

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SYLVIA LAITI, Individually and On Behalf of All Others Similarly Situated,)	
)	
Plaintiff,)	CIVIL ACTION NO.
)	
vs.)	CLASS ACTION COMPLAINT
)	
DEUTSCHE BANK AG, DEUTSCHE BANK CONTINGENT CAPITAL TRUST III, DEUTSCHE BANK CONTINGENT CAPITAL LLC III, JOSEF ACKERMANN, ANTHONY DI IORIO, HUGO BANZIGER, HERMANN-JOSEF LAMBERTI, MARTIN EDELMANN, PETER STURZINGER, MARCO ZIMMERMANN, DETLEF BINDERT, JONATHAN BLAKE, UBS SECURITIES LLC, CITIGROUP GLOBAL MARKETS INC., MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, WACHOVIA CAPITAL MARKETS, LLC, MORGAN STANLEY & CO. INCORPORATED, DEUTSCHE BANK SECURITIES INC., BANC OF AMERICA SECURITIES LLC, KPMG INTERNATIONAL and KPMG DEUTSCHE TREUHAND-GESELLSCHAFT AG,)	<u>JURY TRIAL DEMANDED</u>
)	
Defendants.)	

Plaintiff, Sylvia Laiti ("Plaintiff"), alleges the following based upon the investigation by Plaintiff's counsel, which included, among other things, a review of the defendants' public documents, conference calls and announcements made by defendants, United States Securities and Exchange Commission ("SEC") filings, wire and press releases published by and regarding Deutsche Bank AG ("Deutsche Bank" or the "Company"), securities analysts' reports and advisories about the Company, and information readily available on the Internet, and Plaintiff believes that substantial additional evidentiary support will exist for the allegations set forth

herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION AND OVERVIEW

1. This is a federal class action on behalf of all purchasers of the 7.60% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust III (the "Securities"), who purchased or otherwise acquired the Securities pursuant or traceable to the Company's February 2008 Offering (the "Offering"), seeking to pursue remedies under the Securities Act of 1933 (the "Securities Act").

2. Deutsche Bank AG, headquartered in Frankfurt, Germany, is a global investment bank. The Company offers a range of investment, financial and related products and services to private individuals, corporate entities and institutional clients worldwide. The Company is organized into three divisions: Corporate and Investment Bank (CIB), Private Clients and Asset Management (PCAM), and Corporate Investments (CI).

3. On or about February 12, 2008, the Company completed the Offering pursuant to a false and misleading Registration Statement and Prospectus (collectively referred to as the "Registration Statement"). The Registration Statement incorporated the Company's 2007 financial results and certain statements made in the Company's 2006 Annual Report on Form 20-F filed with the SEC.

4. The Offering was a financial success for the Company, as it was able to raise over \$1.75 billion by selling 70 million shares of the Securities to investors at a price of \$25 per share.

5. Subsequently, on January 14, 2009, Deutsche Bank announced that it anticipated a loss after taxes of approximately EUR 4.8 billion for the 2008 fiscal fourth quarter.

6. Then on February 5, 2009, the Company issued a press release announcing a net loss of EUR 3.9 billion for fiscal year 2008 and a loss before income taxes of EUR 5.7 billion.

7. As a result of these disclosures, the Securities declined significantly, closing on February 5, 2009 at \$13.11.

8. The Complaint alleges that, in connection with the Company's Offering, defendants failed to disclose or indicate the following: (1) that the Company improperly recorded provisions for commercial real estate losses, credit losses, and residential mortgage-backed securities; (2) that the Company was not as well capitalized as it had stated; (3) that the Company lacked adequate internal risk management systems; (4) that the Company lacked adequate internal and financial controls; and (5) as a result of the foregoing, the Company's Registration Statement was false and misleading at all relevant times.

9. As a result of defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class Members have suffered significant losses and damages.

JURISDICTION AND VENUE

10. The claims asserted herein arise under and pursuant to Sections 11, 12(a)(2), and 15 of the Securities Act (15 U.S.C. §§ 77k and 77o).

11. This Court has jurisdiction over the subject matter of this action pursuant to Section 22 of the Securities Act (15 U.S.C. § 77v).

12. Venue is proper in this Judicial District pursuant to Section 22 of the Securities Act. Many of the acts and transactions alleged herein, including the preparation and dissemination of materially false and misleading information, occurred in substantial part in this Judicial District. Additionally, numerous defendants maintain headquarters or offices that are located within this Judicial District.

13. In connection with the acts, conduct and other wrongs alleged in this Complaint,

defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

PARTIES

14. Plaintiff, Sylvia Laiti, as set forth in the accompanying certification, incorporated by reference herein, purchased Deutsche Bank Securities at artificially inflated prices during the Class Period and has been damaged thereby.

