



# Strong capital base for transformation

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Analyst conference – Q4 2020 / FY 2020 preliminary and unaudited results

# Strong capital base for transformation



## Highlights 2020

### Operating performance reflects impact of Corona

NCI up 9% almost compensates impact of pandemic and interest rate environment leading to underlying revenues of €8.4bn

Revenues burdened by €229m legal provisions for CHF loan portfolio in mBank

Costs of €6.7bn are ~€200m below initial guidance

Risk result of -€1.75bn of which -€961m is Corona related, including -€505m TLA

Operating result of -€233m driven by risk result

### Basis for transformation established

€814m restructuring charge for closure of ~200 branches and reduction of 2,900 FTE – charge in 2019 leads to reduction of 800 FTE

Clean-up of balance sheet with write-off of €1.6bn goodwill and other intangible assets reflected in net result of -€2.9bn – no effect on CET1 ratio

Fundamental transformation plan ready for immediate execution

### Strong capital base

CET1 ratio of 13.2% and distance to MDA of ~370bp good starting point for transformation

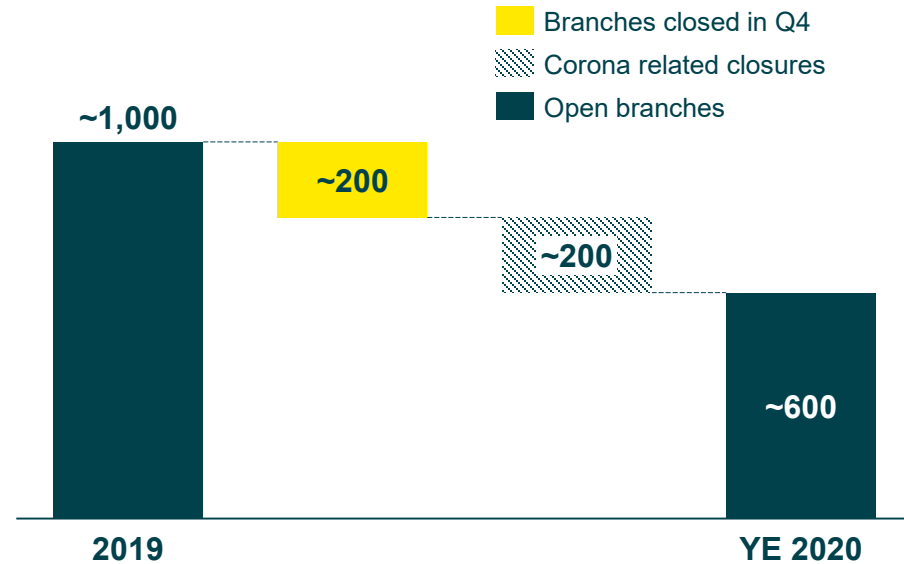
RWA reduced by €4.8bn in Q4 – active RWA management and partly lower drawings of credit lines offsetting impacts from rating migrations

NPE ratio of 1.0% underlines sound quality of loan book

# Restructuring charges mark start of transformation

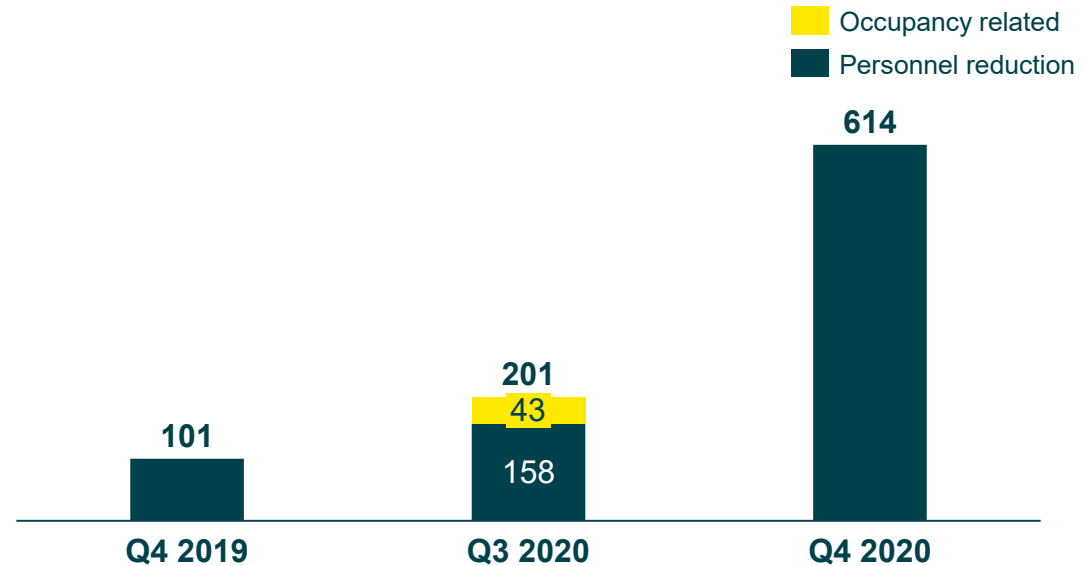


## Number of branches in Germany



200 branches closed due to Corona – most of them not expected to be reopened as part of the transformation plan

## Restructuring charges (€m)



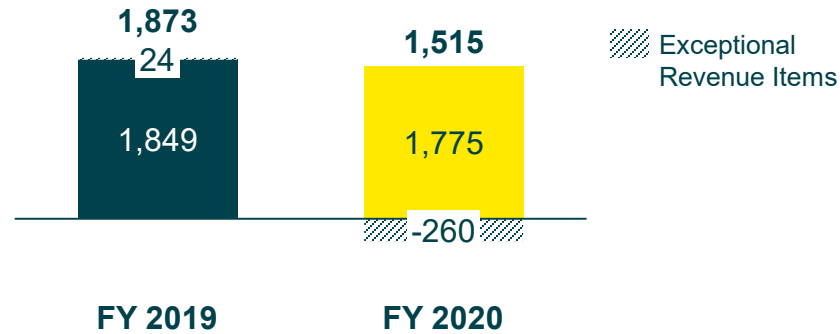
Restructuring charges cover closure of 200 branches in Q4 and reduction of 2900 FTE – charge in 2019 leads to reduction of 800 FTE

Details of FTE reductions covered by Q4 booking will be negotiated together with additional reductions based on the transformation plan

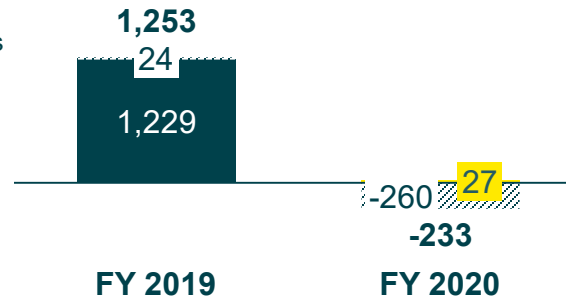
# Goodwill write-off and restructuring impact net result



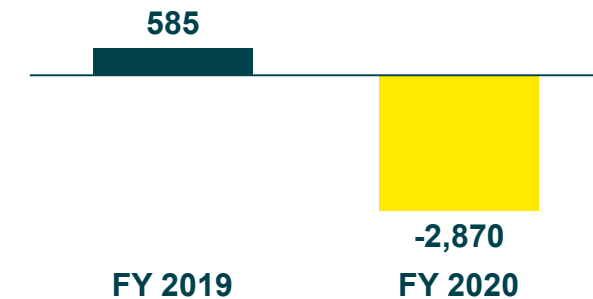
**Pre-provision result**  
(€m)



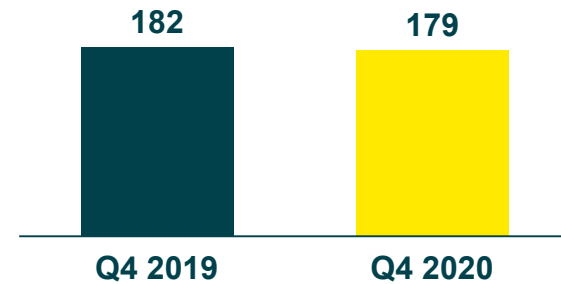
**Operating result**  
(€m)



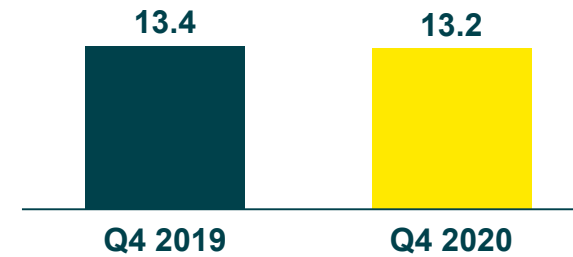
**Net result<sup>1</sup>**  
(€m)



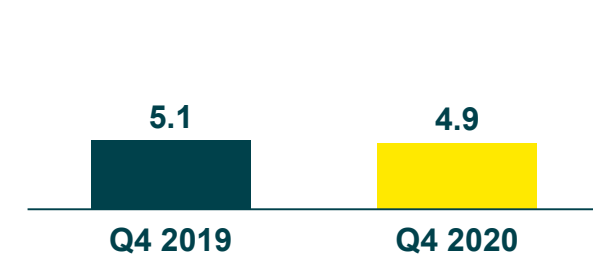
**RWA**  
(€bn)



**CET1 ratio<sup>2</sup>**  
(%)



**Leverage ratio<sup>2</sup>**  
(%)



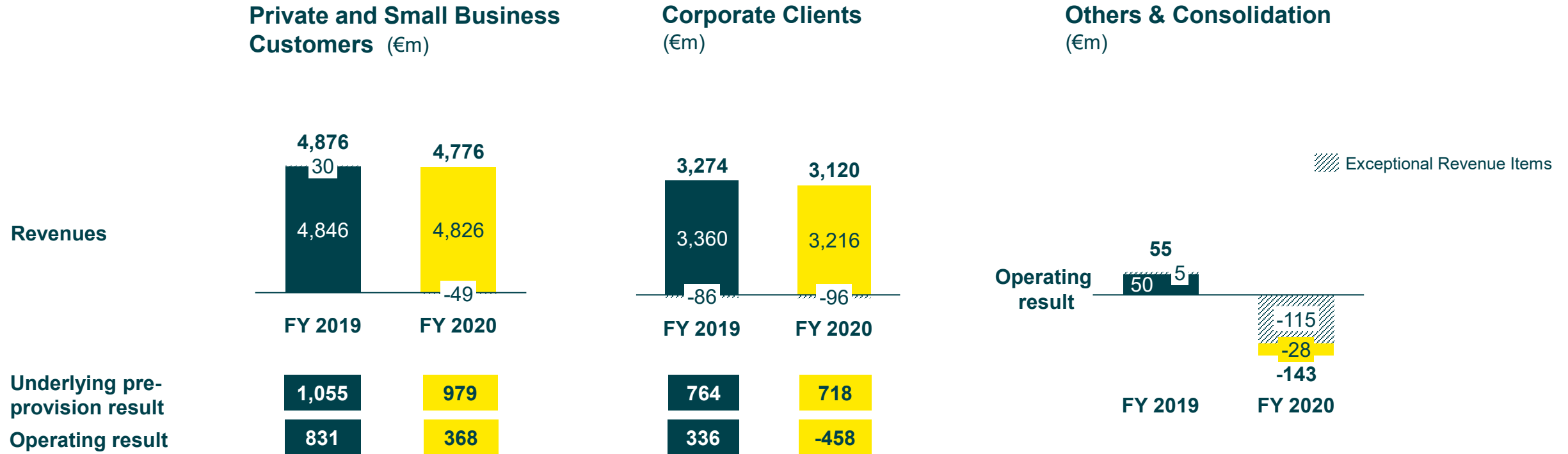
1) Consolidated result attributable to Commerzbank shareholders and investors in additional equity components  
2) Includes net results reduced by dividend accrual where applicable and potential (fully discretionary) AT1 coupons

# Result also burdened by exceptional revenue items



2019 (€m)		Revenues		2020 (€m)		Revenues	
<b>Q1</b>	Hedging & valuation adjustments	-15	<b>-34</b>	<b>Q1</b>	Hedging & valuation adjustments	-160	<b>-173</b>
	PPA Consumer Finance (PSBC)	-19			PPA Consumer Finance (PSBC)	-13	
<b>Q2</b>	Hedging & valuation adjustments	86	<b>34</b>	<b>Q2</b>	Hedging & valuation adjustments	49	<b>-5</b>
	PPA Consumer Finance (PSBC)	-18			PPA Consumer Finance (PSBC)	-12	
	Insurance based product (CC)	-34			Fine UK Financial Conduct Auth. (CC)	-41	
<b>Q3</b>	Hedging & valuation adjustments	-74	<b>13</b>	<b>Q3</b>	Hedging & valuation adjustments	-51	<b>-63</b>
	PPA Consumer Finance (PSBC)	-16			PPA Consumer Finance (PSBC)	-11	
	Sale ebase (PSBC)	103					
<b>Q4</b>	Hedging & valuation adjustments	47	<b>11</b>	<b>Q4</b>	Hedging & valuation adjustments	-9	<b>-19</b>
	PPA Consumer Finance (PSBC)	-15			PPA Consumer Finance (PSBC)	-10	
	Insurance based product (CC)	-22					
<b>FY</b>		<b>24</b>		<b>FY</b>		<b>-260</b>	

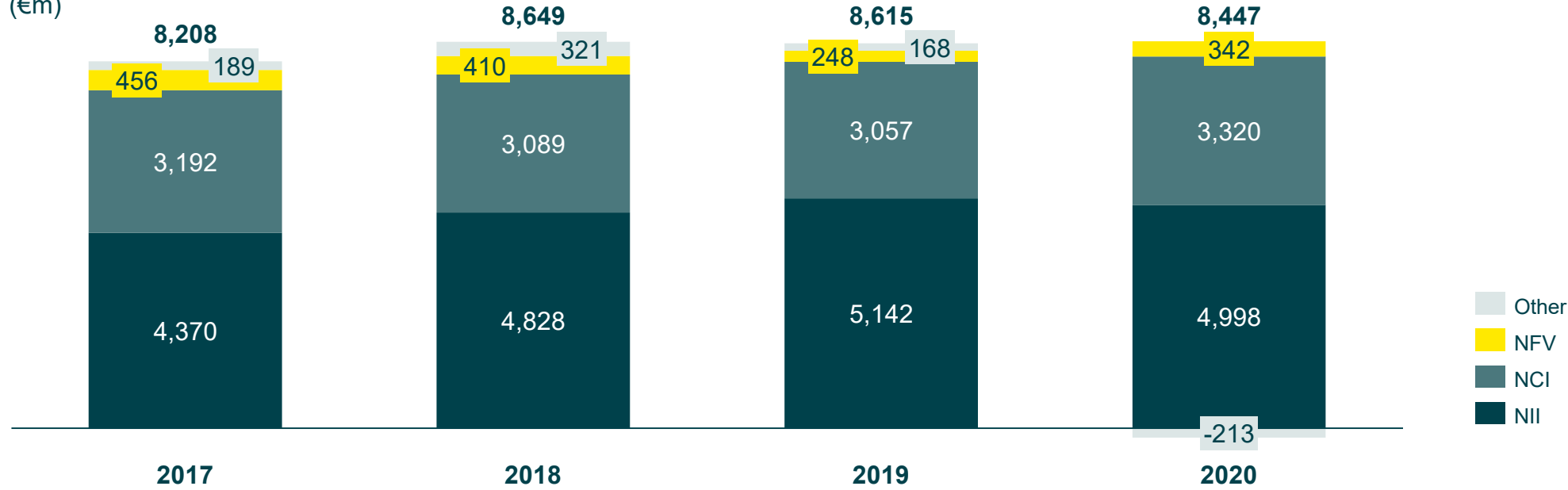
# Operating result driven by risk result in core segments



