

Deutsche Bank AG – Johannesburg Branch

Pillar 3 Disclosure



Pillar 3 Quarterly Disclosure
December 2017

Overview

The following information is compiled in terms of the requirements of the Banks Act 1990 (as amended) and Regulation 43(1)(e)(iv) and 43(2) of the Banking Regulations, whereby banks (including foreign branches) are obliged to report certain qualitative and quantitative information with regards to their risk profile and capital adequacy on a regular basis to the public, which incorporates the Basel III Pillar 3 requirements on market discipline.

Reporting framework

The information disclosed in this report is based on the definitions, calculation methodologies and measurements as defined by the Amended Regulations. All tables, diagrams, quantitative information and commentary in this report are unaudited unless otherwise noted.

Period of reporting

This report is in respect of the quarter ended 31 December 2017 restated based on audited numbers, including comparative information (where applicable) for the quarter ended 30 September 2017.

The table below provides an overview of the branch's prudential regulatory position as measured by key regulatory metrics.

	December 2017	September 2017
Available capital (R'000)		
1 Common Equity Tier 1 (CET1)	1,265,383	1,273,294
2 Tier 1	1,265,383	1,273,294
3 Total Capital	1,286,828	1,311,966
Risk-weighted assets (R'000)		
4 Total risk-weighted assets (RWA)	5,371,176	6,274,227
Risk-based capital ratios as a percentage of RWA		
5 Common Equity Tier 1 ratio (%)	23.56	20.29
6 Tier 1 ratio (%)	23.56	20.29
7 Total capital ratio (%)	23.96	20.91
Additional CET1 buffers requirements as a percentage of RWA		
8 Capital conservation buffer requirement (2.5% from 2019) (%)	1.25	1.25
9 Countercyclical buffer requirement (%)	-	-
10 Bank GSIB and/or DSIB additional requirements (%)	-	-
11 Total of bank CET1 specific buffer requirements (%) (row8+row9+row10)	1.25	1.25
12 CET1 available to meet buffers after meeting the bank's minimum capital requirements, and, if applicable, TLAC requirements (%)	17.06	13.79
Basel III leverage ratio		
13 Total Basel III leverage ratio exposure measure	12,403,859	13,387,567
14 Basel III Leverage ratio (%) (row2/row13)	10.20	9.51
Liquidity Coverage Ratio		
15 Total High quality Liquid Assets (HQLA)	1,956,375	1,065,232
16 Total Net Cash Outflow	450,538	314,398
17 LCR ratio (%)	437	342



Deutsche Bank AG – Johannesburg Branch Pillar 3 Disclosure

The table below provides an overview of total RWA forming the denominator of the risk-based capital requirement in respect of the quarter ended 31 December 2017, including comparative information (where applicable) for the quarter ended 30 September 2017.

	RWA R'000	RWA R'000	Minimum capital requirements ⁽¹⁾ R'000
	December 2017	September 2017	December 2017
Overview of Risk Weighted Assets			
1 Credit risk (excluding counterparty credit risk) (CCR)	1,715,632	2,664,724	184,430
2 Of which standardised approach (SA)	1,715,632	2,664,724	184,430
3 Of which internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	3,164,854	2,740,529	340,222
5 Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
6 Of which internal model method (IMM)	-	-	-
Of which Current Exposure Method (CEM)	3,164,854	2,740,529	340,222
7 Equity positions in banking book under market-based approach	-	-	-
8 Equity investments in funds – look-through approach	-	-	-
9 Equity investments in funds – mandate-based approach	-	-	-
10 Equity investments in funds – fall-back approach	-	-	-
11 Settlement risk	-	-	-
12 Securitisation exposures in banking book	-	-	-
13 Of which IRB ratings-based approach (RBA)	-	-	-
14 Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15 Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	66,650	235,163	7,165
17 Of which standardised approach (SA)	66,650	235,163	7,165
18 Of which internal model approaches (IMM)	-	-	-
19 Operational risk	336,964	331,524	36,224
20 Of which Basic Indicator Approach	336,964	331,524	36,224
21 Of which Standardised Approach	-	-	-
22 Of which Advanced Measurement Approach	-	-	-
23 Amounts below the thresholds for deduction (subject to 250% risk weight)	52,740	48,763	5,670
24 Floor adjustment	-	-	-
25 Other Assets Risk	34,336	253,524	3,691
Total (1+4+7+8+9+10+11+12+16+19+23+24+25)	5,371,176	6,274,227	577,401

1 *Minimum capital requirements - This value is 10.75% for 2017, consisting of a Pillar 1 requirement of 8.00%, Pillar 2A of 1.5%, and a phased in Capital Conservation Buffer of 1.25% in 2017.*