



**Deutsche Bank AG**  
**Morgan Stanley European Financials Conference**  
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**Transcript**

**Speakers:**

Christian Sewing, Chief Executive Officer

Magdalena Stoklosa, Morgan Stanley



Magdalena Stoklosa:

Good afternoon, I'm very pleased to be joined today by Christian Sewing, CEO of Deutsche Bank. And of course, welcome to our European Financials Conference. Christian, let's start with your thoughts on the current global backdrop. And particularly, given the events in the U.S., what do you see as the impact to the industry and, of course, the impact on yourselves?

Christian Sewing:

Of course, one needs to watch that closely. I mean, you'll see again also today's movements. So, with 33 years of experience, you always know that a one-day drop or a two-day drop, then a calming situation, that may not be the end.

So, it is a volatile market, no doubt. But I think we should also be very clear that there is, in my view, no similarity of that what we have seen on the West Coast, with that what you see with European banks and, in particular about Deutsche Bank. Because if you look at, for instance, our deposit structure, then you have a very diversified deposit structure. We have € 600 billion in deposits. We have, out of that, 44% in the Private Bank, highly diversified, across 19 million clients, and very sticky. Then the next big block, 35% is with the Corporate Bank. Also there, if you go through all our corporate clients, most of that is obviously in Germany. Then you see not only the diversification, but the stickiness.

And therefore, I do believe that, first of all, the way our liability side and the deposits are structured is completely different, number one. Number two, I also do believe, and you have heard it before, you have seen it, you have read it, regulation is a different one when it comes to liquidity coverage ratios, when it comes also to go through what needs to be deducted from capital and what not. If I look again at Deutsche Bank, not only that we are subject to a different regulation, which in my view in this regard is the right regulation. But also if I look at our securities portfolio, hold-to-maturity securities portfolio, it's an immaterial number. So, there is no issue like that.



I think James has done a wonderful job in doing the refinancing and funding, with more than 50% of our 2023 funding done already. And in this regard, we are very well positioned for this year.

And then, to be very honest, we have seen, of course, you shouldn't draw conclusions from three days, but what we have seen, given the turnaround of Deutsche Bank and the robustness of our structure, we have seen incoming deposits over the last three or four days, because people are doing that what is usual in these times: flight to quality.

And therefore, I think one should not really compare the one situation with the European banks and in particular, I can speak for us, not with us.

So, I'm calm. I'm robust. Our exposure to that bank was immaterial and to the overall regional banks is immaterial. So, I'm calm about this. But it always means you need to watch the market. And obviously, you see a lot of volatility.

Magdalena Stoklosa:

Absolutely. Let's then talk about the business. Because you've delivered the "Compete to Win" transformation with the 2022 results. And when you look back, of course a lot of achievements, but what are you particularly proud of? And also, how does the finalization of the transformation set you up for the future? And when you talk to shareholders, what are you getting back?

Christian Sewing:

Well, I think what I'm proud of or what I'm really happy about is kind of five things.

Number one, Deutsche Bank has found its balance again. And balance means that we have four thriving businesses, four well-run businesses. And the nice thing is that what we have promised to the market, that we will get a far better balanced bank, is exactly happening. I think we have seen the development over the last three years. We have, in particular, seen it in 2022. And that goes on.



So, if I look at the share of the stable businesses, so the Asset Management, Private Bank, and Corporate Bank – in particular, Private and Corporate Bank, it's now more than 70% of the pretax profit of the group, which tells me we are on the right way. And that momentum is continuing.

So, you can also see that these are the businesses where Deutsche Bank is good at, where we are competitive. And that's number one.

Number two, I think we have been disciplined on costs. There is no end to it. I think we need to do more. And that's why we said we need to go for the next € 2 billion. But we took € 3 billion out of the bank since 2019, and at the same time, we increased revenues more than our initial plan and more than the market expected. So, a really good operating leverage, with the discipline on costs.

