 Income (Loss) Related with Hedges of Net Investments in Foreign Operations	-
2.2.5 Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	-
2.2.6 Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	-
III. TOTAL COMPREHENSIVE INCOME (I+II)	122.181

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

The notes between pages 20 and 118 are an integral part of these financial statements.

# Deutsche Bank Anonim Şirketi

## Statement Of Profit Or Loss And Other Comprehensive Income

### For The Year Ended 31 December 2017

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### IV. STATEMENT OF INCOME/EXPENSE ITEMS RECOGNIZED UNDER EQUITY

	Audited Prior period 1 January – 31 December 2017
<b>INCOME/EXPENSE ITEMS RECOGNIZED UNDER EQUITY</b>	
I. MARKET VALUE GAINS ON AVAILABLE FOR SALE ASSETS	-
II. TANGIBLE ASSETS REVALUATION DIFFERENCES	-
III. INTANGIBLE ASSETS REVALUATION DIFFERENCES	-
IV. TRANSLATION DIFFERENCES FOR TRANSACTIONS IN FOREIGN CURRENCIES	-
V. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR CASH FLOW HEDGES (effective portion)	-
VI. GAIN/LOSS ON DERIVATIVE FINANCIAL ASSETS HELD FOR HEDGES OF NET INVESTMENT IN FOREIGN OPERATIONS (effective portion)	-
VII. EFFECTS OF CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS OF ERRORS	-
VIII. OTHER PROFIT/LOSS ITEMS ACCOUNTED FOR UNDER SHAREHOLDERS' EQUITY AS PER TAS	(267)
IX. DEFERRED TAX OF VALUATION DIFFERENCES	53
X. NET PROFIT/LOSS ACCOUNTED FOR DIRECTLY UNDER SHAREHOLDERS' EQUITY (I+II+...+IX)	(214)
XI. CURRENT YEAR PROFIT/LOSS	56.043
11.1 Net changes in fair value of securities (transferred to income statement)	-
11.2 Gains/losses on derivative financial assets held for cash flow hedges, reclassified and recorded in income statement	-
11.3 Gains/losses on hedges of net investment in foreign operations, reclassified and recorded in income statement	-
11.4 Others	56.043
<b>XII. TOTAL PROFIT/LOSS FOR THE YEAR (X+XI)</b>	<b>55.829</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi Statement Of Changes In Equity For The Year Ended 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

## V.STATEMENT OF CHANGES IN EQUITY

CURRENT PERIOD	Note	Paid in Capital	Share premium	Share certificate cancel profits	Other capital Reserves	1	2	3	4	5	6	Prior Period Net Profit income/ (Loss)	Current Period Net income/ (Loss)	Total
1 January - 31 December 2018						Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit and Loss	Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit and Loss	Profit reserves						
I. Balance at the beginning of the period		135.000	-	-	31.866	-	(255)	-	-	-	-	8.219	56.043	508.727
II. Adjustment in accordance with TMS 8		-	-	-	-	-	-	-	-	-	-	8.219	-	8.219
2.1 Effect of adjustment		-	-	-	-	-	-	-	-	-	-	8.219	-	8.219
2.2 Effect of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	8.219	-	8.219
III. New balance (I+II)		135.000	-	-	31.866	-	(255)	-	-	-	-	8.219	56.043	516.946
IV. Total comprehensive income (loss)		-	-	-	-	-	(309)	-	-	-	-	8.219	122.490	122.181
V. Capital increase in cash		-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital increase through internal reserves		-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Issued capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible bonds		-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt		-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase (decrease) through other changes, equity		-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit distribution	5-V-5	-	-	-	-	-	-	-	-	-	-	-	(56.043)	(50.393)
11.1 Dividends distributed		-	-	-	-	-	-	-	-	-	-	-	(50.393)	(50.393)
11.2 Transfers to legal reserves	5-V-5	-	-	-	-	-	-	-	-	-	-	-	(5.650)	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balances (III+IV+.....+X+XI)</b>		<b>135.000</b>	<b>-</b>	<b>-</b>	<b>31.866</b>	<b>-</b>	<b>(564)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.219</b>	<b>122.490</b>	<b>588.734</b>

1. Tangible and Intangible Assets Revaluation Reserve
2. Accumulated Gains / Losses on Remasurements of Defined Benefit Plans
3. Other/Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will not be Reclassified to Profit or Loss
4. Exchange Differences on Translation
5. Accumulated Gains (Losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income
6. Other (Accumulated) Gains and Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

The notes between pages 20 and 118 are an integral part of these interim financial statements.

# Deutsche Bank Anonim Şirketi Statement Of Changes In Equity For The Year Ended 31 December 2017 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

## V.STATEMENT OF CHANGES IN EQUITY

	Note	Paid in capital adjustment	Paid in capital inflation adjustment	Share cancellation premium	Share cancellation profits	Legal reserves	Status Extraordinary reserves	Other reserves	Current period Net profit/Net Loss	Prior period Net profit/ Loss	Marketable securities Value Increase	Tangible Asset Revaluation Differences	Bonus shares obtained from Associates, Subs and Jointly Controlled Entities	Revaluation Surplus on Asset Held for sale and on Disc. Operations	Total Equity
1 January-31 December 2017		135,000	31,866	-	-	74,889	204,402	(41)	69,235	-	-	-	-	-	515,331
Current Period – 1 January 2017															
I. Opening Balance															
II. Changes during the period															
Increase / Decrease related to merger															
III. Marketable securities value increase fund															
IV. Hedging (Effective portion)															
4.1 Cash-flow hedge															
4.2 Hedge of net investment in foreign operations															
V. Tangible assets revaluation differences															
VI. Intangible assets revaluation differences															
VII. Bonus shares obtained from associates, subsidiaries and jointly controlled entities (Joint Vent.)															
VIII. Foreign exchange differences															
IX. Disposal of assets															
X. Reclassification of assets															
XI. Effect of change in equities of associates on bank's equity															
XII. Capital Increase															
12.1 Cash															
12.2 Internal sources															
XIII. Share issuance															
XIV. Share cancellation profits															
XV. Effect of inflation on paid-in capital															
XVI. Other								(214)							(214)
XVII. Net profit for the period									56,043						56,043
XVIII. Profit distribution (*)	5-V-5					5,588	1,234		(69,235)						(62,433)
18.1 Dividends distributed						5,588									(62,433)
18.2 Transfers to reserves	5-V-5						1,234		(6,802)						
18.3 Other		135,000	31,866												
Closing Balance (III+IV+V...+XVI+XVII+XX)		135,000	31,866			80,437	205,636	(255)	56,043						508,727

(\*) Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Statement Of Cash Flows For The Year Ended

### 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### VI. STATEMENT OF CASH FLOWS

		Audited
		Current period
	Notes	1 January – 31 December 2018
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>	<b>(5)</b>	
1.1 Operating profit before changes in operating assets and liabilities		191.051
1.1.1 Interests received		415.367
1.1.2 Interests paid		(27.093)
1.1.3 Dividend received		-
1.1.4 Fees and commissions received		67.853
1.1.5 Other income		18.571
1.1.6 Collections from previously written-off loans and receivables		-
1.1.7 Payments to personnel and service suppliers		(54.615)
1.1.8 Taxes paid		(56.675)
1.1.9 Others	(5.VI.1)	(172.357)
1.2 Changes in operating assets and liabilities subject to banking operations		234.088
1.2.1 Net (increase) / decrease in Financial Assets at Fair Value through Profit or Loss		44.124
1.2.2 Net (increase) / decrease in due from banks		195.413
1.2.3 Net (increase) / decrease in loans		740.259
1.2.4 Net (increase) / decrease in other assets		(65.050)
1.2.5 Net increase / (decrease) in bank deposits		(166.291)
1.2.6 Net increase / (decrease) in other deposits		298.101
1.2.7 Net (increase) / decrease in financial liabilities at fair value through profit or loss		-
1.2.8 Net increase / (decrease) in funds borrowed		(854.016)
1.2.9 Net increase / (decrease) in matured payables		-
1.2.10 Net increase / (decrease) in other liabilities	(5.VI.1)	41.548
<b>I. Net cash used from banking operations</b>		<b>425.139</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net cash used in investing activities</b>		<b>(7.033)</b>
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures		-
2.2 Cash obtained from sale of associates, subsidiaries and joint-ventures		-
2.3 Purchases of tangible assets	(5.I.12)	(3.804)
2.4 Sales of tangible assets		-
2.5 Cash paid for purchase of financial assets available-for-sale		-
2.6 Cash obtained from sale of financial assets available-for-sale		-
2.7 Cash paid for purchase of investments held-to-maturity		-
2.8 Cash obtained from sale of investments held-to-maturity		-
2.9 Other	(5.I.13)	(3.229)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash used in financing activities</b>		<b>(50.393)</b>
3.1 Cash obtained from funds borrowed and securities issued		-
3.2 Cash used for repayment of funds borrowed and securities issued		-
3.3 Equity instruments issued		-
3.4 Dividends paid	(5.V.5)	(50.393)
3.5 Payments for financial leases		-
3.6 Others		-
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>	<b>(5.VI.1)</b>	<b>1.791</b>
<b>V. Net increase in cash and cash equivalents</b>		<b>369.504</b>
<b>VI. Cash and cash equivalents at beginning of period</b>	<b>(5.VI.2)</b>	<b>418.241</b>
<b>VII. Cash and cash equivalents at the end of period</b>	<b>(5.VI.3)</b>	<b>787.745</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Statement Of Cash Flows For The Year Ended 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

### VI. STATEMENT OF CASH FLOWS

	Audited Prior period 1 January - 31 December 2017
<b>CASH FLOWS FROM BANKING OPERATIONS</b>	<b>(5)</b>
1.1 Operating profit before changes in operating assets and liabilities	(21.787)
1.1.1 Interests received	248.564
1.1.2 Interests paid	(54.522)
1.1.3 Dividend received	-
1.1.4 Fees and commissions received	61.916
1.1.5 Other income	157.954
1.1.6 Collections from previously written-off loans and receivables	-
1.1.7 Payments to personnel and service suppliers	(43.771)
1.1.8 Taxes paid	(36.584)
1.1.9 Others	(5.VI.1) (355.344)
1.2 Changes in operating assets and liabilities	(52.532)
1.2.1 Net (increase) decrease in financial assets held for trading	737.186
1.2.2 Net (increase) decrease in financial assets valued at fair value through profit or loss	-
1.2.3 Net (increase) decrease in due from banks and other financial institutions	(187.595)
1.2.4 Net (increase) decrease in loans	(316.971)
1.2.5 Net (increase) decrease in other assets	12.122
1.2.6 Net increase (decrease) in bank deposits	(146.034)
1.2.7 Net increase (decrease) in other deposits	167.309
1.2.8 Net increase (decrease) in funds borrowed	569.005
1.2.9 Net increase (decrease) in matured payables	-
1.2.10 Net increase (decrease) in other liabilities	(5.VI.1) (887.554)
<b>I. Net cash used from banking operations</b>	<b>(74.319)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>	
<b>II. Net cash used in investing activities</b>	<b>(3.397)</b>
2.1 Cash paid for purchase of associates, subsidiaries and joint-ventures	-
2.2 Cash obtained from sale of associates, subsidiaries and joint-ventures	-
2.3 Purchases of tangible assets	(5.I.12) (1.554)
2.4 Sales of tangible assets	-
2.5 Cash paid for purchase of financial assets available-for-sale	-
2.6 Cash obtained from sale of financial assets available-for-sale	-
2.7 Cash paid for purchase of investments held-to-maturity	-
2.8 Cash obtained from sale of investments held-to-maturity	-
2.9 Others	(5.I.13) (1.843)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>	
<b>III. Net cash used in financing activities</b>	<b>(62.433)</b>
3.1 Cash obtained from funds borrowed and securities issued	-
3.2 Cash used for repayment of funds borrowed and securities issued	-
3.3 Equity instruments issued	-
3.4 Dividends paid	(5.V.5) (62.433)
3.5 Payments for financial leases	-
3.6 Others	-
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents</b>	<b>(5.VI.1) 56.465</b>
<b>V. Net decrease in cash and cash equivalents</b>	<b>(83.684)</b>
<b>VI. Cash and cash equivalents at beginning of period</b>	<b>(5.VI.3) 501.925</b>
<b>VII. Cash and cash equivalents at the end of period</b>	<b>(5.VI.3) 418.241</b>

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Statement Of Profit Distribution As Of

### 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### VII. STATEMENT OF PROFIT DISTRIBUTION

	Current period <sup>(*)</sup> 31 December 2018
<b>I. DISTRIBUTION OF CURRENT YEAR INCOME</b>	
1.1 CURRENT YEAR INCOME	156.562
1.2 TAXES AND DUTIES PAYABLE	(34.072)
1.2.1 Corporate tax (Income tax)	(35.684)
1.2.2 Income withholding tax	-
1.2.3 Other taxes and duties (**)	1.612
<b>A. NET INCOME FOR THE YEAR (1.1-1.2)</b>	<b>122.490</b>
1.3 PRIOR YEARS LOSSES (-)	-
1.4 FIRST LEGAL RESERVES (-)	-
1.5 OTHER STATUTORY RESERVES (-)	-
<b>B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]</b>	<b>122.490</b>
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-
1.6.1 To owners of ordinary shares	-
1.6.2 To owners of preferred shares	-
1.6.3 To owners of preferred shares (pre-emptive rights)	-
1.6.4 To profit sharing bonds	-
1.6.5 To holders of profit and loss sharing certificates	-
1.7 DIVIDENDS TO PERSONNEL (-)	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-
1.9.1 To owners of ordinary shares	-
1.9.2 To owners of preferred shares	-
1.9.3 To owners of preferred shares (pre-emptive rights)	-
1.9.4 To profit sharing bonds	-
1.9.5 To holders of profit and loss sharing certificates	-
1.10 SECOND LEGAL RESERVES (-)	-
1.11 STATUTORY RESERVES (-)	-
1.12 GENERAL RESERVES	-
1.13 OTHER RESERVES	-
1.14 SPECIAL FUNDS	-
<b>II. DISTRIBUTION OF RESERVES</b>	-
2.1 APPROPRIATED RESERVES	-
2.2 SECOND LEGAL RESERVES (-)	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-
2.3.1 To owners of ordinary shares	-
2.3.2 To owners of preferred shares	-
2.3.3 To owners of preferred shares (pre-emptive rights)	-
2.3.4 To profit sharing bonds	-
2.3.5 To holders of profit and loss sharing certificates	-
2.4 DIVIDENDS TO PERSONNEL (-)	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-
<b>III. EARNINGS PER SHARE</b>	
3.1 TO OWNERS OF ORDINARY SHARES	0,0907
3.2 TO OWNERS OF ORDINARY SHARES (%)	9,07
3.3 TO OWNERS OF PRIVILEGED SHARES	-
3.4 TO OWNERS OF PRIVILEGED SHARES (%)	-
<b>IV. DIVIDEND PER SHARE</b>	-
4.1 TO OWNERS OF ORDINARY SHARES	-
4.2 TO OWNERS OF ORDINARY SHARES (%)	-
4.3 TO OWNERS OF PRIVILEGED SHARES	-
4.4 TO OWNERS OF PRIVILEGED SHARES (%)	-

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Statement Of Profit Distribution As Of

### 31 December 2017

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### VII. STATEMENT OF PROFIT DISTRIBUTION

Current period<sup>(\*)</sup>  
31 December 2017

<b>I.</b>	<b>DISTRIBUTION OF CURRENT YEAR INCOME</b>	
1.1	CURRENT YEAR INCOME	69.894
1.2	TAXES AND DUTIES PAYABLE	(13.851)
1.2.1	Corporate tax (Income tax)	(15.136)
1.2.2	Income withholding tax	-
1.2.3	Other taxes and duties (**)	1.285
<b>A.</b>	<b>NET INCOME FOR THE YEAR (1.1-1.2)</b>	<b>56.043</b>
1.3	PRIOR YEARS LOSSES (-)	-
1.4	FIRST LEGAL RESERVES (-)	-
1.5	OTHER STATUTORY RESERVES (-)	-
<b>B.</b>	<b>NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5))]</b>	<b>56.043</b>
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	6.750
1.6.1	To owners of ordinary shares	6.750
1.6.2	To owners of preferred shares	-
1.6.3	To owners of preferred shares (pre-emptive rights)	-
1.6.4	To profit sharing bonds	-
1.6.5	To holders of profit and loss sharing certificates	-
1.7	DIVIDENDS TO PERSONNEL (-)	-
1.8	DIVIDENDS TO BOARD OF DIRECTORS (-)	-
1.9	SECOND DIVIDEND TO SHAREHOLDERS (-)	43.643
1.9.1	To owners of ordinary shares	43.643
1.9.2	To owners of preferred shares	-
1.9.3	To owners of preferred shares (pre-emptive rights)	-
1.9.4	To profit sharing bonds	-
1.9.5	To holders of profit and loss sharing certificates	-
1.10	SECOND LEGAL RESERVES (-)	4.365
1.11	STATUTORY RESERVES (-)	-
1.12	GENERAL RESERVES	1.285
1.13	OTHER RESERVES	-
1.14	SPECIAL FUNDS	-
<b>II.</b>	<b>DISTRIBUTION OF RESERVES</b>	-
2.1	APPROPRIATED RESERVES	-
2.2	SECOND LEGAL RESERVES (-)	-
2.3	DIVIDENDS TO SHAREHOLDERS (-)	-
2.3.1	To owners of ordinary shares	-
2.3.2	To owners of preferred shares	-
2.3.3	To owners of preferred shares (pre-emptive rights)	-
2.3.4	To profit sharing bonds	-
2.3.5	To holders of profit and loss sharing certificates	-
2.4	DIVIDENDS TO PERSONNEL (-)	-
2.5	DIVIDENDS TO BOARD OF DIRECTORS (-)	-
<b>III.</b>	<b>EARNINGS PER SHARE</b>	-
3.1	TO OWNERS OF ORDINARY SHARES	0,0415
3.2	TO OWNERS OF ORDINARY SHARES (%)	4,15
3.3	TO OWNERS OF PRIVILAGED SHARES	-
3.4	TO OWNERS OF PRIVILAGED SHARES (%)	-
<b>IV.</b>	<b>DIVIDEND PER SHARE</b>	-
4.1	TO OWNERS OF ORDINARY SHARES	-
4.2	TO OWNERS OF ORDINARY SHARES (%)	-
4.3	TO OWNERS OF PRIVILAGED SHARES	-
4.4	TO OWNERS OF PRIVILAGED SHARES (%)	-

Note: The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Since, 2017 and 2018 financial statements are prepared on different principles, 2017 financial statements are presented separately.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### SECTION THREE

##### EXPLANATIONS ON ACCOUNTING POLICIES

###### I. Basis of presentation

###### 1.a Disclosures on the preparation of financial statements and its explanatory notes in accordance with the Turkish Accounting Standards and the Regulation on Accounting Applications for Banks and Safeguarding of Documents

As prescribed in the Article 37 of the Banking Act No. 5411, published on the Official Gazette no. 25983 dated 1 November 2005 and became effective, the Bank prepares its financial statements and underlying documents in accordance with the "Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks" and Turkish Financial Reporting Standards ("TFRS"), TAS explanations and TRFS interpretations.

The financial statements have been prepared in TL, under the historical cost basis as modified in accordance with inflation adjustments until 31 December 2004, except for the financial assets and liabilities which are carried at fair value.

The preparation of financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. The explanation on the impairment of intangible assets, one of the most important assumptions and estimations of the Bank, is presented below Note XII.

The Bank has permission to perform the following activities and services from the Capital Markets Board authorization on 5 November 2015.

- Portfolio Brokerage Activities
- Restricted Custody Services
- General Custody Services

###### 1.b Accounting policies and measurement

Accounting policies and valuation principles used in the preparation of the financial statements are determined in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not made by BRSA, and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). In accordance with the transition rules of TFRS 9, the prior period financial statements and notes are not restated. Impacts of transition to TFRS 9 and its adoption is disclosed in Section three Note XXIV.

- TFRS 15 Revenue from contracts with customers

TFRS 15 Revenue from Contracts with Customers standard provides single and comprehensive model and guidance regarding recognition of revenue and replaces TAS 18 Revenue standard. The standard is in effect starting from 1 January 2018 and does not have significant impact on the financial statements.

###### 1.c Additional paragraph for convenience translation into English

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying financial statements are to be distributed, and International Financial Reporting Standards ("IFRS"), may have significant influence on the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with the accounting principles generally accepted in such countries and IFRS.

###### II. Basis of presentation of financial statements

The accounting rules and the valuation principles used in the preparation of the financial statements are implemented as stated in the Reporting Standards.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Amendments and Standards not yet adopted as of 31 December 2018

A number of new standards, amendments to standards and interpretations are not yet effective as at 31 December 2018 and have not been applied in preparing these financial statements. These standards and interpretations:

#### • Explanations on TFRS 16 Leases

On 16 April 2018, POA issued the new leasing standard which will replace TAS 17 Leases, TFRS Interpretation 4 Determining Whether an Arrangement Contains a Lease, TAS Interpretation 15 Operating Leases – Incentives, and TAS Interpretation 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and consequently changes to TAS 40 Investment Properties. TFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Lessor accounting remains similar to current practice. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted provided that an entity also adopts TFRS 15 "Revenue from Contracts with Customers".

The Bank has started to work on compliance with the TFRS 16 Leases Standard effective from 1 January 2019 which is still in progress as of 31 December 2018. The Bank does not expect a significant impact in its financials with the adaptation of TFRS 16 at 1 January 2019.

The Bank will apply this standard on January 1, 2019, which is the mandatory date of implementation. The Bank plans to use simplified transition implementation and not to change comparable figures for the year before the first application.

#### III. Explanations on strategy of using financial instruments and foreign currency transactions

The main operations of the Bank are, interbank money market transactions, purchasing and selling marketable securities, foreign currency transactions and providing collateralised cash, non-cash loans and custody services.

The Bank's main funding sources are equity, deposit and borrowings from domestic and foreign financial institutions. Bank's assets mainly consist of placements in banks, reverse repo transactions, corporate loans and financial assets at fair value through profit or loss.

The Bank's off balance sheet exposures consist of forward foreign exchange purchase transactions, letter of credit and letter of guarantee.

Foreign currency risk, interest rate risk and liquidity risk are daily measured and monitored and the asset-liability management is performed within the internal risk limits and legal limits

The Bank has no foreign currency denominated capital market instruments at fair value through profit or loss.

The Bank has no investments in foreign associates.

As of 31 December 2018, foreign currency denominated balances are translated into TL using the exchange rates of TL 5,2609 for USD and TL 6,0280 for EURO.

#### IV. Explanations and footnotes related to forward transactions, option contracts and derivative instruments

Financial Instruments: Recognition and Measurement Turkish Accounting Standards ("TFRS 9") are not considered as hedging instruments in accordance with the provisions of forward foreign currency exchange contracts derivative transactions as and swap transactions are classified as trading transactions. Derivative transactions are initially measured at fair value and are subsequently remeasured at fair value.

Financial assets at fair value through profit or loss are measured at fair value and are accounted for using the income statement. If the fair value is positive, "Financial assets at fair value through profit or loss" are classified under "trading derivative financial instruments" under main account derivative financial liabilities held for trading". Differences in fair value are reflected in profit or loss accounts in income statement.

The fair value of derivative financial instruments held for trading is calculated by incorporating market expectations into internal pricing models and accrued income and expense accruals are reflected in the current period income statement.

# Deutsche Bank Anonim Şirketi

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The Bank monitors spot transactions of currency swaps based on the date of the valuation, either in principal accounts in the balance sheet or as a liability together with forward transactions.

The Bank does not have any derivatives derived from the main agreement or intended for hedging purposes.

#### V. Explanations on interest income and expenses

Interest income and expenses are recognised in the income statement on an accrual basis by using the effective interest method (The net present value of the future cash flows of the financial asset or liability).

Starting from 1 January 2018, the Bank has started accruing interest accrual on non-performing loans. Net book value of the non-performing loans (Gross Book Value - Expected Credit Loss) are rediscounted with effective interest rate and recognized with the gross book value of the non-performing loan.

#### VI. Explanations on fee and commission income and expense

Commissions received for various banking services are recorded when they are collected and other income and expense items are recorded on an accrual basis. Fees and commissions paid or received loan fees and commission, expense/income considered as transaction cost and recognized according to effective interest rate methods. Income derived from agreements and asset purchases and custodian transactions made on behalf of third parties are recognised as income when they are realised.

#### VII. Explanation on financial assets

The Bank recognises its financial assets as "Fair Value through Profit or Loss", "Fair Value through Other Comprehensive Income" or "Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

The Bank recognizes a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Bank's management is changed, all affected financial assets are reclassified and this reclassification is applied prospectively. In such cases, no adjustments is made to earnings, losses or interest that were previously recorded in the financial statements.

##### a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the statement of profit or loss.

##### b. Financial assets at fair value through other comprehensive income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity. As of 31 December 2018, the Bank does not have Financial Assets at Fair Value through Other Comprehensive Income.

#### c. Financial assets measured at amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using "effective interest rate method (Internal rate of return)". Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

#### d. Derivative financial assets

Derivative financial instruments of the Bank are classified under "Derivative Financial Assets Designated at Fair Value through Profit or Loss" in accordance with "TFRS 9 Financial Instruments" ("TFRS 9").

Payables and receivables arising from the derivative instruments are recorded in the off-balance sheet accounts at their contractual values. Derivative transactions are valued at their fair values subsequent to their acquisition. In accordance with the classification of derivative financial instruments, if the fair value is positive, the amount is classified as "Derivative Financial Assets at Fair Value through Profit or Loss". The fair value differences of derivative financial instruments are recognized in the income statement under trading profit/loss line in profit/loss from derivative financial transactions.

#### e. Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate (internal rate of return) Method". The Bank's loans are recorded under the "Measured at Amortized Cost" account.

### VIII. Explanations on expected credit losses

As of 1 January 2018, the Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. In this framework, as of 31 December 2017, method of provisions for impairment as set out in accordance with the related legislation of BRSA is changed by applying the expected credit loss model under TFRS 9. The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecasts of future economic conditions.

The Bank allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income.

#### Stage 1:

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of 12-month expected credit losses.

#### Stage 2:

In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses.

#### Stage 3:

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized and interest revenue is calculated on the net carrying amount.

