



ANNUAL FINANCIAL STATEMENTS 2018

DWS Group GmbH & Co. KGaA



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Balance Sheet as of December 31, 2018

ASSETS in € t.	Dec 31, 2018	Dec 31, 2017
A. Fixed assets		
I. Tangible assets		
1. Office furniture and equipment	4	0
II. Financial assets		
1. Investments in affiliated companies	7,648,842	6,436,030
	7,648,845	6,436,030
B. Current assets		
I. Receivables and other assets		
1. Receivables from affiliated companies		
a) with term of up to one year	407,168	33,618
b) with term of more than one year	100,000	0
	507,168	33,618
2. Other assets	43,097	0
II. Cash on hand, balances with Bundesbank, bank balances and cheques	211,319	41,529
	761,584	75,147
C. Deferred tax assets	27,722	0
D. Excess of plan assets over pension liabilities	1,345	0
Total assets	8,439,496	6,511,177
Assets held in trust	3,068	3,068

LIABILITIES AND SHAREHOLDERS' EQUITY in € t.	Dec 31, 2018	Dec 31, 2017
A. Capital and reserves		
I. Subscribed capital	200,000	200,000
II. Capital reserve	7,457,536	6,277,907
III. Revenue reserves		
1. Statutory reserve	20,000	10,000
IV. Distributable profit	305,609	12,546
	7,983,145	6,500,453
B. Provisions		
1. Provisions for taxes	1,821	9,667
2. Other provisions	34,124	866
	35,945	10,533
C. Liabilities		
1. Accounts payable for goods and services		
a) with term of up to one year	87	21
b) with term of more than one year	0	0
	87	21
2. Liabilities to affiliated companies		
a) with term of up to one year	405,656	170
b) with term of more than one year	0	0
	405,656	170
3. Other liabilities	14,663	0
	420,406	191
Total liabilities and shareholders' equity	8,439,496	6,511,177
Liabilities held in trust	3,068	3,068

Income Statement for the Period from January 1 to December 31, 2018

in € t.	2018	2017
1. Service revenues	3,142	0
2. Other operating income	775	0
3. Staff expenses		
a) Wages and salaries	9,250	0
b) Compulsory social security contributions and expenses for pensions and other employee benefits	(230)	0
thereof: for pensions € (906) t. (€ 0 t. in 2017)		
	9,020	0
4. Other operating expenses	53,990	906
5. Income from participating interests	140,859	0
thereof: from affiliated companies € 140,859 t. (€ 0 t. in 2017)		
6. Income from profit pooling agreements	362,898	33,447
thereof: from affiliated companies € 362,898 t. (€ 33,447 t. in 2017)		
7. Other interest and similar income	349	0
less negative interest income	(1,030)	(328)
	(681)	(328)
thereof: from affiliated companies € (217) t. (€ (328) t. in 2017)		
8. Impairment on financial assets	59,360	0
9. Interest and similar expenses	358	0
less positive interest expenses	(326)	0
	33	0
thereof: to affiliated companies € (307) t. (€ 0 t. in 2017)		
10. Income taxes	81,527	9,667
11. Net income	303,063	22,546
12. Profit (loss) carried forward from the previous year	2,546	0
13. Allocation to statutory revenue reserve	0	10,000
14. Distributable profit	305,609	12,546

Notes to the Accounts

Corporate Information

DWS Group GmbH & Co. KGaA (DWS KGaA) has its registered seat in Frankfurt am Main and is registered in the Commercial Register of the District Court Frankfurt am Main under HRB 111128.

On February 20, 2018, the general shareholders' meeting of DWS Group SE resolved to change the legal form of the company into a partnership limited by shares (Kommanditgesellschaft auf Aktien) with a German limited liability company (Gesellschaft mit beschränkter Haftung) as a general partner, organized under German law, and changed the company's legal name to DWS Group GmbH & Co. KGaA. These changes became effective upon registration with the commercial register on March 3, 2018.

The domination agreement with its former sole shareholder, DB Beteiligungs-Holding GmbH, Frankfurt am Main, was terminated on March 22, 2018 with effect from March 31, 2018. There are domination and profit pooling agreements in place with the subsidiaries DWS Beteiligungs GmbH (formerly: DWS Holding & Service GmbH), Frankfurt am Main, DWS International GmbH (formerly: Deutsche Asset Management International GmbH), Frankfurt am Main, and DWS Real Estate GmbH (formerly: RREEF Management GmbH), Frankfurt am Main.

Through its majority shareholder DB Beteiligungs-Holding GmbH, Frankfurt am Main, a direct subsidiary of Deutsche Bank AG, Frankfurt am Main, DWS KGaA is part of the Deutsche Bank AG Group and included in the IFRS consolidated financial statements of Deutsche Bank AG. The consolidated financial statements of Deutsche Bank AG in accordance with IFRS can be viewed on the Investor Relations website of Deutsche Bank AG (<http://www.db.com/ir>).

DWS KGaA is the parent company of the DWS Group and as such prepares consolidated financial statements.

DWS KGaA was listed on the Frankfurt Stock Exchange on March 23, 2018. DWS KGaA's shares are admitted to trading on the regulated market segment with additional post-admission obligations (Prime Standard), which has the most stringent transparency and disclosure requirements in Germany.

Basis of Presentation

The annual financial statements of DWS KGaA for financial year 2018 have been prepared in accordance with the German Commercial Code (Handelsgesetzbuch – HGB) and the supplementary regulations of the German Stock Corporation Act (Aktengesetz – AktG).

In accordance with Section 315 (5) in conjunction with Section 298 (2) HGB, the management report of DWS KGaA and the Group management report have been summarized and published in the 2018 Annual Report.

The company is a publicly traded corporation (kapitalmarktorientierte Kapitalgesellschaft) in accordance with Section 264d HGB and is classified as a large corporation in accordance with Section 267 (3) HGB.

The balance sheet has been structured in accordance with the provisions for large corporations.

The income statement has been prepared in accordance with the nature of expense method. To the extent possible, the required "thereof" figures are presented in the balance sheet and income statement.

