

Unconsolidated Financial Statements of DWS Group SE

as of and for the year ended
December 31, 2017

(German GAAP)

This is a translation into English of the unconsolidated financial statements of DWS Group SE prepared in accordance with the German Commercial Code (Handelsgesetzbuch) as of and for the year ended December 31, 2017, including the German statutory auditors' report thereon.

The auditor's report was issued in the German language and the translation thereof is provided solely for use in this English language prospectus.

The auditor's report on the unconsolidated financial statements should be read in conjunction with, and construed in accordance with, German law and professional auditing standards applicable in Germany.

DWS Group SE, Frankfurt am Main (formerly: Deutsche Asset Management Holding SE)

Balance Sheet as of December 31, 2017

| | Liabilities and Shareholders' Equity | |
|---|--------------------------------------|------------|
| | Euro | TEUR |
| A. Fixed assets | | |
| I. Financial assets | | |
| 1. Investments in affiliated companies | 6,436,029,799.60 | 0 |
| | <u>6,436,029,799.60</u> | <u>0</u> |
| B. Current assets | | |
| I. Receivables and other assets | | |
| 1. Receivables from affiliated companies thereof with term of more than one year Euro 0.00 (previous year TEUR 0) | 33,617,748.21 | 0 |
| II. Bank balances | 41,529,354.59 | 120 |
| | <u>75,147,102.80</u> | <u>120</u> |
| | <u>6,511,176,902.40</u> | <u>120</u> |
| Assets held in trust | 3,067,751.29 | 0 |
| | <u>191,292.80</u> | <u>0</u> |
| | <u>6,511,176,902.40</u> | <u>120</u> |
| | 3,067,751.29 | 0 |
| | <u>6,508,109,151.11</u> | <u>120</u> |
| A. Capital and Reserves | | |
| I. Subscribed capital | 200,000,000.00 | 120 |
| II. Capital reserve | 6,277,906,804.93 | 0 |
| III. Revenue reserves | | |
| 1. Statutory reserve | 10,000,000.00 | 0 |
| IV. Distributable profit | 12,546,021.67 | 0 |
| | <u>6,508,552,826.60</u> | <u>0</u> |
| B. Provisions | | |
| 1. Provisions for taxes | 9,667,250.00 | 0 |
| 2. Other provisions | 865,533.00 | 0 |
| | <u>10,532,783.00</u> | <u>0</u> |
| C. Liabilities | | |
| 1. Accounts payable for goods and services thereof with term of up to one year Euro 20,991.30 (previous year TEUR 0) thereof with term of more than one year Euro 0.00 (previous year TEUR 0) | 20,991.30 | 0 |
| 2. Liabilities to affiliated companies thereof with term of up to one year Euro 170,301.50 (previous year TEUR 0) thereof with term of more than one year Euro 0.00 (previous year TEUR 0) | 170,301.50 | 0 |
| | <u>191,292.80</u> | <u>0</u> |
| | <u>6,511,176,902.40</u> | <u>120</u> |
| | 3,067,751.29 | 0 |
| | <u>6,514,244,653.69</u> | <u>120</u> |

DWS Group SE, Frankfurt am Main

(formerly: Deutsche Asset Management Holding SE)

Income Statement for the period from January 1 to December 31, 2017

| | | 2017 | Previous year |
|---|--------------------|---------------|---------------|
| | Euro | Euro | TEUR |
| 1. Income from profit-pooling agreements thereof from affiliated companies Euro 33,617,748.21 (TEUR 0 in previous year) | | 33,447,446.71 | 0 |
| 2. Other operating expenses | | 905,993.59 | 0 |
| 3. Other interest and similar income | | | 0 |
| a) Current positive interest income | 0.00 | | |
| b) Current negative interest income | <u>-328,174.15</u> | -328,174.15 | |
| thereof from affiliated companies Euro -328,174.15 (TEUR 0 in previous year) | | | |
| 4. Income taxes | | 9,667,250.00 | 0 |
| 5. Net income | | 22,546,028.97 | 0 |
| 6. Transfer to the statutory reserve | | 10,000,000.00 | 0 |
| 7. Loss carried forward from the previous year | | -7.30 | 0 |
| 8. Distributable profit | | 12,546,021.67 | 0 |

DWS Group SE

(formerly: Deutsche Asset Management Holding SE)

Frankfurt am Main

Notes to the Accounts for the Financial Year 2017

General Information

The domicile of DWS Group SE (DWS SE) is Frankfurt am Main. It is registered in the Commercial Register of the District Court Frankfurt am Main under registration number 105926 in section B. The company entered into a domination agreement with its sole shareholder DB Beteiligungs-Holding GmbH, Frankfurt am Main. There are domination and profit-pooling agreements with its subsidiaries Deutsche Asset Management International GmbH, Frankfurt am Main and RREEF Management GmbH, Frankfurt am Main in place.

