Deutsche Bank Europe GmbH

Frankfurt am Main

Annual Financial Statements and Management Report 2011

(incl. Auditor’s Report)

Non-binding translation

Deutsche Bank Europe GmbH, Frankfurt am Main

Non-binding translation

Balance Sheet as of 31 Dezember 2011

Assets

	31/12/2011 €	31/12/2010 €
1. Cash Reserve	**10,177,093.30**	**0.00**
a) cash on hand	4,736,803.36	0.00
b) balances with central banks	5,440,289.94	0.00
thereof:		
with Deutsche Bundesbank	**0.00**	0.00
c) balances with postal giro office ('Postgiroämtern')	**0.00**	0.00
2. Receivables from banks	**11,662,025,702.37**	**5,505,933.81**
a) payable on demand	774,899,166.77	5,405,778.26
b) other receivables	10,887,126,535.60	100,155.55
3. Receivables from customers	**63,023,528.81**	**5,000.83**
thereof		
secured by mortgages	1,450,669.38	0.00
loans to or guaranteed by public-sector entities	0.00	0.00
4. Bonds and other fixed income securities	**14,782,960.00**	**0.00**
a) money market instruments	0.00	0.00
aa) of public-sector issuers	0.00	0.00
thereof:		
eligible as collateral for Deutsche Bundesbank advances	0.00	0.00
ab) of other issuers	0.00	0.00
thereof:		
eligible as collateral for Deutsche Bundesbank advances	0.00	0.00
b) bonds and notes	14,782,960.00	0.00
ba) of public-sector issuers	0.00	0.00
thereof:		
eligible as collateral for Deutsche Bundesbank advances	0.00	0.00
bb) of other issuers	14,782,960.00	0.00
thereof:		
eligible as collateral for Deutsche Bundesbank advances	0.00	0.00
5. Equity shares and other variable-yield securities	**683,870.27**	**0.00**
6. Participating interests	**1,153,000.00**	**0.00**
thereof:		
in banks 0.00 EUR		
thereof:		
in financial services institutions 0.00 EUR		
7. Intangible assets	**9,517,367.15**	**0.00**
a) self-developed intangible assets	8,940,254.61	0.00
b) purchased intangible assets	577,112.54	0.00
c) goodwill	0.00	0.00
d) down-payments for intangible assets	0.00	0.00
8. Tangible assets	**13,182,473.34**	**0.00**
9. Other assets	**33,255,478.69**	**0.00**
11. Deferred tax assets	**7,124,128.37**	**161,778.71**
12. Overfunded plan assets	**9,524,000.00**	**0.00**
	11,824,449,602.30	**5,672,713.35**

Liabilities

	31/12/2011 €	31/12/2010 €
1. Liabilities to banks	**736,745,796.10**	**100,186.83**
a) payable on demand	129,857,254.72	0.00
b) with fixed term or agreed notice period	606,888,541.38	100,186.83
2. Liabilities to customers	**10,546,617,539.48**	**5,000.27**
a) savings deposits		
aa) with agreed notice period of 3 months	0.00	0.00
ab) with agreed notice period of more than 3 months	0.00	0.00
b) other liabilities		
ba) payable on demand	10,325,785,320.38	0.00
bb) with fixed term or agreed notice period	220,832,219.10	5,000.27
3. Other liabilities	**24,137,276.37**	**50,493.68**
4. Provisions	**36,312,191.46**	**362,000.00**
a) provisions for pensions and similar obligations	0.00	0.00
b) provisions for taxes	730,645.28	0.00
c) other provisions	35,581,546.18	362,000.00
5. Fund for general banking risks	**7,932,593.00**	**0.00**
6. Capital and reserves	**472,704,205.89**	**5,155,032.57**
a) subscribed capital	6,020,000.00	5,000,000.00
b) capital reserve	448,710,726.87	500,000.00
c) revenue reserves	0.00	0.00
d) distributable profit	17,973,479.02	-344,967.43
	11,824,449,602.30	**5,672,713.35**

	31/12/2011 €	31/12/2010 €
1. Contingent liabilities		
a) contingent liabilities from rediscounted bills of exchange	0.00	0.00
b) liabilities from guarantees and indemnity agreements	7,209,318.43	0.00
c) liability arising from the provision of collateral for third-party liabilities	0.00	0.00
2. Other obligations		
a) repurchase obligations under agreements to sell securities with an option to repurchase them	0.00	0.00
b) placement and underwriting obligations	0.00	0.00
c) irrevocable loan commitments	134,845,253.15	0.00

Deutsche Bank Europe GmbH
Frankfurt am Main, 20 April 2012

Original German version signed by: Nikolaus von Tippelskirch Marc Cisneros Frank Rückbrodt

Non-binding translation

Income Statement of Deutsche Bank Europe GmbH, Frankfurt am Main
for the period from 1 January to 31 December 2011