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The bank has recognised the effects of the implementation of new regulations at 1 January 2018 with an adjustment in the previous profit or loss accounts. The primary impact is the changes in the provision for credit losses in accordance with the new impairment provisions, which raised from the tax effects of the corresponding provisions. This change in accounting policy has had a positive effect on the Bank's equity amounting to TL 8.026. The details regarding topic are presented at Note XXIV.

#### IX. Explanations on offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank has a legally enforceable right to offset the recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

#### X. Explanations on sales and repurchase agreements and securities lending transactions

Securities subject to repurchase agreements ("Repo") are classified as "Financial assets at fair value through profit or loss", "Financial assets at fair value through other comprehensive income." and "Financial assets measured at amortized cost" according to the investment purposes of the Bank and measured according to the portfolio to which they belong. Funds obtained from repurchase agreements are accounted under "Funds Provided under Repurchase Agreements" in liabilities and the difference between the sale and repurchase price is accrued over the life of repurchase agreements using the effective interest method.

Funds given against securities purchased under agreements ("Reverse repo") to resell are accounted under "Money market placements" on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the "effective interest method". The Bank has no securities lending transactions.

As of 31 December 2018, the Bank has no receivables from reverse repo (31 December 2017: None).

#### XI. Explanations on assets held for resale and discontinued operations

The Bank has no assets held for resale and discontinued operations as of 31 December 2018 and 31 December 2017.

#### XII. Explanations on goodwill and other intangible assets

There is no goodwill recognized in the financial statements as of 31 December 2018 and 31 December 2017.

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated amortisation and the provision for value decreases, if any.

Intangible assets are impaired when the book value exceeds the recoverable amount. Impairment indicates that losses may be realised. When the indicators are present the Bank makes estimation on the recoverable amount. If there are no indicators of impairment there is no need for the recoverable amount estimation.

Intangibles are amortised over their estimated useful lives using the straight-line method over 5-10 years. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilise the economic benefit of the asset.

#### XIII. Explanations on tangible assets

The property and equipment acquired before 31 December 2004 are recorded at restated historical costs in accordance with inflation accounting and subsequent additions to 31 December 2004 are recorded at their historical purchase costs.

The property and equipment are depreciated over their estimated useful lives on a straight-line basis.

If the recoverable amounts of the tangible assets are different than their restated net book values, the Bank records other income in the income statement or other expense or equity to be added to equity.

Expenditures for the repair and renewal of property and equipment are recognised as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalised on the cost of the

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tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset, or the quality of the product or to decrease the costs.

There are no restrictions such as pledges, mortgages or any other restrictions on the property and equipment as of 31 December 2018 and 31 December 2017. There are no changes in the accounting estimates that would have significant effects in the current period or in the following periods.

Depreciation rates and the estimated useful lives of tangible assets are as follows:

Motor Vehicles	5 years
Office Machinery	3 - 5 years
Furnitures and fixtures	5 - 15 years

#### XIV. Explanations on leasing transactions

Leased assets are included in the property and equipment and depreciation is charged on a straight-line basis over the useful life of the asset. If there is any impairment in value of the leased asset, an impairment loss is recognized. Liabilities arising from the leasing transactions are included in "Finance lease payables" in the balance sheet. Interest and foreign exchange expenses regarding lease transactions are charged to the income statement.

In case of the annulment of the operational lease contracts before its expiration date, the cash paid penalties are recognised as expense in the related period. There are no operational lease contracts which are annulled by the Bank before its expiration date.

Transactions regarding operational lease agreements are accounted on an accrual basis in accordance with the terms of the related contracts.

The Bank does not perform any finance lease transactions as "Lessor".

#### XV. Explanations on provisions and contingent commitments

Provisions and contingent liabilities except for the specific and general provisions recognised for loans and other receivables are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The provision for contingent liabilities arising from past events should be recognised in the same period of occurrence in accordance with the "Matching principle".

When the amount of the obligation cannot be estimated and there is no possibility of an outflow of resources from the Bank, it is considered that a contingent liability exists and it is disclosed in the related notes to the financial statements. Where the amount cannot be reliably measured and there is no possibility of a source from the Bank to settle the obligation, and the amount of the obligation cannot be reliably measured, the liability is recognized as "Contingent Liability" and information is provided in the footnotes.

#### XVI. Explanations on contingent assets

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank. If an inflow of economic benefits to the Bank has become probable, then the contingent asset is disclosed in the footnotes to the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs.

#### XVII. Explanations on obligations related to employee rights

In accordance with the existing Turkish Labour Law, the Bank is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or misconduct and this amount is limited by the termination indemnity upper limit.

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Employee severance indemnities are not subject to legal funding requirements.

The provision has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, assumptions on discount rate, expected rate of salary increase and employee turnover rate is used in the calculation of the total liability. These assumptions are reviewed on an annual basis.

#### XVIII. Explanations on taxation

##### Current tax

Many clauses of Corporate Tax Law No. 5520 which are valid starting from 1 January 2006, came into effect after being published in Official Gazette No. 26205, dated 21 September 2006. Accordingly the corporate tax rate in Turkey is 20%. Corporate tax rate will be applied as 22% between the years 2018-2020, according to Law No: 7061 "The Law regarding amendments on Certain Tax Laws and their implications on Deferred Tax Calculations" published in the Official Gazette dated 5 December 2017. The corporate tax rate is applied to tax base which is calculated by adding certain non-deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and exclusion of deductions on accounting income. If there is no dividend distribution, no further tax charges are made.

Dividends paid to non-resident corporations, which have a place of business in Turkey or to resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Advance tax is declared by the 14th and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

75% portion of the capital gains derived from the sale of equity investments and a 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is subjected to tax exemption, only if such gains are added to paid-in capital or held in a special fund account under liability for five years.

According to the Turkish tax regulations, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Tax returns are required to be filled and delivered to the related tax office until the evening of the 25th of the fourth month following the balance sheet date. Tax returns are open for five years from the beginning of the year following the date of filing during which period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

##### Deferred Tax

The Bank calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes. In the deferred tax calculation, the enacted tax rate, in accordance with the tax legislation, is used as of the balance sheet date. The Law regarding amendments on Certain Tax Laws was approved in The Grand National Assembly of Turkey on 28 November 2017 and the Law was published in the Official Gazette on 5 December 2017. Accordingly, the corporate income tax rate will be increased from 20% to 22% for the years 2018, 2019 and 2020. According to the Law that have been enacted, deferred tax asset and liabilities shall be measured at the tax rate 22% that are expected to apply to these periods when the assets is realised or the liability is settled. For the periods 2021 and after deferred tax assets and liabilities were measured by 20% tax rate.

If transactions and events are recorded in the income statement, then the related tax effects are also recognised in the income statement. However, if transactions and events are recorded directly in the shareholders' equity, the related tax effects are also recognised directly in the shareholders' equity.

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004.

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## Notes To The Financial Statements

### As At 31 December 2018

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Deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles starting from 1 January 2018.

The deferred tax assets and deferred tax liabilities calculated are offset against the financial statements. If transactions are recorded directly in the shareholders' equity, the related tax effects are also recognized directly in the shareholders' equity.

#### Transfer pricing

The Article No. 13 of the Corporate Tax Law describes the issue of transfer pricing under the title of "disguised profit distribution" by way of transfer pricing. "The General Communiqué on Disguised Profit Distribution by Way of Transfer pricing" published at 18 November 2007, explains the application related issues on this topic.

According to this Communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

#### XIX. Explanations on borrowings

Debt instruments such as borrowings from foreign banks and money market funds are major funding source of the Bank. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the "discounted value" calculated by using the "Effective interest rate ("Internal rate of return") method".

#### XX. Explanations on issuance of share certificates

As of 31 December 2018, there is no share certificate issuance of the Bank (31 December 2017: None).

#### XXI. Explanations on avalized drafts and acceptances

As of 31 December 2018, there is no avalized drafts and acceptances of the Bank (31 December 2017: None).

#### XXII. Explanations on government grants

As of 31 December 2018, the Bank has no government grants (31 December 2017: None).

#### XXIII. Explanations on segment reporting

A business segment is a The Bank's product or service or an interrelated product or service engaged in providing product or services that are subject to risks and returns that are different from those of other business segments. Reporting according to the operational segment is presented in Note XI of Section Four.

#### XXIV. Explanations on TFRS 9 Financial Instruments Standard

TFRS 9 "Financial Instruments", which is effective as at 1 January 2018 is published by the Public Oversight Accounting and Auditing Standards Authority ("POA") in the Official Gazette numbered 29953 dated 19 January 2017. TFRS 9 will be implemented instead of TAS 39 Financial Instruments: recognition and measurement, related to the classification and measurement of financial instruments. TFRS 9 sets out the new principles for the classification and measurement of financial instruments, impairment for credit risk on financial assets and hedge accounting.

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## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### Classification and measurement of financial assets

According to TFRS 9 requirements, classification and measurement of financial assets will depend on the business model within which financial assets are managed and their contractual cash flow characteristics whether the cash flows represent "solely payments of principal and interest ("SPPI)").

Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank consider:

- Contingent events that would change the amount and timing of cash flows
- Leverage features
- Prepayment and extension terms
- Terms that limit the Bank's claim to cash flows from specified assets e.g. non-recourse asset arrangements
- Features that modify consideration for the time value of money (e.g. periodic reset of interest rates).

The Bank fulfills the on-balance sheet classification and measurement criteria by applying the procedures described above for all financial assets.

Upon initial recognition each financial asset will be classified as either fair value through profit or loss ("FVTPL"), amortized cost or fair value through other comprehensive income ("FVOCI").

As the requirements under TFRS 9 are not significantly different than the assessments under the existing TAS 39 rules for financial liabilities, the classification and measurement of financial liabilities remain largely unchanged under TFRS.

Explanations of the effect from Bank's application of TFRS 9 can be found below:

#### a) Classification and measurement of financial assets:

The Bank has not made any changes in the measurement basis of its financial assets and liabilities during the transition to TFRS 9.

#### b) Reconciliation of the opening balances of the provision for expected credit losses to TFRS 9:

The table below shows the reconciliation of the provision for impairment of the Bank as of 31 December 2017 and the provision for the expected credit loss as measured in accordance with TFRS 9 expected credit loss model as of 1 January 2018.

	Book value before TFRS 9 31 December 2017	Remeasurements	Book value after TFRS 9 1 January 2018
<b>Loans</b>	<b>7.305</b>	<b>(6.790)</b>	<b>515</b>
Stage 1	7.305	(6.790)	515
Stage 2	-	-	-
Stage 3	-	-	-
<b>Financial Assets</b>	<b>394</b>	<b>(140)</b>	<b>254</b>
<b>Non-Cash Loans</b>	<b>1.428</b>	<b>(1.096)</b>	<b>332</b>
Stage1	1.206	(1.096)	110
Stage 2	-	-	-
Stage 3	222	-	-
<b>Total</b>	<b>9.127</b>	<b>(8.026)</b>	<b>1.101</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

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#### c) Effects on equity with TFRS 9 transition:

According to paragraph 15 of Article 7 of TFRS 9 Financial Instruments Standards published in the Official Gazette numbered 29953 dated 19 January 2017, it is stated that it is not compulsory to restate previous period information in accordance with TFRS 9 and if the previous period information is not revised, it is stated that the difference between the book value of 1 January 2018 at the date of application should be reflected as an opening adjustment to equity. The explanations about the transition effects to TFRS 9 presented in the equity items under the scope of this article are given below.

The amounting to TL 8.026 of positive difference between the provision for impairment of the previous period of the Bank and the provision for loss that is measured in accordance with TFRS 9 impairment model as of 1 January 2018 is classified as "Prior Period Net Income/(Loss)" in shareholders' equity.

As stated in the Communiqué on "Uniform Chart of Accounts and Prospectus" issued on 20 September 2017, for general provisions (TFRS 9 expected loss provisions for the loans at first and second stages), deferred tax assets calculation has started as of 1 January 2018. For the specific provisions (TFRS 9 expected loss provisions for third stage loans), which is cancelled due to TFRS 9 transition, corporate tax loss amounting to TL 193 is classified under "Prior Period Net Income/(Loss)" in equity as of 1 January 2018.

#### XXV. Explanations on prior period accounting policies not valid for the current period

"TFRS 9 Financial Instruments" standard came into effect instead of "TAS 39 Financial Instruments: Recognition and Measurement" as of 1 January 2018. Accounting policies lost their validity with the transition of TFRS 9 are given below. The Bank categorizes its financial assets as "Fair value through profit/loss", "Available-for-sale", "Loans and receivables" or "Held-to-maturity".

##### a. Financial assets at the fair value through profit or loss

Trading financial assets are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement. Interest earned while holding trading financial assets is accounted as interest income and dividends received are included separately in dividend income.

Financial assets held for trading are initially measured at fair value and are subsequently remeasured at fair value. If the underlying fair value of the fair value is not realized within the active market conditions, it is accepted that the fair value is not determined reliably and the "discounted value" calculated in accordance with the effective interest method is considered as fair value.

The resulting valuation gain and loss are included in the profit / loss accounts. Interest received from financial assets held for trading are included in interest income and dividends are shown as dividend income.

Derivative financial instruments are also classified as held for trading unless they are designated as hedging instruments.

If the fair value difference is greater than the fair value of the securities classified as fair value through profit or loss, the difference between the two values is reflected to the provision for impairment of marketable securities.

##### b. Financial assets held to maturity

The Bank does not have any financial assets held to maturity.

##### c. Available-for-sale financial assets:

The Bank does not have any available-for-sale financial assets.

##### d. Loans and receivables

Loans and receivables are non-derivative financial assets that are not classified as financial assets at fair value through profit or loss or available-for-sale financial assets, are unlisted in an active market and whose payments are fixed or can be determined. Loans and receivables are carried initially by adding acquisition cost which reflect fair value to transaction costs and subsequently recognized at the discounted value calculated using the "Effective interest rate method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The Bank classifies its loans and receivables to related groups and calculates specific or general provisions in accordance with the "Regulation on the Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to be set aside" published in the Official Gazette dated 1 November 2006, no.26333 and by considering other regulations and explanations announced by BRSA.

The reserves are deducted from the income of that year. Receivables that have been previously charged are deducted from the specific provision account when they are collected and reflected to "Other operating income" account. Unrecordable receivables are deleted from the records after all legal proceedings have been completed.

Cash loans are composed of credits indexed by TL, export guaranteed credits, funded credits in TL and loans and business loans granted in export financing in FX.

Foreign currency indexed credits are translated into Turkish Lira at the opening date and are followed in Turkish Lira ("TL") accounts. Repayments are calculated over the exchange rate at the date of payment and the resulting exchange differences are reflected in the income or expense accounts.

#### e. Explanations and footnotes related to forward transactions, option contracts and derivative instruments

Financial Instruments: Recognition and Measurement Turkish Accounting Standards ("TAS 39") are not considered as hedging instruments in accordance with the provisions of forward foreign currency exchange contracts derivative transactions as and swap transactions are classified as trading transactions. Derivative transactions are initially measured at fair value and are subsequently remeasured at fair value.

Financial assets at fair value through profit or loss are measured at fair value and are accounted for using the income statement. If the fair value is positive, "Financial assets at fair value through profit or loss" are classified under "trading derivative financial instruments" under main account derivative financial liabilities held for trading". Differences in fair value are reflected in profit or loss accounts in income statement.

The fair value of derivative financial instruments held for trading is calculated by incorporating market expectations into internal pricing models and accrued income and expense accruals are reflected in the current period income statement.

The bank monitors spot transactions of currency swaps based on the date of the valuation, either in principal accounts in the balance sheet or as a liability together with forward transactions.

The bank does not have any derivatives derived from the main agreement or intended for hedging purposes.

#### f. Explanation on impairment of financial assets

The Bank assesses whether there is objective evidence that a financial asset or group of financial assets incur impairment at each reporting date. The Bank determines the amount of the impairment in the event that there is a related indicator.

A financial asset or a group of financial assets is recognized only when it occurs after the first recognition of the related asset ("loss / loss event") and the related loss event an impairment loss or impairment arises where the financial asset or the group of assets (or events) has an objective evidence of impairment as a result of the impact on the estimated future cash flows that can be reliably estimated.

#### XXVI. Explanations about other matters

None.

#### XXVII. Reclassifications

None.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

#### SECTION FOUR

#### INFORMATION RELATED TO FINANCIAL POSITION OF THE BANK

##### I. Explanation about equity items

Total capital amount and Capital adequacy ratio have been calculated in accordance with the “Regulation on Equity of Banks” and “Regulation on Measurement and Assessment of Capital Adequacy of Banks”.

As of 31 December 2018, the Bank’s total capital has been calculated as TL 584.866 (31 December 2017: TL 514.126), the capital adequacy ratio is 31,49% (31 December 2017: 21,47%). This ratio is above the minimum ratio required by the legislation.

##### 1. Information about total capital items:

	31 December 2018	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	166.866	-
Share issue premiums	-	-
Legal Reserves	291.723	-
Gains recognized in equity as per TAS	(564)	-
Profit	130.709	-
Current Period Profit	122.490	-
Prior Period Profit	8.219	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
<b>Tier I Capital Before Deductions</b>	<b>588.734</b>	-
<b>Deductions From Tier I Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods’ losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	-	-
Leasehold Improvements on Operational Leases	1.894	-
Goodwill after deduction from tax liability	-	-
Other intangibles other than mortgage-servicing rights, net of related tax liability	-	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences, net of related tax liability	3.715	3.715
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net Amount Of Defined Benefit Plan Assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank does not own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital	-	-
Net Deferred Tax Assets arising from Temporary Differences Exceeding the 10% Threshold of Tier I Capital(-)	-	-
Amount Exceeding the 15% Threshold of Tier I Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks	-	-
The Portion of Net Long Position of the Investments in Equity Items of Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital (-)	-	-
Mortgage Servicing Rights not deducted	-	-
Deferred tax assets arising from temporary differences	-	-
Other items to be Defined by the Council	-	-
Total Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals	-	-
<b>Total Deductions from Tier I Capital</b>	<b>5.609</b>	-
<b>Total Tier 1 capital</b>	<b>583.125</b>	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2018 Current Period	Amounts related to treatment 1/1/2014 <sup>(1)</sup>
<b>ADDITIONAL CORE CAPITAL</b>		
Preferred Stock not Included in Tier I Capital and the Related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	-	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
<b>Additional Core Capital before Deductions</b>	-	-
<b>Deductions from Additional Core Capital</b>		
Direct and Indirect Investments of the Bank on its own Additional Core Capital (-)	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital (-)	-	-
Other items to be Defined by the BRSA (-)	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill or other intangibles and deferred tax liabilities of which the regulation concerning transitional Article 2 of subsection of core capital not reduced from Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions From Additional Core Capital</b>	-	-
<b>Total Additional Core Capital</b>	-	-
<b>Total Core Capital (Core Capital= Tier I Capital +Additional Core Capital)</b>	<b>583.125</b>	-
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA		
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	1.741	-
<b>Tier II Capital before Deductions</b>	<b>1.741</b>	-
<b>Deductions from Tier II Capital</b>		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier II Capital of Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	-	-
Other items to be Defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	-	-
<b>Total Tier II Capital</b>	<b>1.741</b>	-
<b>Total Tier II Capital(Core Capital and Tier II Capital)</b>	<b>584.866</b>	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2018 Current Period	Amounts related to treatment 1/1/2014 <sup>(1)</sup>
<b>Core Capital And Tier II Capital ( Total Capital)</b>	<b>584.866</b>	-
Loans Granted against the Articles 50 and 51 of the Banking Law (-)	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years (-)	-	-
Other items to be Defined by the BRSA (-)	-	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>	<b>-</b>	<b>-</b>
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
	-	-
	<b>31 December 2018 Current Period</b>	<b>Amounts related to treatment 1/1/2014<sup>(1)</sup></b>
<b>EQUITY</b>		
Total capital ( Core capital and Tier II capital)	584.866	-
Total risk weighted items	1.857.179	-
	<b>31 December 2018 Current Period</b>	<b>Amounts related to treatment before 1/1/2014<sup>(1)</sup></b>
<b>CAPITAL ADEQUACY RATIOS</b>		
Core Capital Adequacy Ratio (%)	31,40	-
Tier 1 Capital Adequacy Ratio (%)	31,40	-
Capital Adequacy Standard Ratio (%)	31,49	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2018 Current Period	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>BUFFERS</b>		
Total buffer requirement	1,875	-
a) Capital conservation buffer requirement (%)	1,875	-
b) Bank specific countercyclical buffer requirement (%)	-	-
c) Systemic significant bank buffer ratio	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets	23,40	-
<b>Amounts below the Excess Limits as per the Deduction Principles</b>	-	-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Mortgage servicing rights (net of related tax liability)	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
<b>Limits related to provisions considered in Tier II calculation</b>		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	1.741	-
Up to 1,25% of total risk-weighted amount of general reserves for receivables where the standard approach used	1.741	-
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
<b>Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)</b>		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-
* The amount to be taken into consideration under the Transitional Provisions		-

<sup>(1)</sup>Amounts in this column represent the amounts of items that are subject to transition provisions in accordance with the temporary articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2017 Prior Period	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>TIER 1 CAPITAL</b>		
Paid-in Capital to be Entitled for Compensation after All Creditors	166.866	-
Share Premium	-	-
Legal Reserves	286.073	-
Other Comprehensive Income/losses e according to TAS	(255)	-
Profit	56.043	-
Net Current Period Profit	56.043	-
Prior Period Profit	-	-
Provisions for Possible Losses	-	-
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit Minority Shareholder	-	-
<b>Tier I Capital Before Deductions</b>	<b>508.727</b>	-
<b>Deductions From Tier I Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS	-	-
Leasehold Improvements on Operational Leases	490	-
Goodwill after deduction from tax liability	-	-
Other intangibles other than mortgage-servicing rights, net of related tax liability	2.413	3.016
Deferred tax assets that rely on future profitability excluding those arising from temporary differences, net of related tax liability	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
-Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
-Net Amount Of Defined Benefit Plan Assets	-	-
-Direct or indirect investments in own common equity	-	-
Shares Obtained against Article 56, Paragraph 4 of the Banking Law	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank does not own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital	-	-
Net Deferred Tax Assets arising from Temporary Differences Exceeding the 10% Threshold of Tier I Capital(-)	-	-
Amount Exceeding the 15% Threshold of Tier I Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks	-	-
The Portion of Net Long Position of the Investments in Equity Items of Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital (-)	-	-
Mortgage Servicing Rights not deducted	-	-
Deferred tax assets arising from temporary differences	-	-
Other items to be Defined by the Council	-	-
Total Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals	-	-
<b>Total Deductions from Tier I Capital</b>	<b>2.903</b>	-
<b>Total Tier 1 capital</b>	<b>505.824</b>	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2017 Prior Period	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>ADDITIONAL CORE CAPITAL</b>		
Preferred Stock not Included in Tier I Capital and the Related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Temporary Article 4)	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Temporary Article 4)	-	-
<b>Additional Core Capital before Deductions</b>	-	-
<b>Deductions from Additional Core Capital</b>		
Direct and Indirect Investments of the Bank on its own Additional Core Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be Defined by the BRSA (-)	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill or other intangibles and deferred tax liabilities of which the regulation concerning transitional Article 2 of subsection of core capital not reduced from (-)	603	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions From Additional Tier I Capital</b>	-	-
<b>Total Additional Tier I Capital</b>	-	-
<b>Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)</b>	<b>505.221</b>	-
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	8.905	-
<b>Tier II Capital before Deductions</b>	<b>8.905</b>	-
<b>Deductions from Tier II Capital</b>		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8	-	-
Total of Net Long Positions of the Investments in Equity Items of Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier II Capital of Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital	-	-
Other items to be Defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	-	-
<b>Total Tier II Capital</b>	<b>8.905</b>	-
<b>Total Tier II Capital(Core Capital and Tier II Capital)</b>	<b>514.126</b>	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2017 Prior Period	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>Core Capital And Tier II Capital ( Total Capital)</b>	<b>514.126</b>	
Loans Granted against the Articles 50 and 51 of the Banking Law (-)		-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years (-)	-	-
Other items to be Defined by the BRSA (-)	-	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
<b>EQUITY</b>		
Total capital ( Core capital and Tier II capital)	514.126	-
Total risk weighted items	2.395.152	-

	31 December 2017 Prior Period	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>CAPITAL ADEQUACY RATIOS</b>		
Core Capital Adequacy Ratio (%)	21.12	-
Tier 1 Capital Adequacy Ratio (%)	21.09	-
Capital Adequacy Standard Ratio (%)	21.47	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	31 December 2017 Prior Period	Amounts related to treatment before 1/1/2014 <sup>(1)</sup>
<b>BUFFERS</b>		
Total buffer requirement	1,25	-
Capital conservation buffer requirement (%)	1,25	-
Bank specific countercyclical buffer requirement (%)	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets	13,12	-
Amounts below the thresholds for deduction		-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Mortgage servicing rights (net of related tax liability)	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation		-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	8.905	-
Up to 1,25% of total risk-weighted amount of general reserves for receivables where the standard approach used	8.905	-
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to %0,6 of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		-
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

<sup>(1)</sup>Amounts in this column represent the amounts of items that are subject to transition provisions in accordance with the temporary articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process

#### Information about instruments that will be included in total capital calculation

None.

The difference between Total Capital and Equity in the unconsolidated balance sheet mainly arises from allowance for expected credit losses (Stage I and Stage II), property and equipment and intangible assets. In the calculation of Total Capital, allowance for expected credit losses (Stage I and Stage II) up to 1,25% credit risk is taken into consideration as Tier II Capital. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under property and equipment in the balance sheet, intangible assets and related deferred tax liabilities are taken into consideration as amounts deducted from Total Capital.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### II. Explanations on credit risk

Credit borrowers are subject to risk limits approved by the Board of Directors in terms of geographic region, group and sectorial concentration. Moreover, all banking activities are acted with the principle of not working with the persons and institutions who are involved in the international black lists required by the legislation.

In the process of credit allocation and disbursement, futures and other derivative transactions, the approval levels of the daily cash financing limits and risks of the customers are passed through the approval stages of the management level depending on the approval limits. Risk limits and distributions are monitored on a daily basis on a daily basis in relation to on-balance sheet and off-balance sheet transactions.

The credit risk assumed for future transactions is managed together with the potential risks arising from market movements and transactions that are exposed to significant credit risk are avoided.

The creditworthiness of borrowers of loans and other receivables is monitored at regular intervals and in accordance with the regulation of provisions. Care is taken to ensure that the account status documents received for creditors are audited as provided for in the applicable legislation.

