



DWS Q1 RESULTS PRESENTATION

April 26, 2018

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Q1 2018 KEY HIGHLIGHTS

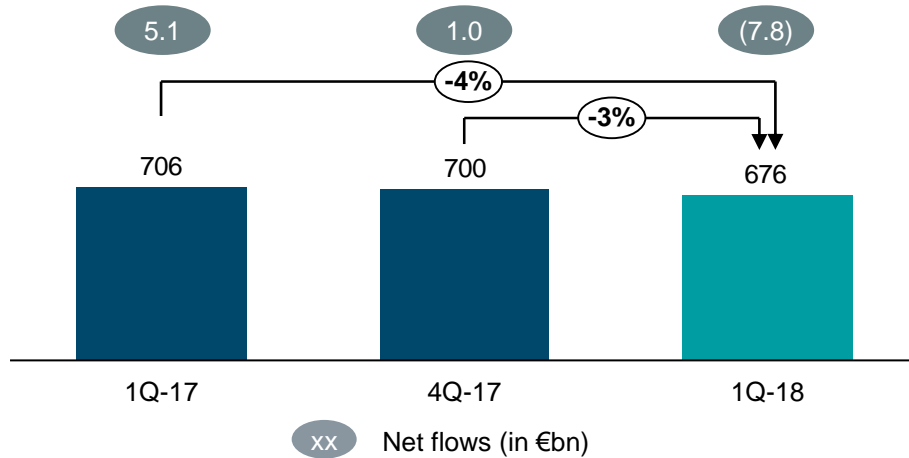


-  Strong inflows in ETFs, offset by low margin outflows from Insurance general account and Cash equivalents partly as a result of the US tax reform, resulting in net flows of €(7.8)bn
-  Management fee margin of 31.1bps, an improvement of 0.4bps compared to 4Q-17, above our target of ≥30bps
-  Adjusted cost-income ratio of 76% benefited from reduced DB Group charges and compensation expenses compared to 4Q-17, but was negatively impacted by lower revenues
-  Adjusted profit before tax was €136m in 1Q-18

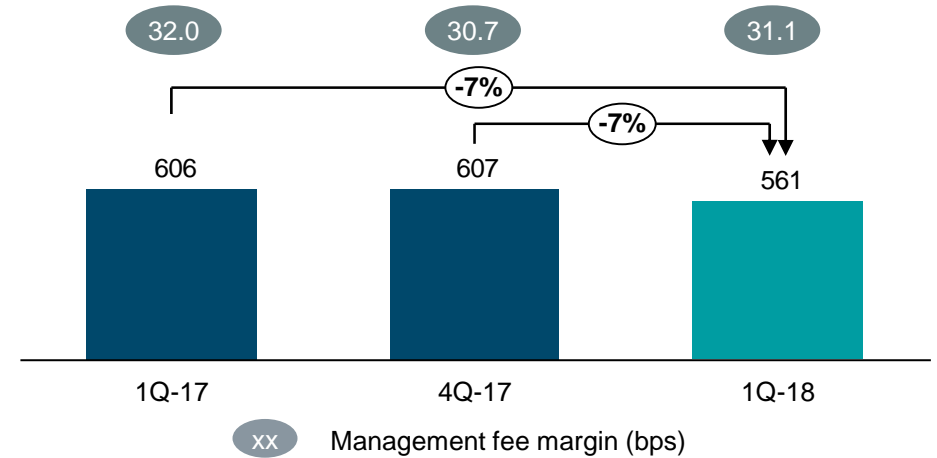
FINANCIAL PERFORMANCE SNAPSHOT



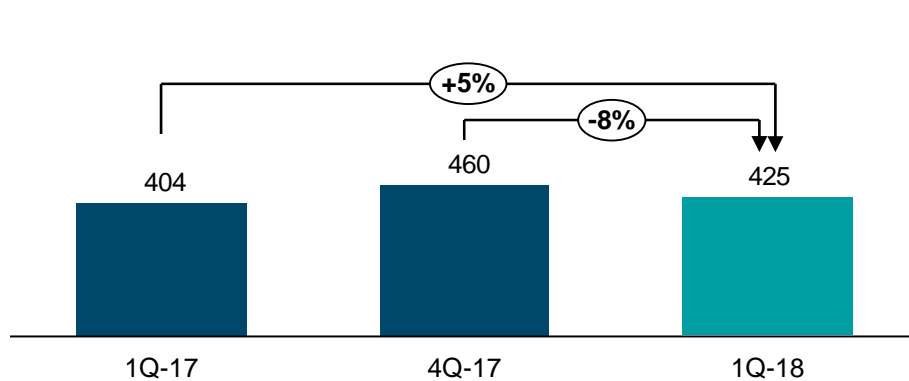
AUM (€BN)