15. Defendant Deutsche Bank is a global financial services company headquartered in Frankfurt, Germany. The Company's U.S. headquarters are located at 60 Wall Street, New York, New York. Deutsche Bank guaranteed the Securities issued in the Offering.

16. Defendant Deutsche Bank Contingent Capital Trust III ("Deutsche Bank Trust III") is a Delaware statutory trust formed for the purpose of issuing the Securities and other common securities. Its principal offices are located in New York, NY.

17. Defendant Deutsche Bank Contingent Capital LLC III ("Deutsche Bank Capital III") is a Delaware limited liability company and sponsor of Deutsche Bank Trust III. Its principal offices are located in New York, NY.

18. Defendant Josef Ackermann ("Ackermann") was, at all relevant times, Chairman of the Management Board of Deutsche Bank. Ackermann signed the false and misleading Registration Statement.

19. Defendant Anthony Di Iorio ("Di Iorio") was, at relevant times, Chief Financial Officer ("CFO") and a member of the Company's Management Board. Di Iorio signed the false and misleading Registration Statement.

20. Defendant Hugo Banziger ("Banziger") was, at all relevant times, Chief Risk

Officer and a member of the Company's Management Board. Banziger signed the false and misleading Registration Statement.

21. Defendant Hermann-Josef Lamberti ("Lamberti") was, at all relevant times, Chief Operating Officer ("COO") and a member of the Company's Management Board. Lamberti signed the false and misleading Registration Statement.

22. Defendant Martin Edelmann ("Edelmann") was, at all relevant times, a Managing Director of Deutsche Bank. Edelmann signed the false and misleading Registration Statement.

23. Defendant Peter Sturzinger ("Sturzinger") was, at all relevant times, an authorized representative of the Company in the United States. Sturzinger signed the false and misleading Registration Statement.

24. Defendant Marco Zimmermann ("Zimmermann") was, at relevant times, Vice President of Deutsche Bank. Zimmermann signed the false and misleading Registration Statement.

25. Defendant Detlef Bindert ("Bindert") was, at relevant times, Managing Director of Deutsche Bank. Bindert signed the false and misleading Registration Statement.

26. Defendant Jonathan Blake ("Blake") was, at all relevant times, a Director of Deutsche Bank. Blake signed the false and misleading Registration Statement.

27. Defendants Ackermann, Di Iorio, Banziger, Lamberti, Edelmann, Sturzinger, Zimmermann, Bindert, and Blake are collectively referred to hereinafter as the "Individual Defendants." The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of Deutsche Bank's quarterly reports, press releases and documents, and presentations to securities analysts, money and portfolio managers and institutional investors, i.e., the market. Each defendant was provided with copies

of the Company's reports and press releases and documents alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of these defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and misleading. Additionally, the Individual Defendants signed the false and misleading Registration Statement. The Individual Defendants are liable for the false statements pleaded herein, as those statements were each "group-published" information, the result of the collective actions of the Individual Defendants.

28. Defendant UBS Securities LLC ("UBS") is the U.S. investment banking and securities arm of UBS Investment Bank. UBS Investment Bank maintains its United States corporate headquarters at 1285 Avenue of the Americas, New York, New York. UBS acted as an underwriter in connection with the Offering.

29. Defendant Citigroup Global Markets Inc. ("Citigroup") is a large integrated financial services institution. Citigroup's headquarters is located at 388 Greenwich St., New York, New York. Citigroup acted as an underwriter in connection with the Offering.

30. Defendant Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") is a global financial services firm. Merrill Lynch's principal executive offices are located at 4 World Financial Center, 250 Vesey St., New York, New York. Merrill Lynch acted as an underwriter in connection with the Offering.

31. Defendant Wachovia Capital Markets, LLC ("Wachovia Capital") is a subsidiary of Wachovia, engaged in corporate and investment banking. Wachovia Capital's headquarters is

located at 301 S. College St., Charlotte, North Carolina. Wachovia Capital acted as an underwriter in connection with the Offering.

32. Defendant Morgan Stanley & Co. Incorporated ("Morgan Stanley") is a global financial services firm. Morgan Stanley's headquarters is located at 1585 Broadway, New York, New York. Morgan Stanley acted as an underwriter in connection with the Offering.

33. Defendant Deutsche Bank Securities Inc. ("Deutsche Bank Securities") is the U.S. investment banking arm of Deutsche Bank. Deutsche Bank Securities acted as an underwriter in connection with the Offering. Deutsche Bank Securities' headquarters are located at 60 Wall Street, New York, New York.