Accounting and Valuation Principles

The reporting currency is the euro. All figures are rounded to the nearest thousand. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Offsetting

In accordance with Section 246 (2) Sentence 1 HGB, assets are not offset against liabilities and expenses are not offset against income. An exception to this is the minority interest paid in connection with a domination and profit pooling agreement that is offset against income from profit pooling agreements.

Investments in Affiliated Companies

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

Receivables, Other Assets and Bank Balances

The receivables, other assets and bank balances reported under current assets are carried at their nominal value.

Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognized for temporary differences between the carrying amounts in the HGB financial statements of assets, liabilities, deferred income and prepaid expenses and their respective tax bases, which are expected to reverse in subsequent financial years. This includes not only the temporary differences from the company's own balance sheet items, but also the temporary differences of the consolidated tax group companies. Deferred tax assets and liabilities are measured on the basis of the combined income tax rate (currently 31.9%) of the consolidated tax group of DWS KGaA. The combined income tax rate includes corporate income tax, trade tax and the solidarity surcharge. In 2017, the HGB financial data did not contain any deferred taxes due to the provisions on size-dependent accounting simplifications for micro entities, so that deferred taxes were recognised for the first time in the 2018 financial year.

Provisions

Provisions for pensions and similar obligations are calculated in accordance with actuarial principles using the projected unit credit method. A discount rate of 3.21%, projected annual wage and salary increases of 2.20% and projected annual pension increases of 1.60% were used for measurement purposes. The 2018 G mortality tables published by Dr Klaus Heubeck were used.

As of December 31, 2018, the difference in accordance with Section 253 (6) Sentence 1 HGB amounted to € 1,477 thousand and is the amount by which the pension obligation calculated using the discount rate for pension obligations falls below the pension obligation previously calculated using the average market interest rate of the past seven financial years.

Other provisions and provisions for taxes are recognized in accordance with the principles of prudent business judgement at their settlement amount.

Liabilities

Liabilities are carried 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 line with its corporate purpose as set out in its Articles of Association, DWS KGaA acquired additional investments in affiliated companies in the financial services sector from other companies of the Deutsche Bank Group in financial year 2018. This related to DWS Investments Australia Limited, DWS USA Corporation, DWS Far Eastern Investments Limited and Deutsche Alternative Asset Management (France) SAS. Additionally, investments in affiliated companies increased due to capital injections into DWS International GmbH in the context of the carve-out and transfer of business activities from Sal. Oppenheim jr. & CIE. AG & Co. KGaA and of business activities in Austria, the Netherlands, France, Italy and Spain and WEPLA GmbH to support funding of co-investments. The disposals related primarily to the disposal of a 5% share in DWS Real Estate GmbH to Deutsche Bank AG. At balance sheet date, the book value of the affiliated companies totalled € 7,648,842 thousand (previous year: € 6,436,030 thousand). Impairment losses of € 59,360 thousand were recognized in the financial year.

The table below presents the changes in financial assets.

in Tsd €	Acquisition costs			Impairments			Book value			
	Balance at Jan 1, 2018	Additions	Disposals	Balance at Dec 31, 2018	Balance at Jan 1, 2018	Additions	Decreases	Balance at Dec 31, 2018	Balance at Dec 31, 2017	Balance at Dec 31, 2017
Financial assets:										
Investments in affiliated companies	6,436,030	1,289,720	17,548	7,708,202	0	59,360	0	59,360	7,648,842	6,436,030
Total financial assets	6,436,030	1,289,720	17,548	7,708,202	0	59,360	0	59,360	7,648,842	6,436,030

Shareholdings

The following tables show the shareholdings of DWS KGaA pursuant to Section 285 Number 11 HGB including information pursuant to Section 285 Number 11a HGB. Pursuant to Section 286 (3) Sentence 1 Number 1 HGB, DWS KGaA does not disclose own funds and annual result of individual holdings to the extent that those disclosures are insignificant for the presentation of assets and liabilities, financial position, and results of operations of DWS KGaA.

Footnotes:

- 1 Own funds and annual result of business year 2017; local GAAP figures for business year 2018 are not yet available.
- 2 Profit pooling agreement, annual result is not disclosed.

Companies where the holdings exceeds 20%

Serial No.	Name of Company	Domicile of Company	Footnote	Share of Capital in %	Own funds in € million	Result in € million
1	Asia Core Real Estate Fund SCA SICAV-RAIF	Luxembourg		24.0		
2	DB Commodity Services LLC	Wilmington		100.0	47.9	15.1
3	DB Immobilienfonds 2 GmbH & Co. KG i.L.	Frankfurt		74.0	5.0	(0.0)
4	DB Impact Investment (GP) Limited	London		100.0		
5	DB Real Estate Canadainvest 1 Inc.	Toronto		100.0		
6	DB Real Estate Global Opportunities IB (Offshore), L.P.	Camana Bay		34.3		
7	DB Vita S.A.	Luxembourg		75.0	23.3	1.1
8	DBRE Global Real Estate Management IA, Ltd.	George Town		100.0		
9	DBRE Global Real Estate Management IB, Ltd.	George Town		100.0		
10	DBRE Global Real Estate Management US IB, L.L.C.	Wilmington		100.0		
11	DBX Advisors LLC	Wilmington		100.0	(5.1)	(10.0)
12	DBX Strategic Advisors LLC	Wilmington		100.0		
13	Deutsche Alternative Asset Management (France) SAS	Paris		100.0	3.2	0.8
14	Deutsche Alternative Asset Management (UK) Limited	London		100.0	43.7	(4.0)
15	Deutsche Asset Management (Japan) Limited	Tokyo		100.0	38.6	1.0

