

Deutsche Bank
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2009 Summary Consolidated and
Company Financial Statements
of Deutsche Bank International Limited

Passion to Perform



Financial Performance

In a difficult trading environment, the Deutsche Bank International Limited group incurred a pre-tax loss of £2.4m down £35.5m on the prior year result.

There are two exceptional items affecting the result, a loss on disposal of subsidiary companies of £6.0m and a one-off operating expense of £ 3.7m were incurred.

Excluding these items an adjusted 'run the bank' profit before tax of £7.3m was earned.

Also affecting the result is the profit earned by the disposed subsidiaries. The results of such entities were included up to the date of disposal (May 2009) and resulted in a profit before tax of £1.2m against a full prior year result of £11.0m.

The challenging interest environment has had a significant effect upon the performance of the Jersey and Guernsey banking business and is the prime reason for the fall in operating profits.

However, the Corporate Services division has maintained profits at a similar level to 2008.

Our Business

Deutsche Bank International Limited has its origins in two offices established in the Channel Islands in 1972. The expertise necessary to provide high quality international financial services has been acquired over 35 years.

Deutsche Bank established its presence in Mauritius in 1995. Since Mauritius commenced offering financial services in 1992 it has built a solid reputation as a world class international centre, providing operational security and commercial flexibility to investors.

In all our locations we have established an experienced team of specialists and built strong relationships with our clients, the professional and local community.

Our business is made up of two main divisions, Private Wealth Management (PWM) and Corporate Services Division (CSD).

Within PWM, our **Financial Intermediaries** team focuses on providing specific solutions to the Trust, Fund Administration, External Portfolio Management and Captive Insurance segments.

Working as a trusted partner, we aim to meet our clients' business needs by understanding their financial priorities and placing them at the centre of everything we do. Our responsive and high quality personal service is backed up by a rare combination of proven strategies, innovative products, global reach and dedicated relationship manager – all focussed on the success of our client.

We leverage Deutsche Bank's strengths to bring our clients the best of both worlds: the personalised approach of a leading private wealth manager and the breadth of services of a premier global bank.

Our **Executives & Entrepreneurs** team services the needs of High and Ultra High Net worth individuals within the local market place and a number of international high profile individuals and family offices.

Our Relationship Managers work closely with clients, to develop a comprehensive, integrated wealth management strategy, which allows them to balance seemingly competing issues such as risk and return, short-term cashflow and long-term growth needs.

Through Deutsche Bank's global network of more than 4,000 dedicated private wealth management staff in 32 countries we can offer our clients a full complement of private wealth management planning possibilities. In addition our private clients enjoy access to all the global resources and investment expertise of the entire Deutsche Bank organisation.

Our **Corporate Services** division has a broad footprint with offices in Jersey, Cayman, Delaware, Mauritius, Dublin, Amsterdam, Luxembourg, UK, Dubai and Germany. As part of Deutsche Bank's Trust & Securities Services (TSS) business we are principally concerned with the establishment and ongoing administration of special purpose entities and structures to facilitate financing, customised investment and funds for financial institutions and large international corporations.

An important part of the service is the provision of directors and other officers together with bookkeeping, reporting, accounting and accompanying administration services for external clients and other parts of the Deutsche Bank group. We cater to wide ranging vehicles such as hedge funds, special purpose vehicles, private equity funds, fund of funds, master-feeder structures as well as managed account platforms.

Corporate Social Responsibility (CSR) - A Passion to Perform

Deutsche Bank regards CSR not as a charity but an investment in society and in its own future. In addition, Deutsche Bank's goal as a responsible corporate citizen is to build social capital. We concentrate on five areas of activity to carry out these responsibilities:

Ensuring Viability/Sustainability – Thinking today about tomorrow

We believe sustainability means future viability - with the aim of ensuring that future generations enjoy a healthy environment as well as stable economic and social conditions. We are committed to this guiding principle.

In Jersey we have for a number of years been a key supporter and lead sponsor of Environment Week. In June 2009, a week-long programme of activities was established enabling primary and secondary school pupils and their teachers the opportunity to visit one or more of over 50 sites of local environmental interest. Activities ranged from visits to the Desalination Plant to learn about the importance of water and the process of water purification; guided tours of the Power Station to see how a small percentage of the Island's demand for electricity is generated; farm visits to investigate environmental issues linked to the land and farming; and investigation of hedgerow habitats and their role in the local environment to name but a few.

