銷售說明書(西元 2009 年 5 月 4 日)

德意志銀行

依據 80,000,000,000 歐元債券發行計劃(「發行計劃」)所發行之
美金 200,000,000 元 3.0% 西元 2012 年到期之公司債(「本公司債」)

西元 2009 年 5 月 4 日刊印之公開說明書增補書（「公開說明書增補書」）係增補西元 2009 年 3 月 2 日為發行計劃所編製之原始公開說明書，及其後隨時增補之版本（「原始公開說明書」），投資人應詳閱公開說明書增補書、原始公開說明書、其相關附件及本公司債最終發行條件稿（「最終發行條件」）。公開說明書增補書、原始公開說明書及最終發行條件合稱為「公開說明書」。

發行人業以總括方式向中華民國行政院金融監督管理委員會（「金管會」）申報募集與發行預定總括發行金額不超過美金 1,000,000,000 元(「總括發行金額」)，得於申報生效日起二年內一次或分次發行之普通公司債。本公司債為總括發行下第一次發行。

本公司債於西元 2012 年 6 月 4 日到期。本公司債利息自西元 2010 年 6 月 4 日起於每年 6 月 4 日支付一次（如該日非營業日，則順延至次一營業日）。本公司債發行面額為美金 10,000 元。

本公司債發行日預計為西元 2009 年 6 月 4 日（「發行日」）。

自西元 2009 年 5 月 13 日起至西元 2009 年 6 月 3 日或安排機構及主辦承銷商共同公告本公司債募集完成之日(孰先屆至者為準)止(「募集期間」)，得向承銷商認購本公司債。本公司債由先行認購者優先承購，且於本公司債全數售出後，募集期間將不經事前通知提前結束。

本公司債認購價格為本公司債本金之 100%。

承銷商得超額認購本公司債以增加本公司債發行總額，但本公司債發行總額不得超過總括發行金額。發行人有權決定是否同意承銷商超額認購。詳情請詳本銷售說明書第 3 頁「認購與銷售」乙節。

本公司債於中華民國境內辦理公開發行。有關本公司債之銷售限制，請詳原始公開說明書「移轉及銷售限制」乙節。

本公司債未依 1933 年美國證券法(United States Securities Act of 1933)辦理登記事宜。除特定情形外，本公司債不得於美國境內募集發行或移轉交付與美國境內人民。

安排機構
德商德意志銀行股份有限公司台北分行
兆豐國際商業銀行

主辦承銷商
兆豐國際商業銀行
德商德意志銀行股份有限公司台北分行

協辦承銷商
彰化商業銀行
上海商業儲蓄銀行
合作金庫商業銀行
第一商業銀行

（主辦承銷商與協辦承銷商於承銷及銷售本公司債時，合稱「承銷商」）

發行人及本公司債持有人就本公司債權利義務之準據法為德國法。
因本公司債而生之紛爭係以德國法蘭克福法院為管轄法院。
本公司債預計將由 Moody's Investors Service 評定為 Aa1 級債券。
本銷售說明書係根據公開說明書及財團法人中華民國證券櫃檯買賣中心外幣計價國際債券管理規則編製而成，如與公開說明書內容有歧異，應以公開說明書為準。本銷售說明書非公開說明書，不能視為證券交易法第 32 條及外國發行人募集與發行有價證券處理準則第 33 條所稱之公開說明書。

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本公司債發行條件摘要

本公司債下述之發行條件僅係摘要說明，非完整之發行條件內容。本公司債發行條件詳情請詳參原始公開說明書及最終發行條件。

1. 發行人

德意志銀行。

2. 發行日

西元 2009 年 6 月 4 日。

3. 發行總額

美金 200,000,000 元。發行人保留是否同意承銷商超額認購之權利，以增加本公司債發行總額，但本公司債發行總額不得超過總括發行金額。

4. 債券種類及面額

本公司債為無記名式有價證券。面額為美金 10,000 元。

5. 受償順位

本公司債為無擔保主順位債券。

6. 到期日

西元 2012 年 6 月 4 日。

7. 票面利率

每年 3.0% 。

8. 付息方式

本公司債付息方式為每年支付利息乙次。本公司債利息應依本公司債本金以美金計算並以每月 30 天，每年 360 天為計算基礎計算。

9. 付息日期

本公司債利息自西元 2010 年 6 月 4 日起於每年 6 月 4 日支付一次(如該日非營業日，則順延至次一營業日）。最後一期利息應於到期日支付。

10. 償還方法及期限

於到期日以面額之 100%以美金贖回本公司債。

11. 營業日

台北、法蘭克福及紐約市。

12. 主付款代理行

德意志銀行。

13. 擬掛牌處所

本公司債擬於櫃檯買賣中心上櫃交易。

14. 承銷方式

本公司債將由承銷商包銷並以洽商銷售方式出售予投資人。

15. 募集資金之用途及預期產生效益

本次募集資金擬支應德意志銀行一般公司資金需求。

16. 募集期間及逾期未募足之處理方式

本公司債之募集期間為自西元2009年5月13日上午9時(中華民國時間)起，至西元2009年6月3日下午4時(中華民國時間)止，或安排機構及主辦承銷商共同公告本公司債已募集完成之日(孰先屆至者為準)止。本公司債並由承銷商包銷並以洽商銷售方式出售予投資人。

17. 準據法

本公司債以德國法律為準據法。

18. 管轄法院

本公司債所生之紛爭係以德國法蘭克福法院為管轄法院。

認購與銷售

發行人同意出售予承銷商且各承銷商同意依其個別承銷金額以包銷方式全額認購本公司債。

除原始公開說明書「移轉及銷售限制」乙節另有約定外，承銷商擬以公開說明書增補書封面所載認購價格募集本公司債。承銷商得保留其所承銷之本公司債於自有帳戶中。

發行人同意承銷商得於公開說明書增補書刊印日起至西元 2009 年 6 月 1 日下午 3 時(中華民國時間)止，超額認購本公司債，惟本公司債發行總額不得超過總括發行金額。發行人有權決定是否接受承銷商超額認購之請求。

於發行人同意承銷商行使超額認購請求權且承銷商提出超額認購之請求者，承銷商於符合特定條件時，得向發行人以全額包銷方式超額認購雙方同意數額之本公司債。

債信評等機構評定等級之證明文件

Moody's Investors Service 就發行人債信評等所出具之證明文件請詳參附件 A。本公司債預計將由 Moody's Investors Service 評定為 Aa1 級債券。

信用評等並非就購買、出售或持有有價證券提出相關建議，且信用評等機構得隨時修正或撤回其所評定之信評評級。

發行人僅就重製上述債信評等證明文件之正確性負責，但就該證明文件所提供之資訊不負任何責任。

已發行未償還債券之發行情形摘要

截至西元 2008 年 12 月 31 日止，德意志銀行長期債務及受託特別股證券之未償餘額約為 143,585,000,000 歐元，相關產品種類如下:

發行人未償長期債券及受託特別股證券摘要說明

截至 2008 年 12 月 31 日止	*單位：百萬歐元 (EUR million)*
長期債務	
- 主順位債務(公司債等)	125,654
- 次順位債務(公司債等)	8,202
長期債務總計	133,856
受託特別股證券*總計	9,729
長期債務及受託特別股證券總計	143,585

*受託特別股證券係指得由德意志銀行於將來任一日期贖回之無限期投資工具。

付款代理契約

發行人德意志銀行及主付款代理行（Fiscal Agent）德意志銀行及其他機構於西元2009 年 3 月 2 日就發行計劃簽訂代理契約（「付款代理契約」）。

依付款代理契約約定，發行人就發行計劃所發行之債券委任主付款代理行辦理支付到期應付款項，及代理發行人通知債券持有人等相關事宜。

交易限制

德意志銀行係依德國法律合法設立且仍有效存續之公司，且本公司債將於櫃檯買賣中心上櫃交易。

依德國法律規定，德國境外之人買賣本公司債並無任何交易限制。

本公司債之買賣將依櫃檯買賣中心相關規定辦理。

有關銷售限制之更多相關資訊請詳原始公開說明書「移轉及銷售限制」乙節。

本公司債之租稅負擔

本公司債於中華民國之租稅負擔

下述有關稅務法令之摘要係依據現行法律及實務所為，且僅具摘要性質，並非法律意見或稅務建議。投資人（尤其是應適用特別稅務法令規範者，如銀行、證券商、保險公司及享受租稅優惠之機構等）投資本公司債時請務必洽詢稅務顧問意見。

1. 本公司債之利息

支付於中華民國境內個人之債券利息，非中華民國境內個人之中華民國來源所得，可免課徵中華民國所得稅。因債券利息係由外國發行人支付，故無中華民國稅捐扣繳之問題。

2. 證券交易稅

本公司債係證券交易稅條例所規定之有價證券，故買賣本公司債應適用證券交易稅條例之規定。惟依經濟部工業局西元 2006 年 9 月 6 日經授工字第 09520413260 號函，至西元 2009 年 12 月 31 日止，本債券免徵中華民國證券交易稅。

於西元 2010 年 1 月 1 日後，如當時仍未公布免徵證券交易稅之規定，因促進產業升級條例廢止，就本公司債之移轉，將課徵以交易價格 0.1%計算之證券交易稅，並由出賣人負擔。

3. 最低稅負制

(1) 個人投資人：

a. 利息

個人投資人自外國發行人取得之利息收入，非中華民國來源所得。除非行政院取消自西元 2010 年起將個人境外所得納入最低稅負制之基本所得額之規定，自西元 2010 年 1 月 1 日起，個人投資人應將此債券利息納入其最低稅負制之基本所得額。

b. 證券交易所得

因本公司債非屬所得基本稅額條例第 12 條第 1 項第 3 款所定有價證券，個人投資人毋須將其因出售本公司債之證券交易所得納入其最低稅負制之基本所得額。

(2) 公司投資人：

a. 利息

本公司債之利息構成公司投資人之應課稅所得，毋須納入其最低稅負制之基本所得額。

b. 證券交易所得

因出售或處分本公司債之證券交易所得非屬應課稅所得，而應納入其最低稅負制之基本所得額。

本公司債於德國之租稅負擔

依現行德國法令規定，除特定情形外，支付於德國境外之人之債券利息，可免扣繳德國所得稅及統一附加稅。

一般事項

如何購買本公司債

承銷商將於發行日向發行人認購本公司債，並將辦理本公司債之銷售事宜。

募集期間

本公司債之募集期間為自西元 2009 年 5 月 13 日上午 9 時(中華民國時間)起，至西元 2009 年 6 月 3 日下午 4 時(中華民國時間)止，或安排機構及主辦承銷商共同公告本公司債已募集完成之日(孰先屆至者為準)止。安排機構及主辦承銷商毋需於募集期間屆滿前寄發任何事前通知。

本公司債由先行認購者優先承購，且於本公司債全數售出後，募集期間將不經安排機構及主辦承銷商事前通知提前結束。

若投資人欲購買本公司債，請逕洽承銷商。除承銷商外，本公司債無從自發行人或任何他人購得。

銷售程序

投資人如欲購買本公司債，請洽承銷商索取申購書。於募集期間屆滿前，請將填妥之申購書，連同本公司債之款項交付予承銷商。

購買本公司債係依據公開說明書增補書及申購書之條款為之。

發行人並未規範申購書之格式及內容，且申購書之格式及內容得因各承銷商之申請與付款程序及其他相關作業程序之不同而有所差異。如以傳真方式寄送申購書，投資人應將該申購書正本以郵寄方式轉交予相關承銷商。發行人或任何承銷商對投資人因傳真或郵遞方式未收到申購書所生之損害不負任何責任。

最低投資金額

本公司債最低投資金額為美金 10,000 元整。

付款程序

本公司債以美元計價，投資人應以美元向承銷商支付應付款項。承銷商應於募集期

間最後一日下午 4 時前收到該購買金額之交割款(如有需要，應經匯兌)。建議投資人勿以支票付款，以免造成交割遲延。投資人將依各承銷商之一般作業程序付款。

除前段所述者外，投資人購買本公司債支付購買金額時應依各承銷商之一般作業程序，依各承銷商指示之方式為之及/或支付至各承銷商指定之帳戶。各承銷商應將本公司債購買金額之付款及/或返還申購價金之作業程序相關細節提供予投資人。投資人僅就其所購得之債券支付款項。

