

# DB Secondaries' differentiated investment strategy



1

Focus on off-market transactions globally

- Mainly smaller US\$5m-50m transactions: US\$28m average deal size<sup>1</sup>
- Large deals when team has an angle

2

Leverage DB platform for sourcing and due diligence<sup>2</sup>

- 70% of deals proprietary<sup>3</sup>
- Access to DB PE portfolio of >250 managers and >450 funds globally<sup>4</sup>
- Broader Deutsche Bank resources

5

Sophisticated portfolio management to help mitigate risk

- Currency hedging
- Historically no leverage at transaction or portfolio level<sup>1</sup>
- Cash management to optimize performance

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3

Pursue a selective, true value approach

- Transacted 0.4% of global pipeline<sup>5</sup>
- Value creation through in-depth fundamental analysis as opposed to deal structuring

4

Purchase mature fund interests at a discount

- 83% funded at time of entry<sup>3</sup>
- 25% average discount to FMV<sup>3</sup>

1) Based on the portfolios of DB SOF, DB SOF D and DB SOF II as of September 30, 2013.

2) Subject to Deutsche Bank's internal policies and procedures.

3) NAV weighted, as of September 30, 2013. NAV = Net Asset Value; FMV = Fair Market Value.

4) DB PE's own calculation as of September 30, 2013.

5) Represents aggregate deal flow reviewed by the DB Secondaries team from January 1, 2006 to September 30, 2013. Historical deal flow characteristics do not provide a prediction of future trends.