Expenses

	01.01. - 31.12.2011 €	24.02. - 31.12.2010 €
1. Interest expenses	**93,144,000.77**	**187.10**
2. Commission expenses	**13,935,829.34**	**493.68**
3. Administrative expenses	**84,532,984.48**	**506,221.74**
a) staff expenses	36,192,077.96	0.00
aa) wages and salaries	23,718,735.09	0.00
ab) compulsory social security contributions and expenses for pensions and other employee benefits	12,473,342.87	0.00
thereof: for pensions € 1.834.952,78 (previous year: € 0,00)		
b) other administrative expenses	**48,340,906.52**	**506,221.74**
4. Depreciation, amortization and write-downs of and value adjustments to tangible and intangible assets	**2,646,839.07**	**0.00**
5. Other operating expenses	**15,946,558.71**	**0.00**
6. Write-downs of and value adjustments to claims and certain securities as well as additions to provisions for loan losses	**9,608,737.04**	**0.00**
7. Other taxes, unless reported under "Other operating expenses"	**3,947,289.55**	**0.00**
8. Net income	**18,318,446.45**	**0.00**
	242,080,685.41	**506,902.52**

Income

	01.01. - 31.12.2011 €	24.02. - 31.12.2010 €
1. Interest income from	**161,979,303.91**	**156.38**
a) lending and money market business	159,600,677.38	156.38
b) fixed-income securities and government-inscribed debt	2,378,626.53	0.00
2. Current income from	**515,052.90**	**0.00**
a) equity shares and other variable-yield securities	112,100.00	0.00
b) participating interests	28,934.00	0.00
c) investments in affiliated companies	374,018.90	0.00
3. Commission income	**60,121,677.78**	**0.00**
4. Income from reversals of write-downs of loans and advances and certain securities, and from reversals of loan loss provisions	**4,008,748.20**	**0.00**
5. Other operating income	**12,656,737.85**	**0.00**
6. Income taxes	**2,799,164.77**	**161,778.71**
thereof: profit/loss related to the change in deferred taxes	7,052,679.94	161,778.71
7. Net loss	**0.00**	**344,967.43**
	242,080,685.41	**506,902.52**

	€	€
1.Net income (previous year net loss)	**18,318,446.45**	**-344,967.43**
2. Loss carried forward from the previous year	**-344,967.43**	**0.00**
	17,973,479.02	**-344,967.43**
3. Distributable profit (previous year accumulated loss)	**17,973,479.02**	**-344,967.43**

Deutsche Bank Europe GmbH

Frankfurt am Main, 20 April 2012

Original German version signed by: Nikolaus von Tippelskirch Marc Cisneros Frank Rückbrodt

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Notes for the financial year 2011

Deutsche Bank Europe GmbH, Frankfurt am Main

A. Comments and legal principles

The company was founded as Projektgesellschaft DB Europe mbH on 18 February 2010 and registered under HRB 87506 in Commercial Register B at the District Court of Frankfurt am Main on 24 February 2010. On 18 October 2010, the German Federal Financial Supervisory Authority (BaFin), Bonn, granted DB Europe GmbH the requested license pursuant to § 32 (1) KWG of the German Banking Act to perform banking transactions and financial services. The amendment of the Company Agreement with regard to section 1 (Company) and section 2 (Object of the Enterprise) was approved at the shareholders' meeting held on 25 October 2010. The changes were entered in the Commercial Register of the District Court of Frankfurt am Main on 29 October 2010. Since then, the company operates under the name Deutsche Bank Europe GmbH (hereinafter "DB Europe" or the "Company").
As part of cross-border mergers, during the financial year, the business of the former Deutsche Bank subsidiaries, Deutsche Bank ZRt., Budapest (Hungary), Deutsche Bank (Portugal) S.A., Lisbon (Portugal) and Deutsche Bank S.A./N.V., Brussels (Belgium) was taken over by respective local branches of DB Europe. The spin-off of the business of the branches in Hungary and Portugal to Deutsche Bank AG, Frankfurt am Main, was performed as of 30 November 2011 and the branches were then closed in December 2011.

The **annual financial statement** of DB Europe GmbH, Frankfurt am Main, has been prepared in accordance with the regulations of the German Commercial Code (in particular, §§ 340 ff HGB) in conjunction with German Accounting Ordinance for Banks and Financial Service Institutions (RechKredV) and in accordance with the appropriate standards of the law on limited liability companies (GmbHG).

Non-binding translation

B. General information on the accounting, valuation and recording methods used

When **valuing** the assets and liabilities recorded in the financial statement, the general valuation principles (§§ 252 ff. HGB) and also the special valuation principles of § 340e HGB that apply to credit institutions were complied with. The offset options for certain expenses and income provided pursuant to § 340f HGB were not used.

In accordance with § 246 (2) (2,3) HGB, the netting of plan assets and pension provisions is prescribed by law. In addition to “reserves”, offsetting also relates to “shares in affiliated companies”. The remaining excess of assets over pension liabilities will be shown as a separate position from now on.

Cash reserve is reported with the nominal value.

Receivables from banks and customers are reported at their nominal amount or at amortized costs. Necessary impairments are deducted. Other assets are recorded at nominal value.

Provisioning for loan losses comprises impairments and provisions for all identifiable credit and country risks, for inherent default risks and the provision for general banking risks. The inherent default risk is taken into account by general value allowance according to commercial law principles.

Bonds and other fixed-income securities, for which the intent is to hold them permanently, are allocated as financial assets to the investment portfolio and accounted for using the moderate lower-of-cost-or-market rule. This means that the securities are recorded at acquisition costs less other than temporary impairment.

