



## **Deutsche Postbank Funding Trust IV**

(a statutory trust formed under the Delaware Statutory Trust Act  
with its principal place of business in New York, NY, U.S.A.)

# **Financial Report**

## **For the period ended June 30, 2013**

pursuant to section 37w of the German Securities Trading Act (*Wertpapierhandelsgesetz*)

## Management Report

Deutsche Postbank Funding Trust IV (the "Trust") was set up to issue Trust Preferred Securities, to issue a Trust Common Security to Deutsche Postbank AG ("Postbank") and to use all proceeds derived from such issuances to purchase Class B Preferred Securities issued by Deutsche Postbank Funding LLC IV (the "Company").

The noncumulative trust preferred securities (the "Trust Preferred Securities"), liquidation preference amount €50,000 per security (the "Liquidation Preference Amount"), represent preferred undivided beneficial ownership interest in the assets of the Trust, a statutory trust created under the laws of the State of Delaware, United States of America. One Common Security of the Trust is held by Deutsche Bank AG. The assets of the Trust consist solely of noncumulative Class B Preferred Securities issued by the Company, a Delaware limited liability company which has the benefit of a support undertaking issued by Postbank. The terms of the Trust Preferred Securities are substantially identical to the terms of the Class B Preferred Securities. The Company invests the proceeds from the sale of the Class B Preferred Securities in subordinated debt obligations issued by Postbank.

The Trust Preferred Securities and the Class B Preferred Securities do not have a maturity date and are not redeemable at any time at the option of the holder thereof. The Trust and the Company may redeem the Trust Preferred Securities and the Class B Preferred Securities, as the case may be, in whole, but not in part, on the Initial Redemption Date (as defined herein) scheduled to occur on June 29, 2017 or any Capital Payment Date (as defined herein) thereafter, or at any time upon the occurrence of certain tax and capital disqualification events as more fully described herein.

Distributions in respect of the Trust Preferred Securities and the Class B Preferred Securities, referred to as Capital Payments, are non-cumulative and accrue on the Liquidation Preference Amount to but excluding June 29, 2017 (the "Reset Date"), at a fixed rate of 5.983% per annum, payable annually in arrears on June 29 of each year (including on the Reset Date) and for each Capital Payment Period commencing on or after the Reset Date, at 3-month EURIBOR for such Capital Payment Period plus 2.07% per annum, payable quarterly in arrears on March 29, June 29, September 29 and December 29 of each year. Capital Payments are subject to certain conditions, including that Postbank has an amount of Distributable Profits for the preceding financial year at least equal to the Capital Payments.

Capital Payments on the Class B Preferred Securities are authorized to be declared and paid on any Capital Payment Date to the extent that:

- the Company has an amount of Operating Profits for the Capital Payment Period ending on the day immediately preceding such Capital Payment Date at least equal to the amount of such Capital Payments, and
- Postbank has Distributable Profits for the preceding fiscal year for which audited unconsolidated financial statements are available in an amount at least equal to the aggregate amount of such Capital Payments and all capital payments, dividends or other distributions on Parity Securities, if any, which Distributable Profits for the preceding fiscal year are allocated among Capital Payments and capital payments, dividends or other distributions on Parity Securities, pro rata.

The terms "3-month EURIBOR", "Capital Payment Period", "Operating Profit", "Distributable Profits" and "Parity Securities" and other capitalized terms used but not defined herein are described in detail in the Sales Prospectus relating to the Trust Preferred Securities dated June 27, 2007.

## Results of Operations

During the six months ended June 30, 2013, the Company and Postbank had sufficient Operating Profit and Distributable Profits, respectively to make Capital Payments at the stated rate and the Trust received Capital Payments from the Company at such rate and when due under the LLC Agreement. As a consequence, the Trust made Capital Payments on the Trust Preferred Securities at such rate at the scheduled date pursuant to the Trust Agreement. The Trust made no payments or other distributions on the Trust Common Security.