申請購買本公司債時應確認事項

於投資人向承銷商提交購買本公司債之申請時，視同投資人向承銷商及發行人確認包括但不限於下列事項：

- 同意接受其所申請並購得之本公司債；
- 同意就實際購得之債券全額支付購買金額；
- 同意如其未能承購本公司債，或僅購得申購數額之部分債券，或如本公司債因任何原因無法發行者，則所申購數額之一部或全部將無息返還予該投資人，且該投資人應承擔返還之風險；
- 授權收受其申請之承銷商將其所購得之債券存入該投資人之投資帳戶，且瞭解本公司債為無實體發行且本公司債權利之表彰將以劃撥轉帳方式為之；
- 已收到、閱讀並瞭解英文公開說明書(包含公開說明書增補書、原始公開說明書和最終發行條件)及中文銷售說明書；
- 知悉本公司債之準據法為德國法，且以德國法蘭克福法院為管轄法院；
- 瞭解其係直接向銷售本公司債之承銷商購買本公司債，投資人與發行人間於投資人申請購買本公司債時，就該債券無任何購買契約之契約關係；
- 瞭解並同意發行人及承銷商無義務對投資人提供金融服務及保管服務，或就投資人運用其於承銷商所開立之銀行帳戶、投資帳戶或保管服務所生之損失不負任何責任；
- 同意發行人或承銷商或其董事、經理人、代理人及代表人就承銷商依投資人於其開戶之銀行帳戶或投資帳戶作業程序所為之銷售行為所致之任何損失，不負任何責任；
- 確認其非在美國境內且非美國證券交易法 S 規則（Regulations S）定義下美國人(包括美國居民及依美國法律組織或設立之合夥或公司)；及
- 瞭解投資本公司債之性質及投資本公司債所涉之風險。

投資人向承銷商申請購買本公司債時，應確認其已閱讀並瞭解前述確認事項。

交割程序

為買賣本公司債，除投資人已於 Euroclear Bank S.A./N.V. （「Euroclear」）或 Clearstream Banking Luxembourg SA (「CBL」) 等結算機構開立專戶，並擬直接透過 Euroclear 或 CBL 交割本公司債外，投資人應於證券商處開設保管劃撥帳戶，並於銀行開設外幣存款帳戶，且透過臺灣集中保管結算所（「集保結算所」）於 Euroclear 或 CBL 所開設之帳戶辦理交割。

本公司債於初級市場之認購將直接透過 Euroclear 或 CBL 等結算機構或透過集保結算所於 Euroclear 或 CBL 所開設之帳戶辦理交割。集保結算所並將轉撥該等本公司債至初級市場投資人指定之保管劃撥帳戶中。由於時差因素，集保結算所轉撥本公司債至投資人所指定保管劃撥帳戶之日期預計為本公司債發行日之次二營業日。本公司債之買賣及交割應依集保結算所及櫃檯買賣中心就本國債券之相關法令及處理程序辦理。

如投資人已於 Euroclear 或 CBL 開設帳戶，可經由該帳戶辦理交割（毋需向集保結算所申請將本公司債撥入集保結算所帳戶），或得填具相關申請書向集保結算所申請辦理跨國匯撥作業，將其存於 Euroclear 或 CBL 帳戶中之本公司債撥入集保結算所於 Euroclear 或 CBL 所開設之帳戶，或將其存於集保結算所於 Euroclear 或 CBL 所開設帳戶中之本公司債撥入該投資人於 Euroclear 或 CBL 已開設之帳戶，俾利於本國市場或外國市場進行交易。

本公司債之本金及/或利息分派，將由與集保結算所連線之款項收付銀行辦理撥付作業，於集保結算所收受該等款項後（因時差關係，集保結算所預計於分派日次一營業日收受該等款項），預計於次二營業日撥付至投資人之外幣存款帳戶。投資人實際收受匯撥款時間將視其開設外幣存款帳戶銀行之一般作業時間而定。

已為款項收付銀行外幣存款戶之投資人，毋須負擔跨行匯出外匯款項手續費。非款項收付銀行外幣存款戶之投資人，則須負擔兆豐國際商業銀行跨行匯出外匯款項手續費。已於 Euroclear 或 CBL 開設帳戶之投資人，則可經由該 Euroclear 或 CBL 帳戶直接收受款項。

投資人每年應支付集保結算所及 Euroclear 外幣債券帳簿保管費，分別為新台幣 0.009%及歐元 0.014%（約當一般銀行之信託保管費）。以每一萬美元投資金額計算，每年約新台幣 80 元，此費用由當時債券存放之證券存摺戶券商於台幣交割帳戶扣除之。

構成公開說明書一部之參考文件

德意志銀行於西元 2009 年 4 月 9 日刊印之登記文件（Registration Document）及截至西元 2008 年 12 月 31 日及截至 2009 年 3 月 31 日止三個月份之財務報表均構成公開說明書之一部。該等相關文件均業已上傳至盧森堡證券交易所之網站上（網址：www.bourse.lu）。

附件 **A** －債信評等機構評定等級之證明文件

Issuer Comment: **Deutsche Bank AG**

Earnings Commentary - Fourth Quarter 2008

Deutsche Bank AG (DB) reported an after-tax loss of -€4.8 billion (-€6.2 billion pre-tax), in line with its pre-announcement on January 14. For the full year, DB reported an after-tax loss of -€3.9 billion (-€5.7 billion pre-tax). As we noted in our January 14 press release, the bank's substantial losses during the quarter highlight a significant risk appetite and over-reliance on hedging and diversification strategies which have proven ineffective in the current market environment. On December 5, 2008, Moody's changed the outlook on Deutsche Bank's ratings to negative from stable, reflecting the challenges DB faces in light of its sizable exposure to capital markets. The bank has a bank financial strength rating of B and its deposits and senior debt are rated Aa1. The rating outlook is negative.

DB reported lower earnings on a linked-quarter, quarter-over-quarter, and year-over-year basis in all of its business segments except Global Transaction Banking. Even the more stable businesses of Asset and Wealth Management and Private & Business Clients saw a sharp drop in earnings. This raises some concerns about the franchise value of these businesses. Asset and Wealth Management reported a loss due to goodwill impairments, writedowns on seed capital and infrastructure investments, and further injections into money market funds, but even excluding those charges the business would have only broken even, reflecting a drop in performance fee income as well as net money outflows. Private & Business Clients saw higher loan loss provisioning, reflecting a rise in problem loans due to the global economic slowdown, as well as a drop in fee income and lower net interest margins, despite deposit and loan growth.

The principal contributor to DB's losses was the Corporate Banking & Securities business. The bank suffered net trading losses in both Debt (-€3.4 billion) and Equity (-€2.1 billion) Sales and Trading. These losses reflected substantial basis and correlation risk which the bank admits its models and stress testing did not adequately capture. While the bank has significantly reduced the size of its non-derivatives trading portfolios and has also reportedly laid off much of its basis risk, the risk management errors revealed by these losses have increased the negative pressure on the bank's ratings. These losses highlight the concerns we expressed in the October 2008 special comment "Impact of the Credit Crisis on Moody's Rating Methodology and the Credit Profiles of Investment Banks." As we noted in that report, "the recent massive losses at some wholesale investment banks, combined with increased complexity and opacity of their positions, argue for skepticism about the robustness of risk management within the industry." The fourth quarter clearly revealed that Deutsche Bank is not immune from these challenges.

During the quarter DB also took €1.8 billion in additional charges on structured exposures, of which €1.1 billion were related to the bank's monoline exposures. These charges were partially offset by €930 million in gains on marks previously taken on two unfunded leveraged loan commitments which were cancelled. DB has avoided the magnitude of writedowns on structured exposures taken by many of its peers. However, this is in part due to the bank's decision to reclassify a sizable portfolio of structured assets during the third and fourth quarter using the IAS39 look-back option. After reclassifying €24.9 billion in the third quarter, thus avoiding €845 million in marks, the bank reclassified a further €11.0 billion in the fourth quarter, allowing it to avoid an additional €1.2 billion in marks.

Deutsche Bank took a number of steps to offset the negative impact the quarter's losses would otherwise have had on its capital position. These included a reduction in the annual dividend, leading to a €1.0 billion release of previously accrued dividends. The bank also raised €0.9 billion in Tier 1 capital from the conversion of certain contingent capital instruments. Other additions to Tier 1 totalling €1.2 billion came from a restructuring of restricted equity units and OCI gains from the adoption of a new pension accounting standard, among others. And finally, continued de-leveraging allowed the bank to reduce it's risk-weighted assets during the quarter. As a result, the bank reported a Tier 1 capital ratio (under Basel 2) of 10.1% at year-end, just slightly below the 10.3% it reported as of September 30, 2008 and up from 9.2% at March 31, 2008. We consider the actions taken by the bank to strengthen its capital position as an important offset to the losses the bank suffered in the quarter. Notwithstanding this, we also believe that the bank's reliance on hybrid capital instruments may have increased during the quarter. The bank disclosed that its Tier 1 capital decreased by €1.7 billion during the quarter, while shareholders equity declined by €5.3 billion.

In response to the losses, Deutsche Bank's management has adopted a more conservative risk appetite, as well as an increased focus on avoiding large notional exposures. Going forward, Moody's will focus on the future earnings and risk profile of Deutsche Bank under its revised strategy, and more importantly the permanence of that strategy. Deutsche Bank's risk reduction program could lead to a less volatile earnings profile. However, even if successful over the near-term, the bank is likely to face pressures to return to a more aggressive strategy in the future, when market conditions improve.

As a part of its revised strategy, Deutsche Bank has expressed a greater interest in retail banking. While the bank remains committed to acquiring a stake in Deutsche Postbank AG ("Postbank", rated Aa2/C+ stable), Moody's believes that the acquisition of a controlling interest may be delayed due to challenges at Postbank. While acquiring Postbank's structured assets portfolio is clearly not desirable, the possibility of delay raises greater uncertainty for Moody's regarding the extent to which Deutsche Bank will continue to rely upon more volatile sources of earnings in the future. Moody's views the eventual acquisition of a controlling interest in Postbank to be an important underpinning of Deutsche Bank's current ratings. To the extent the acquisition or related benefits are delayed, or the acquisition causes a substantial decline in Deutsche Bank's capital position, it could have negative implications for Deutsche Bank's ratings.

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Rating Action: **Deutsche Bank AG**

Moody's changes outlook on Deutsche Bank's ratings to negative

Prime-1 short-term rating unaffected

London, 05 December 2008 -- Moody's Investors Service today changed the outlook on Deutsche Bank AG's Aa1 long-term debt and deposit ratings and B bank financial strength rating (BFSR) to negative from stable. The Prime-1 short-term deposit rating was affirmed. The outlook on the ratings of Deutsche Bank's subordinated debt and hybrid capital securities, as well as on certain subsidiaries, was also changed to negative from stable.

The outlook change reflects Moody's expectation that the persistent turmoil in international capital markets is likely to continue to have a negative impact on Deutsche Bank's revenue and earnings streams in the coming quarters so that weaker efficiency and profitability measures would no longer be consistent with those Moody's typically expects to see at the bank's current rating level. The rating agency also noted that Deutsche Bank's still sizable, albeit decreasing and manageable, exposures to those asset classes most affected by the crisis could still potentially have a further impact on its asset quality and capital adequacy.

Despite the tension in international capital markets, Deutsche Bank has not so far experienced any significant signs of franchise impairment in its well-established and broad-based international investment banking and growing domestic retail banking activities.

Guido Versondert, Moody's lead analyst for Deutsche Bank, noted that: "Deutsche Bank has demonstrated its ability to identify, manage, exit and bear considerable risk at a time of great stress for financial institutions globally. Nonetheless, the bank has suffered significant valuation adjustments on leveraged finance and structured credit exposures in recent quarters, highlighting the risk management challenges in investment banking, where the bank was exposed to positions well in excess of those it has traditionally been willing to take in its banking book. In sum, however, Deutsche Bank has been able to bear these market, credit and liquidity risks on its own, without the need for external financial assistance."

David Fanger, a key member of Moody's analytical team, added: "Going forward, it will be important for Deutsche Bank to provide enhanced, more comprehensive transparency about exposures, risks and risk management practices in order to underpin its creditworthiness and current rating levels."

Were it not for its use of the IAS 39 look-back option, Deutsche Bank would have reported a small loss for the first nine months of 2009. However, even incorporating this small loss, Deutsche has outperformed many of its global bank peers, some of whom reported massive losses, suffered catastrophic risk management failures and misguided management actions. The bank has benefited from robust generation of cash revenues in all major business lines, including in Corporate Banking & Securities; has demonstrated flexibility to adjust its operating expenses; and has actively worked to decrease its exposures to critical asset classes. Nonetheless, Moody's cautioned that adverse market conditions have depressed the bank's recurring earnings power and profitability measures, albeit temporarily, thereby reducing its flexibility to absorb potential additional mark-downs on risky exposures, for instance to commercial real estate, leveraged finance or US financial guarantors.

Moody's expects the bank's financial results for 2008 and, possibly, 2009 to be weaker than those typically required for a B BFSR. However, it believes that -- across a broad range of stress scenarios -- Deutsche Bank should be able to protect and preserve its sound funding, liquidity, asset quality and capital measures, which would effectively mitigate the downward pressure on ratings. As market conditions improve, Deutsche Bank should be able to restore its operating efficiency and profitability relatively quickly.

Moody's cautioned that key to this are the strategic changes under way at the bank. Deutsche Bank's greater strategic emphasis on retail banking, with its more granular and annuity-like revenues and earnings streams, should have positive implications for the quality and predictability of its earnings in the medium term. In this context, the planned acquisition of Deutsche Postbank (rated Aa2/P-1/C+) represents an important, positive strategic step that not only adds significantly to Deutsche Bank's more stable earnings but also provides the bank with ample additional retail deposits, thereby strengthening further its well-diversified funding profile.