If bonds and other fixed-income securities are neither intended to serve the business operation permanently nor allocated to the trading portfolio, they are allocated as current assets to the liquidity reserve and accounted for using the strict lower-of-cost-or-market rule, with their acquisition costs or with the lower quoted market respectively attributable values.
In the case of the securities, write-ups are made up to the amortized acquisition costs if the reasons for certain write-downs made in the past no longer exist (requirement to reinstate original values).

Tangible assets and **intangible assets** are recorded with their acquisition or manufacturing costs less any depreciation or amortization. Self-developed trademarks, mastheads, publishing rights, customer lists or similar intangible assets are not recognized.
Write-downs are made for any impairment that is likely to be permanent.
If the reasons for certain write-downs made in the past no longer exist, write-ups are made up to the amortized acquisition costs maximum.
Low value assets are fully written down in the year of acquisition.

Liabilities to banks, **liabilities to** customers and **other liabilities** are recognized at their settlement amount.

Provisions for pensions and similar obligations are recognized according to actuarial principles. Pension provisions are calculated according to the projected unit credit method, using the average market interest rate published by the Deutsche Bundesbank, which is based on an assumed remaining term of 15 years unless the corresponding remaining term of the pension plan is shorter. The provision for pensions and similar obligations are valued at their present fair value and offset with the assets that are used exclusively to settle these obligations. Overfunded obligations are recognized on the balance sheet as a net asset after offsetting provisions.

Other provisions for uncertain liabilities or for onerous contracts (excluding trading activities) are recognized at their expected settlement amount applying the principles of prudent commercial judgment. Provisions for uncertain liabilities are discounted if the related cash outflows are not expected to arise within twelve months after the balance sheet date.

Deferred tax assets and **deferred tax liabilities** on temporary differences between the accounting and tax base for assets, liabilities and accruals are offset against each other and presented net on the balance sheet as either deferred tax assets or deferred tax liabilities. In determining deferred tax assets unused tax losses are taken into account, but only to the extent that they can be utilized within the following five years.

The **currency conversion** follows the principles of § 256a and 340h HGB. Assets denominated in foreign currency and treated as fixed assets, but not separately covered in the same currency, are shown at historical cost unless the change in the foreign currency rate is other than temporary so that the assets have to be written down. Other foreign currency denominated assets and liabilities and outstanding cash deals are translated at the mid spot rate at the balance sheet date, and forward exchange deals at the forward rate at the balance sheet date. The results from currency translation are recognized in the income statement.

The profit and loss statement entries of our branch in Hungary are converted into Euros at average rates as of 31.08.2011 (reporting date method).

C. Notes on individual items of the balance sheet and the profit and loss statement

As the result of the acquisition of the business activities of the Belgian branch the balance sheet as well as the income statement has been significantly expanded in the financial year 2011. Consequently, only a limited comparison with prior year's balance sheet and income statement is possible.

I. Balance sheet as of 31 December 2011

1. Assets

The **receivables from banks** include bank deposits payable on demand of EUR 774,899,166.77 (prior year EUR 5,405,778.26) and also other receivables of EUR 10,887,126,535.60 (prior year EUR 100,155.55), including accrued interest. The receivables from banks basically relate to receivables from Deutsche Bank AG, Frankfurt am Main.

The **receivables from customers** of EUR 63,023,528.81 (prior year EUR 5,000.83), including accrued interest, are essentially private customer loans from customers of our Belgian branch in Brussels. The position includes a provision according to § 340f HGB of EUR 1,365,241.00 (prior year EUR 0.00).

Bonds and other fixed income securities of EUR 14,782,960.00 (prior year EUR 0.00) are reported under current assets using the strict lower-of-cost-or-market principle at their acquisition costs or at the lower quoted market or attributable values. None of these securities are listed nor due in the next year. In addition, these securities are not issued by countries that are affected by the European debt crisis (PIIGS countries).

The following table shows the development of **tangible assets**:

	Acquisition cost in EUR				Write-downs and depreciation in EUR			Book values in EUR	
	Position as of 01.01.2011	Additions	Disposals	Position as of 31.12.2011	accumulated	of which current year	of which disposals	Position as of 01.01.2011	Position as of 31.12.2011
Self-developed intangible assets	0.00	12,165,009.09	2,824,852.38	9,340,156.71	399,902.10	399,902.10	334,833.90	0.00	8,940,254.61
Purchased intangible assets	0.00	685,962.27	44,676.85	641,285.42	64,172.88	64,172.88	0.00	0.00	577,112.54
Intangible assets	**0.00**	**12,850,971.36**	**2,869,529.23**	**9,981,442.13**	**464,074.98**	**464,074.98**	**334,833.90**	**0.00**	**9,517,367.15**
Land and buildings	0.00	5,703,150.75	4,196,314.51	1,506,836.24	494,002.45	494,002.45	21,542.54	0.00	1,012,833.79
Office furniture and equipment	0.00	36,337,189.36	22,478,788.17	13,858,401.19	1,688,761.64	1,688,761.64	884,806.74	0.00	12,169,639.55
Tangible assets	**0.00**	**42,040,340.11**	**26,675,102.68**	**15,365,237.43**	**2,182,764.09**	**2,182,764.09**	**906,349.28**	**0.00**	**13,182,473.34**

Land and buildings recorded under tangible assets were exclusively used by the company. Intangible assets comprise self-developed software amounting to EUR 8,940,254.61 and acquired software amounting to EUR 577,112.54, which are used for business operations.