Under the Services Agreement, PB Capital Corporation - a subsidiary of Postbank - is obligated, among other things, to provide legal, accounting, tax and other general support services to the Trust, to maintain compliance with all applicable U. S. and German local, state and federal laws, and to provide administrative, recordkeeping

and secretarial services for the Trust. The fees and expenses of the Trust and all other obligations of the Trust are paid by the Company and by Postbank. During the six months ended June 30, 2013 the Trust received all such services and Postbank paid such fees, expenses and obligations as provided in the Services Agreement.

Net income for six months ended June 30, 2013 was EUR 1,483; which corresponds to the expectation of a break-even result in the previous period.

## **Risk Report**

The Trust is affected mainly by market, credit and liquidity risk all of which are managed by Postbank Group.

### *Market risk*

Market risk denotes the potential risk that may lead to losses in financial transactions due to changes in interest rates, spreads, volatilities, commodity prices, exchange rates, and equity prices.

The market risk in form of interest rate risk of the assets and liabilities of the Trust offset each other.

### *Liquidity risk*

Liquidity risk is defined as the risk of being unable to meet current or future payment obligations.

Since the terms of the assets and liabilities are equivalent, the liquidity risk is insignificant.

### *Credit risk*

Credit risk is the risk of possible losses arising from the inability of a counterparty to discharge its payment obligations, or from a deterioration of its credit rating.

The Trust's assets are subject to the credit risk of Postbank which has an investment grade rating.

## **Outlook**

Payments by the Company on the Class B Preferred Securities are the source of funds for the Capital Payments on the Trust Preferred Securities. In turn, the Company has invested all proceeds from the issuance of the Class B Preferred Securities in Initial Debt Securities issued by Postbank. Under the Initial Debt Securities, interest is paid to but excluding the Reset Date, at a fixed rate of at least 5.983% per annum, payable annually in arrears on June 29 of each year and after the Reset Date at a rate of at least 2.07% above 3-month EURIBOR. The Trust expects that the Company and Postbank will continue to meet their respective obligations under the Class B Preferred Securities and the Initial Debt Securities, as applicable, made in connection with the Trust Preferred Securities. For 2013 the Trust expects a break-even result.

## Deutsche Postbank Funding Trust IV

### Statement of Financial Position

Period ended June 30, 2013

<b>Assets</b>		<b>2013.06.30</b>	<b>2012.12.31</b>
		€	€
Cash reserve		14,794	14,806
Investment securities	Notes (3), (6)	500,050,000	500,050,000
Other assets		30,084,203	15,125,207
<b>Total Assets</b>		<b>530,148,997</b>	<b>515,190,013</b>
<b>Liabilities and Stockholders' Equity</b>			
Preferred Securities Subject to Redemption	Notes (3), (6)	500,000,000	500,000,000
Other liabilities		30,081,195	15,123,694
<b>Total Liabilities</b>		<b>530,081,195</b>	<b>515,123,694</b>
<b>Stockholders' Equity</b>			
Common Stock, €50,000 stated value per share. Authorized, issued, and outstanding 1 share		50,000	50,000
Retained earnings		17,802	16,319
<b>Total liabilities and stockholders' equity</b>		<b>530,148,997</b>	<b>515,190,013</b>

See accompanying notes to financial statements

**Deutsche Postbank Funding Trust IV**  
Statement of Comprehensive Income  
For the Period January 1 to June 30, 2013

	<b>Jan. 1-June 30, 2013</b>	<b>Jan. 1-June 30, 2012</b>
	<b>€</b>	<b>€</b>
Interest income	14,958,995	14,958,995
Interest expense	(14,957,512)	(14,957,512)
Net interest income	<u>1,483</u>	<u>1,483</u>
Other administrative expenses	0	0
Net income/(Loss)	<u>1,483</u>	<u>1,483</u>
Other comprehensive income	<u>0</u>	<u>0</u>
Total comprehensive income	<u><u>1,483</u></u>	<u><u>1,483</u></u>

See accompanying notes to financial statements

## Deutsche Postbank Funding Trust IV

### Statement of Changes in Equity

Period ended June 30, 2013

		<b>Common Stock</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at December 31, 2012	€	50,000	16,319	66,319
Net Income/Loss Jan. 1- June 30, 2013	€		1,483	1,483
Balance at June 30, 2013	€	50,000	17,802	67,802

See accompanying notes to financial statements

Undistributed profits from current and previous years are reported under retained earnings.

