



Information provided pursuant to Paragraph 132 AktG (German Stock Corporation Act) (Frankfurt Regional Court, Court Decision of 15 December 2016, file no. 3-5 O 148/16)

In the company's annual general meeting on 19 May 2016 a shareholder representative has posed the following questions:

“To what extent, when and based on which reasoning or risks have impairments been made to shares in Deutsche Postbank? Did the responsible individuals already know about the need for such impairments when the initial purchase agreement was concluded or was it foreseeable at the time? If not, why not?”

One of the company's shareholders filed a motion for information pursuant to Paragraph 132 AktG to the Frankfurt Regional Court claiming that these questions were not sufficiently answered. By court decision of 15 December 2016 (file no. 3-5 O 148/16), the Frankfurt Regional Court has ordered the company to provide information regarding these questions. On request of the shareholder, the company provided the following information:

„After the initial purchase agreement was concluded in September 2008, the upcoming financial crisis (starting with the insolvency of the bank Lehman Brothers) resulted in a significant drop in the Postbank share prices – this applied to the whole banking sector. The crisis and the resultant erosion of the Postbank-share prices, naturally, were neither known at the time of the signing of the initial purchase agreement nor were they foreseeable.

The value in use for Deutsche Bank Group, which is relevant for potential impairment charges, i.e. the present value of estimated future cash flows from the continued use of the investment by Deutsche Bank Group (IAS 36.6), was above the acquisition price. Hence, no impairment was necessary.

While this remained unchanged, as a result of the documented intention to obtain control over Postbank in the third quarter of 2010 by means of the voluntary public takeover offer in September 2010 at a price of EUR 25.00 per share, the rules of IFRS 3 R had to be applied. These rules triggered a revaluation of the existing equity investment (including the subscribed mandatory exchangeable bond) at fair value, which is based on objective market values, i.e. in this case the offer price. (See Investor Presentation 13/22 September 2010, p.15, available at www.db.com/ir)

This revaluation of the existing equity method investment to the offer price of EUR 25.00 per share resulted in a loss of EUR 2.3bn for Deutsche Bank Group. (See DB Financial Report of the year 2010 [*German version*], p. 201, available at www.db.com/ir)

Another Deutsche Bank Group company has taken an extraordinary impairment on shares in Deutsche Postbank to EUR 25.00 per share in its solo accounts under local GAAP. This resulted in a loss of approximately EUR 0.4bn. However, until 2013 there have also been positive counter effects at individual companies' level.

In the year 2015, in light of the expectations regarding the disposal of Postbank and the impact of expected higher regulatory capital requirements an impairment of EUR 2.8 billion was taken on the PBC division's entire goodwill, which at this stage contained the major core business activities of Deutsche Postbank AG. In addition to that, impairment charges of EUR 0.8 million were recorded for other Postbank-related intangible assets. (For further details, see Deutsche Bank Annual Report 2015 [*German Version*], p.59, available at www.db.com/ir).

For the same reason, impairment charges on Postbank-shares were recorded in the solo accounts of DB Group companies during fiscal year 2015 under local GAAP accounts amounting to a total of approximately EUR 1.8bn.

The above mentioned valuation impacts (higher regulatory capital requirements and intention to dispose of Postbank once full control was obtained), and the resultant need for impairment in 2015, were not known or foreseeable at the time of the conclusion of the initial purchase agreement.”