Other assets of EUR 33,255,478.69 (prior year EUR 0.00) include bonds of EUR 28,004.867.29 temporarily held on behalf of customers.

The **deferred tax assets** of EUR 7,124,128.37 (prior year EUR 161,778.71) refer to temporary differences between valuations of assets, accruals and deferrals for statutory accounting and tax purposes. Tax loss carry forwards are also taken into account to the extent loss utilization is expected within the next five years. The deferred tax is calculated on the basis of the combined income tax rate of DB Europe GmbH, currently 31.93%. The combined income tax rate includes corporation tax, trade tax and solidarity surcharge.

Assets arising from the overfunding of pension obligations include shares in unlisted funds which have been transferred to an independent assets trustee. Acquisition cost for these assets amount to EUR 39,425,409.00 (EUR 0.00 last year) and are used exclusively for meeting pension obligations to employees. The assets are recognized at fair value. As of 31.12.2011 the value of the assets amounts to EUR 50,237,000.00 (EUR 0.00 last year) and has been offset with the pension obligations of EUR 40,713.000.00 (EUR 0.00 last year). The active difference in assets takes into account a write-up of the acquisition costs to the current fair market value of EUR 10,811,591.00 (EUR 0.00 last year) and also interest expenses of EUR 776,341.00 (EUR 0.00 last year).

The valuation includes actuarial assumptions relating to demographic developments, salary and pension increases and also inflation rates. The parameters used as of 31 December 2011 are illustrated in the following table.

Basic actuarial assumptions	31.12.2011
Discount rate	5.14
Inflation rate	2.3
Nominal salary increase rate	3.3
Nominal pension increase rate	2.3
Life expectancy/invalidity probabilities	MR-5/FR-5

2. Liabilities

Liabilities to banks include liabilities payable on demand of EUR 129,857,254.72 (prior year EUR 0.00) and term deposits of EUR 606,888,541.38 (prior year EUR 100,186.83).

Liabilities to customers are deposits of EUR 10,325,785,320.38 payable on demand (prior year EUR 0.00) and term deposits (term < 1 year) of EUR 220,832,219.10 (prior year EUR 5,000.27).

On the balance sheet date, the **other liabilities** include unpaid invoices and commissions relating to the operating business of EUR 17,001,148.82 (prior year EUR 50,493.68) and also tax and insurance liabilities of EUR 7,136,127.55 (prior year EUR 0.00).

The **provisions** include tax provisions for corporation tax and value added tax of the Belgian branch of EUR 730,645.28 (prior year EUR 0.00). The other provisions are mainly related to personnel-related provisions of EUR 20,440,881.34, provisions for impending losses of EUR 2,547,475.07 and also provisions for business operation of EUR 12,593,189.77 (prior year EUR 362,000.00).

The **subscribed capital** of EUR 6,020,000.00 (prior year EUR 5,000,000.00) is fully paid in and is held exclusively by Deutsche Bank AG, Frankfurt am Main. As part of the cross-border merger, the share capital was increased by EUR 10,000.00 (Budapest and Portugal) and EUR 1,000,000.00 (Belgium) respectively by issuance of new shares. In addition, the company's capital reserves were increased to EUR 448,710,726.87 as of 31 December 2011 as a result of the cross-border mergers. The distributable profit of the company for the financial year 2011 of EUR 17,973,479.02 had a positive effect on the capital.

Non-binding translation

3. Balance sheet notes

As of the balance sheet date of 31 December 2011, **contingent liabilities** consist of liabilities from guarantees and indemnity agreements of EUR 7,209,318.43 (prior year EUR 0.00).

Other obligations as of the balance sheet date of 31 December 2011 consist of irrevocable loan commitments of EUR 134,845,253.15 (prior year EUR 0.00).

4. Maturity Structure

Receivables from banks	**31.12.2011** EUR	**31.12.2010** EUR
with a residual period of		
up to three months	3,575,419,705.55	5,405,778.26
more than three months and up to one year	2,858,604,663.69	100,155.55
more than one year and up to five years	3,496,668,003.41	0.00
more than five years	1,731,333,329.72	0.00
Total	**11,662,025,702.37**	**5,505,933.81**

Receivables from customers[1]	**31.12.2011** EUR	**31.12.2010** EUR
with a residual period of		
up to three months	26,796,625.26	0.00
more than three months and up to one year	11,347,221.57	5,000.83
more than one year and up to five years	22,195,590.35	0.00
more than five years	4,049,332.63	0.00
Total	**64,388,769.81**	**5,000.83**

[1] without HGB 340f reserves

Liabilities to banks **with fixed term or agreed notice period**	**31.12.2011** EUR	**31.12.2010** EUR
with a residual period of		
up to three months	688,541.38	0.00
more than three months and up to one year	3,300,000.00	100,186.83
more than one year and up to five years	602,900,000.00	0.00
more than five years	0.00	0.00
Total	**606,888,541.38**	**100,186.83**

Liabilities to customers with fixed term or agreed notice period	31.12.2011 EUR	31.12.2010 EUR
with a residual period of		
up to three months	43,250,435.93	0.00
more than three months and up to one year	56,081,148.96	5,000.27
more than one year and up to five years	114,362,717.95	0.00
more than five years	7,137,916.26	0.00
Total	**220,832,219.10**	**5,000.27**

5. Breakdown of the receivables and liabilities relating to affiliated companies

Receivables and liabilities relating to affiliated companies are included in the following balance sheet items:

	31.12.2011 EUR	31.12.2010 EUR
Receivables from banks		
a) payable on demand	774,130,370.72	5,405,778.26
b) other receivables	10,887,126,535.60	100,155.55
Liabilities to banks		
a) payable on demand	129,857,254.72	0.00
b) with fixed term or agreed notice period	606,888,541.38	100,186.83

II. Income statement for the period from 1 January to 31 December 2011

The income statement for the financial year is characterized by cross-border mergers of the former Deutsche Bank subsidiaries of Deutsche Bank ZRt., Deutsche Bank (Portugal) S.A. and Deutsche Bank S.A./N.V.

