John Cryan

Chief Executive Officer

Deutsche Bank AG

Annual General Meeting

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– Check against delivery –

Dear Shareholders,

Ladies and Gentlemen,

I would also like to warmly welcome you to our Annual General Meeting.

I am pleased to be here again with you today - after a turbulent year for Deutsche Bank. A year in which many people had their doubts about our bank, in which we refined our strategy and sought to raise capital from you again. A year which saw a lot of rumours and a lot of disquiet about us. In some cases, rightly, but wrongly in many others.

However turbulent 2016 was, for us and for you as our shareholders, I nevertheless stand before you today feeling much more confident than I was a year ago. At that time, I told you that we had a historic opportunity. An opportunity to build a better Deutsche Bank.

I'd like to repeat what we understand by 'a better Deutsche Bank'.

It is a bank… …

...which is trusted by its clients;

...which keeps in mind where it comes from and what its responsibilities are;

...which provides a gateway to the financial world for its clients with innovative products and services;

...a bank which generates sustainable profits and reliably pays out dividends;

...whose employees want to make a positive impact – for their clients, for the bank, and for society;

…in short: a bank that we can all be proud of.

This, Ladies and Gentlemen, is not just a destination. Above all, it's a journey. A demanding and strenuous journey; but a journey that is worth making. I am more convinced of this today, than ever.

What we achieved in 2016

For in many areas, it is becoming clear just how far we have come, despite difficult circumstances. Let me give you a few examples:

- We have made the bank safer and drastically reduced risky legacy positions in our balance sheet, and faster than planned. We were already able to close our work-out unit, NCOU, at the end of last year. Since 2012, the necessary balance sheet reductions have led on the one hand to losses of more than 7 billion euros before taxes. However, this loss is counterbalanced by a major positive effect: NCOU has reduced our risk weighted assets by around 120 billion euros and this enabled us to free up a total of around 8.5 billion euros in equity capital.

- Due in no small part to these efforts, our Common Equity Tier 1 capital ratio at the end of 2016 reached 11.8 percent, the best it has been for three years.
- We have resolved further major legal matters, as we intended. These included the biggest cases, such as the settlement with the US Department of Justice concerning residential mortgage-backed securities going back to before the financial crisis of 2007. We still have other cases open, but we believe the worst is behind us.
  In addition, we have thoroughly investigated and taken appropriate action over cases of misconduct. We will continue to do so – not only because our regulators require it, but because we ourselves consider such action to be essential. But I'd like to make one thing clear: an enormous amount of investigation has been carried out, not only by us but also by our regulators. We investigated many problems intensively. I cannot imagine that further investigation of the same incidents will produce any substantial new findings.
- Resolving past issues includes a further strengthening of our controls. By the end of this year we will have added nearly 1,000 new hires to our Compliance and Anti-Financial Crime functions compared with 2015.
- Simultaneously, the bank is becoming easier to manage. We have sold some assets, including the UK insurance firm Abbey Life and our stake in Hua Xia Bank in China. We have exited eight countries. In numerous other countries we have discontinued our onshore capital markets business and now serve more international clients from our main centres like Frankfurt, London, New York and Singapore. That not only makes us less complex but also reduces our costs by around 200 million euros per year.
- Naturally, our costs are also now falling more quickly - last year they fell by six percent on an adjusted basis, so for example excluding litigation charges, to 24.7 billion euros.

So you see, Ladies and Gentlemen, we have made good progress. Nonetheless, many of our costsaving efforts will only pay off from this year on – for example, the restructuring of our private customer business in Germany.

However, we have also set ourselves a yet more ambitious objective: to reduce our annual adjusted costs to around 22 billion euros in 2018, and by an additional billion euros by 2021.

We shall continue systematically along the path that we embarked upon nearly two years ago and deliver what we promised you.

Results 2016

However, this major restructuring costs money. This impacted on our 2016 results, as did an environment that was exceptionally difficult for us.

- We incurred costs totalling 5.8 billion euros in order to resolve legal matters, sell non-strategic assets and simplify the bank's structures.
- The bottom-line result was a net loss of 1.4 billion euros. The pre-tax loss amounted to 810 million euros. We are confident that this will not happen again.
- However, let’s remember that despite this loss, we generated revenues of around 30 billion euros. That shows the earnings power our bank possesses once we put our legal matters and restructuring behind us.

