



2008 Summary Consolidated and Company Financial Statements

of Deutsche Bank International Limited

A Passion to Perform.

Deutsche Bank



Financial Performance

Deutsche Bank International Limited enjoyed a good 2008 performance, in a difficult trading environment, with Pre Tax profits of GBP 33.1m, slightly down GBP 0.4m (1%) on a very strong prior year result.

The Jersey Banking business maintained its strong 2007 performance and, in particular as a net liquidity provider, our Treasury division was able to take advantage of the market conditions arising from the credit crisis.

The Corporate Services division, based in Jersey and Mauritius had a very good year with profit growth of GBP3.1m (100%).

Stock Lending activities were terminated from 30 Sep 2008. Profits for period of GBP0.5m were down GBP5.1m on the previous year result.

Profit after tax for the year was GBP26.8m, down GBP0.8m (2%) on 2007 which represented a Cost Income Ratio after tax of 54% (2007 52%) and a return on equity of 11.7% (2007 13.5%).

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.

We work closely with our clients, to develop a comprehensive, integrated wealth management strategy, allowing them to balance seemingly competing issues such as risk and return, short-term cash-flow 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 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.

We are principally concerned with the establishment and ongoing administration of capital markets special purpose entities, off-balance sheet holding, financing and employment benefits-related subsidiaries and customised investment and fund structures.

An important part of the service is the provision of directors and other officers together with book-keeping, reporting, accounting and accompanying administration services.

25 Years in the Cayman Islands

In 2008, Deutsche Bank in Cayman celebrated its twenty-fifth year of operation and earned the accolade Best Private Bank in the Cayman Islands in the prestigious Euromoney Private Banking Survey 2008.

It was particularly rewarding that our Jersey, Guernsey and Mauritius operations were also recognised by Euromoney as the Best Private Bank in their respective locations.



Corporate Social Responsibility - A Passion to Perform

We are committed to working on behalf of the communities in which we live and work with the same passion with which we endeavour to achieve only the best on behalf of our clients.

COMMUNITY DEVELOPMENT

Commitment does not equal money

Mauritius Handisports

A number of colleagues were actively involved in "Mauritius Handisports" assisting with the



organisation of and supporting participants in a sports day for those with physical and learning difficulties.

Deutsche Bank Mauritius 100km Cycle Tour

The 2008 tour attracted over 1,100 participants from Mauritius, Zimbabwe, South Africa, Dubai and further afield. Thirty-five colleagues took part and following regular training sessions with cycle rides before work this was a real team effort. Using their global network of contacts, the DB cyclists collectively raised over R's 700,000 (£14,000 apx) for the benefit of local charities.

Sunrise Adult Learning Centre

In Cayman we wished to share the success of our business and celebrate our 25th Anniversary with our local community and purchased a minibus for the Sunrise Adult Training Centre.



This organisation currently provides opportunities for 47 Adults with Disabilities to learn the skills required to become responsible, productive and fully functional members of the community.

EDUCATION

Means more than learning facts. We initiate and support projects that make learning fun and open children and teens up to new cultural experiences. Furthermore, we also support initiatives to prepare young adults for their future careers.

Summer Internship programme

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 the Bank.

Literacy for Success

Colleagues in Cayman supported the Rotary Club's Literacy for Success programme, not just financially through the provision



of reading materials to schools and the local library, but also by actively visiting local schools and taking part in their reading programmes.

THE ARTS

The integration of the arts into school curriculum exposes children to new cultural experiences and challenges their creativity. In music this also means that we support projects that foster the audiences and musicians of tomorrow.

We supported the Guernsey Choral Workshop's performance of Rossini's "Petite Messe Solinelle". Each January singers from across the Bailiwick of Guernsey, Alderney and Sark have the opportunity to participate in a musical experience culminating

in a concert supported by professional soloists and led by an exceptional musical director.

In 2008, the Deutsche Bank sponsored Jersey Eisteddfod celebrated its Centenary with a range of commemorative activities in addition to the two Festivals of Performing and Creative Arts.