As of 31 December 2018, the Bank's non-cash loan portfolio consists of 34 customers and non-cash loans portfolio consist of 67 customers (31 December 2017: cash loans portfolio 57 and non-cash loans portfolio 73).

The share of cash and cash equivalents of the Bank from its top 100 loan customers in total cash and non-cash loan portfolio is 100% (31 December 2017: 100%).

The sum of cash receivables from the first 100 credit customers constitutes 43% of the total balance sheet assets and the amount of non-cash receivables from the first 100 credit customers constitutes 9% of the total off-balance sheet assets (31 December 2017: 55% and 4%).

As of 31 December, 2018, the expected loss of the Bank for credit risk is TL 1.741 and the expected loss of the Bank for cash loans is 1.039.

#### a) Type of loans and specific provisions

31 December 2018	Corporate	Consumer	Factoring Receivables	Total
Standard Loans	1.139.927	-	-	1.139.927
Loans under close monitoring	-	-	-	-
Non-performing loans	-	-	-	-
Specific provision (-)	-	-	-	-
<b>Total</b>	<b>1.139.927</b>	<b>-</b>	<b>-</b>	<b>1.139.927</b>

31 December 2017	Corporate	Consumer	Factoring Receivables	Total
Standard Loans	1.715.824	-	-	1.715.824
Loans under close monitoring	-	-	-	-
Non-performing loans	-	-	-	-
Specific provision (-)	-	-	-	-
<b>Total</b>	<b>1.715.824</b>	<b>-</b>	<b>-</b>	<b>1.715.824</b>

#### b) Type of loans and specific provisions

None (31 December 2017: None).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### c) Loans and receivables past due but not impaired

31 December 2018	Financial Assets at Fair Value through P/L (Net)	Fair Value Difference Reflected on Other Comprehensive Income (Net)	Held to Maturity Securities (Net)	Total
Moody's Ba1 <sup>(*)</sup>	362.073	-	-	362.073
<b>Total</b>	<b>362.073</b>	<b>-</b>	<b>-</b>	<b>362.073</b>

31 December 2017	Financial Assets at Fair Value through P/L (Net)	Fair Value Difference Reflected on Other Comprehensive Income (Net)	Held to Maturity Securities (Net)	Total
Moody's Ba1 <sup>(*)</sup>	409.591	-	-	409.591
<b>Total</b>	<b>409.591</b>	<b>-</b>	<b>-</b>	<b>409.591</b>

#### d) Information on rating concentration

The Bank does not have any credit rating policy.

#### e) Fair value of collaterals (loans and advances to customers)

Guarantees received as at 31 December 2018 are presented in "Credit Risk Mitigation Techniques" disclosure.

f) Credit risk is the risk reduction effects without taking into consideration the total amount of exposures after offsetting transactions with different risk classes according to the types and amounts of disaggregated risks are listed below the average for the period

Risk classifications:	Current Period Risk Amount <sup>(*)</sup>	Average Risk Amount <sup>(**)</sup>
Conditional and unconditional exposures to central governments or central banks	696.871	1.061.372
Conditional and unconditional exposures to regional governments or local authorities	-	-
Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	-	-
Conditional and unconditional exposures to multilateral development banks	-	-
Conditional and unconditional exposures to international organisations	-	-
Conditional and unconditional exposures to banks and brokerage houses	979.728	887.541
Conditional and unconditional exposures to corporates	1.257.876	1.666.448
Conditional and unconditional retail exposures	1.654	1.271
Conditional and unconditional exposures secured by real estate property	-	-
Past due items	-	-
Items in regulatory high-risk categories	-	-
Exposures in the form of bonds secured by mortgages	-	-
Securitisation positions	-	-
Short term exposures to banks, brokerage houses and corporates	-	-
Exposures in the form of collective investment undertakings	-	-
Other receivables	58.249	113.701

<sup>(\*)</sup> Includes risk amounts given before the effect of credit risk mitigation but after the credit conversions.

<sup>(\*\*)</sup> Average risk amounts are the arithmetical average of the risk amounts after conversion in January-December period.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Risk classifications:	Prior Period Risk Amount <sup>(*)</sup>	Average Risk Amount <sup>(**)</sup>
Conditional and unconditional exposures to central governments or central banks	934.567	1.404.910
Conditional and unconditional exposures to regional governments or local authorities	-	-
Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	-	-
Conditional and unconditional exposures to multilateral development banks	-	-
Conditional and unconditional exposures to international organisations	-	-
Conditional and unconditional exposures to banks and brokerage houses	651.649	534.032
Conditional and unconditional exposures to corporates	1.772.908	1.649.703
Conditional and unconditional retail exposures	1.829	13.158
Conditional and unconditional exposures secured by real estate property	-	-
Past due items	-	-
Items in regulatory high-risk categories	-	-
Exposures in the form of bonds secured by mortgages	-	-
Securitisation positions	-	-
Short term exposures to banks, brokerage houses and corporates	-	-
Exposures in the form of collective investment undertakings	-	-
Other receivables	9.023	14.612

<sup>(\*)</sup> Includes risk amounts given before the effect of credit risk mitigation but after the credit conversions.

<sup>(\*\*)</sup> Average risk amounts are the arithmetical average of the risk amounts after conversion in January-December period.

#### g) Profile of significant exposures in major regions

31 December 2018	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Other receivables	Total
1. Domestic	696.871	641.751	1.250.492	1.654	14.355	2.605.123
2. European Union (EU) countries	-	194.987	3.454	-	-	198.441
3. OECD countries <sup>(**)</sup>	-	-	-	-	-	-
4. Off-shore banking regions	-	1.022	-	-	-	1.022
5. USA, Canada	-	96.923	2.550	-	-	99.473
6. Other countries	-	88.938	1.380	-	-	90.318
7. Associates, subsidiaries and joint ventures	-	-	-	-	-	-
8. Unallocated assets / liabilities <sup>(***)</sup>	-	-	-	-	-	-
<b>Total <sup>(*)</sup></b>	<b>696.871</b>	<b>1.023.621</b>	<b>1.257.876</b>	<b>1.654</b>	<b>14.355</b>	<b>2.994.377</b>

<sup>(\*)</sup> Includes risk amounts given before the effect of credit risk mitigation but after the credit conversions.

<sup>(\*\*)</sup> OECD countries other than EU countries, USA and Canada

<sup>(\*\*\*)</sup> Assets and liabilities that cannot be allocated on a consistent.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

31 December 2017	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Other receivables	Total
1. Domestic	934.567	266.959	1.764.800	1.829	8.866	2.977.021
2. European Union (EU) countries	-	167.532	2.431	-	-	169.963
3. OECD countries (**)	-	-	-	-	-	-
4. Off-shore banking regions	-	264	-	-	-	264
5. USA, Canada	-	95.145	2.553	-	-	97.698
6. Other countries	-	121.749	3.124	-	157	125.030
7. Associates, subsidiaries and joint ventures	-	-	-	-	-	-
8. Unallocated assets / liabilities (***)	-	-	-	-	-	-
<b>Total (*)</b>	<b>934.567</b>	<b>651.649</b>	<b>1.772.908</b>	<b>1.829</b>	<b>9.023</b>	<b>3.369.976</b>

(\*) Includes risk amounts given before the effect of credit risk mitigation but after the credit conversions.

(\*\*) OECD countries other than EU countries, USA and Canada

(\*\*\*) Assets and liabilities that cannot be allocated on a consistent basis

#### h) Risk profile according to sectors and counterparties

31 December 2018	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Other receivables	Total
<b>Agriculture</b>	-	-	14.328	-	-	14.328
Farming and raising livestock	-	-	14.328	-	-	14.328
Forestry	-	-	-	-	-	-
Fishing	-	-	-	-	-	-
<b>Manufacturing</b>	-	-	800.566	1.406	-	801.972
Mining	-	-	-	-	-	-
Production	-	-	800.566	1.406	-	801.972
Electric, gas and water	-	-	-	-	-	-
<b>Construction</b>	-	-	3	-	-	3
<b>Services</b>	696.871	1.023.621	435.775	231	-	2.156.498
Wholesale and retail trade	-	-	110.310	18	-	110.328
Hotel, food and beverage services	-	-	-	-	-	-
Transportation and telecommunication	-	-	7.590	-	-	7.590
Financial institutions	696.871	1.023.621	317.875	-	-	2.038.367
Real estate and renting services	-	-	-	-	-	-
Self-employment services	-	-	-	-	-	-
Education services	-	-	-	-	-	-
Health and social services	-	-	-	213	-	213
<b>Other</b>	-	-	7.204	17	14.355	21.576
<b>Total (*)</b>	<b>696.871</b>	<b>1.023.621</b>	<b>1.257.876</b>	<b>1.654</b>	<b>14.355</b>	<b>2.994.377</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

31 December 2017	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Other receivables	Total
Agriculture	-	-	10.148	-	-	10.148
Farming and raising livestock	-	-	10.148	-	-	10.148
Forestry	-	-	-	-	-	-
Fishing	-	-	-	-	-	-
<b>Manufacturing</b>	-	-	1.094.115	1.271	-	1.095.386
Mining	-	-	-	-	-	-
Production	-	-	1.071.114	1.271	-	1.072.385
Electric, gas and water	-	-	23.001	-	-	23.001
Construction	-	-	455	17	-	472
<b>Services</b>	934.543	622.772	646.796	506	-	2.204.617
Wholesale and retail trade	-	-	224.609	37	-	224.646
Hotel, food and beverage services	-	-	-	-	-	-
Transportation and telecommunication	-	-	21.444	469	-	21.913
Financial institutions	934.543	622.772	400.170	-	-	1.957.485
Real estate and renting services	-	-	-	-	-	-
Self-employment services	-	-	-	-	-	-
Education services	-	-	-	-	-	-
Health and social services	-	-	573	-	-	573
<b>Other</b>	24	28.877	21.394	35	9.023	59.353
<b>Total (*)</b>	<b>934.567</b>	<b>651.649</b>	<b>1.772.908</b>	<b>1.829</b>	<b>9.023</b>	<b>3.369.976</b>

(\*) Krediyeye dönüşüm sonrası, kredi riski azaltımı öncesi risk tutarları verilmiştir.

#### i) Risk profile on cyclical capital buffer:

The Bank-specific cyclical capital buffer refers to the additional core capital amount expected to be held in the banks in order to avoid insufficiencies in the equity capital adequacy regulations when the credit expansion reaches levels that could increase the overall risk level of the financial sector. There is no risk involved in the circular capital buffer calculation in the bank.

#### j) Distribution of maturity risk factors according to their outstanding maturities

Current Period	Term to maturity					Total
	1 month	1-3 month	3-6 month	6-12 month	Over 1 year	
Conditional and unconditional exposures to central governments or central banks	696.871	-	-	-	-	696.871
Conditional and unconditional exposures to banks and brokerage houses	942.860	17.121	2.436	33.891	27.313	1.023.621
Conditional and unconditional exposures to corporates	346.058	529.169	310.180	59.030	13.439	1.257.876
Conditional and unconditional retail exposures	172	1.149	63	108	162	1.654
<b>Other receivables</b>	<b>14.355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.355</b>
<b>Total (*)</b>	<b>2.000.316</b>	<b>547.439</b>	<b>312.679</b>	<b>93.029</b>	<b>40.914</b>	<b>2.994.377</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Current Period	Term to maturity					Total
	1 month	1-3 month	3-6 month	6-12 month	Over 1 year	
Conditional and unconditional exposures to central governments or central banks	515.452	2.286	1.398	-	415.431	934.567
Conditional and unconditional exposures to banks and brokerage houses	518.720	8.530	29.495	9.954	84.950	651.649
Conditional and unconditional exposures to corporates	493.646	946.393	115.938	208.461	8.470	1.772.908
Conditional and unconditional retail exposures	1.055	454	83	109	128	1.829
Other receivables	9.023	-	-	-	-	9.023
<b>Total (*)</b>	<b>1.537.896</b>	<b>957.663</b>	<b>146.914</b>	<b>218.524</b>	<b>508.979</b>	<b>3.369.976</b>

#### k) Information on risk classifications

According to the 6th article of the Communiqué on "Measurement and Assessment of Capital Adequacy of Banks", in the process of risk weighted assets calculation, risk weights are determined by central management or the credit ratings of the receivables from the central banks are taken into account by the ratings of the Fitch Ratings international credit rating agency.

TL and foreign exchange exposures of Central Government of Turkey and Central Bank of Turkey and all reserve requirement balances have 0% risk weight.

The Fitch Ratings, risk ratings as per the credit quality grades are presented below:

Ratings to match	Credit Quality Grades	Fitch
Long-term Credit Rating	1	AAA ile AA-
	2	A+ ile A-
	3	BBB+ ile BBB-
	4	BB+ ile BB-
	5	B+ ile B-
	6	CCC+ ve aşağısı

#### l) Risk amount based on risk weight

Risk Weight	Risk Weight <sup>(*)</sup>							Deductions From Equity
	0%	10%	20%	50%	75%	100%	150%	
1. Exposures Before Credit Risk Mitigation	798.030	-	868.042	110.452	1.654	1.267.596	-	5.609
2. Exposures After Credit Risk Mitigation	798.030	-	816.756	110.452	1.654	1.267.486	-	5.609

(\*) The Bank does not have risk weighted balances neither 35%, 200%, 250% nor 1.250%.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

m) Information according to sector and counterparty types

31 December 2018	Loans			Provisions
	Impaired	Past Due	Value adjustments	
<b>Agriculture</b>	-	-	-	<b>9</b>
Farming and raising livestock	-	-	-	9
Forestry	-	-	-	-
Fishing	-	-	-	-
<b>Manufacturing</b>	-	-	-	<b>48</b>
Mining	-	-	-	-
Production	-	-	-	35
Electric, gas and water	-	-	-	13
<b>Construction</b>	-	-	-	<b>-</b>
<b>Services</b>	-	-	-	<b>1.657</b>
Wholesale and retail trade	-	-	-	60
Hotel, food and beverage services	-	-	-	-
Transportation and telecommunication	-	-	-	28
Financial institutions	-	-	-	1.569
Real estate and renting services	-	-	-	-
Self-employment services	-	-	-	-
Education services	-	-	-	-
Health and social services	-	-	-	-
<b>Other</b>	-	-	-	<b>27</b>
<b>Total</b>	-	-	-	<b>1.741</b>

31 December 2017	Loans			Provisions
	Impaired	Past Due	Value adjustments	
<b>Agriculture</b>	-	-	<b>469</b>	<b>-</b>
Farming and raising livestock	-	-	469	-
Forestry	-	-	-	-
Fishing	-	-	-	-
<b>Manufacturing</b>	-	-	<b>3.215</b>	<b>-</b>
Mining	-	-	-	-
Production	-	-	2.264	-
Electric, gas and water	-	-	951	-
<b>Construction</b>	-	-	<b>1</b>	<b>-</b>
<b>Services</b>	-	-	<b>4.805</b>	<b>-</b>
Wholesale and retail trade	-	-	973	-
Hotel, food and beverage services	-	-	2	-
Transportation and telecommunication	-	-	608	-
Financial institutions	-	-	3.221	-
Real estate and renting services	-	-	-	-
Self-employment services	-	-	-	-
Education services	-	-	-	-
Health and social services	-	-	1	-
<b>Other</b>	-	-	<b>415</b>	<b>-</b>
<b>Total</b>	-	-	<b>8.905</b>	<b>-</b>

(\*) Represents general provisions.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### r) Değer Ayarlamaları ve Kredi Karşılıkları

31 December 2018	Opening balance (before TFRE 9) December 31, 2017	Remeas- urements	Opening balance (after TFRS 9) January 1, 2018	Provisions for Period	Other adjustments	Closing balance
1. Specific provisions (stage 3)	-	-	-	-	-	-
2. General provisions (stage 1 and stage 2)	8.905	(8.026)	879	862	-	1.741

31 December 2017	Opening balance	Provisions for the period	Provision reversals	Other adjustment	Closing balance
1. Specific provisions (third)	-	-	-	-	-
2. General provisions	9.346	-	491	-	8.905

#### III. Explanation on currency risk

The Bank manages its foreign currency balance sheet by paying maximum attention to comply with the regulations of the public authorities and by selecting the most appropriate methods to the Bank's liquidity and profitability policies.

The position limit regarding the foreign currency risk is determined as parallel to the net foreign currency position standard rate. As of 31 December 2018, the Bank's net on balance sheet foreign currency short position amounting to TL 438.315, net off-balance sheet foreign currency long position amounting to TL 437.162, while net foreign currency long position amounting to TL 1.153.

"Standard method", which is also used for the statutory reporting purposes, is used to measure the Bank's foreign currency risk.

The Bank's effective exchange rates on the date of last five working days of the period announced by the Bank in TL are as follows:

	25 December 2018	26 December 2018	27 December 2018	28 December 2018	31 December 2018
USD	5,2926	5,3034	5,2832	5,2889	5,2609
CHF	5,3117	5,3634	5,3321	5,3206	5,3352
GBP	6,6877	6,7245	6,6954	6,6761	6,6528
EUR	6,0291	6,0419	6,0185	6,0245	6,0280

	25 December 2017	26 December 2017	27 December 2017	28 December 2017	29 December 2017
USD	3,8113	3,8087	3,8029	3,8197	3,8104
CHF	3,8431	3,8441	3,8330	3,8519	3,8763
GBP	5,0923	5,0877	5,0747	5,1091	5,1142
EUR	4,5171	4,5205	4,5116	4,5385	4,5478

The arithmetical average of the Bank's main foreign currency purchase rates for the last 30 days before the balance sheet date are listed below:

Monthly average purchase rate	Current Period	Prior Period
USD	5,3045	3,8554
CHF	5,3315	3,8942
GBP	6,7154	5,1593
EUR	6,0376	4,5621

#### a) Exposure to foreign currency risk

10% percent depreciation of the TL against the following currencies as at 31 December 2018 and 31 December 2017 would have increased or decreased equity and profit or loss (excluding tax effects) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Current Period		Prior Period	
	Income Statement	Equity <sup>(1)</sup>	Income Statement	Equity <sup>(1)</sup>
USD	(146)	(146)	(1.319)	(1.319)
EUR	136	136	1.649	1.649
Other foreign currencies	(105)	(105)	(588)	(588)
<b>Total, net</b>	<b>(115)</b>	<b>(115)</b>	<b>(258)</b>	<b>(258)</b>

<sup>(1)</sup> Equity effect includes profit/loss effect.

#### b) Information on currency risk of the Bank

Current Period	Euro	USD	Other FC	Total
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with Central Bank of Turkey	239.559	16.383	-	255.942
Banks	3.609	597	1.084	5.290
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Interbank Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-
Loans <sup>(1)</sup>	592.647	566	-	593.213
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-
Derivative Financial Assets Held for Risk Management	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets <sup>(3)</sup>	82.917	148	45	83.110
<b>Total Assets</b>	<b>918.732</b>	<b>17.694</b>	<b>1.129</b>	<b>937.555</b>
<b>Liabilities</b>				
Bank Deposits	1.079	-	-	1.079
Foreign Currency Deposits	233.606	105.495	10	339.111
Funds From Interbank Money Market	-	-	-	-
Funds Borrowed From Other Financial Institutions	995.856	8.418	-	1.004.274
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	2.480	409	779	3.668
Derivative Financial Liabilities Held for Risk Management	-	-	-	-
Other Liabilities	26.390	1.325	23	27.738
<b>Total Liabilities</b>	<b>1.259.411</b>	<b>115.647</b>	<b>812</b>	<b>1.375.870</b>
<b>Net On-Balance Sheet Position</b>	<b>(340.679)</b>	<b>(97.953)</b>	<b>317</b>	<b>(438.315)</b>
<b>Net Off-Balance Sheet Position <sup>(2)</sup></b>	<b>342.037</b>	<b>96.489</b>	<b>(1.364)</b>	<b>437.162</b>
Derivative Assets	586.622	163.682	74.301	824.605
Derivative Liabilities	244.585	67.193	75.665	387.443
Non-Cash Loans <sup>(4)</sup>	88.440	102.065	19.640	210.145
<b>Net Position</b>	<b>1.358</b>	<b>(1.464)</b>	<b>(1.047)</b>	<b>(1.153)</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### Prior Period

Total Asset	654.252	556.706	2.252	1.213.210
Total Liabilities	1.744.212	131.790	621	1.876.623
<b>Net On-Balance Sheet Position</b>	<b>(1.089.960)</b>	<b>424.916</b>	<b>1.631</b>	<b>(663.413)</b>
<b>Net Off-Balance Sheet Position<sup>(2)</sup></b>	<b>1.106.449</b>	<b>(438.107)</b>	<b>(7.510)</b>	<b>660.832</b>
Derivative Assets	1.345.201	2.153.743	28.072	3.527.016
Derivative Liabilities	238.752	2.591.850	35.582	2.866.184
Non-Cash Loans <sup>(4)</sup>	167.534	96.715	30.694	294.943
<b>Net Position</b>	<b>16.489</b>	<b>(13.191)</b>	<b>(5.879)</b>	<b>(2.581)</b>

<sup>(1)</sup> Indicates the net amount of derivative financial assets and liabilities. Spot foreign exchange buy and sell transactions shown under "Asset purchase commitments" in the financial statements are included in the "Net off-balance position". Derivative financial assets and liabilities include accruals amounting to TL 38.727 and TL 45.176, respectively.

<sup>(2)</sup> Foreign currency prepaid expenses amounting to TL 543 is excluded from other assets.

<sup>(3)</sup> There is no impact on net off- balance sheet position.

#### IV. Explanations on Interest Rate Risk

The interest rate sensitivity of assets, liabilities and off-balance sheet items are evaluated quarterly at Asset-Liability Committee meetings.

The Bank's interest rate risk is measured by using the standard method. The Bank provides information to its main shareholder Deutsche Bank AG for their, Value at Risk (VAR), risk measurement methods and performs sensitivity analyses.

Standard method measurements are performed monthly by using the maturity distribution.

At the time of the computations on daily basis sensitivity analysis, interest rate risk of FC and TL financial assets at fair value through profit/loss and financial assets at fair value through other comprehensive income and interest rate risk of forward exchange transactions are measured in the Bank's portfolio.

#### 1. Interest rate sensitivity of assets, liabilities and off balance sheet items

(Based on repricing dates)

Current Period	Up to 1 Month	1-3 Month	3-12 Month	1-5 Years	5 Years and Over	Non Interest Bearing	Total
<b>Assets</b>							
Cash and Balances with the Central Bank of Turkey	328.468	-	-	-	-	3.974	332.442
Banks <sup>(3)</sup>	679.252	-	-	-	-	4.905	684.157
Financial Assets at Fair Value through Profit/Loss	103	273.479	49.752	37.781	958	-	362.073
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value through Other Comprehensive Income	-	-	-	-	-	-	-
Loans and Receivables <sup>(3)</sup>	241.099	548.109	350.719	-	-	(1.039)	1.138.888
Financial assets Measured at Amortized Cost	-	-	-	-	-	-	-
Other Assets <sup>(1) (3)</sup>	-	-	-	-	-	144.772	144.772
<b>Total Assets</b>	<b>1.248.922</b>	<b>821.588</b>	<b>400.471</b>	<b>37.781</b>	<b>958</b>	<b>152.612</b>	<b>2.662.332</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Liabilities							
Bank Deposits	-	-	-	-	-	273.250	273.250
Other Deposits	204.865	-	-	-	-	487.041	691.906
Money Market Funds	-	-	-	-	-	-	-
Miscellaneous Payable	-	-	-	-	-	8.965	8.965
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed	8.417	271.417	724.440	-	-	-	1.004.274
Other Liabilities (2)	-	-	-	-	-	683.937	683.937
<b>Total Liabilities</b>	<b>213.282</b>	<b>271.417</b>	<b>724.440</b>	<b>-</b>	<b>-</b>	<b>1.453.193</b>	<b>2.662.332</b>
<hr/>							
On Balance Sheet Long Position	1.035.640	550.171	-	37.781	958	-	1.624.550
On Balance Sheet Short Position	-	-	(323.969)	-	-	(1.300.581)	(1.624.550)
Off-Balance Sheet Long Position	697.288	199.448	188.492	-	-	-	1.085.228
Off-Balance Sheet Short Position	707.673	198.978	188.356	-	-	-	1.095.007
Off-Balance Sheet Open Interest Sensitive	(10.385)	470	136	-	-	-	(9.779)
<b>Total Open Interest Sensitive</b>	<b>1.025.255</b>	<b>550.641</b>	<b>(323.833)</b>	<b>37.781</b>	<b>958</b>	<b>(1.300.581)</b>	<b>(9.779)</b>

<sup>(1)</sup> Tangible assets amounting to TL 4.805, intangible assets amounting to TL 3.976, tax assets amounting to TL 3.960, derivative financial assets are recorded at fair value through profit or loss TL 38.727 and other assets amounting to TL 93.304 are presented in the other assets.

<sup>(2)</sup> Equity amounting to TL 588.734, provisions amounting to TL 37.159, derivative instruments held for trading amounting to TL, 45.176 and tax liabilities amounting to TL 12.868 are presented in the other liabilities.

<sup>(3)</sup> Expected loss provisions are netted off with the related balance sheet items and are presented in the non-interest bearing column.

