



## Deutsche Bank reports first quarter 2003 pre-tax income of Euro 234 million

- *Underlying pre-tax profit increased by 72 per cent over 1Q 2002 to Euro 950 million*
- *Net charges of Euro 718 million impact results*
- *Significant cost reduction: Total noninterest expenses down by 27 percent over 1Q 2002*
- *Total provision for credit losses of Euro 350 million in first quarter of 2003 (1Q 2002: Euro 384 million), down from peak of Euro 790 million in 3Q 2002 and from Euro 423 million in 4Q 2002*
- *Tier 1 capital ratio stable at 9.6 percent*

FRANKFURT AM MAIN, April 30, 2003 – Deutsche Bank today released its results for the first quarter of 2003. The Bank reported income before income tax expense of Euro 234 million for the quarter. The pre-tax income for the first quarter of 2002 was Euro 1.27 billion, which included gains on sales of industrial holdings. The 1Q 2003 result was subject to net charges of Euro 718 million, which resulted from a regular review of principal investments and took into account the difficult market conditions in the first quarter of 2003. Due to the non tax-deductible nature of most of these charges, Deutsche Bank realised a net loss for the quarter of Euro 219 million (compared to a 1Q 2002 net income of Euro 597 million).

As a result of the strong performance in Deutsche Bank's main business activities and the significant cost reductions, underlying pre-tax profit for the first quarter of 2003 (see reconciliation table below) was Euro 950 million, up by 72 per cent from Euro 551 million in the respective first quarter of 2002 (and compared to a 4Q 2002 underlying pre-tax profit of Euro 147 million).

Josef Ackermann, Chairman of the Group Executive Committee, said, "Deutsche Bank has demonstrated once again the revenue strength of its core businesses in difficult conditions."

Total noninterest expenses were down 27 per cent to Euro 4.38 billion. A significant part of this decrease was due to a reduction in headcount resulting from the sale or merger of

some businesses and from restructuring activities. Total new provisions for credit losses were Euro 350 million – Euro 380 million provision for loan losses less Euro 30 million release for off-balance sheet positions - in the first quarter of 2003 (1Q 2002: Euro 384 million). This is the second consecutive quarter of reducing loan loss provisions after a peak in autumn 2002. Additionally the Bank has started to systematically hedge its new loans with derivatives.

### Reconciliation of pre-tax profit

in € m.	1Q03	4Q02	1Q02
<b>Reported income before income taxes</b>	<b>234</b>	<b>237</b>	<b>1,270</b>
Net gains/losses on securities available for sale/ industrial holdings	392	(533)	(1,059)
Net loss from equity method investments	638	285	-
Other revenues: net write-downs on private equity investments	77	80	-
Other revenues: net gains/losses from businesses sold/held for sale	(503)	37	-
Restructuring activities	(2)	(22)	340
Goodwill impairment	114	62	-
<b>Underlying pre-tax profit</b>	<b>950</b>	<b>147</b>	<b>551</b>

Numbers may not add up due to rounding

The Corporate and Investment Bank Division (CIB) has again demonstrated its strong global competitive position. CIB recorded income before income taxes of Euro 1.45 billion in the first quarter of 2003 (1Q 2002: Euro 563 million). This improvement included a gain of Euro 508 million from the sale of the Global Securities Services business.

The Bank's Private Clients and Asset Management Division (PCAM) remains one of the five largest asset managers in the world, despite selling its passive asset management business. The integration of Scudder and RREEF in the US has successfully concluded, and PCAM now aims to win new business and increase market share. PCAM's income before income taxes was Euro 274 million for the first quarter of this year compared to a loss of Euro 81 million in the same quarter last year.

"In view of our strongly reduced cost base and improved risk profile, we are well prepared to profit quickly and comprehensively from a market turnaround. We are already seeing the first encouraging signs of this happening," said Ackermann in the Interim Report dated March 31, 2003.

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The Interim Report will be discussed in an analyst conference-call at 1.30 p.m. (CET). This conference-call will be transmitted via internet: [www.deutsche-bank.com](http://www.deutsche-bank.com).

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 counterparties; 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, 2003 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](http://www.deutsche-bank.com/ir).