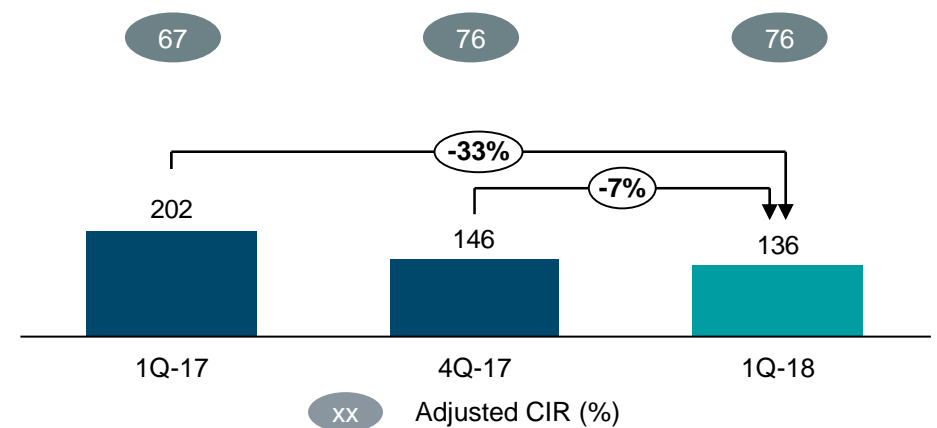
ADJUSTED REVENUES (€M)



ADJUSTED COSTS (€M)



ADJUSTED PROFIT BEFORE TAX (€M)