34. Defendant Banc of America Securities LLC ("Banc of America") is the investment banking arm of Banc of America. Banc of America acted as an underwriter in the Offering. Banc of America's headquarters are located at 9 W. 57th Street, New York, New York.

35. Defendants UBS, Citigroup, Merrill Lynch, Wachovia Capital, Morgan Stanley, Deutsche Bank Securities, and Banc of America served as financial advisors and assisted in the preparation of Deutsche Bank's Offering, and are collectively referred to hereinafter as the "Underwriter Defendants."

36. The Underwriter Defendants are strictly liable for the false and misleading statements in the Registration Statement. The Underwriter defendants failed to adequately perform their due diligence investigation which was a substantial factor in the harm complained of herein.

37. Defendant KPMG International ("KPMG") operates as an international network of member firms offering audit, tax and advisory services. KPMG International is the parent of defendant KPMG Deutsche Treuhand-Gesellschaft AG.

38. KPMG Deutsche Treuhand-Gesellschaft AG ("KPMG Deutsche") is an audit, tax and advisory firm that served as the Company's auditor at relevant times, and certified portions of the Registration Statement.

39. Defendants KPMG and KPMG Deutsche are referred to as "Auditor Defendants."

SUBSTANTIVE ALLEGATIONS

Background

40. Deutsche Bank is a global investment bank that offers a variety of investment, financial and related products and services to private individuals, corporate entities and institutional clients worldwide.

41. On or about October 10, 2006, the Company filed a Form S-3 Registration Statement with the SEC. The Registration Statement stated, in relevant part:

The SEC allows us to "incorporate by reference" much of the information we file with the SEC, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference in this prospectus is an important part of this prospectus. Because we are incorporating by reference future filings with the SEC, this prospectus is continually updated and those future filings may modify or supersede some of the information included or incorporated in this prospectus. This means that you must look at all of the SEC filings that we incorporate by reference to determine if any of the statements in this prospectus or in any document previously incorporated by reference have been modified or superseded. [Emphasis added.]

42. On February 12, 2008, defendants completed the Offering. The Offering was a financial success for the Company as it was able to raise over \$1.75 billion by selling at least 70 million shares of the Securities to investors at a price of \$25.00 per share.

**Materially False and Misleading
Statements Made in the Registration Statement**

43. On March 27, 2007, Deutsche Bank filed its Form 20-F Annual Report for the fiscal year 2006 (the "2006 20-F"). The Form 20-F, which would later be incorporated into the Registration Statement, stated in relevant part:

Our Management Board provides overall risk management supervision for our consolidated Group as a whole. Our Supervisory Board regularly monitors our risk and capital profile.

We manage credit, market, liquidity, operational, business and reputational risks as well as our capital in a coordinated manner at all relevant levels within our organization. This also holds true for complex products which we typically manage within our framework established for trading exposures.

* * *

Dedicated risk and capital management units are established with the mandate to:

Ensure that the business conducted within each division is consistent with the risk appetite the Capital and Risk Committee has set;

Formulate and implement risk and capital management policies, procedures and methodologies that are appropriate to the businesses within each division;

Approve credit risk, market risk and liquidity risk limits;

Conduct periodic portfolio reviews to ensure that the portfolio of risks is within acceptable parameters; and

Develop and implement risk and capital management infrastructures and systems that are appropriate for each division. [Emphasis added.]

44. The Company's 2006 20-F also stated in relevant part:

A primary element of the credit approval process is a detailed risk assessment of every credit exposure associated with a counterparty. Our risk assessment procedures consider both the creditworthiness of the counterparty and the risks related to the specific type of credit facility or exposure. This risk assessment not only affects the structuring of the transaction and the outcome of the credit decision, but also influences the level of decision-making authority required to extend or materially change

the credit and the monitoring procedures we apply to the ongoing exposure.

We have our own in-house assessment methodologies, scorecards and rating scale for evaluating the creditworthiness of our counterparties. Our granular 26-grade rating scale, which is calibrated on a probability of default measure based upon a statistical analysis of historical defaults in our portfolio, enables us to compare our internal ratings with common market practice and ensures comparability between different sub-portfolios of our institution. While we generally rate all our credit exposures individually, at times we rely on rating averages for measuring risk. When we assign our internal risk ratings, we compare them with external risk ratings assigned to our counterparties by the major international rating agencies, where possible. [Emphasis added.]

45. The Company's 2006 20-F also stated in relevant part:

We assume market risk in both our trading and our non-trading activities. We assume risk by making markets and taking positions in debt, equity, foreign exchange, other securities and commodities as well as in equivalent derivatives. We use a combination of risk sensitivities, value-at-risk, stress testing and economic capital metrics to manage market risks and establish limits. Economic capital is the metric we use to describe and aggregate all our market risks, both in trading and nontrading portfolios. Value-at-risk is a common metric we use in the management of our trading market risks.

