

Dear Shareholders and Investors,

DekaBank – the Wertpapierhaus for the savings banks – remains on a secure footing. In the first half of 2019, the Deka Group generated an economic result of €223.1m, on a par with the previous year's level (€222.6m). Being fit for the future means balancing growth and efficiency. This is the clear objective of our DekaPro strategic programme, which we launched in 2018. With numerous initiatives along the value chain, this is designed to give all processes in the Deka Group a more consistently customer-centric focus. Our aim is to steadily ingrain this customer centric orientation more deeply in our business model. We forged ahead with DekaPro over the first half of 2019, and many initiatives relating to sales, products and services are already being implemented.

DekaPro will also accelerate both the customer-facing and internal digital transformation. In terms of the multichannel sale of securities, for example, this means pushing ahead with the integration of the savings banks' "internet branches". Fully digitalised asset management by mobile app from bevestor GmbH and the extensive range of S Broker services round off our customer-centric multichannel strategy. In internal bank processes, robotic process automation (RPA) has made further advances at the Deka Group. Over 60 robots are currently in use. They include chatbots, which provide savings bank advisory staff with round-the-clock support via DekaNet.

Issuing of promissory note loans is also set to go digital. Four banks – DekaBank, dwpbank, DZ BANK and Helaba – have joined forces to create a new blockchain platform, finledger. Together, they have developed and implemented a common market standard for the digital processing of promissory note loans. The blockchain platform cuts the workload involved by over 50 % – a good example of how digitalisation can generate efficiency while also improving product quality.

Custody accounts are all about finding the right balance: between risks and returns, and between structure and timing. We have therefore steadily expanded our product portfolio to create an all-round product and sales strategy. In the retail business, this includes the new Deka-UnternehmerStrategie equity fund, new components of the ETF and certificates offering and three new open-ended real estate funds, which will follow over the rest of this year. In the institutional business, we have been busy working on platforms such as the Deka EasyAccess analysis, management and trading tool and the Deka Treasury-Kompass for savings banks.

The high quality of our asset management is also reflected in external ratings. For example, Deka received the “Fund Award 2019” at the beginning of the year and once again achieved the maximum five-star rating in the 2019 Fonds-Kompass awards organised by the business magazine Capital.

Meanwhile, Deka Immobilien was once more awarded the title of best asset manager in the “Retail Real Estate Europe” category of the Scope Alternative Investment Awards. For its certificates range, the Deka Group was crowned “Market leader for certificates in Germany”.

Deka actively supports the interests of its more than four million fund investors. A representative survey commissioned by Deka and performed by YouGov in May 2019 found that private investors increasingly value this active engagement by investment fund companies. Of the investors surveyed, 71 % find it important for fund companies to act as trustees for their investors and actively represent them at corporate AGMs. For 41 %, such support is a strong reason to choose funds from a particular investment fund company. The survey results reaffirm our view that such engagement is an important part of our sustainability strategy.

Sincerely,

A handwritten signature in blue ink, reading "Michael Rüdiger". The signature is fluid and cursive, with the first name "Michael" and the last name "Rüdiger" clearly distinguishable.

Michael Rüdiger
CEO