Resolving these legacy problems is also reflected in the fact that, my dear shareholders, we are only able to make a very small distribution to you. Today we propose a minimum dividend for 2015 and 2016. Our original plan was not to pay a dividend at all, which would have been in the best interests of the company in our view. However, some shareholders challenged in court the decision made at last year’s AGM, and in order to avoid a multi-year legal dispute, we decided to recommend to you a dividend of a total of 19 cents per share for 2015 and 2016.

Of course, such a minimum dividend is far from what we aspire to. That’s why it was important to us to send a clear signal: following such a year, we also considerably reduced performance-related compensation of our senior managers. We on the Management Board once again waived our bonus completely - for a second year in succession.

However, I’d like to reinforce what the Supervisory Board Chairman has argued: we must pay competitively if we want to attract the best talents in the industry to Deutsche Bank – at every level.

There’s another reason why cutting variable compensation to our staff was not something we did lightly. After all, it was our staff who steered our bank through the tough months of last year. Certainly, we lost some clients, but we have also won many of these back. And that is exactly what gives me courage on the tough days: the dedication that our Deutsche Bank colleagues show, day in day out.

Since many of our staff are following this speech, let me just say to you, on behalf of all those here with me on stage: thank you! And I am certain that I also speak for you, my dear shareholders, when I express this gratitude to our staff.

I am also grateful for the way our staff have pushed forward through the restructuring of our bank. We are changing the bank in many small steps, but these small steps can feel very big to the individual staff member concerned.

Capital increase and strategy

Let me now present what we believe to be the biggest step of last 12 months. As you know, we announced on March 5 our intention to increase our equity capital by 8 billion euros. As you can imagine, this was no easy decision. There were two reasons behind it: we wanted to remove any doubts about our soundness, and create a basis for growth.

Your support confirmed to us that you believe in our strategy, in our bank's potential, and in us. Although we have issued 50 percent of new shares, our share price is considerably higher than at last year's Annual General Meeting.

Taking into account the capital increase, our Common Equity Tier 1 capital ratio at the end of the first quarter exceeded 14 percent for the first time. Ladies and Gentlemen, that puts us in the leading pack of European banks.

In principle, a capital increase must be accompanied by a convincing strategy. And the decisions we made this spring were indeed preceded by a very intensive process. As I already said last year, we must always be prepared to question what we do and how we do it. If our environment changes, we must react.

And that's exactly what we did. For months we weighed up our options, one against the other. We called this project "Oak Tree". I think this is an apt name for our strategy: we are focusing on our roots so that Deutsche Bank as a whole can become stronger again.

Our conclusion was that there were three business areas in which we want to grow: the Corporate & Investment Bank, the Private and Commercial Bank, and Deutsche Asset Management.

Corporate & Investment Bank

But what are our roots? Deutsche Bank was founded to accompany German companies throughout the world. In our near-150 year history, the bank has constantly reinvented itself – as have our clients.

Let me illustrate that with a concrete example of that. In 1908, Franz Burda founded a small printing press in Offenburg. That was the origin of the international media and technology company we know today. We have accompanied its global expansion for many years – even when it took unusual steps. For example, Burda prints books for African schools in New Delhi. We contribute to that by providing trade finance.

Because Deutsche Bank accompanies corporate clients worldwide, it was important that we built out our capital markets business from the end of the 1980s. Deutsche Bank is the only financial institution in Europe that possesses a global infrastructure like this. In our Transaction Bank, we offer global payments. We can raise the capital that companies need to grow, because our clients include large pension funds and other investors.

That is precisely why we now offer these services through a single business – our Corporate & Investment Bank. In other words, we're organising ourselves more around our clients, and less around products.

Today, the majority of our clients do business with only one of these three areas – Corporate Finance, Global Markets or Global Transaction Banking. That shows the potential we have if, in future, we serve these clients through a single source.

The emphasis will be on corporate clients, and a large part of the business's balance sheet will be dedicated to these. At the same time, our Global Markets business remains an integral part of this business. Without this capital markets capability, Ladies and Gentlemen, we would be a less good Deutsche Bank.

Last year, we saw the importance of the interplay between the capital market and corporate finance businesses. Of the ten largest merger, acquisition or capital raising transactions of 2016 as measured by fees worldwide, we were among the lead advisors on seven. In total, we helped our clients raise some 380 billion euros of debt and equity capital during the year.

What lies behind figures like this? Let me give you three examples.

- We are helping with the renewal of a district in New York City. Hudson Yards is the largest real estate project since the 1930s. We supported this with a credit line of 2.7 billion dollars, to build offices, shops, parks and a cultural centre.
- In Japan we are financing the technology company Cyberdyne. The firm develops robotic mobility suits which help people with mobility problems to walk again. With our help, Cyberdyne raised 400 million dollars, enabling the company to expand globally and invest in research.
- And we brought innogy, a subsidiary of the energy supplier RWE, to the stock market. This was the largest transaction of its type in Europe during 2016.