Our Management Board and Risk Executive Committee, supported by Market Risk Management, which is part of our independent risk and capital management function, set a Group-wide value-at-risk limit for the market risks in the trading book. Market Risk Management sub-allocates this overall limit to our Group Divisions. Below that, limits are allocated to specific business lines and trading portfolio groups and geographical regions.

46. The Company's 2006 20-F also included the following statement by KPMG

Deutsche:

Consent of Independent Registered Public Accounting Firm

The Supervisory Board of
Deutsche Bank Aktiengesellschaft

We consent to the incorporation by reference in the registration statements (No. 333-97257, 333-100246 and 333-117705) on Form S-8

and on Form F-3 (No. 333-137902) of Deutsche Bank Aktiengesellschaft of our reports dated March 9, 2007, with respect to the consolidated balance sheets of Deutsche Bank Aktiengesellschaft and subsidiaries (the "Company") as of December 31, 2006 and 2005, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2006, management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2006 and the effectiveness of internal control over financial reporting as of December 31, 2006, which reports appear in the December 31, 2006, annual report on Form 20-F of Deutsche Bank Aktiengesellschaft.

Our report with respect to the consolidated balance sheets of the Company as of December 31, 2006 and 2005, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2006 refers to the fact the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004) "Share-Based Payment" and Statement of Financial Accounting Standards No. 158 "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans" during 2006.

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

47. On February 7, 2008, Deutsche Bank filed a Form 6-K with the SEC which was incorporated by reference into the Registration Statement and Prospectus. Attached to the 6-K was a press release from the Company dated the same day. It stated in relevant part:

For the year 2007, income before income taxes was EUR 8.7 billion, up 5% versus the year 2006, and revenues were EUR 30.7 billion, up 8%. Net income for the year was EUR 6.5 billion, up 7% versus 2006. Pre-tax return on average active equity was 29%, versus 33% in 2006. Average active equity was EUR 29.8 billion in 2007, versus EUR 25.5 billion in 2006. Diluted earnings per share were EUR 13.05, up 14% versus EUR 11.48 in 2006. Per the Group's target definition, which excludes certain significant gains and charges, pre-tax return on average active equity was 26%, while diluted earnings per share were EUR 10.79. The Management Board has recommended a dividend of EUR 4.50 per share, up 50 cents or 12.5% versus 2006.

For the fourth quarter 2007, income before income taxes was EUR 1.4 billion, down 25% versus the fourth quarter 2006. Net income was EUR 1.0 billion, down 47% versus the fourth quarter 2006. The fourth quarter

2006 included EUR 355 million of tax credits arising from changes in German tax law. Fourth quarter pre-tax return on average active equity was 18%, and diluted earnings per share were EUR 1.93.

Dr. Josef Ackermann, Chairman of the Management Board, said: "I am pleased to report robust earnings for the fourth quarter, which concludes one of our best years ever and a year of solid performance in challenging times. In 2007 we clearly strengthened our competitive position and delivered another year of profit growth while simultaneously maintaining our capital strength. This performance enables us to recommend to our shareholders another increase in our dividend, to EUR 4.50 per share."

He added: "***In the fourth quarter, we again demonstrated the quality of our risk management. We had no net write-downs related to sub-prime, CDO or RMBS exposures.*** Those trading businesses in which we reported losses in the third quarter produced a positive result in the fourth quarter. In leveraged finance, where we had significant write-downs in the third quarter, net write-downs in the fourth quarter were less than EUR 50 million."

Dr. Ackermann concluded: "Looking forward, we expect conditions to remain challenging in 2008. Uncertainties in the macro-economic environment are likely to affect capital markets-related businesses. ***Nevertheless, we remain focused on growing our platform and gaining market share. Our strategy and business model have proven themselves. Our capital base is stronger than ever.*** Notwithstanding short-term uncertainties, the longer-term trends shaping our industry are moving in our direction. We have shown resilience in 2007. We face the future with confidence. As a result, we re-affirm our vision of delivering a pre-tax profit of EUR 8.4 billion in 2008." [Emphasis added.]

48. On February 11, 2008, Deutsche Bank filed an Amendment to the Registration

Statement which stated:

EXPLANATORY NOTE

The purpose of this post-effective amendment is to add two registrants (Deutsche Bank Contingent Capital LLC III and Deutsche Bank Contingent Capital Trust III) to the Registration Statement No. 333-137902, filed with the Securities and Exchange Commission on October 10, 2006 (the "Registration Statement"), and to file as exhibits to such Registration Statement documents relating to these registrants.