Committing Ourselves / Corporate Volunteering

Nothing is more credible than volunteering for a social cause. For this reason, corporate volunteering is a key component of all Corporate Citizenship activities at Deutsche Bank. Through the commitment of each individual, social responsibility becomes more closely interconnected to our thoughts and actions as a company.

We support and encourage a growing number of our employees who are committed to civic leadership and responsibility. Through our Initiative Plus, Matched Giving and Community Awards schemes, members of staff are able to apply for grants for organisations which they support, either through financial contributions or voluntary support.

Creating Opportunities / Social Investments

We believe that inclusive communities make for a healthy and successful society. For example, in Guernsey we sponsor the Guernsey Specials Gymnastic Club which provides gymnastic training for children and young people with special needs. Our support enables members of the club to train and take part in gymnastic competitions in other locations. Physical activity of this type helps young people with special needs in many ways, improving co-ordination, confidence and self-esteem.

Enabling Talent / Education

We enable talent across all disciplines as one of the most important sources of growth and progress.

Our Summer Internship Programme offers undergraduates the opportunity of paid work and a valuable insight into potential careers in financial services. Students are given interesting, challenging projects and work closely with a mentor receiving feedback. During the nine week programme they also receive a full introduction to Deutsche Bank. We continue to support student work shadowing schemes and in 2009 participated in work based learning placements for a pilot financial services degree course being offered for the first time in Jersey.

Our Youth in Sport programme has led us to create a number of partnerships to enable young people to have greater access to certain sports.

In Guernsey the Deutsche Bank Table Tennis Development Programme has enabled young people to compete successfully against their peers in the UK and overseas, with one young islander long-listed for the 2012 Olympics.

In Jersey we continue to work alongside sporting organisations maintaining youth sports development programmes, graduates of which have gone on to represent their country on the international stage.

Fostering Creativity / Art & Music

We believe that creativity and inspiration open minds to innovative solutions. That is why we support the arts and aspiring artists.

In Guernsey, in addition to our long term support of the Guernsey Choral Workshop, we extended our support of the arts to include the "Proms on the Pier" a joint initiative between local organisations enabling members of the public to join in the atmosphere of the Last Night of the Proms through an outdoor concert culminating in a live link to the Royal Albert Hall.

In Jersey, the Deutsche Bank-sponsored Jersey Eisteddfod held two very successful festivals of Performing and Creative Arts with entries in a range of artistic fields showcasing the talent of local islanders receiving feedback and critique from professional adjudicators who are experts in their field.

The Bank also continued its support of the Jersey Symphony Orchestra when around 100 invited guests joined the 7,000 capacity audience at a Christmas concert.

SUMMARY DIRECTOR'S REPORT

Directors

A Brady	<i>Executive (Resigned 23 September 2009)</i>
E M Fletcher	<i>Executive</i>
M A Hirst	<i>Executive (Resigned 11 May 2009)</i>
K W Johnson	<i>Executive</i>
P Kilburn-Toppin	<i>Executive (Appointed 23 September 2009, resigned 16 December 2009)</i>
S C Manti	<i>Executive (Resigned 16 December 2009)</i>
P E Shevlin	<i>Executive</i>
R B Singleton	<i>Executive</i>
A J Tautscher	<i>Executive</i>
J Wallace	<i>Executive</i>
C G Woolcock	<i>Executive (Appointed 16 December 2009)</i>

Secretary

N P Gorman	(appointed 23 September 2009)
D G Carter	(resigned 1 June 2009)

In accordance with the Banking Business (General Provisions) (Jersey) Order 2002, Deutsche Bank International Limited (the 'Parent Company') and its subsidiary undertaking (together the 'Group') has decided to adopt the summarised form of financial statements. The information contained within these summary financial statements has been prepared in accordance with the requirements of the Companies (Jersey) Law 1991 and the Banking Business (Jersey) Law 1991. Additional information to allow for a full understanding of the results of the Group and state of affairs of the Group and Company, has been submitted to the Finance and Economics Committee of the States of Jersey as required by the Banking Business (Jersey) Law 1991.