In Moody's opinion, the main drivers of future positive rating changes include: (i) a restoration of Deutsche Bank's revenue and earnings dynamics and associated efficiency and profitability measures to levels that fully support the B BFSR and Aa1 senior unsecured ratings, (ii) an improvement in the granularity of the firm's wholesale risk positions and a reduction in its sensitivity to swings in capital markets, (iii) success in achieving a better balance between comparatively stable businesses -- for example, retail and transaction banking, wealth and asset management -- and the more volatile and less predictable performance in investment banking, and (iv) greater transparency on its risks, positions and risk management practices.

Conversely, increased downward pressure on Deutsche Bank's ratings would most likely result from a combination of the following factors: (i) an inappropriate alignment of the bank's appetite for market or credit risks, e.g. for large concentration risks in leveraged finance, with its recurring capacity to bear such risks, (ii) a failure to provide greater transparency on risky exposures, (iii) weaker levels of economic or regulatory capitalisation, or the disproportionate use of low-quality hybrid capital securities to the detriment of retained earnings, and (iv) a persistent preponderance of investment banking in terms of revenues, earnings and allocated economic capital.

Moody's previous rating action on Deutsche Bank AG was on 11 May 2007, when the senior unsecured rating was raised to Aa1 and the BFSR to B.

The principal methodologies used in rating Deutsche Bank AG are "Bank Financial Strength Ratings: Global Methodology" and "Incorporation of Joint-Default Analysis into Moody's Bank Ratings: A Refined Methodology", which can be found on www.moodys.com in the Credit Policy & Methodologies directory, in the Ratings Methodologies subdirectory. Other methodologies and factors that may have been considered in the process of rating Deutsche Bank AG can also be found in the Credit Policy & Methodologies directory.

Deutsche Bank AG is domiciled in Frankfurt, Germany. At the end of September 2008, it had total consolidated assets of EUR2,061 billion and equity of EUR36.6 million pursuant to IFRS. The group's Tier 1 ratio reached 10.3%. For the first nine months of 2008, Deutsche Bank reported consolidated pre-tax profits of EUR481 million and a net income of EUR918 million.

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heading "Shareholder Relations - Corporate Governance - Director and Shareholder Affiliation Policy."

Credit Analysis

Moody's Global
Banking

November 2007

Deutsche Bank AG

Frankfurt, Germany

Table of Contents:

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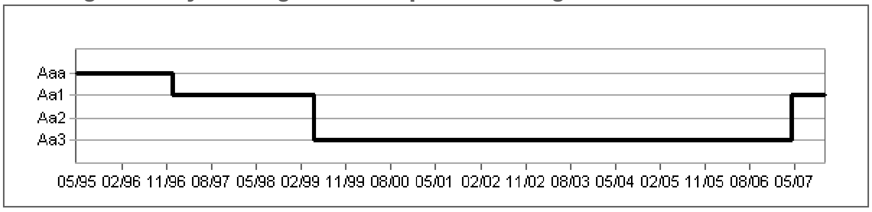
Summary Rating Rationale

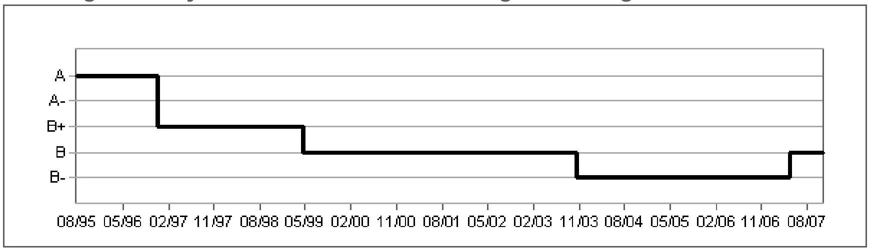
The Aa1 long-term Deposit Rating of Deutsche Bank AG was last upgraded in April 2007 when Moody's implemented its joint-default methodology (JDA).

Rating History - Long-term Deposit Rating



Deutsche Bank AG's B Bank Financial Strength Rating (BFSR), which captures the bank's intrinsic creditworthiness and does not take into account any forms of support a bank may receive, was upgraded in April 2007 when Moody's implemented its revised bank financial strength methodology. The upgrade primarily reflects Moody's more positive view of Deutsche Bank's underlying credit quality, rather than methodological changes.

Rating History - Bank Financial Strength Rating



This Credit Analysis provides an in-depth discussion of credit rating(s) for Deutsche Bank AG and should be read in conjunction with Moody's most recent Credit Opinion and rating information available on Moody's website. Click here to link.

Moody's Investors Service

Deutsche Bank AG

Moody's assigns a bank financial strength rating (BFSR) of B to Deutsche Bank AG, which translates into a Baseline Credit Assessment of Aa3. It is based upon the group's broadly diversified business profile, with a particular strength in global investment banking and a solid franchise in the German retail market, and its increasingly strong financial fundamentals. The successful execution of a clear management agenda and implementation of the business realignment programme have enabled the bank to improve its financial strength to levels that are fully consistent with its current BFSR.

Meaningful progress has been achieved in most major business lines and the group's current financial fundamentals are characterised by healthy levels of pre- and post-provision income, strong operating profitability, sufficient internal capital generation, sound asset quality and a highly liquid balance sheet, and a solid capital base. We rank Deutsche Bank highly for its risk and liquidity management capabilities, which we regard as essential elements supporting the group's credit ratings.

Prior to the implementation of Moody's revised BFSR/JDA methodology in April 2007, the ratings of Deutsche Bank AG were Aa3/P-1/B-.

It should be noted that all numbers and ratios for business years up to and including 2006 are calculated on the basis of US GAAP conventions. With effect from the first quarter of 2007, all figures refer to IFRS accounts.

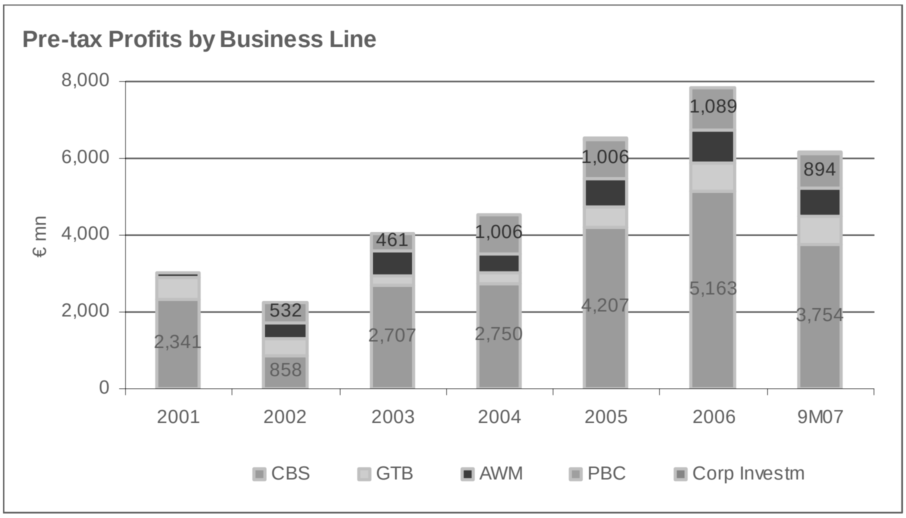
Group Structure

Deutsche Bank is organised in two main divisions, complemented by Corporate Investments for the industrial holdings.

- **Corporate and Investment Banking (CIB**) comprises Global Transaction Banking (GTB) and the investment banking activities carried out by Corporate Banking & Securities (CBS). In the first nine months of 2007, CIB generated an underlying pre-tax profit of €4.5 billion and reported a cost-to-income ratio of 70% and a pre-tax return on average equity of 29%. Over time, CIB accounts for roughly two-thirds of Deutsche Bank's activities.
- **Private Clients and Asset Management (PCAM)** consists of Asset and Wealth Management (AWM) and the retail banking operations of Private & Business Clients (PBC). In the first nine months of 2007, PCAM generated an underlying pre-tax profit of €1.6 billion and reported a cost/income ratio of 73% and a return on equity of 26%. Over time, PCAM represents roughly a third of the group's business.

Exhibits 1 and 2 show the progress all these businesses have made since the beginning of the decade but also the continuing importance of CBS's capital market activities, even at times of market stress and the concurrent compression of revenues.

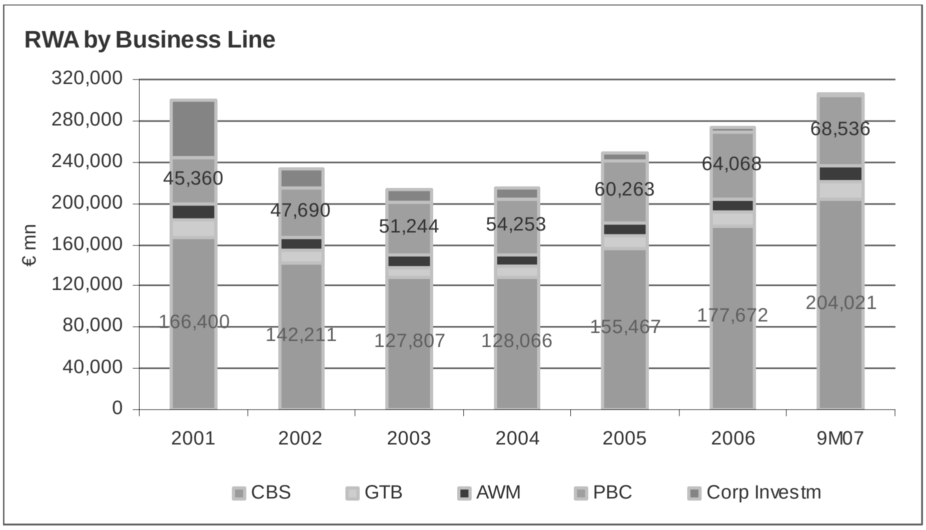
Exhibit 1



Source: Deutsche Bank, Moody's Investors Service

Deutsche Bank AG

Exhibit 2



Source: Deutsche Bank, Moody's Investors Service

Corporate Banking & Securities

Corporate Banking & Securities (CBS) consists of Deutsche Bank's business divisions Global Markets and Corporate Finance. Global Markets seeks to assist customers in their capital-raising, investing or hedging needs and provides a broad range of debt, equity, currency, commodity, money market and derivatives products. Corporate Finance focuses on general corporate finance advisory services, mainly supplemented by Deutsche Bank's leveraged finance and equity origination capabilities. CBS also includes the group's proprietary trading.

Exhibit 3

Corporate Banking & Securities Performance Metrics

	2001	2002	2003	2004	2005	2006	9M07
Revenues	14,019	11,164	11,796	11,520	13,947	16,484	12,691
Pre-tax Profit	2,341	858	2,707	2,750	4,207	5,163	3,754
RWA	166,400	142,211	127,807	128,066	155,467	177,672	204,021
Avg Active Equity	15,534	14,798	12,785	11,479	13,070	16,610	19,181
Cost/Income Ratio	82	81	70	78	72	70	71
Pre-tax Margin	16.7	7.7	22.9	23.9	30.2	31.3	29.6
Return on Equity	15	6	21	24	32	31	26
Avg Active Equity/RWA	9.3	10.4	10.0	9.0	8.4	9.3	9.4

Source: Deutsche Bank, Moody's Investors Service; in € million

Global Transaction Banking

Through its Global Transaction Banking (GTB) division, Deutsche Bank engages in gathering, moving, safeguarding and controlling assets for financial institutions, governments and multinational corporations worldwide, and provides processing, fiduciary and trust services. Major product lines include cash management, trade and export finance and related risk management products, as well as trust and custody services. Together with Deutsche Bank's corporate finance business, GTB represents the group's global banking activities.

Deutsche Bank AG

Exhibit 4

Global Transaction Banking Performance Metrics	2001	2002	2003	2004	2005	2006	9M07
Revenues	2,943	2,612	2,498	1,894	1,971	2,228	1,928
Pre-tax Profit	548	458	222	277	544	717	724
RWA	18,256	12,949	9,808	11,058	12,275	14,220	16,713
Avg Active Equity	2,681	2,073	1,404	1,381	1,315	1,091	1,091
Cost/Income Ratio	87	85	70	85	78	70	63
Pre-tax Margin	18.6	17.5	8.9	14.6	27.6	32.2	37.6
Return on Equity	20	22	16	20	41	66	88
Avg Active Equity/RWA	14.7	16.0	14.3	12.5	10.7	7.7	6.5

Source: Deutsche Bank, Moody's Investors Service; in € million

Asset and Wealth Management

Asset and Wealth Mangement (AWM) comprises Deutsche Bank's Private Wealth Management (PWM) services for its private banking clientele (including Private Client Services in the US (PCS)) and the Asset Management (AM) division, which focuses on managing assets on behalf of retail and institutional customers. At the end of September 2007, retail asset management, represented by DWS, accounted for €240 billion in invested assets, institutional asset management for €253 billion and the alternative assets managed by RREEF and DB Absolute Return Strategies for another €68 billion. In conjunction with PWM's €198 billion and PBC's €200 billion, PCAM is responsible for assets under management of close to €1 trillion, placing it among the largest asset managers globally.