And we are firmly convinced that this is how we can make a positive impact – also for German and European medium-sized enterprises, family businesses and companies.

Private & Commercial Bank / Home market

In this context, one thing that I am very conscious of as a Briton who has moved to Germany is that the relationship between Deutsche Bank and its home country has not always been easy, especially over the past two decades. For that reason, it is especially important for us to dispel any remaining doubt: we are the largest bank in Europe's most important economy, and we want to build on this position.

This is one reason why we have decided to retain Postbank – a clear statement of commitment to our home market. Why did we even want to sell Postbank in the first place? Two years ago, the arguments for selling Postbank were primarily of a regulatory nature. Quite a bit has changed in this area since then, for example in the rules about leverage ratio.

Now, we're combining Postbank and Deutsche Bank. We're creating an integrated Private & Commercial Bank with several strong brands and 20 million private customers here in Germany.

In this business, size is an advantage. That's also true with regard to digitization. We are combining our investments in this area. Today, 11 million of our 20 million clients are already banking online. This not only demonstrates how far we have already come, but also how much potential we still have.

We're also benefiting from the fact that both Postbank and Deutsche Bank have been doing a lot of homework in the past years. Today, both banks are better positioned in the private and commercial client business in Germany. That helps Christian Sewing and Frank Strauss and their teams, who are now working on detailed integration plans.

Ladies and Gentlemen, we have very ambitious goals. We should be the first port of call when it comes to setting standards in the retail banking business. We aim to substantially expand our role as market leader in day-to-day banking services.

We also aim to be a trusted partner on wealth creation. For example, for clients who want to provide security for their families and plan for the next generation. And it's not just our client advisors in our branches who are prepared for this. We have opened eight advisory centres in Germany, where around 400 employees are also there for our clients on Saturdays by telephone or video. That's what many customers expect of a modern bank, which is much more than just the local branch.

Wealth Management will provide our very wealthy clients with a comprehensive service. We aspire to remain a global player in this regard. Anyone who comes to us for wealth advisory services benefits in particular from our global capital markets expertise.

And that's also true for our medium-sized clients and smaller family businesses, from traditional names to start-ups. On the one hand, for example, we've been the 'house bank' for the toymaker Steiff for over 70 years. We help this family company manage risks and finance its growth. On the other, Babbel is also our client - a highly successful language-learning app from Berlin, which we're supporting in its journey to become a global market leader.

We have now developed a very clear position for our Private & Commercial Bank, and this is for the long term. There cannot be any more to-ing and fro-ing, Ladies and Gentlemen – especially not in Germany. We know who we are: Deutsche Bank.

And as you might have noticed: even the names of our business divisions can even be understood now in German.

Deutsche Asset Management

By contrast, our asset management business is called Deutsche Asset Management. An international brand is a prerequisite for its planned partial flotation on the stock market.

Deutsche Bank will retain a clear majority ownership of Deutsche Asset Management thereafter. However, the value of our highly profitable asset management business will become significantly more visible. First-class employees and talented young individuals will now find working for Deutsche Asset Management even more attractive. That will release growth momentum.

In this business, too, we can look back on a long tradition: DWS, our mutual fund company, celebrated its 60th anniversary last year. In asset management we have strong brands, a good distribution network and a broad range of products – from active management to index funds.

Today, we already have assets under management of more than 720 billion euros. That's a firm base for future growth in various European markets, and globally – for example, in emerging markets in Asia. In this time of low interest rates, investors have many questions – not just private savers but also insurance companies and pension funds who have to maintain pension payments for hundreds of thousands of people. Our aim is to support them.

When is the flotation? We have said that we've allotted two years for this. We feel very comfortable with that timeframe, given that we're already making rapid progress.

Outlook / First quarter 2017

Ladies and Gentlemen, our goal is clear: we want to reach a post-tax return on tangible equity of 10 percent. We're confident that we have laid the basis for that. We also aim to return to a competitive payout ratio for 2018.

Nonetheless, 2017 is another year of restructuring even though in a better outlook. We see better revenue opportunities, thanks additionally to a modest economic recovery in Europe and a robust US economy. Nevertheless, interest rates remain low and this weighs on the banking industry.

The first quarter results are a reflection of these conflicting trends. Another factor was our need to make up lost ground after the difficult end to 2016. In this respect, the first quarter of this year was a special case, especially since certain accounting effects have made our results appear weaker than they actually were.