Serial No.	Name of Company	Domicile of Company	Footnote	Share of Capital in %	Own funds in € million	Result in € million
16	Deutsche Asset Management (Korea) Company Limited	Seoul	1	100.0	15.9	2.1
17	Deutsche Asset Management S.A.	Luxembourg		100.0	485.7	197.1
18	Deutsche Capital Partners China Limited	George Town		100.0		
19	Deutsche Cayman Ltd.	George Town		100.0		
20	Deutsche Grundbesitz Beteiligungsgesellschaft mbH	Eschborn		100.0		
21	Deutsche Grundbesitz-Anlagegesellschaft mit beschränkter Haftung	Frankfurt	2	99.8		
22	Deutscher Pensionsfonds Aktiengesellschaft	Bonn	1	25.1	9.7	0.0
23	Deutsches Institut für Altersvorsorge GmbH	Frankfurt		22.0		
24	DG China Clean Tech Partners	Tianjin		49.9		
25	DI Deutsche Immobilien Treuhandgesellschaft mbH	Frankfurt	2	100.0		
26	DWS Alternatives Global Limited	London		100.0	176.7	(4.5)
27	DWS Alternatives GmbH	Frankfurt	2	100.0	16.5	0.0
28	DWS Beteiligungs GmbH	Frankfurt	2	99.1	336.4	0.0
29	DWS CH AG	Zurich		100.0	15.8	4.9
30	DWS Distributors, Inc.	Wilmington		100.0	73.6	7.3
31	DWS Far Eastern Investments Limited	Taipei		60.0	7.7	(1.3)
32	DWS Group Services UK Limited	London		100.0	54.0	8.7
33	DWS Grundbesitz GmbH	Frankfurt	2	99.9	21.7	0.0
34	DWS International GmbH	Frankfurt	2	100.0	82.3	0.0
35	DWS Investment GmbH	Frankfurt	2	100.0	193.6	0.0
36	DWS Investment Management Americas, Inc.	Wilmington		100.0	1,791.7	58.1
37	DWS Investments Australia Limited	Sydney		100.0	4.8	(0.9)
38	DWS Investments Hong Kong Limited	Hong Kong		100.0	16.0	(0.2)
39	DWS Investments Shanghai Limited	Shanghai		100.0		
40	DWS Investments Singapore Limited	Singapore		100.0	260.0	32.7
41	DWS Investments UK Limited	London		100.0	189.0	0.0
42	DWS Real Estate GmbH	Frankfurt	2	89.9	52.7	0.0
43	DWS Service Company	Wilmington		100.0	9.0	(9.3)
44	DWS Trust Company	Salem		100.0	26.1	0.9
45	DWS USA Corporation	Wilmington		100.0	1,301.7	23.1
46	Elizabethan Holdings Limited	George Town		100.0		
47	Elizabethan Management Limited	George Town		100.0		
48	European Value Added I (Alternate G.P.) LLP	London		100.0		
49	G.O. IB-US Management, L.L.C.	Wilmington		100.0		
50	Harvest Fund Management Co., Ltd.	Shanghai	1	30.0	595.4	148.6
51	Leonardo III Initial GP Limited	London		100.0		
52	P.F.A.B. Passage Frankfurter Allee Betriebsgesellschaft mbH	Berlin		22.2		
53	Private Equity Solutions SCSp	Munsbach		99.1		
54	RoPro U.S. Holding, Inc.	Wilmington		100.0	255.6	39.7
55	RREEF America L.L.C.	Wilmington		100.0	219.5	38.8
56	RREEF DCH, L.L.C.	Wilmington		100.0		
57	RREEF European Value Added I (G.P.) Limited	London		100.0		
58	RREEF Fund Holding Co.	George Town		100.0	20.3	3.3
59	RREEF Management L.L.C.	Wilmington		100.0	196.5	10.2
60	Tianjin Deutsche AM Fund Management Co., Ltd.	Tianjin		100.0		
61	Treinvest Service GmbH	Frankfurt		100.0		
62	WEPLA Beteiligungsgesellschaft mbH	Frankfurt		100.0	138.8	7.6
63	Whale Holdings S.à r.l.	Luxembourg		100.0	1.5	1.4

Receivables from Affiliated Companies

Receivables from affiliated companies primarily include receivables from profit pooling agreements for financial year 2018 amounting to € 339,879 thousand from DWS Beteiligungs GmbH (previous year: € 0 thousand), € 23,221 thousand from DWS Real Estate GmbH (previous year: € 29,000 thousand), and € 5,461 thousand from DWS International GmbH (previous year: € 4,617 thousand), as well as a subordinated loan granted to DWS USA Corporation.

Bank Balances

Bank balances are due on demand and are held with both, affiliated companies and external credit institutions.

Deferred Tax Assets

In the financial year, deferred tax assets amounted to € 27,722 thousand. These relate primarily to temporary differences at the consolidated tax group companies resulting from temporary accounting differences in connection with employee-related obligations. In 2017, the HGB financial data did not contain any deferred taxes due to the provisions on size-dependent accounting simplifications for micro entities, so that deferred taxes were recognised for the first time in the 2018 financial year.

Excess of Plan Assets over Pension Liabilities

The reported amount of € 1,345 thousand (previous year: € 0 thousand) includes the balance from offsetting long-term pension obligations against the allocated plan assets of € 9,156 thousand (previous year: € 0 thousand). Obligations amounting to € 7,811 thousand (previous year: € 0 thousand) are offset by the relevant assets measured at fair value amounting to € 9,156 thousand (previous year: € 0 thousand). The acquisition cost of plan assets amounted to € 9,156 thousand (previous year: € 0 thousand); the fair value as at balance sheet date resulted in an added value of € 0 thousand (previous year: € 0 thousand).

Pensions and Similar Obligations

As of December 31, 2018, pensions and similar obligations calculated using the projected unit credit method amounted to € 7,811 thousand (previous year: € 0 thousand).

As of balance sheet date, the fair value of the plan assets amounts to € 9,156 thousand (previous year: € 0 thousand). Offsetting the plan assets with the pension provision in accordance with the requirements of the German Accounting Law Modernization Act (Bilanzrechtsmodernisierungsgesetz – BilMoG) gives rise to an excess of plan assets over pension liabilities that is reported as an asset in the balance sheet.

The plan assets comprise various pension funds established by a subsidiary. They are measured at fair value and amount to € 9,156 thousand (previous year: € 0 thousand).

Provisions for Taxes

Provisions for taxes amount to € 1,821 thousand (previous year: € 9,667 thousand).

Other Provisions

Other provisions mainly include short-term provisions in connection with the management obligation by DWS Management GmbH amounting to € 23,901 thousand (previous year: € 0 thousand).

Liabilities to Affiliated Companies

Liabilities to affiliated companies primarily comprise short-term borrowings from subsidiaries.