Exhibit 5

Asset and Wealth Management Performance Metrics	2001	2002	2003	2004	2005	2006	9M07
Revenues	3,247	3,747	3,825	3,488	3,881	4,177	3,273
Pre-tax Profit	147	413	647	489	736	870	744
RWA	14,393	11,800	12,170	11,424	13,811	12,339	15,232
Avg Active Equity	4,043	6,337	5,694	5,034	4,993	4,927	5,125
Cost/Income Ratio	103	88	82	88	85	79	77
Pre-tax Margin	4.5	11.0	16.9	14.0	19.0	20.8	22.7
Return on Equity	4	7	11	10	15	18	19
Avg Active Equity/RWA	28.1	53.7	46.8	44.1	36.2	39.9	33.6
AuM (€ bn)	631	726	715	679	704	732	759

Source: Deutsche Bank, Moody's Investors Service; in € million

Private & Business Clients

Deutsche Bank's Private & Business Clients (PBC) division serves retail and affluent customers and small businesses with the full range of retail banking products, including investment advisory services. It consists of Personal Banking (about 10 million mass retail and affluent customers), Business Banking (roughly 1.2 million SMEs) and Private Banking (approx. 1.6 million customers) and primarily comprises Deutsche Bank's operations in Germany, Belgium, Italy Spain and Poland. The bank expects smaller operations in Portugal, India and China to become more prominent over time. The German market accounts for the bulk of PBC's results.

Exhibit 6

Private & Business Clients Performance Metrics

	2001	2002	2003	2004	2005	2006	9M07
Revenues	7,759	5,772	4,374	4,534	4,713	5,014	4,309
Pre-tax Profit	-92	532	461	1,006	1,006	1,089	894
RWA	45,360	47,690	51,244	54,253	60,263	64,068	68,536
Avg Active Equity	1,615	1,513	1,531	1,681	1,707	2,321	3,413
Cost/Income Ratio	99	83	82	73	74	72	71
Pre-tax Margin	-1.2	9.2	10.5	22.2	21.3	21.7	20.7
Return on Equity	-6	35	30	60	59	47	35
Avg Active Equity/RWA	3.6	3.2	3.0	3.1	2.8	3.6	5.0
AuM (€ bn)	186	148	150	150	163	176	200

Source: Deutsche Bank, Moody's Investors Service; in € million

Key Issues

- Deutsche Bank is one of a few industry-leading global investment banks, with a meaningful retail franchise among more affluent private clients in Germany and in selected European and emerging markets. In strategic and financial terms, the group's main challenge will be to improve the mutually reinforcing nature of its main business lines and to unlock further cost savings and revenue enhancements across customer segments and product clusters, in both manufacturing and distribution.
- The capital-markets activities of CBS continue to dominate the group's risk profile and financial performance. In Moody's view, this inevitably implies more volatile revenue and earnings streams. Notwithstanding the high degree of diversification across products and regions that to some extent adds to the stability of CBS's results, Deutsche Bank remains sensitive to swings in market sentiment, especially in areas such as leveraged finance, high-yield, private equity or the securitisation and CDO markets.
- Those business lines that are inherently more stable in their financial performance – PBC, GTB and AWM – continue to make good progress in absolute and relative terms. Further improvement is expected and, although they remain insufficient to fully mitigate the dominance of investment banking, they nonetheless enhance Deutsche Bank's earnings quality and creditworthiness.
- Deutsche Bank has not been immune to the crisis that has been spreading in international capital markets in the second half of 2007. As a leading player in leveraged finance and with meaningful positions in the CDO business, the group recorded a loss in the third quarter at CBS. We remain cautious as regards the outlook for coming quarters but recognise that a number of important CBS activities are continuing to perform well. This, together with the contributions from GTB and PCAM, should allow results to hold up well, we believe. Overall, the impact of the crisis on Deutsche Bank's liquidity, capital and earnings appears manageable.
- The bank manages costs, capital and risks in a disciplined manner. Its performance in recent market dislocations vindicates Moody's view of Deutsche Bank as a highly sophisticated industry leader in risk management. Economic and regulatory capital ratios were strengthened further in the third quarter of 2007.
- We expect financial results to remain consistent with current ratings.

Analysis of Rating Considerations

Discussion of Qualitative Rating Drivers

Franchise Value

One of the most diversified and largest financial institutions worldwide, with leading positions in the German market and in global investment banking

With total assets of €1,879 billion, shareholders' equity of €37.5 billion and a net income of €5.5 billion as at September 2007, Deutsche Bank is nowadays one of the largest and most diversified financial institutions globally.

Apart from the purely quantitative aspects of its financial results, the group's creditworthiness and high credit ratings largely depend on the breadth, diversification and franchise strength of its banking activities, the stability of its legal and organisational structure and the institution's overall reputation and integrity.

In Moody's view, Deutsche Bank's operations are well diversified across customer segments, products and geographic markets and generally display a good degree of granularity. However, notwithstanding these positive factors, we maintain our opinion that a comparatively large proportion of the group's revenues and earnings may prove sensitive to, and in some cases heavily dependent on, international capital markets. This reflects the group's strategic choices, competitive strengths and profitability targets as much as the constraints it may face in the domestic market, for instance.

Deutsche Bank's strategy is built around robust long-term trends. The globalisation of markets in products and services is resulting in strong growth in emerging markets and the disappearance of geographical boundaries, thus offering global institutions opportunities to act locally in a multitude of markets. At the same time, the growth of capital markets and a greater emphasis on private retirement funding coincides with an excess demand for investible assets and brings with it a shift towards new asset classes.

After refocusing its business during 2002 and 2003 and putting more emphasis on growth and profitability in 2004 and 2005, Deutsche Bank is now concentrating on leveraging its global platform in investment banking and asset and wealth management with a view to accelerating its growth and maintaining a sustainable pre-tax return on equity of 25%. Improving the co-operation and fertilisation across business divisions and units will be the main challenge in this respect, requiring a more effective exploitation of the business opportunities offered by the customer base, the unlocking of synergies in both manufacturing and distribution and, finally, improvements along the value chains.

Maintaining what we perceive to be high levels of cost, risk and capital discipline is a principal element of the group's strategy, which relies on organic growth as much as on smaller, non-transformational acquisitions that are mainly aimed at filling Deutsche Bank's remaining gaps in certain geographic and customer segments. In light of the prominent position enjoyed by investment banking within the group, Moody's takes a positive view of Deutsche Bank's commitment to bolstering the more stable, granular businesses in retail banking and asset and wealth management (PCAM), as well as in transaction services (GTB).

- **Market Share and Sustainability**

  Leading position in global investment banking goes hand in hand with progress in Germany – global focus on growth and sustainable profitability

  Across business lines, Deutsche Bank's strategic choice of monetising its global platform by exploiting its already strong strategic position and by unlocking sources of incremental value has translated into ongoing investments in the various businesses. In addition, the group has engaged in numerous smaller acquisitions that – apart from any customer- or product-specific features and advantages –have generally tended to enhance Deutsche Bank's position in emerging markets with strong long-term growth prospects.

  Most prominently, Deutsche Bank has reinforced its position in Germany. The acquisitions of Berliner Bank and norisbank provide the group with additional scale in its domestic and European retail banking operations. Furthermore, thanks to norisbank's separate brand, the bank is now able to appeal to new customer segments. We acknowledge Deutsche Bank's comparative strength among more affluent and financially attractive clients. On account of its capital-markets expertise and a strict account- and process-specific focus, it has succeeded in turning its retail operations into one of the most profitable in the German market.

Notwithstanding this remarkable progress, the group's share of the German retail market remains relatively small at around 5-6%; in Italy, Spain, Belgium and, increasingly, Poland, Deutsche Bank's importance is markedly lower. While these market shares appear sustainable, we expect the dominant players in the German market – the Sparkassen on the one hand and the co-operative banks on the other – to retain their leadership in business volumes.

Thanks to its market-leading retail arm DWS, with its broad product range, successful distribution and attractive margins, Deutsche Bank enjoys market shares in asset management in Germany that comfortably exceed those in retail banking. In the fragmented global asset and wealth management markets, the group is one of the largest market participants in terms of assets under management but, in Moody's opinion, is confined to relatively small market shares and does not benefit from meaningful pricing power. We acknowledge that, following a difficult period of restructurings and unsatisfactory performance, management has stabilised the institutional asset management activities, which have embarked on a positive path again and are expected to further improve their relative market position and performance. One of the main levers in this regard should be the group's prominent role as the largest manager of non-affiliated insurance assets.

In relative terms, Deutsche Bank's position is strongest in global investment banking, where it claims leading positions across product clusters, customer segments and geographical markets. The group ranks among the leading players globally with regard to revenues from equity and debt sales & trading, investment banking and loan products. Throughout the last decade, Deutsche Bank's growth has outperformed a group of US investment banking peers. Importantly, these gains in market share have been achieved through a focus on customer flow, higher-margin products and appropriate risk-adjusted levels of profitability. While market shares in these businesses are not set in stone, we believe that Deutsche Bank will continue to strengthen its presence in investment banking, notably by expanding into emerging markets. In fact, we are of the opinion that, in light of the group's strength in risk management and capital, the current market turmoil may offer it attractive opportunities not only to buy assets but also to gain market share and business volume – to the detriment of more marginal banks that would in other conditions tend to compress margins and profitability.

Geographic Diversification

Revenues and earnings well diversified globally but somewhat sensitive to swings in international capital markets and in the US economy

Deutsche Bank operates in numerous major and large markets in Europe, Asia and the Americas and, through organic growth and bolt-on acquisitions, is increasingly present in emerging markets. By their sheer size and wealth, many of these markets offer a high degree of diversification of business opportunities and financial risks, Moody's believes, and thus impact favourably Deutsche Bank's creditworthiness.

The group's investment banking and asset management activities are not confined to a particular region but take place primarily in the US, the UK and Germany. PBC's retail business concentrates on Germany, which accounts for the bulk of pre-tax profits, and to a lesser extent on Belgium, Italy and Spain. In line with Deutsche Bank's growth objective, we expect the group's international presence to become even stronger in the future.

Deutsche Bank's transformation leaves the group geographically less exposed to the German market. In 2006, it contributed about 18% of total assets and revenues, 20% of pre-tax profits and 28% of net income. The balance of pre-tax profits, for instance, essentially comprises the rest of Europe (48%), North America (36%) and Asia-Pacific (15%).

We note, however, that dislocations in international capital markets may – at least temporarily – have a material impact on the group's financial results. Regardless of its high degree of geographical diversification, Deutsche Bank has not been immune to the crisis originating in the US sub-prime residential real estate market in the third quarter of 2007. As widespread uncertainty among a broad range of market participants appears to persist, the group has seen important revenue pools in the US and Europe dry up temporarily.

- **Earnings Stability and Diversification**

Meaningful progress on more stable business but dominance of inherently volatile investment banking remains

Moody's generally perceives revenues and earnings flowing from retail banking, wealth management or asset management to be more granular and thus more stable as market conditions and customer preferences and needs change.

At Deutsche Bank, we regard PBC, AWM and GTB to be comparatively stable businesses with less pronounced seasonality or cyclicality, although the asset management operations tend to react to market activity and valuations quite dynamically. Following the successful implementation of the group's business restructuring at the beginning of the decade, revenue and earnings streams of PBC, AWM and GTB have embarked on a positive trend and display greater predictability. These operations' combined pre-tax profits grew by 17% year-on-year in the first three quarters of 2007 to €2.4 billion.

Notwithstanding this positive development and the subdued performance in CBS in the second half of 2007, Deutsche Bank's capital-markets activities in Sales & Trading, Origination & Advisory remain the key performance driver. Moody's essentially considers all revenue items in CBS as being potentially sensitive to fluctuations in international capital markets, including those that relate to lending products.

In contrast to banks with a sharper retail banking profile, the group's results may therefore turn out to be relatively more volatile. Irrespective of this potential concern, we note favourably that, at the level of the group and the individual business segments, annual results have followed a positive path and quarterly earnings have generally tended to display less volatility.

Risk Positioning

Moody's considers Deutsche Bank to be among the leading risk managers globally

We continue to consider Deutsche Bank as one of the most advanced and sophisticated risk managers globally, commensurate with its acceptable risk appetite and in line with its aspirations to generate higher earnings of better quality. By and large, we concur with the bank's view that, historically and in comparison to industry peers, its results have become less dependent on proprietary positions and reflect more adequately its role as intermediary, with it using its balance sheet, capital strength, underwriting power and distribution skills more selectively.

At the same time, we are aware that Deutsche Bank's quarterly or even annual results may still be impacted in a meaningful way by the performance of important business lines, notably within CBS, by individual transactions or by events specific to certain market segments or asset classes. In this context, it is worth bearing in mind that CBS's results on a mark-to-market basis include the costs from LEMG's hedging of the group's corporate credit portfolio exposures.[1] Apart from accounting conventions and the group's business profile, these advanced risk management practices partly explain the important contribution of net trading revenues.