Prior Period	Up to 1 Month	1-3 Month	3-12 Month	1-5 Years	5 Years and Over	Non Interest Bearing	Total
<b>Assets</b>							
Cash and Balances with the Central Bank of Turkey	508.961	-	-	-	-	1.757	510.718
Banks	325.137	-	-	-	-	6.744	331.881
Financial Assets at Fair Value through Profit/Loss	3.602	323.926	6.990	38.449	36.624	30.915	440.506
Money Market Placements	-	-	-	-	-	-	-
Available-for-Sale Financial Assets	-	-	-	-	-	-	-
Loans and Receivables	533.707	344.324	837.793	-	-	-	1.715.824
Held-to-Maturity Financial Assets	-	-	-	-	-	-	-
Other Assets <sup>(1)</sup>	-	-	-	-	-	42.965	42.965
<b>Total Assets</b>	<b>1.371.407</b>	<b>668.250</b>	<b>844.783</b>	<b>38.449</b>	<b>36.624</b>	<b>82.381</b>	<b>3.041.894</b>
<hr/>							
<b>Liabilities</b>							
Bank Deposits	34.300	-	-	-	-	411.984	446.284
Other Deposits	112.284	-	-	-	-	376.759	489.043
Money Market Funds	-	-	-	-	-	-	-
Miscellaneous Payable	-	-	-	-	-	22.763	22.763
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed	363.824	673.580	454.780	-	-	-	1.492.184
Other Liabilities(2)	-	-	-	-	-	591.620	591.620
<b>Total Liabilities</b>	<b>510.408</b>	<b>673.580</b>	<b>454.780</b>	<b>-</b>	<b>-</b>	<b>1.403.126</b>	<b>3.041.894</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

On Balance Sheet Long Position	860.999	-	390.003	38.449	36.624	-	1.326.075
On Balance Sheet Short Position	-	(5.330)	-	-	-	(1.320.745)	(1.326.075)
Off-Balance Sheet Long Position	3.940.202	872.278	412.807	-	-	-	5.225.287
Off-Balance Sheet Short Position	3.942.062	872.060	412.742	-	-	-	5.226.864
<b>Off-Balance Sheet Open Interest Sensitive</b>	<b>(1.860)</b>	<b>218</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.577)</b>
<b>Total Open Interest Sensitive</b>	<b>859.139</b>	<b>(5.112)</b>	<b>390.068</b>	<b>38.449</b>	<b>36.624</b>	<b>(1.320.745)</b>	<b>(1.577)</b>

<sup>(1)</sup> Tangible assets amounting to TL 2.462 intangible assets amounting to TL 3.016, tax assets amounting to TL 2.076 and other assets amounting to TL 35.411 are presented in the other assets.

<sup>(2)</sup> Equity amounting to TL 508.727, provisions amounting to TL 41.193, other liabilities amounting to TL 2.803, derivative instruments held for trading amounting to TL 31.976 and tax liabilities amounting to TL 6.921 are presented in the other liabilities.

#### 2. Average interest rates on monetary financial instruments

Current Period	EUR %	USD %	JPY%	TL %
<b>Assets</b>				
Cash and Balances with the Central Bank of Turkey	-	2,00	-	13,00
Banks	-	-	-	23,46
Financial Assets at Fair Value through Profit/Loss	-	-	-	15,11
Money Market Placements	-	-	-	-
Financial Assets at Fair Value through Other Comprehensive Income	-	-	-	-
Loans and Receivables	2,60	5,31	-	27,37
Financial assets Measured at Amortized Cost	-	-	-	-
<b>Liabilities</b>				
Bank Deposits	-	-	-	-
Other Deposits	-	1,94	-	18,02
Money Market Funds	-	-	-	-
Miscellaneous Payable	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed from other Financial Institutions	0,21	2,46	-	-
<b>Prior Period</b>				
<b>Assets</b>				
Cash and Balances with the Central Bank of Turkey	-	1,32	-	4,00
Banks	-	-	-	12,68
Financial Assets at Fair Value through Profit/Loss	-	-	-	12,41
Money Market Placements	-	-	-	-
Available-for-Sale Financial Assets (Net)	-	-	-	-
Loans and Receivables	2,49	4,45	-	14,51
Held-to-Maturity Financial Assets (Net)	-	-	-	-
<b>Liabilities</b>				
Bank Deposits	-	1,42	-	-
Other Deposits	-	0,50	-	9,19
Money Market Funds	-	-	-	-
Miscellaneous Payable	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed from other Financial Institutions	0,04	-	-	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### V. Explanation on the position risk of securities

None.

#### VI.Explanations on liquidity risk management and liquidity coverage ratio

The general principles and related implementation methods with respect to liquidity and financial emergency procedures are determined within the scope of "Deutsche Bank Turkey Liquidity Policy".

The Bank calculates liquidity adequacy ratio and reports to BRSA on a weekly and monthly basis as of 1 January 2015 in accordance with the "Measurement and Assessment of Liquidity Adequacy of Banks" issued in the Official Gazette numbered 28948 and dated 21 March 2014. In 2018, the liquidity adequacy ratio of the Bank at least 70% asset denominated with foreign currency and at least 90% total asset and liabilities.

**The resources of the current liquidity risk; whether the necessary precautions have been taken, whether the Board of Directors sets limits on the funds available to meet the urgent liquidity requirements and to be able to pay borrowings when they become due**

Liquidity risk is managed by considering the main criteria such as (1) the expected cash flows at related time intervals, (2) the possibility and capacity of borrowing from the market, (3) the credit quality of the assets on the balance sheet.

In addition to the compliance with the legal limitations regarding the liquidity, the Bank monitors from the cash flow reports that there are matching borrowing opportunities with the cash out-flows within the same time interval.

The ultimate responsibility for liquidity risk management rests on the Bank's board of directors. The Bank's Asset and Liability Committee (ALCO) manages the liquidity adequacy and liquidity risk profile and control the executive committee. During the regular ALCO meetings, the liquidity position that forms the permanent agenda and liquidity risks are discussed.

Liquidity risk management is a governance function to be tightly linked to the minimum obligation to report to any of the business units and a robust liquidity risk as well as risk management policy for the management of Basel. DB Group Treasury Department, a comprehensive and robust liquidity risk group and their level of participation of all concerned parties is the legal entity responsible for coordinating the management process. Moreover, the application serves as the central point of the function to the questions asked in the framework of WB's liquidity risk.

The Board of Directors is to ensure the Group's liquidity risk management strategy with determination and implementation of a business strategy and liquidity risk for the bank within a tight fit. ALCO reports ensures the transparency of local senior management level of liquidity risk issues. The Treasury Department and the General Manager, and all liquidity risk management of the banking regulatory agencies' responsibilities is to answer questions posed by the audit authority or other agencies authorized to discuss the issue with these institutions. All reports prepared for the regulatory agencies related to the Bank's internal risk management model is being prepared by the Liquidity Risk Control or Finance department. Regarding the public disclosure of information relating to liquidity risk, Deutsche Bank is subject to prior approval by the public lighting policies and guidelines.

The Treasury Department, the Bank's liquidity risk profile, the DB Group prepares policies that are needed to keep the Board of Directors to determine the risk tolerance level and to empowered to take measures. All business units comply with the liquidity risk limits and are required to comply with the Treasury's policies. Employees give them adequate training in the subject of liquidity risk; liquidity risk limits that affect their activities are responsible to inform the Treasury Department's measures.

ALCO; in accordance with the Bank's risk profile and risk appetite and capitalization requirements, it is responsible for the observance of the harmony between liquidity and funding needs. Capital is monitored by liquidity and funding profiles, and is monitored every three months to revise the legal limits and / or decide on measures to be taken in order to avoid violation of the Bank's internal limits. Group acts in accordance with the parameters set by the Capital and Risk Committee of the DB Group and manages local resources in line with the standards.

At the country level, the daily funding, liquidity and cash management, Treasury and Corporate Banking and Securities acting according to the parameters set by ALCO has been undertaken by Global Markets Unit. Continuous liquidity management is one of the issues discussed regularly in the ALCO meeting. In each ALCO meeting, limits in the use of the Bank is submitted to the committee for adaptation to changes in policy and liquidity risks. Another issue to be discussed among active subjects is changes to be made in the liability profile, if needed because of the stress test results / changes to be made in the liability profile, can take place by reviewing the evaluation of additional funding capacity and other potential sources of liquidity. Deutsche Bank A.Ş., from the DB Group contains ordinary and funding lines which provide funding in stressful situations. Treasury conducts stress tests on a monthly basis at Group level; These tests - DB Group, with predetermined stress situation

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

(market-wide, bank-specific or a combination of both) makes it possible to fulfil the responsibility for the Deutsche Bank provided to Turkey funding line. The process of this line is to ensure that a reliable funding source in each case is provided. In liquidity stress testing, management of liquidity risk is one of the key tools used to assess the short-term liquidity position. In liquidity stress testing, the Bank determines some time to analyse the ability to withstand stress scenarios throughout the planned 8-week. To determine the future potential liquidity crunch such as adjusting limit of MCO; the size of the branch line between funding or limit is an important factor for determining appropriate countermeasures.

Analysis contains funding markets under stress, withdrawal of deposits, additional collateral obligations; it covers all local liquidity of the relevant factors, such as funding requirements arising from off balance sheet commitments and evaluates the balance capacity against the intra-group funding line. First, it is based on specific parameters of the DB Group, it ensures that local characteristics are reflected in the re-adjusted and is necessary and appropriate for Deutsche Bank Turkey. Liquidity stress test assumptions are reviewed on an annual basis. Liquidity stress test analysis is performed on a monthly basis by the Risk Management and Audit Committee and are submitted there; except they are submitted to ALCO every three months and are negotiated.

Deutsche Bank Group, in the event of a market-related stress or DB, in order to ensure the ability to continue its operations; the Treasury Department and all banks have the responsibility of creating emergency wide funding plans. It is said that emergency procedures will be applied in the case of liquidity stress.

Overall, the Bank’s business model adapts to the market and the structural changes occurring on average on funding conditions has the flexibility to adapt over a period of eight weeks. This section includes a description of the measures to be implemented in the event of stress tactics.

In the case of stress situation exceeding eight weeks, the reduction of the balance sheet can be funded by additional strategic measures such as increasing the stable funding sources as much as possible. Such a situation is likely to affect the Bank as a whole and the initiatives will be taken by the Global Liquidity Management Committee.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Current Period	Total Unweighted Value (average) <sup>(1)</sup>		Total Weighted Value (average) <sup>(1)</sup>	
	TL+FC	FC	TL+FC	FC
<b>High Quality Liquid Assets</b>				
High Quality Liquid Assets			671.863	374.291
<b>Cash Outflows</b>				
Retail and Small Business Customers, of which;	33.160	17.494	3.316	1.749
Stable Deposits	-	-	-	-
Less Stable Deposits	33.160	17.494	3.316	1.749
Unsecured wholesale funding , of which;	960.718	411.095	472.860	216.177
Operational Deposits	230.122	1.121	57.530	280
Non-operational Deposits	678.667	377.518	365.835	183.442
Other Unsecured Funding	51.929	32.456	49.495	32.455
Secured Funding	-	-	-	-
Other cash outflows, of which;	1.306.393	353.195	1.064.314	353.195
Derivatives cash outflow and liquidity needs related to market	902.926	353.195	902.926	353.195
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	403.467	-	161.388	-
Other revocable off-balance sheet commitments and contractual	107.134	48.034	5.357	2.401
Other irrevocable or conditionally revocable commitments	329.003	-	205.343	-
<b>Total Cash outflows</b>			<b>1.751.191</b>	<b>573.522</b>
<b>Cash Inflows</b>				
Secured Lending	-	-	-	-
Unsecured Lending	851.357	107.023	851.357	107.023
Other Cash Inflows	865.031	815.680	865.031	815.680
<b>Total Cash Inflows</b>	<b>1.716.388</b>	<b>922.702</b>	<b>1.716.388</b>	<b>922.702</b>
			<b>Max limit applied values</b>	
Total HQLA Stock			671.863	374.291
Total Net Cash Outflows			441.594	143.381
<b>Liquidity Coverage Ratio (%)</b>			<b>152,14</b>	<b>261,05</b>

<sup>(1)</sup>Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

Prior Period	Total Unweighted Value (average) <sup>(1)</sup>		Total Weighted Value (average) <sup>(1)</sup>	
	TL+FC	FC	TL+FC	FC
<b>High Quality Liquid Assets</b>				
High Quality Liquid Assets			1.137.912	558.331
<b>Cash Outflows</b>				
Retail and Small Business Customers, of which;	38.470	19.664	3.847	1.966
Stable Deposits	-	-	-	-
Less Stable Deposits	38.470	19.664	3.847	1.966
Unsecured wholesale funding , of which;	1.356.062	779.101	889.890	646.978
Operational Deposits	351.523	489	87.881	122
Non-operational Deposits	500.224	287.632	295.694	155.877
Other Unsecured Funding	504.315	490.980	504.315	490.979
Secured Funding	-	-	-	-
Other cash outflows, of which;	1.843.845	635.518	1.625.349	635.518
Derivatives cash outflow and liquidity needs related to market	1.479.683	635.518	1.479.683	635.518
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off- balance sheet obligations	364.162	-	145.666	-
Other revocable off-balance sheet commitments and contractual obligations	91.152	53.190	4.558	2.659
Other irrevocable or conditionally revocable commitments	318.596	-	236.135	-
<b>Total Cash outflows</b>			<b>2.757.779</b>	<b>1.287.121</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Cash Inflows				
Secured Lending	-	-	-	-
Unsecured Lending	695.707	85.649	695.707	85.649
Other Cash Inflows	1.480.280	1.278.843	1.480.280	1.278.843
<b>Total Cash Inflows</b>	<b>2.175.987</b>	<b>1.364.493</b>	<b>2.175.987</b>	<b>1.364.493</b>
			<b>Max limit applied values</b>	
Total HQLA Stock			1.137.912	558.331
Total Net Cash Outflows			720.807	325.601
<b>Liquidity Coverage Ratio (%)</b>			<b>157,87</b>	<b>171,48</b>

<sup>(1)</sup> Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

The "Liquidity Coverage Ratio" is calculated within the framework of the "Regulation On Calculation of Bank's Liquidity Coverage Ratio" published by the BRSA in order to ensure that banks have high quality liquid asset stocks to meet the net cash inflows that may occur in the short-term. The level of such ratio is directly affected by the level of liquid assets that the Bank is able to convert at any time and without any collateral, and the possible net cash inflows and outflows from the Bank's assets, liabilities and off-balance sheet transactions.

There are periodic increases in the liquidity coverage ratio in the weeks when foreign currency reserve options are used in the CBRT reserve requirement accounts, when there are high consistency balances in the bank accounts or when the repo transaction volumes are decreased. On the other hand, there may be fluctuations in the liquidity coverage ratio in the weeks due to the decrease in the net cash outflows and long-term foreign funds enter a one month maturity window. The liquidity coverage ratio of the Bank has decreased since increased in the Turkish currency in 2018 compared to the year 2017 due to the decrease in the cash outflows and it has been observed decrease in the Turkish currency due to the decrease in high quality assets compared to year 2017.

The Bank's stock of high quality liquid assets; as well as the accounts of the Central Bank of Turkey, issued by the Republic of Turkey Treasury and repurchase agreements have not been subject to collateral, it consists of bonds. The main funding source of the Bank consists of loans and deposits received.

The swap transactions are mostly conducted under interest rate risk and foreign currency risk of the forward transactions since these items hold the most important place in the derivatives used as hedging.

The Bank's high quality liquid assets mainly comprise of CBRT accounts by 62% and securities issued by Treasury of Republic of Turkey by 38%. Funding sources are mainly distributed derivative liabilities by 73% and borrowings from banks by 10%.

#### 1. The matching of the payments, assets and liabilities and the interest rates, and the possible impact of the current mismatch on the profitability of the Bank

The Bank's assets and liabilities carry positive interest earnings. Government debt securities which are classified in financial assets at fair value through profit or loss are most liquid securities that are liquidated regarding changes in market conditions.

#### 2. Internal and external resources that meets the short and long term liquidity needs of the Bank and unutilised significant liquidity resources

The Bank monitors that the maturity matching of the assets and liabilities are kept. The Bank keeps sufficient liquid assets to meet liquidity needs caused by the fluctuations in the market.

Beginning from 1 January 2015, the Bank calculates liquidity adequacy ratio and reports to BRSA on a weekly and monthly basis in accordance with the "Measurement and Assessment of Liquidity Adequacy of Banks" issued in the Official Gazette numbered 28948 and dated 21 March 2014. The liquidity adequacy ratio of the Bank should be at least 70% for foreign currency assets and liabilities and should be at least 90% total assets and liabilities as for 2018.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The liquidity ratios as of 31 December 2018 and 31 December 2017 are as follows:

	FC (%)	Current Period FC + TL (%)	FC (%)	Prior Period FC + TL (%)
Min. Week	162,60 13 October 2018	119,10 20 October 2018	98,47 22 December 2017	133,18 22 December 2017
Max. Week	608,20 17 November 2018	201,77 22 December 2018	206,17 13 October 2017	206,65 6 October 2017

### 3. The assessment of the amounts and resources of the Bank's cash flows

As explained above, the Bank has sufficient cash and cash inflows in order to be able to timely meet the cash outflows.

Maturity analysis of residual values of contractual financial liabilities:

Current period	Carrying Value	Gross nominal outflow	Demand	Up to 1 Month	1-3 Month	3-12 Month	1-5 Years	5 years and over
Bank Deposits	273.250	273.250	273.250	-	-	-	-	-
Other Deposits	691.906	692.176	487.042	205.134	-	-	-	-
Funds Borrowed from other Financial Institutions	1.004.274	1.005.041	-	8.419	271.470	725.152	-	-
Interbank Money Market Funds	-	-	-	-	-	-	-	-
Miscellaneous Payables	8.965	8.965	8.965	-	-	-	-	-
<b>Total</b>	<b>1.978.395</b>	<b>1.979.432</b>	<b>769.257</b>	<b>213.553</b>	<b>271.470</b>	<b>725.152</b>	<b>-</b>	<b>-</b>

Current period	Carrying Value	Gross nominal outflow	Demand	Up to 1 Month	1-3 Month	3-12 Month	1-5 Years	5 years and over
Bank Deposits	446.284	446.287	411.984	34.303	-	-	-	-
Other Deposits	489.043	489.062	376.761	112.301	-	-	-	-
Funds Borrowed from other Financial Institutions	1.492.184	1.492.307	-	363.824	673.703	454.780	-	-
Interbank Money Market Funds	-	-	-	-	-	-	-	-
Miscellaneous Payables	22.763	22.763	22.763	-	-	-	-	-
<b>Total</b>	<b>2.450.274</b>	<b>2.450.419</b>	<b>811.508</b>	<b>510.428</b>	<b>673.703</b>	<b>454.780</b>	<b>-</b>	<b>-</b>

The above table shows the undiscounted estimated cash outflows of the financial liabilities in accordance with their contracts.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 4. Maturity analysis of assets and liabilities according to remaining maturities

Current period	Demand	Up to 1 Month	1-3 Month	3-12 Month	1-5 Years	5 years and over	Unallocated	Total
<b>Assets</b>								
Cash and Balances with the Central Bank of Turkey								
	76.426	256.016	-	-	-	-	-	332.442
Banks (3)								
	5.406	679.252	-	-	-	-	(501)	684.157
Financial Assets At Fair Value Through Profit or Loss								
	-	90	166.251	47.963	146.128	1.641	-	362.073
Interbank Money Market Placements								
	-	-	-	-	-	-	-	-
Financial Assets At Fair Value Through Other Comprehensive Income								
	-	-	-	-	-	-	-	-
Loans and Receivables (3)								
	-	241.099	548.109	350.719	-	-	(1.039)	1.138.888
Financial Assets Measured at Amortized Cost								
	-	-	-	-	-	-	-	-
Other Assets (1) (3)								
	-	8.088	2.010	31.838	-	-	102.836	144.772
<b>Total Assets</b>	<b>81.832</b>	<b>1.184.545</b>	<b>716.370</b>	<b>430.520</b>	<b>146.128</b>	<b>1.641</b>	<b>101.296</b>	<b>2.662.332</b>
<b>Liabilities</b>								
Bank Deposits								
	273.250	-	-	-	-	-	-	273.250
Other Deposits								
	487.041	204.865	-	-	-	-	-	691.906
Funds Borrowed from other Financial Institutions								
	-	8.417	271.417	724.440	-	-	-	1.004.274
Interbank Money Market Funds								
	-	-	-	-	-	-	-	-
Miscellaneous Payables								
	8.965	-	-	-	-	-	-	8.965
Other Liabilities (2)								
	22.511	28.826	20.578	23.288	-	-	588.734	683.937
<b>Total Liabilities</b>	<b>791.767</b>	<b>242.108</b>	<b>291.995</b>	<b>747.728</b>	<b>-</b>	<b>-</b>	<b>588.734</b>	<b>2.662.332</b>
<b>Liquidity Gap / Surplus</b>	<b>(709.935)</b>	<b>942.437</b>	<b>424.375</b>	<b>(317.208)</b>	<b>146.128</b>	<b>1.641</b>	<b>(487.438)</b>	<b>-</b>
<b>Net Off Balance Sheet Position</b>								
Derivative Financial Assets								
	-	697.288	199.448	188.492	-	-	-	1.085.228
Derivative Financial Liabilities								
	-	707.673	198.978	188.356	-	-	-	1.095.007
Non-Cash Loans								
	-	11.705	33.540	95.738	61.567	105.452	-	308.002
<b>Prior Period</b>								
Total Assets								
	28.249	1.371.239	559.921	871.352	161.302	37.948	11.883	3.041.894
Total Liabilities								
	838.976	540.236	682.788	471.167	-	-	508.727	3.041.894
<b>Liquidity (Gap) / Surplus</b>	<b>(810.727)</b>	<b>831.003</b>	<b>(122.867)</b>	<b>400.185</b>	<b>161.302</b>	<b>37.948</b>	<b>(496.844)</b>	<b>-</b>
<b>Net Off Balance Sheet Position</b>								
Derivative Financial Assets								
	-	3.940.202	872.278	412.807	-	-	-	5.225.287
Derivative Financial Liabilities								
	-	3.942.062	872.060	412.742	-	-	-	5.226.864
Non-Cash Loans								
	-	18.463	7.866	99.418	151.291	61.478	-	338.516

<sup>(1)</sup> Tangible assets amounting to TL 4.805, intangible assets amounting to TL 3.976, deferred tax assets amounting to TL 3.960 and derivative financial assets at fair value through profit or loss amounting to TL 38.727 and other assets amounting to TL 93.304 are presented in the other assets.

<sup>(2)</sup> Equity amounting to TL 588.734, provisions amounting to TL 37.159, derivative financial liabilities at fair value through profit or loss amounting to TL 45.176 and tax liabilities amounting to TL 12.868 are presented in the other liabilities.

<sup>(3)</sup> Expected loss provision is netted with related balance sheet items.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 5. Contractual maturity analysis of the Bank's derivative instruments

31 December 2018	Up to 1 month	1-3 Month	3-12 Month	1-5 Years	5 years and over	Total
<b>Derivative instruments held for trading</b>						
Foreign exchange derivatives:	1.404.962	398.425	376.848	-	-	2.180.235
- Inflow	697.289	199.447	188.492	-	-	1.085.228
- Outflow (-)	707.673	198.978	188.356	-	-	1.095.007
Interest rate derivatives:	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
- Outflow (-)	-	-	-	-	-	-
<b>Derivative instruments held for risk management</b>						
Foreign exchange derivatives:	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
- Outflow (-)	-	-	-	-	-	-
Interest rate derivatives:	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
- Outflow (-)	-	-	-	-	-	-
<b>Total cash inflow</b>	<b>697.289</b>	<b>199.447</b>	<b>188.492</b>	<b>-</b>	<b>-</b>	<b>1.085.228</b>
<b>Total cash outflow</b>	<b>707.673</b>	<b>198.978</b>	<b>188.356</b>	<b>-</b>	<b>-</b>	<b>1.095.007</b>
31 December 2017	Up to 1 month	1-3 Month	3-12 Month	1-5 Years	5 years and over	Total
<b>Derivative instruments held for trading</b>						
Foreign exchange derivatives:	7.721.105	1.897.181	825.551	-	-	10.443.837
- Inflow	3.859.652	948.702	412.808	-	-	5.221.162
- Outflow (-)	3.861.453	948.479	412.743	-	-	5.222.675
Interest rate derivatives:	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
- Outflow (-)	-	-	-	-	-	-
<b>Derivative instruments held for risk management</b>						
Foreign exchange derivatives:	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
- Outflow (-)	-	-	-	-	-	-
Interest rate derivatives:	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
- Outflow (-)	-	-	-	-	-	-
<b>Total cash inflow</b>	<b>3.859.652</b>	<b>948.702</b>	<b>412.808</b>	<b>-</b>	<b>-</b>	<b>5.221.162</b>
<b>Total cash outflow</b>	<b>3.861.453</b>	<b>948.479</b>	<b>412.743</b>	<b>-</b>	<b>-</b>	<b>5.222.675</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### VII. Explanations on Leverage Ratio

As of 31 December 2018 and 31 December 2017, there was no significant change in the leverage ratio due to the fact that on-balance sheet assets, off-balance sheet transactions and main capital are at approximately the same level.

On-Balance Sheet Items	Current Period (*)	Prior Period (*)
On-balance sheet items (excluding derivatives and SFTs, but including collateral) (Assets that are deducted from core capital)	2.742.973 (5.186)	3.147.261 (3.319)
Total on balance sheet exposures ( Sum of 1st and 2nd rows)	2.737.787	3.143.942
<b>Derivative exposures and credit derivatives</b>		
Replacement cost associated with derivative financial instruments and credit derivatives	39.690	8.634
The potential amount of credit risk with derivative financial instruments and credit derivatives	20.410	53.265
The total amount of risk on derivative financial instruments and credit derivatives (Sum of 4th and 5th rows)	60.100	61.899
<b>Investment securities or commodity collateral financing transactions</b>		
The amount of risk investment securities or commodity collateral financing transactions (Excluding on balance sheet items)	-	-
Risk amount of exchange brokerage operations	-	-
Total risks related with securities or commodity financing transactions (Sum of 7th and 8th rows)	-	-
<b>Off -Balance Sheet Items</b>		
Gross notional amount of off-balance sheet items (Adjustments for conversion to credit equivalent amounts)	1.433.607 -	1.382.781 -
The total risk of off-balance sheet items (Sum of 10th and 11th rows)	1.433.607	1.382.781
<b>Capital and Total Exposures</b>		
Core Capital	579.456	500.699
Total Exposures (sum of 3th, 6th,9th and 12nd rows)	4.231.494	4.588.622
<b>Leverage Ratio</b>		
Leverage Ratio	13,84	10,98

(1) Three months average values.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### VIII.Explanations regarding the presentation of financial assets and liabilities at their fair values

##### a. Information on fair value of financial assets and liabilities:

It has been assumed that fair value of financial assets and liabilities at the Bank's financial statement which have not been presented by fair value approximates their carrying value due to short-term maturity structure.

The following table summarizes the carrying values and fair values of financial assets and liabilities. The carrying value represents the acquisition costs and accumulated profit share accruals of corresponding financial assets or liabilities.

