

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|---|---|---|----------------------|
| 1 Issuer's name The New Germany Fund, Inc. | | 2 Issuer's employer identification number (EIN) 13-3555471 | |
| 3 Name of contact for additional information Paul Antosca | 4 Telephone No. of contact 617-295-3490 | 5 Email address of contact paul.antosca@db.com | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact One Beacon Street, 11th Floor | | 7 City, town, or post office, state, and Zip code of contact Boston, MA 02108 | |
| 8 Date of action See Attachment | | 9 Classification and description Non-Taxable Return of Capital Distribution | |
| 10 CUSIP number See Attachment | 11 Serial number(s) | 12 Ticker symbol See Attachment | 13 Account number(s) |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ The New Germany Fund, Inc. distributed dividends to shareholders during its fiscal year ended December 31, 2016. A portion of these distributions was in excess of its current and accumulated earnings and profits (E&P). The affected distributions were paid to shareholders from 1/1/2016 to 12/31/2016 as shown in the attachment.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The portion of the distribution which is a nontaxable return of capital should reduce the basis of the shares in the hands of a US taxpayer to the extent of the shareholders' adjusted basis. To the extent the return of capital exceeds the shareholders' adjusted basis, the distribution will be taxed as a capital gain to the shareholder. See the attachment for applicable per share amounts.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ At the close of the Fund's fiscal year on 12/31/2016, the Fund's current & accumulated E&P was calculated under IRC Section 312 as modified by Sec. 852(c) for a Regulated Investment Company (RIC). The amount of E&P was compared to the amount of the Fund's fiscal year distributions to shareholders. Distributions in excess of E&P were recharacterized as return of capital and should be applied as a reduction in each shareholder's tax basis in the applicable shares. (See Attachment.)

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC Sec. 301(c)(2) - Basis reduction for distributions in excess of Earnings & Profits
IRC Sec. 316(a) - Rule for allocation of distributions in excess of Earnings & Profits for a calendar year RIC.

18 Can any resulting loss be recognized? ▶ No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ This action is effective on the distribution date listed in the Attachment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ Paul Antosca Date ▶ 2/24/17

Print your name ▶ Paul Antosca Title ▶ Assistant Treasurer

| | | | | | |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | Firm's name ▶ | | | | Firm's EIN ▶ |
| | Firm's address ▶ | | | | Phone no. |

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

The New Germany Fund, Inc.

EIN # 13-3555471

Attachment to Form 8937

Report of Organizational actions affecting basis of securities

Part I, Boxes 10 & 12
Part II, Questions 14, 15 & 16

| Fund Name | NASDAQ Symbol | Cusip | Record Date | Ex-Date | Payable Date | Total Distribution per Share | Non-Taxable Return of Capital Per Share | Taxable Dividend Per Share |
|----------------------------|---------------|-----------|-------------|------------|--------------|------------------------------|---|----------------------------|
| The New Germany Fund, Inc. | GF | 644465106 | 5/19/2016 | 5/17/2016 | 7/18/2016 | 0.2526 | 0.0830 | 0.1696 |
| The New Germany Fund, Inc. | GF | 644465106 | 12/30/2016 | 12/28/2016 | 1/27/2017 | 0.4418 | 0.1451 | 0.2967 |