The following table provides a breakdown of the income statement by the geographical markets of DB Europe GmbH.

		Germany	Hungary	Portugal	Belgium	Total
a)	**Interest income**	307,965.65	3,777,893.30	56,575,284.12	101,318,160.84	**161,979,303.91**
b)	**Current income from equity shares and other variable-yield securities , participating interests, investments in affiliated companies**	0.00	0.00	402,934.00	112,118.90	**515,052.90**
c)	**Commission income**	277,315.18	1,721,064.08	34,369,115.86	23,754,182.66	**60,121,677.78**
d)	**Other operating income**	34,057.52	231,105.06	120,768.81	12,270,806.46	**12,656,737.85**

The **administrative expenses** relate to the personnel expenses of the foreign branches in the reporting period and also the costs of the business operation.

The **other operating expenses** of EUR 15,946,558.71 (prior year EUR 0.00) basically include expenses from settlement payments to our customers of the Belgian branch in connection with the Lehman Brothers insolvency.
The **other operating income** of EUR 12,656,737.85 (prior year EUR 0.00) relates to income from the release of provisions of EUR 1,257,396.85 and the write-up of the plan asset from acquisition costs (in connection with the basis rollover pursuant to section 24 of the German Reorganization Act) to the fair market value of EUR 11,399,341.00 at our Belgian branch.

In the financial year, the **income taxes (income)** amount to EUR 2,799,164.77 (prior year EUR 161,778.71). **Other taxes** (expenses) amount to EUR 3,947,289.55 (prior year EUR 0.00) in so far as they do not relate to tax on income.

D. <u>Other information</u>

I. Contingent liabilities and other obligations

As of the balance sheet date, no contingencies or other financial obligations pursuant to § 34 (2) No. 2 RechKredV existed.

II. Information on affiliated companies

Deutsche Bank AG, Frankfurt am Main is the sole **shareholder** of DB Europe GmbH. DB Europe GmbH is an affiliated company according to § 271 (2) HGB.

As of 31 December 2011, DB Europe GmbH, as a **subsidiary bank,** is included in the exempting consolidated financial statement according to § 291 (2) HGB of Deutsche Bank AG, Frankfurt am Main. This was prepared for the reporting period in accordance with the International Financial Reporting Standards (IFRS) and can be obtained from Deutsche Bank AG, Frankfurt am Main. With regard to the information on the accounting, valuation and consolidation methods, which differ from German law, used in the exempting consolidated financial statement, we refer to the Appendix to the Management Report of Deutsche Bank AG, Frankfurt am Main. Documents subject to a duty of disclosure are published in the electronic Federal Gazette (Bundesanzeiger).

III. Further information

The disclosure according to § 285 (1) (17) HGB regarding total fees charged by the principal auditor has not been provided, because the corresponding information is included in the consolidated financial statement of Deutsche Bank AG.
All transactions – including with related parties – were performed on arm’s length terms.

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E. Members of the executive bodies and information on the officers

Members of the Board:

Marc Cisneros
Managing Director, Deutsche Bank Sociedad Anónima Española
Madrid

Frank Rückbrodt
Managing Director, Deutsche Bank AG
Frankfurt am Main

Nikolaus von Tippelskirch
Chairman
Managing Director, Deutsche Bank AG
Kronberg a.Ts.

Members of the Supervisory Board:

Stefan Krause
Chairman
Member of the Board of Deutsche Bank AG
Frankfurt am Main

Dr Christian Ricken
Deputy Chairman
Member of the Board of Deutsche Bank PGK AG
Bad Homburg

Stefan Bender (since 28 February 2012)
Managing Director, Deutsche Bank AG
Bad Vilbel

Harold Leenen (until 24 February 2012)
Managing Director, Deutsche Bank AG
Königstein

Dr Mathias Otto
Managing Director, Deutsche Bank AG
Liederbach am Taunus

Expenses for officers and loans to officers:

In the financial year 2011, no remunerations were paid either to members of the Board of Directors or to members of the Supervisory Board. No loans or advance payments were made to members of the Board of Directors and of the Supervisory Board in the reporting period. On the balance sheet date, loans to officers pursuant to § 15 (1) (10) KWG existed of EUR 10,056,035,829.49.

F. Average number of employees in the year

In the reporting period 2011, DB Europe GmbH employed an average of 162 employees.

G. Proposal for the appropriation of profit

The net income for 2011 of EUR 18,318,446.45 will be offset against the net accumulated losses of 2010 and carried forward to new account.

