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**DB Vantage No.2 (UK) Limited**

**Company number: 4544867**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2011**

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**REPORT OF THE DIRECTORS**  
**For the year ended 31 December 2011**

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The Directors present their annual report and audited financial statements for the year ended 31 December 2011

**ACTIVITIES AND REVIEW OF BUSINESS**

The principal activity of the Company is to issue Notes to Deutsche Finance No 2 (UK) Limited

The Company issued Notes to Deutsche Finance No 2 (UK) Limited and entered into a total return swap with the same company. At the start and end of the year these amounted to €1,000 million and no notes issued have matured during the year and no new notes have been issued.

The Company invested the proceeds received from the issuance of notes initially with a third party and subsequently with Deutsche Finance No 2 (UK) Limited.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The position at the end of the year is reflected in the audited balance sheet set out on page 5.

**RESULTS AND DIVIDENDS**

The results of the Company for the year ended 31 December 2011, after providing for taxation, show a profit of €31,764 (2010 €84,232).

The Directors do not recommend the payment of a dividend for the year (2010: Nil).

**FUTURE OUTLOOK**

The outlook of the business is stable, and it is expected that the Company will maintain its historical level of activity and profitability.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Company is a wholly owned subsidiary within the Deutsche Bank Group and therefore the risks it is subject to are managed within the risk and control functions of this Group.

The Directors acknowledge their responsibility for the overall management of the risks faced by the Company and note that the key business risks and uncertainties affecting the Company are considered to relate to the external interest rate and credit environment, particularly in relation to the Euro zone and the banking sector.

**DIRECTORS**

The Directors of the Company who held office during the year and subsequent to the year ended 31 December 2011 were as follows:

R Sivanithy	Resigned 31 July 2011
D Thomas	
R Cloney	Appointed 10 January 2011

A Bartlett and A Rutherford were Joint Secretaries of the Company throughout the year. There have been no further changes during the year or subsequent to the year-end.

**REPORT OF THE DIRECTORS (continued)**  
**For the year ended 31 December 2011**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

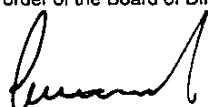
**DISCLOSURE OF INFORMATION TO AUDITORS**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**AUDITORS**

Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the Board of Directors this 28 day of SEPTEMBER 2012



A Rutherford  
Joint Secretary

**Registered office**

Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

Company number 4544867

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DB Vantage No 2 (UK) Limited**

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We have audited the financial statements of DB Vantage No 2 (UK) Limited for the year ended 31 December 2011 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

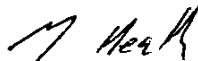
**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



**M Heath (Senior Statutory Auditor)**

**For and on behalf of KPMG Audit Plc, Statutory Auditor**

**Chartered Accountants**

15 Canada Square

London E14 5GL

Dated 28 September 2012

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 December 2011**

	Note	<u>2011</u> €	<u>2010</u> €
Interest receivable from group undertakings		12,604,936	9,975,633*
Fee receivable from group undertakings		50,164	123,043
Interest payable to group undertakings		(12,606,248)	(9,975,867)*
Foreign exchange loss	4	(5,635)	(5,820)
<hr/>			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		43,217	116,989
Tax charge on profit on ordinary activities	5	(11,453)	(32,757)
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PROFIT FOR THE FINANCIAL YEAR		31,764	84,232

\*Prior year figures have been restated to be comparative with current year figures

The profit for the year has arisen from continuing activities

There were no other recognised gains and losses during the year

The notes on pages 7 to 10 form part of these accounts

**BALANCE SHEET**  
As at 31 December 2011

	Note	2011 €	2010 €
<b>CURRENT ASSETS</b>			
Debtors	6	2,438,284	2,460,533*
Cash at bank	7	97	-
		2,438,381	2,460,533
<b>CREDITORS amounts falling due within one year</b>	8	(294,238)	(348,154)*
<b>NET CURRENT ASSETS</b>		2,144,143	2,112,379
<b>DEBTORS</b> Amounts receivable after more than one year			
	9	1,000,000,000	1,000,000,000
<b>CREDITORS</b> Amounts falling due after more than one year	10	(1,000,000,000)	(1,000,000,000)
<b>NET ASSETS</b>		2,144,143	2,112,379
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	141	141
Profit and loss account		2,144,002	2,112,238
<b>SHAREHOLDER'S FUNDS</b>		2,144,143	2,112,379

\*Prior year figures have been restated to be comparative with current year figures

The notes on pages 7 to 10 form part of these accounts

These financial statements were approved by the Board of Directors on 28 SEPTEMBER

2012



Signed by D.K. THOMAS  
for and on behalf of the Board of Directors

Company number 4544867

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**  
**For the year ended 31 December 2011**

	<u>Profit &amp; Loss Account</u>	<u>Ordinary Share Capital</u>	<u>Total</u>
	€	€	€
Balance at 1 January 2011	2,112,238	141	2,112,379
Profit for the year	31,764	-	31,764
Balance at 31 December 2011	2,144,002	141	2,144,143

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**  
**For the year ended 31 December 2010**

	<u>Profit &amp; Loss Account</u>	<u>Ordinary Share Capital</u>	<u>Total</u>
	€	€	€
Balance at 1 January 2010	2,028,006	141	2,028,147
Profit for the year	84,232	-	84,232
Balance at 31 December 2010	2,112,238	141	2,112,379

The notes on pages 7 to 10 form part of these accounts

**NOTES TO THE ACCOUNTS**  
For the year ended 31 December 2011

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**1 ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

***Basis of preparation***

These financial statements have been prepared in accordance with the Companies Act 2006, UK applicable accounting standards and applicable Statements of Recommended Practice. The particular accounting policies are described below

**(a) CONVENTION**

These financial statements are prepared in accordance with the historical cost convention