49. On February 12, 2008, defendants completed the Offering. In connection with the Offering, the Company filed the Registration Statement. The Registration Statement stated in relevant part:

We are the largest bank in Germany and one of the largest financial institutions in Europe and the world measured by total assets. *As of September 30, 2007, on an unaudited basis, we had total assets of €1,879 billion, total liabilities of €1,841 billion and total shareholders' equity of €36.8 billion, in each case on the basis of IFRS.* As of September 30, 2007, our outstanding share capital amounted to €1,353 million consisting of 528.4 million ordinary shares of no par value, of which 499.1 million were outstanding. [Emphasis added.]

* * *

The SEC allows us to "incorporate by reference" much of the information we file with the SEC, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference in this prospectus supplement is an important part of this prospectus supplement. For information on the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus, we refer you to "Where You Can Find Additional Information" on page 5 of the accompanying prospectus.

In lieu of the specific documents incorporated by reference listed on page 5 of the accompanying prospectus, we incorporate by reference in this prospectus supplement and the accompanying prospectus (1) the Annual Report of Deutsche Bank AG for the year ended December 31, 2006, filed on March 27, 2007, which we also refer to as Form 20-F for 2006 and (2) the Description of our Memorandum and Articles of Association in Item 10 of the Annual Report on Form 20-F of Deutsche Bank AG for the year ended December 31, 2003, filed on March 25, 2004. In lieu of the Report on Form 6-K of Deutsche Bank AG filed on August 2, 2006, we incorporate by reference in this prospectus supplement and the accompanying prospectus (1) the Reports on Form 6-K of Deutsche Bank AG filed on April 20, 2007, August 2, 2007, August 13, 2007, November 1, 2007 and February 7, 2008 and (2) the Report on Form 6-K/A of Deutsche Bank AG filed on August 2, 2007, including, in each case, the exhibits, if any, thereto, except that (a) the sections entitled "Outlook" in the Interim Reports included as exhibits to the Reports on Form 6-K filed on August 2, 2007 (on page 17) and November 1, 2007 (on page 16) are not so incorporated by reference and (b) notwithstanding the statement in the second sentence under "Explanatory Note" in the Report on Form 6-K of Deutsche Bank AG dated February 7, 2008, we incorporate by

reference in this prospectus supplement and the accompanying prospectus such Report and Exhibit 99.1 thereto, comprising Deutsche Bank AG's Press Release dated February 7, 2008, but we do not so incorporate by reference Exhibit 99.2 thereto. [Emphasis added.]

50. The statements in ¶¶ 38-49 were false and misleading because: (1) the Company improperly recorded provisions for commercial real estate losses, credit losses, and residential mortgage-backed securities; (2) the Company was not as well capitalized as represented; (3) the Company lacked adequate internal risk management systems; (4) the Company lacked adequate internal and financial controls; and (5) as a result the Company's Registration Statement was false and misleading at all relevant times.

The Truth Begins to Emerge

51. On January 14, 2009, Deutsche Bank issued a press release entitled "Deutsche Bank Provides Update on Fourth Quarter 2008 Performance." Therein, the Company, in relevant part, stated:

Deutsche Bank today announced, on a preliminary and unaudited basis, key elements of its fourth quarter 2008 financial performance:

Fourth-quarter loss: *The bank currently anticipates a loss after taxes in the region of EUR 4.8 billion for the fourth quarter 2008.* This development reflects exceptional market conditions, which severely impacted results in the sales and trading businesses, most notably in Credit Trading including its proprietary trading business, Equity Derivatives and Equities Proprietary Trading. The result also reflects exposure reduction and other de-risking measures, a significant increase in provisions against certain of our monoline counterparties, and certain other exceptional gains and charges, including reorganisation charges. In Asset and Wealth Management, the bank anticipates a fourth quarter loss driven by an impairment charge on intangible assets related to DWS Scudder and substantial injections into money market funds.

For the full year 2008, the bank currently anticipates a loss after tax in the region of EUR 3.9 billion.

* * *

Dr. Josef Ackermann, Chairman of the Management Board, said: "***We are very disappointed at this fourth quarter result, which leads to a loss for the year.*** The exceptionally difficult market environment of the quarter exposed some weaknesses in our platform, and we have determined a number of measures to address these weaknesses. Implementation of these measures is already underway." [Emphasis added.]

52. As a result of this news, the price of the Securities significantly declined to close on January 14, 2009 at \$17.55.

53. On February 5, 2009, the Company issued a press release entitled, "Deutsche Bank reports net loss of EUR 3.9 billion for the year 2008." Therein, the Company, in relevant part, stated:

Deutsche Bank today reported unaudited figures for the fourth quarter and full year 2008 in line with its pre-announcement on 14 January 2009.