The Bank also continued its support of the Jersey Symphony



Orchestra when around 100 invited guests joined the 7000 capacity audience at a Christmas concert.

Youth Development

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.

As part of the Deutsche Bank Junior Table Tennis Development programme, the GTTA hosted the 2008 Eurokids Camp. This highly



prestigious event brought 30 of Europe's best under-13 age group table tennis players to Guernsey to join local players in a week of intensive training and international competition.

In Jersey we continue to support Rugby, Hockey and Netball development programmes and it is gratifying to note that graduates of these programmes have gone on to represent their country on the international stage.

SUMMARY DIRECTOR'S REPORT

Directors

A Brady	<i>Executive (Appointed 24 September 2008)</i>
E M Fletcher	<i>Executive</i>
M A Hirst	<i>Executive</i>
K W Johnson	<i>Executive (Appointed 15 December 2008)</i>
I W Jones	<i>Executive (Resigned 16 July 2008)</i>
K Kenchington	<i>Executive (Resigned 15 February 2008)</i>
S C Manti	<i>Executive</i>
P E Shevlin	<i>Executive</i>
R B Singleton	<i>Executive</i>
A J Tautscher	<i>Executive</i>
J Wallace	<i>Executive</i>

Secretary

D G Carter

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: 18 March 2009

CORPORATE OWNERSHIP

Deutsche Bank International Limited is a wholly owned subsidiary of Deutsche International Holdings B.V. which is incorporated in the Netherlands.

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.

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 1999/6 'The auditor's statement on the summary financial statement' issued by the UK 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 2008 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

30 March 2009

Summary Consolidated and Company Profit and Loss Account

For the year ended 31 December 2008

	2008 £	2007 £
Profit on ordinary activities before taxation	33,118,163	33,508,380
Tax on profit on ordinary activities	(6,341,999)	(6,079,735)
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Profit on ordinary activities after taxation	26,776,164	27,428,645
Actuarial loss/gain	(405,000)	6,291,000
Exchange adjustments	1,424,807	(18,094)
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Total recognised gains and losses for the year	<u>£27,795,971</u>	<u>£33,701,551</u>

The Group has no recognised gains or losses other than the profit for the year, the exchange adjustments and the actuarial gain.

During the year a dividend of £7,200,000 was paid (2007: £3,650,000).

A further dividend of £307,058 was paid on 24 February 2009.

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

Consolidated Balance Sheet

As at 31 December 2008

	Note	2008 £	2007 £
ASSETS			
Due from other banks		5,092,315	1,909,577
Due from group companies		4,626,947,586	4,753,927,648
Loans and advances to customers		225,251,168	300,651,292
Investment securities		-	47,779
Fixed assets		1,468,589	1,818,302
Intangible assets		168,478	-
Cash collateral for securities borrowed		-	922,622,346
Pension surplus		12,351,600	11,163,600
Other assets		43,328,607	37,447,536
Total assets		£4,914,608,343	£6,029,628,080
LIABILITIES			
Due to other banks		366,444	1,464,887
Due to customers		4,074,826,003	4,311,932,510
Due to group companies		506,801,438	489,622,862
Trading liabilities		-	895,558,968
Other liabilities		88,604,944	111,438,061
Taxation		5,576,141	1,858,717
Total liabilities		£4,676,174,970	£5,811,876,005
EQUITY SHAREHOLDERS' FUNDS			
Ordinary shares	1	15,000,000	15,000,000
Share premium		1,707,265	1,707,265
Reserves		221,726,108	201,044,810
Total liabilities and equity shareholders' funds		£4,914,608,343	£6,029,628,080

The summary financial statements from pages 5 to 8 are approved and authorised for issue by the Board of Directors on 18 March 2009.