Number three, what we had to do and what we still need to do is investments in technology. Despite all doing this, we invested more than € 15 billion in controls and technology over the years 2019 to 2022, which was necessary, but actually positioned us not only to take costs out, increase controls, but very important, to also make our business more attractive to our clients. Otherwise, the re-engineering of the FIC business would have been impossible without those investments.

Number four, we kept always, through all the crises which we have seen, and when I took over I never thought about COVID, and to be honest, I did not expect this awful war in the Ukraine, but we managed the whole turnaround through the crises, supporting our clients with our own capital, without tapping the markets. There were a lot of skeptics at the start whether it's possible. We did this. And we then even started with distributing capital, and we have a clear plan how to distribute capital and how much until the year 2025, which we stick to.



Now, these are the four items which we also brought to the market. So, balanced business, discipline on cost, always strong capital and investments into those business where we need to be.

Number five, I'm most proud of, the pride is back in the organization to work for Deutsche Bank. And I think a lot of people underestimate what that actually means. I have seen a bank in 2018, where there was a lot of insecurity, there was potentially also not that much pride to work. I know that some colleagues potentially didn't even admit that they worked for Deutsche Bank. We had high attrition. This is completely different now. People are proud to be with Deutsche Bank again. We can see it obviously in the client reactions and that the clients have trust in us. And based on these four achievements, the most important is turning around the clients' mood and the pride in the organization. And that makes me so confident that we are on the right path.

Magdalena Stoklosa:

Perfect. So, let's then take this discussion a little bit further. Because the stable business contribution, as you've now just mentioned, is increasing. But when you think about your expectations for 2023 and beyond, how much of that will be driven by the underlying business growth versus, of course, the tailwind of the rates, the higher interest rates?

Christian Sewing:

It's both. Of course we are benefiting, in particular, in the Corporate Bank, and you have seen it in 2022. We see it now in the first quarter, where we have a nice continuation and increase of the momentum in the Corporate Bank, very much driven by the NII. There is no doubt.

But for me, and therefore, your question is so important, it's also key that the underlying business is increasing. And we can see that in the Corporate Bank, that we win mandates in terms of cash management mandates, in terms of securities mandates, in terms of trade finance. So, there, you can again see that the credibility which we have won with our clients is actually also fueling, obviously, the revenue momentum we see in that business.



Similar in the Private Bank. And therefore, I do believe, also what we have seen over the last four or five days, if you show to the market that you are robust, if you show to the market that you are sustainable, profitable, like we have done that, actually I do believe that clients actually not only trust you, but even place more business with us.

So, in essence, what we can see is now in 2023 a continuation in the stable businesses, based on NII, no doubt. Actually, for the Private Bank, it will come even more later, in 2024 and 2025, because of our bucketing and our conservative positioning. But in the Corporate Bank, it's rising very much. But also, the underlying business is growing, and that's actually even nicer because that is really sustainable.

Magdalena Stoklosa:

That's right. So, let's talk about your kind of German corporate clients. What are you hearing from them? Expectations kind of have changed quite dramatically over the last year. We were looking at the recessionary scenario, then maybe not, then now kind of things are mixed, a lot of uncertainty. And of course you are very ingrained into the kind of German corporate world. So, really, what are you hearing? What are you seeing in kind of underlying business trends? And maybe, also, what are the worries?

Christian Sewing:

I would call it, it's a cautious optimism, if I called in January and February. Obviously, I didn't talk too much to the corporates now over the last three or four days whether the volatility in the market changed their views, which I don't believe. Because their focus is a little bit on different items.

But if I see the mood change in the German corporate industry, whether it's the global corporates but also the mid-caps, it's clearly a better mood in January and February than before Christmas. Now, there are two main factors, to be honest, Magdalena, which speak for that. It's, on the one hand, the milder winter. Now we are in March, we should be through the winter, despite snow in Frankfurt this morning. But we are coming through the winter without any energy problems, which was a big question mark.



