

CROCI Sectors Certificate

Terms & Conditions

Deutsche Bank



*The terms and conditions reflected herein are indicative and subject to change.
Price and availability are subject to change and any changes in assumptions could have a material impact on any returns detailed.*

Product Description & Rationale

The CROCI Sectors Certificate is a EUR denominated Certificate that tracks the performance of the CROCI Sectors Index, (the "Index"). The Certificate offers investors access to the Index a Deutsche Bank proprietary index which on the basis of an equity research model enables identification of the three sectors with the lowest CROCI Sector Median Economic Price Earnings Ratio. The Index picks a total of thirty stocks based on the lowest positive CROCI Economic Price Earnings Ratio out of the three sectors.

CROCI aims to identify the best value in the market based on an "economic" Price Earnings Ratio (P/E) which is determined by adjustments of companies' financial statements. This model is independent, 100% quantitative, rebalanced on a monthly basis and allows the value of companies on a P/E basis to be comparable across sectors and industries.

This Certificate is not capital guaranteed.

Summary of Terms & Conditions

Format	Certificates
Issuer	Deutsche Bank AG, London
Number of Certificates	10,000,000 CROCI Sectors Certificates
Underlying Asset	CROCI Sectors Index
Issue Price	EUR 100 per CROCI Sectors Certificate
Agio	Up to 2% upfront
Issue Date	27/5/2005
Subscription Period:	09/05/2005 – 27/05/2005
Primary Market End Date / Trade Date	27/05/2005 at 4 pm CET
Primary Market Settlement Date	31/05/2005
First Listing Date	11/07/2005
Exercise Date	The last Business Day of each February, May, August and November during the Exercise Period

Exercise Period	The period commencing on and including the 01/06/2005 up to and excluding the Termination Date; or, if such day is not a Business Day, the first succeeding Business Day
Settlement	Cash
Settlement Date	The third Business Day following the last occurring Valuation Date
Settlement Currency	EUR
Cash Settlement Amount	Final Reference Level × Multiplier
Final Reference Level	The Index Closing Level of the CROCI Sectors Index on the Valuation Date
Initial Reference Level	The Index Closing Level of the CROCI Sectors Index on the Initial Reference Valuation Date (6,232.00)
Multiplier	<p>A number equal to</p> <ol style="list-style-type: none"> 1) in relation to the first Multiplier Adjustment Date, the quotient of <ol style="list-style-type: none"> a) 100 Euro x (100% minus the Management Fee) (as numerator); and b) the Initial Reference Level (as denominator) 2) in relation to each subsequent Multiplier Adjustment Date, the product of <ol style="list-style-type: none"> a) the Multiplier on the immediately preceding Multiplier Adjustment Date and b) 100% minus the Management Fee <p>subject to adjustment in accordance with Product Condition 4;</p>
Multiplier Adjustment Date	Each Exercise Date, or, if such day is not a Trading Day, the next following Trading Day unless, in the opinion of the Calculation Agent, a Market Disruption Event has occurred on such day. If there is a Market Disruption Event on such day, then the Multiplier Adjustment Date shall be the first succeeding Trading Day on which there is no Market Disruption Event. If the first succeeding Trading Day on which there is no Market Disruption Event has not occurred by the eighth Trading Day immediately following the original date which, but for the occurrence of a Market Disruption Event, would have been the Multiplier Adjustment Date, then that eighth Trading Day shall be deemed to be the Multiplier Adjustment Date;
Management Fee	0.375% per quarter
Initial Reference Valuation Date	The 31/05/2005 or, if such day is not a Trading Day, the next following Trading Day
Valuation Date	The first Trading Day following the Termination Date

Termination Date	<ol style="list-style-type: none"> 1. if the Securityholder has exercised the Security, or if the Security is deemed to be exercised, the relevant Exercise Date, 2. if the Issuer has elected to redeem the Security in accordance with Product Condition 3, the relevant Redemption Date,
Redemption Right	The Issuer shall have an unconditional and irrevocable right to redeem the Securities at the Cash Settlement Amount by giving not less than 12 months' notice provided that no such redemption can occur prior to 27 May 2006 (the "Redemption Period").
Redemption Date	The date during the Redemption Period specified by the Issuer in the Redemption Notice provided that if such date is not a Business Day, then the Redemption Date will be the immediately succeeding Business Day
Index Sponsor	Deutsche Bank AG, London
Calculation Agent	The Issuer shall act as the Calculation Agent
Principal Agent	Deutsche Bank AG, London
Listing	Frankfurt Freiverkehr
Secondary Market	Deutsche Bank AG will quote on request indicative bid/offer prices for this Certificate. The spread will not exceed 1.5% under normal market circumstances.
Settlement	Euroclear and Clearstream Banking AG
Selling Restrictions	The Certificates may only be sold in accordance with local laws and regulations
Security Numbers	ISIN DE000DB0UQW1 WKN DB0UQW