For the full year 2008, the bank reported a net loss of EUR 3.9 billion and a loss before income taxes of EUR 5.7 billion. Diluted earnings per share were a negative EUR 7.61, compared to positive EUR 13.05 in 2007. Pre-tax return on average active equity, per the bank's target definition, was negative 20%, versus positive 26% in the prior year. The Management Board and the Supervisory Board have recommended a dividend of 50 cents per share, compared to EUR 4.50 per share for 2007. The Tier 1 capital ratio, reported under Basel II, was 10.1% at the end of the year, compared to 8.6% at the end of the prior year (reported under Basel I). Tier 1 capital at the end of 2008, reported under Basel II, was EUR 31.1 billion, compared to EUR 28.3 billion at the end of 2007 (reported under Basel I).

For the fourth quarter 2008, the bank reported a net loss of EUR 4.8 billion, compared to net income of EUR 1.0 billion in the fourth quarter 2007. The bank reported a loss before income taxes of EUR 6.2 billion, versus income before income taxes of EUR 1.4 billion in the prior year quarter.

* * *

Dr. Josef Ackermann, Chairman of the Management Board, said:

"We are very disappointed at our fourth quarter result, and at the consequent full year net loss in 2008. Operating conditions in the quarter were completely unprecedented, and exposed some weaknesses in our business model. We therefore are repositioning our platform in some core businesses."

“The Tier 1 capital ratio of the bank has remained at over 10%, in line with target, and is stronger than before the onset of the current crisis. We have reduced our leverage ratio and even exceeded our published target ahead of schedule. We have significantly reduced certain legacy exposures and trading assets, and we have adjusted costs in businesses most directly affected by market turbulence.”

He concluded: “Looking forward, we see continuing very difficult conditions for the global economy, posing significant challenges for our clients and for our industry. Nonetheless, we remain firmly committed to our business model. In investment banking, we are market leaders in areas which have continued to perform well throughout the crisis. We remain convinced of the value and strategic importance of our ‘stable’ businesses. Our strong capital base, liquidity and funding position are also key assets in difficult conditions. We are convinced that Deutsche Bank will emerge successfully from the current crisis. Since the trust and support of our shareholders is critical for us, we recommend a dividend for the year 2008 of 50 cents per share. This reflects our confidence in the bank's future performance.”

* * *

Deutsche Bank recorded a loss before income taxes of EUR 6.2 billion during the quarter, compared to income before income taxes of EUR 1.4 billion in the fourth quarter 2007. Per the bank's target definition, which excludes significant impairment charges for intangible assets of EUR 572 million in the current quarter, the loss before income taxes was EUR 5.6 billion.

For the full year 2008, Deutsche Bank recorded a loss before income taxes of EUR 5.7 billion, compared to income before income taxes of EUR 8.7 billion in the full year 2007.

Deutsche Bank recorded a net loss of EUR 4.8 billion in the quarter, compared to net income of EUR 969 million in the fourth quarter 2007. The effective tax rate for the quarter was 22.6%.

For the full year 2008, Deutsche Bank recorded a net loss of EUR 3.9 billion, compared to net income of EUR 6.5 billion in the full year 2007.
[Emphasis added.]

54. Also on February 5, 2009, during the Company's preliminary 2008 earnings conference call, defendant Ackermann made the following statements:

[I]n the fourth quarter, after Lehman, things happen which really got to the franchise, to the core of our sales and trading business and that is primarily all this indirect risk, not the directional risk, we didn't have directional risk. That's why we were relatively strong for a long time.

But we had basis risk, we had correlation risk and so on, so on. And that is really what's got us into this difficult situation in the fourth quarter.

* * *

T]here were two areas, prop trading where relative value strategy suffered from all that I just said, and our assumptions were wrong in this very difficult market.

Some would argue they come back and make a lot of money, it may well be. But we had a different approach we said we just can't afford that. So we get rid of it, we take the losses and want to have — start from a new platform, even if in five years from now someone says opportunity costs would have been pretty important.

The second one is scale. We have been too big, and that is something we have to work down and we will work on that, that's fine. We came down in nonderivative trading assets from EUR460b some time ago to slightly over EUR200b, and we will have a further cut in the first quarter of this year. We want to get the kind of exposure down so whatever happens we cannot have similar volatilities on our P&L.