	Carrying value December 31, 2018	Fair value December 31, 2018
<b>Financial Assets</b>	<b>1.824.585</b>	<b>1.824.585</b>
Money market placements	-	-
Banks	684.658	684.658
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Loans	1.139.927	1.139.927
<b>Financial Liabilities</b>	<b>1.978.395</b>	<b>1.978.395</b>
Deposits from Banks	273.250	273.250
Other Deposits	691.906	691.906
Deposits provided from other financial institutions	1.004.274	1.004.274
Marketable securities issued	-	-
Miscellaneous payables	8.965	8.965

	Carrying value December 31, 2017	Fair value December 31, 2017
<b>Financial Assets</b>	<b>2.047.705</b>	<b>2.047.705</b>
Money market placements	-	-
Banks	331.881	331.881
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	-	-
Financial Assets Measured at Amortised Cost	-	-
Loans	1.715.824	1.715.824
<b>Financial Liabilities</b>	<b>2.450.274</b>	<b>2.450.274</b>
Deposits from Banks	446.284	446.284
Other Deposits	489.043	489.043
Deposits provided from other financial institutions	1.492.184	1.492.184
Marketable securities issued	-	-
Miscellaneous payables	22.763	22.763

##### b. Classification of Fair Value

TFRS 7, Financial instruments: Disclosures requires the classification of fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value of financial instruments measured at fair value to be closed. This classification basically relies on whether the relevant inputs are observable or not. This distinction brings about a fair value measurement classification generally as follows:

**Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

**Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

**Level 3:** Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

This classification of fair value measurements of financial assets and liabilities measured at fair value is as follows:

31 December 2018	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	362.073	38.727	-	400.800
Government Debt Securities	362.073	-	-	362.073
Share Certificates	-	-	-	-
Other Securities	-	-	-	-
Financial Assets at Fair Value Through Other				
Comprehensive Income	-	-	-	-
Government Debt Securities	-	-	-	-
Share Certificates	-	-	-	-
Other Securities	-	-	-	-
Derivative Financial Assets	-	38.727	-	38.727
Derivative Financial Assets at Fair Value Through Profit or Loss	-	38.727	-	38.727
<b>Total Assets</b>	<b>362.073</b>	<b>38.727</b>	<b>-</b>	<b>400.800</b>
Deposits	965.156	-	-	965.156
Borrowings	1.004.274	-	-	1.004.274
Derivative Financial Liabilities	-	45.176	-	45.176
Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	45.176	-	45.176
Funds Provided from Other Financial Institutions	-	-	-	-
<b>Total Liabilities</b>	<b>1.969.430</b>	<b>45.176</b>	<b>-</b>	<b>2.014.606</b>
<b>31 December 2017</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial Assets at Fair Value Through Profit or Loss	409.591	30.915	-	440.506
Government Debt Securities	409.591	-	-	409.591
Share Certificates	-	-	-	-
Derivative Financial Assets Held for Trading	-	30.915	-	30.915
Other Securities	-	-	-	-
Available for Sale Financial Assets	-	-	-	-
Government Debt Securities	-	-	-	-
Other Securities	-	-	-	-
Derivative Financial Assets Held for Risk Management	-	38.727	-	38.727
<b>Total Assets</b>	<b>409.591</b>	<b>30.915</b>	<b>-</b>	<b>440.506</b>
Deposits	935.327	-	-	935.327
Derivative Financial Liabilities Held for Trading	-	31.976	-	31.976
Borrowings	1.492.184	-	-	1.492.184
<b>Total Liabilities</b>	<b>2.427.511</b>	<b>31.976</b>	<b>-</b>	<b>2.459.487</b>

#### IX. Explanation regarding the activities carried out on behalf and account of other parties based on trust

##### 1.Purchasing, selling, custody, management and advisory services which are carried out by the Bank on behalf of customers

The Bank provides security custody and advisory services to its customers.

##### 2.Whether operations with financial institutions and financial services in the context of transaction agreements held in trust effect the financial situation of the Bank significantly

The Bank is not involved in trust activities.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### X. Explanations on risk management

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. Due to usage of standard approach for the calculation of capital adequacy ratio by the Bank, tables, which have to be prepared within the scope of internal rating-based (IRB) approach, are not presented.

#### a. Explanations on Risk Management and Risk Weighted Amount

##### 1. The Bank's risk management approach

Bank's Risk management system is assessed as a critical process which includes all units starting from the Board of Directors level. General strategies regarding Bank's risk management are given below:

1. Identification of risks,
2. Measuring the risks,,
3. Monitoring of risks,
4. The control and reporting of risks

The basic risk managements that should be evaluated first in our bank are defined below.

1. Credit Risk Management
2. Markets Risk Management (Liquidity, Currency and Interest Risk)
3. Operational Risk Management

The Risk Management Unit is responsible for managing these risks. Risk management is based on risk policy principles. In the determination of risk management policy and implementation procedures, strategies, policies and implementation procedures related to the activities of the Bank, volume, quality and complexity of activities, risk strategy and risk level, risk monitoring and managing capacity, past experience and performance, The level of expertise in the respective fields and the obligations laid down in its law and other relevant legislation. It is imperative that the policy and implementation procedures of the management of the bank comply with the changing circumstances. The Board of Directors or the relevant Internal Systems Officer periodically evaluates the adequacy of these and makes any necessary changes. The Bank sets written limits for quantifiable risks such as credit risk, market risk, interest rate risk and liquidity risk arising from its activities and these limits are approved by the Board of Directors. The risk limits are determined together with the relevant senior management, including the relevant internal systems officer, the risk management unit manager and the bank general manager. The Board of Directors passes the authority to open credits to the Credit Committee or to the General Manager in line with the principles set out in the Bank's Credit policies and procedures. Risk Management, with its daily limit overrun risk report, And regularly reports to the Executive Management and the Board of Directors. Measures the impact of the change in the bank's risk factor on revenues and expenses. The Bank conducts periodic stress tests and scenario analyses to assess the impact of unexpected market conditions on core business activities. When necessary, the results of scenario analysis and stress tests are reflected in policies and limits.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 2. General Information on Risk Management and Risk Weighted Amount

	Risk Weighted Amount		Minimum Capital requirement	Minimum Capital requirement
	Current Period	Prior Period	Current Period	Prior Period
1 Credit risk (excluding counterparty credit risk)	1,443.173	1,958.080	115.454	156.646
2 Standardised approach	1,443.173	1,958.080	115.454	156.646
3 Internal rating-based approach	-	-	-	-
4 Counterparty credit risk	44.131	15.540	3.530	1.243
5 Standardised approach for counterparty credit risk	44.131	15.540	3.530	1.243
6 Internal model method	-	-	-	-
7 Basic risk weight approach to internal models equity position in the banking account	-	-	-	-
8 Investments made in collective investment companies - look-through approach	-	-	-	-
9 Investments made in collective investment companies - mandate-based approach	-	-	-	-
10 Investments made in collective investment companies - 1250% weighted risk approach	-	-	-	-
11 Settlement risk	-	-	-	-
12 Securitization positions in banking accounts	-	-	-	-
13 IRB ratings-based approach	-	-	-	-
14 IRB Supervisory Formula Approach	-	-	-	-
15 SA/simplified supervisory formula approach	-	-	-	-
16 Market risk	17.165	55.863	1.373	4.469
17 Standardised approach	17.165	55.863	1.373	4.469
18 Internal model approaches	-	-	-	-
19 Operational risk	352.710	365.669	28.217	29.254
20 Basic Indicator Approach	352.710	365.669	28.217	29.254
21 Standard Approach	-	-	-	-
22 Advanced measurement approach	-	-	-	-
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-	-
24 Floor adjustment	-	-	-	-
<b>25 Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>1.857.179</b>	<b>2.395.152</b>	<b>148.574</b>	<b>191.612</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### b. Connections between Financial Statements and Risk Amounts

1. Main sources of differences between risk amounts and amounts in financial statements which are evaluated in accordance with TAS

	a	b	c	d	e	f	g
	Carrying values of items in accordance with Turkish Accounting Standards						
Current Period	Carrying values in financial statements prepared as per TAS	Amount accordance with TAS under regulatory consolidation	Credit Risk	Counterparty credit risk	Securitization positions	Market risk	Not subject to capital requirements or subject to deduction from capital
<b>Assets</b>							
Cash and Balances with the Central Bank	332.442	332.442	332.442	-	-	-	-
Available-for-Sale Financial Assets	38.727	38.727	-	38.727	-	-	-
Financial assets at fair value through profit and loss	362.073	362.073	362.073	-	-	362.073	-
Banks	684.658	684.658	684.658	-	-	-	-
Receivables from Money markets	-	-	-	-	-	-	-
Financial assets available for sale (net)	-	-	-	-	-	-	-
Loans and receivables	1.138.387	1.138.387	1.138.387	-	-	-	-
Receivables from factoring	-	-	-	-	-	-	-
Investments held to maturity (net)	-	-	-	-	-	-	-
Subsidiaries (net)	-	-	-	-	-	-	-
Associates (net)	-	-	-	-	-	-	-
Jointly controlled entities (joint ventures) (net)	-	-	-	-	-	-	-
Finance lease receivables	-	-	-	-	-	-	-
Derivative financial liabilities held for risk management	-	-	-	-	-	-	-
Tangible Assets (net)	4.805	4.805	2.911	-	-	-	1.894
Intangible Assets (net)	3.976	3.976	-	-	-	-	3.976
Real estate for investment purpose (net)	-	-	-	-	-	-	-
Tax asset	3.960	3.960	4.220	-	-	-	-260
Assets Held For Sale and Discontinued Operations (net)	-	-	-	-	-	-	-
Other assets	93.304	93.304	93.304	-	-	-	-
<b>Total Assets</b>	<b>2.662.332</b>	<b>2.662.332</b>	<b>2.617.995</b>	<b>38.727</b>	<b>-</b>	<b>362.073</b>	<b>5.610</b>
<b>Liabilities</b>							
Deposits	965.156	965.156	-	-	-	-	965.156
Derivative financial liabilities held for trading	45.176	45.176	-	45.176	-	-	45.176
Loans	1.004.274	1.004.274	-	-	-	-	1.004.274
Money market borrowings	-	-	-	-	-	-	-
Securities issued	-	-	-	-	-	-	-
Funds	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Factoring payables	-	-	-	-	-	-	-
Finance lease payables	-	-	-	-	-	-	-
Derivative financial liabilities held for risk management	-	-	-	-	-	-	-
Provisions	37.159	37.159	-	-	-	-	37.159
Tax Liability	12.868	12.868	-	-	-	-	12.868
Liabilities regarding assets held for sale and discontinued operations (net)	-	-	-	-	-	-	-
Other Liabilities	8.965	8.965	-	-	-	-	8.965
Subordinated Loans	-	-	-	-	-	-	-
Shareholders' equity	588.734	588.734	-	-	-	-	588.734
<b>Total liabilities</b>	<b>2.662.332</b>	<b>2.662.332</b>	<b>-</b>	<b>45.176</b>	<b>-</b>	<b>-</b>	<b>2.662.332</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	a	b	c	d	e	f	g
	Carrying values of items in accordance with Turkish Accounting Standards						
	Amount accordance with					Not subject to capital requirements or subject to deduction from capital	
Prior Period	Carrying values in financial statements prepared as per	TAS under regulatory consolidation	Credit Risk	Counterparty credit risk	Securitization positions	Market risk	
<b>Assets</b>							
Cash and Balances with the Central Bank	510.718	510.718	510.718	-	-	-	-
Available-for-Sale Financial Assets	-	-	-	-	-	-	-
Financial assets at fair value through profit and loss	440.506	440.506	409.591	30.915	-	409.591	-
Banks	331.881	331.881	331.881	-	-	-	-
Receivables from Money markets	-	-	-	-	-	-	-
Financial assets available for sale (net)	-	-	-	-	-	-	-
Loans and receivables	1.715.824	1.715.824	1.715.824	-	-	-	-
Receivables from factoring	-	-	-	-	-	-	-
Investments held to maturity (net)	-	-	-	-	-	-	-
Subsidiaries (net)	-	-	-	-	-	-	-
Associates (net)	-	-	-	-	-	-	-
Jointly controlled entities (joint ventures) (net)	-	-	-	-	-	-	-
Finance lease receivables	-	-	-	-	-	-	-
Derivative financial liabilities held for risk management	-	-	-	-	-	-	-
Tangible Assets (net)	2.462	2.462	1.972	-	-	-	490
Intangible Assets (net)	3.016	3.016	-	-	-	-	3.016
Real estate for investment purpose (net)	-	-	-	-	-	-	-
Tax asset	2.076	2.076	4.488	-	-	-	2.412
Assets Held For Sale and Discontinued Operations (net)	-	-	-	-	-	-	-
<b>Other assets</b>	<b>35.411</b>	<b>35.411</b>	<b>35.411</b>	-	-	-	-
<b>Total Assets</b>	<b>3.041.894</b>	<b>3.041.894</b>	<b>3.009.885</b>	<b>30.915</b>	<b>-</b>	<b>409.591</b>	<b>1.094</b>
<b>Liabilities</b>							
Deposits	935.327	935.327	-	-	-	-	935.327
Derivative financial liabilities held for trading	31.976	31.976	-	31.976	-	-	31.976
Loans	1.492.184	1.492.184	-	-	-	-	1.492.184
Money market borrowings	-	-	-	-	-	-	-
Securities issued	-	-	-	-	-	-	-
Funds	-	-	-	-	-	-	-
Miscellaneous payables	22.763	22.763	-	-	-	-	22.763
Other liabilities	2.803	2.803	-	-	-	-	2.803
Factoring payables	-	-	-	-	-	-	-
Finance lease payables	-	-	-	-	-	-	-
Derivative financial liabilities held for risk management	-	-	-	-	-	-	-
Provisions	41.193	41.193	-	-	-	-	41.193
Tax Liability	6.921	6.921	-	-	-	-	6.921
Liabilities regarding assets held for sale and discontinued operations (net)	-	-	-	-	-	-	-
Subordinated Loans	-	-	-	-	-	-	-
<b>Shareholders' equity</b>	<b>508.727</b>	<b>508.727</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>508.727</b>
<b>Total liabilities</b>	<b>3.041.894</b>	<b>3.041.894</b>	<b>-</b>	<b>31.976</b>	<b>-</b>	<b>-</b>	<b>3.041.894</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 2. Main sources of differences between risk amounts and amounts in financial statements which are evaluated in accordance with TAS

	a	b	c	d	e
	Total	Credit Risk	Securitization positions	Counterparty credit risk	Market Risk(*)
<b>Current Period</b>					
1 Asset carrying value amount under scope of TAS	2.656.722	2.617.995	-	38.727	362.073
2 Liabilities carrying value amount under TAS	--	--	--	--	--
3 Total net amount under regulatory	2.656.722	2.617.995	-	38.727	362.073
4 Off-balance Sheet Amounts	1.311.997	330.368	-	-	-
5 Differences in valuations	--	--	--	--	--
6 Differences due to different netting rules, other than those already included in row 2	--	--	--	--	--
7 Differences due to consideration of provisions	--	--	--	--	--
8 Differences due to prudential filters	-	-	-	5.404	(344.908)
9 Differences due to risk mitigation	-	(2.948.363)	-	-	-
<b>10 Risk exposure</b>	<b>3.968.719</b>	<b>--</b>	<b>-</b>	<b>44.131</b>	<b>17.165</b>
	a	b	c	d	e
<b>Prior Period</b>					
	Total	Credit Risk	Securitization positions	Counterparty credit risk	Market Risk(*)
1 Asset carrying value amount under scope of TAS	3.040.800	3.009.885	--	30.915	409.591
2 Liabilities carrying value amount under TAS	--	--	--	--	--
3 Total net amount under regulatory	3.040.800	3.009.885	--	30.915	409.591
4 Off-balance Sheet Amounts	1.188.818	341.525	--	--	--
5 Differences in valuations	--	--	--	--	--
6 Differences due to different netting rules, other than those already included in row 2	--	--	--	--	--
7 Differences due to consideration of provisions	--	--	--	--	--
8 Differences due to prudential filters	--	--	--	(15.375)	(353.728)
9 Differences due to risk mitigation	--	(3.351.410)	--	--	--
<b>10 Risk exposure</b>	<b>4.229.618</b>	<b>--</b>	<b>--</b>	<b>15.540</b>	<b>55.863</b>

(\*) According to the "Regulation on Measurement and Assessment of Capital Adequacy of Banks", risk amounts include the financial instruments included in trading accounts and market risk arising from the calculated capital requirement for currency risk.

#### 3. Differences between risk amounts and amounts in financial statements which are evaluated in accordance with TAS

##### a) Scope of accounting and legal consolidation:

There is no difference between the Bank's accounting and legal consolidation scope.

##### b) Differences between the amounts in accordance with TAS and the risk amounts:

The differences between the amounts in accordance with TAS and the amounts after post-risk reduction in the transactions subject to counterparty credit risk stem from the addition of the potential risk amounts to the renewal costs of the derivative transactions subject to CCR and the volatility adjustments for repo / reverse repo transactions.

The fair values of marketable securities subject to TAS are fair value of trading financial instruments. On the other hand, the amount in the risk amount line represents the amount of the market risk based on the calculated capital requirement for the losses that the market risk can be caused by factors such as interest rate risk, stock price risk and currency rate risk in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy of Banks".

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

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c) Explanations on the systems and controls used to ensure the prudence and reliability of the Bank's valuation estimates in accordance with the prudent valuation principles and principles in Appendix 3 appended to the Regulation on the Measurement and Assessment of Banks' Capital Adequacy:

If financial instruments that are accounted for at fair value are traded in an active market, valuation based on market price is made. The fair value of the market price used in valuation is confirmed periodically. Fair valuation of financial instruments that do not have an active market is made in accordance with TFRS 9.

c) Explanations on Credit Risk

#### 1. General Qualitative Information Related to Credit Risk

Credits Principles on risk management constitute part of the Bank's containment risk principles:

- Risk is taken within the framework of a defined risk appetite.
- Any risks that you may receive must be approved within the risk management framework.
- The receivable must be compensated appropriately
- Risk should be monitored continuously and regularly reported.

A strong culture of risk management helps strengthen the Bank's resistance.

Credit risk arises from any counterparty, borrower or obligor (all of them collectively named "counterparty"), every transaction in which a contingent or probable receipt occurs. Similar to the classification of the DB Group, the Bank recognizes three types of credit risk: counterparty risk, country risk and exchange risk. The Bank manages its credit risk through local policies and procedures prepared in line with the Group's policy and rules.

Before accepting the credit risk, the basic principle of credit risk management is to examine the customers. In accordance with the principle of "recognition of the customer", prudent customer selection is achieved in cooperation with the business units that see the first line of defense on behalf of the Bank.

The Bank may designate a portfolio risk appetite for specific business segments, industries, countries, certain products, or individual counterparties to provide diversification, avoid concentration, and obtain a marketable portfolio. When determining the risk appetite and risk limits, the Board of Directors also takes into account the "Country and Sector Concentration Risks". The Risk Management Unit is independent of business units. The DB Group's credit policies are accordingly developed and the Risk Management Department is responsible for ensuring that these policies are maintained in accordance with the Bank's business. The Risk Management Department is responsible for the ongoing monitoring of credit risks, based on predetermined credit strategies. Credit strategies are coordinated with the management staff to ensure coordinated business and risk strategies are created.

All new credit risks in the bank should be approved according to the information of those who have the necessary credit authority according to the principle of "single debtor". All credit risk decisions related to the Bank are subject to the Bank's credit authority's approval. The bank aggregates and combines all the risk measures of the same borrower ("one borrower principle"). At the legal personality level, the ultimate responsibility for managing credit risk limits belongs to the Board of Directors. All current credit limits and risks are monitored at least once every three months in a manner consistent with the Risk and Capital Report.

In the Bank, the Board of Directors may use the methods of mitigating credit risk as mentioned in section 5.

Credit risk is avoided in our strategy without any intensive concentration in our portfolio. Significant concentration in credit risk is the risk that the Bank has entered into significant risks due to certain counterparties with similar economic characteristics or similar activities and that these similarities between the counterparties are not due to the contractual obligations arising from contracts of these parties in the economic or industrial circumstances. If they are likely to affect the ability to fulfil their obligations in the same way. Concentration of credit risk may also exist at a single counterparty level.

# Deutsche Bank Anonim Şirketi

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Internal Auditing "IA" provides stakeholders with independent and impartial assurance on the adequacy of the design and effectiveness of internal control systems, as well as the effectiveness of risk management and audit processes. ID is objective and neutral. Its function is independent of the day-to-day business of the bank, and the ID staff is not responsible for neither the work nor the operations. The ID has the right to access all facilities, employees, information and documentation in order to fulfil its duties. ID acts with the authority provided by the Board of Directors and is expected to prepare and implement a dynamic and risk-based audit from the ID. The audit result is reported to the management in the form of individual audit reports.

#### 2. Credit quality of assets

	Gross carrying value as per TAS		Allowances/amortisation and impairments		Net values
	Defaulted	Non-defaulted	Current Period(*)	Prior Period	
1 Loans	-	1.139.927	1.588		1.138.339
2 Debt Securities	-	362.073	85		361.988
3 Off-balance sheet exposures	-	1.311.997	153		1.311.844
<b>4 Total</b>	<b>-</b>	<b>2.813.997</b>	<b>1.826</b>		<b>2.812.171</b>

	Gross carrying value as per TAS		Allowances/amortisation and impairments		Net values
	Defaulted	Non-defaulted	Current Period(*)	Prior Period	
1 Loans	-	1.715.824	8.338		1.707.486
2 Debt Securities	-	409.591	15		409.576
3 Off-balance sheet exposures	-	1.188.818	567		1.188.251
<b>4 Total</b>	<b>-</b>	<b>3.314.233</b>	<b>8.920</b>		<b>3.305.313</b>

(\*) Consist of expected loss.

#### 3. Changes in nominal defaulted receivables and borrowing instruments

The Bank has no defaulted receivables.

#### 4. Additional information on credit quality of assets

##### 4.1. Geographical distribution of receivables amounts

Current Period	Loans		Borrowings Instruments		Off-balance sheet receivables			
	Defaulted	Not defaulted	Defaulted	Not defaulted	Not defaulted	Provisions/Amortisation and impairment	Removed from Assets	
Defaulted Receivables	-	1.090.033	-	17.165	-	1.094.632	1.733	-
2 European Union Countries	-	27.910	-	-	-	75.482	9	-
3 OECD Countries	-	-	-	-	-	-	-	-
4 Off-Shore Banking Regions	-	-	-	-	-	-	-	-
5 USA, Canada	-	74	-	-	-	87.645	10	-
6 Other Countries	-	20.871	-	-	-	54.238	74	-
<b>7 Total</b>	<b>-</b>	<b>1.138.888</b>	<b>-</b>	<b>17.165</b>	<b>-</b>	<b>1.311.997</b>	<b>1.826</b>	<b>-</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period	Loans		Borrowings Instruments		Off-balance sheet receivables		Provisions/ Amortisation and impairment	Removed from Assets
	Defaulted	Not defaulted	Defaulted	Not defaulted	Defaulted	Not defaulted		
Defaulted Receivables	-	1.712.390	-	55.863	-	918.222	8.774	-
2 European Union Countries	-	-	-	-	-	120.802	58	-
3 OECD Countries	-	-	-	-	-	-	-	-
4 Off-Shore Banking Regions	-	-	-	-	-	-	-	-
5 USA, Canada	-	13	-	-	-	101.567	48	-
6 Other Countries	-	3.421	-	-	-	48.226	40	-
<b>7 Total</b>	-	<b>1.715.824</b>	-	<b>55.863</b>	-	<b>1.188.817</b>	<b>8.920</b>	-

#### 4.2 Credit Quality of Assets - Sectoral risk concentrations

Prior Period	Loans		Borrowings Instruments		Off-balance sheet receivables		Provisions/ Amortisation and impairment	Removed from Assets
	Defaulted	Not defaulted	Defaulted	Not defaulted	Defaulted	Not defaulted		
<b>Agriculture</b>	-	<b>14.328</b>	-	-	-	-	-	-
Farming and Stockbreeding	-	14.328	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-
Fishery	-	-	-	-	-	-	-	-
<b>Manufacturing</b>	-	<b>681.330</b>	-	-	-	<b>1.003.995</b>	<b>1.588</b>	-
Mining and Quarrying	-	-	-	-	-	-	-	-
Production	-	681.330	-	-	-	1.003.995	1.588	-
Electric, Gas and Water	-	-	-	-	-	-	-	-
Construction	-	3	-	-	-	-	-	-
<b>Services</b>	-	<b>436.006</b>	-	<b>17.165</b>	-	<b>308.002</b>	<b>238</b>	-
Wholesale and Retail Trade	-	110.328	-	-	-	-	-	-
Hotel, Food and Beverage	-	-	-	-	-	-	-	-
Transportation and Telecommunication	-	7.590	-	-	-	-	-	-
Financial Institutions	-	317.875	-	17.165	-	308.002	238	-
Real Estate and Rental Services	-	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-	-
Educational Services	-	-	-	-	-	-	-	-
Health and Social Services	-	213	-	-	-	-	-	-
<b>Other</b>	-	<b>7.221</b>	-	-	-	-	-	-
<b>Total</b>	-	<b>1.138.888</b>	-	<b>17.165</b>	-	<b>1.311.997</b>	<b>1.826</b>	-

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Prior Period	Loans			Borrowings Instruments			Off-balance sheet receivables		
	Defaulted	Not defaulted	Defaulted	Not defaulted	Defaulted	Not defaulted	Provisions/Amortisation and impairment	Removed from Assets	
Agriculture	-	10.148	-	-	-	-	-	-	
Farming and Stockbreeding	-	10.148	-	-	-	-	-	-	
Forestry	-	-	-	-	-	-	-	-	
Fishery	-	-	-	-	-	-	-	-	
Manufacturing	-	1.181.068	-	-	-	850.302	8.338	-	
Mining and Quarrying	-	-	-	-	-	-	-	-	
Production	-	1.158.067	-	-	-	850.302	8.338	-	
Electric, Gas and Water	-	23.001	-	-	-	-	-	-	
Construction	-	455	-	-	-	-	-	-	
Services	-	507.074	-	55.863	-	338.516	582	-	
Wholesale and Retail Trade	-	129.450	-	-	-	-	-	-	
Hotel, Food and Beverage	-	-	-	-	-	-	-	-	
Transportation and Telecommunication	-	21.444	-	-	-	-	-	-	
Financial Institutions	-	355.607	-	55.863	-	338.516	582	-	
Real Estate and Rental Services	-	-	-	-	-	-	-	-	
Professional Services	-	-	-	-	-	-	-	-	
Educational Services	-	-	-	-	-	-	-	-	
Health and Social Services	-	573	-	-	-	-	-	-	
Other	-	17.079	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>1.715.824</b>	<b>-</b>	<b>55.863</b>	<b>-</b>	<b>1.188.818</b>	<b>8.920</b>	<b>-</b>	

#### 4.3 Credit Quality of Assets-Distribution according to remaining flows

Current Period	Non distributed	1 Month	1-3 Month	3-6 Month	6-12 Month	Over 1 Year	Total
Non-Defaulted Receivables	1.002.956	252.804	590.540	98.218	352.160	171.372	2.468.050
1 Loans	(1.039)	241.099	548.109	-	350.719	-	1.138.888
2 Borrowing Instruments	-	-	8.891	2.480	1.441	4.353	17.165
3 Off-Balance Receivables	1.003.995	11.705	33.540	95.738	-	167.019	1.311.997
Defaulted Receivables	-	-	-	-	-	-	-
1 Loans	-	-	-	-	-	-	-
2 Borrowing Instruments	-	-	-	-	-	-	-
3 Off-Balance Receivables	-	-	-	-	-	-	-
<b>Provisions/ Amortization and present value</b>							
<b>Total</b>	<b>1.002.956</b>	<b>252.804</b>	<b>590.540</b>	<b>98.218</b>	<b>352.160</b>	<b>171.372</b>	<b>2.468.050</b>
Prior Period	Non distributed	1 Month	1-3 Month	3-6 Month	6-12 Month	Over 1 Year	Total
Non-Defaulted Receivables	850.302	552.170	380.307	730.712	209.077	237.937	2.960.504
1 Loans	-	533.707	344.324	629.230	208.563	-	1.715.824
2 Borrowing Instruments	-	-	28.117	2.064	514	25.168	55.862
3 Off-Balance Receivables	850.302	18.463	7.866	99.418	-	212.769	1.188.818
Defaulted Receivables	-	-	-	-	-	-	-
1 Loans	-	-	-	-	-	-	-
2 Borrowing Instruments	-	-	-	-	-	-	-
3 Off-Balance Receivables	-	-	-	-	-	-	-
<b>Provisions/ Amortization and present value</b>							
<b>Total</b>	<b>850.302</b>	<b>552.170</b>	<b>380.307</b>	<b>730.712</b>	<b>209.077</b>	<b>237.937</b>	<b>2.960.504</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 4.4 Quality of Assets - Aging analysis for overdue receivables

None.