A J Tautscher
Director

R B Singleton
Director

DEUTSCHE BANK INTERNATIONAL LIMITED

Balance Sheet

As at 31 December 2008

	Note	2008 £	2007 £
ASSETS			
Due from other banks		4,185,349	1,549,530
Due from group companies		4,226,036,459	4,489,719,177
Loans and advances to customers		84,982,608	100,989,508
Investment securities		-	47,779
Investment in subsidiaries		6,287,925	6,288,027
Fixed assets		980,499	1,389,652
Intangible assets		168,478	
Cash collateral for securities borrowed		-	922,662,346
Pension surplus		12,351,600	11,163,600
Other assets		39,938,726	34,235,675
Total assets		£4,374,931,644	£5,568,045,294
LIABILITIES			
Due to other banks		366,444	1,464,887
Due to customers		3,658,416,921	3,925,181,747
Due to group companies		427,452,993	454,761,910
Trading liabilities		-	895,558,968
Other liabilities		85,805,802	107,220,814
Taxation		4,713,219	1,318,749
Total liabilities		4,176,755,379	5,385,507,075
EQUITY SHAREHOLDERS' FUNDS			
Ordinary shares	1	15,000,000	15,000,000
Share premium		1,707,265	1,707,265
Reserves		181,469,000	165,830,954
Total liabilities and equity shareholders' funds		£4,374,931,644	£5,568,045,294

The summary financial statements from pages 5 to 8 are approved and authorised for issue by the Board of Directors on 18 March 2009.

A J Tautscher
Director

R B Singleton
Director

Notes to the Summary Consolidated and Company Financial Statements

For the year ended 31 December 2008

1 CALLED UP SHARE CAPITAL

	2008 £	Authorised 2007 £	Issued and fully paid 2008 £	2007 £
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

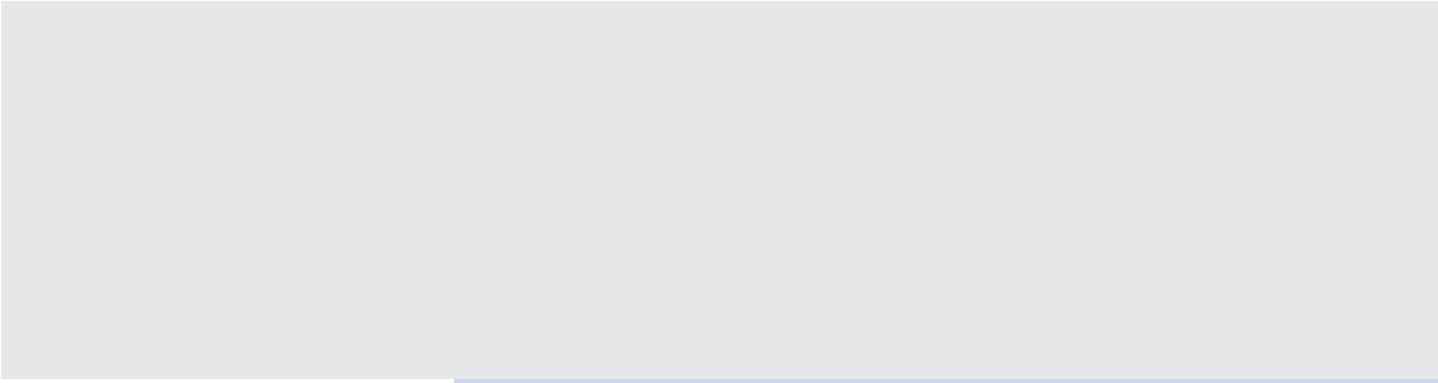
In the normal course of business, there are various outstanding commitments and contingent liabilities that are not reflected in the consolidated financial statements.

	Group 2008 £	Company 2008 £	Group & Company 2007 £
Guarantees	25,417,023	25,417,023	29,439,921
Letters of credit	7,624,248	6,256,401	2,531,336
Interest rate related contracts	-	-	21,567,269
Forward foreign exchange contracts	3,081,476,000	3,081,476,000	1,696,226,000
Undrawn facilities – less than 1 year	108,810,612	108,810,612	74,932,510
	<u>£3,223,327,883</u>	<u>£3,221,960,036</u>	<u>£1,824,697,036</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 2008.

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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