**(b) INCOME AND EXPENSE RECOGNITION**

Interest income and expense is accounted for on an accrual basis

**(c) FOREIGN CURRENCY**

The financial Statements are presented in Euro as it is the functional currency of the company. Transactions denominated in foreign currencies are translated into Euro at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date except where exchange rates are fixed under relevant hedging contracts. Translation differences are dealt with in the profit and loss account

**(d) FINANCIAL INSTRUMENTS**

The Company enters into derivatives only to hedge foreign currency exposure. The income and expense arising from derivative contracts entered into for hedging on-balance sheet assets and liabilities are recognised in the accounts in accordance with the accounting treatment of the underlying transactions being hedged. No derivatives are market to market and therefore, the disclosures set within FRS 29 'Financial Instruments: Disclosures' are not required

**(e) FINANCIAL SERVICES FEES**

Financial services fees are accrued over the period of the related service

**(f) TAXATION**

The charge for taxation is based on profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19

**(g) CASH FLOW STATEMENT**

The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available

**(h) GOING CONCERN**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

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## NOTES TO THE ACCOUNTS

For the year ended 31 December 2011

**2 DIRECTORS' REMUNERATION**

The aggregate emoluments of persons who were Directors of the Company during the year ended 31 December 2011, including pension contributions, were €nil (2010: €nil)

**3 ADMINISTRATIVE EXPENSES**

The Company has no full time employees. The staff involved in the Company's operations are all employees of the Deutsche Bank AG Group. The total staff costs have been borne by a Deutsche Bank AG Group company without recharge, no staff costs have therefore been included in these financial statements (2010: €nil)

	<u>2011</u>	<u>2010</u>
	€	€
Audit of these financial statements	13,044	12,167

Auditor's remuneration for services to the Company has been borne by another group undertaking

**4 FOREIGN EXCHANGE**

	<u>2011</u>	<u>2010</u>
	€	€
Foreign exchange loss on other monetary items	(5,635)	(5,820)
Total foreign exchange loss	(5,635)	(5,820)

**5 TAXATION**

	<u>2011</u>	<u>2010</u>
	€	€
Analysis of tax on profit on ordinary activities		
<i>Current tax</i>		
Group relief charge for the year	(11,453)	(32,757)

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 26.5% (2010: 28%). Corporate tax has been accrued at this rate, there being no adjusting items.

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3rd July 2012 respectively.

This will reduce the company's future current tax charge accordingly. It has not yet been possible to quantify the full anticipated effect of the announced further 1% rate reduction, although this will further reduce the company's future current tax charge.

**6 DEBTORS**

	<u>2011</u>	<u>2010</u>
	€	€
Amount receivable from group undertakings	2,364,557	2,407,503
Interest receivable from group undertakings	73,727	53,030
	<u>2,438,284</u>	<u>2,460,533</u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2011**

<b>7 CASH AT BANK</b>	<u>2011</u>	<u>2010</u>
	€	€
Cash at bank held with Deutsche Bank AG	97	-
<b>8 CREDITORS Amounts falling due within one year</b>	<u>2011</u>	<u>2010</u>
	€	€
Amounts owed to group undertakings	208,762	165,902
Interest owed to group undertakings	73,759	53,037
Group relief payable	11,717	32,692
Bank overdraft	-	96,523
	<u>294,238</u>	<u>348,154</u>
<b>9 DEBTORS Amounts receivable after more than one year</b>	<u>2011</u>	<u>2010</u>
	€	€
Amounts receivable from group undertakings	1,000,000,000	1,000,000,000
<b>10 CREDITORS Amounts falling due after more than one year</b>	<u>2011</u>	<u>2010</u>
	€	€
Amounts owed to group undertakings	1,000,000,000	1,000,000,000
	<u>2011</u>	<u>2010</u>
	€	€
Debt can be analysed as falling due		
More than one year but less than five years	1,000,000,000	1,000,000,000
Maturity dates are as follows		
Note M	30 December 2015	600,000,000
Note N	30 December 2015	400,000,000

**11 FINANCIAL INSTRUMENTS-HEDGING**

The Company issued fixed rate loan notes amounting to €1billion (2010 €1 billion) ("Notes") and a related total return swaps to a group undertaking. The terms of the Note provide that the fixed coupon payments are made with reference to the relevant forward Turkish Lira ("TRL") interest rates at issuance and the variable redemption payment is made with reference to the €/TRL foreign exchange rate ruling at the redemption date with the result that, although payments on the Note are actually made in Euro, the Note represents, in substance a TRL borrowing. The terms of the Swap set out to effectively create a synthetic Euribor-based financing for the Company, by substituting the TRL interest rates with applicable Euribor rates and through the inclusion of a variable redemption receipt linked to the €/TRL foreign exchange rate ruling at such date. Accordingly, the Company has eliminated any exposure to TRL.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2011

<b>12 SHARE CAPITAL</b>	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>No</u></b>	<b><u>No</u></b>
Authorised		
Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	100	100
	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b><u>€</u></b>	<b><u>€</u></b>
Authorised		
Ordinary shares of £1 each	14,100	14,100
Allotted, called up and fully paid	<b><u>€</u></b>	<b><u>€</u></b>
Ordinary shares of £1 each	141	141

**13 ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS**

DB UK Holdings Limited, a company incorporated in the UK, is the Company's immediate controlling entity

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, is the Company's ultimate controlling entity, the ultimate parent company and the parent undertaking of the largest and smallest group for which group financial statements are drawn up

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from the Company Secretary, Deutsche Bank AG, London branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB

**14 RELATED PARTY TRANSACTIONS**

As permitted by paragraph 3(c) of FRS 8, no disclosure is made of transactions or balances with members or associates of the Deutsche Bank AG group