## Deutsche Postbank Funding Trust IV

### Statement of Cash Flows

Period ended June 30, 2013

	2013.06.30	2012.06.30
	€	€
Cash flows from operating activities		
Net income	1,483	1,483
Changes in working capital after adjustment for non-cash components	(1,495)	1,496
Net cash used in operating activities	(12)	2,979
Cash and cash equivalents, beginning of period	14,806	11,839
Cash and cash equivalents, end of period	14,794	14,818
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	12	29,915,012
Cash received during the period for:		
Interest	0	29,917,991

See accompanying notes to financial statements

## Deutsche Postbank Funding Trust IV

### Notes to Financial Statements

Period ended June 30, 2013

#### (1) Organization

Deutsche Postbank Funding Trust IV (the "Trust") is a statutory business trust created on June 1, 2007 under the laws of the State of Delaware. The Trust was incorporated for the sole purpose of issuing EUR 500,000,000 of Trust Preferred Securities with a liquidation preference amount EUR 50,000 per security to investors and one Trust Common Security with liquidation amount of EUR 50,000 to Deutsche Postbank AG ("Postbank"). The proceeds from the issuance of the Trust Preferred Securities were used to purchase Class B Preferred Securities issued by Deutsche Postbank Funding LLC IV (the "Company"). The Trust does not engage in any business other than holding the Class B Preferred Securities, collecting Capital Payments paid with respect to the Class B Preferred Securities, paying Capital Payments to the holders of the Trust Preferred Securities, and performing ancillary activities. The activities of the Trust are conducted in Euro and the financial statements of the Trust are denominated in Euros.

The Trust entered into a Services Agreement with the Company, PB Capital Corporation and Postbank under which the Company is required to pay certain fees and expenses of the Trust. Audit fees are paid by Postbank.

In connection with the alignment of the corporate structure of Deutsche Bank Group, Postbank transferred the Trust Common Security and the Company Common Security to Deutsche Bank AG, effective January 1, 2013.

Deutsche Bank AG is the parent entity of the Trust. The Trust is included in the consolidated financial statements of Deutsche Bank Group. The ultimate controlling party of the Trust is Deutsche Bank AG, Frankfurt am Main.

The number of Regular Trustees has been decreased from five to four. Since May 31, 2013 the Regular Trustees are Martha R. Robertson, Berit Block, Jeffrey Frost, and Jörn Joseph.

#### (2) Basis of Accounting

The financial statements constitute an interim financial report within the meaning of the Transparenzrichtlinie-Umsetzungsgesetz (TUG – Transparency Directive Implementation Act (section 37w of the WpHG – Securities Trading Act)) as of January 5, 2007.

Interest income represents the payments received or receivable as Capital Payments on the Class B Preferred Securities. Interest expense represents payments paid or payable on the Trust Preferred Securities subject to redemption.

The Trust is a grantor trust and, as such, is a simple trust. Simple trusts must pass through all items of income and deductions to the grantor. Therefore, the Trust has no taxable income and no requirement to record a tax expense.

The disclosures on risks from financial instruments (in accordance with IFRS 7) are presented in the Risk Report contained in the Management Report.

The following Standards were required to be applied for the first time in the reporting period: IAS 1 "Presentation of Items of Other Comprehensive Income", IFRS 13 "Fair Value Measurement" and Annual Improvements 2009-2011. The Trust does not anticipate any material effects from the new requirements.



## Deutsche Postbank Funding Trust IV

### Notes to Financial Statements

Period ended June 30, 2013

#### (3) Summary of Significant Accounting Policies

All assumptions, estimates and assessments required for recognition and measurement in accordance with the IFRSs are in conformity with the respective Standards, and are regularly reassessed and based on past experience as well as other factors, including expectations as to future events that appear reasonable under the given circumstances.

##### (a) Investment securities

The investment securities are classified as loans and receivables (LaR) in accordance with IAS 39.

Loans and receivables (LaR) portfolios are recognized at amortized cost in the balance sheet.

The fair value disclosures on these investment securities are based upon present value estimates because they are not actively traded.