By the way, I expect that the storages are filled. Out of the winter, it was 60%, which is very important for the German corporates because that actually means that you go with a nice buffer into the next winter. So, the big concern of a lot of corporates that the next winter may be even tougher than this winter, is a little bit fading away. I'm not saying call it off and we should not worry at all, but it's a much lower risk than it was before Christmas. So, that's number one.

Number two, reopening of China, very important for Germany. And we always think about the top DAX companies. Of course, also important for them, but if you think about the German mid-cap industry, it's export dominant. And obviously, there is a lot of business not only to China, but also to all other parts of the world, but the reopening means actually positive momentum.

And therefore, I would say that the mood is better. You have seen that the majority of the analysts talking about Europe and, in particular, Germany, and they are thinking now that a recession is avoidable. Look, I think the market is so volatile that I think it's a little bit too early to call that completely off. But a deep recession or that it's clear that we get a recession, I do believe that this is now a downside and is not happening.

So, overall, clearly a better mood.

Now, there is a difference between the large corporates and the mid-cap corporates in Germany. And the key question is always, and now I'm coming to the first worry, which is inflation, the key question for all the corporates is, can they pass on the increased pricing. For the global corporates, it is actually easier, given their market position. Also, given the fact that they can change supply chains a little bit better and more efficient than a one-product shop in the mid-cap area. And there, you can see a little bit of a difference, that actually the mid-cap sector is a bit more affected by that than the global corporates.



But never underestimate the resilience of the German mid-cap sector. It is really resilient and I think they've done a very good job to come through this time, which was not easy for them. But inflation going forward is one item.

Last thing, and then I come to the future worries, is that I do believe the German government has done a good job last year. Imagine, they came into office as a new government. They had a Ukraine war after two months and an over 50% dependency on Russian gas. That item is not off the table, but it's very much mitigated. And I think the way the economy, corporates, banks, and government work together was very helpful last year. So, the immediate crisis was well tackled. And therefore, you see a better mood.

Now it's key to ensure that the master plan for Germany and Europe is in order. So, the next steps now to make sure that Europe and Germany remain competitive is key, and that's what we all need to focus on. What does it mean? We need to think about long-term energy independence, in terms of supply that it's there, in terms of pricing.

We need to make sure that regulation is contained. And I'm not talking here now in this sentence about banking regulation, we can also talk about that, but I mean it across the sectors. Europe is overregulated across sectors. We need to bring bureaucracy down. If you think about how long it still takes in Germany to apply for certain licenses, to think about a wind park in Germany, it takes years and years. We need to bring this down.

We need to make targeted investments in certain future industries in order to remain competitive. I think the green industry, the green technology, is something where Europe and Germany clearly are advanced. We need to make sure that we keep it. With all kinds of new regulations on the green side, in the chemical industry, you need to go through 14,000 papers in order to understand the taxonomy. It's too much. And that, we can't lose.





And therefore, I think the next step in order to contain and make sure that the competitiveness is contained in Europe, that is important that governance, but also, we as corporates, are really focusing on this. That means working together on these items. If we do it in the spirit like in the last 12 months, I'm actually confident.

Magdalena Stoklosa:

Perfect. We've talked about the Corporate Bank. We've touched upon the Private Bank, particularly from the perspective of the kind of duration of its interest rates and sensitivity. But let's also look at the Investment Bank. Because of course, your FIC franchise has developed very well in the last few years. What's your broader plan around growing that FIC franchise further? And how does it also fit within your broader corporate franchise? And of course, also, let's also talk about your equity franchise, because it's also developed quite nicely there.

Christian Sewing:

First of all, let me be clear. I always said it. A focused global Investment Bank is for Deutsche Bank key. Because otherwise, our corporate clients, in particular, will not deal with us. We are one of the few left European banks with a functioning investment bank in those businesses where we are, and that will stay.