Short description of the CROCI Sectors Index

The CROCI Sectors Index is intended to reflect the total return performance of thirty shares having the lowest positive CROCI Economic Price Earnings Ratio selected from the three sectors having the lowest CROCI Sector Median CROCI Economic Price Earnings Ratio. The shares are selected by the Index Sponsor from the constituents of the Selection Pool. The Selection Pool is defined as:

- (1) Dow Jones EURO STOXX Large Index excluding shares the issuers of which have a Dow Jones STOXX Economic Sector Designation specified as FIN (i.e. Financials) and
- (2) 251 shares with the highest Market Capitalisation contained in the S&P[®] 500 Index and further excluding from these 251 shares, shares the issuers of which have a S&P GICS Sector Code specified as Financials) and
- (3) TOPIX 100 Index excluding shares the issuers of which have a Tokyo Stock Exchange industry classification specified as Banks, Insurance, Securities & Commodities Futures and Other Financing Business.

The CROCI Sectors Index shall be constituted on the index commencement date. Following such initial Index composition, the Index Sponsor will reconstitute the Index on a monthly basis and determine the new Index Constituents. The shares constituting the Index will be equally weighted on each index reconstitution day following the selection procedure for the Index Constituents on each Selection Date.

The selection procedure for the Index Constituents on each Selection Date is as follows:

(i) The CROCI Economic Price Earnings Ratio for each share constituting the Selection Pool is determined by the Index Sponsor on the basis described in the definition of CROCI Economic Price Earnings Ratio in the offering circular .

(ii) The CROCI Sector Median Economic Price Earnings Ratio is determined for each Sector (excluding Financials). The Sectors (MSCI/GIC Sectors) are :

- Consumer Discretionary,
- Consumer Staples,
- Health Care,
- Information Technology,
- Industrials,
- Materials,
- Telecom Services,
- Utilities and
- Energy.

(iii) The ten eligible shares with the lowest positive CROCI Economic Price Earnings Ratio constituting the Sector with the lowest CROCI Sector Median Economic Price Earnings Ratio are selected as Index Constituents provided that CROCI Economic Price Earnings Ratio for such eligible share is lower than the CROCI Sector Median Economic Price Earnings Ratio. The same process applies for the Sector with the second lowest CROCI Sector Median Economic Price Earnings Ratio. Finally, the same process applies for the Sector with the third lowest CROCI Sector Median Economic Price Earnings Ratio.

In the event that there are fewer than thirty Index Constituents as provided above available for inclusion within the Index for the purposes of the relevant Selection Date, then the Index Sponsor shall select the eligible shares with the lowest positive CROCI Economic Price Earnings Ratio as remaining Index Constituents from the other six Sectors.

The Daily Index Closing Level will be calculated on each Trading Day by the Index Sponsor using the Trading Prices and the Weights. The Index is expressed in euro.

Below please find several Product Specific Risks, please see Offering Circular/Pricing Supplement for full risk disclosure.

Principal Protection / Return Risk

This structure is NOT principal protected.

The final return on this investment depends on the trading behavior of the Underlying Asset. The redemption value of this investment or value of this investment on maturity may be zero if the Underlying Asset becomes valueless. Any order to sell the Underlying Security before receipt thereof on maturity may only be carried out at our absolute discretion and on such terms as we may require including an undertaking from you to indemnify us for any loss and expense resulting from our acting on your sell order.

The value of the Certificate is based on the value of the underlying CROCI Sectors Index converted into Euro. The potential investor will have a full exposure to the fluctuations in the USD/Euro and JPY/Euro exchange rate, as the performance of the Certificate is not currency hedged.

Market Liquidity during the Lifetime of the Certificate

A liquid secondary market for this security is not guaranteed. Deutsche Bank will endeavour to provide a secondary market. Upon investor demand, Deutsche Bank will provide a bid/offer for such security, depending on actual market conditions.

Tax treatment

If the certificates are held for a period longer than twelve months, capital gains for private clients resident in Germany are not taxable.

Important Notice

This document and the information contained therein does not constitute the provision of an investment advice. Nor do they constitute, in particular, a recommendation in keeping with a client's individual situation.

Past performance is not indicative of future results.

Insofar as data contained in the document originate from third parties, Deutsche Bank AG does not bear liability for their accuracy and completeness, although it only uses sources which it considers to be liable.

All prices are indicative and dependent upon market conditions.

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