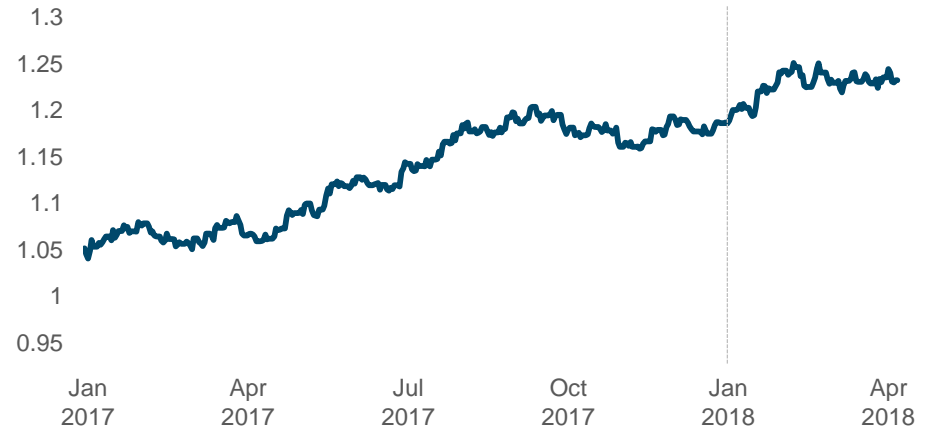
MARKET ENVIRONMENT



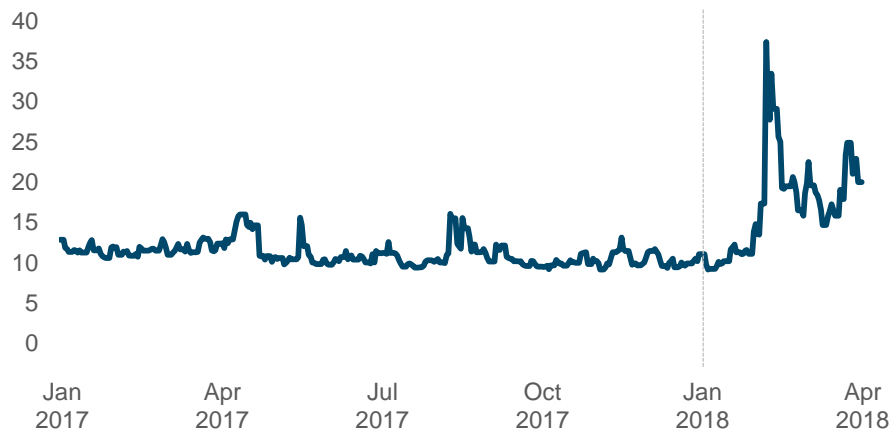
EQUITIES



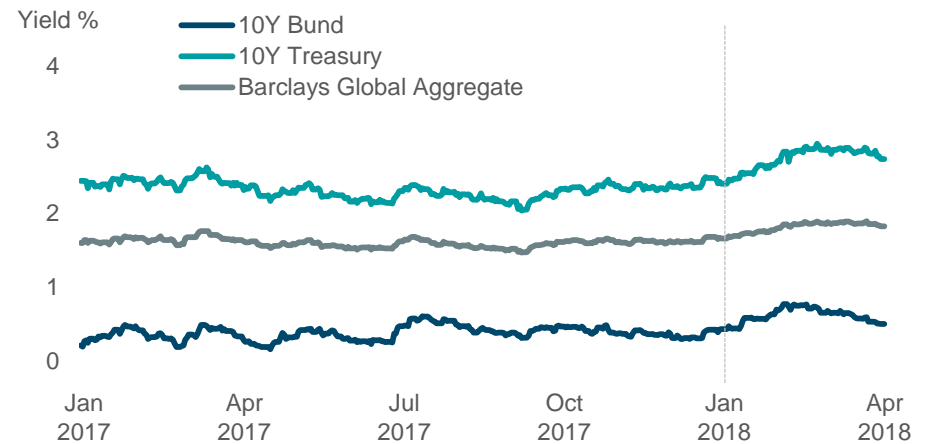
FX (EUR/USD)



VOLATILITY (VIX)



INTEREST RATES

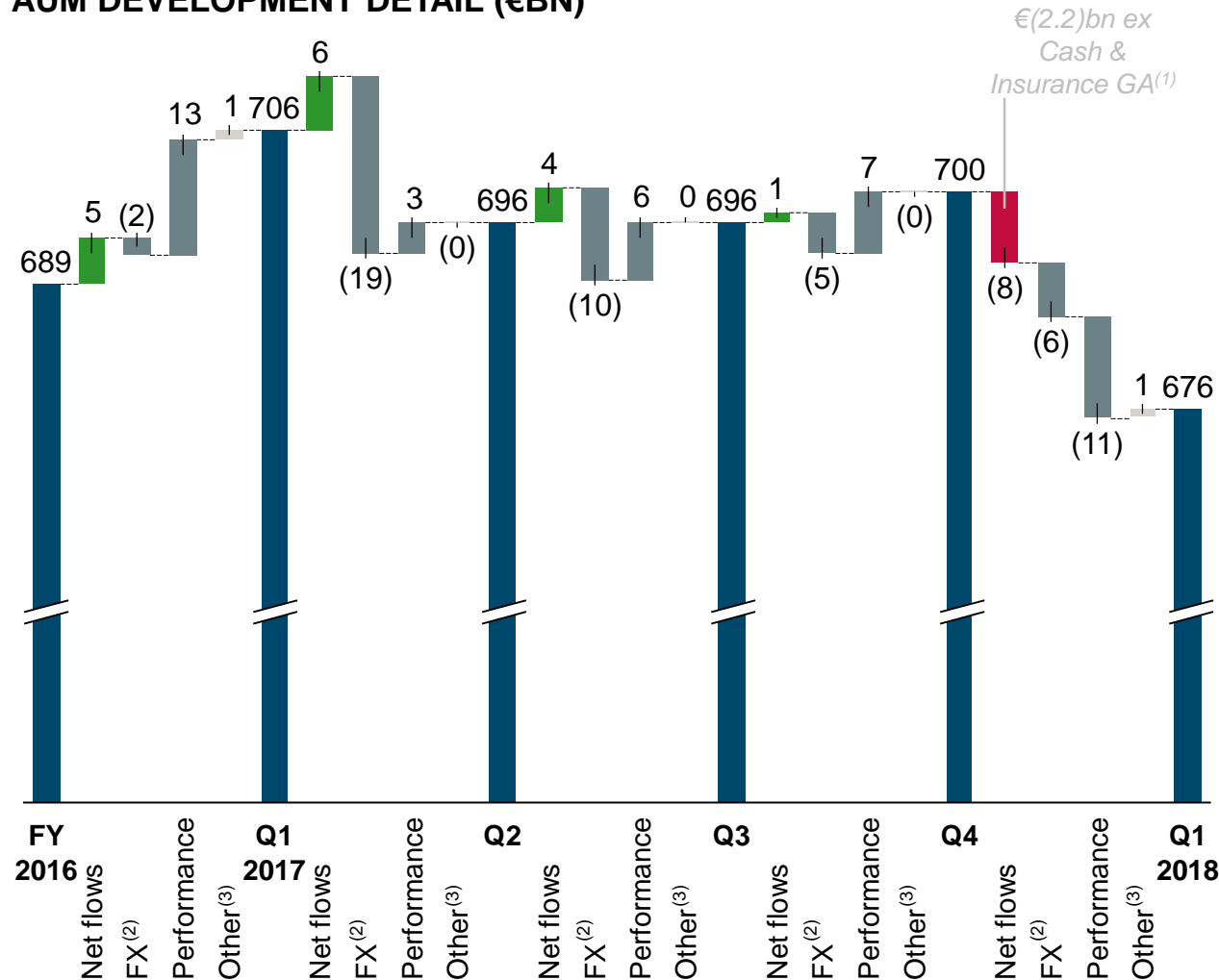


Source: Bloomberg

AUM DEVELOPMENT



AUM DEVELOPMENT DETAIL (€BN)