55. As a result of these disclosures, the Securities declined significantly, closing on February 5, 2009 at \$13.11.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

56. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired Deutsche Bank's Securities pursuant or traceable to the Company's February 2008 Offering, and who were damaged thereby (the "Class"). Excluded from the Class are defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

57. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Deutsche Bank's Securities were actively traded on

the New York Stock Exchange ("NYSE"). While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Deutsche Bank or its transfer agent, and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

58. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

59. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

60. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- (a) whether the federal securities laws were violated by defendants' acts as alleged herein;
- (b) whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of Deutsche Bank; and
- (c) to what extent the members of the Class have sustained damages and the proper measure of damages.

61. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as

the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

UNDISCLOSED ADVERSE FACTS

62. The market for Deutsche Bank's Securities was open, well-developed and efficient at all relevant times. As a result of these materially false and misleading statements and failures to disclose, Deutsche Bank's Securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Deutsche Bank's Securities relying upon the integrity of the market price of Deutsche Bank's Securities and market information relating to Deutsche Bank, and have been damaged thereby.

63. During the Class Period, defendants materially misled the investing public, thereby inflating the price of Deutsche Bank's Securities, by publicly issuing false and misleading statements and omitting to disclose material facts necessary to make defendants' statements, as set forth herein, not false and misleading. Said statements and omissions were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company, its business and operations, as alleged herein.

64. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, defendants made or caused to be made a series of materially false or misleading statements about Deutsche Bank's financial well-being and operations. These material misstatements and omissions had the cause and effect of creating in the market an unrealistically

positive assessment of Deutsche Bank and its financial well-being and operations, thus causing the Company's Securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's Securities at artificially inflated prices, thus causing the damages complained of herein.

LOSS CAUSATION

65. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

66. During the Class Period, Plaintiff and the Class purchased the Securities of Deutsche Bank at artificially inflated prices and were damaged thereby. The price of Deutsche Bank's Securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

Applicability of Presumption of Reliance: Fraud On The Market Doctrine

67. At all relevant times, the market for Deutsche Bank's Securities was an efficient market for the following reasons, among others:

- (a) Deutsche Bank Securities met the requirements for listing, and were listed and actively traded on the NYSE, a highly efficient and automated market;
- (b) As a regulated issuer, Deutsche Bank filed periodic public reports with the SEC and the NYSE;
- (c) Deutsche Bank regularly communicated with public investors via established market communication mechanisms, including through regular

disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

- (d) Deutsche Bank was followed by several securities analysts employed by major brokerage firms who wrote reports which were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

68. As a result of the foregoing, the market for Deutsche Bank's Securities promptly digested current information regarding Deutsche Bank from all publicly-available sources and reflected such information in Deutsche Bank's Securities price. Under these circumstances, all purchasers of Deutsche Bank's Securities during the Class Period suffered similar injury through their purchase of the Company's Securities at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

69. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. Many of the specific statements pleaded herein were not identified as "forward-looking statements" when made. To the extent there were any forward-looking statements, there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded

herein, defendants are liable for those false forward-looking statements, because at the time each of those forward-looking statements was made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by an executive officer of Deutsche Bank who knew that those statements were false when made.

FIRST CLAIM
Violation of Section 11 of
The Securities Act Against All Defendants

70. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein only to the extent, however, that such allegations do not allege fraud, scienter or the intent of the defendants to defraud Plaintiff or members of the Class. This count is predicated upon defendants' strict liability for making false and materially misleading statements in the Registration Statement.

71. This claim is asserted by Plaintiff against all defendants by, and on behalf of, persons who acquired shares of the Company's Securities pursuant to or traceable to the false Registration Statement issued in connection with the February 2008 Offering

72. Individual Defendants as signatories of the Registration Statement, as directors and/or officers of Deutsche Bank and controlling persons of the issuer, owed to the holders of the Securities obtained through the Registration Statement the duty to make a reasonable and diligent investigation of the statements contained in the Registration Statement at the time they became effective to ensure that such statements were true and correct, and that there was no omission of material facts required to be stated in order to make the statements contained therein not misleading. Defendants knew, or in the exercise of reasonable care should have known, of the material misstatements and omissions contained in or omitted from the Registration

Statement as set forth herein. As such, defendants are liable to the Class.

73. Underwriter Defendants, KPMG International, and Auditor Defendant owed to the holders of the Securities obtained through the Registration Statement the duty to make a reasonable and diligent investigation of the statements contained in the Registration Statement at the time they became effective to ensure that such statements were true and correct and that there was no omission of material facts required to be stated in order to make the statements contained therein not misleading. Defendants knew, or in the exercise of reasonable care should have known, of the material misstatements and omissions contained in or omitted from the Registration Statement as set forth herein. As such, defendants are liable to the Class.

74. None of the defendants made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the Registration Statement were true or that there was no omission of material facts necessary to make the statements made therein not misleading.