Similar to other financial institutions with meaningful asset and wealth management businesses, we consider performance and reputation-related risks as another important element in Deutsche Bank's risk profile. Finally, we recognise the substantial legal risks that may arise in certain jurisdictions and that put a considerable onus on investment banks and investment advisors.

[1] Loan Exposure Management Group (LEMG) assumes a key role in reducing the group's concentration risks, hedging individual exposures and portfolios, ensuring appropriate portfolio diversification and evaluating loan pricing.

Deutsche Bank AG

- **Corporate Governance**

No particular concerns about corporate governance - Ratings neutral

We see no issues related to ownership, organizational complexity and insider- or related-party risks that should be of particular concern from a credit perspective.

- **Controls & Risk Management**

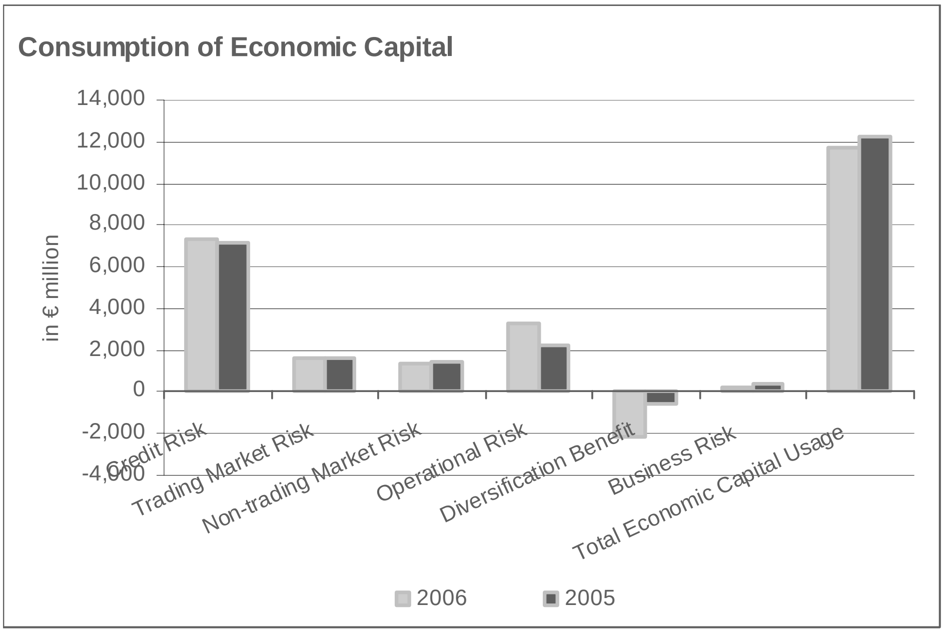
First-class risk management capabilities and practices commensurate with risk profile

In Moody's opinion, Deutsche Bank has not experienced in recent times any material major control issues with regard to regulatory, fiscal or other legal matters that could have a meaningful impact on its credit quality. As regards the occasional regulatory actions on historic control failures, we note that these are virtually inherent in the investment banking business model, especially for banks of such size and complexity as Deutsche Bank. In fact, we recognise that Deutsche Bank has made compliance with regulatory requirements a priority, giving it similar importance as cost, capital or risk discipline.

Thanks to its leading-edge risk management capabilities, Deutsche Bank is one of the few banks globally that – in Moody's opinion – merits our best score for risk management. In light of the complexity notably of its investment banking operations and the group's acceptable risk appetite, we consider Deutsche Bank's risk management culture, capabilities and practices to be fully consistent with the potentially substantial business and financial risks it may incur during the normal course of business. We feel vindicated in this view by the group's relative success in anticipating the crisis in the US sub-prime residential real estate market and in dealing with the fallout of the crisis as it is spreading across other asset classes.

Deutsche Bank primarily uses extensive stress testing for complex transaction and counterparty exposures or asset classes, rather than more simplistic but potentially deficient measures of risk, for determining its risk appetite and for embedding various types of risk in the group-wide framework for economic capital. Exhibit 7 shows how the various components of risk contribute to Deutsche Bank's usage of economic capital and the importance of the diversification benefits. At around 16% of aggregate financial risks, this appears reasonable. According to the bank, economic capital usage remains significant below regulatory capital requirements – a view we share despite the idiosyncrasies inevitably inherent in economic capital calculations and the difficulties of comparing them over time and to other institutions.

Exhibit 7



Source: Deutsche Bank, Moody's Investors Service

We expect Deutsche Bank to remain an industry leader in risk management, with capabilities that are fully commensurate with business and regulatory requirements and in keeping with its financial loss-absorption capacity.

- **Financial Reporting Transparency**

Comprehensive financial disclosure now in accordance with IFRS

Deutsche Bank AG is a fully licensed bank and primarily subject to the rules and regulations of the German Banking Act (Kreditwesengesetz, KWG). Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, the German Federal Financial Supervisory Authority) and Deutsche Bundesbank together act as the main supervisory authorities for the bank and for the group on an unconsolidated and consolidated basis. Additional supervisory powers lie with various regulatory authorities in countries where the group has subsidiaries, branches or representative offices, most importantly in the UK and the US.

Independent of BaFin's role as principal supervisor for the group, Deutsche Bank AG's status in the US as a bank holding company makes it subject to regulation and supervision by the US Federal Reserve Board. In order to retain this financial holding company status and to be able to provide a wider range of financial services in the US, Deutsche Bank AG, inter alia, has to be a "well capitalised" bank. This test requires banks to maintain a regulatory Tier 1 ratio of at least 6% and a total capital ratio of at least 10%. While this may constrain the group's financial flexibility slightly, we believe that it is also a strong incentive for the bank to manage its important activities in the US, as well as its overall risk and performance, prudently and that it adds an additional layer of protection for Deutsche Bank's creditors.

In connection with the listing of its shares on the New York Stock Exchange in October 2001, Deutsche Bank started to prepare in consolidated financial statements in accordance with US GAAP. The interplay of US GAAP accounting conventions, changes in the fiscal regime in Germany in 1999 and 2000 and the fall in stock market valuations around 2001 that we observed in previous years no longer distorts the presentation of Deutsche Bank's economic results and its reported net income and equity.

Due to EU regulations, the group has resumed preparing its consolidated financial statements under IFRS from the first quarter of 2007 onwards. In our opinion, this change does not impact how we view Deutsche Bank's credit quality and ratings.

The unconsolidated financial statements for Deutsche Bank AG continue to be prepared according to German GAAP. It is worth bearing in mind that compliance with various regulatory requirements enshrined in the German Banking Act – regarding, for instance, capital adequacy, liquidity, large exposures, and others – remains based upon financial statements prepared pursuant to German GAAP. These accounts form the basis for Deutsche Bank's ability to distribute dividends and for the calculation of its corporate income taxes. Furthermore, they are relevant for determining Deutsche Bank's compliance with certain regulatory requirements. They also form the basis for the triggers in the group's subordinated debt and hybrid capital securities.

Throughout recent years, KPMG Deutsche Treuhand-Gesellschaft AG has acted as the group's external auditor. As in previous years, KPMG did not express any reservations and opined that the consolidated financial statements for 2006 gave a true and fair view of the net assets, financial position, results of operations and cash flows of the group in accordance with US GAAP. KPMG continues to act as the group's auditor for its IFRS accounts.

Deutsche Bank submits comprehensive quarterly financial statements and detailed annual reports on a timely basis. In Moody's opinion, the bank's disclosure is of high quality and provides good insight into its performance, risk, liquidity and capital.

Credit Risk Concentration

Significant exposure across a broad range of financial institutions globally – Large individual transactions but significantly reduced bulk risks

Risk concentrations – whether in an industry or region, in an asset class or vis-à-vis a family of borrowers – have often had severe repercussions on a bank's financial profile and it is Moody's general conviction that credit risk concentrations, including those in the financial services sector, may pose a challenge for banks' credit quality.

We fully recognise the group's prominent market position in catering to financial institutions, insurance companies and a broad spectrum of fund managers globally, including hedge funds and financial sponsors. After adjusting for the well-diversified exposure to the international financial services sector, borrower and industry concentrations generally appear more limited and manageable in relation to the group's earnings and equity.

However, we also bear in mind the particularly dynamic developments in the high yield, leveraged finance, private equity, securitisation and CDO markets, Deutsche Bank's significant participation in these market segments and the detrimental impact a change in sentiment may entail for the group's concentration risks, cost of credit and earnings.

In this context, we note positively that Deutsche Bank's exposures to asset classes that have been hit particularly hard by the market dislocation beginning in late summer 2007 have generally been kept at levels that are consistent with the group's recurring earnings power and capital strength. Furthermore, high exposures in one area have typically been accompanied by considerably lower engagements in others.

In particular, Deutsche Bank's industry-leading position in leveraged finance and the corresponding importance the financial-sponsor fee pool has for its revenue dynamics are well documented. For end of September 2007, the group reported commitments in connection with leveraged finance transactions of €41.9 billion, including €0.5 billion in equity bridges. Except for a small amount of €1.3 billion accounted for as a loan, these exposures are included in the group's trading books and reported on a mark-to-market basis. According to Deutsche Bank, it wrote down €1.5 billion gross and €0.7 billion net on these positions in the second and third quarters of 2007. All leveraged finance exposures are vetted by the group's risk functions and, although the borrowers' credit quality is typically rather low, it may still be sufficient to generate an acceptable level of cash flows in the event that the distribution process drags on. Importantly, the group's final hold positions are reported to be concentrated in the senior tranches of a financing and to be comparatively small, both individually and in aggregate. Therefore, from our point of view, they should not represent a significant concentration risk if the group continues to adhere to its approach.

In contrast, we believe the bank's position in, and exposure to, ABCP conduits, US sub-prime related assets and CDOs to be markedly lower and manageable in terms of a possible impact on liquidity, capital or earnings.

Liquidity Management

Strong, group-wide liquidity management consistent with business requirements and resilient to challenging market conditions

Moody's believes that Deutsche Bank's liquidity management systems and procedures are fully consistent with the challenges and chances inherent in the group's business mix and balance sheet.

The group's liquidity profile is managed with a short-term, medium-term and longer-term view, using appropriate tools and limits for each of these dimensions. The core of the group's liquidity management consists of a comprehensive mapping of all actual and possible cash inflows and outflows, including the projection of daily net cash flows over the first 18 months, a detailed analysis of products with non-contractual payment streams and a comprehensive set of limits for maximum cash outflows and unsecured funding sources. Limits are set and daily monitored at group level and for individual legal entities or locations, with cash outflow limits being defined for the first eight weeks.

According to the group, key determinants of liquidity risk, including those pertaining to off-balance sheet commitments and collateral agreements for derivative exposures, are subject to a variety of market-related or idiosyncratic stress tests on a regular basis, typically monthly. For each scenario, measures to close liquidity gaps have to be identified and minimum net liquidity positions to be determined. Separately, the various underlying assumptions about roll-over ratios or available counterparty credit lines are reviewed periodically. By the same token, liquidation profiles for the bank's unencumbered assets are derived by assessing – across legal entities and currencies – whether an unencumbered asset qualifies for a certain eligibility class, for instance with respect to its use in transactions with a central bank, what the appropriate haircuts are to take account of their specific credit, market and liquidity risk and, ultimately, how liquid it is in the repo market or in the case of an outright sale. Potential funding shortfalls under such stress scenarios are constantly covered by a portfolio of high-quality, liquid and unencumbered assets.

The group's systems, procedures and liquidity resources have been successfully tested several times in recent years. Firstly, in the aftermath of the September 2001 incidents in the US, and again between September 2002 and March 2003, when a number of German banks had to face substantial financial problems and investor scepticism. Most recently, and probably most severely, in the third and fourth quarters of 2007, when inter-bank money-and term markets experienced serious stress and bank liquidity became an increasingly scarce resource and sharp constraint for many institutions globally.

Deutsche Bank's resilient performance in these circumstances gives a good indication of its capabilities. In our opinion, the solid liquidity profile and management capabilities are a key determinant of, as much as a crucial prerequisite for, Deutsche Bank's credit quality. We expect the group to retain a prudent approach to its liquidity and funding.

Market Risk Appetite

Market risks remain a key element of Deutsche Bank's risk profile but appear acceptable in relation to its capacity to absorb risks

According to Deutsche Bank, market risks in the trading and banking books remain an important source of risk; as shown in Exhibit 7, at the end of 2006 they accounted for almost 22% of the group's aggregate usage of economic capital for credit, market and operational risks (prior to beneficial diversification effects). While the still prevailing market turmoil has had adverse implications for volatilities and correlation assumptions and is likely to have resulted in a higher usage of economic capital, for both credit and market risks, we believe that the bank's measures to reduce risk-bearing positions have effectively helped to dampen this effect.