Capital and Reserves

As of December 31, 2018 capital and reserves amount to € 7,983,145 thousand (previous year: € 6,500,453 thousand) and consist of subscribed capital (€ 200,000 thousand; previous year: € 200,000 thousand), the capital reserve (€ 7,457,536 thousand; previous year: € 6,277,907 thousand); the statutory reserve (€ 20,000 thousand; previous year: € 10,000 thousand; allocation of € 10,000 thousand from the prior-year distributable profit in accordance with Section 152 (3) Number 1 AktG), and the distributable profit (€ 305,609 thousand; previous year: € 12,546 thousand). Of the capital reserve, € 4,346,969 thousand (previous year: € 4,346,969 thousand) is attributable to capital reserves in accordance with Section 272 (2) Number 1 HGB and € 3,110,567 thousand (previous year: € 1,930,938 thousand) is attributable to capital reserves in accordance with Section 272 (2) Number 4 HGB.

DB Beteiligungs-Holding GmbH, a wholly owned subsidiary of Deutsche Bank AG, holds 79.49% of the shares in DWS KGaA.

Foreign Currency denominated Assets and Liabilities

As of balance sheet date, investments in affiliated companies denominated in foreign currency amounted to € 2,323,284 thousand (previous year: € 1,186,222 thousand). There are no liabilities denominated in foreign currency.

Forward Transactions

As of balance sheet date, there were no outstanding forward transactions that had been used to hedge assets or liabilities. The company envisage to use currency hedging transactions for certain financial assets going forward.

Notes to the Income Statement

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

Service Revenues

Service revenues stem from services that service and infrastructure areas have performed for subsidiaries in financial year 2018, of which € 1,315 thousand are attributable to Germany, € 841 thousand are attributable to the rest of Europe, € 811 thousand are attributable to Americas and € 175 thousand are attributable to Asia/Pacific.

Other Operating Income

Other operating income primarily includes income from the adjustment of income from profit pooling agreements.

Staff Expenses

Compulsory social security contributions and expenses for pensions and other employee benefits include income from pension expenses of € 906 thousand, mainly resulting from the transfer of pension plans for employees who transferred from other companies of DWS Group to the company.

Other Operating Expenses

Other operating expenses mainly include other administrative expenses (€ 52,748 thousand; previous year: € 906 thousand), mainly Deutsche Bank Group charges and charges from DWS Management GmbH.

Income from Participating Interests

Income from participating interests primarily includes dividends from DWS Alternatives Global Limited (€ 60,192 thousand), from Deutsche Alternative Asset Management (UK) Limited (€ 50,321 thousand), and from DWS Investments Singapore Limited (€ 22,527 thousand).

Income from Profit Pooling Agreements

Income from profit pooling agreements includes the income transferred from DWS Beteiligungs GmbH of € 336,239 thousand (previous year: € 0 thousand), DWS Real Estate GmbH of € 21,198 thousand (previous year: € 29,000 thousand), and DWS International GmbH of € 5,461 thousand (previous year: € 4,617 thousand). Compensation payments to minority interest shareholders of DWS Real Estate GmbH amounting to € 2,023 thousand (previous year: € 170 thousand) and DWS Beteiligungs GmbH amounting to € 3,640 thousand (previous year: € 0 thousand) have been deducted.

Other Interest and Similar Income

Other interest and similar income includes negative interest from current accounts amounting to € 1.030 thousand.

Impairment on Financial Assets

Impairments on financial assets relate to the investment in Deutsche Alternative Asset Management (UK) Limited amounting to € 36,660 thousand and the investment in Deutsche Asset Management (Japan) Limited amounting to € 22,700 thousand.

Interest and Similar Expenses

Interest and similar expenses mainly include commitment fees for a credit facility as well as positive interest expenses from borrowings from subsidiaries amounting to € 326 thousand.

Income Taxes

Income tax expense of € 81,527 thousand consists of € 109,249 thousand current tax expense less deferred tax benefit of € 27,722 thousand due to first-time adoption of HGB provisions for deferred taxes in 2018.

Information regarding amounts blocked according to Sections 253 (6) and 268 (8) HGB

An amount of € 27,722 thousand relating to deferred tax assets is blocked for distribution. The difference in accordance with Section 253 (6) HGB amounts to € 1,477 thousand. At DWS KGaA, the freely distributable reserves after distribution of profit plus the distributable profit is at least equivalent to the total of the amounts to be considered.

Other Information

Capital Structure

Subscribed Capital

The company's share capital consists of common shares issued in registered form without par value. As of December 31, 2018 the share capital of the company amounts to € 200 million and is divided into up to 200,000,000 ordinary bearer shares. Under German law, each share represents an equal stake in the subscribed capital. Therefore, each share has a nominal value of € 1.00, derived by dividing the total amount of share capital by the number of shares. There are no issued ordinary shares that have not been fully paid.

Authorized Capital

On March 7, 2018 an extraordinary shareholders' meeting approved the creation of a new authorized capital in the amount of up to € 100 million.

Authorized capital	General Description	Expiration date
€ 40,000,000	Authorized Capital 2018 / I	January 31, 2023
€ 60,000,000	Authorized Capital 2018 / II	January 31, 2023

The General Partner is authorized to increase the share capital of the company on or before January 31, 2023 once repeatedly, by up to a total of € 40 million – through the issuance of new shares against cash payment or contribution in kind ("Authorized Capital 2018/I"). Shareholders are to be granted pre-emptive rights. However, the General Partner is authorized to exclude fractional amounts from the shareholders' subscription right. The General Partner is also authorized to exclude rights if the capital increase against contribution in kind is carried out in order to acquire companies or shareholdings in companies and – limited to a portion in a nominal amount of up to € 20 million – to exclude the pre-emptive rights in full if the issue price of the new shares is not significantly lower than the quoted price of the shares already listed at the time of the final determination of the issue price and the shares issued in accordance with Section 186 (3) sentence 4 Stock Corporation Act do not exceed in total 10% of the share capital at the time the authorization becomes effective – or if the value is lower – at the time the authorization is utilized. Shares that are issued or sold during the validity of this authorization with the exclusion of pre-emptive rights, in direct or analogues application of Section 186 (3) sentence 4 Stock Corporation Act (AktG), are to be included in the maximum limit of 10% of the share capital. General Partner resolutions to utilize the Authorized Capital 2018/I and to exclude pre-emptive rights require the approval of the Supervisory Board. The new shares may also be taken up by banks specified by the General Partner with the obligation to offer them to shareholders (indirect pre-emptive right).