CORPORATE ADDRESS

The registered office of Deutsche Bank International Limited is St Paul's Gate, New Street, St Helier, Jersey, Channel Islands.

On behalf of the Board of directors

A J Tautscher
Director

Date: 17 March 2010

CORPORATE OWNERSHIP

Deutsche Bank International Limited is a wholly owned subsidiary of Deutsche Holdings (Malta) Limited which is incorporated in Malta.

The ultimate holding company is Deutsche Bank AG which is incorporated in Germany. Copies of the financial statements of Deutsche Bank AG are available on request.

INDEPENDENT AUDITORS

The Company's Auditors throughout the year were KPMG Channel Islands Limited.

REGULATORY STATEMENT

Deutsche Bank International Limited is regulated by the Jersey Financial Services Commission and is licensed by the Guernsey Financial Services Commission to conduct Banking and Investment Business.

R B Singleton
Director

Independent Auditors' Statement

Statement of the independent auditors to the members of Deutsche Bank International Limited pursuant to the *Banking Business (General Provisions) (Jersey) Order 2002*

We have examined the summary financial statement set out on pages 5 to 8.

This statement is made solely to the company's members, as a body, in accordance with Article 110 of the Companies (Jersey) Law 1991. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our work, for this statement, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the summary financial statement in accordance with applicable Jersey law. Our responsibility is to report to you our opinion on the consistency of the summary financial statement with the full annual financial statements and directors' report, and its compliance with the relevant requirements of the Banking Business (General Provisions) (Jersey) Order 2002 and guidance notes issued by the Jersey Financial Services Commission, applicable to the summary financial statement.

We also read the other information contained in the summarised directors' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the group and company's full annual financial statements describes the basis of our audit opinion on those financial statements.

OPINION

In our opinion the summary financial statement is consistent with the full annual financial statements and directors' report of Deutsche Bank International Limited for the year ended 31 December 2009 and complies with the requirements of the Banking Business (General Provisions) (Jersey) Order 2002 and guidance notes issued by the Jersey Financial Services Commission, applicable to the summary financial statement.

KPMG Channel Islands Limited
CHARTERED ACCOUNTANTS
5 St Andrew's Place
Charing Cross
St Helier
Jersey
Channel Islands

25 March 2010

(a) The maintenance and integrity of the Deutsche Bank International Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the summary financial statements or audit report since they were initially presented on the website.

(b) Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Summary Consolidated Profit and Loss Account

For the year ended 31 December 2009

	2009 £	2008 £
(Loss)/profit on ordinary activities before taxation	(2,440,718)	33,118,163
Tax on ordinary activities	78,527	(6,341,999)
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(Loss)/profit on ordinary activities after taxation	(2,362,191)	26,776,164
Actuarial loss	(5,552,000)	(405,000)
Exchange adjustments	-	1,424,807
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Total recognised (losses)/gains in the year	<u>£(7,914,191)</u>	<u>£27,795,971</u>

Included in the above loss on ordinary activities is a loss on disposal of subsidiaries of £6,007,037.

The Group has no recognised gains or losses other than the loss for the year and the actuarial loss.

During the year a dividend of £89,146,780 was paid (2008: £7,200,000).

An element of the 2009 dividend comprises an amount owed to the Company by the Company's indirect parent company Deutsche International Holdings (UK) Limited (DIHUK) of £72,739,370, the right to which the Company waived in favour of DIHUK on 3rd April 2009 pursuant to a loan waiver agreement between the Company and DIHUK of the same date.

A Capital contribution of £9,275,600 was received by the Company during the year. This comprised an amount owed by the Company to a sister company, Deutsche Bank International Trust Co Ltd (DBIT), the right to which DBIT waived in favour of the Company on 3rd April 2009 pursuant to a loan waiver agreement between the Company and DBIT of the same date.

There were no other additions or deductions from shareholders' funds.