##### (b) Liabilities

Pursuant International Accounting Standards (IAS) 32, *Financial Instruments: Disclosure and Presentation*, and IAS 39, *Financial Instruments: Recognition and Measurement*, the Trust Preferred Securities have been classified as liabilities and are described as "Preferred Securities Subject to Redemption".

Liabilities are carried at amortized cost (IAS 39.47).

#### (4) Preferred Securities Subject to Redemption

On June 29, 2007, the Trust issued Trust Preferred Securities with an aggregate liquidation preference amount of EUR 500,000,000. The Trust Preferred Securities have no stated maturity, but are redeemable, in whole or in part, at the option of the Trust on June 29, 2017 (the "Initial Redemption Date") or after the Initial Redemption Date, or any Capital Payment Date thereafter.

Distributions in respect of the Trust Preferred Securities are Capital Payments, which are non-cumulative and accrue on the Liquidation Preference Amount (i) from and including June 29, 2007 (the "Issue Date") to but excluding June 29, 2017 (the "Reset Date"), at a fixed rate of 5.983% per annum, payable annually in arrears on June 29 of each year (including on the Reset Date) and (ii) for each Capital Payment Period (as defined herein) commencing on or after the Reset Date, at 3-month EURIBOR (as defined herein) for such Capital Payment Period plus 2.07% per annum, payable quarterly in arrears on March 29, June 29, September 29 and December 29 of each year. Capital Payments are subject to certain conditions, including that Postbank has an amount of Distributable Profits for the preceding financial year at least equal to the Capital Payments.

## Deutsche Postbank Funding Trust IV

Notes to Financial Statements

Period ended June 30, 2013

### (5) Related Party Transactions

Related Parties of the Trust are Deutsche Bank AG and Deutsche Bank AG subsidiaries (including Deutsche Postbank AG).

Name	Address
Deutsche Bank AG	Taunusanlage 12, 60262 Frankfurt am Main, Germany
Deutsche Postbank AG	Friedrich-Ebert-Allee 114-126, 53113, Bonn, Germany
Deutsche Postbank Funding LLC IV	230 Park Avenue, New York, NY 10169, USA
PB Capital Corporation	230 Park Avenue, New York, NY 10169, USA

With the proceeds of the issuance of the Trust Preferred Securities, the Trust purchased an aggregate liquidation preference amount of EUR 500,050,000 of Class B Preferred Securities issued by Deutsche Postbank Funding LLC IV (the "Company"), an affiliated entity, on June 29, 2007. Class B Preferred Securities do not have a maturity date and are not redeemable at any time at the option of the holders. The Trust and the Company may redeem the Trust Preferred Securities and the Class B Preferred Securities, as the case may be, on the Initial Redemption Date scheduled to occur on June 27, 2017 or any Capital Payment Date, except upon the occurrence of certain tax and capital disqualification events.

Capital Payments are non-cumulative and accrue on the Liquidation Preference Amount to but excluding June 29, 2017 (the "Reset Date"), at a fixed rate of 5.983% per annum, payable annually in arrears on June 29 of each year (including on the Reset Date) and for each Capital Payment Period commencing on or after the Reset Date, at 3-month EURIBOR for such Capital Payment Period plus 2.07% per annum, payable quarterly in arrears on March 29, June 29, September 29 and December 29 of each year.

All Capital Payments paid on the Class B Preferred Securities are passed through to the holders of the Trust Preferred Securities as Capital Payments on the Trust Preferred Securities.

The Trust Preferred Securities and the Class B Preferred Securities are not redeemable by the Trust or the Company, as the case may be prior to the June 29, 2017 (the "Initial Redemption Date") except upon the occurrence of a Tax Event, a Regulatory Event or Investment Company Act Event. The Company may redeem the Class B Preferred Securities in whole (but not in part) on the Initial Redemption Date or any Capital Payment Date thereafter. If the Company redeems the Class B Preferred Securities, the Trust must redeem the Trust Preferred Securities under the terms of the Trust Agreement.

In the event of any voluntary or involuntary liquidation, dissolution, winding up or termination of the Trust, the holders of the Trust Preferred Securities at the time outstanding shall, subject to certain limitations, be entitled to receive a corresponding number of Class B Preferred Securities.