#### 4.5 Quality of Assets – Provisions for Restructured Receivables

None.

#### 5. Qualitative requirements to be disclosed to the public regarding credit risk mitigation techniques

In the Bank, the Board of Directors may use the following methods of mitigating credit risk, including but not limited to:

- On-balance sheet cash settlement
- Netting and cash collateral transactions for derivative instruments
- Set-off transactions of third party guarantees received on stock lending transactions
- Offsetting of collateral received / given for repo transactions
- Other appropriate collateral
- Warranty from DB AG.

The main purpose of collateralizing any loan is to mitigate the credit risk.

In case of the loan is established with a guarantee condition, it is necessary to enter the guarantees into the banking system. Loan disbursement is the result of the systematic comparison of the collateral with the conditions of the communiqué regarding the credit.

Collateral matching is using in the system for each loan. In addition, for each collateral, the appropriateness of the collateral margin is also controlled.

The credit risk the bank is exposed to and the credit risk mitigation techniques used to mitigate this risk are taken into account in the standards set out in the legislation. Credit risk mitigation is performed according to the comprehensive financial guarantee method, where the risk mitigation effects of financial collateral are calculated through volatility adjusted values. After applying risk mitigation techniques, standard risk weights are applied to the unprotected portion. Cash or similar assets and borrowing instruments with a high credit quality level are used to reduce credit risk.

#### 6. Credit risk mitigation techniques- overview

Current Period	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1 Loans	1.139.927	-	-	-	-	-	-
2 Debt Instruments	362.073	-	-	-	-	-	-
3 Total	1.502.000	-	-	-	-	-	-
4 Of which defaulted	-	-	-	-	-	-	-

Prior Period	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1 Loans	1.715.824	-	-	-	-	-	-
2 Debt Instruments	409.591	-	-	-	-	-	-
3 Total	2.125.415	-	-	-	-	-	-
4 Of which defaulted	-	-	-	-	-	-	-

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## Notes To The Financial Statements

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#### 7. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

The capital adequacy calculation uses the ratios given by Fitch Ratings, limited to Receivables from Central Government or Central Banks.

#### 8. Standardised Approach- Credit Risk Exposure and Credit Risk Mitigation Techniques

Current Period Risk Classification	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA Density
1 Claims on sovereigns and Central Banks	696.871	-	696.871	-	-	-
2 Claims on regional governments or local authorities	-	-	-	-	-	-
3 Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	-
4 Claims on multilateral development banks	-	-	-	-	-	-
5 Claims on international organizations	-	-	-	-	-	-
6 Claims on banks and intermediary institutions	710.845	942.128	253.353	78.543	219.801	66,23%
7 Claims on corporates	1.099.755	288.327	1.140.228	78.804	1.218.923	99,99%
8 Claims included in the regulatory retail portfolios	-	826	-	3.340	19.579	586,17%
9 Claims secured by residential property	-	-	-	-	-	-
10 Claims secured by commercial property	-	-	-	-	-	-
11 Overdue loans	-	-	-	-	-	-
12 Higher risk categories decided by the Board	-	-	-	-	-	-
13 Secured by mortgages	-	-	-	-	-	-
14 Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-
15 Undertakings for collective investments in mutual funds	-	-	-	-	-	-
16 Other receivables	58.249	-	58.249	-	8.485	14,57%
17 Equity share investments	-	-	-	-	-	-
<b>18 Total</b>	<b>2.565.720</b>	<b>1.231.281</b>	<b>2.148.701</b>	<b>160.687</b>	<b>1.466.788</b>	<b>63,51%</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period Risk Classification	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA Density
1 Claims on sovereigns and Central Banks	934.568	-	934.568	-	1.855	0,20%
2 Claims on regional governments or local authorities	-	-	-	-	-	-
3 Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	-
4 Claims on multilateral development banks	-	-	-	-	-	-
5 Claims on international organizations	-	-	-	-	-	-
6 Claims on banks and intermediary institutions	188.477	980.703	364.638	103.697	191.909	40,98%
7 Claims on corporates	1.714.935	176.857	1.714.934	57.929	1.772.758	99,99%
8 Claims included in the regulatory retail portfolios	-	3.401	-	23.179	21.811	94,10%
9 Claims secured by residential property	-	-	-	-	-	-
10 Claims secured by commercial property	-	-	-	-	-	-
11 Overdue loans	-	-	-	-	-	-
12 Higher risk categories decided by the Board	-	-	-	-	-	-
13 Secured by mortgages	-	-	-	-	-	-
14 Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-
15 Undertakings for collective investments in mutual funds	-	-	-	-	-	-
16 Other receivables	9.023	-	9.023	-	5.517	61,14%
17 Equity share investments	-	-	-	-	-	-
<b>18 Total</b>	<b>2.847.003</b>	<b>1.160.961</b>	<b>3.023.163</b>	<b>184.805</b>	<b>1.993.850</b>	<b>62,15%</b>

# Deutsche Bank Anonim Şirketi

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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 9. Standardised Approach- Claims By Risk Classification And Risk Weights:

Current Period Risk Classification/Risk weight amount	0%	10%	20%	50%	75%	100%	150%	200%	Others	Total risk amount (post-CCF and CRW)
Claims on sovereigns and Central Banks	696.871	-	-	-	-	-	-	-	-	696.871
Claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-
Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	-	-	-	-	-
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	95.178	816.756	-	110.452	-	1.235	-	-	-	1.023.621
Claims on corporates	109	-	-	-	-	-1.257.767	-	-	-	1.257.876
Claims included in the regulatory retail portfolios	-	-	-	-	-	1.654	-	-	-	1.654
Claims secured by residential property	-	-	-	-	-	-	-	-	-	-
Claims secured by commercial property	-	-	-	-	-	-	-	-	-	-
Overdue loans	-	-	-	-	-	-	-	-	-	-
Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-
Other receivables	5.870	-	-	-	-	-	8.485	-	-	14.355
<b>Total</b>	<b>798.028</b>	<b>-</b>	<b>816.756</b>	<b>-</b>	<b>110.452</b>	<b>1.6541.267.487</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.994.377</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period Risk Classification/Risk weight amount	0%	10%	20%	50%	75%	100%	150%	200%	Others	Total risk amount (post-CCF and CRM)
Claims on sovereigns and Central Banks	930.858	-	-	3.709	-	-	-	-	-	934.567
Claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-
Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	-	-	-	-	-
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	42.637	-	428.610	148.286	-	32.117	-	-	-	651.650
Claims on corporates	-	-	-	-	1.812	1.772.908	-	-	-	1.772.908
Claims included in the regulatory retail portfolios	-	-	-	-	-	-	-	-	-	1.812
Claims secured by residential property	-	-	-	-	-	-	-	-	-	-
Claims secured by commercial property	-	-	-	-	-	-	-	-	-	-
Overdue loans	-	-	-	-	-	-	-	-	-	-
Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-
Other receivables	3.506	-	-	-	-	5.517	-	-	-	9.023
<b>Total</b>	<b>977.001</b>	<b>-</b>	<b>428.610</b>	<b>151.995</b>	<b>1.812</b>	<b>1.810.542</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.369.960</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### d. Counterparty credit risk (CCR) explanations:

##### 1. Qualitative disclosure related to counterparty credit risk:

The Board has not yet decided to use any of the techniques of "Sub-Participation Unfinished or Loaned", "Credit Derivatives" (Credit Borrowing Settlement Agreement and / or Total Return Settlement) techniques in terms of "Risk Reduction Techniques".

The Bank currently uses "Cross Guarantees in Trade Transactions", "Bills in Reverse Repurchase Transactions" and "Bonds in DB AG Group Transactions" as risk reduction techniques.

##### 2. Analysis of counterparty credit risk exposure by approach:

31 December 2018	Replacement cost	Potential future exposure	EBPRT (*)	Alpha used for computing regulatory EAD	Exposure at Default post-CRM	Risk Weighted Amount
1 Standard Approach-CCR (for derivatives)	384	49.747	-	-	50.131	40.575
2 Internal Model Method (for derivatives and SFTs)	-	-	-	-	-	-
3 Simple Approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
4 Comprehensive Approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
5 VaR for SFTs	-	-	-	-	-	-
<b>6 Total</b>	<b>384</b>	<b>49.747</b>	<b>-</b>	<b>-</b>	<b>50.131</b>	<b>40.575</b>

31 December 2017	Replacement cost	Potential future exposure	EBPRT (*)	Alpha used for computing regulatory EAD	Exposure at Default post-CRM	Risk Weighted Amount	
1 Standard Approach-CCR (for derivatives)		113	52.635	-	-	52.748	13.370
2 Internal Model Method (for derivatives and SFTs)		-	-	-	-	-	-
3 Simple Approach for credit risk mitigation (for SFTs)		-	-	-	-	-	-
4 Comprehensive Approach for credit risk mitigation (for SFTs)		-	-	-	-	-	-
5 VaR for SFTs		-	-	-	-	-	-
<b>6 Total</b>		<b>113</b>	<b>52.635</b>	<b>-</b>	<b>-</b>	<b>52.748</b>	<b>13.370</b>

\* Effective expected positive exposure.

##### 3. Credit valuation adjustment (CVA) capital charge:

31 December 2018	Exposure at default post-CRM	Risk Weighted Amount
Total portfolios subject to the Advanced CVA capital charge	-	-
1 (i) VaR component (including the 3*multiplier)	-	-
2 (ii) Stressed VaR component (including the 3*multiplier)	-	-
3 All portfolios subject to the Standardised CVA capital charge	50.131	40.575
<b>4 Total subject to the CVA capital charge</b>	<b>5.574</b>	<b>5.574</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

31 December 2017	Exposure at default post-CRM	Risk Weighted Amount
Total portfolios subject to the Advanced CVA capital charge	-	-
1 (i) VaR component (including the 3*multiplier)	-	-
2 (ii) Stressed VaR component (including the 3*multiplier)	-	-
3 All portfolios subject to the Standardised CVA capital charge	52.748	13.370
<b>4 Total subject to the CVA capital charge</b>	<b>15.412</b>	<b>15.412</b>

#### 4. Standardised approach - Credit Counterparty Risk Exposures by regulatory portfolio and risk weights:

Risk Portfolio (Current Period)	0%	10%	20%	50%	75%	100%	150%	Other	Total Credit risk <sup>(*)</sup>
Sovereigns and their central banks	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Regional governments or local authorities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
International organizations	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	5.759	2.165	-	-	-	-	7.924
Corporate	-	-	-	-	-	38.807	-	-	38.807
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-
Investments on securities	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets <sup>(**)</sup>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>5.759</b>	<b>2.165</b>	-	<b>38.807</b>	-	-	<b>46.731</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Risk Portfolio (Prior Period)	0%	10%	20%	50%	75%	100%	150%	Other	Total Credit risk <sup>(*)</sup>
Sovereigns and their central banks	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Regional governments or local authorities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
International organizations	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	30.290	8.936	-	-	-	-	39.226
Corporate	-	-	-	-	-	3.169	-	-	3.169
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-
Investments on securities	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets <sup>(**)</sup>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>30.290</b>	<b>8.936</b>	-	<b>3.169</b>	-	-	<b>42.395</b>

<sup>(\*)</sup> Total credit exposure: The amount relevant for the capital requirements calculation, having applied CRM techniques.

<sup>(\*\*)</sup> Other assets: The amount excludes exposures to "Central counterparty" which are reported in Counterparty credit risk.

#### 5. Composition of collateral for CCR exposure:

The bank has no composition of collateral for CCR exposure.

#### 6. Credit Derivative Exposures:

None.

#### 7. Exposures to central counterparties (CCP):

Counterparties consist of central counterparties, banks corporate and business firms. Central counterparty risks consist of guaranties given and the amount of guarantee fund paid.

#### e. Securitization Explanations

The bank has no securitization transaction

#### f. Market risk disclosures

##### 1. Qualitative requirements for public disclosure on Market risk:

Market risk is the risk that a Bank's positions will experience a possible loss of value due to market fluctuations. Market risk is due to uncertainties arising from changes in market prices and ratios, correlations between them and volatility levels. In accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks, market risks can be classified as follows:

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

**-General market risk:** The probability that the Bank will be exposed to interest rate risk and exposure to market risk due to the position of the position of the financial instruments in the trading accounts

**-Specific risk:** The probability of loss that may arise due to the problems that may arise from the management and financial structures of the institutions that issue or guarantee the financial instruments constituting these positions, except for extraordinary market movements, in the positions regarding the financial instruments included in the bank's trading accounts,

**-Exchange risk:** The probability of loss that the Bank may incur as a result of changes that may occur in exchange rates due to all foreign currency assets and liabilities,

**-Commodity risk:** The probability of the loss that the Bank may incur due to positional conditions related to derivative and derivative financial instruments due to movements in commodity prices,

**-Compensation risk:** Exposure to the bank due to changes in the price of securities, foreign exchange or commodities subject to the processing of a securities, foreign exchange or commodity for the delivery of a certain price at the agreed price and foreseeing that both parties fulfil their obligations at the time of maturity probability of damage.

All market risks are monitored according to certain limits set by the Board of Directors. The above types of market risk are monitored by the Risk Management Unit. Types of risks undertaken by the Bank may include one or more of these types of market risk; Risk assessments are determined during the new product acceptance (LOI) process and at the time of application to purchase authorization certificates.

DB A.Ş. The Market Risks Management process outlines the following transactions:

- Identification of the market risk,
- Limit structure definition,
- The development and implementation of the policies of market risk and the principles of implementation,
- Analysis and monitoring of market risk,
- Control and reporting of market risk.

Market Risk Limits of DB A.Ş. are defined in "Market Risk Policy of DB A.Ş.". Market risk limits, as a result of agreement reached with related parties, DB A.Ş. Presented to the Board of Directors for review by the Risk Management Unit. The Board of Directors reviews and approves market risk limits at least once a year.

Finance and Operations units are responsible for daily monitoring and reporting of defined limits. Limit overruns are monitored daily by the Risk Management Unit through limit overrun reports.

#### 2. Standardised approach:

31 December 2018	Risk Weighted Amount
Outright products <sup>(*)</sup>	17.165
1 Interest rate risk (general and specific)	15.215
2 Equity risk (general and specific)	-
3 Foreign exchange risk	1.950
4 Commodity risk	-
Options	-
5 Simplified approach	-
6 Delta-plus method	-
7 Scenario approach	-
8 Securitisation	-
<b>9 Total</b>	<b>17.165</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

31 December 2017	Risk Weighted Amount
Outright products <sup>(*)</sup>	55.863
1 Interest rate risk (general and specific)	38.200
2 Equity risk (general and specific)	-
3 Foreign exchange risk	17.663
4 Commodity risk	-
Options	
5 Simplified approach	-
6 Delta-plus method	-
7 Scenario approach	-
8 Securitisation	-
<b>9 Total</b>	<b>55.863</b>

\*Outright products refer to positions in products that are not optional.

#### g. Operational Risk

In the calculation of the Bank's operational risk, the "Basic Indicator Method" is used. The amount subject to operational risk is calculated once a year in accordance with the Regulation on "Measurement and Assessment of the Capital Adequacy of Banks" published in the Official Gazette numbered 25911 on 23 October 2015. In the basic indicator method, the operational risk base amount is calculated by multiplying the last three years by the average of fifteen percent of the year-end gross income amount realized by the last three years. The amount subject to operational risk is TL 352.713 for the current period (31 December 2017: TL 365.669).

	31.12.2015	31.12.2016	31.12.2017	Total / Number of years for which gross income is positive	Rate (%)	Total
Gross Income	190.299	188.383	185.654	188.112	15	28.217
Amount subject to operational risk (Total*12,5)						<b>352.713</b>

#### h. Interest rate risk on banking books

The interest rate risk of the banking books is measured and monitored within the scope of the Regulation about Measurement and Assessment of Interest Rate Risk in the Banking Accounts by Standard Shock Method.

Current Period	Shock Applied (+/- x basis point)	Gains/ (Losses)	Gains/Equity- (Losses)/Equity
Type of Currency			
TL	(+) 500bp	(3.926)	(%0,67)
TL	(-) 400bp	3.277	%0,56
EUR	(+) 200bp	3.540	%0,61
EUR	(-) 200bp	(3.643)	(%0,62)
USD	(+) 200bp	30	%0,01
USD	(-) 200bp	(31)	(%0,01)
<b>Total (of positive shocks)</b>		<b>(356)</b>	<b>(%0,05)</b>
<b>Total (of negative shocks)</b>		<b>(397)</b>	<b>(%0,07)</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period	Shock Applied (+/- x basis point)	Gains/ (Losses)	Gains/Equity- (Losses)/Equity
Type of Currency			
TL	(+) 500bp	(4.228)	(%0,82)
TL	(-) 400bp	4.450	%0,87
EUR	(+) 200bp	1.710	%0,33
EUR	(-) 200bp	(1.737)	(%0,34)
USD	(+) 200bp	(540)	(%0,10)
USD	(-) 200bp	552	%0,11
<b>Total (of positive shocks)</b>		<b>(3.058)</b>	<b>(%0,58)</b>
<b>Total (of negative shocks)</b>		<b>3.265</b>	<b>%0,63</b>

#### XI. Explanations on operating segments

Information of operating segments for the years ended 31 December 2018 and 31 December 2017 is presented in the following table:

Current period	Global Transaction Banking	Markets	Other (*)	Unallocated	Bank's Total Operating
<b>31 December 2018</b>					
Operating Profit	153.370	29.613	48.184	-	231.167
Net Operating Profit / (Loss)	91.026	(7.997)	73.533	-	156.562
Profit /(Loss) Before Tax	91.026	(7.997)	73.533	-	156.562
Tax Provision	-	-	-	(34.072)	(34.072)
Net Period Profit /(Loss)	91.026	(7.997)	73.533	(34.072)	122.490
<b>31 December 2018</b>					
Segment Assets	1.211.271	460.307	990.754	-	2.662.332
Segment Liabilities	944.753	42.521	1.086.324	-	2.073.598
Equity	-	-	-	588.734	588.734
Prior period	Global Transaction Banking	Markets	Other (*)	Unallocated	Bank's Total Operating
<b>31 December 2017</b>					
Operating Profit	105.138	25.781	54.735	-	185.654
Net Operating Profit / (Loss)	37.532	(22.279)	54.641	-	69.894
Profit /(Loss) Before Tax	37.532	(22.279)	54.641	-	69.894
Tax Provision	-	-	-	(13.851)	(13.851)
Net Period Profit /(Loss)	37.532	(22.279)	54.641	(13.851)	56.043
<b>31 December 2017</b>					
Segment Assets	1.779.685	471.870	790.339	-	3.041.894
Segment Liabilities	872.461	26.732	1.633.974	-	2.533.167
Equity	-	-	-	508.727	508.727

(\*) Consists of equity and treasury.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### SECTION FIVE

#### EXPLANATIONS AND NOTES TO FINANCIAL STATEMENTS

The prior period financial statements and related disclosures are not restated as permitted by TFRS 9 transition rules. Footnotes prepared on different principles are presented separately.

#### I. Explanations and Notes Related to Assets

##### 1. Information related to cash and balances with the Central Bank of the Republic of Turkey

##### 1.a Information on cash and balances with the Central Bank of the Republic of Turkey

	Current Period	
	TL	FC
Cash / Effective	2.563	1.411
Central Bank of Turkey	73.937	254.531
Other	-	-
<b>Total</b>	<b>76.500</b>	<b>255.942</b>

	Prior Period	
	TL	FC
Cash / Effective	1.387	370
Central Bank of Turkey	21.757	487.204
Other	-	-
<b>Total</b>	<b>23.144</b>	<b>487.574</b>

##### 1.b Information on balances with the Central Bank of the Republic of Turkey

	Current Period	
	TL	FC
Unrestricted Demand Deposits	72.452	-
Unrestricted Time Deposits	-	25.176
Restricted Time Deposits	1.485	229.355
<b>Total</b>	<b>73.937</b>	<b>254.531</b>

	Prior Period	
	TL	FC
Unrestricted Demand Deposits	19.749	-
Unrestricted Time Deposits	-	62.846
Restricted Time Deposits	2.008	424.358
<b>Total</b>	<b>21.757</b>	<b>487.204</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 1.c Information on reserve deposits

As per the Communiqué no. 2013/15 "Reserve Deposits" of the Central Bank of the Republic of Turkey (CBRT), banks keep reserve deposits at the CBRT for their TL and FC liabilities mentioned in the communiqué. CBRT started paying interest on reserve balances held in USD starting from May 2015 and held in TL starting from November 2014.

As of 31 December 2018, the rates for Turkish Lira required reserves are between 1,5% and 8% (31 December 2017: between 4% and 10,5%), depending on the maturity structure; the rates for foreign currency reserve requirements are between 4% and 20% (31 December 2017: between 4% and 24%) depending on the maturity structure.

#### 2. Information on financial assets at fair value through profit or loss

##### 2.a Financial assets at fair value through profit or loss

##### 2.a.1 Financial assets at fair value through profit/loss provided as collateral/blocked

	Current Period	
	TL	FC
Government Securities, Treasury Bills, and Other Securities	28.056	-
Share Certificates	-	-
Others	-	-
<b>Total</b>	<b>28.056</b>	<b>-</b>

	Prior Period	
	TL	FC
Government Securities, Treasury Bills, and Other Securities	53.679	-
Share Certificates	-	-
Others	-	-
<b>Total</b>	<b>53.679</b>	<b>-</b>

##### 2.a.2 Financial assets at fair value through profit/loss subject to repurchase agreements

None (31 December 2017: None).

##### 2.b Positive differences on derivative financial assets held for trading

	Current Period	
	TL	FC
Forward Transactions	-	38.677
Swap Transactions	-	50
Futures	-	-
Options	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>38.727</b>

	Prior Period	
	TL	FC
Forward Transactions	-	21.720
Swap Transactions	-	9.195
Futures	-	-
Options	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>30.915</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 3. Information on banks

##### 3.a. Information on banks

	TL	Current Period FC
Banks		
Domestic	630.525	146
Foreign	48.843	5.144
Foreign head offices and branches	-	-
<b>Total</b>	<b>679.368</b>	<b>5.290</b>

	TL	Prior Period FC
Banks		
Domestic	261.554	88
Foreign	63.861	6.378
Foreign head offices and branches	-	-
<b>Total</b>	<b>325.415</b>	<b>6.466</b>

##### 3.b Information on foreign banks account

	Unrestricted amount Current Period	Restricted amount Current Period
EU Countries	52.755	-
USA, Canada	470	-
OECD Countries (*)	772	-
Off-shore Banking Regions	-	-
Other	-	-
<b>Total</b>	<b>53.997</b>	<b>-</b>

	Unrestricted amount Prior Period	Restricted amount Prior Period
EU Countries	67.122	-
USA, Canada	1.757	-
OECD Countries (*)	1.360	-
Off-shore Banking Regions	-	-
Other	-	-
<b>Total</b>	<b>70.239</b>	<b>-</b>

#### 4. Information on financial assets at fair value through other comprehensive income

None.