Now, you said it, I'm very happy with the progress we have seen on the FIC side. We have seen stellar results. We have gained market share. And to be honest, if I look at my plan, I want to grow the stable businesses, of course. I always have an ambition also to grow further the Investment Bank. But for me, it is more about now consolidation. And because I think we have seen stellar results in FIC, I do believe that overall the Investment Bank year over year, also in 2023, can be approximately on previous year's level, but it will be a little bit of a different composition. FIC had a fantastic year. I don't think that you can one-to-one repeat it. And to be honest, we will also see it in Q1. We always said it. Last year, Q1 in FIC was stellar. We still have, I think, a very nice Q1 also in FIC, but it will be lower than last year.



Now we see an improvement in O&A, in particular if I compare it to Q4 and Q3 of last year. It's also below Q1 last year, because it was still higher in Q1 last year. In 2022, activity was high. But you can see that fuel is coming back, which is good.

So, for us, in the FIC business, it's very much consolidation and targeted expansion. You have heard us talking about Mexico. We re-opened. We want to increase our business there. We are investing very much in automated platforms. Again, Ram Nayak has done a fantastic job in doing that for the rates business. We are now doing similar things for the credit trading business, where we can further improve.

So, I think the Investment bank has really seen a turnaround. Now it's about targeted increases. But overall, I would say for the time being consolidation in the Investment Bank. And again, if you see it year over year, you will see a decline because of a stellar Q1 in 2022. But still, I think on a very nice level.

I'm confident that the stable businesses are making good for that. And therefore, from an overall revenue performance, you can see the shift which we wanted to have, again, in particular, driven by the Corporate Bank, but also by the Private Bank, and that makes me overall comfortable that the balance of the bank is actually absolutely in order. And we do that what we wanted to do: decrease dependencies. And that's the result of the last years.

Magdalena Stoklosa:

Absolutely. So, let's maybe kind of finalize our conversation, kind of from a business perspective, on the Private Bank. Because of course, we've mentioned the interest rate side and the benefits being more of a 2024-2025 story. Could you tell us a little bit more about that and kind of any other kind of growth items that you're focusing on? Christian Sewing: The Private Bank is the story where we are focusing on both top line revenue growth, and at the same time, we need to get more efficient. You all know the big name, Project Unity, which comes to an end in 2023, will take a three-digit million of costs out of this bank. And that is for us very important. It's a huge IT integration task. Very pleased with the progress. In the middle of this year, this will be done.



Then, it is not over with increasing the efficiency of the Private Bank. Karl von Rohr is actually already working on the next plan in order to take more costs out of the Private Bank.

But you can see, obviously, the Private Bank, what I alluded to before is that the real NII push is coming in 2024 and 2025. We see a quite strong first quarter in the Private Bank now. Now, the first quarter is always the strongest one, at least at Deutsche Bank, in the Private Bank. That's what we can see right now. But overall, you see that the NII is kicking in. But you also see an underlying growth in the businesses, what I also said for the Corporate Bank. So, I'm quite happy with the momentum. The only thing you all need to bear in mind is, if you think about the private bank this year, we had last year approximately € 400 million of extraordinary revenues; in particular, given the sale of the Italian business, which made approximately € 300 million. But overall, that doesn't make me nervous, because we get a good tailwind on the NII side.

Where do we want to particularly grow in the Private Bank? It's, next to efficiencies, in the day-to-day retail business. It's in particular in the Wealth Management. And there, we obviously focus on a global offering in the Wealth Management. We have done really good hires in Asia, in Southern Europe. We can see that this is paying off. I think, also, in a peer comparison in 2022, we performed very well. And that gives us all the comfort that we can continue to do that, always in a measured and controlled way.

But that business also again coming to the roots and inner beliefs of the Deutsche Bank. This is a classic Deutsche Bank business, the affluent and Wealth Management business, and there we see particular growth.