# Underlying revenues from customer business maintained

## Underlying revenues

(€m)



### Highlights 2020

Growth in underlying NCI of 8.6% more than compensating 2.8% decline in NII

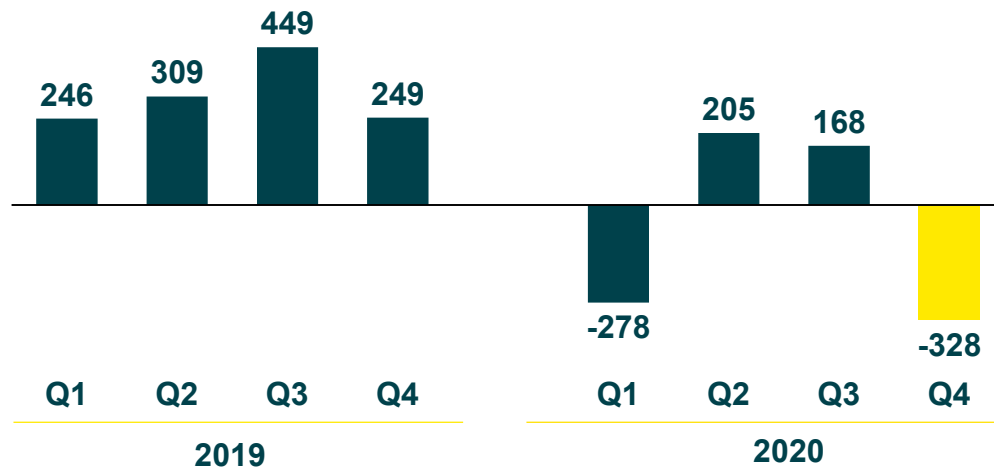
NFV benefitting from contributions of Commerz Ventures

Other income reflects booking of legal provisions for CHF loan portfolio in mBank (-€229m in FY 2020)

# Q4 operating loss driven by increase of TLA to -€505m



## Group operating result (€m)



## Group P&L

in €m	Q4 2019	Q3 2020	Q4 2020	FY 2019	FY 2020
Revenues	2,172	2,033	2,029	8,639	8,186
Exceptional items	11	-63	-19	24	-260
<b>Revenues excl. exceptional items</b>	<b>2,161</b>	<b>2,096</b>	<b>2,048</b>	<b>8,615</b>	<b>8,447</b>
<i>o/w Net interest income</i>	1,322	1,227	1,155	5,142	4,998
<i>o/w Net commission income</i>	788	813	837	3,057	3,320
<i>o/w Net fair value result</i>	85	117	196	248	342
<i>o/w Other income</i>	-33	-61	-140	168	-213
Risk result	-250	-272	-681	-620	-1,748
Operating expenses	1,608	1,521	1,609	6,313	6,160
Compulsory contributions	65	72	67	453	512
<b>Operating result</b>	<b>249</b>	<b>168</b>	<b>-328</b>	<b>1,253</b>	<b>-233</b>
Impairments on goodwill and other intangible assets	28	-	1,578	28	1,578
Restructuring expenses	101	201	614	101	814
<b>Pre-tax profit discontinued operations</b>	<b>-9</b>	<b>-11</b>	<b>-10</b>	<b>-17</b>	<b>30</b>
<b>Pre-tax profit Commerzbank Group</b>	<b>111</b>	<b>-43</b>	<b>-2,530</b>	<b>1,108</b>	<b>-2,597</b>
Taxes on income	195	3	199	423	264
Minority interests	13	15	-26	100	9
<b>Net result</b>	<b>-97</b>	<b>-60</b>	<b>-2,702</b>	<b>585</b>	<b>-2,870</b>
CIR (excl. compulsory contributions) (%)	74.0	74.8	79.3	73.1	75.2
CIR (incl. compulsory contributions) (%)	77.0	78.3	82.6	78.3	81.5
Net RoTE (%)	-1.7	-1.5	-43.9	2.2	-11.7
Operating RoCET (%)	4.1	2.7	-5.4	5.2	-1.0

### Highlights Q4

Underlying income from customer business held up  
Other income of -€140m affected by legal reserves for CHF loan portfolio in mBank

Operating result of -€328m reflects risk result of -€681m – majority of risk result due to pandemic  
Net result of -€2.7bn impacted by impairments on goodwill and other intangibles, restructuring expenses and taxes

Taxes reflect taxable income in locations outside Germany and write-off of €83m DTA mainly at locations to be closed in transformation

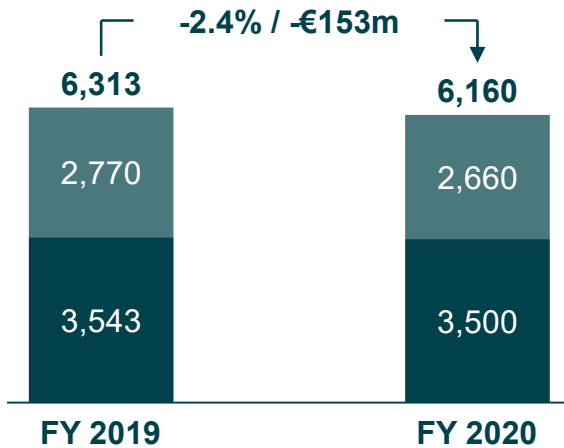
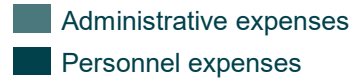


# Manageable operating expenses reduced by €153m



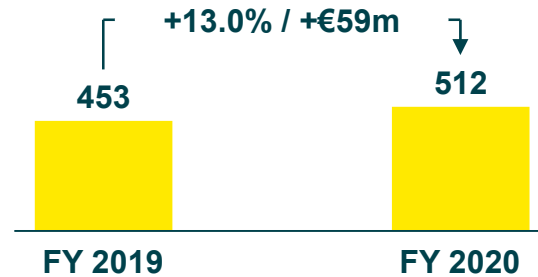
## Operating expenses

(€m)



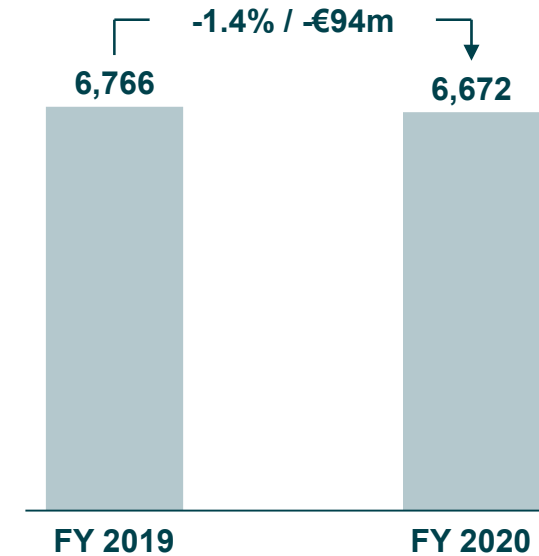
## Compulsory contributions

(€m)



## Total expenses

(€m)



### Highlights 2020

Personnel expenses benefit from a YoY net FTE reduction of around 900 FTEs – domestic staff was reduced by around 1,100 FTE

Decreasing administrative expenses for advertising, travel and from depreciation

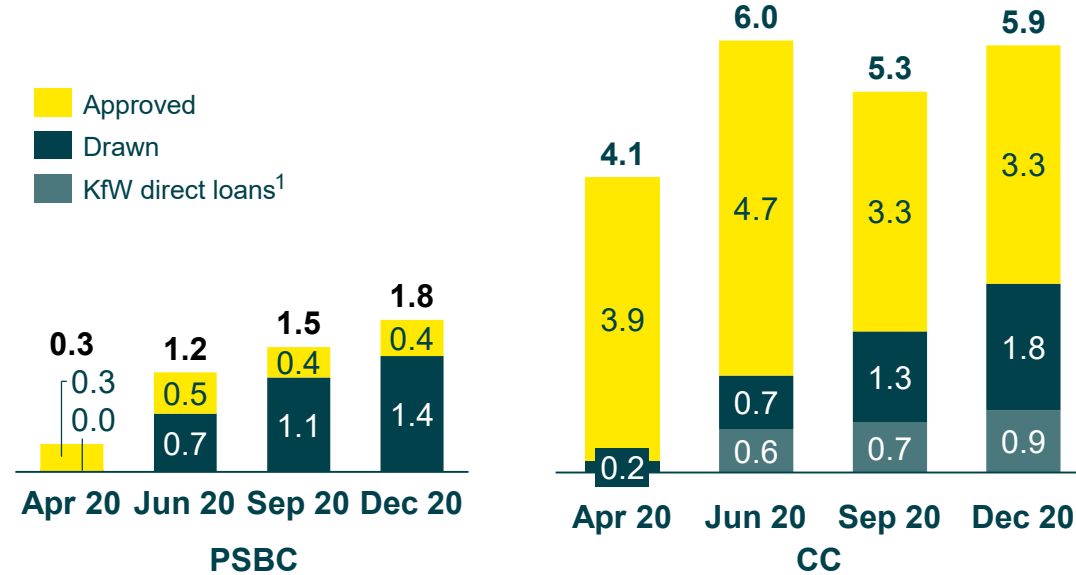
Rising compulsory contributions mainly due to increased target volume of European bank levy and higher covered deposit volume

Total cost below previous year's level and ~€200m below original cost target of €6.9bn

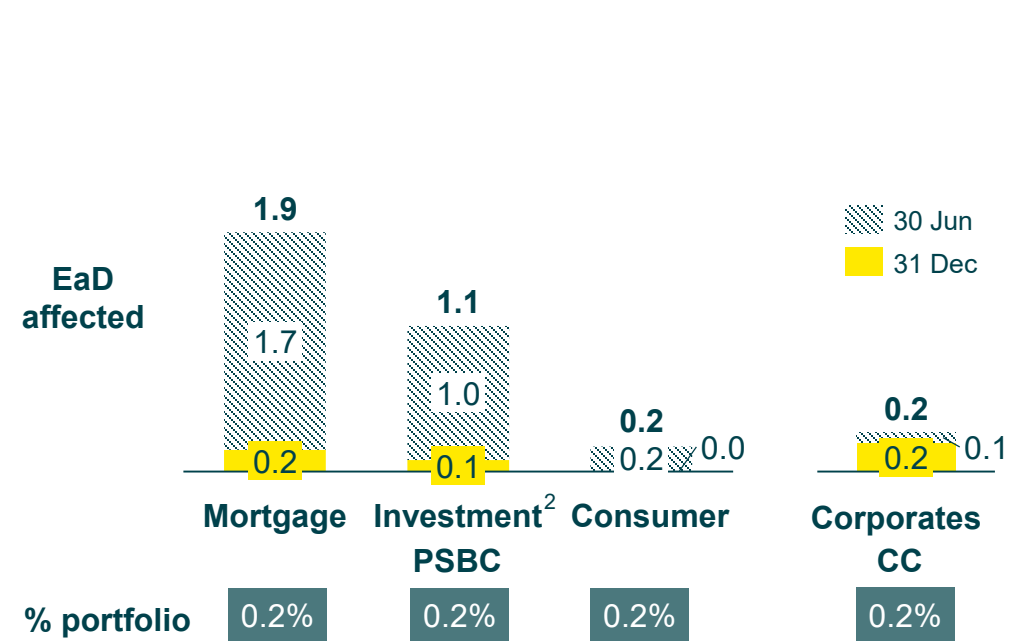
# Continued moderate demand for KfW loans by customers



## Government guaranteed loans (€bn Germany)



## Loan deferrals since start of crisis until 31 Dec (€bn Germany)



### Highlights Q4

In Q4 moderate volume of customer requests for KfW loans – large part of initial requests so far not drawn in CC

Most deferrals ended as scheduled in Q3 – around 97% of customers whose deferrals have ended have so far resumed their payments

As yet only limited effects from 2nd lockdown and reinstatement of insolvency law – still exemptions to insolvency law for companies receiving direct Corona state aid

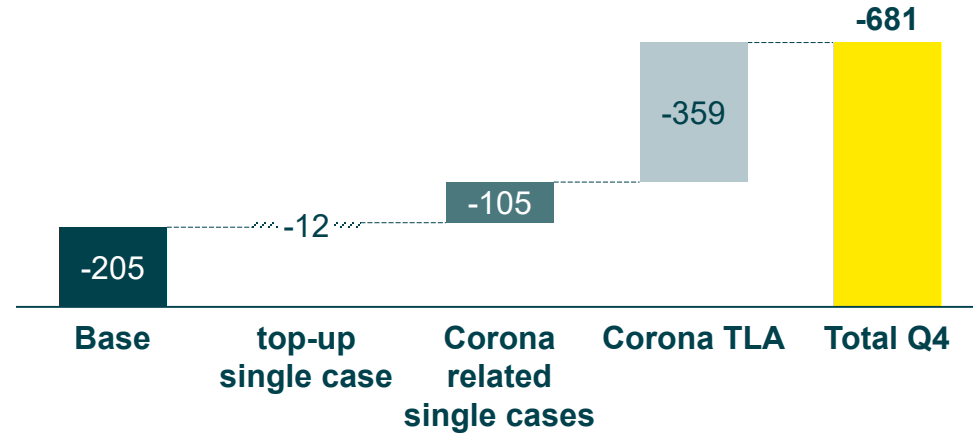
1) CBK share of KfW direct syndicated loans without CBK risk

2) Investment and other loans

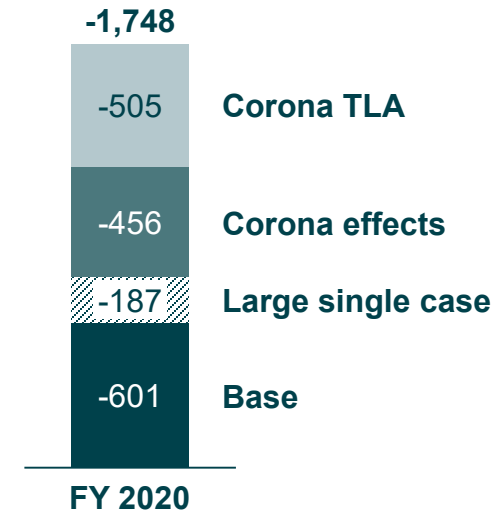
# Majority of Q4 risk result for increase of TLA to -€505m



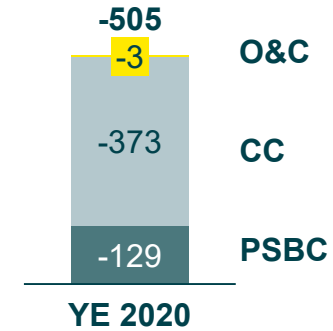
**Risk result Q4**  
(€m)



**Risk result FY 2020**  
(€m)



**Corona TLA by segment**  
(€m)



## Highlights Q4

Additional top level adjustment (TLA) of -€359m booked in Q4 – overall TLA increased to -€505m, covering expected future requirements

In Q4 -€12m top-up provision booked for a large single case with the remaining exposure being backed by currently expected low recovery