Frankfurt am Main, 20 April 2012

Deutsche Bank Europe GmbH

The Board

[Original German version signed by:]

Nikolaus von Tippelskirch (Chairman)	Marc Cisneros	Frank Rückbrodt

Non-binding translation

Management report 2011

of

Deutsche Bank Europe GmbH
Frankfurt am Main

A. Economic environment

In 2011, the global economic growth slowed to an estimated 3.5% after a solid growth of 5% in 2010 that was driven by catch-up effects in the wake of the global economic crisis. The slowdown took place predominantly in the industrial countries, while growth continued nearly unabated in the emerging markets. The problems of structural adjustment in the industrial countries had apparently been masked in many cases by the massive monetary and fiscal policy measures introduced in 2008 and 2009, some of which only developed their full effect in 2010. As the economic stimulus measures expired, structural problems returned.

The U.S. economy, where continuing problems in the real estate and job markets slowed growth down from 3% in 2010 to around 1.75% in 2011, demonstrated this notably. In the wake of the tsunami last March and the nuclear catastrophe it unleashed in Fukushima, Japan's economy was temporarily thrown into a recession by a negative supply shock and decreased on an annualized basis by around 0.75%. The euro zone slid into a recession towards the end of the year due to the increasing uncertainty on the future development of the debt crisis and the retarding effects of the fiscal consolidation programs that were launched in many countries. As an annualized average, growth declined from 1.9% in 2010 to around 1.5% in 2011.

The German economy showed an above-average growth of 3.0% compared with 3.6% in the previous year. However, the sentiment clearly dampened here over the course of the year, in particular, due to the warning momentum in foreign trade. In Belgium, the economy grew by 1.9%, which is also above the euro zone average, in spite of the political uncertainty and the high level of sovereign debt.

B. Company

Deutsche Bank Europe GmbH (DB Europe), Frankfurt am Main, is a wholly owned subsidiary of Deutsche Bank Aktiengesellschaft. Since the start of its active business operation on 5 November 2010, DB Europe has performed its own banking transactions and financial services to an extent that requires a commercially structured organization. The approved banking business and financial services include, among other things, deposit business, lending business, discount business, guarantee business, cheque collection business, underwriting and placement business, financial portfolio management, custody business, finance leasing, factoring and proprietary trading.

As of the balance sheet date, the business operation of DB Europe had clearly expanded compared with 2010 through the take-over of Deutsche Bank S.A./N.V and essentially consists of the deposit business and investment brokerage with private customers in Belgium. DB Europe also performs small volume banking transactions and financial services in Germany on a commercial basis, with a clearly defined customer structure and restricted product portfolio. The company's domestic activities consist of deposit and lending business and also account management and payment transactions. The company has also been active in the underwriting and placement business since 2011.

In addition to performing banking transactions and financial services, the object of the enterprise and business strategy of DB Europe also includes setting up branches abroad and acquiring or taking up the business of other banks in other European countries, in particular those of the Deutsche Bank group. In this connection, DB Europe continued in 2011 the business taken over from the former Deutsche Bank subsidiaries – Deutsche Bank ZRt., Budapest; Deutsche Bank (Portugal) S.A., Lisbon; and Deutsche Bank S.A./N.V., Brussels through its branches in Hungary, Portugal and Belgium. The spin-off of the business in Hungary and Portugal to Deutsche Bank Aktiengesellschaft was filed in the Commercial Register on 30 November 2011 and the corresponding branches were closed before the end of the financial year. At the time of the report, DB Europe consists of the domestic business and also the Belgian branch.

C. Business and income position

As of 31 December 2011, DB Europe GmbH has a balance sheet total of EUR 11,824,449,602.30 (prior year EUR 5,672,713.35). The balance sheet growth as of the balance sheet date compared with prior year is mainly driven by the merger of DB SA NV Brussels with the Belgian branch of DB Europe following the cross-border merger on the merger date of 12 December and the transfer date of 1 September 2011, respectively. Therefore, only a limited comparison of the balance sheet picture with the previous year is possible.
The receivables from banks and also the receivables from customers are more or less in balance with liabilities to banks and liabilities to customers. The capital structure is balanced.
The income statement is clearly expanded in the financial year as the result of the take-over of the business activities of the Belgian branch. Only a limited comparison with last year's profit and loss statement is possible.

Receivables from banks and customer
The receivables from banks include bank deposits payable on demand of EUR 774,899,166.77 (prior year EUR 5,405,778.26) and other receivables of EUR 10,887,126,535.60 (prior year EUR 100,155.55), including accrued interest. The receivables from banks mainly relate to receivables from its parent company, Deutsche Bank AG, Frankfurt am Main.

The company also has receivables from customers of EUR 63,023,528.81 (prior year EUR 5,000.83), including accrued interest and section 340f reserves. These receivables mainly consist of private and business customers of our Belgian branch.

Securities
As of the balance sheet date, bonds and other fixed income securities of EUR 14,782,960.00 (prior year EUR 0.00) and equity shares and other variable-yield securities of EUR 683,870.27 (prior year EUR 0.00) were held for the purpose of liquidity investment. These securities are not issued by countries that are affected by the European debt crisis (PIIGS countries).

Intangible and tangible assets
The company has intangible assets worth EUR 9,517,367.15 (prior year EUR 0.00) and tangible assets of EUR 13,182,473.34 (prior year EUR 0.00). Overfunded plan assets amount to EUR 9,524,000.00 (prior year EUR 0.00).