Pursuant to Section 4 para. 5 of the Articles of Association, the General Partner is authorized to increase the share capital of the company on or before January 31, 2023 once or repeatedly, by up to a total of € 60 million through the issuance of new shares against cash payment ("Authorized Capital 2018/II"). Shareholders are to be granted pre-emptive rights, but the General Partner is authorized to except broken amounts from shareholders' pre-emptive rights. General Partner resolutions to utilize the Authorized Capital 2018/II and to exclude pre-emptive rights require the Supervisory Board's approval. The new shares may also be taken up by certain banks specified by the General Partner with the obligation to offer them to the shareholders (indirect pre-emptive right).

The authorized capital has not been utilized so far.

Information pursuant to Section 160 (1) Number 8 AktG

As of December 31, 2018 we were aware of the following shareholders who reported a share of at least 3% in the voting rights each pursuant to Section 33 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

As per April 20, 2018, DB Beteiligungs-Holding GmbH held 158,981,872 units or a 79.49% share in DWS KGaA. We are not aware of any changes in this ownership as per December 31, 2018. DB Beteiligungs-Holding GmbH is a wholly-owned subsidiary of Deutsche Bank AG.

Nippon Life Insurance Company has notified us that as of March 22, 2018 it held 5% of our shares. We are not aware of any changes in this ownership as per December 31, 2018.

Employees

In financial year 2018, the average number of staff employed in 2018 was 41 non-tariff employees (previous year: 0) and 5 tariff employees (previous year: 0).

Additional services provided by the auditor of the financial statements

In addition to the audit of the consolidated financial statements of DWS KGaA and various financial statement audits of its subsidiaries, certain audit-related and tax consulting services were provided by the auditors of DWS KGaA, KPMG AG Wirtschaftsprüfungsgesellschaft, Germany.

The audit-related services included other assurance services required by law or regulation. In particular, this related to the review of interim financial statements. In addition, voluntary confirmation services were performed. These included, in particular, voluntary audits for internal management purposes.

Tax consulting services consisted of support services in connection with the preparation and review of tax returns and consulting services for assessing and complying with tax regulations.

Principle Accountant Fees

For information regarding the principle accountant fees please refer to the notes of DWS KGaA's Consolidated Financial Statements.

Executive Board and Supervisory Board Remuneration

The total compensation of the Executive Board (in accordance with the German Accounting Standard No. 17) was € 13,886,618 for the year ended December 31, 2018, thereof € 3,747,303 for equity-based components.

The members of the Supervisory Board receive fixed annual compensation according to the provisions of the Articles of Association. The annual base compensation amounts to € 85,000 for each Supervisory Board member. The Supervisory Board Chairman receives twice that amount and the Deputy Chairperson one and a half times that amount. Members and chairs of the committees of the Supervisory Board are paid additional fixed annual compensation. The compensation determined is disbursed to each Supervisory Board member within the first three month of the following year. In case of a change in Supervisory Board membership during the year, compensation for the financial year will be paid on a pro rata basis, rounded up/down to full months. The members of the Supervisory Board received for the financial year 2018 a total remuneration of € 522,292 (excluding value added tax), which will be paid out in the first quarter of 2019. Deutsche Bank Group shareholder representatives and one independent shareholder representative on the Supervisory Board have waived their Supervisory Board Compensation for the financial year 2018 in line with applicable policies and procedures.

Proposed Appropriation of Profit

The Executive Board and Supervisory Board will propose to the Annual General Meeting to distribute an amount of € 274,000 thousand (equivalent to € 1.37 per share) from the distributable profit of € 305,609 thousand as a dividend and to carry forward the remaining € 31,609 thousand.

Corporate Bodies

Managing Directors of the General Partner (collectively referred to as the Executive Board)

In the year 2018 the following members belonged to the Executive Board:

Dr Asoka Woehrmann, * 1965

Chief Executive Officer (since October 25, 2018)

Pierre Cherki, * 1966

Co-Head Investment Group (since March 1, 2018)

Mark Cullen, * 1955

Chief Operating Officer (since December 1, 2018)

Jonathan Eilbeck, * 1967

Chief Operating Officer (March 1, 2018 – November 30, 2018)

Dirk Goergen, * 1981

Co-Head Global Coverage Group (since December 1, 2018)

Robert Kendall, * 1974

Co-Head Global Coverage Group (since March 1, 2018)

Stefan Kreuzkamp, * 1966

Chief Investment Officer and Co-Head Investment Group (since March 1, 2018)

Thorsten Michalik, * 1972

Co-Head Global Coverage Group (March 1, 2018 – November 30, 2018)

Nicolas Moreau, * 1965

Chief Executive Officer (March 1, 2018 – October 25, 2018)

Claire Peel, * 1974

Chief Financial Officer (since March 1, 2018)

Nikolaus von Tippelskirch, * 1971

Chief Control Officer (since March 1, 2018)

The following table shows the members of the Executive Board in 2018. The table includes their year of birth, the date on which they were appointed, the date of their departure or the year their appointment is scheduled to end, their position on the Executive Board and supervisory board positions as well as directorships at other companies.