Despite that, we achieved a net profit of 575 million euros. And we saw our positive momentum confirmed: we are attracting net inflows of client funds once again – at both our Private & Commercial Bank and Deutsche Asset Management.

Business is promising in many areas, including in some where many observers wanted to write us off. For initial public offerings, for example Ladies and Gentlemen, we were number one in the US and number two worldwide.

Growth

We're not satisfied with these successes. Having resolved many legacy issues and adjusted our business model, as we have just described, we can now finally concentrate on growth again - in all businesses and in all major regions – in Asia, in North America and in Europe. And with our strong capital base, we have the platform to seize these opportunities.

And there's one theme that we're focusing on in all our businesses: digitization. We see digitization not as a threat, but a great opportunity. My colleagues and I on the Management Board are totally convinced that a successful bank has to be a digital bank; one that is not afraid to keep reinventing itself.

In our private clients business, digitization has the potential to create tectonic shifts in market share. So it is good news that, precisely in this area, we are making particularly rapid progress:

- We are the first bank in Germany to enable hundreds of thousands of clients to make mobile payments by smartphone.
- Our customers can now open an account online in just seven minutes, instead of around seven days, as it was up until now.
- And we're working with other German companies on a European internet data and identity platform.

A lot more will follow. Whether it is Blockchain technology, investment advice using computer algorithms or cooperating with young start-ups: we are forging ahead in all business segments.

Another example: what we're offering to the telecommunications company Ericsson, in partnership with the FinTech company, FiREApps. Our Swedish client can now manage risks better in more than a hundred currencies on a completely new platform.

We have a continuous stream of innovations like these – provided by our innovation labs in Berlin, London, Palo Alto and now also in New York. At a negligible cost, we have already achieved a good deal. We also have a new data lab in Dublin, with 40 experts working on how we can understand our customers' needs even better and develop new offers for them.

We deliberately set up our Digital Factory in Frankfurt, close to our headquarters. 400 staff from 14 nations work here in Sossenheim, and they're already running short of space. For that reason, we're soon moving the Digital Factory to the Hanauer Landstrasse, and the number of employees should then double to 800.

At the same time, I am firmly convinced that we're leaving a lot of potential untapped. That partly reflects the way we used to work within Deutsche Bank. Often, we didn't work as a team – instead, we sometimes even competed against each other.

When it comes to the way we work, we can learn from the technology industry, where close exchange of ideas is the most important success factor. That's exactly what we need to work on, Ladies and Gentlemen, if we aim to be like a technology company. It's all about a new mentality.

New Presidents

For that reason, I'm pleased that we on the new Management Board have come together as one team. In order to enhance the division of duties further I suggested to the Supervisory Board that two Presidents be appointed: Marcus Schenck and Christian Sewing.

This is not only a clear statement of our commitment to the German market, but also to our international structure. As you know, I have assumed Management Board responsibility for the US. I will have to concentrate on this market for some time yet – and the President solution makes this easier.

Positive Impact

Ladies and Gentlemen, in the past few years we've done a lot of planting and a lot of sowing. Now it's increasingly time to reap the benefits. But to do that, there's something else we need to do first. We have to breathe life into the Deutsche Bank brand.

Many of you have asked: what comes after "Passion to Perform"? The answer is: there isn't a new claim. Instead, there's a hashtag, that is, the character used to create a search item on social networks: in English, this hashtag is #PositiveImpact and in German it is #PositiverBeitrag.

After nearly two years as Chief Executive Officer, I am firmly convinced that our bank does a great deal of good – for our clients, for our shareholders, and for society as a whole. People hardly see that any more – indeed, we've forgotten how to see it ourselves.

That is exactly what the new campaign is all about. We're rediscovering the positive things we do, and what sort of positive impact we have. I have already mentioned some examples in my remarks. It makes us proud that these clients, and many others, are prepared to support our campaign.

Our clients and our staff are at the core of this initiative, which will be launched worldwide in the autumn of this year. Within the bank this campaign was already kicked off in early May. Why are we starting internally? Because we want to live what we communicate externally.

And even the first few days are showing how much good it's doing, and how much energy this is freeing up. So this is about more than just an advertising campaign, it's about the way we work, and about how we conduct ourselves. Deutsche Bank should once again stand for integrity and credibility – for me, that objective is not negotiable.

Ladies and Gentlemen, although we're starting internally, we would nevertheless like to give you a preview. In a moment, you'll see a short film about what we're planning.

But first, let me take this opportunity to thank you. Thank you for your attention. Thank you for your support. Thank you for your trust.