

their portfolios will come to market in the form of small, complex portfolios – the type of deal that the Fund is targeting

- An increasing number of transactions that restructure private equity funds reaching the end of their lives before the realisation of all their assets are being completed, another key target area for the Fund

### Differentiated investment strategy

- Positioned in the mid-sized funds segment where the Manager believes it can invest capital at attractive pricing
- Pursue smaller secondary transactions ranging from approximately US\$5 million to US\$100 million and opportunistically participate in larger transactions
- Target, on a global basis, a broad range of private equity fund investments (including funds of funds, feeder funds and other similar structures), portfolios of direct private equity assets, and co-investments in individual assets alongside private equity sponsors
- Utilise a global sourcing strategy to source less intermediated deal flow by leveraging access to the DB PE and Deutsche Bank<sup>13</sup> global platforms of institutional and private clients as well as DB PE's relationships with 250 Fund Sponsors and more than 450 funds worldwide<sup>14</sup>
- Work directly with sellers to address their objectives, which often include non-monetary factors such as confidentiality, speed of transaction and certainty of execution
- Able to utilise the team's transaction expertise to structure more complex transactions at a smaller size than other secondary funds

### Track record

- As of September 30, 2013 DB SOF has generated top decile performance:<sup>15,16</sup>
  - Gross to DB SOF: 32.9% Gross IRR (Internal Rate of Return) and gross return on invested capital of 2.07x
  - Net to investors: 25.3% Net IRR (Internal Rate of Return), 1.16x net DPI (Distributions to Paid-in Capital) and net TVPI (Total Value to Paid-in Capital) of 1.86x
- As of September 30, 2013 DB SOF D has generated strong performance:<sup>17,18</sup>
  - Gross to DB SOF D: 48.0% Gross IRR and gross return on invested capital of 2.64x
  - Net to investors: 35.5% Net IRR, 0.90x net DPI and net TVPI of 2.15x
- As of September 30, 2013 DB SOF II has generated the following performance:<sup>19</sup>
  - Gross to DB SOF II: 42.2% Gross IRR and gross return on invested capital of 1.34x

<sup>13</sup> Subject to applicable regulations, Deutsche Bank's internal policies and procedures and contractual limitations.

<sup>14</sup> DB PE own calculations as of March 31, 2013, unaudited.

<sup>15</sup> Based only on Cambridge Associates Secondaries Benchmark statistics as of June 30, 2013. DB SOF is shown benchmarked against its vintage year peer group. This information reflects a comparison of DB SOF performance against one benchmark only. DB SOF performance may differ when compared to other benchmark data. DB SOF performance is not included in the data set used to calculate the benchmark data.

<sup>16</sup> The performance figures have not been audited and are based on the unaudited aggregated performance results of DB SOF as of September 30, 2013 and should be read and reviewed in conjunction with Appendix 5: *Important Performance Information* which sets forth, amongst other things, important information regarding the performance described above. Gross returns are gross of fees, expenses and carried interest, which are not charged at the investment level. Investors should consult with their own advisors as to the appropriate factors to be considered in evaluating this information. Past performance of DB SOF is not a prediction of future performance of any of the DB Secondaries Funds or the Fund.

<sup>17</sup> Based only on Cambridge Associates Secondaries Benchmark statistics as of June 30, 2013. DB SOF D is shown benchmarked against its vintage year peer group. This information reflects a comparison of DB SOF D performance against one benchmark only. DB SOF D performance may differ when compared to other benchmark data. DB SOF D performance is not included in the data set used to calculate the benchmark data.

<sup>18</sup> The performance figures have not been audited and are based on the unaudited aggregated performance results of DB SOF D as of September 30, 2013 and should be read and reviewed in conjunction with Appendix 5: *Important Performance Information* which sets forth, amongst other things, important information regarding the performance described above. Gross returns are gross of fees, expenses and carried interest, which are not charged at the investment level. Investors should consult with their own advisors as to the appropriate factors to be considered in evaluating this information. Past performance of DB SOF D is not a prediction of future performance of any of the DB Secondaries Funds or the Fund.

<sup>19</sup> The performance figures have not been audited and are based on the unaudited aggregated performance results of DB SOF II as of September 30, 2013 and should be read and reviewed in conjunction with Appendix 5: *Important Performance Information* which sets forth, amongst other things, important information regarding the performance described above. Gross returns are gross of fees, expenses and carried interest, which are not charged at the investment level. Investors should consult with their own advisors as to the appropriate factors to be considered in evaluating this information. Past performance of DB SOF II is not a prediction of future performance of any of the DB Secondaries Funds or the Fund.