Name	Year of birth	First appointment	Appointment until	Position	Supervisory board positions and others
Dr Asoka Woehrmann	1965	Oct 25, 2018	2021	Chief Executive Officer (CEO)	Chairman of the Supervisory Board of DWS Investment GmbH (member since December 13, 2018, elected Chairman since December 19, 2018); Chairman of the Supervisory Board of norisbank GmbH (until December 31, 2018); Member of the Supervisory Board of SCHUFA Holding AG (until December 31, 2018)
Claire Peel ¹	1974	Mar 1, 2018	2021	Chief Financial Officer (CFO)	Member of the Supervisory Board of DWS Investment GmbH; Member of the Supervisory Board of DWS Investment S.A., Luxembourg
Mark Cullen	1955	Dec 1, 2018	2021	Chief Operating Officer (COO)	none
Nikolaus von Tippelskirch ¹	1971	Mar 1, 2018	2021	Chief Control Officer (CCO)	Non-executive member of the Board of Directors of DWS USA Corporation; Member of the Supervisory Board of DWS Investment S.A., Luxembourg; Member of the Management Board and Chief Executive Officer of Deutsche Bank Europe GmbH (until April 30, 2018); Member of the Board of Directors of Deutsche Bank Suisse S.A. (until September 19, 2018)
Stefan Kreuzkamp ¹	1966	Mar 1, 2018	2021	Chief Investment Officer (CIO) and Co-Head, Investment Group	Member of the Management Board of DWS Investment GmbH; Member of the Management Board of DWS Beteiligungs GmbH; Member of the Supervisory Board of DWS Investment S.A., Luxembourg
Pierre Cherki ¹	1966	Mar 1, 2018	2021	Co-Head, Investment Group	Member of the Board of Directors of DWS USA Corporation; Manager of RREEF America LLC; Manager of RREEF Management LLC; Manager of RREEF Fund Holding Co.; Chairman of the Supervisory Board of DWS Grundbesitz GmbH; Chairman of the Supervisory Board of DWS Alternatives GmbH; Non-Executive Member of the Board of Directors of Greenwood Properties Corp.
Robert Kendall ¹	1974	Mar 1, 2018	2021	Co-Head, Global Coverage Group	Member of the Board of Directors and Chief Executive Officer of DWS USA Corporation
Dirk Goergen	1981	Dec 1, 2018	2021	Co-Head, Global Coverage Group	Member of the Management Board of DWS Investment GmbH (since December 1, 2018); Member of the Board of Directors of DWS Beteiligungs GmbH (since December 18, 2018); Chairman of the Supervisory Board of DB Direkt GmbH
Nicolas Moreau ¹	1965	Mar 1, 2018	Oct 25, 2018	Chief Executive Officer (CEO)	Member of the Management Board of Deutsche Bank AG (until December 31, 2018); Chairman of the Supervisory Board of DWS Investment GmbH (until October 25, 2018)
Jonathan Eilbeck ¹	1967	Mar 1, 2018	Nov 30, 2018	Chief Operating Officer (COO)	Member of the Management Board of Harvest Fund Management Co. Limited, China (until November 29, 2018)
Thorsten Michalik ¹	1972	Mar 1, 2018	Nov 30, 2018	Co-Head, Global Coverage Group	none

¹ Appointed as Managing Director of the General Partner on March 1, 2018, responsible for the management of DWS KGaA since its conversion on March 3, 2018.

Supervisory Board

In the year 2018 the following members belonged to the Supervisory Board. In addition, the place of residence of the members of the Supervisory Board is specified.

Karl von Rohr

- Chairman of the Supervisory Board
since March 3, 2018
Frankfurt am Main

Ute Wolf

- Deputy Chairperson of the Supervisory Board
since March 22, 2018
Düsseldorf

Stephan Accorsini *

since May 29, 2018
Frankfurt am Main

Aldo Cardoso

since March 22, 2018
London

Guido Fuhrmann

from March 3, 2018 until March 22, 2018
Frankfurt am Main

Philipp Gossow

from March 3, 2018 until July 17, 2018
Frankfurt am Main

Sylvie Matherat

since March 3, 2018
Frankfurt am Main

Angela Meurer *

since May 29, 2018
Frankfurt am Main

Richard I. Morris, Jr.

since October 18, 2018
London

Dr Mathias Otto

from March 3, 2018 until March 22, 2018
Sulzbach

Hiroshi Ozeki

since March 22, 2018
New York

Dr Dirk Reiche

from March 3, 2018 until March 22, 2018
Hamburg

Erwin Stengele *

since May 29, 2018
Oberursel

Margret Suckale

since March 22, 2018
Hamburg

Dr Michael Welker

from March 3, 2018 until March 22, 2018
Königstein im Taunus

Dr Asoka Woehrmann

from March 3, 2018 until October 25, 2018
Königstein im Taunus

Said Zanjani *

since May 29, 2018
Langgöns

* Employee representative

The following table shows the members of the Supervisory Board through 2018, their year of birth, the date on which they were first elected or appointed, the date on which they departed or the year in which their term is scheduled to end, their position on the Supervisory Board, their principal occupation and supervisory board positions as well as directorships at other companies.

Name	Year of birth	Appointed		Position on the Supervisory Board	Principal occupation ⁵	Other supervisory board positions and directorships ⁵
		From	Until			
Karl von Rohr	1965	2018	2023	Chairman and shareholder representative	Deputy Chairman of the Management Board of Deutsche Bank AG and Chief Administrative Officer	Deputy Chairman of the Management Board of Deutsche Bank AG; Member of the Supervisory Board of BVV Versicherungsverein des Bankgewerbes a.G. (until July 2018); Member of the Supervisory Board of BVV Versorgungskasse des Bankgewerbes e.V. (until July 2018); Member of the Supervisory Board of Postbank AG (until May 2018)
Ute Wolf	1968	2018	2023	Deputy Chairperson and shareholder representative	Chief Financial Officer of Evonik Industries AG	Member of the Management Board of Evonik Industries AG; Member of the Supervisory Board of Evonik Nutrition & Care GmbH; Member of the Supervisory Board of Evonik Performance Materials GmbH; Member of the Supervisory Board of Evonik Resource Efficiency GmbH; Member of the Supervisory Board of Klöckner & Co. SE; Member of the Supervisory Board of Pensionskasse Degussa VVaG
Stephan Accorsini	1969	2018		Employee representative appointed by court ³	First Deputy Chairman of the Workers' Council of DWS Investment Group	None
Aldo Cardoso	1956	2018	2023	Shareholder representative	Chairman of the Board of Bureau Veritas	Chairman of the Board of Bureau Veritas; Director of Engie; Director of Imerys; Director of Worldline
Sylvie Matherat	1962	2018	2023	Shareholder representative	Member of the Management Board of Deutsche Bank AG and Chief Regulatory Officer	Member of the Management Board of Deutsche Bank AG; Member of the Board of Directors of DB USA Corporation
Angela Meurer	1962	2018		Employee representative appointed by court ³	Chairwoman of the representative body for disabled employees of Deutsche Bank AG	None
Richard I. Morris, Jr.	1949	2018	2019	Shareholder representative, appointed by court ⁶	Director and advisor of companies including Jupiter Fund Management plc., Merian Global Investors, Söderberg & Partners AB	Non-Executive Director of Merian Global Investors; Non-Executive Director of Söderberg & Partners AB
Hiroshi Ozeki	1964	2018	2023	Shareholder representative	Managing Executive Officer, Regional CEO for the Americas and Europe, Adviser (Global Business Planning Department and Global Insurance Business Department) of Nippon Life Insurance Company	Managing Executive Officer of Nippon Life Insurance Company; Director of Nippon Life Schroders Asset Management Europe Limited; Director of Nippon Life Insurance Company of America; Director of Nippon Life Global Investors Americas, Inc.; Non-Executive Director of Nippon Life Global Investors Europe Plc
Erwin Stengele	1969	2018		Employee representative appointed by court ³	Second Deputy Chairman of the Workers' Council of DWS Investment Group	None
Margret Suckale	1956	2018	2023	Shareholder representative	Former member of the Management Board of BASF SE	Member of the Supervisory Board of Deutsche Telekom AG; Member of the Supervisory Board of HeidelbergCement AG
Said Zanjani	1958	2018		Employee representative appointed by court ³	Chairman of the Workers' Council of DWS Investment Group	None