Q1 HIGHLIGHTS

- Net outflows primarily driven by two corporate and insurance clients with large redemptions in lower margin business, partially offset by strong ETF inflows
- Unfavorable FX effects (primarily EUR/USD) brought an AUM decrease of €6bn
- Weak market performance largely driven by equity indices globally

(1) Insurance general account. (2) Represents FX impact from non-euro denominated products; excludes performance impact from FX. (3) Other includes acquisitions / disposals

Q1 2018 NET FLOWS AND AUM BY ASSET CLASS



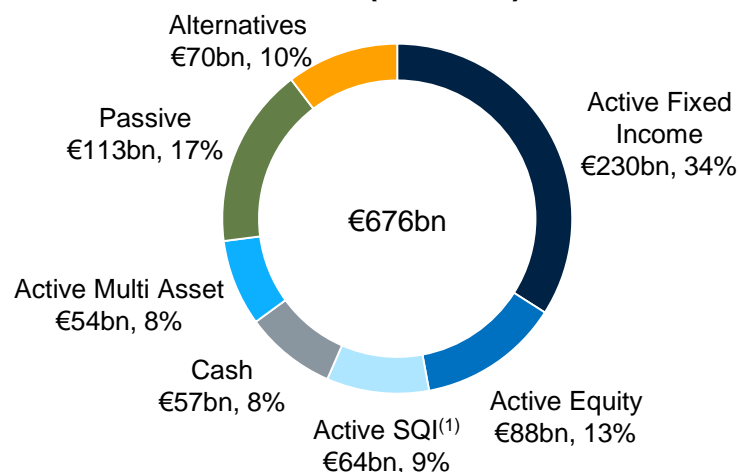
NET FLOWS BREAKDOWN

By asset class (in €bn)	1Q-17	4Q-17	1Q-18
Active Equity	(0.2)	(0.7)	(1.7) 3
Active Multi Asset	1.7	0.4	(1.7) 4
Active SQI ⁽¹⁾	(1.4)	(0.4)	(0.0)
Active Fixed Income	1.6	(4.6)	(4.1) 5
Cash	0.8	0.9	(1.6) 2
Passive	0.9	5.7	1.3 1
Alternatives	1.7	(0.2)	0.0
Total	5.1	1.0	(7.8)
Total (ex Cash ex Insurance GA)⁽²⁾	4.9	5.8	(2.2)

HIGHLIGHTS

- 1 Passive recorded inflows, mainly contributed by Europe-listed ETFs, partly offset by a US institutional client's redemption in the wake of the US tax reform
- 2 Cash outflows mainly driven by US corporate cash management that reverted start of April
- 3 Outflows in Equity driven by retail outflows in individual funds
- 4 Multi Asset outflows in retail products and a pension fund redemption from a German corporate client
- 5 Fixed Income outflows primarily driven by a low margin European insurance mandate, partly offset by inflows from corporate clients

AUM BY ASSET CLASS (Q1 2018)



(1) Systematic and Quant investments. (2) Insurance general account

Q1 2018 NET FLOWS DEEP DIVE



Continued strength in European-listed ETF/ETP

- In Q1, Xtrackers was ranked #2 with ETF/ETP net flows of €3.6bn, a 16% market share in Europe⁽¹⁾
 - In March, Xtrackers was #1 in net flows of €0.9bn in Europe-listed ETFs/ETPs⁽¹⁾

Insurance general account

- €(3.9)bn of net outflows in low margin Active fixed income mandate from a European insurance client

US tax reform

- €(3.4)bn of net outflows in low margin cash equivalent fixed income Passive mandate from a US based client

US cash

- €(2.4)bn of net outflows in US cash in last week of March, which has been largely offset by inflows in the first week of April