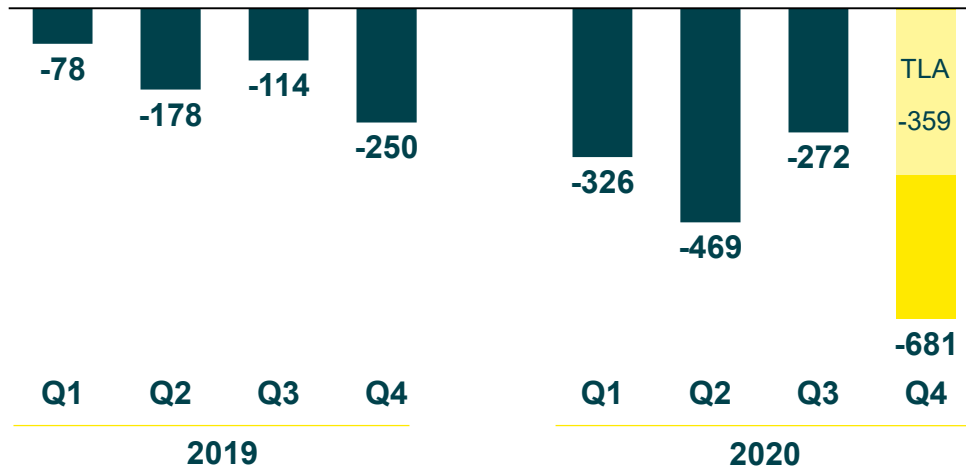
TLA is based on in-depth portfolio analysis considering the ECB's December scenario which assumes an 3% increase in German GDP in 2021

# 2<sup>nd</sup> lockdown with clear impact on TLA and risk result



## Risk result

(€m)



## Risk result divisional split

Risk Result in €m	Q4 2019	Q3 2020	Q4 2020	FY 2019	FY 2020
Private and Small Business Customers	-67	-130	-118	-254	-562
Corporate Clients	-156	-120	-505	-342	-1,081
Asset & Capital Recovery	-	-	-	-24	-
Others & Consolidation	-27	-22	-57	-	-106
<b>Group</b>	<b>-250</b>	<b>-272</b>	<b>-681</b>	<b>-620</b>	<b>-1,748</b>
NPE in €bn					
Private and Small Business Customers	1.8	2.0	2.0	1.8	2.0
Corporate Clients	1.7	2.3	2.3	1.7	2.3
Asset & Capital Recovery	-	-	-	-	-
Others & Consolidation	0.2	0.4	0.4	0.2	0.4
<b>Group</b>	<b>3.7</b>	<b>4.7</b>	<b>4.8</b>	<b>3.7</b>	<b>4.8</b>
Group NPE ratio (in %)	0.9	0.9	1.0	0.9	1.0
Group CoR (bps)	14	29	37	14	37
Group CoR on Loans (CoRL) (bps)	24	53	68	24	68

### Highlights Q4

In CC -€505m risk result driven by Corona related single cases of -€60m and TLA of -€313m

In PSBC -€118m risk result contains TLA of -€45m – risk result of mBank -€57m

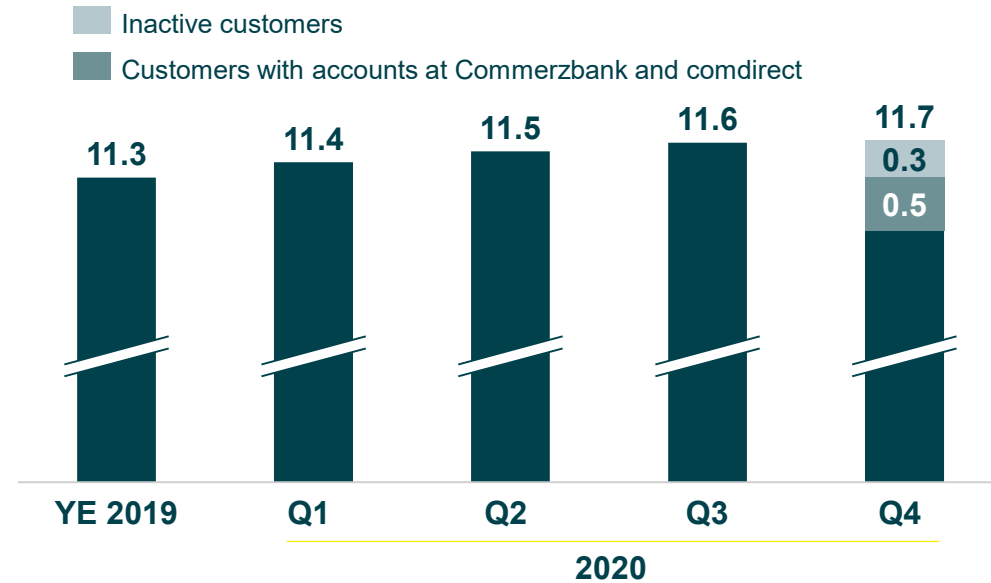
Risk result in O&C of -€57m driven by increased provisions in the default portfolio

# Continued growth in PSBC – customer base adjusted



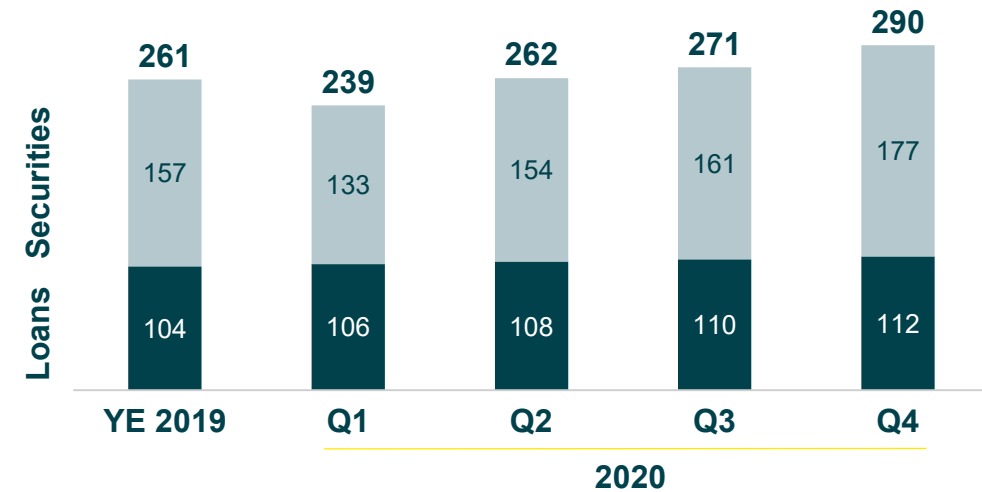
## Customers (Germany)

(m)



## Loan and securities volumes (Germany)

(€bn eop)



### Highlights 2020

2020 net customer growth of 375k achieved with significantly reduced customer acquisition costs

Customer base adjusted for inactive customers (~340k)

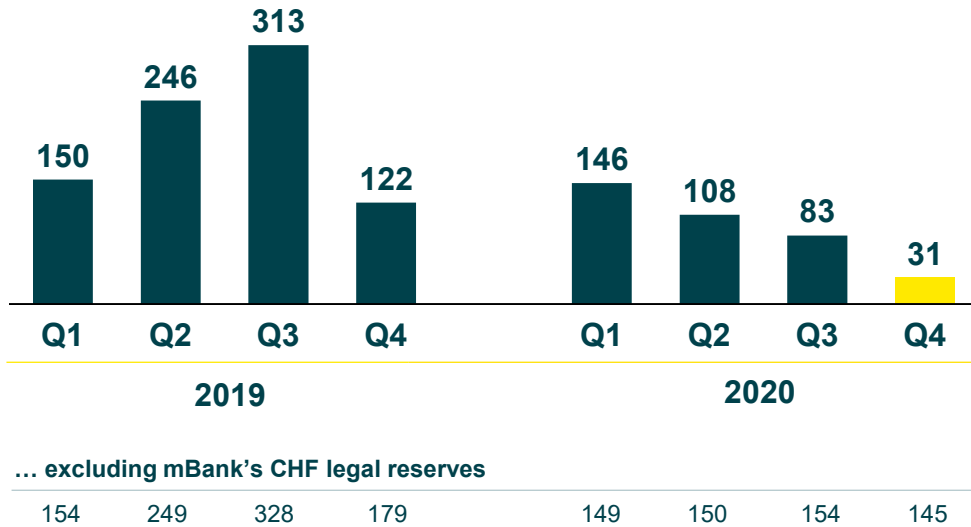
Currently ~500k customers with accounts at both Commerzbank and comdirect

€20bn increase in securities YoY include around €12bn net new money

In 2020 German mortgages up 7% to €86bn with record new business volume – consumer finance book at €3.9bn (vs YE 2019 €3.7bn)

# Underlying revenues in PSBC on track despite headwinds

## Operating result (€m)



## Segmental P&L

in €m	Q4 2019	Q3 2020	Q4 2020	FY 2019	FY 2020
Revenues	1,152	1,153	1,133	4,876	4,776
o/w Private Customers <sup>1</sup>	657	686	686	2,713	2,800
o/w Small Business Customers	206	204	199	811	813
o/w mBank	255	227	220	1,121	1,025
o/w Commerz Real	48	47	37	202	187
o/w exceptional revenue items	-14	-11	-10	30	-49
<b>Revenues excl. exceptional items</b>	<b>1,166</b>	<b>1,164</b>	<b>1,142</b>	<b>4,846</b>	<b>4,826</b>
Risk result	-67	-130	-118	-254	-562
Operating expenses	908	872	920	3,506	3,515
Compulsory contributions	55	67	63	285	331
<b>Operating result</b>	<b>122</b>	<b>83</b>	<b>31</b>	<b>831</b>	<b>368</b>
RWA (end of period in €bn)	46.9	48.1	47.2	46.9	47.2
CIR (excl. compulsory contributions) (%)	78.8	75.7	81.2	71.9	73.6
CIR (incl. compulsory contributions) (%)	83.6	81.5	86.8	77.7	80.5
Operating return on equity (%)	8.7	5.8	2.2	15.6	6.5

## Highlights Q4

In Q4 continuing good contribution from fee businesses in PSBC Germany – compensating lower contribution from deposits

Significantly improved new business volume in German mortgages (+38% YoY), with margins in the mortgage business also slightly improved – front book margins above back book

mBank underlying revenues slightly below previous quarter's level. Better NCI and NFV could not fully compensate €113m legal reserves for CHF mortgages

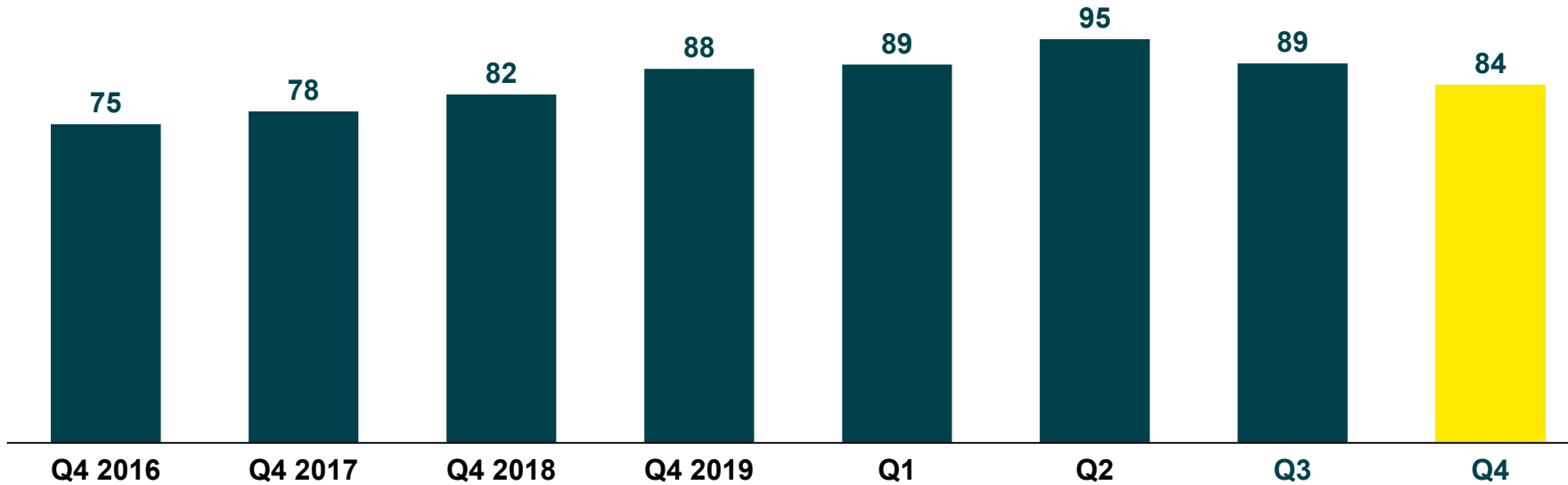
1) Including former comdirect

# Active portfolio management in CC



## Loan volume Corporates

(quarterly average €bn | Mittelstand and International Corporates)



### Highlights Q4

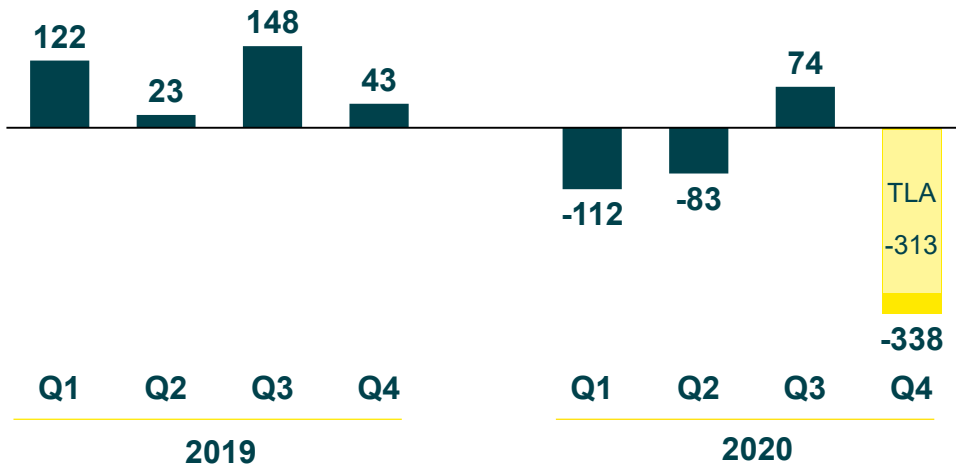
Loan volume reduction predominantly driven by active portfolio management in International Corporates

Drawings from Mittelstand customers decreased due to lower liquidity requirements

# Corporate Clients strongly impacted by pandemic



## Operating result (€m)



## Segmental P&L

in €m	Q4 2019	Q3 2020	Q4 2020	FY 2019	FY 2020
Revenues	832	788	775	3,274	3,120
o/w Mittelstand	452	435	421	1,813	1,736
o/w International Corporates	203	225	198	845	889
o/w Institutionals	137	127	149	602	583
o/w others	52	19	-6	100	8
o/w exceptional revenue items	-13	-18	13	-86	-96
<b>Revenues excl. exceptional items</b>	<b>844</b>	<b>807</b>	<b>761</b>	<b>3,360</b>	<b>3,216</b>
Risk result	-156	-120	-505	-342	-1,081
Operating expenses	624	590	604	2,478	2,380
Compulsory contributions	9	4	2	118	117
<b>Operating result</b>	<b>43</b>	<b>74</b>	<b>-338</b>	<b>336</b>	<b>-458</b>
<b>Pre-tax profit discontinued operations</b>	<b>-9</b>	<b>-11</b>	<b>-10</b>	<b>-17</b>	<b>30</b>
RWA (end of period in €bn)	96.1	95.2	90.3	96.1	90.3
CIR (excl. compulsory contributions) (%)	75.0	74.8	78.0	75.7	76.3
CIR (incl. compulsory contributions) (%)	76.1	75.4	78.3	79.3	80.1
Operating return on equity (%)	1.4	2.5	-12.1	2.8	-4.0