Basis of Presentation

The annual financial statements of DWS SE for the financial year 2017 have been prepared in accordance with the German Commercial Code (HGB) as well as supplementary regulations of the German Stock Corporation Act (AktG).

The company is a micro entity according to section 267a HGB.

The balance sheet has been structured according to the requirements for large corporations. The income statement has been prepared in accordance with the nature of expense method. Wherever possible, required "thereof" positions have been reported within the balance sheet or income statement, respectively. Size-related exemptions according to sections 274a and 288 HGB have partially been applied.

In accordance with section 264 (1) sentence 4 HGB no management discussion has been prepared.

Accounting and Valuation Principles

Figures are reported in Euro.

Offsetting

In accordance with section 246 (2) sentence 1 HGB financial assets and liabilities as well as income and expenses are generally not offset. As an exception, compensation payments to minority interests in connection with one domination and profit-pooling agreement have been offset with income from profit-pooling agreements.

Financial assets

Investments in affiliated companies are carried at acquisition cost. Acquisitions have been executed at fair value based on external valuations in accordance with IDW S1. The investments are accounted for using the moderate lower-of-cost-or-market rule according to section 253 (3) HGB. This means that write-downs are only recognized if the impairment is considered other than temporary.

Receivables and other assets and Bank balances

Receivables and other assets as well as bank balances reported as current assets are reported at their nominal amount.

Provisions

Provisions for taxes and other provisions are recognized at their expected settlement amount applying the principles of prudent commercial judgment.

Liabilities

Liabilities are recognized at their settlement amount.

Income and expenses

Income and expenses are defined on an accrual basis.

Notes to the Balance Sheet**Investments in affiliated companies**

In accordance with its business purpose DWS SE acquired investments in financial services sector companies from other companies of Deutsche Bank Group in 2017. The book value of these investments in affiliated companies amounts to thousand Euros (TEUR) 6,436,030 (previous year TEUR 0).

Receivables from affiliated companies

Receivables from affiliated companies include receivables from profit-pooling agreements from RREEF Management GmbH of TEUR 29,000 (previous year TEUR 0) and from Deutsche Asset Management International GmbH of TEUR 4,617 (previous year TEUR 0) for the financial year 2017.

Bank balances

Bank balances are held with a subsidiary of Deutsche Bank Group and are repayable on demand.

Capital and reserves

Capital and reserves as of December 31, 2017 amount to TEUR 6,500,453 (previous year TEUR 120) and consist of subscribed capital of TEUR 200,000 (previous year TEUR 120), a capital reserve of TEUR 6,277,907 (previous year TEUR 0), a statutory reserve of TEUR 10,000 (transfer from net income according to section 152 (3) No. 2 AktG, previous year TEUR 0) and the distributable profit of TEUR 12,546 (previous year TEUR 0). Capital reserves of TEUR 4,346,969 relate to reserves according to section 272 (2) No 1 HGB and TEUR 1,930,938 relate to reserves according to section 272 (2) No 4 HGB. DB Finanz-Holding GmbH, which has been merged with DB Beteiligungs-Holding GmbH effective January 1, 2017, has announced by letter dated December 22, 2016 that it holds more than one-fourth and the majority of shares of DWS SE.

Provisions for taxes

Provisions for taxes amount to TEUR 9,667 (previous year TEUR 0) covering income tax expenses for the financial year 2017.

Other provisions

Other provisions materially relate to audit fees.

Foreign currency denominated assets and liabilities

Investments in affiliated companies denominated in foreign currency amount to TEUR 1,186,222 as of December 31, 2017. The company does not have any liabilities denominated in foreign currencies.