75. Defendants issued and disseminated, caused to be issued and disseminated, and participated in the issuance and dissemination of, material misstatements to the investing public which were contained in the Registration Statement, which misrepresented or failed to disclose, *inter alia*, the facts set forth above. By reason of the conduct herein alleged, each defendant violated and/or controlled a person who violated Section 11 of the Securities Act.

76. As a direct and proximate result of defendants' acts and omissions in violation of the Securities Act, the market price of Deutsche Bank's Securities sold in the Offering was artificially inflated, and Plaintiff and the Class suffered substantial damage in connection with their ownership of Deutsche Bank's Securities pursuant to the Registration Statement.

77. Deutsche Bank is the issuer of the Securities sold via the Registration Statement.

As issuer of the stock, the Company is strictly liable to Plaintiff and the Class for the material misstatements and omissions therein.

78. At the times they obtained their shares of Deutsche Bank, Plaintiff and members of the Class did so without knowledge of the facts concerning the misstatements or omissions alleged herein.

79. This action is brought within one year after discovery of the untrue statements and omissions in and from the Registration Statement which should have been made through the exercise of reasonable diligence, and within three years of the effective date of the Prospectus.

80. By virtue of the foregoing, Plaintiff and the other members of the Class are entitled to damages under Section 11 as measured by the provisions of Section 11(e), from the defendants and each of them, jointly and severally.

SECOND CLAIM
Violation of Section 12(a)(2) of
The Securities Act Against All Defendants

81. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

82. This Count is brought pursuant to Section 12(a)(2) of the Securities Act on behalf of the Class, against all defendants.

83. Defendants were sellers, offerors, and/or solicitors of purchasers of the Securities offered pursuant to the Deutsche Bank Offering Registration Statement.

84. The Deutsche Bank Offering Registration Statement contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and concealed and failed to disclose material facts. The Individual Defendants' actions of solicitation included participating in the preparation of the false the misleading

Registration Statement.

85. Defendants owed to the purchasers of Deutsche Bank's Securities, including Plaintiff and other members of the Class, the duty to make a reasonable and diligent investigation of the statements contained in the Offering materials, including the Registration Statement, to ensure that such statements were true and that there was no omission to state a material fact required to be stated in order to make the statements contained therein not misleading. Defendants knew of, or in the exercise of reasonable care should have known of, the misstatements and omissions contained in the Offering materials as set forth above.

86. Plaintiff and other members of the Class purchased or otherwise acquired Deutsche Bank's Securities pursuant to and/or traceable to the defective Registration Statement. Plaintiff did not know, or in the exercise of reasonable diligence could not have known, of the untruths and omissions contained in the Registration Statement.

87. Plaintiff, individually and representatively, hereby offer to tender to defendants those Securities which Plaintiff and other Class members continue to own, on behalf of all members of the Class who continue to own such Securities, in return for the consideration paid for those Securities together with interest thereon. Class members who have sold their Deutsche Bank Securities are entitled to rescissory damages.

88. By reason of the conduct alleged herein, these defendants violated, and/or controlled a person who violated Section 12(a)(2) of the Securities Act. Accordingly, Plaintiff and members of the Class who hold Deutsche Bank Securities purchased in the Offering have the right to rescind and recover the consideration paid for their Deutsche Bank Securities, and hereby elect to rescind and tender their Deutsche Bank Securities to the defendants sued herein. Plaintiff and Class members who have sold their Deutsche Bank Securities are entitled to

rescissory damages.

89. This action is brought within three years from the time that the Securities upon which this Count is brought was sold to the public, and within one year from the time when Plaintiff discovered or reasonably could have discovered the facts upon which this Count is based.

THIRD CLAIM
Violation of Section 15 of The Securities Act
Against the Individual Defendants

90. Plaintiff repeats and realleges each and every allegation contained above, excluding all allegations above that contain facts necessary to prove any elements not required to state a Section 15 claim, including without limitation, scienter.

91. This count is asserted against Individual Defendants and is based upon Section 15 of the Securities Act.

92. Individual Defendants, by virtue of their offices, directorship and specific acts were, at the time of the wrongs alleged herein and as set forth herein, controlling persons of Deutsche Bank within the meaning of Section 15 of the Securities Act. The Individual Defendants had the power and influence and exercised the same to cause Deutsche Bank to engage in the acts described herein.

93. Individual Defendants' position made them privy to and provided them with actual knowledge of the material facts concealed from Plaintiff and the Class.

94. By virtue of the conduct alleged herein, the Individual Defendants are liable for the aforesaid wrongful conduct and are liable to Plaintiff and the Class for damages suffered.

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action under Rule 23 of the

Federal Rules of Civil Procedure;

- (b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and
- (d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: April 17, 2009

Respectfully submitted,

By: _____

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