A Tax Event means the receipt by Postbank of an opinion of a nationally recognized law firm or other tax adviser in the United States or Germany, as appropriate, experienced in such matters, to the effect, that, as a result of (i) any amendment to, or clarification of, or change (including any announced prospective change) in, the laws or treaties (or any regulations promulgated thereunder) of the United States or Germany or any political subdivision or taxing authority thereof or therein affecting taxation, (ii) any judicial decision, official administrative pronouncement, published or private ruling, regulatory procedure, notice or announcement (including any notice or announcement of intent to adopt such procedures or regulations) ("Administrative

## Deutsche Postbank Funding Trust IV

### Notes to Financial Statements

Period ended June 30, 2013

Action”) or (iii) any amendment to, clarification of, or change in the official position or the interpretation of such Administrative Action or any interpretation or pronouncement that provides for a position with respect to such Administrative Action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body, irrespective of the manner in which such amendment, clarification or change is made known, which amendment, clarification or change is effective, or which pronouncement or decision is announced, on or after the date of issuance of the Company Securities and Trust Securities, there is more than an insubstantial risk that (a) the Trust or Company is or will be subject to more than a de minimis amount of taxes, duties or other governmental charges, or (b) the Trust, the Company or an obligor on the Initial Debt Securities or any substitute debt securities would be obligated to pay additional amounts.

A Regulatory Event means that, as a result of the occurrence of any amendment to, or change (including any change that has been adopted but has not yet become effective) in, the applicable banking laws of Germany (or any rules, regulations or interpretations thereunder, including rulings of the relevant banking authorities) or the guidelines of the Basle Committee for Banking Supervision, Postbank is not, or will not be, allowed to treat the Company Capital Securities as supplementary or Tier 2 regulatory capital for capital adequacy purposes on a consolidated basis.

An Investment Company Event means that Postbank will have requested and received an opinion of a nationally recognized U.S. law firm experienced in such matters to the effect that there is more than insubstantial risk that the Company or the Trust is or will be considered an “investment company” within the meaning of the Investment Company Act of 1940, as amended, as a result of any judicial decision, pronouncement or interpretation (irrespective of the manner made known), the adoption or amendment of any law, rule or regulation, or any notice or announcement (including any notice or announcement of intent to adopt such law, rule or regulation) by any U.S. legislative body, court, governmental agency, or regulatory authority, in each case after the date of the Agreement.

The Company, an affiliated entity, pays all administrative expenses incurred by the Trust and the Company. In addition, Postbank and the Company have entered into a support undertaking for the benefit of the Trust and the holders of the Trust Preferred Securities.

In connection with the alignment of the corporate structure of Deutsche Bank Group, Postbank transferred the Trust Common Security and the Company Common Security to Deutsche Bank AG, effective January 1, 2013.

## Deutsche Postbank Funding Trust IV

Notes to Financial Statements

Period ended June 30, 2013

### (6) Fair Value of Financial Instruments

International Financial Accounting Standards (IFRS) 7 "Financial Instruments: Disclosure" requires the disclosure of fair value information for financial instruments for which it is practicable to estimate that value, whether or not the instrument is recognized in the statement of financial condition. Quoted market prices, when available, are used as the measure of fair value. In cases where quoted market prices are not available, fair values are based on market data of another, essentially identical quoted financial instrument, when available, or present value estimates of anticipated cash flows.

The Securitized Liabilities are quoted on an active market. The quoted market price of the Securitized Liabilities is used as the measure of fair value.

The Investment Securities are not quoted on an active market. As the Securitized Liabilities are essentially the same financial instruments as the Investment Securities, the quoted market price of the Securitized Liabilities is used, in accordance with IAS 39.AG74, for measuring the fair value of the Investment Securities.

	June 30, 2013		December 31, 2012	
	Carrying amount (€)	Fair value (€)	Carrying amount (€)	Fair value (€)
Investment securities	500,050,000	455,045,500	500,050,000	433,293,325
Securitized liabilities	500,000,000	455,000,000	500,000,000	433,250,000

**Responsibility Statement by the Regular Trustees**

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

New York/New York, August 9, 2013

The Regular Trustees

			
_____ Jörn Joseph	_____ M. Rebecca Robertson	_____ Berit Block	_____ Jeffrey Frost