The liabilities to banks consists of liabilities payable on demand and term deposits with a total amount of EUR 736,745,796.10 (prior year EUR 100,186.83), including accrued interest.

The liabilities to customers consist of deposits of EUR 10,546,617,539.48 (prior year EUR 5,000.27) including accrued interest.

Other liabilities amounted to EUR 24,137,276.37 (prior year EUR 50,493.68).

Provisions

Provisions are comprised of other provisions of EUR 35,581,546.18 (prior year EUR 362,000.00). This amount includes provisions relating to personnel for bonuses and other payments of EUR 20,440,881.34, provisions for business risks and business operations of EUR 15,140,664.84. In addition, provisions of EUR 730,645.28 have been recognized for tax payable.

Equity

In the reporting period, the company's share capital of EUR 5,000,000.00 has been increased as part of the cross-border mergers through the issuance of new shares by EUR 1,020,000.00 to EUR 6,020,000.00 (Hungarian and Portuguese branches, EUR 10,000.00 each and EUR 1,000,000.00 for the Belgian branch. The company's capital reserve also increased as part of the cross-border mergers totaling EUR 448,710,726.87. The distributable profit for the financial year of EUR 17,973,479.02 mainly originates from the foreign branches. The main income components are interest income of EUR 161,979,303.91 and commission income of EUR 60,121,677.78. These figures are essentially offset by interest expenses of EUR 93,144,000.77, commission expenses of EUR 13,935,829.34 and administrative expenses of EUR 84,532,984.48.

The following table provides a breakdown of the income statement by the geographical markets of DB Europe GmbH.

		Germany	Hungary	Portugal	Belgium	Total
a)	**Interest income**	307,965.65	3,777,893.30	56,575,284.12	101,318,160.84	**161,979,303.91**
b)	**Current income from equity shares and other variable-yield securities, participating interests, investments in affiliated companies**	0.00	0.00	402,934.00	112,118.90	**515,052.90**
c)	**Commission income**	277,315.18	1,721,064.08	34,369,115.86	23,754,182.66	**60,121,677.78**
d)	**Other operating income**	34,057.52	231,105.06	120,768.81	12,270,806.46	**12,656,737.85**

Events after the balance sheet date

No events of particular importance that significantly affected the asset, financial and income position of DB Europe occurred after the balance sheet date.

D. Risk report

The aim of the overall bank management system is the sustained maximization of the income potential in the defined market environment while controlling annually pre-determined risk/income ratios and acquiring the necessary equity to achieve this.

DB Europe GmbH is exposed to credit, market, liquidity, operational, reputational and general business risks. The **identification, monitoring and management of all the risks** of DB Europe GmbH are included in the group-wide risk management frame-work of the Deutsche Bank group. To monitor and manage these risks, DB Europe independently applies the appropriate instruments for quantitative variables and measuring instruments of the Deutsche Bank group. The activities of Deutsche Bank subsidiaries taken over have no effect on risk management, because these are already integrated into the group-wide framework.

The **risk-bearing** capability of DB Europe GmbH is monitored as part of the group-wide risk management system of the Deutsche Bank group.

Portfolio-endangering risks or risks that significantly affect the asset, financial or income position are not known at the moment. Economic and legal factors are monitored continuously in connection with future existential risks.

As of 31 December 2011 the **total capital and reserves** of DB Europe amounts to EUR 472,704,205.89. This amount includes the distributable profit of the financial year 2011 of EUR 17,973,479.02.

As a subsidiary bank of the Deutsche Bank group, DB Europe satisfies the conditions of section 2a (1) of the German Banking Act (KWG) and makes full use of the exceptions of the **"waivers"** clause. Section 2a (1) KWG allows subsidiary banks to refrain from observing the regulations of sections 10, 13 and 13a and section 25a (1) (3) (1) KWG provided that the conditions referred to in section 2a (1) KWG are met. On this basis, DB Europe is not obliged to satisfy the regulations concerning appropriate capital adequacy, major loans or the regulations for determining and hedging the risk-bearing capacity, establishing strategies, putting in place processes for the identification, assessment, management, monitoring and notification of risks. Observance and monitoring take place at group level through Deutsche Bank AG as the ultimate parent company of the group.

The risk types described above for the past financial year and future years (i.e. the forecast period 2012-2013) are explained in more detail below:

- **Credit risk**

  DB Europe takes **credit risks**. As of the balance sheet date, DB Europe had granted loans totaling EUR 117,000, which are comprised of a loan of EUR 100,000 to Deutsche Bank AG, two individual loans of EUR 5,000 each and also seven personal overdraft lines of EUR 1,000 each. The monitoring of the credit risks and also the link with the credit risk management of the Deutsche Bank group is guaranteed by the Chief Risk Officer (CRO). As part of the take-up or take-over of the business operation of reputable (direct or indirect) subsidiaries of Deutsche Bank AG as result of cross-border mergers, the credit risks of the businesses taken over will usually only be borne on a short-term basis until the planned spin-off of the operation concerned to Deutsche Bank AG by DB Europe. The risks taken over in this period are still completely subject to the regional and divisional policies and instructions of the Deutsche Bank Group.