## Highlights Q4

Strict RWA management and lower liquidity requirements of customers lead to lower contributions from loan business – revenues in customer businesses ~2% lower YoY

Stronger capital markets business could partially compensate reduced revenues from commercial banking – however, this was offset by Corona induced valuation losses on exposures held at fair value

Others includes Corona induced revaluations of positions held at fair value

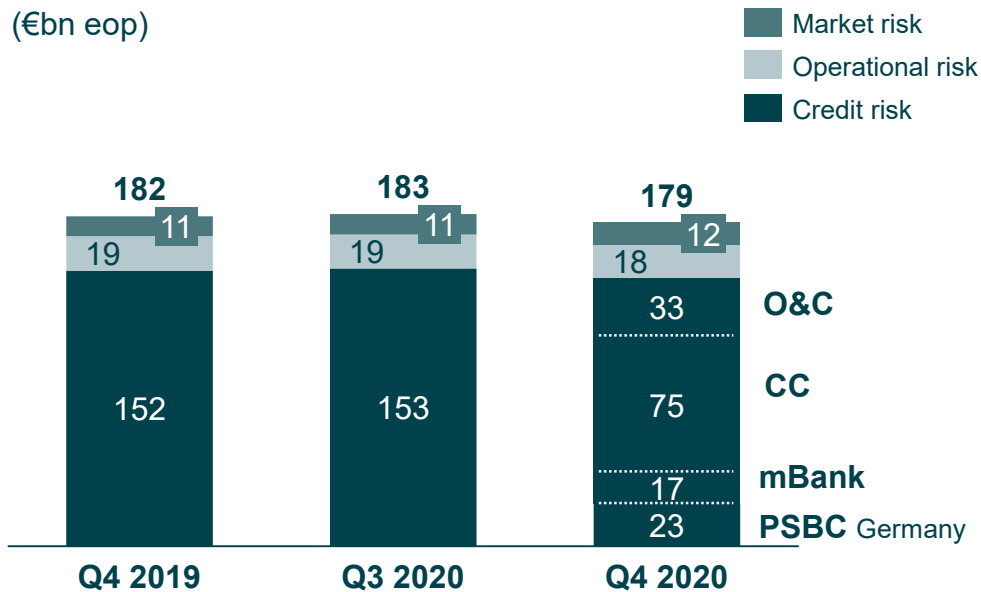


# Successful mitigation of Corona effects in RWA



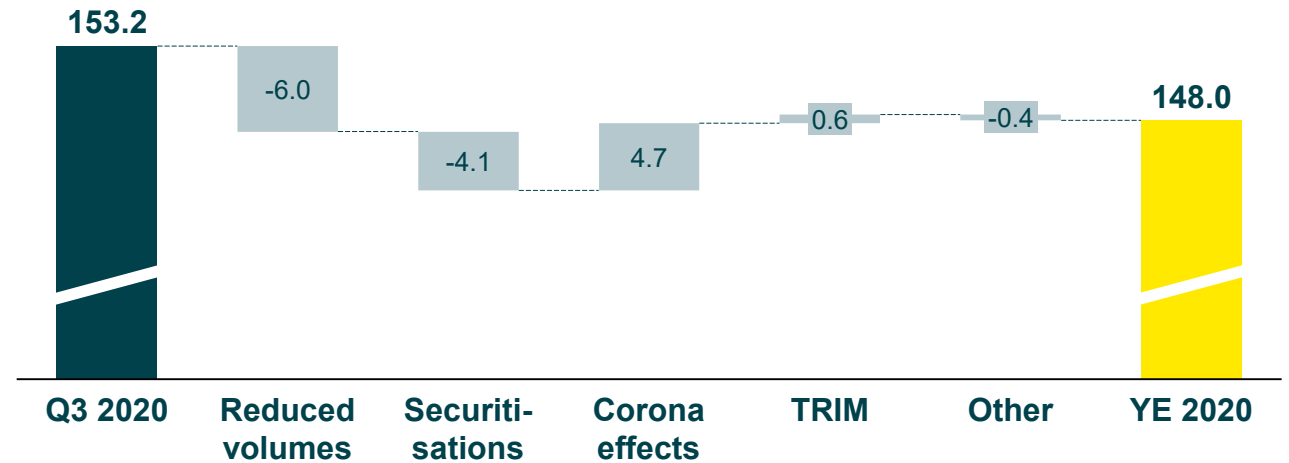
## RWA development by risk types

(€bn eop)



## Drivers of credit RWA

(€bn eop)



### Highlights Q4

Active RWA management including securitisations in CC and lower drawings of credit lines as well as RWA management in Treasury reduced RWA by €10.1bn

Corona driven prudent parameter adjustments, mainly rating migrations, result in €4.7bn RWA increase

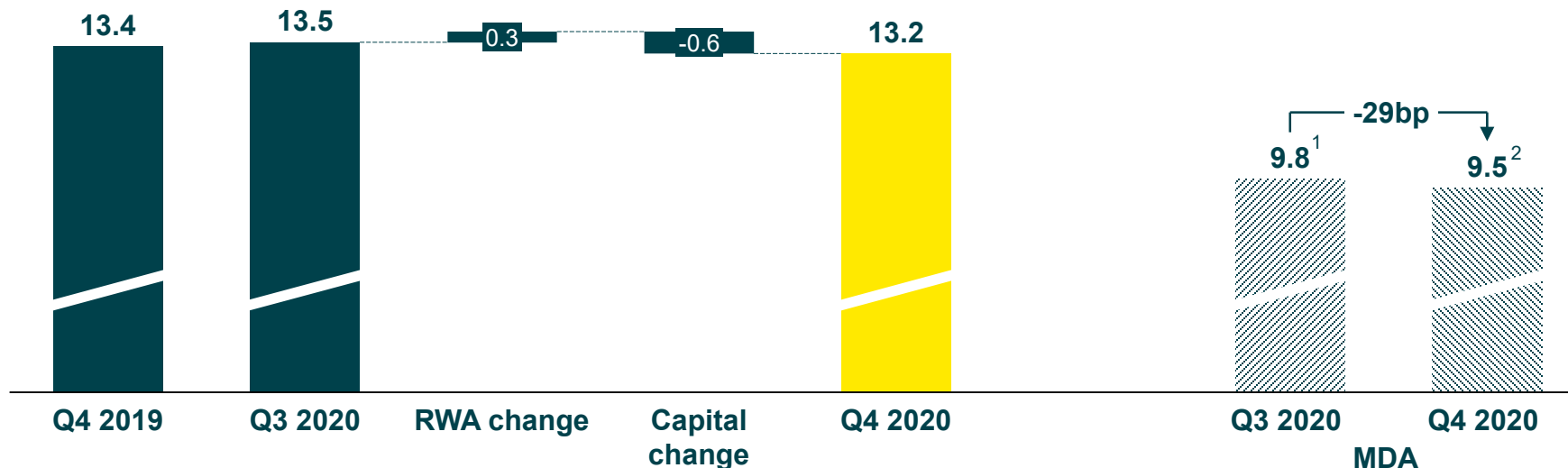
€0.6bn resulting from finalisation of TRIM for retail and small corporates

# CET1 ratio of 13.2% and buffer to MDA of ~370bp



## Transition of CET1 ratio

(%)



## Highlights Q4

Capital lower by €1.2bn driven by capital relevant loss (goodwill write-off does not impact CET1) as well as negative OCI effect from actuarial losses

31bp net benefit from changed treatment of software – +36bp from change in capital slightly offset by -5bp from RWA change

Buffer to MDA at ~370bp – well above mid-term target range of 200-250bp through the cycle

MDA threshold at 9.5% after 25bp reduction of O-SII capital requirement by BaFin in November 2020

1) Based on RWA as of Q3 2020

2) Based on RWA as of Q4 2020

# Objectives and expectations for 2021



We expect slightly lower revenues – reflecting focus on RWA optimisation in transformation

With increased investments and initial cost measures from transformation we expect costs of around €6.5bn

Given the uncertainty of the further development of the pandemic we expect a risk result in the range of -€0.8bn to -€1.2bn

We target a CET1 ratio above 12% after additional restructuring charges of ~€0.9bn

We expect a positive operating result despite Corona impact on risk result

**2021 with first measurable results from transformation**



# Appendix



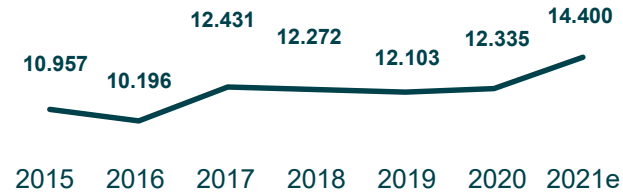
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# German economy 2021 – Fighting the Corona virus



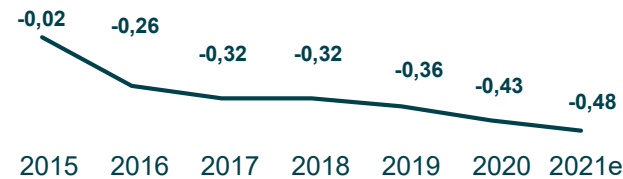
## DAX

(avg. p.a.)



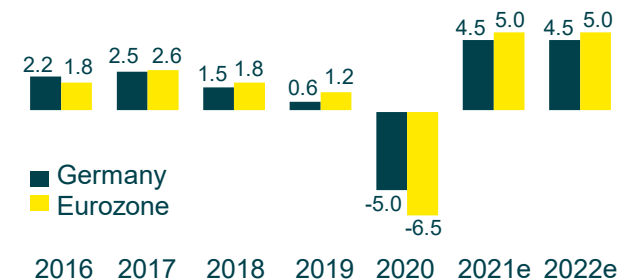
## 3m-Euribor

(avg. p.a. | %)



## GDP

(change vs. previous year | %)



## Current development

The renewed increase in the number of new Corona infections and the measures adopted to fight the virus have, for now, halted the recovery of the German economy from the slump suffered in spring. Thus, real GDP has more or less stagnated in Q4 versus Q3, and has been about 4% lower than before the crisis in working day adjusted numbers.

The development in the individual sectors has been very different. While economic activity has largely ceased in the sectors directly affected by the restrictions, the trend in manufacturing has been upwards until recently. Most of business services are also holding up much better than in last spring.

The labour market situation has improved somewhat in the last months of 2020. The seasonally adjusted number of unemployed has fallen since the summer, and the number of short-time workers was also significantly lower at the end of the year than in the summer. However, the number of unemployed in December, at just under 2.8 million, was still 600 thousand higher than before the crisis, and the number of short-time workers, estimated at just above 2 million, remained very high.

## Our expectation for 2021

For large parts of Q1 the German economy will probably be hampered by the restrictions imposed to contain the pandemic. This is likely to cause a renewed decline in real GDP, but not nearly as severe as in spring 2020.

From spring onwards, however, three factors should ensure a significant recovery of the economy:

- Warmer weather and the rising number of vaccinated people should cause the number of newly infected persons to fall significantly and thus allow a noticeable easing of the lockdown
- Monetary and fiscal policy remain extremely expansionary, both at home and abroad
- Private households have forcibly saved much more than normal since last spring; a return to the old savings rate alone would give private consumption a strong boost. This boost would be even stronger, if households would spend at least a part of their excess savings

We therefore expect the German economy to grow very strongly by 4.5% this year and next.

# Strong governmental, regulatory and central bank action



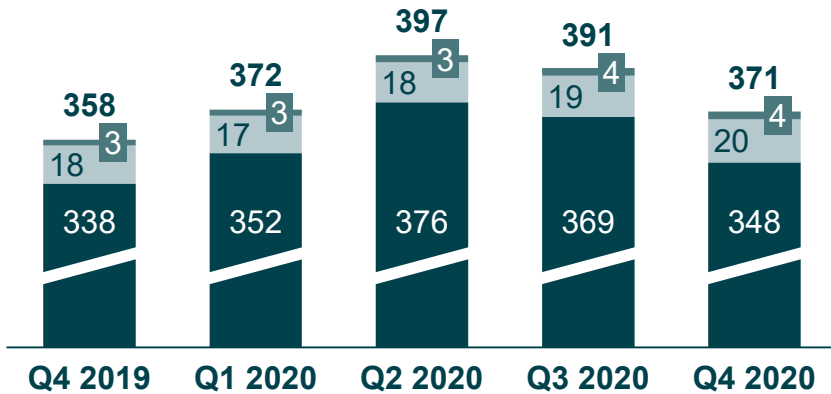
## Corona related support measures

	German Government	European Union	Regulators and ECB
<b>Regulatory measures</b>	Domestic short-time working scheme	European short-time working scheme (SURE)	Easing of capital and liquidity requirements
	Partial suspension of insolvency law until April 2021	Extended application of EU Solidarity Fund	Broad operational relief
	Full support for trade activities by credit insurer	CRR Quick Fixes	Reduction of procyclicality of regulations
		Accelerated relief from software capital treatment	Postponement of Basel IV introduction
<b>Financial measures</b>	KfW loans with 80/90/100% guarantee available	Economic stimulus in long-term budget plan 2021-27	Provision of additional liquidity to banking system
	Equity injection available	Next Generation EU (€750bn recovery instrument)	New PEPP bond buying program established
	Grants given to small SME / self employed	European Stability Mechanism capacities	Additional extension of existing QE programmes
	Additional measures like revenue refund (max. 75%)	EU Investments initiative for SMEs and health care	
	Mobilisation of capital by European Investment Bank		

# Risk provisions increased to cover potential Corona effects

## Exposure<sup>1</sup>

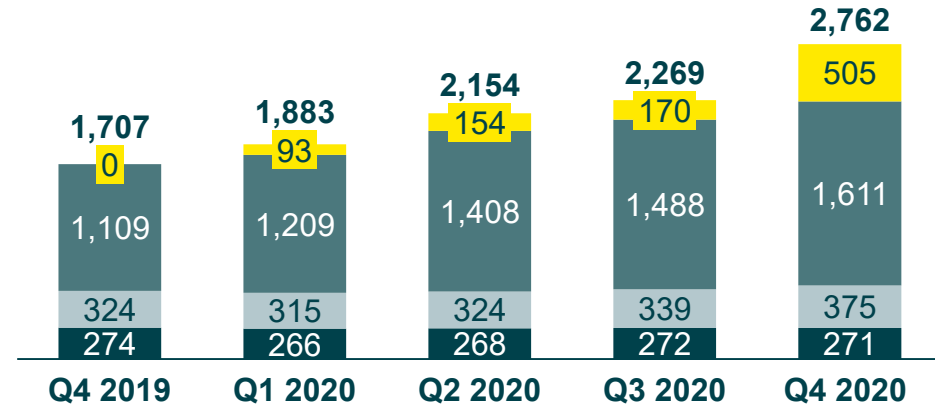
(€bn, excluding mBank)



■ Stage 1 ■ Stage 2 ■ Stage 3 ■ TLA

## Risk provisions<sup>2</sup>

(€bn, excluding mBank)



## Coverage<sup>3</sup>

Stage 3	42.3%	42.8%	43.7%	42.5%	44.9%
Stage 2	1.8%	1.8%	1.8%	1.8%	1.9%
Stage 1	0.1%	0.1%	0.1%	0.1%	0.1%

## Highlights 2020

General loan loss provisions in stage 1 and 2 nearly unchanged over the last quarters

Top level adjustment mainly booked for stage 2 increasing the effective coverage of our credit portfolio

Increase of stage 3 LLP in Q2 includes a large single case with LLP of €175m, increase of stage 3 LLP in Q4 includes a few larger cases mainly in CC

Increased TLA will cover Corona related stage migrations which are anticipated today and materialise in 2021