Deutsche Bank continues to run important proprietary trading books in equity, credit, interest rate, foreign-exchange and related derivatives products. In conjunction with the dominant customer-initiated transactions, these expose the group to name- and sector-specific risks and to potentially significant risks relating to volatilities and correlations. To some extent, its function to facilitate customer flow requires additional position-taking, albeit on a smaller and more temporary basis. In light of the sizeable proportion of the investment banking industry's fee pool controlled by financial sponsors, we continue to regard the leveraged finance activities as a major source of risk for investment banks, especially at a time of intensifying competition, ever-increasing sizes of individual transactions and underwriting commitments and gradually loosening documentation standards in the industry.

Against this background, we see the recent tightening in investors' appetite for leveraged finance exposures positively as it has already begun to lead to a beneficial reversal in these unduly borrower-friendly trends and should eventually create opportunities for more adequately priced and less risky transactions for those banks that, like Deutsche Bank, have the intellectual, capital and funding resources to withstand a period of market stress.

Despite the considerable growth in revenues, the group's value-at-risk for CIB's trading units has proven remarkably stable in recent years, fluctuating moderately around a level of approximately €70 million. In response to changes in volatilities and correlations and in line with other financial institutions globally, VaR increased sharply during the third quarter of 2007 to about €91 million and tested the validity of the model's calibration.

From Moody's point of view, the methodologies the group uses for measuring VaR and stressing results are commensurate to the complexity of the group's portfolios, the optionality of certain exposures and the challenges inherent in dynamic hedging practices. Importantly, Deutsche Bank does not over-emphasise the use of VaR-based risk measures and assessments and is fully aware that VaR captures only very imperfectly certain risks that are pivotal to its performance, notably model-specification risks, the risk of sudden illiquidity for certain assets and transaction structures or the risk of low-frequency, high-severity outcomes. It is Moody's impression that a product's or transaction's consumption of economic capital can be the more pertinent and, ideally, constraining risk measure in these instances and that Deutsche Bank uses comprehensive stress testing and back-testing to assess the validity of its judgements.

Discussion of Quantitative Rating Drivers

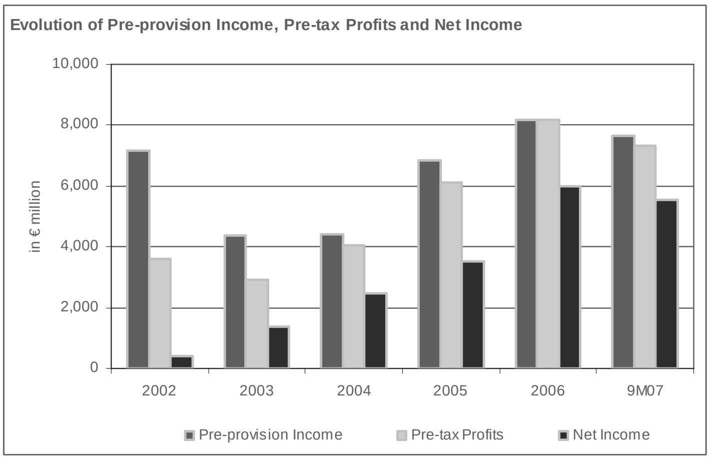
Moody's assigns a B BFSR to Deutsche Bank as the group enjoys a good franchise in Germany, benefits from its strong presence in international capital markets business, displays a meaningful risk appetite and the correspondingly sophisticated risk management capabilities and has recorded increasingly strong and well-balanced financial fundamentals. Deutsche Bank AG is the parent company of Deutsche Bank group and the group's main operating entity and risk taker.

Profitability

Earnings volatility inherent in investment banking partly mitigated by progress in other business

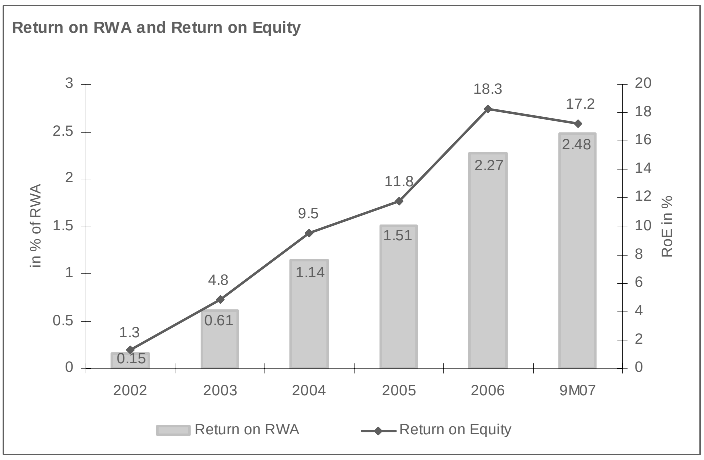
Improved results in all major business lines, but notably in CBS's Sales & Trading, have taken Deutsche Bank's underlying profits and profitability measures to levels that are fully consistent with its high financial strength rating. While the industry-specific seasonal pattern of quarterly earnings volatility persists, with a notable strength in the first quarter and a subsequent weakening, fluctuations have become somewhat less pronounced in recent years. We remain aware of the significant impact that individual business lines or transactions may still have on results. Nonetheless, the broad-based progress should bode well for the resilience of Deutsche Bank's earnings streams in the future. This more positive view is corroborated by the upward trend in the group's pre-tax margin and the rising yearly averages of its revenues and pre-tax profits.

Exhibit 8



Source: Deutsche Bank, Moody's Investors Service

Exhibit 9



Source: Deutsche Bank, Moody's Investors Service

Since the turning point in 2003, the group's operating profits and underlying net income have grown significantly, reflecting stronger revenue generation, a lower cost of credit risk and a better operating leverage. Despite the market turmoil in the third quarter of 2007, the group's pre-tax profit for the first three quarters reached €7.3 billion and exceeded 2006 levels by 13.8%. Concurrently, net income increased by 30.3% to €5.5 billion (Exhibit 8).

Against a background of rising risk-weighted assets (RWA) and a higher equity base, profitability metrics nonetheless continued to strengthen to levels that we regard as fully competitive with those of international peers with a marked investment banking focus (Exhibit 9).

Reported pre-tax returns on average shareholders' equity and on average active equity have developed in a similar way. According to Deutsche Bank, they reached 26.4% and 30.4%, respectively, for 2006 and 27.5% and 33.1% for the first nine months of 2007. At these levels, they exceed the group's longer-term, cross-cyclical objective of 25% for Deutsche Bank's pre-tax profits adjusted for significant gains or losses from the sale of industrial holdings in relation to its average active equity. Notwithstanding the negative earnings impact from CBS in the second half of 2007, profitability measures are only marginally weaker in the first three quarters than in the same period in 2006 as PBC, AWM and GTB keep improving their bottom-line results.

In sum, we consider Deutsche Bank's earnings power as one of its main strengths. Although results to a large extent depend on the success of CBS and remain somewhat vulnerable to a downturn in international capital markets, the broad-based progress vindicates a more positive view of the group's longer-term prospects, we believe.

Liquidity

Liquidity well protected by liquid assets, ample deposit base and well-diversified funding sources

Deutsche Bank's transformation from old-style commercial bank to full-fledged investment bank and its conversion from a traditional buy & hold approach to a fairly pure role as an intermediary who originates and distributes has had fundamental repercussions on the liquidity of the group's balance sheet.

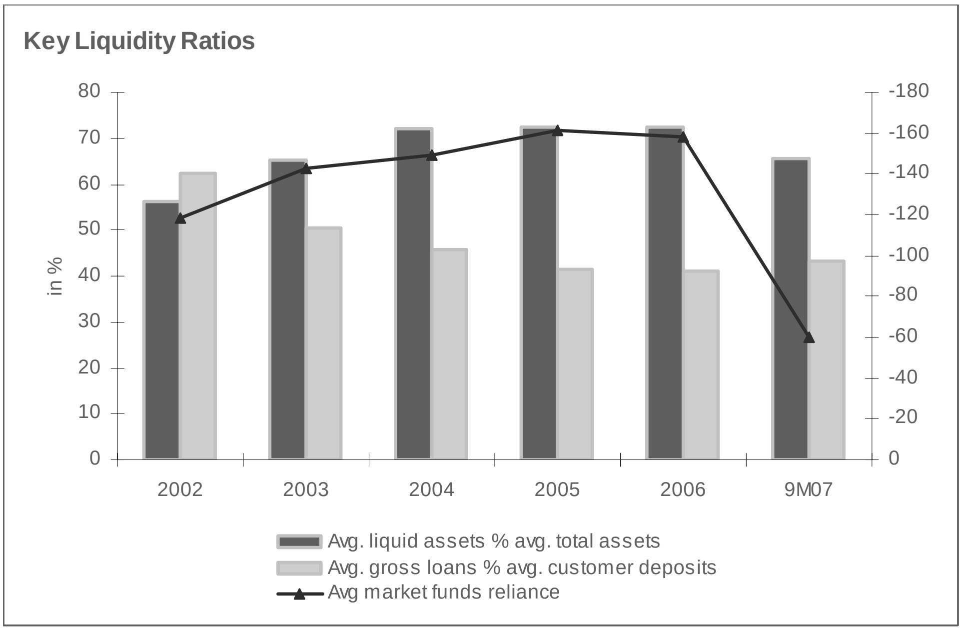
Net customer loans diminished from €259.8 billion or 28.3% of the balance sheet in 2001 to €168.1 billion or 14.9% in 2006, despite marked increases in lending volumes in 2005 and 2006. At the end of September 2007, they amounted to €193.4 billion. Correspondingly, long-term debts declined from €166.9 billion in 2001 to €132.5 billion at year-end 2006. At the same time, the duration of the group's assets and liabilities has tended to become markedly shorter, although with the duration of liabilities exceeding that of assets. Only in recent months has asset velocity slowed – a phenomenon that may weigh on liquidity requirements and profitability for some time.

We recognise favourably that, in light of its relatively less prominent position in retail banking, the group nevertheless boasts a rather strong and resilient deposit base, of €408.8 billion at the end of 2006. We partly attribute this to its successful focus on more affluent customer segments and its good corporate relationships, which benefit GTB in particular. Over time, this deposit base has proven reasonably stable. In comparison to pure investment banks, this additional degree of stability constitutes a competitive advantage which Moody's views positively.

Overall, Deutsche Bank's unsecured and secured funding sources are well diversified by type of investor, instrument, currency and region and show a good degree of granularity and stability.

Deutsche Bank AG

Exhibit 10



Source: Deutsche Bank, Moody's Investors Service Note: Market Funds Reliance = [Market Funds – Liquid Assets] in % of [Earning Assets – Liquid Assets]; scale inverted

Exhibit 10 summarises some of Moody's key liquidity ratios for Deutsche Bank. While balance sheet data for the end of September 2007 show that the group has not been immune to the market dislocations spreading in the wake of the US sub-prime residential real estate crisis, we note positively that important metrics remain comfortably placed. In fact, we take additional comfort from Deutsche Bank's ability in challenging market conditions to source substantial amounts of long-term funding in excess of its initial targets, albeit at costs that have risen in line with the market. For the same reason, we believe that funding the group's already committed leveraged finance exposures of about €41.4 billion (as at end of September 2007) should not prove too challenging, especially as the actual cash out-flows are spread across coming quarters.

In conjunction with its strong liquidity management capabilities, we believe that the group's liquidity profile is sufficiently robust even at times of market stress.

Capital Adequacy

Robust internal capital generation underpins robust economic and regulatory capitalization, despite considerable distributions

As one of the principal elements of its financial strategy, Deutsche Bank maintains a high degree of discipline in managing its capital, both with regard to the businesses' growth and value creation and with respect to potential acquisitions. In Moody's view, the robust economic and regulatory capital coefficients are commensurate with the group's significant business and financial risks and one of the main strengths underpinning its intrinsic creditworthiness.

At the end of September 2007, the group recorded shareholders' equity in the amount of €37.6 billion, including a comparatively small amount of minority interests of €741 million. Apart from changes in retained earnings, fluctuations in reported equity mainly result from share buybacks and compensation-related obligations to purchase common shares.

In order to provide shareholders with more attractive returns and backed by the group's robust earnings and cash-flow generation, Deutsche Bank generally manages its capital very actively and buys back significant volumes of its own shares. In fact, in recent years a substantial part of the group's annual results was paid out to shareholders either through dividends or by way of share buybacks. In conjunction with higher profits, this has turned out to be pivotal for the group's improved profitability indicators.

Deutsche Bank AG

In response to more uncertain market perspectives and an increase in RWA, which is in part related to what we perceive to be a temporary imbalance between the demand and supply of leveraged finance loans, Deutsche Bank has scaled down its share buybacks. In contrast to a number of industry peers, the group managed to strengthen both economic and regulatory capital ratios towards the end of the third quarter of 2007. Notwithstanding this relatively sanguine view, we anticipate that leveraged finance exposures may add considerably to the group's RWA temporarily, with a resulting impact on capital ratios.