As of 31 December 2017 there are no available-for-sale financial assets.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 5. Explanations on loans

##### 5.a Information on all types of loan or advance balances given to shareholders and employees of the Bank

	Current Period	
	Cash	Non-cash
Direct Lending to Shareholders	-	94.184
Corporate Shareholders	-	94.184
Individual Shareholders	-	-
Indirect Lending to Shareholders	62.084	-
Loans to Employees	-	-
<b>Total</b>	<b>62.084</b>	<b>94.184</b>
	Prior Period	
	Cash	Non-cash
Direct Lending to Shareholders	-	103.055
Corporate Shareholders	-	103.055
Individual Shareholders	-	-
Indirect Lending to Shareholders	70.736	-
Loans to Employees	-	-
<b>Total</b>	<b>70.736</b>	<b>103.055</b>

##### 5.b Information on the first and second group loans and receivables including loans that have been restructured or rescheduled and other receivables

Cash Loans	Standard Loans and Other Receivables	Loans and Other Receivables Under Close Monitoring		
		Loans and Other Receivables not Subject to Restructuring	Restructured	
			Loans and Receivables with Revised Contract Terms	Refinance
Non-Specialized Loans	1.139.927	-	-	-
Commercial loans	667.990	-	-	-
Export Loans	228.514	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	242.156	-	-	-
Consumer Loans	-	-	-	-
Credit Cards	-	-	-	-
Other	1.267	-	-	-
Specialized Lending	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>1.139.927</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Current Period	
	Standard Loans	Loans and other receivables under close monitoring
12 month expected credit losses	1.039	-
Significant increase in credit risk	-	-
<b>Total</b>	<b>1.039</b>	<b>-</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Information on loans whose terms are extended as of 31 December 2018:

Number of extensions	Standard Loans and Other Krediler	Current Period	
		Loans and other receivables under close monitoring	
1 or 2 Times		24.606	-
3, 4 or 5 Times		25.909	-
Over 5 Times		12.920	-
<b>Total</b>		<b>63.435</b>	-

Extension Periods	Standard Loans and Other Krediler	Current Period	
		Loans and other receivables under close monitoring	
0 - 6 Months		63.435	-
6 Months – 12 Months		-	-
1 - 2 Years		-	-
2 - 5 Years		-	-
5 Years and Over		-	-
<b>Total</b>		<b>63.435</b>	-

#### 5.c Loans according to their maturity structure

Curent Period	Loans and Other Receivables Under Close Monitoring		
	Standard Loans and Other Receivables	Loans and Other Receivables not Subject to Restructuring	Refinance
Short Term Loans	919.019	-	-
Medium and Long Term Lans	220.908	-	-
<b>Total</b>	<b>1.139.927</b>	-	-

Önceki Dönem	Yakın İzlemedeki Krediler		
	Standart Nitelikli Krediler	Yeniden Yapılandırma Kapsamında Yer Almayanlar	Yeniden Yapılandırılanlar
Kısa Vadeli Krediler	1,301,922	-	-
Orta ve Uzun Vadeli Krediler	413,902	-	-
<b>Toplam</b>	<b>1,715,824</b>	-	-

#### 5.d Information on consumer loans, individual credit cards, personnel loans and personnel credit cards

The Bank has no consumer loans, consumer credit cards, personnel credit cards, short term personnel loans as of 31 December 2018 (31 December 2017: None).

#### 5.e Information on instalment based commercial loans and corporate credit cards

The Bank's overdraft account amount is TL 1.251 as of 31 December 2018 (31 December 2017: TL 141.599).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 5.f Information on allocation of loan customers

	Current Period
Public Sector	-
Private Sector	1.139.927
<b>Total</b>	<b>1.139.927</b>
	Prior Period
Public Sector	-
Private Sector	1.715.824
<b>Total</b>	<b>1.715.824</b>

#### 5.g Distribution of domestic and foreign loans

	Current Period
Domestic Loans	1.139.911
Foreign Loans	16
<b>Total</b>	<b>1.139.927</b>
	Prior Period
Domestic Loans	1.712.388
Foreign Loans	3.436
<b>Total</b>	<b>1.715.824</b>

#### 5.h Loans to associates and subsidiaries

None (31 December 2017: None).

#### 5.i Specific provisions or allowance for expected credit losses (III. Stage) for loans

None (31 December 2017: None).

#### 5.j Information on non-performing loans (Net)

##### 5.j.1 Information on non-performing loans and receivables restructured or rescheduled

None (31 December 2017: None).

##### 5.j.2 Information on the movement of total non-performing loans

None (31 December 2017: None).

##### 5.j.3 Information on foreign currency non-performing loans and receivables

None (31 December 2017: None).

#### 6. Financial assets measured at amortised cost

As of 31 December 2017, there are no held-to-maturity investments.

#### 7. Information on investments in associates

None (31 December 2017: None).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 8. Information on investments in subsidiaries

None (31 December 2017: None).

#### 9. Information on investments in joint ventures

None (31 December 2017: None).

#### 10. Information on finance lease receivables

None (31 December 2017: None).

#### 11. Information on property and equipment

Current Period	Other Tangible Assets	Total
<b>1 January 2018</b>		
Cost	22,045	22,045
Accumulated Depreciation (-)	(19,583)	(19,583)
<b>Net Carrying Value</b>	<b>2,462</b>	<b>2,462</b>
<b>31 December 2018</b>		
Net Carrying Value at the Beginning of the Period	2,462	2,462
Additions	3,804	3,804
Disposals (-) (net)	-	-
Depreciation (-)	(1,461)	(1,461)
Cost at the End of the Period	25,849	25,849
Accumulated Depreciation at the End of the Period (-)	(21,044)	(21,044)
<b>Net Carrying Value</b>	<b>4,805</b>	<b>4,805</b>
<b>Prior Period</b>		
<b>1 January 2017</b>		
Cost	20,491	20,491
Accumulated Depreciation (-)	(18,562)	(18,562)
<b>Net Carrying Value</b>	<b>1,929</b>	<b>1,929</b>
<b>31 December 2017</b>		
Net Carrying Value at the Beginning of the Period	1,929	1,929
Additions	1,554	1,554
Disposals (-) (net)	-	-
Depreciation (-)	(1,021)	(1,021)
Cost at the End of the Period	22,045	22,045
Accumulated Depreciation at the End of the Period (-)	(19,583)	(19,583)
<b>Net Carrying Value</b>	<b>2,462</b>	<b>2,462</b>

As of 31 December 2018 and 31 December 2017, there is not impairment losses or reversal of impairment losses on tangible assets.

As of 31 December 2018 and 31 December 2017, there is no pledge on tangible assets.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 12. Additionally necessary information on each intangible asset type:

The Bank has intangible assets amounting to TL 3.976 as of 31 December 2018 (31 December 2017: TL 3.016). The Bank acquired the custody operations (customer list) of a local Bank in Turkey on 11 May 2007 and the transaction was settled on 2 July 2007. Purchase amount was amounting to TL 150.976, a provision of TL 59.823 has been recorded after revaluation in April 2010 because of changes in expected cash flows. These intangible asset fully amortized on 30 June 2017 and as of 31 December 2018, 31 December 2017, there are any net carrying value of aforesaid intangible assets.

#### 12.a Carrying value and accumulated amortization balances at current and prior period

Current Period	Carrying Value	Impairment	Accumulated Amortisation
Intangible Assets	172.839	60.750	108.113
Prior Period	Carrying Value	Impairment	Accumulated Amortisation
Intangible Assets	170.810	61.950	105.844

#### 12.b Information on movements between the beginning and end of the period

	Current Period
Beginning of the Period	3.016
Additions due to Mergers, Transfers and Acquisitions	3.229
Amortization (-)	(2.269)
<b>End of the Period</b>	<b>3.976</b>
	Prior Period
Beginning of the Period	6.773
Additions due to Mergers, Transfers and Acquisitions	1.843
Amortization (-)	(5.600)
<b>End of the Period</b>	<b>3.016</b>

#### 13. Information on investment property

None (31 December 2017: None).

#### 14. Information on tax assets

As of 31 December 2018, the Bank has no current tax assets (31 December 2017: None).

As of 31 December 2018, the Bank has a deferred tax assets of TL 3.960 calculated as the net amount remaining after netting of tax deductible timing differences and taxable timing differences (31 December 2017: TL 2.076 net deferred tax assets).

There is no deductible temporary differences that are not included in calculation of deferred tax asset and not reflected to financial statements in prior periods.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Detailed information on net deferred tax assets is as follows:

	Current Period	
	Accumulated temporary differences	Deferred tax asset/(liability)
Provisions for employee rights	11.512	2.456
Derivative financial instruments	6.517	1.434
Provisions	1.837	404
Other	426	93
<b>Deferred tax asset</b>	<b>20.292</b>	<b>4.387</b>
Difference between fair value of tangible and intangible assets and tax value	(2.065)	(427)
Deferred tax liability	(2.065)	(427)
<b>Deferred tax asset / (liability). net</b>	<b>18.227</b>	<b>3.960</b>
	Prior Period	
	Accumulated temporary differences	Deferred tax asset/(liability)
Provisions for employee rights	9.404	2.027
Derivative financial instruments	1.094	241
Other	347	77
Provisions	271	60
<b>Deferred tax asset</b>	<b>11.116</b>	<b>2.405</b>
Difference between fair value of tangible and intangible assets and tax value	(1.511)	(329)
Deferred tax liability	(1.511)	(329)
<b>Deferred tax asset / (liability). net</b>	<b>9.605</b>	<b>2.076</b>

#### 15. Information on assets held for sale and discontinued operations

None (31 December 2017: None).

#### 16. Information on other assets

##### 16.a Information on prepaid expenses, tax and similar transactions

	Current Period
Guarantees given (**)	45.243
Income accruals (*)	43.082
Prepaid expenses	2.211
Other	2.768
<b>Total</b>	<b>93.304</b>
	Prior Period
Income accruals (*)	31.868
Prepaid expenses	1.710
Guarantees given	128
Other	1.705
<b>Total</b>	<b>35.411</b>

(\*) TL 39.070 of income accruals comprise service income accruals (31 December 2017: TL 28.097).

(\*\*) Includes collaterals given for derivative transactions.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### II. Explanations and Notes Related to Liabilities

##### 1. Information on maturity structure of deposits

Current Period	Demand	With 7 days notifications	Up to 1 month	1-3 month	3-6 month	6 month 1 Year and over	1 Year	Total
<b>Saving Deposits</b>								
Foreign Currency Deposits	294.622	-	43.437	1.052	-	-	-	339.111
Residents in Turkey	269.229	-	43.437	1.052	-	-	-	313.718
Residents Abroad	25.393	-	-	-	-	-	-	25.393
Public Sector Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	192.418	-	144.630	14.000	-	-	-	351.048
Other Institutions Deposits	2	-	1.745	-	-	-	-	1.747
Precious Metal Deposits	-	-	-	-	-	-	-	-
Bank Deposits	273.250	-	-	-	-	-	-	273.250
The Central Bank of Turkey	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-
Foreign Banks	273.250	-	-	-	-	-	-	273.250
Special Financial Institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>760.292</b>	<b>-</b>	<b>189.812</b>	<b>15.052</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>965.156</b>

Prior Period	Demand	With 7 days notifications	Up to 1 month	1-3 month	3-6 month	6 month 1 Year and over	1 Year	Total
<b>Saving Deposits</b>								
Foreign Currency Deposits	261.848	-	43.059	-	-	-	-	304.907
Residents in Turkey	223.651	-	43.059	-	-	-	-	266.710
Residents Abroad	38.197	-	-	-	-	-	-	38.197
Public Sector Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	114.823	-	63.570	-	-	-	-	178.393
Other Institutions Deposits	90	-	5.655	-	-	-	-	5.745
Precious Metal Deposits	-	-	-	-	-	-	-	-
Bank Deposits	411.984	-	34.298	-	-	-	-	446.282
The Central Bank of Turkey	-	-	-	-	-	-	-	-
Domestic Banks	-	-	34.298	-	-	-	-	34.298
Foreign Banks	411.984	-	-	-	-	-	-	411.984
Special Financial Institutions	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>788.745</b>	<b>-</b>	<b>146.582</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>935.327</b>

##### 1.a Saving deposits covered by deposit insurance and total amount of deposits exceeding insurance coverage limit

None (31 December 2017: None).

##### 1.b Saving deposits at domestic branches of foreign banks in Turkey under the coverage of foreign insurance

None (31 December 2017: None).

##### 1c Saving deposits out of the insurance coverage limits of Saving Deposit Insurance Fund

None (31 December 2017: None).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 2. Information on derivative financial liabilities at fair value through profit or loss

Current Period	TL	FC
Forward Transactions	-	36.947
Swap Transactions	-	8.229
Futures Transactions	-	-
Options	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>45.176</b>
Prior Period	TL	FC
Forward Transactions	-	24.920
Swap Transactions	-	7.056
Futures Transactions	-	-
Options	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>31.976</b>

#### 3. Information on funds borrowed

##### 3.a Information on banks and other financial institutions

Current Period	TL	FC
Central Bank of Turkey	-	-
Domestic Banks and Institutions	-	-
Foreign Banks, Institutions and Funds	-	1.004.274
<b>Total</b>	<b>-</b>	<b>1.004.274</b>
Prior Period	TL	FC
Central Bank of Turkey	-	-
Domestic Banks and Institutions	-	-
Foreign Banks, Institutions and Funds	-	1.492.184
<b>Total</b>	<b>-</b>	<b>1.492.184</b>

##### 3.b Information on maturity structure of funds borrowed

Current Period	TL	FC
Short-Term	-	731.934
Medium and Long-Term	-	272.340
<b>Total</b>	<b>-</b>	<b>1.004.274</b>
Prior Period	TL	FC
Short-Term	-	1.364.846
Medium and Long-Term	-	127.338
<b>Total</b>	<b>-</b>	<b>1.492.184</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 3.c Additional information on the major concentration of the Bank's liabilities

The Bank funds its assets within the normal course of its banking business with bank deposits, funds borrowed and interbank money markets

#### 4. At least 20% of account of other liabilities on the balance sheet, exceeding 10% of the total liabilities excluding the off balance sheet items

Account of other liabilities on the balance sheet does not exceed 10% of total liabilities excluding the off-balance sheet items.

#### 5. Information on financial lease payables (Net)

##### 5.1 General information on the criteria used for the lease instalment arrangements, renewal or buy options and restrictions in the agreements

None (31 December 2017: None).

##### 5.2 Information on changes in the conditions of the agreements and new requirements for the Bank

None (31 December 2017: None).

##### 5.3 Information on financial lease payables

None (31 December 2017: None).

##### 5.4 Operational lease agreements

The Bank's operational leasing activities comprise of vehicles, photocopy machines and office buildings.

##### 5.5 Information on sales and lease-back agreements

In the current period there are no sales and lease-back agreements (31 December 2017: None).

#### 6. Information on derivative financial liabilities held for risk management

None (31 December 2017: None).

#### 7. Information on provisions and subordinated loans

##### 7.a Information on provisions for foreign exchange differences on foreign currency indexed loans

According to the 7th paragraph of Article 3 of the decision No.32 on the Protection of Turkish Currency, published in the Official Gazette dated 25 January 2018, the use of foreign currency indexed loans to persons residing in Turkey as of 2 May 2018 has been banned.

As of 31 December 2017, the Bank clarified the comparison of the principal exchange rate decrease amounting to TL 435 from the "loans" item in the assets of the balance sheet.

##### 7.b Provisions for non-cash loans that are not indemnified or converted into cash

None. (31 December 2017: TL 222). The related amount is disclosed in "other provisions" in the accompanying financial statements.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 7.c Reserve for employment benefits

Information on reserve for employment termination benefits

	Current Period
Personnel Bonus Provision	13.525
Provision for Employee Severance Indemnities	1.235
Vacation Pay Liability	2.767
<b>Total</b>	<b>17.527</b>
	Previous Period
Personnel Bonus Provision	11.950
Provision for Employee Severance Indemnities	1.089
Vacation Pay Liability	1.978
<b>Total</b>	<b>15.017</b>

In accordance with the existing Turkish Labour Law, the Bank is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or misconduct and this amount is limited by the termination indemnity upper limit.

Employee severance indemnities are not subject to legal funding requirements.

The provision has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, assumptions on discount rate, expected rate of salary increase and employee turnover rate is used in the calculation of the total liability. Each assumption is reviewed on an annual basis. The major actuarial assumptions used in the calculation of the total liability are as follows:

	Current Period
Net discount rate	5,22%
Rate of expected inflation increase	9,30%
Turnover rate to estimate the probability of retirement	95,40%
	Prior Period
Net discount rate	4,67%
Rate of expected inflation increase	7,00%
Turnover rate to estimate the probability of retirement	95,40%

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Movement of provision for severance indemnities during the year is presented below:

	Current Period
Balance at the beginning of the period	1.089
Termination Cost	-
The provision of the current year	137
Interest Cost	131
The provision is paid during the period (-)	(508)
The provision is cancelled during period (-)	-
Actuarial gains/(losses) (1)	386
<b>Total</b>	<b>1.235</b>

	Prior Period
Balance at the beginning of the period	1.048
Termination Cost	-
The provision of the current year	130
Interest Cost	109
The provision is paid during the period (-)	(465)
The provision is cancelled during period (-)	-
Actuarial gains/(losses) (1)	267
<b>Total</b>	<b>1.089</b>

(\*) Actuarial gains/(losses) are recognized under equity.

#### 7.d Information on other provisions

##### 7.d.1 General reserve for possible losses

None (31 December 2017: None).

##### 7.d.2 Information on other provisions exceeding 10% of total provisions

As of 31 Decemler 2018, other provisions amounting to TL 19.632 (31 December 2017: TL 17.271) includes provisions amounting to TL 18.644 (31 December 2017: TL 15.586) that will be paid in accordance with the service agreement signed with Deutsche Bank Group.

#### 8. Information on tax liability

##### 8.a.1 Information on tax liability

As of 31 December 2018, the Bank's corporate tax payable is amounting to TL 12.868 (31 December 2017: TL 6.921).

##### 8.a.2 Information on taxes payable

	Current period
Corporate Taxes Payable	4.672
Banking Insurance Transaction tax (BITT)	3.604
Value Added Tax Payable	2.393
Taxation on Securities Income	411
Other (*)	1.311
<b>Total</b>	<b>12.391</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Prior period
Corporate Taxes Payable	34
Banking Insurance Transaction tax (BITT)	2.593
Value Added Tax Payable	1.839
Taxation on Securities Income	174
Other <sup>(*)</sup>	1.863
<b>Total</b>	<b>6.503</b>

<sup>(\*)</sup> Includes withholding income taxes amounting to TL 1.279 (31 December 2017: TL 1.803).

#### 8.a.3 Information on premium payables

	Current period
Social Security Premiums-Employee	201
Social Security Premiums-Employer	234
Bank Pension Fund Premium-Employees	-
Bank Pension Fund Premium-Employer	-
Pension Fund Membership Fee and Provisions-Employee	-
Pension Fund Membership Fee and Provisions-Employer	-
Unemployment Insurance-Employee	14
Unemployment Insurance-Employer	28
Others	-
<b>Total</b>	<b>477</b>

	Prior period
Social Security Premiums-Employee	177
Social Security Premiums-Employer	204
Bank Pension Fund Premium-Employees	-
Bank Pension Fund Premium-Employer	-
Pension Fund Membership Fee and Provisions-Employee	-
Pension Fund Membership Fee and Provisions-Employer	-
Unemployment Insurance-Employee	12
Unemployment Insurance-Employer	25
Others	-
<b>Total</b>	<b>418</b>

#### 8.b Information on deferred tax liability

The Bank has no deferred tax liability in the current period (31 December 2017: None).

Detailed information on the net deferred tax asset / liability is presented in Section Five Note 14.

#### 9. Information on liabilities related to assets held for sale and discontinued operations

None (31 December 2017: None).

#### 10.Explanations on the number of subordinated loans the group used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any

None (31 December 2017: None).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 11. Information on shareholders' equity

##### 11.1 Presentation of paid-in capital

	Current period
Common Stock	135.000
Preferred Stock	
<b>Total</b>	<b>135.000</b>

---

	Prior period
Common Stock	135.000
Preferred Stock	-
<b>Total</b>	<b>135.000</b>

##### 11.2 Paid-in capital amount, explanation as to whether the registered share capital system ceiling is applicable at bank, if so amount of registered share capital

The Bank is not subject to registered share capital system.

##### 11.3 Information on the share capital increases during the period and their sources

None (31 December 2017: None).

##### 11.4 Information on share capital increases from revaluation funds

None (31 December 2017: None).

##### 11.5 Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and estimated resources required to meet these commitments

None (31 December 2017: None).

##### 11.6 Information on privileges given to shares representing the capital

None (31 December 2017: None).

##### 11.7 Information on securities value increase fund

None (31 December 2017: None).

##### 11.8 Explanations on the number of subordinated loans the group used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any

None (31 December 2017: None).

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### III. Explanations and Notes Related to Off-Balance Sheet Items

##### 1. Information on off balance sheet liabilities

##### 1.a The amount and type of irrevocable commitments

Type of irrevocable commitments	Current Period
Loan Granting Commitments	874.690
Two Days Forward Buy/Sell Commitments	128.960
Payment Commitments for Checks	122
Tax and Fund Liabilities from Export Commitments	223
<b>Total</b>	<b>1.003.995</b>

Type of irrevocable commitments	Prior Period
Loan Granting Commitments	818.374
Two Days Forward Buy/Sell Commitments	31.759
Payment Commitments for Checks	110
Tax and Fund Liabilities from Export Commitments	59
<b>Total</b>	<b>850.302</b>

##### 1.b Possible losses and commitments resulted from off-balance sheet items including the following

##### 1.b.1 Non-cash loans including guarantees, bank acceptances, letters of guarantee substitute for financial guarantees and other letters of credit

As of 31 December 2018, amount of letters of guarantee, letters of credit, import letter of acceptance and sureties are amounting to TL 305.388 and TL 2.614, respectively.

As of 31 December 2017, amount of letters of guarantee, letters of credit, import letter of acceptance and sureties are amounting to TL 321.271, TL 17.213 and TL 32, respectively.

##### 1.b.2 Certain guarantees, tentative guarantees, sureties and similar transactions

None except the items explained above in note 1.b.1.

##### 1.c Non-cash loans

##### 1.c.1 Total Non-cash loans

	Current Period
Non-Cash Loans for Cash Loans	-
With Original Maturity up to 1 Year	-
With Original Maturity of More Than 1 Year	-
Other Non-Cash Loans	308.002
<b>Total</b>	<b>308.002</b>

	Prior Period
Non-Cash Loans against Cash Loans	-
With Original Maturity up to 1 Year	-
With Original Maturity of More Than 1 Year	-
Other Non-Cash Loans	338.516
<b>Total</b>	<b>338.516</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 1.c.1. Sector risk concentration of non-cash loans

	TL	Current Period		FC	(%)
		(%)			
<b>Agriculture</b>	-	-	-	-	-
Farming and Stockbreeding	-	-	-	-	-
Forestry	-	-	-	-	-
Fishery	-	-	-	-	-
<b>Manufacturing</b>	<b>35.984</b>	<b>37</b>	<b>22.267</b>	<b>11</b>	
Mining	-	-	-	-	-
Production	35.984	37	22.267	11	
Electricity, Gas, Water	-	-	-	-	-
<b>Construction</b>	-	-	<b>6</b>	-	-
<b>Services</b>	<b>59.702</b>	<b>61</b>	<b>187.872</b>	<b>89</b>	
Wholesale and Retail Trade	3.048	3	17.329	8	
Hotel, Food and Beverage Services	-	-	-	-	-
Transportation and Telecommunication	2.121	2	2.283	1	
Financial Institutions	54.106	56	168.260	80	
Real Estate and Renting Services	-	-	-	-	-
"Self-Employment" Type Services	-	-	-	-	-
Educational Services	-	-	-	-	-
Health and Social Services	427	-	-	-	-
<b>Other</b>	<b>2.171</b>	<b>2</b>	-	-	-
<b>Total</b>	<b>97.857</b>	<b>100</b>	<b>210.145</b>	<b>100</b>	

	TL	Prior Period		FC	(%)
		(%)			
<b>Agriculture</b>	-	-	-	-	-
Farming and Stockbreeding	-	-	-	-	-
Forestry	-	-	-	-	-
Fishery	-	-	-	-	-
<b>Manufacturing</b>	<b>18.862</b>	<b>43</b>	<b>26.613</b>	<b>9</b>	
Mining	-	-	-	-	-
Production	18.862	43	26.613	9	
Electricity, Gas, Water	-	-	-	-	-
<b>Construction</b>	<b>8</b>	-	<b>936</b>	-	-
<b>Services</b>	<b>24.608</b>	<b>57</b>	<b>267.246</b>	<b>91</b>	
Wholesale and Retail Trade	2.794	6	13.589	5	
Hotel, Food and Beverage Services	-	-	-	-	-
Transportation and Telecommunication	1.995	5	1.660	1	
Financial Institutions	18.673	43	251.997	85	
Real Estate and Renting Services	-	-	-	-	-
"Self-Employment" Type Services	-	-	-	-	-
Educational Services	-	-	-	-	-
Health and Social Services	1.146	3	-	-	-
<b>Other</b>	<b>95</b>	-	<b>148</b>	-	-
<b>Total</b>	<b>43.573</b>	<b>100</b>	<b>294.943</b>	<b>100</b>	

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 1.c.2 Non-cash loans classified under Group I and II

	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	97.857	207.531	-	-
Bank Acceptances	-	-	-	-
Letters of Credit	-	2.614	-	-
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Commitments and Contingencies	-	-	-	-
<b>Total</b>	<b>97.857</b>	<b>210.145</b>	-	-

#### 2. Information on financial derivative instruments

	Derivative Transactions per Their Purposes	
	Trading	Risk Management
	Current Period	Current Period
<b>Derivatives Held for Trading</b>		
Foreign Currency Related Derivative Transactions (I)	2.180.235	-
Currency Forwards	1.000.843	-
Currency Swaps	1.179.392	-
Currency Futures	-	-
Currency Options	-	-
Interest Rate Related Derivative Transactions (II)	-	-
Interest Rate Forwards	-	-
Interest Rate Swaps	-	-
Interest Rate Futures	-	-
Interest Rate Options	-	-
Other Derivatives Held for Trading (III)	-	-
<b>A. Total Derivatives Held for Trading (I+II+III)</b>	<b>2.180.235</b>	-
<b>Derivatives Held for Risk Management</b>		
Fair Value Hedge (1)	-	-
Cash Flow Hedge (2)	-	-
Net Foreign Investment Hedge	-	-
<b>B. Total Derivatives Held for Risk Management</b>	-	-
<b>Total Derivative Transactions(A+B)</b>	<b>2.180.235</b>	-

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Derivative Transactions per Their Purposes	
	Trading	Risk Management
	Prior Period	Prior Period
<b>Derivatives Held for Trading</b>		
Foreign Currency Related Derivative Transactions (I)	10.443.835	-
Currency Forwards	5.930.841	-
Currency Swaps	4.512.994	-
Currency Futures	-	-
Currency Options	-	-
Interest Rate Related Derivative Transactions (II)	-	-
Interest Rate Forwards	-	-
Interest Rate Swaps	-	-
Interest Rate Futures	-	-
Interest Rate Options	-	-
Other Derivatives Held for Trading (III)	-	-
<b>A. Total Derivatives Held for Trading (I+II+III)</b>	<b>10.443.835</b>	<b>-</b>
<b>Derivatives Held for Risk Management</b>		
Fair Value Hedge (1)	-	-
Cash Flow Hedge (2)	-	-
Net Foreign Investment Hedge	-	-
<b>B. Total Derivatives Held for Risk Management</b>	<b>-</b>	<b>-</b>
<b>Total Derivative Transactions(A+B)</b>	<b>10.443.835</b>	<b>-</b>

### 3. Information on credit derivatives and risk exposures on credit derivatives

None (31 December 2017: None).