1) Exposure at Default relevant for IFRS 9 accounting (on- and off-balance exposures in the accounting categories AC and FVOCI)

2) Risk provisions in stage 2 for previous quarters restated due to IAS 8

3) Note: TLA is not assigned to stages, hence it is not included in the coverage



# Retail industry

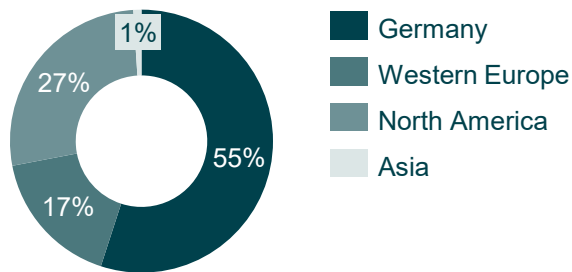
Share of 1.6% of overall portfolio



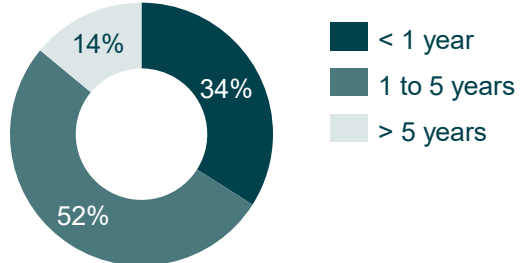
## by sub-portfolios



## by region



## by maturity



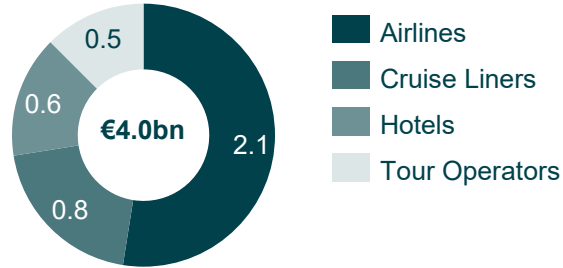
- Overall stable sector due to high proportion of food retailing and drugstores (food retailing with 10-15% non food revenues). Top 10 borrower units represent 57% of sector EaD
- Retail industry: fierce predatory competition in all segments by price and investments in shop modernisation
- In crisis: food retailing winner due to stay-at-home effect and lockdown of competitors in non food. Fashion: most severely affected. There we are concerned about a lockdown that will affect the Easter business. Home Improvement/DIY/Consumer Electronics/Sports benefit from “cocooning impact”, shift in consumer preferences and “home office”
- After crisis: further development expected for Home Improvement/Furniture/DIY/Sports
- Corona liquidity support: processing is completed. 90% of all requests approved
- Our consistent strategy of customer selection and support of sustainable business models only over the past years pays off during the current crisis

# Travel related industries

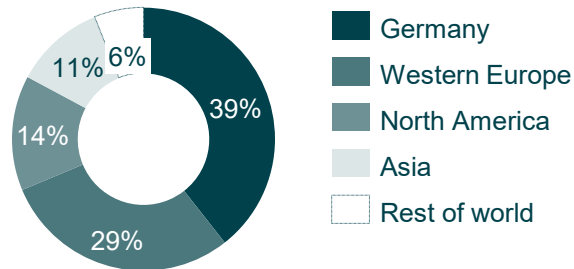
Share of only 0.9% of overall portfolio



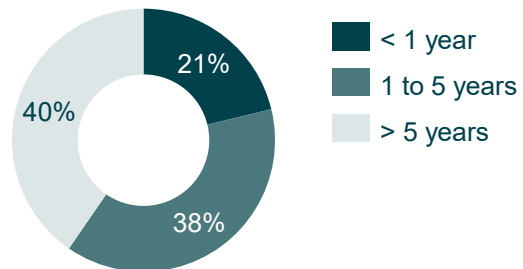
## by sub-portfolios



## by region



## by maturity



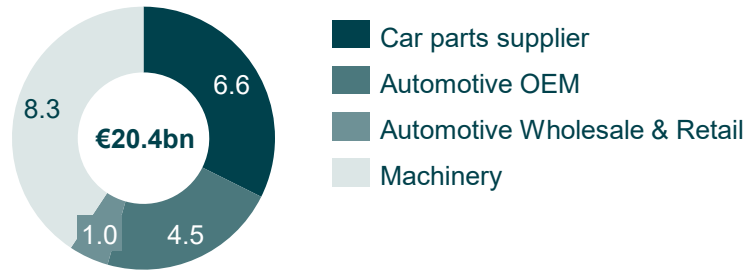
- EaD reduced by 7% vs 09/20. 18% of the portfolio with investment grade ratings (09/20 33%)
- Airlines: Portfolio consists of €1.7bn secured aircraft fin. and €0.4bn corp. exposure. Corona has hit the airline industry to an unprecedented extent. The crisis has a sustainable impact, but the general global trend for travel and mobility should be intact once the situation has improved. Full recovery is currently expected to take until 2024
- Cruise liners (€0.8bn): Cruise ship financings mostly ECA covered. ECA have provided loan deferral options (“cruise debt holiday principles”) to protect liquidity. Actual high infection rates prevent short-/mid-term recovery. Improvement only possible after significant vaccination
- Hotels: Most hotels are currently closed. Recovery is expected with: 1) withdrawal of the lockdown and 2) achievement of herd immunity. Recovery to pre-Corona level uncertain
- Tour operators (€0.5bn): Mix of state support and KfW programs. Actual high infection rates prevent short-/mid-term recovery. Improvement only after significant vaccination

# Automotive & mechanical engineering

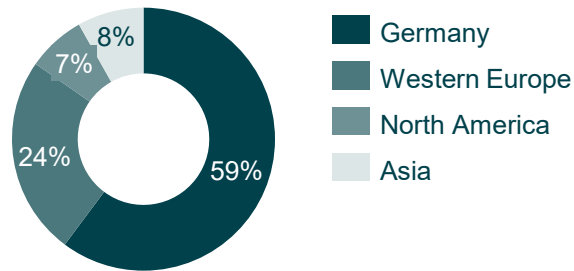


Share of 4.4% of overall portfolio

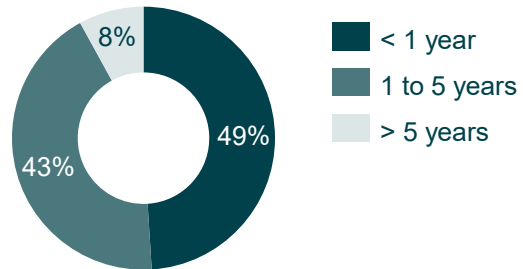
## by sub-portfolios



## by region



## by maturity

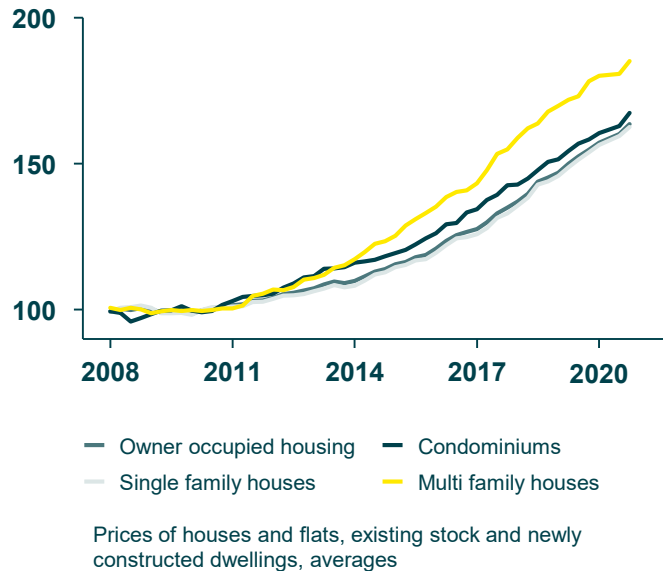


- **Automotive:** Dominating sub-sectors in portfolio are car parts suppliers (52% EAD) and OEM (38% EAD). Major share of complete automotive EaD rated investment grade (>85%)
- Affected by general drop in demand. Market environment recovered slightly from Q3/2020 onwards, however transformation risk, risk of (forced) production shutdown due to Corona and other external effects remain (e.g. current chip shortages). Recovery to pre-crisis level not expected before 2023
- **Mechanical engineering:** Overall stable sector due to highly diversified portfolio with different impact of Corona induced crisis on portfolio subgroups. Biggest subgroup Machine Tools representing less than 10% of all client groups and top 10 clients approx. 20% of EaD
- Outlook for top clients predominantly positive, larger challenges expected for smaller clients
- Difficult market even before Corona in subsectors with high exposure to automotive sector but for sector as a whole no severe impact expected due to well-filled order books, slightly improving order income in recent months and sufficient liquidity

# Residential mortgage business and property prices



## German residential properties (index values)



## Overall mortgage portfolio

- Growing mortgage volume with unchanged risk quality:
  - 12/16: EaD €66.8bn – RD 10bp
  - 12/17: EaD €75.2bn – RD 9bp
  - 12/18: EaD €81.0bn – RD 9bp
  - 12/19: EaD €86.6bn – RD 8bp
  - 12/20: EaD €95.1bn – RD 7bp
- Rating profile with a share of 91% in investment grade ratings
- Vintages of recent years developed more favorably so far and NPEs remain at a low level

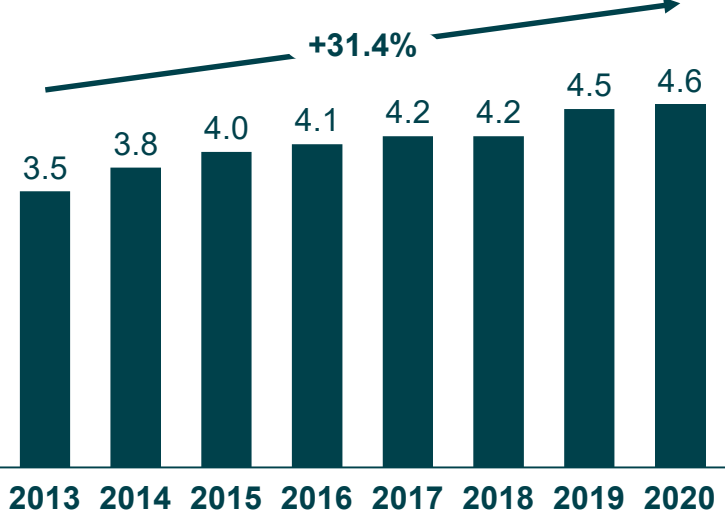
- Due to risk-oriented selection very low RD
- As a consequence of low interest rates, repayment rates remain on a very high level
- Average “Beleihungsauslauf” (BLA) in new business of 83% in Q4 2020. German BLA is more conservative than the internationally used LtV definition due to the application of the strict German Pfandbrief law

Risk parameters unchanged, impact of crisis so far negligible

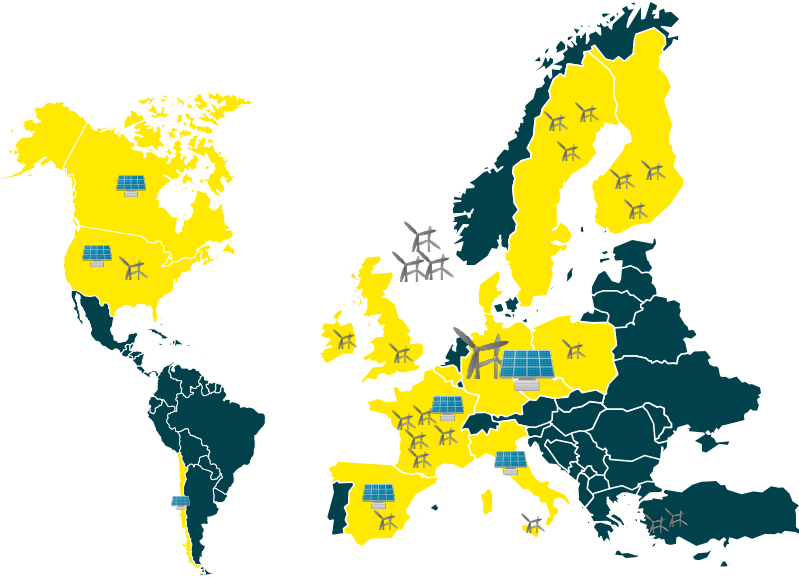
# Development of renewable energy portfolio



**Renewable Energies (RE) project finance portfolio**  
(EaD, €bn eop)



**Global footprint of Renewable Energy financing**

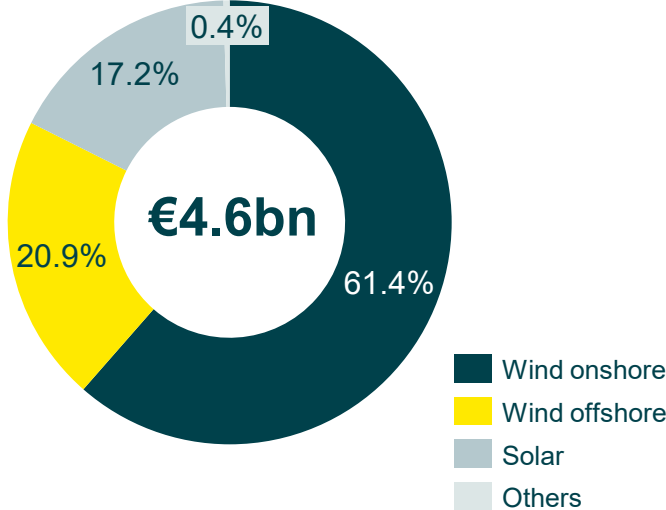


**Offshore:**  
Commerzbank active globally as MLA<sup>1</sup> and lender with offshore projects in Germany, France, Belgium, UK and Taiwan

**International RE project finance:**  
amongst others UK, France, Spain, US, Italy and Chile

**Core market Germany:**  
approx. 60% of portfolio in Germany

**Renewable Energy portfolio**



**58%** invested in Germany

**42%** invested globally

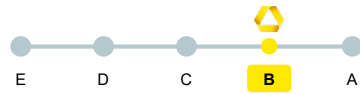
1) MLA = Mandated Lead Arranger

# Above-average ESG ratings



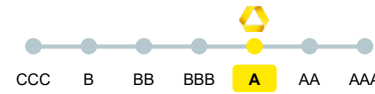
## ISS ESG QualityScores

- Commerzbank assigned with low ESG risks by ISS ESG QualityScores
- Environment, Social and Governance QualityScore 1



## Climate Change Rating

- Commerzbank's rating is above-average of the financial sector (C)
- Positioned as "Sector Leader Financials" in DACH region (ranked top 15% of financials in Germany, Austria and Switzerland)



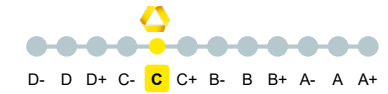
## ESG Rating

- Single A rated in the upper part of the MSCI ESG rating scale
- Above-average positions in terms of private & data security, financial product safety, human capital and financing environmental impact



## ESG Risk Rating

- Commerzbank is at medium risk of experiencing material financial impacts from ESG factors (score of 23.3 / 100 with 0 being the best)
- Very well positioned above industry average on the 15th percentile



## ESG Corporate Rating

- Rated in the ISS ESG Prime Segment – top 10% of industry group
- Excellent ratings especially in the categories environmental management, corporate governance and business ethics