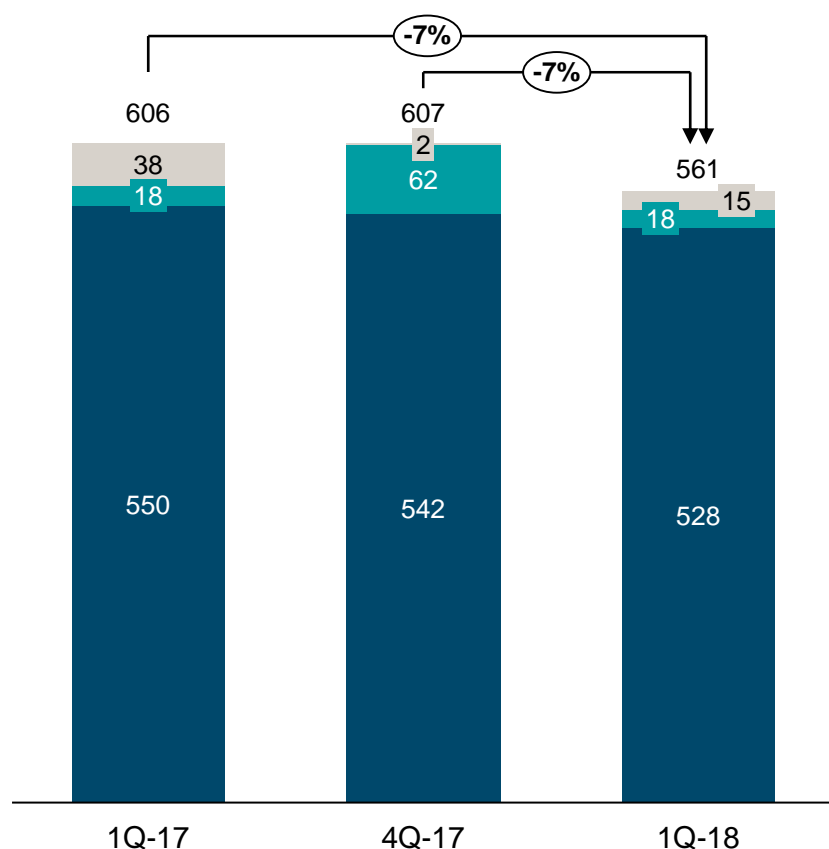
Q1 has been challenging for net flows but sales activity remains high and our pipeline is strong

(1) European-listed ETF/ETPs, ETFGI (as of March 2018)

REVENUE DEVELOPMENT

ADJUSTED REVENUES (€M)

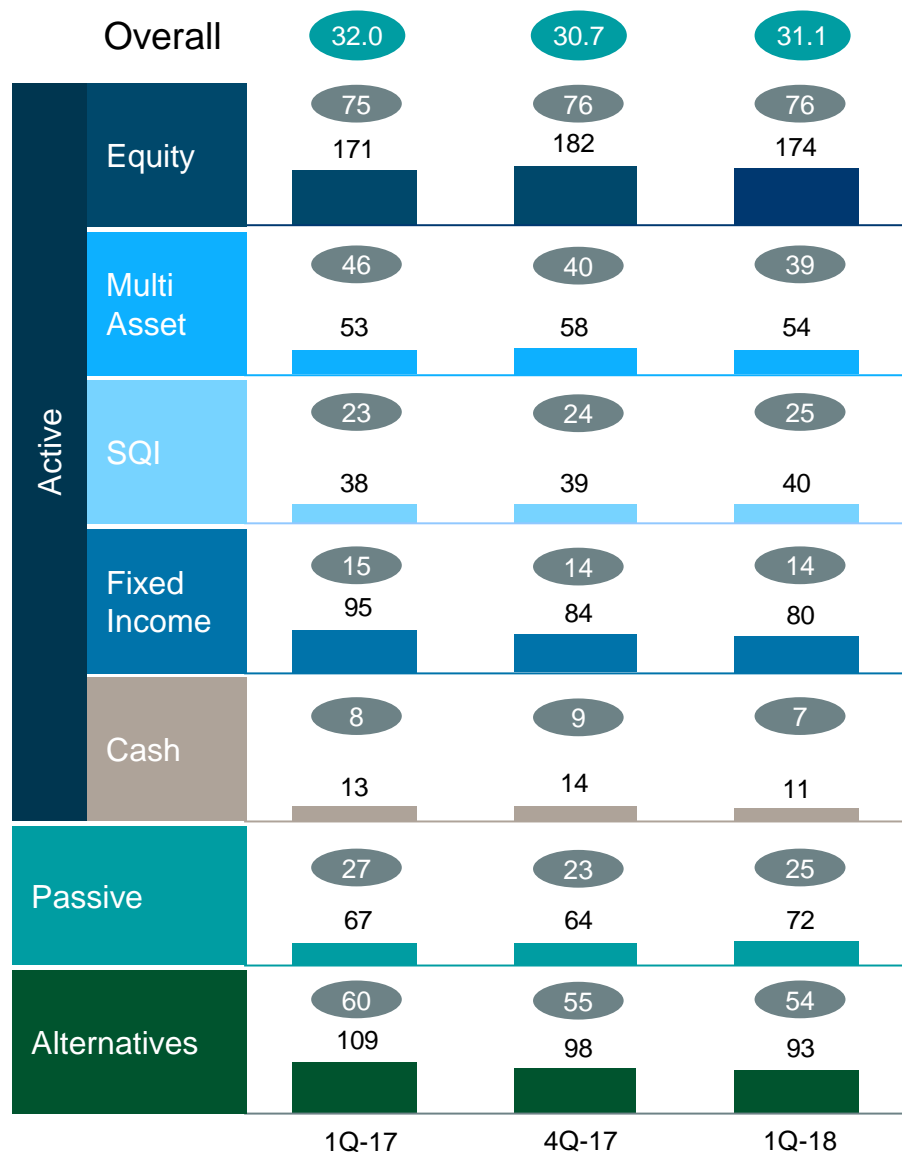
- Other revenues
- Performance & transaction fees & other non-recurring revenues
- Management fees and other recurring revenues