  During the financial year 2011, credit risks existed from the operations taken over from the former Deutsche Bank subsidiaries – Deutsche Bank ZRt., Deutsche Bank (Portugal) S.A. and Deutsche Bank S.A./N.V. The spin-off of the business in Hungary and Portugal as of 30.11.2011 meant that no further credit risks existed in these countries on the balance sheet date. In the case of the Belgian branch, a gross credit volume existed in respect of Belgian customers on the balance sheet date of EUR 186.3 million, which was managed unchanged within the corresponding policies of the Deutsche Bank Group.

- **Market risk**

  DB Europe takes **market risks** on account of the activities taken over in Belgium. It is basically affected by interest rate risks, which arise in connection with what is known as bucketing of customers' deposits. As part of the planned cross-border mergers, the market risks of the businesses taken over were or will only be assumed by DB Europe for a short period. Compliance with the possible maximum limits will be regularly monitored by the Deutsche Bank Group.

- **Operational risk**

  Operational risk means the loss potential (including legal components), which may result from the behavior of employees, contractual agreements and documentation, technology, failure of the infrastructure and also catastrophes, external factors and customer relations. Operational risk does not include any business, strategic or reputational risks. The management of the operational risks of DB Europe is established with Deutsche Bank AG according to the partnership model. According to this model, the divisional Operational Risk Management functions and Group Operational Risk & Business Continuity Management (ORBCM) share the responsibility for their management. Whereas Group ORBCM is responsible for the development of the framework, the divisional ORM functions are responsible for its implementation and the daily management of operational risks. The operational risks of the DB Europe domestic bank seem to be negligible in view of the small volume of business. The ORM policies of the Deutsche Bank Group continue to apply to the business transferred from the subsidiaries of Deutsche Bank AG to the foreign branches. The local ORM managers and also local operating committees are responsible for compliance with these policies.

- **Liquidity risk**

  The **liquidity risk position** of DB Europe GmbH is fully integrated into the liquidity management systems of the Deutsche Bank group in accordance with the agreed Treasury business model, and is monitored from there. DB Europe domestic bank will not assume a liquidity risk position of its own. This will be guaranteed by the fact that deposits and loans are settled with Deutsche Bank AG in due time. After the planned cross-border mergers have been carried out, the liquidity risks in the foreign branches of DB Europe will continue to be monitored via the existing Asset and Liability Committee.

- **Reputational and general business risks**

  No reputational and general business risks arose that affected DB Europe in 2011.

  The biggest risk in the next few years to the reputation and business of DB Europe is failure of the cross-border merger and spin-off transactions. The feasibility of the planned transactions was investigated at an early stage by divisions of the Deutsche Bank group together with the management of DB Europe and the management teams of the other group companies concerned and also with external legal and tax advisers and detailed implementation plans were developed for each individual transaction. The Board of DB Europe has received strong support from the competent divisions of the Deutsche Bank group and also from external legal and tax advisers. Therefore, the business risk resulting from the planned trans-border mergers can be regarded as controllable.

E. Outlook

The forecast period of the statements primarily covers 2012 and 2013.

On the domestic market, the taking up of additional business activities, including in the underwriting and placement business, finance portfolio management and custody business is reviewed continuously. The main aim is to expand the underwriting and placement business through greater involvement in the capital market business of Deutsche Bank AG in order to compensate for the weaker income from the existing deposit and loan products due to the generally low interest level.

In the next few years, DB Europe is also planning to continue the acquisition or taking up of the business of other banks in other European countries that are members of the Deutsche Bank Group and to set up branches. The plan for 2012 is to set up a branch of DB Europe in the Netherlands and close the branch in Belgium, subject to the successful spin-off of the corresponding business to Deutsche Bank AG. Additional branches will also be set up in other European countries, if appropriate, in 2013. In 2012 and 2013, the merging of other (direct or indirect) subsidiaries of Deutsche Bank AG with DB Europe on a cross-border basis and allocation of the business operation to the corresponding foreign branches of DB Europe will also be investigated. The business operation at the foreign branches will also not remain with DB Europe in the long-term, but will be spin-off to Deutsche Bank AG as soon as possible following completion of the cross-border merger.

We shall continue and further expand our close cooperation with Deutsche Bank AG and its subsidiaries. No future risks are seen in the current market environment.

Frankfurt am Main, 20 April 2012

Deutsche Bank Europe GmbH

The Board

[Original German version signed by:]

Nikolaus von Tippelskirch (Chairman)	Marc Cisneros	Frank Rückbrodt

Non-binding translation

Auditors' Report

We have audited the financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Deutsche Bank Europe GmbH, Frankfurt am Main, for the financial year from 1 January to 31 December 2011. The maintenance of the books and records and the preparation of the financial statements and management report in accordance with German commercial law are the responsibility of the bank's management. Our responsibility is to express an opinion on the financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the financial statements in accordance with sec. 317 of the German Commercial Code and the generally accepted standards for the audit of financial statements promulgated by the German Institute of Auditors [Institut der Wirtschaftsprüfer]. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the bank and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on our audit findings, the financial statements give a true and fair view of the net assets, financial position and results of operations of the company in accordance with German commercial law and German principles of proper accounting. The management report is consistent with the financial statements and, as a whole, provides a suitable view of the company's position and suitably presents the opportunities and risks of future development.

Frankfurt am Main, 20 April 2012

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Bose	Neuweiler
German Qualified Auditor	German Qualified Auditor