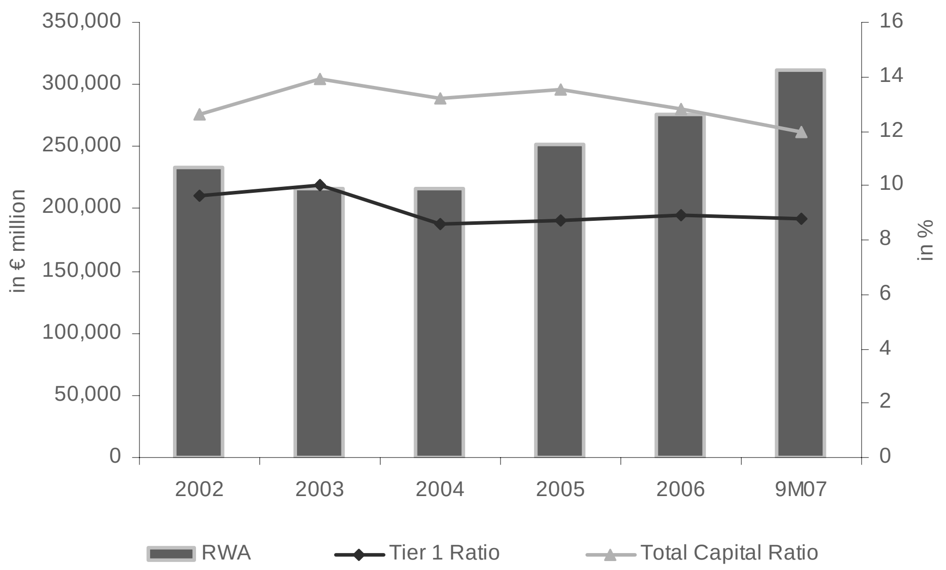
According to our estimates, unfunded and currently unexpensed pension liabilities should not unduly affect the group's capital base.

The ongoing reduction of Deutsche Bank's industrial holdings and alternative assets has had a positive impact on its risk profile and consumption of economic capital as concentration risks have been largely reduced.

We rank Deutsche Bank highly for its risk management capabilities and for measuring and allocating its economic capital but expect that, even after the introduction of a new capital adequacy regime (Basel II), important differences between estimated economic capital requirements and compulsory regulatory capital allocations will persist. In our opinion, Deutsche Bank's economic capital needs are comfortably below regulatory capital requirements.

Exhibit 11

Evolution of RWA and Capital Ratios



Source: Deutsche Bank, Moody's Investors Service

Regardless of the high capital payouts, the group's regulatory capital ratios have proven quite stable over time, as evidenced in Exhibit 11. At the end of September 2007, the Tier 1 ratio stood at 8.8% and the total capital ratio at 12.0%. The group remains committed to maintaining its Tier 1 ratio within a target range of 8-9%. We believe this to be a realistic objective and consistent with our credit assessment.

Apart from robust earnings streams that support the group's capacity to generate capital internally, Deutsche Bank's flexibility in managing its regulatory capital ratios is further enhanced by (i) its tight control of growth in RWA, (ii) meaningful buffers inherent in its existing Tier 1 capital and (iii) its industrial holdings – even after applying conservative haircuts to these positions which are mainly concentrated in stakes in industrial companies Daimler, Allianz and Linde. Furthermore, the group could issue further hybrid capital instruments and has already placed contingent capital securities that allow it to convert debt instruments into deeply subordinated instruments which benefit from regulatory recognition as Tier 1 capital.

We do not expect Deutsche Bank's regulatory capital ratios to weaken significantly below current levels going forward.

Well prepared to apply new capital adequacy regime on a group basis

With respect to the new capital adequacy regime (Basel II), Deutsche Bank will apply at group level the Advanced Internal-Ratings Based Approach (AIRBA) for measuring the regulatory capital requirements for its credit risks and the Advanced Measurement Approach (AMA) for its operational risks.

We do not expect these changes in methodology to have a material impact on Deutsche Bank's consumption of consolidated regulatory capital as a slightly higher capital usage in its Corporate & Investment Banking (CIB) segment will be largely offset by markedly lower amounts in its Private Clients & Asset Management (PCAM) segment. Deutsche Bank anticipates that these regulatory capital requirements will continue to exceed significantly the level of economic capital that the bank calculates is necessary to cover its anticipated unexpected losses.

We note, however, that in the future Deutsche Bank's regulatory capital ratios - like those of many of its industry peers - are likely to be more sensitive to the credit cycle due to the procyclicality inherent in the new capital adequacy regime. Fluctuations in credit conditions, and corresponding migrations in ratings, may for instance lead to additional capital requirements at a time of deteriorating creditworthiness in the market.

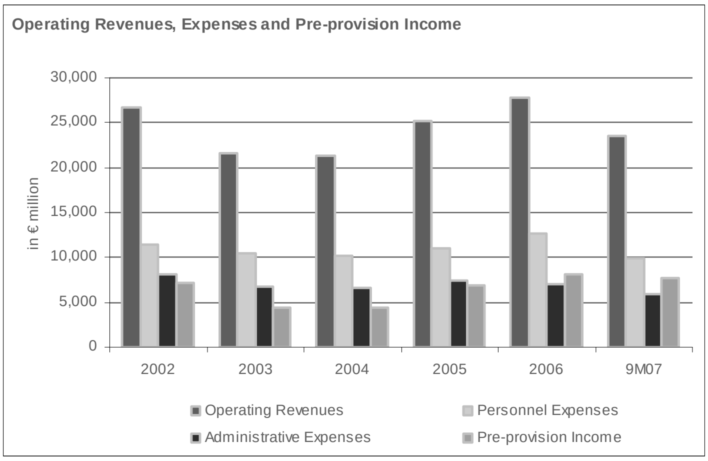
Efficiency

Improvements in efficiency partly concealed by dominance of high-cost businesses

Throughout recent years, Deutsche Bank has successfully concentrated on improving its cost efficiency and on achieving a better and sustainable operating leverage. Cost discipline remains a central element of the group's financial strategy.

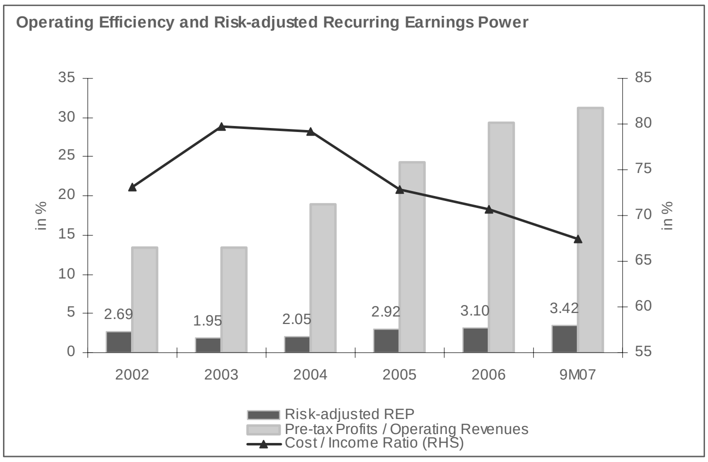
As a result of substantial reductions in headcount, a more effective use of office space, improved procurement and enhanced processes, the group's personnel and other operating expenses are nowadays well below the levels reached at the beginning of the decade. Since 2003, the group's pre-provision income has increased from €4.4 billion to €8.2 billion for 2006 and a robust €7.7 billion for the first nine months of 2007 (Exhibit 12).

Exhibit 12



Source: Deutsche Bank, Moody's Investors Service

Exhibit 13



Source: Deutsche Bank, Moody's Investors Service

According to Moody's calculations, the group's cost-to-income ratio has strengthened significantly, from an unacceptably high level of 94.2% in 2001 to 79.2% in 2004, 72.9% in 2005, 70.7% in 2006 and a remarkable 67.4% for the first three quarters of 2007. Related efficiency measures, as evidenced in Exhibit 13, show similarly positive developments, with the result that Deutsche Bank's operating leverage nowadays compares well to that of industry peers.

In our view, management deserves recognition for implementing more disciplined remuneration practices that now accompany the dynamic performance at CIB, in particular. In turn, a looser relationship between revenues and compensation levels, especially in a less benign environment for investment banking, might be seen negatively.

We would generally caution that, for banks as diverse and complex as Deutsche Bank, group-wide cost-to-income ratios and similar indicators may be less pertinent measures for gauging and assessing their operating efficiency. Rather, greater attention should be paid to the characteristics of the individual businesses and their relevant performance metrics.

Moody's recognises the high-cost nature of most of Deutsche Bank's businesses and anticipates that its cost to-income ratio will fluctuate moderately around 70% in the longer run. We prefer not to equate automatically a comparatively high cost-to-income ratio to operational inefficiency. Although further efficiency gains should be possible, and may be necessary, at AWM and PBC, CBS's relative weight is likely to make meaningful progress on a group-wide basis difficult to achieve. Furthermore, ongoing investment initiatives in Germany and abroad are expected to weigh on efficiency measures.

In this context, it is also worth noting that measures such as pre-provision income and recurring earnings power have less meaning at Deutsche Bank than at other financial institutions. This is because the group manages the bulk of its corporate lending exposures centrally through LEMG whose results – the gains on or costs of micro and macro credit hedges – are in turn included in the income statement's net trading profit.

Asset Quality

Good asset quality metrics supported by rapid loan growth, but caution remains warranted

With regard to Deutsche Bank's asset quality and credit risks, we are of the opinion that the group is in a much more comfortable position nowadays; borrower- or sector-specific developments may still take their toll but the group is generally less exposed to negative trends that could indiscriminately affect whole portfolios. To a fair degree, this also relates to Deutsche Bank's emphasis on reducing bulk risk in its lending and participation portfolios.

Although about half of the group's loan exposure is still to the German market, preponderantly to households for residential property and other purposes, the loan book's loss characteristics have stabilised at a favourable level. In general, the group's loan exposure has seen a growing share of retail loans, especially in consumer finance and residential property lending outside Germany, and a trend towards better-rated exposures. Concurrently, the total volume of concentration risks has been reduced to a more acceptable level. Nevertheless, individual transactions can still be of very substantial size in relation to the group's earnings or capital.

We understand that Deutsche Bank's hold portfolio of leveraged finance loans is small in relation to its underwriting commitments and as a part of its loan book. Similarly, individual exposures are also fairly low.

At the end of September 2007, problem loans amounted to €2.8 billion, extending their downward trend and equivalent to a moderate 7.6% of shareholders' equity. Reserve coverage stands at around 64% and appears sufficient to cover the portfolio's expected losses.

Loan loss provisioning charges to the income statement remain low; releases at CIB go hand in hand with increases at PBC, which to a fair degree are booked automatically as a function of rising consumer finance engagements. Positively, new provisioning requirements were small, both on an aggregate basis and for the largest individual cases and in comparison to group revenues and pre-provision income. Even after including the hedging costs and mark-to-market effects of LEMG, which are included in the group's trading result, the positive trend in the cost of credit risk remains intact.

Discussion of Support Considerations

Deutsche Bank's debt and deposit ratings benefit from systemic support which Moody's expects to be provided by the German banking system and authorities

Deutsche Bank's global local currency deposit ratings (GLC) of Aa1 / Prime-1 are based on its intrinsic credit quality, as captured by its bank financial strength rating of B (which translates into a Baseline Credit Assessment of Aa3, see Exhibit 14) and Moody's judgment that the bank would be supported, if ever necessary, by the German banking system and authorities. As a result, the debt and deposit ratings benefit from a two-notch uplift from the bank's Baseline Credit Assessment.

Moody's has long held the opinion that the German banking regulator would be very unlikely to ignore the descent of one of the large German deposit-taking financial institutions into a period of severe financial stress during which the full and timely repayment of its deposits and other unsubordinated financial obligations was in doubt. Consequently, Moody's believes that the German authorities would take affirmative action to minimise the systemic consequences of a large bank failure, or to prevent such a failure altogether.

Moody's views Deutsche Bank as a large taker of deposits in the domestic market and as an institution which is of great importance to the settlement of payments and securities in Germany. In addition, the bank plays a prominent role in financing foreign-trade operations of German companies. Consequently, Moody's considers Deutsche Bank to be of systemic importance to the German banking system and economy. Moody's therefore believes that the likelihood of systemic support is very high for Deutsche Bank and takes into consideration Germany's Aaa local-currency deposit ceiling (LCDC).

In light of the size and durability of Deutsche Bank's franchise, the conditions giving rise to the two-notch uplift are unlikely to change. Only if the bank were to suffer a substantial reduction in size and domestic market share, which we do not anticipate, could Moody's review its judgment on the probability of systemic support and, thus, consider lowering Deutsche Bank's debt and deposit ratings.

Notching Considerations

Deutsche Bank reported supplementary regulatory capital to the tune of €13.2 billion as at September 2007, including non-cumulative trust preferred securities of €5.2 billion, cumulative preferred securities of €0.9 billion and subordinated liabilities eligible for regulatory capital purposes of €7.2 billion

In accordance with Moody's general approach to rating subordinated debt and hybrid capital securities and in line with its notching practice, the bank's senior and junior subordinated debt is rated one notch below its senior unsecured rating of Aa1 and its hybrid capital securities are rated two notches below the senior unsecured rating, at currently.