HIGHLIGHTS (COMPARED TO 4Q-17)

- Total adjusted revenues of €561m, of which 94% from stable management fees
- Management fees and other recurring revenues decline by 3% vs 4Q-17, representing a shorter quarter
- Performance and transaction fees decrease by €45m due to significant Active performance fees recognition in 4Q-17
- Higher Alternatives transaction fees have partly offset lower performance fees compared to 4Q-17
- Other revenues increase by €14m, primarily driven by the positive change in fair value of guarantees

MANAGEMENT FEES AND MARGIN DEVELOPMENT



HIGHLIGHTS (COMPARED TO 4Q-17)

Across all products, fewer days in the first quarter lead to a reduction in management fees

- 1 Apart from the above, Equity management fees slightly down due to volatile equity markets, with margin remaining stable
- 2 Decrease in management fees for Multi Asset driven by markets and other effects, with margin largely stable
- 3 Slight decline in Fixed Income management fees primarily due to lower AuM driven by Institutional outflows, with overall margin stable
- 4 Passive management fees increase due to net inflows
- 5 Alternatives' decline in management fees largely attributed to a negative effect from net flows

x Management fee margin⁽¹⁾ (bps) x Management fees⁽²⁾ (€m)

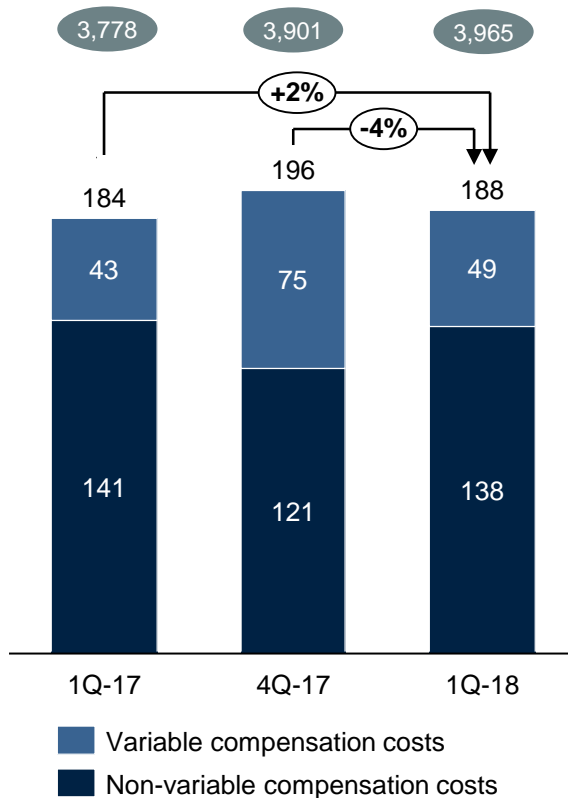
(1) Calculated by dividing the annualized management fees (considering the number of days in a specific quarter) for a period by average AuM for the same period

(2) Management fees and other recurring revenues; non-product related management fees of €5m in 1Q-17, €3m in 4Q-17 and €4m in 1Q-18 excluded in asset class breakdown