Name	Year of birth	Appointed		Position on the Supervisory Board	Principal occupation ⁵	Other supervisory board positions and directorships ⁵
		From	Until			
Former members:						
Dr Asoka Woehrmann ⁴	1965	2018	Oct 25, 2018	Shareholder representative	Head of the Private Client Business in Germany of the Private & Commercial Bank of Deutsche Bank Group	Chairman of the Supervisory Board of norisbank GmbH (until December 2018); Member of the Supervisory Board of SCHUFA Holding AG (until December 2018)
Philipp Gossow ¹	1974	2018	Jul 17, 2018	Shareholder representative	Head of Private & Commercial Clients International of Deutsche Bank Group	Non-Executive Member of the Board of Directors of Deutsche Bank S.A.E.; Member of the Supervisory Board of Deutsche Bank Polska S.A.
Dr Michael Welker ²	1967	2018	Mar 22, 2018	Shareholder representative	Deputy Head of Global Governance of Deutsche Bank Group	None
Guido Fuhrmann ²	1963	2018	Mar 22, 2018	Shareholder representative	Head of Human Resources, Germany of Deutsche Bank Group	None
Dr Mathias Otto ²	1963	2018	Mar 22, 2018	Shareholder representative	Co-Deputy General Counsel Germany of Deutsche Bank Group	None
Dr Dirk Reiche ²	1970	2018	Mar 22, 2018	Shareholder representative	Co-Head of Group Management Consulting of Deutsche Bank Group	None

¹ Temporary Supervisory Board member replaced by an independent Supervisory Board member.

² Interim Supervisory Board member replaced by an independent Supervisory Board member.

³ Appointed by the court until the end of the next elections of employee representatives to the Supervisory Board in accordance with the German One Third Participation Act (Drittelbeteiligungsgesetz)

⁴ Shareholder representative until October 25, 2018.

⁵ For Supervisory Board members departed in 2018, information is based on the date of election or appointment, for all other members on the Supervisory Board information is as at December 31, 2018.

⁶ Appointed by the court until the end of the next ordinary General Meeting.

Standing Committees of the Supervisory Board

Audit and Risk Committee

Ute Wolf
- Chairperson

Stephan Accorsini *

Aldo Cardoso

Sylvie Matherat

Nomination Committee

Karl von Rohr
- Chairperson

Richard I. Morris, Jr.

Margret Suckale

Said Zanjani *

Remuneration Committee

Margret Suckale
- Chairperson

Aldo Cardoso

Erwin Stengele *

* Employee representative

Joint Committee of DWS

Karl von Rohr
since May 7, 2018

James von Moltke
since May 7, 2018

Ute Wolf
since April 23, 2018

Hiroshi Ozeki
since April 23, 2018

Frankfurt am Main, March 15, 2019

DWS Group GmbH & Co. KGaA



Dr Asoka Woehrmann



Claire Peel



Mark Cullen



Nikolaus von Tippelskirch



Stefan Kreuzkamp



Pierre Cherki



Robert Kendall



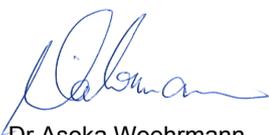
Dirk Goergen

Confirmations

Responsibility Statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements of DWS Group GmbH & Co. KGaA give a true and fair view of the assets, liabilities, financial position and profit or loss of DWS Group GmbH & Co. KGaA, and the summarized management report includes a fair review of the development and performance of the business and the position of DWS Group GmbH & Co. KGaA and the Group, together with a description of the principal opportunities and risks associated with the expected development of DWS Group GmbH & Co. KGaA and the Group.

Frankfurt am Main, March 15, 2019



Dr Asoka Woehrmann



Claire Peel



Mark Cullen



Nikolaus von Tippelskirch



Stefan Kreuzkamp



Pierre Cherki



Robert Kendall



Dirk Goergen

Independent Auditor's Report

Note: This is a translation of the German original. Solely the original text in German language is authoritative.



Independent Auditor's Report

To the DWS Group GmbH & Co. KGaA, Frankfurt am Main

Report on the audit of the annual financial statements and the summarized management report

Opinions

We have audited the annual financial statements of DWS Group GmbH & Co. KGaA (until March 2, 2018: DWS Group SE) (Company), Frankfurt am Main, which comprise the balance sheet as of December 31, 2018 and the income statement for the fiscal year from January 1, 2018 to December 31, 2018, and the notes to the financial statements, including a description of the accounting policies used. In addition, we have audited the summarized management report of the DWS Group GmbH & Co. KGaA for the fiscal year from January 1, 2018 to December 31, 2018.