# Commerzbank financials at a glance



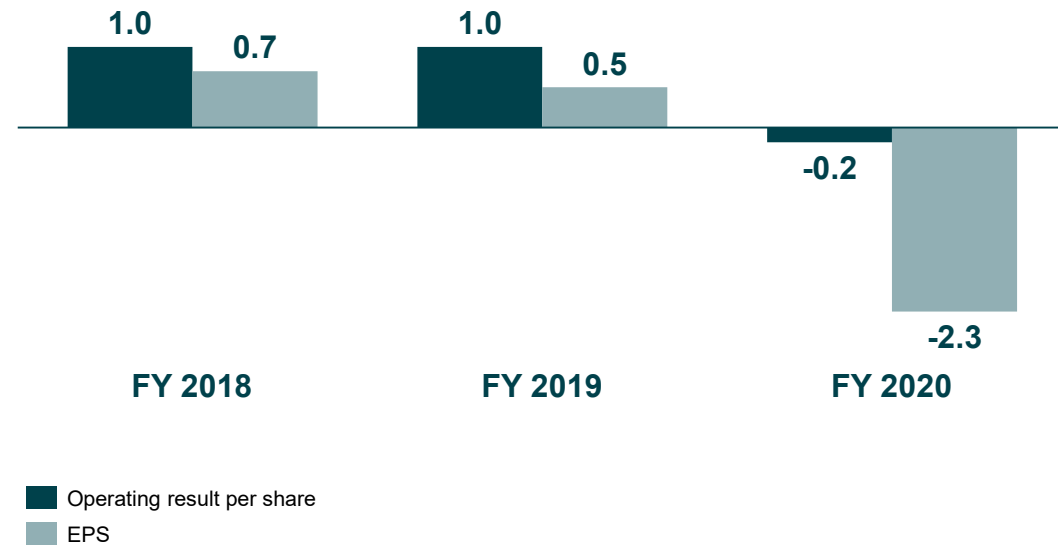
Group	Q4 2019	Q3 2020	Q4 2020	FY 2019	FY 2020
Operating result (€m)	249	168	-328	1,253	-233
Net result (€m)	-97	-60	-2,702	585	-2,870
CET1 ratio (%) <sup>1</sup>	13.4	13.5	13.2	13.4	13.2
Total assets (€bn)	463	544	507	463	507
RWA (€bn)	182	183	179	182	179
Leverage ratio fully loaded (%) <sup>1</sup>	5.1	4.8	4.9	5.1	4.9
Cost/income ratio (excl. compulsory contributions) (%)	74.0	74.8	79.3	73.1	75.2
Cost/income ratio (incl. compulsory contributions) (%)	77.0	78.3	82.6	78.3	81.5
Net RoE (%)	-1.6	-1.3	-40.5	2.0	-10.7
Net RoTE (%)	-1.7	-1.5	-43.9	2.2	-11.7
Total capital ratio fully loaded (%) <sup>1</sup>	16.4	17.7	17.4	16.4	17.4
NPE ratio (in %)	0.9	0.9	1.0	0.9	1.0
Group CoR (bps)	14	29	37	14	37
Group CoR on Loans (CoRL) (bps)	24	53	68	24	68

1) Includes net results reduced by dividend accrual where applicable and potential (fully discretionary) AT1 coupons

# Key figures Commerzbank share



## Figures per share (€)



	FY 2018	FY 2019	FY 2020
Number of shares issued (m)	1,252.40	1,252.40	1,252.40
Market capitalisation (€bn)	7.2	6.9	6.6
Net asset value per share (€)	21.23 <sup>1</sup>	21.40 <sup>1</sup>	19.82
Low/high Xetra intraday prices (€)	5.50/13.82	4.66/8.26	2.80/6.83

1) Adjustments due to restatements

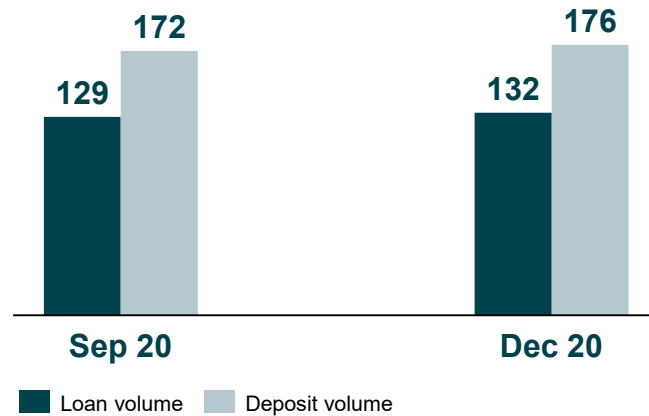


# Loan and deposit development



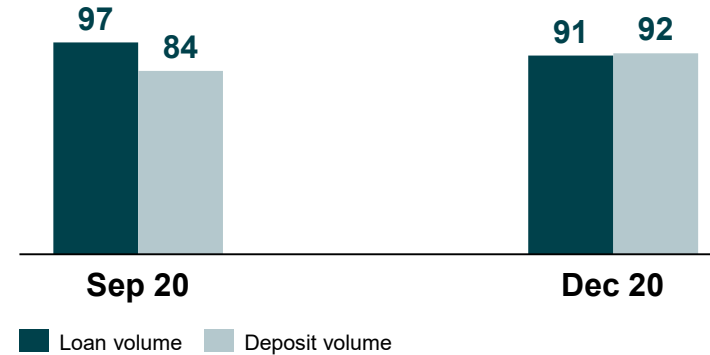
## PSBC

(monthly average €bn)



## Corporate Clients

(monthly average €bn)



### Highlights

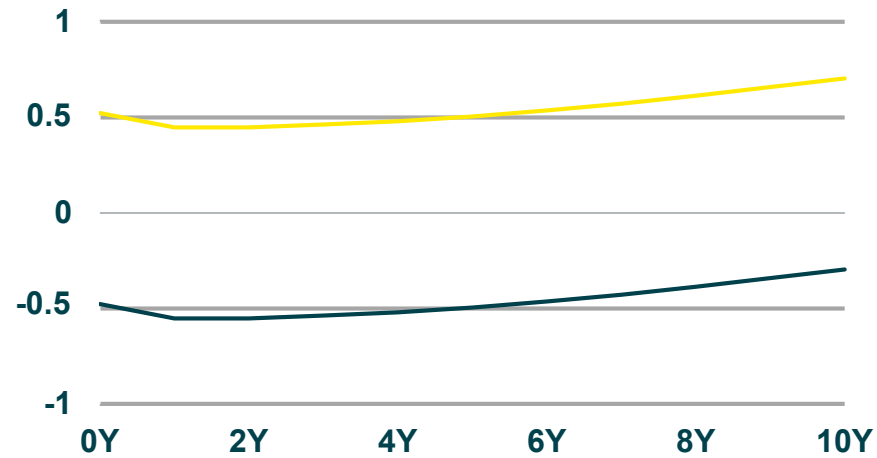
Loan growth in PSBC driven by residential mortgage business and investment loans in Germany – Corona driven increase in deposit base in Germany

In CC lower loan volumes reflect RWA management and reduced drawing of credit lines mainly in the International Corporates sub-segment

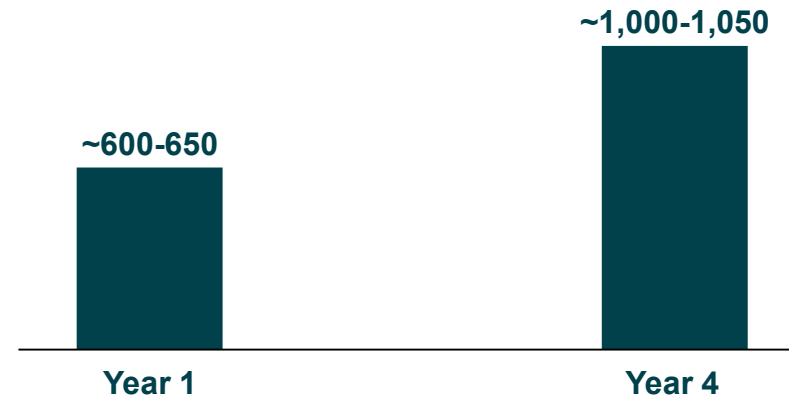
# Significant NII potential in rising interest rates scenario



**100 bps parallel up-shift in rates yield curve**  
(as of 31 December 2020, %)



**Scenario impact on NII**  
(€m)



## Highlights

Year 1 effect of ~€600-650m driven by short-end rates due to large stock of overnight (excess) deposits

Thereof ~1/2 stem from leaving the negative interest rate territory

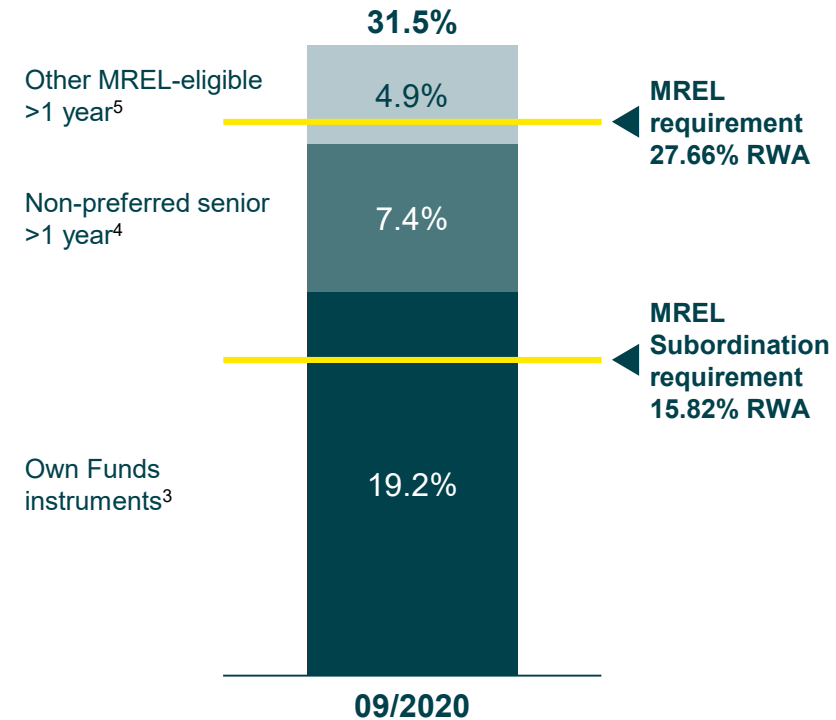
Year 4 effect of ~€1,000 – 1,050m driven by higher reinvestment yield of modelled deposits used to refinance longer term loans

# Comfortable fulfilment of RWA-based MREL requirement

## MREL requirement

- Based on data as of 30 September 2020, Commerzbank fulfils the MREL RWA requirement<sup>1</sup> of 27.66% with a MREL ratio of 31.5% and the MREL subordination requirement<sup>2</sup> of 15.82% with a ratio of 26.6% of RWA
- At 12.01% the MREL TLOF ratio meets the requirement. MREL Subordination TLOF ratio of 10.2% is well above the requirement of 6.87% as of 30 September 2020
- The MREL requirements will in future be defined in RWA and Leverage Exposure terms under the BRRD II and SRMR II framework; currently they are derived from TLOF based requirements
- MREL requirement expected to be rebased on RWA in H1 2021

## MREL ratio (% of RWA)



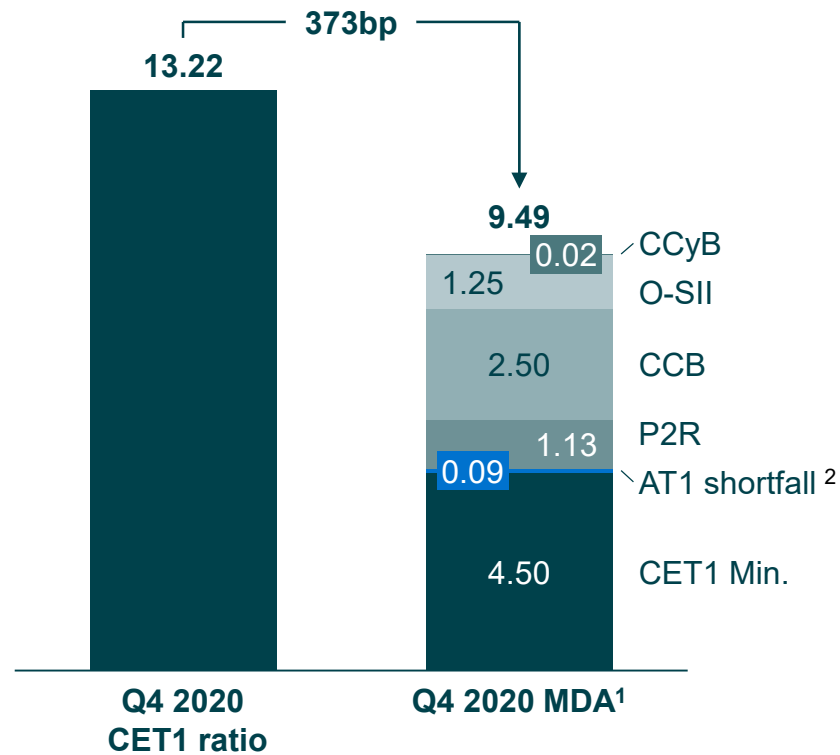
1) In February 2020, Commerzbank AG received its current MREL requirement calibrated based on data as of 31 Dec 2017. The resolution approach is a multiple point of entry (MPE) with two separate resolution groups (resolution group A: Commerzbank Group without mBank subgroup; resolution group B: mBank subgroup).  
 2) The legally binding MREL requirement is currently defined as a percentage of total liabilities and own funds (TLOF) based on data as of 31 Dec 2017.  
 3) Includes amortized amount (regulatory) of Tier 2 instruments with maturity > 1 year  
 4) According to §46f KWG or Non-Preferred Senior by contract  
 5) Non-Covered / Non-Preferred deposits; Preferred Senior Unsecured

# Commerzbank's MDA reduced by lowering of O-SII buffer



## Distance to MDA based on SREP requirement (transitional) for 2020 (%)

(%)



## Highlights

Regulatory actions have been taken in response to Corona which include:

- Changes in pillar 2 requirement structure<sup>2</sup> (min. 56.25% CET1 and 75% Tier 1 capital) while overall P2R remained at 2%
- Reduction of countercyclical capital buffer requirements

373bp distance to MDA based on Q4 2020 CET1 ratio of 13.2% and SREP requirement for 2020

MDA reduced to 9.5% by lowering of O-SII from 1.50% to 1.25% in Q4

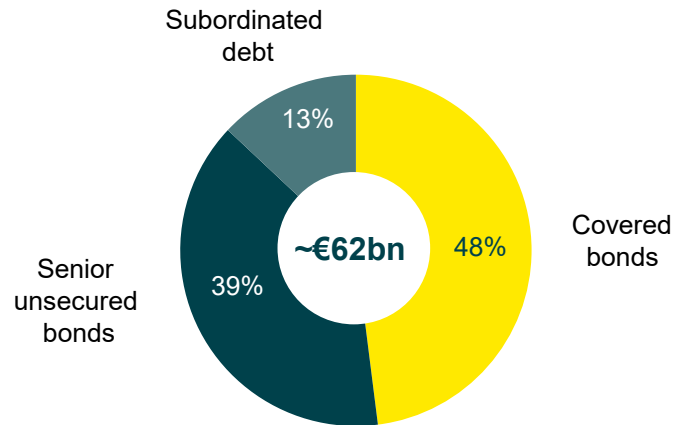
1) Based on RWAs of €178.6bn as of Q4 2020