Exhibit 14: Mapping the BFSR to the Baseline Credit Assessment (BCA)

The discussions of qualitative and quantitative rating drivers presented in this report form the analytical basis for assigning a Bank Financial Strength Rating (BFSR) of "B" to Deutsche Bank AG.

BFSRs are Moody's opinions on the intrinsic safety and soundness of a bank enterprise and, in effect, address the susceptibility of a particular institution to financial distress.

The BFSR array of ratings is not on Moody's traditional rating scale (Aaa, Aa, etc.). There is a useful method, however, for translating BFSRs to Moody's traditional scale – the baseline credit assessment, which in effect measures a bank's stand-alone default risk assuming there is no systemic or other external support.

Deutsche Bank AG's "B" BFSR maps to a baseline credit assessment of Aa3. However, considering external support factors, its deposit ratings are Aa1 / Prime-1.

BFSR/Baseline Risk Assessment Mapping for Deutsche Bank AG

BFSR	Baseline Credit Assessment (BCA)
A	Aaa
A-	Aa1
B+	Aa2
B	**Aa3**
B-	A1
C+	A2
C	A3
C-	Baa1
C-	Baa2
D+	Baa3
D+	Ba1
D	Ba2
D-	Ba3
E+	B1
E+	B2
E+	B3
E	Caa1
E	Caa2
E	Caa3

Deutsche Bank AG

Company Annual Statistics

Deutsche Bank AG

Summary Balance Sheet (EUR million)	2002	2003	2004	2005	2006	9M07
Financial Statistics						
Cash & central bank	8,979	6,636	7,579	6,571	7,009	11,808
Due from banks	25,691	14,649	18,089	11,963	19,470	19,184
Securities	408,210	555,217	583,033	702,186	785,922	919,788
Gross loans	171,969	148,227	138,689	153,283	169,888	194,882
Loan loss reserves (LLR)	-4,567	-3,281	-2,345	-1,928	-1,754	-1,530
Insurance assets	7,797	8,249	6,733	1,149	1,209	0
Fixed assets	8,883	5,786	5,225	5,079	4,149	2,515
Other assets	131,393	68,131	83,065	113,858	140,337	732,365
Total assets	758,355	803,614	840,068	992,161	1,126,230	1,879,012
Total assets (USD million)[1]	795,774	1,013,640	1,141,862	1,170,305	1,485,106	2,672,240
Total assets (EUR million)	758,355	803,614	840,068	992,161	1,126,230	1,879,012
Demand deposits	327,724	110,418	123,483	134,062	142,031	443,370
Savings deposits[2]	--	195,736	197,313	246,725	266,751	--
Due to banks	--	--	--	--	--	--
Market funds	205,731	377,355	401,194	479,684	565,753	1,160,703
Insurance liabilities	8,557	9,071	7,935	1,940	2,012	--
Other liabilities	173,853	69,933	70,666	82,943	101,117	222,412
Total liabilities	715,865	762,513	800,591	945,354	1,077,664	1,826,485
Subordinated debt	9,396	12,899	13,573	16,871	15,758	9,079
Shareholders' equity	29,991	28,202	25,904	29,936	32,808	42,707
Total capital funds	42,490	41,101	39,477	46,807	48,566	52,527
Total liabilities & capital funds	758,355	803,614	840,068	992,161	1,126,230	1,879,012
Derivatives - notional amount	14,644,926	17,170,323	21,541,153	29,280,311	39,813,667	--
Derivatives - replacement value	319,970	283,123	324,917	390,624	378,235	--
Contingent liabilities	103,526	88,884	250,909	318,146	299,171	164,523
Risk weighted assets (RWA)	232,674	215,672	216,787	251,202	275,637	311,347
Assets under management (EUR million)[3]	798,000	874,000	865,000	829,000	908,000	959,000
Number of employees	77,442	67,682	65,417	63,427	68,849	77,920

Deutsche Bank AG

Summary Balance Sheet (EUR million)	2002	2003	2004	2005	2006	9M07
Summary Income Statement						
+Interest income	35,781	27,583	28,023	41,708	55,217	51,298
-Interest expense	28,595	21,736	22,841	35,707	48,298	45,141
=Net interest income	7,186	5,847	5,182	6,001	6,919	6,157
+Trading income	4,024	5,611	6,186	7,429	8,247	6,196
+Fee & commission income	10,834	9,332	9,506	10,089	11,544	9,089
+Insurance income (net)	-15	2	-137	0	0	0
Dividend income and other operating income	4,646	788	533	1,703	1,116	2,022
=Operating income	26,675	21,580	21,270	25,222	27,826	23,464
-Personnel expenses	11,358	10,495	10,222	10,993	12,649	9,899
-Other operating expenses	8,145	6,709	6,616	7,394	7,011	5,916
= Operating funds flow	7,172	4,376	4,432	6,835	8,166	7,649
-Amortisation/depreciation	0	0	0	0	0	0
(Total operating expenses)	19,503	17,204	16,838	18,387	19,660	15,815
=Preprovision income (PPI)	7,172	4,376	4,432	6,835	8,166	7,649
-Loan Loss Provisions	2,091	1,113	372	374	330	283
Impairment of goodwill, fixed assets and investments[4]	-1,532	-507	-31	-349	289	-54
+Result of subsidiaries and associates	0	0	0	0	0	0
Non-recurring items	37	151	0	0	46	0
=Pretax income	3,586	2,907	4,029	6,112	8,171	7,312
-Taxes	3,189	1,542	1,557	2,583	2,185	1,772
=Net income	397	1,365	2,472	3,529	5,986	5,540
-Minority interests	0	0	0	0	0	19
=Net income (group share)	397	1,365	2,472	3,529	5,986	5,521
Growth Rates (%)						
Gross loans	-35.51	-13.81	-6.43	10.52	10.83	19.61
Total assets	-17.41	5.97	4.54	18.1	13.51	89.1
Customer deposits (demand and savings)	-12.52	-6.58	4.78	18.7	7.35	11.28
Net interest income	-16.64	-18.63	-11.37	15.8	15.3	18.62
Fee and commission income	1	-13.86	1.86	6.13	14.42	4.95
Operating expenses	-17.75	-11.79	-2.13	9.2	6.92	7.23
Preprovision income	391.23	-38.98	1.28	54.22	19.47	24.86
Net income	137.72	243.83	81.1	42.76	69.62	22.95

Deutsche Bank AG

Deutsche Bank AG

Summary Balance Sheet (EUR million)	2002	2003	2004	2005	2006	9M07
Income Statement in % Average Risk Weighted Assets						
Net interest income	2.7	2.61	2.4	2.56	2.63	2.75
Trading income	1.51	2.5	2.86	3.17	3.13	2.77
Fee and commission income	4.06	4.16	4.4	4.31	4.38	4.06
Insurance income	-0.01	0	-0.06	0	0	0
Operating income	10.01	9.63	9.84	10.78	10.56	10.49
Operating expenses	7.32	7.67	7.79	7.86	7.46	7.07
Preprovision income	2.69	1.95	2.05	2.92	3.1	3.42
Loan loss provisions	0.78	0.5	0.17	0.16	0.13	0.13
Extraordinary profit	0.01	0.07	0	0	0.02	0
Net income	0.15	0.61	1.14	1.51	2.27	2.48
Liquidity, Funding (including sub debt) & Balance Sheet Composition						
Avg. liquid assets % avg. total assets	56.06	65.26	72.11	72.56	72.37	65.43
Avg. gross loans % avg. total assets	26.16	20.5	17.46	15.94	15.26	11.31
Avg. customer deposits % avg. total funding	58.83	51.15	43.78	43.5	42.28	30.54
Avg. interbank funds % avg. total funding	0	0	0	0	0	0
Avg. market funds (excl. interbank) % avg. total funding	39.44	47.05	54.37	54.61	55.98	68.87
Avg. sub debt % avg. total funding	1.73	1.8	1.85	1.89	1.75	0.58
Avg. liquid assets % avg. customer deposits	133.83	160.82	189.04	189.49	194.17	249.11
Avg. gross loans % avg. customer deposits	62.45	50.51	45.76	41.62	40.93	43.08
Avg. market funds reliance[5]	-118.01	-143.07	-149.46	-161.28	-157.86	-60.37
Avg. RWA % avg. total assets	31.79	28.7	26.31	25.54	24.87	18.1
Breakdown of Operating Income in %						
Net interest income % operating income	26.94	27.09	24.36	23.79	24.87	26.24
Trading income % operating income	15.09	26	29.08	29.45	29.64	26.41
Fee & commission income % operating income	40.61	43.24	44.69	40	41.49	38.74
Insurance income % operating income	-0.06	0.01	-0.64	0	0	0
Other operating income % operating income	17.42	3.65	2.51	6.75	4.01	8.62

Deutsche Bank AG

Summary Balance Sheet (EUR million)	2002	2003	2004	2005	2006	9M07
Profitability						
Yield on avg. earning assets (%)	5.22	4.11	3.8	5.14	5.95	5.43
Cost of interest bearing liabilities (%)	4.79	3.51	3.19	4.43	5.17	4.25
Net interest margin (%)[6]	1.05	0.87	0.7	0.74	0.75	0.65
Recurring earning power (Pre-prov. inc. [PPI] % avg. assets)	0.86	0.56	0.54	0.75	0.77	0.62
Risk-weighted recurring earning power (PPI % avg. RWA)	2.69	1.95	2.05	2.92	3.10	3.42
Post-provision income % avg. assets	0.61	0.42	0.49	0.71	0.74	0.6
Post-provision income % avg. risk weighted assets	1.91	1.46	1.88	2.76	2.97	3.29
Return on average assets (%)	0.05	0.17	0.3	0.39	0.57	0.45
Return on avg. RWA (%)	0.15	0.61	1.14	1.51	2.27	2.48
Post-provision income % tier 1 capital	22.75	15.09	21.68	29.5	31.99	35.95
Return on equity (period end) (%)	1.32	4.84	9.54	11.79	18.25	17.23
Net interest income coverage of loan loss provisions	3.44	5.25	13.93	16.05	20.97	21.76
Loan Loss Provisions % preprovision income	29.16	25.43	8.39	5.47	4.04	3.7
Pre-tax income % operating income	13.44	13.47	18.94	24.23	29.36	31.16
Internal capital growth (%)	-0.91	2.03	5.83	10.27	15.86	22.43
Dividend payout ratio (%)	191.69	55.42	33.5	24.6	20.7	--
Efficiency						
Cost/income ratio (op. expenses % op.income)[7]	73.11	79.72	79.16	72.9	70.65	67.4
Adjusted cost/income ratio (incl. non-operating items)	78.72	81.37	79.31	74.28	69.45	67.63
Operating expenses % average assets	2.33	2.2	2.05	2.01	1.86	1.28
Operating income / employee (EUR thousand)	344.45	318.84	325.14	397.65	404.16	401.41
Operating expenses / employee (EUR thousand)	251.84	254.19	257.39	289.89	285.55	270.55
PPI / employee (EUR thousand)	92.61	64.66	67.75	107.76	118.61	130.85
Asset Quality and Risk Measurement						
Problem loans % gross loans	5.19	4.47	3.49	2.53	1.94	1.46
LLR % problem loans	51.19	49.54	48.5	49.81	53.12	53.87
LLR % gross loans	2.66	2.21	1.69	1.26	1.03	0.79
Loan loss provisions % gross loans	1.22	0.75	0.27	0.24	0.19	0.19
Problem loans % (shareholders' equity + LLR)	25.82	21.04	17.12	12.15	9.55	6.42
Replacement value % shareholder's equity	1066.89	1003.91	1254.31	1304.86	1152.87	--

Deutsche Bank AG

Deutsche Bank AG

Summary Balance Sheet (EUR million)	2002	2003	2004	2005	2006	9M07
Capital Adequacy (Period End)						
Tier 1 ratio (%)	9.6	10.0	8.6	8.7	8.9	8.8
Total capital ratio (%)	12.6	13.9	13.2	13.5	12.8	12.0
Shareholders' equity % total assets	3.95	3.51	3.08	3.02	2.91	2.27
Equity participations % shareholders' equity	35.9	30.39	30.64	24.66	16.33	6.54

[1] Historical exchange rates are applied accordingly for USD and EUR figures.

[2] Full disclosure may not be available for all years. The amount is then included in demand deposits.

[3] As reported by the bank.

[4] Includes goodwill amortisation (pre-IFRS).

[5] Avg. [(market funds-liquid assets) % (earning assets-liquid assets)].

[6] Although not part of net interest income calculation, the NIM includes dividend income.

[7] Cost/income ratio excludes goodwill amortisation, which is included together with net non-operating income in the adjusted cost/income ratio.

Moody's Related Research

Banking Statistical Supplement:

- Germany, October 2007 (105590)

Rating Methodologies:

- Guidelines for Rating Bank Junior Securities, April 2007 (102726)
- Incorporation of Joint-Default Analysis into Moody's Bank Ratings: A Refined Methodology, March 2007 (102639)
- Bank Financial Strength Ratings: Global Methodology, February 2007 (102151)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

Deutsche Bank AG

Report Number: 106207

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Moody's Investors Service

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