Magdalena Stoklosa:

Let's maybe take our kind of cost conversation a little bit further. Because we talked about the Private Bank, but you also spoke about your costs in 2023 being kind of flat, and you also talked about the kind of trajectory into 2025, supported by kind of efficiency measures from here. Literally done with the transformation program as such. Can you provide us with the details of how do you see the kind of cost base pretty much going forward? We know the numbers. But from one perspective, there's inflation; but from another perspective, of course, there is the pretty much, as you say, kind of never-ending efficiency search.

Christian Sewing:

Sure. It is. You mentioned the key numbers. We are working on the € 2 billion program, which, by the way, started already in 2022, because the first € 490 million we took out of the € 2 billion in 2022. That program is structured, and it's delivering year by year. It's not a completely even process year over year, but I'm very confident on the € 2 billion.

To your question, I don't think that the € 2 billion are sufficient for this bank. And therefore, we announced already at our full-year earnings that we are working on more, in order also to make sure that we are offsetting potential higher inflation than we initially thought last year in March and potentially also that the inflation is not coming back to a 2% rate in 2024. And therefore, we are working on additional measures.

Now, these additional measures are never-ending, as you're pointing out. What is it? We are clearly working for the workforce optimization. That is also kind of the number of layers we have in this bank. I think we can do better.

It's a question of location, Magdalena, where do we have our people. And also, there, we can see that with the talent management we have, I think we can even do a better sourcing and a better location management. That, in turn, means obviously that our real estate costs will come further down. And I'm not talking here about a double-digit number; it will be higher.



And last, but not least, all the automation and all the IT and technology progress you are seeing in this world. Yesterday, you saw the Google announcement; we are very close with Google, and this will have an impact how we can do our business. If you think about items, comparable items and what that could mean for our businesses in the way we operate in call centers, it will be different.

All that will come on top, so that I think we need to go more than the € 2 billion. I can't give you detailed numbers, but that I'm talking constantly about more than € 2 billion should give you some confidence. And I think this is needed in order to really make sure that you are obviously not only focusing on the top line, but you do your homework. And we have done it very well with € 3 billion since 2019, but that's not enough. We need to do more. We're committed to do more.

Magdalena Stoklosa:

Perfect. So, let's move maybe a little bit more shorter term. As you look at kind of Q1, could you give us kind of some color of how the business or how the operating divisions are doing?

Christian Sewing:

Well, I hope I gave you a little bit direction. I'm really happy with the momentum in the Corporate Bank and the Private Bank.

Let me start differently. I think the consensus which is currently in the market is not bad on overall revenues, but I think the composition is wrong. And therefore, the stable businesses are doing simply well. And they are doing a bit better. I'm confident that we can do better than people potentially now estimate, by a bit. I also told you that I do believe that the Q1 in the Investment Bank is still a very good and robust result, but potentially a little bit lower what the consensus is now. But overall, the consensus number on revenues is the right one.



On the cost side, we plan to deliver flat to last year. The only guidance I can give you, that flat to last year does not mean flat to last year's first quarter. So, there, listen to the comments which James gave. We always gave you guidance that with the inflation we have, we have approximately direct operating costs per month of € 1.6 to 1.65 billion. So, if you take the midpoint, you are not bad. Then you have, obviously, in the first quarter the banking levy, which we have to pay, and always a little bit of smaller restructuring and litigation. But that brings me to cost number which I think is absolutely bringing us on the path to being overall essentially flat to last year.

And then we have risk costs, alongside the guidance. And also, there, the consensus is not bad. I think we have risk costs overall for the year which are flattish year over year, potentially a bit higher, € 350 million to € 375 million in the first quarter.

And therefore, I think we are running really well, and it gives me all the confidence that all the outlook which we have given for the full year we are absolutely confident that we can achieve that. Most important, with an even more balanced revenue number. And that is, for me, the real goal and the real achievement.

Magdalena Stoklosa:

Perfect. I'm conscious that I still have quite a few questions, but I'll check with the audience to see whether there's any questions. A gentleman over here, fourth row.