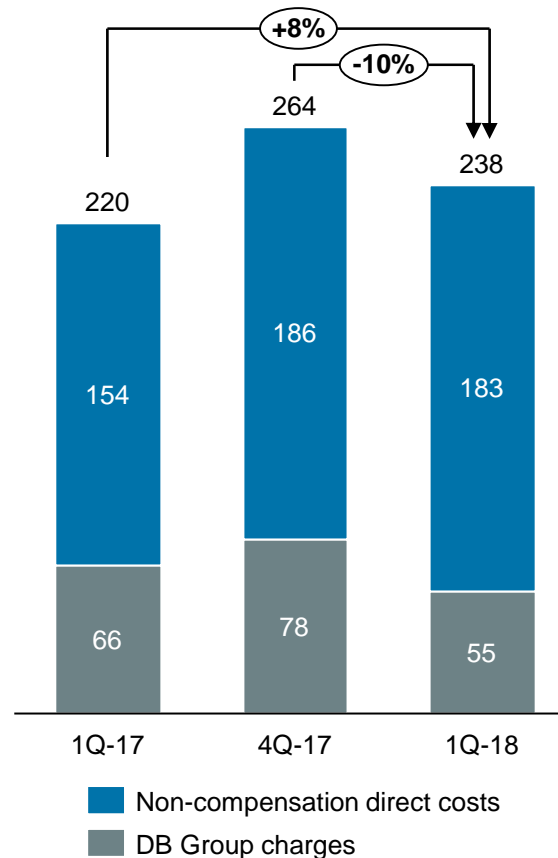
COST DEVELOPMENT

ADJUSTED COMPENSATION & BENEFITS (€M)

x FTE (period-end)



ADJUSTED GENERAL AND ADMINISTRATIVE EXPENSES (€M)







HIGHLIGHTS (COMPARED TO 4Q-17)

- FTE increase driven by:
 - Infrastructure transfers and hires for standalone company capabilities
 - Growth initiative hires
- Variable compensation costs decrease due to adjustments made in 4Q-17
- 10% reduction in general & admin. cost is largely attributed to:
 - 30% reduction in DB Group charges to new agreed levels
 - Rebranding spend in 4Q-17
 - Partially offset by research costs impacted by MiFID II

Note: Compensation & benefits adjusted for severance payments (2m in 1Q-17, 6m in 4Q-17, 1m in 1Q-18) and general and administrative expenses adjusted for litigation (1m in 1Q-17, (1)m in 4Q-17)

CONCLUSION & OUTLOOK

-  Q1 has been challenging for net flows but sales activity remains high and our pipeline is strong
-  Investment performance remains strong over 3 and 5 years
-  Cost efficiency initiatives are in flight with good traction in Q1
-  Key hires onboarded to support growth initiatives



Appendix



DWS DETAILED FINANCIALS



PROFIT & LOSS STATEMENT AND KEY PERFORMANCE INDICATORS (€M)

	1Q-18	4Q-17	1Q-17	1Q-18 vs 4Q-17	1Q-18 vs 1Q-17	
Profit & Loss	Management fees and other recurring revenues	528	542	550	(3)%	(4)%
	Performance and transaction fees and other non-recurring revenues	18	62	18	(72)%	(2)%
	Other revenues	15	2	38	n.m.	n.m.
	Net revenues	561	607	606	(7)%	(7)%
	<i>Revenue adjustments</i>	-	-	-		
	Adjusted revenues	561	607	606	(7)%	(7)%
	Compensation & Benefits	(189)	(202)	(186)	(7)%	2%
	General & administrative expenses	(238)	(265)	(220)	(10)%	8%
	Restructuring activities	(2)	(3)	(2)	(34)%	5%
	Total noninterest expenses	(428)	(470)	(408)	(9)%	5%
	<i>Cost adjustments</i>	3	10	3		
	Adjusted costs	(425)	(460)	(404)	(8)%	5%
	Profit before tax	133	136	198	(2)%	(33)%
	<i>Adjusted profit before tax</i>	<i>136</i>	<i>146</i>	<i>202</i>	<i>(7)%</i>	<i>(33)%</i>
Net income	95	166	143	(42)%	(33)%	
Other Key Performance Measures	Reported CIR	76%	78%	67%	(2)%	13%
	<i>Adjusted CIR</i>	<i>76%</i>	<i>76%</i>	<i>67%</i>	<i>(0)%</i>	<i>14%</i>
	FTE	3,965	3,901	3,778	2%	5%
	AuM (in €bn)	676	700	706	(3)%	(4)%
	Net flows (in €bn)	(7.8)	1.0	5.1		
	Net flows (% of BoP AuM – annualized)	(4.4)%	0.6%	3.0%		
	Net flows excluding Cash and Insurance GA (in €bn)	(2.2)	5.8	4.9		
	Management fee margin (bps - annualized)	31.1	30.7	32.0		