### 4. Explanations on contingent liabilities and assets

As of 31 December 2018, there are on-going lawsuits against the Bank but since the cash outflow risk is low there is no provision provided.

### 5. Explanations on services provided on behalf of third parties

The Bank provides purchase and sales of the financial instruments and custody services on behalf of the third parties. Financial instruments (notional values) held on behalf of the individuals and corporates by the Bank are as follows:

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Current Period
Treasury Bonds- TL	-
Government Bonds-TL	47.190.913
Government Bonds- FC	-
Private Sector Bonds-TL	159.600
Warrants	2.903.946
Issued Eurobonds from Treasury - USD	-
Issued Eurobonds from Treasury - EURO	-
Stocks-TL	8.564.072
Stocks-FC	-
Cheques in Portfolio-TL	88.702
Cheques in Portfolio-FC	-
Other	52.609
<b>Total</b>	<b>58.959.842</b>

	Prior Period
Treasury Bonds- TL	-
Government Bonds-TL	52.637.146
Government Bonds- FC	-
Private Sector Bonds-TL	20.350
Warrants	3.105.107
Issued Eurobonds from Treasury - USD	-
Issued Eurobonds from Treasury - EURO	-
Stocks-TL	8.695.509
Stocks-FC	-
Cheques in Portfolio-TL	55.782
Cheques in Portfolio-FC	-
Other	38.104
<b>Total</b>	<b>64.551.998</b>

#### IV. Explanations and Notes Related to Income Statement

##### 1. Information on interest income:

##### 1.a Information on interest income on loans <sup>(1)</sup>

	Current Period	
	TL	FC
Short-Term Loans	263.580	16.353
Medium/Long-Term Loans	-	1.797
Interest on Non-Performing Loans	-	-
Premiums Received from Resource Utilisation Support Fund	-	-
<b>Total</b>	<b>263.580</b>	<b>18.150</b>

	Prior Period	
	TL	FC
Short-Term Loans	117.226	12.941
Medium/Long-Term Loans	-	2.438
Interest on Non-Performing Loans	-	-
Premiums Received from Resource Utilisation Support Fund	-	-
<b>Total</b>	<b>117.226</b>	<b>15.379</b>

<sup>(1)</sup> Includes also the fee and commission income on cash loans.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 1.b Information on interest income on banks

	Current Period	
	TL	FC
Central Bank of Turkey	2.216	-
Domestic Banks	67.142	89
Foreign Banks	10.128	293
Foreign Head Offices and Branches	-	-
<b>Total</b>	<b>79.486</b>	<b>382</b>

	Prior Period	
	TL	FC
Central Bank of Turkey	969	-
Domestic Banks	8.901	57
Foreign Banks	5.123	17
Foreign Head Offices and Branches	969	-
<b>Total</b>	<b>14.993</b>	<b>74</b>

#### 1.c Information on interest income on marketable securities

	Current Period	
	TL	FC
Financial Assets Held for Trading	-	-
Financial Assets At Fair Value Through Profit or Loss	60.573	-
Available-for-Sale Financial Assets	-	-
Held-to-Maturity Financial Assets	-	-
<b>Total</b>	<b>60.573</b>	<b>-</b>

	Prior Period	
	TL	FC
Financial Assets Held for Trading	94.514	-
Financial Assets At Fair Value Through Profit or Loss	-	-
Available-for-Sale Financial Assets	-	-
Held-to-Maturity Financial Assets	-	-
<b>Total</b>	<b>94.514</b>	<b>-</b>

#### 1.d Information on interest income received from associates and subsidiaries

None (31 December 2017: None).

#### 2. Information on interest expenses

##### 2.a Information on interest expense on funds borrowed<sup>(1)</sup>

	Current Period	
	TL	FC
Banks	-	3.223
Central Bank of Turkey	-	-
Domestic Banks	-	-
Foreign Banks	-	3.223
Foreign Head Offices and Branches	-	-
Other Institutions	-	-
<b>Total</b>	<b>-</b>	<b>3.223</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	TL	Prior Period	FC
Banks	2.349		1.560
Central Bank of Turkey	-		-
Domestic Banks	-		-
Foreign Banks	2.349		1.560
Foreign Head Offices and Branches	-		-
Other Institutions	-		-
<b>Total</b>	<b>2.349</b>		<b>1.560</b>

(\*) Includes also the fee and commission expense on funds borrowed.

#### 2.b Information on interest expense paid to associates and subsidiaries

None (31 December 2017: None).

#### 2.c Interest expense on securities issued

None (31 December 2017: None).

#### 2.d Maturity structure of the interest expense on deposits

Current Period	Demand Deposits	Up to 1 Month	1-3 Month	3-6 Month	6-12 Month	1 year and over	Total
<b>TL</b>							
Bank Deposits	584	6.536	-	-	-	-	7.120
Saving Deposits	-	-	-	-	-	-	-
Public Sector Deposits	-	-	-	-	-	-	-
Commercial Deposits	123	11.323	77	-	-	-	11.523
Other Deposits	-	621	-	-	-	-	621
"7 Days Notice" Deposits	-	-	-	-	-	-	-
<b>Total</b>	<b>707</b>	<b>18.480</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.264</b>
<b>Foreign Currency</b>							
Foreign Currency Deposits	-	258	-	-	-	-	258
"7 Days Notice" Deposits	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-
Bank Deposits	-	399	-	-	-	-	399
<b>Total</b>	<b>-</b>	<b>657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>657</b>
<b>Grand Total</b>	<b>707</b>	<b>19.137</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.921</b>
<b>Prior Period</b>							
	Demand Deposits	Up to 1 Month	1-3 Month	3-6 Month	6-12 Month	1 year and over	Total
<b>TL</b>							
Bank Deposits	464	4.693	-	-	-	-	5.157
Saving Deposits	-	-	-	-	-	-	-
Public Sector Deposits	-	-	-	-	-	-	-
Commercial Deposits	144	8.762	3	-	-	-	8.909
Other Deposits	-	376	-	-	-	-	376
"7 Days Notice" Deposits	-	-	-	-	-	-	-
<b>Total</b>	<b>608</b>	<b>13.831</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.442</b>
<b>FC</b>							
Foreign Currency Deposits	-	72	-	-	-	-	72
"7 Days Notice" Deposits	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-
Bank Deposits	-	576	-	-	-	-	576
<b>Total</b>	<b>-</b>	<b>648</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>648</b>
<b>Grand Total</b>	<b>608</b>	<b>14.479</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.090</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 3. Information on dividend income

None (31 December 2017: None).

#### 4. Information on trading loss/income (Net)

	Current Period
<b>Profit</b>	<b>6.994.053</b>
Capital Market Transactions	113.186
Derivative Financial Transactions (1)	3.596.773
Foreign Exchange Gains	3.284.094
<b>Losses (-)</b>	<b>7.177.545</b>
Capital Market Transactions	112.023
Derivative Financial Transactions (1)	3.251.029
Foreign Exchange Losses	3.814.493
<b>Net Income/(Losses) (Net)</b>	<b>(183.492)</b>
	<b>Prior Period</b>
<b>Profit</b>	<b>2.438.577</b>
Capital Market Transactions	79.121
Derivative Financial Transactions (1)	1.230.260
Foreign Exchange Gains	1.129.196
<b>Losses (-)</b>	<b>2.500.179</b>
Capital Market Transactions	63.885
Derivative Financial Transactions (1)	1.097.044
Foreign Exchange Losses	1.339.250
<b>Trading Income/(Losses) (Net)</b>	<b>(61.602)</b>

(\*) Foreign exchange gain from derivative transactions is amounting to TL 535.873 (31 December 2017: TL 213.760).

#### 5. Information on other operating income

As of 31 December 2018, the Bank's other operating income is amounting to TL 18.571 (31 December 2017: TL 9.502).

	Current Period
<b>Other Service Income</b>	
Service Income – FC	11.060
Service Income – TL	3.572
Provision Reverse Income	3.097
Other	842
<b>Total</b>	<b>18.571</b>
	<b>Prior Period</b>
<b>Other Service Income</b>	
Service Income – FC	3.358
Service Income – TL	3.811
Provision Reverse Income	878
Other	1.455
<b>Total</b>	<b>9.502</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 6. Provisions for losses on loans and receivables

	Current Period
Expected Credit Loss	862
12 month expected credit loss (stage 1)	862
Significant increase in credit risk (stage 2)	-
Non-performing loans (stage 3)	-
Marketable Securities Impairment Provisions	-
Financial Assets at Fair Value through Profit or Loss	-
Financial Assets at Fair Value through Other Comprehensive Income	-
Other Impairment Losses	-
Associates	-
Subsidiaries	-
Joint Ventures	-
Other	-
<b>Total</b>	<b>862</b>

	Prior Period
Specific Provisions for Loans and Receivable	-
Loans and Receivables in Group III	-
Loans and Receivables in Group IV	-
Loans and Receivables in Group V	-
General Provisions	-
Provision for Possible Losses	-
Foreign Exchange Losses on Foreign Currency	-
Impairment Losses on Securities	53
Financial Assets at Fair Value through Profit or Loss	53
Available-for-sale Financial Assets	-
Other Impairment Losses	-
Associates	-
Subsidiaries	-
Joint Ventures	-
Held to Maturity Financial Securities	-
Other	-
<b>Total</b>	<b>53</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 7. Information on other operational expenses

	Current Period
Personnel Expenses <sup>(2)</sup>	54.615
Reserve for Employee Termination Benefits	-
Bank Pension Fund Deficit Provisions	-
Impairment Losses on Tangible Assets	-
Depreciation Expenses of Tangible Assets	1.461
Impairment Losses on Intangible Assets	-
Impairment Losses on Goodwill	-
Amortization Expenses of Intangible Assets	2.269
Impairment Losses on Investments Accounted Under Equity Method	-
Impairment Losses on Assets to be Disposed	-
Depreciation Expenses of Assets to be Disposed	-
Impairment Losses on Assets Held for Sale	-
Other Operating Expenses	61.744
Operational Lease Related Expenses	6.639
Repair and Maintenance Expenses	1.245
Advertisement Expenses	-
Other Expenses <sup>(1)</sup>	53.860
Loss on Sale of Assets	-
Other <sup>(2)</sup>	8.269
<b>Total</b>	<b>128.358</b>
	Prior Period
Personnel Expenses <sup>(2)</sup>	53.389
Reserve for Employee Termination Benefits	-
Bank Pension Fund Deficit Provisions	-
Impairment Losses on Tangible Assets	-
Depreciation Expenses of Tangible Assets	1.021
Impairment Losses on Intangible Assets	-
Impairment Losses on Goodwill	-
Amortization Expenses of Intangible Assets	5.600
Impairment Losses on Investments Accounted Under Equity Method	-
Impairment Losses on Assets to be Disposed	-
Depreciation Expenses of Assets to be Disposed	-
Impairment Losses on Assets Held for Sale	-
Other Operating Expenses	47.577
Operational Lease Related Expenses	5.759
Repair and Maintenance Expenses	1.066
Advertisement Expenses	-
Other Expenses <sup>(1)</sup>	40.752
Loss on Sale of Assets	-
Other	8.120
<b>Total</b>	<b>115.707</b>

<sup>(1)</sup> Other expenses included communication expenses amounting to TL 7.689 (31 December 2017: TL 7.129) received benefits from the outside and service costs amounting to TL 2.747 (31 December 2017: TL 2.549), Information systems and technology expenses amounting to TL 15.007 (31 December 2017: TL 5.311), Deutsche Bank Group Management Service expenses amounting to TL 7.951 (31 December 2017: TL 7.069) and Other expenses amounting to TL 8.269 (31 December 2017: TL 20.868)

<sup>(2)</sup> Personnel expenses which do not exist in "Statement of Profit or Loss" as a separate item, represented under other operating

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 8. Profit/loss before taxes from continuing and discontinued operations

As of December 31 2018 the Bank has a profit before tax amounting to TL 156.562 (December 2017: profit of TL 69.894).

#### 9. Information on provision for taxes from continuing and discontinued operations

##### 9.a Information on current tax income/ expense and deferred tax income/expense from continuing and discontinued operations

As of 31 December 2018 the Bank has deferred tax income amounting to TL 1.612 (31 December 2017: TL 1.285) and current tax expense amounting to TL 35.684 (31 December 2017: TL 15.136).

##### 9.b Deferred tax income or expense from temporary differences of continuing and discontinued operations

Deferred tax income amounting to TL 1.612 (31 December 2017: TL 1.285) is arising from timing differences resulting from the temporary differences between applied accounting policies and tax regulations.

##### 9.c Deferred tax income/expense from the temporary differences tax losses or tax exemptions of continuing and discontinued operations

As of 31 December 2018 , deferred tax income presented in the income statement includes the net amount remaining after netting of tax deductible timing differences and taxable timing differences. The Bank does not have prior years' losses.

#### 10. Information on net operating profit/loss after taxes of continuing operations and discontinued operations

As of 31 December 2018 the Bank has profit after tax amounting to TL 122.490 (31 December 2017: TL 56.043).

#### 11. Information on net profit or loss for the period

11.1 The nature and amount of certain income and expense items from ordinary operation is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period

The main operations of the Bank are interbank money market transactions, marketable securities transactions, foreign currency transactions, custody services and providing collateralised non-cash loans. Therefore; net interest income, net trading income, net foreign exchange gain and fees and commission income from custody services are the most important captions of the Bank's income statement.

	Current Period
Interest Income/(Expense), Net	403.224
Income/(Loss) from Capital Market Transactions, Net	1.163
Gain/(Loss) from Derivative Financial Transactions, Net	345.744
Foreign Exchange Gains/(Losses), Net	(530.399)
Commissions from Custody Operations	40.464
Commissions from Intermediary Services	22.584
Commissions from Non-cash loans	2.806
Other Commission Income	1.999

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Prior Period
Interest Income/(Expense), Net	194.042
Income/(Loss) from Capital Market Transactions, Net	15.236
Gain/(Loss) from Derivative Financial Transactions, Net	133.216
Foreign Exchange Gains/(Losses), Net	(210.054)
Commissions from Custody Operations	34.459
Commissions from Intermediary Services	23.705
Commissions from Non-cash loans	2.457
Other Commission Income	1.295

#### 11. Information on net operating profit/loss after taxes of continuing and discontinued operations

#### 11.2 Effects of changes in accounting estimates on the current and following periods' profit/loss

There is no significant change in accounting estimates which would affect the current or following period.

#### 12. Components of other items in income statement, as each sub-account exceeding 20% of the total separately, exceeding 10% of total income statement

Other fee and commission income:

	Current Period	
	TL	FC
Commissions from Custody Operations	40.464	-
Commissions from Intermediary Services	-	22.584
Other Fee and Commissions	1.374	625
<b>Total</b>	<b>41.838</b>	<b>23.209</b>

	Prior Period	
	TL	FC
Commissions from Custody Operations	34.459	-
Commissions from Intermediary Services	-	23.705
Other Fee and Commissions	1.123	172
<b>Total</b>	<b>35.582</b>	<b>23.877</b>

Other fee and commission expense:

	Current Period	
	TL	FC
Commissions due to Custody Operations	11.134	-
Commissions Paid to Intermediary Services	-	2.591
Commissions Paid to Correspondent Banks	-	922
Other Fee and Commissions	887	4.840
<b>Total</b>	<b>12.021</b>	<b>8.353</b>

	Prior Period	
	TL	FC
Commissions due to Custody Operations	10.034	-
Commissions Paid to Intermediary Services	-	1.972
Commissions Paid to Correspondent Banks	-	723
Other Fee and Commissions	1.423	4.052
<b>Total</b>	<b>11.457</b>	<b>6.747</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### V. Explanations and Notes Related to Changes in Shareholders' Equity

##### 1. Information on increase due to revaluation of available for sale financial assets

None (31 December 2017: None).

##### 2. Information on increases due to cash flow hedges

None (31 December 2017: None).

##### 3. Reconciliation of foreign exchange differences at beginning and end of current period

None (31 December 2017: None).

##### 4. Information on decrease due to revaluation of fair value through other comprehensive income

None (31 December 2017: None).

##### 5. Information on distribution of profit

At the Ordinary General Assembly Meeting held on 31 March 2018, the Bank decided to distribute TL 56.043 as a dividend from profit for the year ended 31 December 2017 amounting to TL, in accordance with permission of the BRSA. It has been decided to allocate TL 4.365 legal reserve and TL 1.285 resulting from the deferred tax income to the extraordinary reserve. Related dividend payment completed on 30 April 2018.

#### VI. Explanations and Notes Related to Statement of Cash Flows

##### 1. Information on other items and effect of exchange rate on cash and cash equivalents in Cash Flow Statement;

The "others" account included in "operating profit before changes in operating assets and liabilities" are comprised of net trading gain/loss, impairment loss provision on loans and receivables and other operating income/loss. The "net increase/ (decrease) in other liabilities" account in "changes in operating assets and liabilities" is comprised of the changes in miscellaneous liabilities, other liabilities, provision expenses, lease payables and tax liabilities. The effect of change in foreign exchange rate on cash and cash equivalents as of 31 December 2018 is approximately realized as increase amounting to TL 1.791 (31 December 2017: increase of TL 56.465). The exchange rates in the last five working days have been taken into consideration as of the balance sheet dates, while the exchange rate changes are calculated.

##### 2. Cash and cash equivalents at the beginning of the period

	1 January 2018	1 January 2017
Cash	1.757	2.024
Cash Equivalents	416.484	499.901
Balances with Central Bank of Turkey	84.603	107.538
Banks' Demand Deposits and Time Deposits Whose Original Maturities Up to 3 Months	331.881	392.363
<b>Total</b>	<b>418.241</b>	<b>501.925</b>

##### 3. Cash and cash equivalents at the end of the period

	31 December 2018	31 December 2017
Cash	3.974	1.757
Cash Equivalents	783.771	416.484
Balances with Central Bank of Turkey	99.113	84.603
Banks' Demand Deposits and Time Deposits Whose Original Maturities Up to 3 Months	684.658	331.881
<b>Total</b>	<b>787.745</b>	<b>418.241</b>

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

#### 4. Restricted cash and cash equivalents due to legal requirements or other reasons

There are no cash and cash equivalents restricted for the usage of the Bank by legal limitations and other reasons (31 December 2017: None).

There is no additional information that needs to be disclosed in addition to those disclosed in Note 1.

#### VII. Explanations and Notes Related to Bank's Risk Group

1. Transactions with the Bank's risk group; lendings and deposits and other related party transactions outstanding at period end and income and expenses from such transactions incurred during the period

##### 1.1 Current period

Bank's Risk Group	Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Receivables						
Balance at the Beginning of the Period	-	-	69.763	103.055	973	-
Balance at the End of the Period	-	-	61.342	94.184	742	-
Funds Borrowed						
Balance at the Beginning of the Period	-	-	1.492.184	-	-	-
Balance at the End of the Period	-	-	1.004.275	-	-	-
Interest and Commission Income	-	-	27.549	1.162	-	216
Interest and Commission Expense	-	-	8.839	-	4.691	-

##### 1.2 Prior Period

Bank's Risk Group	Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Receivables						
Balance at the Beginning of the Period	-	-	221.089	109.879	1.043	-
Balance at the End of the Period	-	-	69.763	103.055	973	-
Funds Borrowed						
Balance at the Beginning of the Period	-	-	923.179	-	-	-
Balance at the End of the Period	-	-	1.492.184	-	-	-
Interest and Commission Income	-	-	26.135	933	-	-
Interest and Commission Expense	-	-	8.500	-	3.070	-

##### 1.3 Information on deposits of the Bank's risk group

Bank's Risk Group	Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Components in Risk Group	
	Current Period		Current Period		Current Period	
Deposits						
Balance at the Beginning of the Period	-	-	114.220	-	-	29.678
Balance at the End of the Period	-	-	68.976	-	-	35.881
Interest Expenses on Deposits	-	-	-	277	-	4.691

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Bank's Risk Group	Associates, Subsidiaries and Joint Ventures Prior Period	Direct and Indirect Shareholders of the Bank Prior Period	Other Components in Risk Group Prior Period
Deposits			
Balance at the Beginning of the Period	-	98.705	34.954
Balance at the End of the Period	-	114.220	29.678
Interest Expenses on Deposits	-	239	3.070

#### 1.4 Information on forward and option agreements and other similar agreements with the Bank's risk group

Bank's Risk Group	Associates, Subsidiaries and Joint Ventures Current Period	Direct and Indirect Shareholders of the Bank Current Period	Other Components in Risk Group Current Period
Transactions at Fair Value Through Profit and Loss			
Beginning of the Period	-	2.108.984	-
End of the Period	-	784.552	-
Total Profit / Loss	-	(583.711)	305
Transactions for hedging purposes			
Transactions at Fair Value Through Profit and Loss	-	-	-
Beginning of the Period	-	-	-
End of the Period	-	-	-
Total Profit / Loss	-	-	-

Bank's Risk Group	Associates, Subsidiaries and Joint Ventures Prior Period	Direct and Indirect Shareholders of the Bank Prior Period	Other Components in Risk Group Prior Period
Transactions at Fair Value Through Profit and Loss			
Beginning of the Period	-	-	-
End of the Period	-	523.756	-
Total Profit / Loss	-	143.661	39
Transactions for hedging purposes			
Transactions at Fair Value Through Profit and Loss	-	-	-
Beginning of the Period	-	-	-
End of the Period	-	-	-
Total Profit / Loss	-	-	-

## 2. Information on the Bank's risk group

### 2.1 The relations with entities that are included in the Bank's risk group and controlled by the Bank

The Bank performs various transactions with the group companies as a part of the banking transactions in accordance with the ordinary bank-client relationship and market conditions within the limitations determined by the Banking Law.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.2 The type of transaction, the amount and its ratio to total transaction volume, the amount of significant items and their ratios to total items, pricing policy and other issues

	Amount	Current Period According to the Amounts in the Financial Statements%
Banks	23.014	3%
Loans and Other Receivables	39.070	3%
Non-cash Loans	94.184	31%
Deposits	104.857	11%
Interest Income on Loans	4.966	2%
Interest Expense on Deposits	4.968	25%
Interest Expense on Funds Borrowed	3.223	100%
Funds Borrowed	1.004.275	100%
Fees and Commissions Received	23.962	35%
Fees and Commissions Paid	5.339	26%
Other Operating Income	11.398	61%
Other Operating Expense	20.310	28%
Derivative Financial Instruments	784.552	72%

	Amount	Prior Period According to the Amounts in the Financial Statements%
Banks	42.637	13%
Loans and Other Receivables	28.099	2%
Non-cash Loans	103.055	30%
Deposits	143.899	15%
Interest Income on Loans	2.429	2%
Interest Expense on Deposits	3.309	22%
Interest Expense on Funds Borrowed	3.909	100%
Funds Borrowed	1.492.184	100%
Fees and Commissions Received	24.639	40%
Fees and Commissions Paid	4.351	24%
Other Operating Income	5.591	59%
Other Operating Expense	10.233	9%
Derivative Financial Instruments	2.108.984	40%

Terms of transactions made with group companies are set in accordance with the market prices, if market prices do not exist cost plus method is used. Except for the situations requiring separate disclosure, there is not any account balance that is similar in nature and presented as an aggregate line.

#### 2.3 Transactions recognized according to equity pick-up method

The Bank has no transactions recognized according to equity pick-up method.

2.4 Information on transactions such as purchase-sale of immovable and other assets, purchase-sale of service, agent agreements, financial lease agreements, transfer of the information gained as a result of research and development, licence agreements, financing (including loans and cash or in kind capital), guarantees, collaterals and management contracts

The Bank has no agreement signed for asset purchases/sales, service rendering, agencies, finance lease contracts, research and development and licences with the group companies as of 31 December 2018.

# Deutsche Bank Anonim Şirketi

## Notes To The Financial Statements

### As At 31 December 2018

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The Bank is involved in information technology and software services from Deutsche Bank Group companies.

Within the scope of the service agreements signed with Deutsche Bank AG, the Bank obtains service revenue through the methods specified in the transfer pricing agreements with respect to the brokerage services of other group banks provided by the Bank's sales personnel.

In accordance with the agreement signed with Deutsche Bank AG, which is valid since January 2004, the Bank pays a service fee to Deutsche Bank AG in return of global and regional management, leadership and coordination activities provided to the Bank by the top management of Deutsche Bank AG.

According to the revised agreement signed with Liquidated Bebek Danışmanlık A.Ş. in 2015, Liquidated Bebek Danışmanlık A.Ş. pays a fee for the operational services provided by the Bank. The liquidation process of Liquidated Bebek Danışmanlık A.Ş. has been finalized in the General Assembly dated June 28, 2018 and as of that date the service provided by the Bank has ended.

In accordance with the agreement signed with Deutsche Bank AG, which is valid since January 2005, Deutsche Bank AG pays a service fee to the Bank in return for the services related to financial sector cash management products.

Deutsche Securities Menkul Değerler A.Ş. is paying service fee to the Bank for the services and services it uses due to it is benefiting from the support services provided by the Bank itself.

#### 2.5 Information on benefits provided to top management

Benefits paid to key management personnel in the current period amounting to TL 24.461 (31 December 2017: TL 16.281).

#### VIII. Explanations and notes to the domestic, foreign, off-shore branches and foreign representatives of the Bank

The Bank has no domestic, foreign or off-shore branches.

#### IX. Explanations and notes related to subsequent events

##### 1. Significant events and matters arising subsequent to reporting date and their financial statement effects

None.

#### SECTION SIX

##### I. Other explanations related to the Bank's operations

None.

#### SECTION SEVEN

#### EXPLANATIONS ON AUDITORS' REPORT

##### I. Explanations on the auditors' report

The unconsolidated financial statements for the year ended 31 December 2018 were audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ (the Turkish member firm of KPMG International Cooperative, a Swiss entity) and Auditors' Report dated 13 March 2019 is presented in the introduction of this report.

##### II. Explanations and notes prepared by the independent auditor

None.

# Our Purpose

This is why we're here. This is what we do.

We are here to enable economic growth and societal progress, by creating positive impact for our clients, our people, our investors and our communities.