Audience Question 1:

One is about the fragmentation of German banking, with I think 370 saving banks and more than 700 cooperative banks. So, when we see what's happening in the U.S., one thinks for sure on these 1,000 banks there will be casualties also, taking into account how much deposits they have. So, just your view, I mean, what needs to happen for this picture to change? And what do you think is going to be the role of Deutsche Bank? And I mean, if I may, is the German regulator really looking into these and the dangers that we can see a couple of these cooperative banks or saving banks coming out and saying, "Look, actually, I got it wrong also."



Christian Sewing:

Look, first of all, I do believe, now, I'm not a specialist in terms of saving banks or cooperative banks; I'm running Deutsche Bank and I have my hands full with that, but with all the joy. But let me be clear, the diversified deposit structure which I just described for Deutsche Bank, I think I can say that is similar true for saving banks and cooperative banks. They are really very diversified when it comes to their deposit structure.

I also have no doubt that from the capital side they are actually well capitalized. And you have seen within the saving banks and cooperative banks now, I'm 33 years in banking. You just quoted 370 saving banks. I think when I did my apprenticeship in 1989 at Deutsche Bank, we had 2,000 saving banks, and it constantly goes down. So, there is consolidation within the sector.

If you ask my personal view, again, this is just my personal view, on the banking sectors in Germany, I think I don't see any more, at least in my life, that there are not three sectors. You have the private banks, you have the cooperative banks, and you have the saving banks. That's the structure of the German banking. But within the sector, in particular, the cooperative bank and the saving sector, you will see consolidation.

And in this regard, I really don't think that you can compare those banks to that what we have seen on the West Coast. The main difference in my view is the diversified deposit base, and also how their asset side is structured. I do think there are differences. Now, I'm not the expert, but I'm not nervous about it.

Magdalena Stoklosa:

Thank you very much. Any other questions before I move on? Perfect. Thank you very much.

Audience Question 2:

Hello. I have some questions on the CIB. What is your strategy on the leveraged finance business? Where do you see the pipeline in this business? It seems to me that they are able to issue more since the beginning of the year. And more generally, in the CIB, in which business are you investing? And are you planning to enter additional subsegments in the CIB?



Christian Sewing:

So, on leveraged finance, look, first of all, we have been in that business for 25 years and even longer. But in particular, since the integration of Bankers Trust, leveraged finance is a key business and a core business of Deutsche Bank. We like the business. And most important, I think we can operate the business. Because the risk management discipline from the first line of defense to the second line of defense is simply there at Deutsche Bank. It's its strengths.

Now, when it comes to how we see the business currently, we have clearly reduced our risk appetite. By the way, we did this already in the first quarter of 2022, because we could see that the market is coming into a more complex situation. So, we took down risks quite significantly, and we are running far lower pipeline risks than, say, ever before, at least during my five years.

And for the time being, to be honest, we keep these tight standards. Because I think also in that market if I look at the credit spreads, if I look at the overall interest and also preparedness of going into the market, I'd rather stay tight and stringent, and that paid off. So, I'm very happy actually with the way we managed that business over the last nine months.

I do think that, over time, it will come back, but it's not the time now to jump back into this. To be honest, I even think that credit spreads will widen throughout the years, in particular also in that business. And therefore, I think I'm very happy with the pipeline we have, with the de-risking which we have seen. The best decision for us was actually to reduce the appetite last year in the first quarter. We went well with that.

With regard to other businesses, we want to go in, I told you the IB is critical to Deutsche Bank, the Investment Bank. I'm happy with the kind of three businesses. The Investment Bank of Deutsche Bank, as you all know, is consisting of three sub-businesses: the trading business, the financing business, and O&A. I do believe that we have pockets, as I just said, in the FIC business; for instance, Mexico, emerging markets, where we can slightly grow. Otherwise, it's a consolidation with the gained market shares.





And then we are looking into the one or the other opportunity we have also in the O&A business to do more. I think that business will come back.