DEUTSCHE BANK INTERNATIONAL LIMITED

Consolidated Balance Sheet

As at 31 December 2009

	Note	2009 £	2008 £
ASSETS			
Due from other banks		14,305,535	5,092,315
Due from group companies		3,073,792,693	4,626,947,586
Loans and advances to customers		86,982,877	225,251,168
Fixed assets		769,466	1,468,589
Intangible assets		253,077	168,478
Pension surplus		12,970,800	12,351,600
Other assets		15,087,962	43,328,607
Tax asset		869,993	-
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Total assets		£3,205,032,403	£4,914,608,343
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LIABILITIES			
Due to other banks		41	366,444
Due to customers		2,765,354,927	4,074,826,003
Due to group companies		214,998,459	506,801,438
Other liabilities		74,116,301	88,604,944
Taxation		-	5,576,141
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Total liabilities		£3,054,469,728	£4,676,174,970
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EQUITY SHAREHOLDERS' FUNDS			
Ordinary shares	1	15,000,000	15,000,000
Share premium		1,707,265	1,707,265
Reserves		133,855,410	221,726,108
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Total liabilities and equity shareholders' funds		£3,205,032,403	£4,914,608,343
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The summary financial statements from pages 5 to 8 are approved and authorised for issue by the Board of Directors on 17 March 2010.

A J Tautscher
Director

R B Singleton
Director

DEUTSCHE BANK INTERNATIONAL LIMITED

Balance Sheet

As at 31 December 2009

	Note	2009 £	2008 £
ASSETS			
Due from other banks		14,305,535	4,185,349
Due from group companies		3,073,165,113	4,226,036,459
Loans and advances to customers		86,982,877	84,982,608
Investment in subsidiaries		775,200	6,287,925
Fixed assets		769,466	980,499
Intangible assets		253,077	168,478
Pension surplus		12,970,800	12,351,600
Other assets		15,087,962	39,938,726
Tax asset		919,616	-
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Total assets		£3,205,229,646	£4,374,931,644
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LIABILITIES			
Due to other banks		41	366,444
Due to customers		2,765,354,927	3,658,416,921
Due to group companies		218,831,749	427,452,993
Other liabilities		74,116,301	85,805,802
Taxation		-	4,713,219
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Total liabilities		3,058,303,018	4,176,755,379
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EQUITY SHAREHOLDERS' FUNDS			
Ordinary shares	1	15,000,000	15,000,000
Share premium		1,707,265	1,707,265
Reserves		130,219,363	181,469,000
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Total liabilities and equity shareholders' funds		£3,205,229,646	£4,374,931,644

The summary financial statements from pages 5 to 8 are approved and authorised for issue by the Board of Directors on 17 March 2010.

A J Tautscher
Director

R B Singleton
Director

Notes to the Summary Consolidated and Company Financial Statements

For the year ended 31 December 2009

1 CALLED UP SHARE CAPITAL

	2009 £	Authorised 2008 £	Issued and fully paid 2009 £	2008 £
Ordinary shares of £1 each	20,000,000	20,000,000	15,000,000	15,000,000

The Company is incorporated in Jersey, Channel Islands.

2 COMMITMENTS

In the normal course of business, there are various outstanding commitments and contingent liabilities that are not reflected in the consolidated financial statements.

	Group 2009 £	Company 2009 £
Guarantees	9,200,585	22,600,085
Letters of credit	7,497,835	7,497,835
Interest rate related contracts	24,035,341	24,035,341
Forward foreign exchange contracts	1,060,614,000	1,060,614,000
Undrawn facilities – less than 1 year	10,596,861	10,596,861
	<u>£1,111,944,622</u>	<u>£1,125,344,122</u>
	Group 2008 £	Company 2008 £
Guarantees	25,417,023	25,417,023
Letters of credit	7,624,248	6,256,401
Interest rate related contracts	-	-
Forward foreign exchange contracts	3,081,476,000	3,081,476,000
Undrawn facilities – less than 1 year	108,810,612	108,810,612
	<u>£3,223,327,883</u>	<u>£3,221,960,036</u>

A substantial proportion of guarantees are fully matched by counter indemnities given by third parties. No other contingent liabilities or commitments existed at 31 December 2009.

Included in the Company guarantees is an amount for £13,399,500 (2008: Nil) being a guarantee to subsidiary companies, Deutsche International Corporate Services Limited and Deutsche International Custodial Services Limited, relating to the excess payable on group insurance policies. This guarantee is for a maximum of €15,000,000.

3 CONTINGENT LIABILITIES

From time to time group companies may be the subject of claims and litigation, current, pending or threatened. The Directors believe that no claims, either individually or in aggregate, will have a material effect on the Group's financial position.



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