HISTORICAL QUARTERLY NET FLOWS DEVELOPMENT



<i>All figures in €bn</i>		Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018
Net flows by Asset Class	Active Equity	(0)	(1)	(1)	1	(1)	0	(1)	0	(2)	(2)	(0)	(1)	(0)	(1)	(2)	(2)
	Active Multi Asset	4	4	2	2	13	(0)	(0)	(0)	1	1	2	9	0	0	11	(2)
	Active SQI ⁽¹⁾	2	2	0	0	4	(1)	(0)	(0)	(2)	(4)	(2)	(1)	(1)	(0)	(4)	(0)
	Active Fixed Income	(2)	0	(4)	(10)	(16)	(4)	(3)	(4)	(6)	(16)	3	(0)	1	(5)	(2)	(4)
	Cash	2	(2)	(5)	4	(2)	(7)	(4)	2	(0)	(9)	1	(5)	4	1	1	(2)
	Passive	10	8	6	2	26	1	(1)	(6)	(3)	(9)	1	4	1	6	11	1
	Alternatives	(0)	(0)	(3)	(1)	(5)	(0)	0	1	(0)	0	2	0	(1)	(0)	1	0
Net flows by region	Americas	2	5	(3)	(3)	0	(11)	(5)	(8)	(7)	(31)	2	(4)	2	0	0	(6)
	Asia Pacific	1	(0)	0	1	1	0	0	1	(0)	2	2	0	0	0	2	(1)
	EMEA ex Germany	9	0	(3)	2	9	(3)	(4)	(1)	(4)	(12)	1	1	(1)	(1)	0	(2)
	Germany	3	4	3	(2)	8	2	1	(0)	(0)	2	(0)	9	2	3	14	2
Net flows by client channel	Retail	16	10	5	(1)	30	(3)	(4)	(7)	(8)	(22)	3	4	(0)	2	9	(2)
	Institutional	(1)	(1)	(8)	(1)	(11)	(8)	(4)	(1)	(4)	(17)	2	2	4	(1)	7	(6)
Net flows	15	9	(3)	(2)	19	(12)	(8)	(8)	(12)	(39)	5	6	4	1	16	(8)	
FX	40	(11)	(3)	8	34	(13)	7	(3)	15	5	(2)	(19)	(10)	(5)	(36)	(6)	
Performance	30	(17)	(21)	12	3	(3)	10	9	(0)	15	13	3	6	7	29	(11)	
Other	1	(0)	(0)	(0)	0	0	(1)	(2)	(3)	(5)	1	(0)	0	(0)	1	1	
Total AuM Change	86	(19)	(28)	18	56	(28)	9	(5)	0	(25)	17	(10)	0	3	10	(24)	

Note: Historical asset class composition for net flows changed compared to DWS Company Presentation in January due to a restructuring of Active SQI asset class
 (1) Systematic and Quant investments

DETAILED INVESTMENT PERFORMANCE



<i>All figures in %⁽¹⁾</i>		1Y	3Y	5Y
Active Retail	Equity	72%	84%	91%
	Multi Asset	42%	47%	91%
	SQI	41%	32%	59%
	Fixed Income	95%	95%	93%
	Cash	99%	99%	100%
	Total	78%	85%	91%
Active Institutional	Equity	57%	54%	53%
	Multi Asset	45%	43%	58%
	SQI	64%	67%	78%
	Fixed Income	70%	66%	60%
	Cash	96%	99%	99%
	Total	68%	65%	63%
Active Total	Equity	70%	79%	86%
	Multi Asset	44%	45%	66%
	SQI	61%	62%	75%
	Fixed Income	75%	72%	69%
	Cash	97%	99%	100%
	Total	72%	72%	75%
Alternatives	Direct Real Estate	35%	94%	100%
	Liquid Real Assets	67%	60%	98%
	Other Alternatives	0%	99%	99%
	Total	39%	87%	99%
Total DWS	68%	74%	78%	

(1) Aggregate asset-weighted gross outperformance of Active and Alternatives products that have benchmark spreads available over respective periods (Active and Liquid Real Assets as of Mar 31, 2018 and Direct Real Estate and Other Alternatives as of Dec 31, 2017)

SHAREHOLDER STRUCTURE



Shareholder	As at 20th April, 2018	
	units	%
Deutsche Bank AG, Frankfurt	158,981,872	79.49%
Others	41,018,128	20.51%
Total ordinary bearer shares	200,000,000	100%

CONTACT DETAILS



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