Forward transactions

There are no outstanding forward transactions to hedge assets or liabilities as at December 31, 2017. In future, it is envisaged to economically hedge foreign currency risk for certain financial assets.

Notes to the Income Statement

The income statement has been prepared in accordance with the nature of expense method.

Income from profit-pooling agreements includes profit-poolings from RREEF Management GmbH of TEUR 29,000 (previous year TEUR 0) and from Deutsche Asset Management International GmbH of TEUR 4,617 (previous year TEUR 0). Compensation payments to minority interests of RREEF Management GmbH of TEUR 170 (previous year TEUR 0) have been deducted.

Other operating expenses mainly contain other administrative expenses of TEUR 906 (previous year TEUR 0).

Income taxes

Income tax expense includes federal income taxes (including solidary surcharge) of TEUR 4,789 and state tax of TEUR 4,878 for the financial year 2017.

Other Information

Compensation to Management Board and Supervisory Board

In the financial year 2017 the company has not paid any remuneration to the Management Board or the Supervisory Board.

Employees

In the financial year 2017 the company has not employed any own staff.

Members of the Supervisory Board

Holger Naumann (Chairman)

Managing Director in Deutsche Asset Management, Deutsche Asset Management Investment GmbH, Frankfurt am Main

Speaker of the Management Board, Deutsche Asset Management Investment GmbH, Frankfurt am Main

Member of the Management Board, DWS Holding & Service GmbH, Frankfurt am Main
Member of the Supervisory Board, Deutsche Asset Management S.A., Luxembourg

Member of the Supervisory Board, Sal. Oppenheim jr. & Cie. AG & Co. KGaA, Köln

Member of the Supervisory Board, Sal. Oppenheim jr. & Cie. Komplementär AG, Köln

Member of the Management Board, Sal. Oppenheim jr. & Cie. Luxembourg S.A., Luxembourg (until November 30, 2017)

Frank Grunwald

Managing Director in Deutsche Asset Management, Deutsche Asset Management Investment GmbH, Frankfurt am Main

Jörg Hupertz

Managing Director in Finance, DWS Holding & Service GmbH, Frankfurt am Main

Members of the Management Board

Dr. Herbert Schäffner (since March 29, 2017)

Managing Director in Corporate Investments, Deutsche Bank AG, Frankfurt am Main
Deputy Chairman of the Supervisory Board BHS tabletop AG, Selb

Dr. Jörn Matthias Häuser

Member of the Management Board, Deutsche Oppenheim Family Office AG, Grasbrunn

Group Membership

As at December 31, 2017 DWS SE is fully owned by DB Beteiligungs-Holding GmbH, Frankfurt am Main, a subsidiary of Deutsche Bank Group. DWS SE is an affiliated company of Deutsche Bank Group and is exempt from the obligation to prepare consolidated financial statements based on section 340i HGB in conjunction with requirements according to article 57 sentence 1 No 2 EGHGB and Regulation (EC) No 1606/2002 article 4 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards (AB I. EG No. L 243 S.1) because DWS SE is accounted for in the Consolidated Financial Statements of Deutsche Bank Group. Financial Statements of Deutsche Bank Group are published in the German Federal Gazette.

Proposed appropriation of profit

The distributable profit amounts to TEUR 12,546. Management Board and Supervisory Board will propose to the Annual General Meeting to transfer TEUR 10,000 to the statutory reserve and to carry forward the remaining distributable profit of TEUR 2,546.

Frankfurt am Main, February 12, 2018

The Management Board

(Dr. Schäffner)

(Dr. Häuser)

Auditor's Report

To the **DWS Group SE, Frankfurt am Main**

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system of the **DWS Group SE (formerly known as: Deutsche Asset Management Holding SE), Frankfurt am Main**, for the business year from January 1 to December 31, 2017. The maintenance of the books and records and the preparation of the annual financial statements in accordance with German commercial law (and supplementary provisions of the shareholder agreement/articles of incorporation) are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB („Handelsgesetzbuch“: „German Commercial Code“) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records and the annual financial statements are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting

Frankfurt am Main, February 13, 2018

KPMG AG
Wirtschaftsprüfungsgesellschaft

Kuppler
Wirtschaftsprüfer

Hommel
Wirtschaftsprüfer