In our opinion, on the basis of knowledge obtained in the audit,

- the accompanying annual financial statements comply in all material respects with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities, and financial position of the Company as of December 31, 2018 and of its financial performance for the financial year from January 1, 2018 to December 31, 2018 in compliance with German Legally Required Accounting Principles, and
- the accompanying summarized management report as a whole provides an appropriate view of the Company's position. In all material respects, this summarized management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and the summarized management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the „Auditor's Responsibilities for the Audit of the Annual Financial statements and the Summarized Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and the

summarized management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1, 2018 to December 31, 2018. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Valuation of Investments in Affiliated Companies

With regard to applied accounting and valuation principles, we refer to the notes. Disclosures on the business development can be found in the summarized management report in the section entitled "Supplementary Information on DWS Group GmbH & Co. KGaA according to German Commercial Code (HGB)".

THE FINANCIAL STATEMENT RISK

As at December 31, 2018 investments in affiliated companies amounting to EUR 7,649 million are reported under financial assets – investments in affiliated companies in the annual financial statements. The share of financial assets of total assets amounts to 90% and therefore has a significant influence on the Company's net assets.

Investments in affiliated companies are carried at acquisition cost or, in the case of a permanent impairment, at the lower fair value. The Company determines the fair value using the discounted cash flow method with the involvement of experts for those investments in affiliated companies for which there are impairment indications.

The cash flows used for the discounted cash flow method are based on investment-individual plans for the next two to five years, which are extrapolated using assumptions about long-term growth rates. The respective capitalization interest rate is derived from the return on a risk-adequate alternative investment. If the fair value is lower than the carrying amount, qualitative and quantitative criteria are used to determine whether the impairment is considered to be permanent.

The impairment test, including the calculation of the fair value using the discounted cash flow method, is complex and depends to a large extent on the Company's judgments with regard to the assumptions made. This applies, among other things, to the assessment of indications of impairment, the estimation of future cash flows and long-term growth rates, the determination of capitalization interest rates and the judgment of whether there is a permanent impairment loss.

In the last two years, the business outlook has deteriorated due to the increased intensity of competition. Against this backdrop, the Company recognized impairment losses of EUR 59 million on financial assets in the fiscal year 2018. There is a risk for the financial statements that the financial assets may not be recoverable.

OUR AUDIT APPROACH

Firstly, we have gained an understanding of the Company's process for assessing the value of the financial assets held by the Company by means of an explanation of investment controlling and an appraisal of the documentation. We examined the Company's approach to determining impairment and assessed, on the basis of the information obtained from our audit, whether there were any indications of impairment not identified by the Company. In doing so, we also included the information that DWS Group GmbH & Co. KGaA regularly collects from its portfolio companies in order to assess potential impairment triggers.

Subsequently, with the involvement of our valuation specialists, we assessed the appropriateness of the key assumptions and the valuation model for the company valuations carried out by the Company or by an independent expert commissioned by the Company. To this end, we discussed the expected cash flows as well as the assumed long-term growth rates with those responsible for planning. In addition, we coordinated with other internally available forecasts, e.g. the budget prepared by the Executive Board and approved by the Supervisory Board. In addition, we assessed the consistency of the assumptions with external market assessments. We verified the long-term growth rate using forecasts on inflation and real GDP growth from the Economist Intelligence Unit and the International Monetary Fund.

In addition, we have convinced ourselves of the quality of the Company's forecasts to date by comparing plans from previous financial years with the results actually achieved and analysing deviations.

We have compared the assumptions and parameters underlying the capitalisation rate, in particular the risk-free interest rate, the market risk premium and the beta factor, with our own assumptions and publicly available data. In order to take account of the existing forecast uncertainty, we have also examined possible changes in the capitalization rate, the expected cash flows or the long-term growth rate for fair value (sensitivity analysis) by calculating alternative scenarios and comparing them with the Company's valuation results. In order to ensure the arithmetical correctness of the valuation model used, we have reconstructed the Company's calculations on the basis of risk-oriented selected elements.

OUR OBSERVATIONS

The procedure underlying the impairment test of investments in affiliated companies is appropriate and consistent with the valuation principles. The Company's assumptions, estimates and parameters are appropriate.

Other Information

The Executive Board is responsible for the other information. The other information comprises the remaining parts of the annual report, with the exception of the audited consolidated financial statements and the combined management report and our auditor's report.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, we have the responsibility to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibility of the Executive Board and the Supervisory Board for the Annual Financial Statements and the Summarized Management Report

The Executive Board is responsible for the preparation of the annual financial statements that comply, in all material aspects with the requirements of German commercial law, and the annual financial statements give a true and fair view of the net assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the Executive Board is responsible for such internal control as they have determined to be necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern. They have also the responsibility for disclosing, as applicable, matters related to the going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the Executive Board is responsible for the preparation of the summarized management report, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the Executive Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a summarized management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the summarized management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and the summarized management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Summarized Management Report

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the summarized management report as a whole provides a suitable view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and the summarized management report.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this summarized management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the summarized management report, whether due to fraud or error, design and per-form audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the summarized management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the Executive Board and the reasonableness of estimates made by the Executive Board and related disclosures.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the summarized management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the summarized management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the Executive Board in the summarized management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the annual financial statements by the Annual General Meeting on 20 February 2018 and subsequently appointed orally by the Supervisory Board. The audit engagement was documented in a letter dated November 9, 2018. We have audited DWS Group GmbH & Co. KGaA as a capital market-oriented company since its IPO in financial year 2018.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

The services we have provided in addition to the audit of financial statements are listed in the section "Additional services rendered by the auditor" of the notes to the financial statements.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Ulrich Kuppler.

Frankfurt am Main, March 15, 2019

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

gez. Kuppler
Wirtschaftsprüfer
[German Public Auditor]

gez. Lehmann
Wirtschaftsprüfer
[German Public Auditor]



Imprint

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Cautionary statement regarding forward-looking statements

This report contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of DWS. 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.

By their very nature, forward-looking statements involve 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 revenues and in which we hold a substantial portion of our assets, the development of asset prices and market volatility, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and methods, and other risks as described in this report.