2) New AT1 requirement of 1.875% and Tier 2 requirement of 2.5%

# Capital markets funding



## Funding structure<sup>1</sup> (as of 31 December 2020)



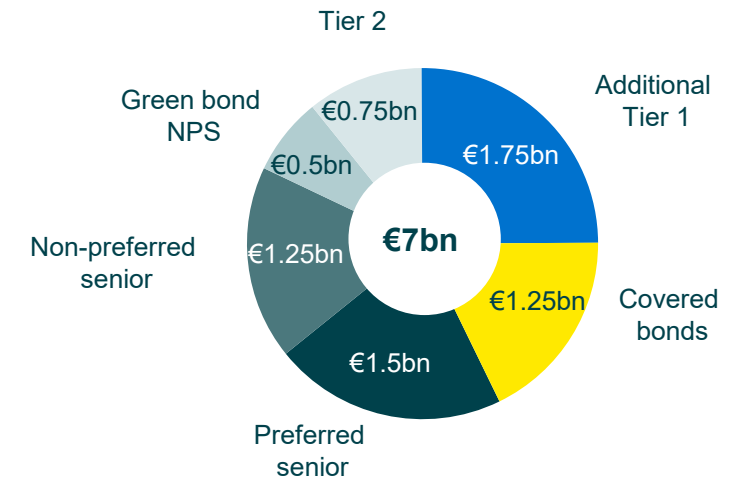
## Highlights

€7bn issued in 2020 (average term 8 years<sup>2</sup>) thereof:

- €1.75bn Additional Tier 1: Two AT1 issuances under newly implemented €3bn AT1 program
- €750m Tier 2 transaction: 10.5 years, non-call 5.5 years
- Second Green bond: €500m non-preferred senior issuance 5.5NC4.5 – inaugural MREL call
- Non-preferred senior dual-tranche €750m and inaugural GBP400m
- Preferred senior: €750m transaction with 7 years maturity and €500m re-opening of the December 2026 issue
- €1.25bn Pfandbrief transaction (covered bonds) with 10 years maturity

**Funding plan 2021 below €5bn due to TLTRO participation**

## Group issuance activities 2020 (nominal values)



1) Based on balance sheet figures; unsecured bonds including preferred and non-preferred senior

2) Average term excluding AT1

# Rating overview Commerzbank



As of 11 February 2021

**S&P Global**

**MOODY'S**  
INVESTORS' SERVICE

Bank Ratings	S&P	Moody's
Counterparty Rating/Assessment <sup>1</sup>	A-	A1/ A1 (cr)
Deposit Rating <sup>2</sup>	BBB+ negative	A1 stable
Issuer Credit Rating (long-term debt)	BBB+ negative	A1 negative
Stand-alone Rating (financial strength)	bbb	baa2
Short-term debt	A-2	P-1
Product Ratings (unsecured issuances)		
Preferred senior unsecured debt	BBB+ negative	A1 negative
Non-preferred senior unsecured debt	BBB-	Baa2
Subordinated debt (Tier 2)	BB+	Baa3
Additional Tier 1 (AT1)	BB-	Ba2

## Highlights 2020

**Q2:** S&P Global downgraded the issuer credit rating of Commerzbank by 1 notch to „BBB+“ following the expectation that the Corona pandemic and associated lockdown measures will lead to a global economic recession in 2020, the negative rating outlook remains

**Q3:** Moody's changed the outlook of the issuer credit rating resp. preferred senior debt rating "A1" from stable to negative

1) Includes client business (i.e. counterparty for derivatives)

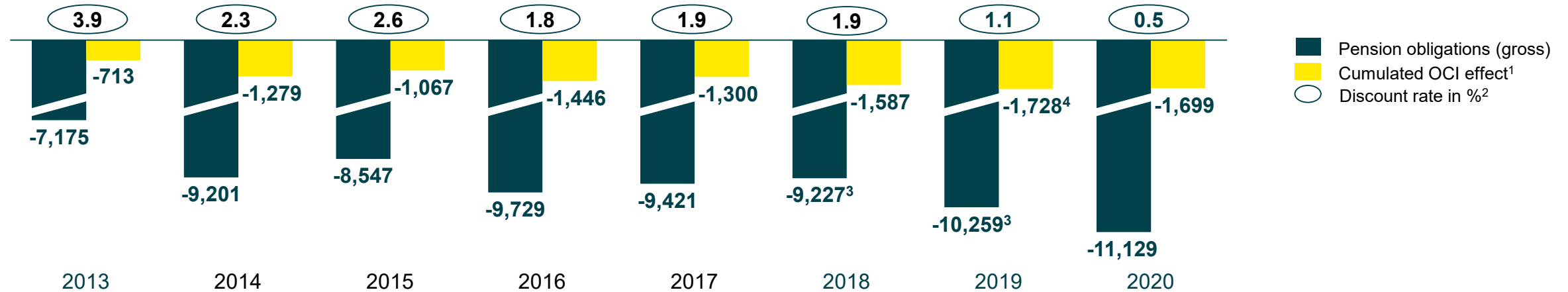
2) Includes corporate and institutional deposits

# IAS 19: Development of pension obligations



## Cumulated actuarial gains and losses

(€m)



■ Pension obligations (gross)  
■ Cumulated OCI effect<sup>1</sup>  
○ Discount rate in %<sup>2</sup>

### Additional information

Discount rate decreased versus start of year, producing a YtD valuation loss in pension obligations. On the asset side, the LDI investment strategy produced a compensating YtD valuation gain, mainly from higher market value of interest rate hedges. In total positive net effect (after tax) of +€29m in YtD OCI

The discount rate is derived from a AA rated corporate bond basket yield with average duration of 18 years

The average funding ratio (plan assets vs. pension obligations) of all Group plans is 98%

Since 2013, hedge via plan assets dampened the obligation increase of €3,954m to a cumulated OCI capital effect of -€986m

- 1) OCI effect driven by development of plan assets versus pension obligations, after tax, without minorities
- 2) Discount rate for pension plans in Germany (represent 88% of total pension obligations)
- 3) From 2018 onwards excluding pension obligations of EMC and ebase (sold in July 2019)
- 4) Adjustments due to restatement

# FX impact on CET1 ratio



## QoQ Change in FX capital position



## Explanation

Net positive impact on CET1 ratio<sup>1</sup> due to capital relief resulting from FX driven lower credit risk RWA which overcompensates the decreasing currency translation reserve

- Decreasing Credit Risk RWA from FX effects mainly due to weakening of USD and PLN against EUR, partly offset by stronger GBP
- Lower currency translation reserve due to declining USD and PLN (PLN -€7m, USD -€96m)

FX rates	09/20	12/20
EUR / GBP	0.912	0.899
EUR / PLN	4.546	4.560
EUR / USD	1.171	1.227

1) Based on current CET1 ratio

2) Change in Credit Risk RWA solely based on FX not on possible volume effects since 09/20



# Group equity composition



	Capital Q3 2020 EoP €bn	Capital Q4 2020 EoP €bn	Capital Q4 2020 Average €bn		Ratios Q4 2020 %	Ratios FY 2020 %		Ratio FY 2020 %
<b>Common equity tier 1 capital</b>	<b>24.8</b>	<b>23.6</b>	<b>24.3</b>	<sup>1</sup>	→ <b>Op. RoCET</b>	<b>-5.4%</b>	<b>-1.0%</b>	<b>CET1-Quote</b> <b>13.2%</b>
DTA	0.6	0.6						
Minority interests	0.5	0.5						
Prudent Valuation	0.2	0.2						
IRB shortfall	0.1	0.1						
Instruments that are given recognition in AT1 Capital	2.6	2.6						
Other regulatory adjustments	0.4	-0.3						
<b>Tangible equity</b>	<b>29.2</b>	<b>27.4</b>	<b>28.7</b>	<sup>1</sup>	→ <b>Op. RoTE</b>	<b>-4.6%</b>	<b>-0.8%</b>	
Goodwill and other intangible assets	2.6	1.1	2.2					
<b>IFRS capital</b>	<b>31.8</b>	<b>28.5</b>	<b>30.9</b>	<sup>1</sup>				
Subscribed capital	1.3	1.3						
Capital reserve	17.2	11.5						
Retained earnings <sup>2</sup>	10.1	15.4						
Currency translation reserve	-0.5	-0.6						
Revaluation reserve	0.0	0.1						
Cash flow hedges	0.0	0.0						
Consolidated P&L	-0.2	-2.9						
<b>IFRS capital attributable to Commerzbank shareholders</b>	<b>28.0</b>	<b>24.8</b>	<b>27.1</b>	<sup>1</sup>	→ <b>Net RoE</b>	<b>-40.5%</b>	<b>-10.7%</b>	
<b>Additional equity components</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>		<b>Net RoTE</b>	<b>-43.9%</b>	<b>-11.7%</b>	
<b>Non-controlling interests</b>	<b>1.2</b>	<b>1.1</b>	<b>1.2</b>					

1) Includes consolidated P&L reduced by accrual for potential (fully discretionary) AT1 coupons

2) Excludes consolidated P&L reduced by accrual for potential (fully discretionary) AT1 coupons

# Commerzbank Group



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Total clean revenues	2,190	2,095	2,169	2,161	8,615	2,024	2,278	2,096	2,048	8,447
Exceptional items	-34	34	13	11	24	-173	-5	-63	-19	-260
<b>Total revenues</b>	<b>2,156</b>	<b>2,129</b>	<b>2,182</b>	<b>2,172</b>	<b>8,639</b>	<b>1,851</b>	<b>2,273</b>	<b>2,033</b>	<b>2,029</b>	<b>8,186</b>
o/w Net interest income	1,231	1,274	1,259	1,305	5,070	1,320	1,277	1,226	1,151	4,975
o/w Net commission income	768	739	763	786	3,056	877	791	812	837	3,317
o/w Net fair value result	85	28	15	116	244	-304	163	25	182	66
o/w Other income	73	87	145	-36	270	-42	42	-30	-142	-172
o/w Dividend income	1	10	5	19	35	2	12	14	10	37
o/w Net income from hedge accounting	50	46	36	-27	105	-70	135	88	55	207
o/w Other financial result	-20	31	-20	36	27	13	2	-39	-41	-65
o/w At equity result	5	2	2	2	10	2	3	-	2	6
o/w Other net income	37	-2	122	-65	93	12	-109	-94	-167	-357
Risk result	-78	-178	-114	-250	-620	-326	-469	-272	-681	-1,748
Operating expenses	1,567	1,579	1,559	1,608	6,313	1,503	1,526	1,521	1,609	6,160
Compulsory contributions	265	63	60	65	453	301	73	72	67	512
<b>Operating result</b>	<b>246</b>	<b>309</b>	<b>449</b>	<b>249</b>	<b>1,253</b>	<b>-278</b>	<b>205</b>	<b>168</b>	<b>-328</b>	<b>-233</b>
Impairments on goodwill and other intangible assets	-	-	-	28	28	-	-	-	1,578	1,578
Restructuring expenses	-	-	-	101	101	-	-	201	614	814
<b>Pre-tax result discontinued operations</b>	<b>-19</b>	<b>19</b>	<b>-7</b>	<b>-9</b>	<b>-17</b>	<b>44</b>	<b>6</b>	<b>-11</b>	<b>-10</b>	<b>30</b>
<b>Pre-tax result Commerzbank Group</b>	<b>227</b>	<b>329</b>	<b>441</b>	<b>111</b>	<b>1,108</b>	<b>-234</b>	<b>211</b>	<b>-43</b>	<b>-2,530</b>	<b>-2,597</b>
Taxes on income	90	37	101	195	423	48	14	3	199	264
Minority Interests	14	30	43	13	100	8	13	15	-26	9
<b>Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components</b>	<b>123</b>	<b>262</b>	<b>297</b>	<b>-97</b>	<b>585</b>	<b>-291</b>	<b>183</b>	<b>-60</b>	<b>-2,702</b>	<b>-2,870</b>
Total Assets	503,085	517,846	513,142	463,450	463,450	517,067	550,515	544,239	506,916	506,916
o/w Discontinued operations	14,068	13,613	9,347	7,955	7,955	4,752	2,179	2,167	2,040	2,040
Average capital employed	23,440	23,818	24,108	24,402	23,940	24,269	24,577	24,974	24,318	24,499
RWA credit risk (end of period)	150,964	151,377	154,838	151,588	151,588	153,812	157,215	153,082	147,849	147,849
RWA market risk (end of period)	10,418	11,045	11,397	10,847	10,847	11,113	11,208	11,260	12,191	12,191
RWA operational risk (end of period)	21,562	22,833	21,859	18,728	18,728	18,178	18,056	18,732	18,287	18,287
<b>RWA (end of period) continued operations</b>	<b>182,944</b>	<b>185,256</b>	<b>188,094</b>	<b>181,163</b>	<b>181,163</b>	<b>183,102</b>	<b>186,478</b>	<b>183,073</b>	<b>178,327</b>	<b>178,327</b>
<b>RWA (end of period) discontinued operations</b>	<b>2,213</b>	<b>1,541</b>	<b>1,351</b>	<b>602</b>	<b>602</b>	<b>690</b>	<b>574</b>	<b>263</b>	<b>253</b>	<b>253</b>
<b>RWA (end of period)</b>	<b>185,158</b>	<b>186,797</b>	<b>189,445</b>	<b>181,765</b>	<b>181,765</b>	<b>183,792</b>	<b>187,051</b>	<b>183,337</b>	<b>178,581</b>	<b>178,581</b>
Cost/income ratio (excl. compulsory contributions) (%)	72.7%	74.2%	71.4%	74.0%	73.1%	81.2%	67.1%	74.8%	79.3%	75.2%
Cost/income ratio (incl. compulsory contributions) (%)	85.0%	77.1%	74.2%	77.0%	78.3%	97.4%	70.4%	78.3%	82.6%	81.5%
Operating return on CET1 (RoCET1) (%)	4.2%	5.2%	7.4%	4.1%	5.2%	-4.6%	3.3%	2.7%	-5.4%	-1.0%
Operating return on tangible equity (%)	3.8%	4.7%	6.6%	3.6%	4.7%	-4.1%	2.9%	2.3%	-4.6%	-0.8%
Return on equity of net result (%)	1.8%	3.8%	4.0%	-1.6%	2.0%	-4.4%	2.3%	-1.3%	-40.5%	-10.7%
Net return on tangible equity (%)	2.0%	4.2%	4.5%	-1.7%	2.2%	-4.8%	2.6%	-1.5%	-43.9%	-11.7%