But sometimes it is also good to consolidate after you have seen such a rise and to make sure you have everything under control. So, I'm happy with that where we are in.

Magdalena Stoklosa: We've got two more. Shall we start at the back? Okay. Let's start at the back, and we'll come back.

Audience Question 3: Good afternoon. I was wondering about M&A. In the press, there were statements that you looked at some assets of other banks. And I was just wondering, beyond Asset Management, where you've made it clear that you'd look to expand, what would be other parts that you would look at.

Christian Sewing: Well, with all respect to the press, but there is a lot in the press which is not always true. And therefore, look, for the last four years or five years since I've taken over, my key task was to repair Deutsche Bank from the inside. The last thing what you need then is M&A, because we had lots to do. We have done a lot. But as I just said, there is still lots to do. We want to take out another € 2 billion and more of costs. I know where to grow in the Corporate Bank, in the Private Bank. I have pockets of growth in the Investment Bank. And I have Asset Management which I think is well positioned, but where obviously we can, also in these volatile markets, we first of all have to do our homework.

But in case there are add-on possibilities in one of the other businesses, in particular, in one or the other stable businesses, we are observing the market, but there is for the time being no active strategy in this regard. We focus on ourselves. We can see from the feedback of the client, in particular, also after we really repaired ourselves, we got the rating upgrade – that there is so much incoming client business that we want to make sure that we do that in the best ever way. That is focus number one. Everything else is not on the priority.

Magdalena Stoklosa: Thank you very much. I think in the fourth row, please.



Audience question 3: Thanks for taking my question. You mentioned at the very beginning the repair of Deutsche Bank and that currently you see a flight to quality and that you also see inflows. I think lots of other managers have mentioned deposit inflows. Can you say whether that is mainly coming from the U.S.? Or also from other geographies?

Christian Sewing: Fortunately, the restructuring and transformation of Deutsche Bank, as you just said, was a global transformation and a global restructuring. And therefore, it is not in a particular region. We are winning and gaining market share actually across the globe. Of course, it is always potentially a little bit more visible in those markets where you are even more active. But also, if I look at our business in Asia, actually we are gaining. We are doing more and we can see incremental business. So, it is clearly across the globe. And therefore, again, it's a testament to the overall transformation of Deutsche Bank.

Magdalena Stoklosa: Thank you. I think I couldn't let you go without the capital question, of course. In the fourth quarter call we focused a lot on the capital, on the capital distribution, on the potential for regulatory inflation. What's your outlook today?

Christian Sewing: Well, first of all, you saw with your question that this is potentially the key driver of the share price. Look, we always said that capital distribution, and by the way, and not only by the way, but in particular, also share buybacks are absolutely part of our key instruments which we want to maintain, which we want to do. We also said at the beginning of the year that, we want to be a little bit conservative and cautious and see where the year is going. To be honest, if I look at the last three or four days, I think it is always good to stay on the conservative side. It actually pays off for us now.

But if I look at the jump-off point from a capital ratio, if I look at the overall development and the momentum in the business, if I think about my potential capital ratio at the end of the first quarter, then I remain optimistic and I remain confident that we will also do share buybacks in the remainder of the year 2023.



I also told you that there is an outstanding item on our model review side, which we will do and which we will manage.

But all that, with the better jump-off, with the momentum I see, then I'm very optimistic that we can talk about share buybacks and will do share buybacks in the second half of this year, and obviously with a prior communication.

But it always needs careful and cautious management. That's I think what James and I have done over the last four or five years. But the optimistic language is absolutely still there and confirmed. Most importantly, again, we stand to the € 8 billion of distributions until 2025. That is key. And if you see that we have been quite ambitious, obviously, we are always reviewing also where we can do potentially even more, and that is our steady job at Deutsche Bank.

Magdalena Stoklosa: Perfect. Thank you very much. I think that on that note, I'd like to thank you for spending time with us and thank you very much for being here. Thank you.

Christian Sewing: Thank you very much.

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