

Deutsche Bank well prepared for future challenges

Source: Deutsche Bank press release, Frankfurt am Main, 22 May 2002

Deutsche Bank turned in a respectable performance in 2001 and in the first few months of 2002. "We proved the strength of our core business, even though we cannot be satisfied with the overall result. We are confident that the difficult overall conditions will lead over into a better environment in the second half of 2002 and that we can resume the positive trend of the preceding years," said Dr. Rolf-E. Breuer, Spokesman of the Board of Managing Directors of Deutsche Bank, at the General Meeting in Frankfurt am Main. In 2001 the Bank had initiated and implemented many activities. In the process, it had captured market share from which it would profit when the markets recovered. On this basis, the Board of Managing Directors and Supervisory Board proposes to the General Meeting that a dividend of Euro 1.30 per share be paid, as in the previous year.

In the first few months of 2002, Deutsche Bank held up well in what continued to be a difficult environment for the financial markets and achieved a substantial improvement on the two preceding quarters. The Spokesman of the Board of Managing Directors pointed out that the cost containment programme was continuing to take an increasing effect: non-interest expenses fell by Euro 944 million compared with the first quarter of 2001 to Euro 6 billion, a decrease of 14 percent. Breuer: "Our cost problem is not just a matter of doing business more economically at all levels or of rediscovering modesty. It's more a question of reducing unnecessary complexity and restructuring entire processes. In many respects, Deutsche Bank has to reinvent itself if it wants to survive."

The Bank intends to achieve its target of positioning itself as one of the world's leading providers of financial services from one source for demanding customers and continuing to be the outstanding bank in Germany with the following programme:

Current earnings focus: The Bank intends to reduce the operating cost base by Euro 2 billion by 2003, of which Euro 800 million are to be achieved this year.

Further improvement in capital and balance sheet management: The Bank is preparing the accelerated divestment of its remaining industrial shareholdings and of those investments which are not part of its core business. The capital this will free up

is intended for a possible share buy-back for which the General Meeting is being asked to give its approval.

Focus on core businesses: The Bank is concentrating increasingly on its core businesses. Deutsche Bank is to continue the exit process, begun in 2001, from several business lines. The goal, according to Breuer, is to be among the three leading providers in the market in the chosen core businesses and to generate an appropriate return on the capital employed. Should this not be feasible over a reasonable period, the Bank will divest the respective units. Breuer stated: "With this ongoing process of concentration, we are making sure that investment outlays will flow into the growth of our core business and that capital will no longer be tied up in non-core or inadequately profitable areas. We are therefore presently examining strategic alternatives for a large part of our securities services and passive asset management activities." One business line which is not available for divestment, Breuer underlined, was business with the Mittelstand, sophisticated small and medium-sized corporate clients in Germany, provided an appropriate risk-adjusted return could be achieved.

Optimization of the Private Clients and Asset Management franchise: The Bank has made considerable progress in this area. Besides the integration of asset manager Scudder and real estate asset manager RREEF, a strong initiative to expand Private Wealth Management is planned. The focus here is on Germany, the U.S.A. and global offshore business. Business with private and small business clients (Deutsche Bank 24, Private Banking, maxblue and business clients) will be integrated under the uniform direction and corporate brand of Deutsche Bank.

"We are convinced that Deutsche Bank is well equipped for the present and future challenges, thanks to its structure and the measures initiated. Deutsche Bank is today, despite the work that still has to be done, the only German financial services provider that plays a leading part on the international stage," Breuer emphasized to shareholders.

Change at the top

At the end of the General Meeting, Dr. Rolf-E. Breuer retires from the Bank's Board of Managing Directors. Dr. Josef Ackermann takes over as Spokesman of the Board of Managing Directors from Breuer, who will stand for election to the Supervisory

Board. At the same time, Hilmar Kopper, Chairman of the Supervisory Board, is retiring from his mandate.

Breuer thanked the retiring Chairman of the Supervisory Board, who began his bank training at Deutsche Bank in 1954. Breuer: "This was the start of a truly unique career: from trainee to Spokesman of the Board of Managing Directors and finally to Chairman of the Supervisory Board. 48 years of uninterrupted service at and for Deutsche Bank and its shareholders, customers and employees. I would like to express to you, also on behalf of the shareholders, our warmest thanks and great respect. We are all extremely grateful for your valuable, because prudent and constructive, advice during the last few years."

N.B.:

Photos of the General Meeting can be downloaded from about 12 noon from the Deutsche Bank website at www.deutsche-bank.com/press.

This press release contains forward-looking statements. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Any statement in this press release that states our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our trading revenues; potential defaults of borrowers or trading counter parties; the implementation of our restructuring including the envisaged reduction in headcount; the reliability of our risk management policies, procedures and methods; and other risks referenced in our filings with the U.S. Securities and Exchange Commission. Such factors are described in detail in our SEC Form 20-F of March 27, 2002 on pages 9 through 13 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from www.deutsche-bank.com/ir.

You can also read the press release at the following link:

<http://presse.deutsche-bank.de/wms/presse/meldung.php3?ci=3142&language=2>