# Private and Small Business Customers



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Total clean revenues	1,212	1,235	1,234	1,166	4,846	1,329	1,190	1,164	1,142	4,826
Exceptional items	-20	-21	84	-14	30	-21	-8	-11	-10	-49
<b>Total revenues</b>	<b>1,192</b>	<b>1,214</b>	<b>1,318</b>	<b>1,152</b>	<b>4,876</b>	<b>1,308</b>	<b>1,183</b>	<b>1,153</b>	<b>1,133</b>	<b>4,776</b>
o/w Net interest income	655	681	676	671	2,683	680	630	637	630	2,576
o/w Net commission income	468	461	485	500	1,914	586	502	515	548	2,151
o/w Net fair value result	59	49	52	56	217	32	66	58	75	232
o/w Other income	10	23	105	-76	62	10	-15	-57	-120	-182
o/w Dividend income	1	4	1	4	10	1	11	12	2	26
o/w Net income from hedge accounting	1	1	1	1	3	1	-	1	-2	-
o/w Other financial result	7	5	11	1	24	6	5	-	19	30
o/w At equity result	3	-	-	-	3	-	-	-1	-1	-1
o/w Other net income	-2	13	93	-81	23	2	-32	-69	-138	-237
Risk result	-52	-48	-87	-67	-254	-161	-152	-130	-118	-562
Operating expenses	864	867	867	908	3,506	864	859	872	920	3,515
Compulsory contributions	125	53	51	55	285	137	64	67	63	331
<b>Operating result</b>	<b>150</b>	<b>246</b>	<b>313</b>	<b>122</b>	<b>831</b>	<b>146</b>	<b>108</b>	<b>83</b>	<b>31</b>	<b>368</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	1,578	1,578
<b>Pre-tax result</b>	<b>150</b>	<b>246</b>	<b>313</b>	<b>122</b>	<b>831</b>	<b>146</b>	<b>108</b>	<b>83</b>	<b>-1,547</b>	<b>-1,210</b>
Total Assets	141,426	144,558	147,042	150,323	150,323	155,284	158,903	158,850	153,825	153,825
Liabilities	175,898	180,904	182,332	186,441	186,441	186,568	194,410	195,516	200,687	200,687
Average capital employed	5,078	5,213	5,411	5,620	5,329	5,641	5,674	5,697	5,717	5,680
RWA credit risk (end of period)	37,025	38,085	40,221	40,834	40,834	40,476	40,754	40,959	40,019	40,019
RWA market risk (end of period)	919	946	949	951	951	964	1,075	1,029	1,072	1,072
RWA operational risk (end of period)	4,919	5,459	4,981	5,094	5,094	5,517	5,394	6,138	6,079	6,079
<b>RWA (end of period)</b>	<b>42,863</b>	<b>44,490</b>	<b>46,151</b>	<b>46,879</b>	<b>46,879</b>	<b>46,958</b>	<b>47,223</b>	<b>48,126</b>	<b>47,170</b>	<b>47,170</b>
Cost/income ratio (excl. compulsory contributions) (%)	72.5%	71.4%	65.8%	78.8%	71.9%	66.1%	72.6%	75.7%	81.2%	73.6%
Cost/income ratio (incl. compulsory contributions) (%)	83.1%	75.8%	69.6%	83.6%	77.7%	76.5%	78.0%	81.5%	86.8%	80.5%
Operating return on CET1 (RoCET) (%)	11.8%	18.8%	23.1%	8.7%	15.6%	10.4%	7.6%	5.8%	2.2%	6.5%
Operating return on tangible equity (%)	11.5%	18.3%	22.7%	8.6%	15.2%	10.3%	7.5%	5.8%	2.2%	6.5%



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Total clean revenues	274	294	298	255	1,121	305	273	227	220	1,025
Exceptional items	-	-3	-2	-	-5	-7	5	-	1	-1
<b>Total revenues</b>	<b>274</b>	<b>291</b>	<b>296</b>	<b>255</b>	<b>1,116</b>	<b>299</b>	<b>278</b>	<b>227</b>	<b>221</b>	<b>1,024</b>
o/w Net interest income	180	197	210	204	791	214	190	179	179	762
o/w Net commission income	55	53	59	62	229	64	65	67	71	268
o/w Net fair value result	45	44	49	48	185	27	57	52	67	203
o/w Other income	-5	-3	-22	-59	-88	-6	-34	-72	-96	-208
o/w Dividend income	-	1	-	-	1	-	1	-	-	1
o/w Net income from hedge accounting	1	1	1	1	3	1	-	1	-2	-
o/w Other financial result	4	-	3	1	7	-2	1	-1	20	19
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	-9	-4	-25	-60	-98	-5	-37	-72	-114	-228
Risk result	-30	-48	-50	-39	-168	-83	-77	-57	-57	-274
Operating expenses	119	125	125	125	494	126	124	123	114	486
Compulsory contributions	75	29	31	32	166	75	38	38	36	187
<b>Operating result</b>	<b>50</b>	<b>89</b>	<b>89</b>	<b>60</b>	<b>289</b>	<b>15</b>	<b>38</b>	<b>9</b>	<b>14</b>	<b>77</b>
Total Assets	34,602	35,732	36,055	37,254	37,254	37,823	40,804	40,008	39,212	39,212
Liabilities	33,460	34,297	34,434	35,608	35,608	36,343	39,271	38,288	37,649	37,649
Average capital employed	2,156	2,240	2,322	2,325	2,261	2,303	2,292	2,319	2,291	2,302
RWA credit risk (end of period)	16,209	17,213	17,094	17,533	17,533	17,144	17,207	17,181	16,680	16,680
RWA market risk (end of period)	404	477	428	431	431	426	412	394	329	329
RWA operational risk (end of period)	1,511	1,697	1,443	1,320	1,320	1,384	1,562	1,753	1,805	1,805
<b>RWA (end of period)</b>	<b>18,124</b>	<b>19,388</b>	<b>18,965</b>	<b>19,283</b>	<b>19,283</b>	<b>18,954</b>	<b>19,181</b>	<b>19,327</b>	<b>18,814</b>	<b>18,814</b>
Cost/income ratio (excl. compulsory contributions) (%)	43.5%	43.0%	42.3%	48.8%	44.2%	42.1%	44.7%	54.1%	51.6%	47.5%
Cost/income ratio (incl. compulsory contributions) (%)	70.7%	52.9%	52.7%	61.2%	59.1%	67.3%	58.4%	70.7%	67.8%	65.7%
Operating return on CET1 (RoCET) (%)	9.3%	15.9%	15.4%	10.3%	12.8%	2.6%	6.7%	1.6%	2.5%	3.3%
Operating return on tangible equity (%)	8.9%	15.3%	15.4%	10.4%	12.5%	2.6%	6.8%	1.7%	2.6%	3.4%

# Corporate Clients



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Total clean revenues	877	807	831	844	3,360	833	815	807	761	3,216
Exceptional items	-8	-23	-42	-13	-86	-78	-13	-18	13	-96
Total revenues	869	784	789	832	3,274	755	802	788	775	3,120
o/w Net interest income	477	462	469	488	1,895	454	461	444	439	1,799
o/w Net commission income	307	287	286	296	1,176	299	300	308	298	1,205
o/w Net fair value result	73	21	16	74	183	-42	73	65	49	146
o/w Other income	12	15	17	-26	19	43	-32	-29	-12	-30
o/w Dividend income	-	3	4	4	11	-	3	-	2	5
o/w Net income from hedge accounting	6	6	9	-5	16	6	4	1	1	12
o/w Other financial result	-	2	-2	-2	-2	-3	-	-23	-13	-39
o/w At equity result	2	2	2	2	8	2	2	1	2	8
o/w Other net income	4	2	5	-24	-14	39	-41	-8	-5	-14
Risk result	-28	-127	-30	-156	-342	-165	-290	-120	-505	-1,081
Operating expenses	626	625	602	624	2,478	598	588	590	604	2,380
Compulsory contributions	93	8	8	9	118	103	7	4	2	117
<b>Operating result</b>	<b>122</b>	<b>23</b>	<b>148</b>	<b>43</b>	<b>336</b>	<b>-112</b>	<b>-83</b>	<b>74</b>	<b>-338</b>	<b>-458</b>
Impairments on goodwill and other intangible assets	-	-	-	28	28	-	-	-	-	-
<b>Pre-tax result discontinued operations</b>	<b>-19</b>	<b>19</b>	<b>-7</b>	<b>-9</b>	<b>-17</b>	<b>44</b>	<b>6</b>	<b>-11</b>	<b>-10</b>	<b>30</b>
<b>Pre-tax result (total)</b>	<b>102</b>	<b>43</b>	<b>141</b>	<b>6</b>	<b>292</b>	<b>-67</b>	<b>-77</b>	<b>63</b>	<b>-347</b>	<b>-428</b>
Total Assets	193,865	200,733	200,125	178,842	178,842	196,208	188,301	181,104	166,777	166,777
o/w Discontinued operations	14,068	13,613	9,347	7,955	7,955	4,752	2,179	2,167	2,040	2,040
Liabilities	196,866	200,197	202,977	172,512	172,512	192,216	192,065	192,031	174,722	174,722
o/w Discontinued operations	12,774	12,832	11,061	8,528	8,528	5,364	3,878	3,066	2,051	2,051
Average capital employed	11,613	12,085	12,165	12,003	11,927	11,582	11,960	11,612	11,127	11,544
RWA credit risk (end of period)	82,123	82,753	85,447	82,190	82,190	83,907	85,210	80,299	74,856	74,856
RWA market risk (end of period)	4,855	4,914	5,359	4,995	4,995	5,883	6,597	6,808	7,808	7,808
RWA operational risk (end of period)	13,083	13,589	11,280	8,331	8,331	7,710	7,837	7,805	7,365	7,365
<b>RWA (end of period) continued operations</b>	<b>100,061</b>	<b>101,256</b>	<b>102,087</b>	<b>95,517</b>	<b>95,517</b>	<b>97,500</b>	<b>99,645</b>	<b>94,912</b>	<b>90,029</b>	<b>90,029</b>
<b>RWA (end of period) discontinued operations</b>	<b>2,213</b>	<b>1,541</b>	<b>1,351</b>	<b>602</b>	<b>602</b>	<b>690</b>	<b>574</b>	<b>263</b>	<b>253</b>	<b>253</b>
Cost/income ratio (excl. compulsory contributions) (%)	72.1%	79.8%	76.4%	75.0%	75.7%	79.2%	73.3%	74.8%	78.0%	76.3%
Cost/income ratio (incl. compulsory contributions) (%)	82.7%	80.8%	77.4%	76.1%	79.3%	92.9%	74.2%	75.4%	78.3%	80.1%
Operating return on CET1 (RoCET) (%)	4.2%	0.8%	4.9%	1.4%	2.8%	-3.9%	-2.8%	2.5%	-12.1%	-4.0%
Operating return on tangible equity (%)	3.9%	0.7%	4.6%	1.4%	2.7%	-3.7%	-2.7%	2.5%	-11.7%	-3.8%

# Asset & Capital Recovery



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Total clean revenues	14	-11	-	-	3	-	-	-	-	-
Exceptional items	-3	78	-	-	75	-	-	-	-	-
<b>Total revenues</b>	<b>11</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
o/w Net interest income	-15	-8	-	-	-23	-	-	-	-	-
o/w Net commission income	-	-	-	-	-	-	-	-	-	-
o/w Net fair value result	51	60	-	-	111	-	-	-	-	-
o/w Other income	-25	16	-	-	-9	-	-	-	-	-
o/w Dividend income	-	-	-	-	-	-	-	-	-	-
o/w Net income from hedge accounting	-3	13	-	-	10	-	-	-	-	-
o/w Other financial result	-27	8	-	-	-19	-	-	-	-	-
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	5	-5	-	-	-	-	-	-	-	-
Risk result	-1	-23	-	-	-24	-	-	-	-	-
Operating expenses	9	7	-	-	15	-	-	-	-	-
Compulsory contributions	9	-	-	-	9	-	-	-	-	-
<b>Operating result</b>	<b>-7</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Assets	11,155	11,226	-	-	-	-	-	-	-	-
o/w Assets excl repos, collaterals and trading assets	3,763	4,019	-	-	-	-	-	-	-	-
Liabilities	9,880	10,130	-	-	-	-	-	-	-	-
Exposure at default	4,702	4,457	-	-	-	-	-	-	-	-
RWA credit risk (end of period)	7,268	7,127	-	-	-	-	-	-	-	-
RWA market risk (end of period)	1,819	2,267	-	-	-	-	-	-	-	-
RWA operational risk (end of period)	1,421	1,401	-	-	-	-	-	-	-	-
<b>RWA (end of period)</b>	<b>10,508</b>	<b>10,795</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Others & Consolidation



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Total clean revenues	87	63	104	151	405	-138	273	125	145	405
Exceptional items	-2	-	-29	37	5	-74	15	-33	-23	-115
Total revenues	85	63	74	188	410	-212	288	92	121	290
o/w Net interest income	115	139	114	146	514	186	186	145	82	600
o/w Net commission income	-8	-8	-8	-11	-35	-9	-11	-11	-9	-39
o/w Net fair value result	-98	-101	-54	-13	-267	-294	23	-98	57	-311
o/w Other income	76	33	23	66	198	-96	90	56	-10	40
o/w Dividend income	-	3	-	11	15	-	-2	2	6	7
o/w Net income from hedge accounting	46	26	27	-23	76	-77	131	85	56	195
o/w Other financial result	-	15	-29	37	23	10	-4	-15	-48	-56
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	30	-11	25	41	84	-29	-36	-16	-24	-106
Risk result	2	21	4	-27	-	-	-27	-22	-57	-106
Operating expenses	68	80	89	77	314	41	80	59	85	264
Compulsory contributions	38	1	1	1	41	60	2	-	1	63
<b>Operating result</b>	<b>-19</b>	<b>2</b>	<b>-12</b>	<b>84</b>	<b>55</b>	<b>-313</b>	<b>180</b>	<b>11</b>	<b>-22</b>	<b>-143</b>
Restructuring expenses	-	-	-	101	101	-	-	201	614	814
<b>Pre-tax profit continued operations</b>	<b>-19</b>	<b>2</b>	<b>-12</b>	<b>-18</b>	<b>-46</b>	<b>-313</b>	<b>180</b>	<b>-189</b>	<b>-636</b>	<b>-958</b>
Total Assets	156,640	161,330	165,975	134,285	134,285	165,575	203,311	204,285	186,314	186,314
Liabilities	120,442	126,615	127,833	104,497	104,497	138,283	164,041	156,692	131,507	131,507
Average capital employed	5,126	4,912	4,669	5,246	5,064	7,046	6,943	7,666	7,474	7,275
RWA credit risk (end of period)	24,549	23,412	29,170	28,564	28,564	29,429	31,250	31,823	32,974	32,974
RWA market risk (end of period)	2,824	2,918	5,088	4,900	4,900	4,265	3,535	3,423	3,311	3,311
RWA operational risk (end of period)	2,139	2,385	5,597	5,303	5,303	4,951	4,825	4,789	4,843	4,843
<b>RWA (end of period)</b>	<b>29,512</b>	<b>28,715</b>	<b>39,856</b>	<b>38,768</b>	<b>38,768</b>	<b>38,644</b>	<b>39,610</b>	<b>40,035</b>	<b>41,128</b>	<b>41,128</b>

# Commerzbank Group | Exceptional Revenue Items



€m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
<b>Exceptional Revenue Items</b>	<b>-34</b>	<b>34</b>	<b>13</b>	<b>11</b>	<b>24</b>	<b>-173</b>	<b>-5</b>	<b>-63</b>	<b>-19</b>	<b>-260</b>
o/w Net interest income	-22	-16	-17	-17	-72	-2	-17	-1	-4	-23
o/w Net fair value result	18	30	-83	32	-4	-160	-10	-92	-14	-276
o/w Other income	-30	21	113	-4	100	-11	22	30	-2	39
o/w FVA, CVA / DVA, AT1 FX effect <sup>1</sup> , Other former ACR valuations (Nil, NFVR)	-15	86	-74	47	45	-160	49	-51	-9	-172
<b>PSBC</b>	<b>-20</b>	<b>-21</b>	<b>84</b>	<b>-14</b>	<b>30</b>	<b>-21</b>	<b>-8</b>	<b>-11</b>	<b>-10</b>	<b>-49</b>
o/w Net interest income	-19	-18	-16	-15	-67	-13	-12	-11	-10	-47
o/w Net fair value result	-1	-3	-3	1	-6	-7	5	-	1	-2
o/w Other income	-	-	103	-	103	-	-	-	-	-
o/w FVA, CVA / DVA (Nil, NFVR)	-1	-3	-3	1	-6	-7	5	-	1	-2
<b>CC</b>	<b>-8</b>	<b>-23</b>	<b>-42</b>	<b>-13</b>	<b>-86</b>	<b>-78</b>	<b>-13</b>	<b>-18</b>	<b>13</b>	<b>-96</b>
o/w Net interest income	-3	-3	-2	-4	-13	-	-2	1	-4	-4
o/w Net fair value result	-5	-20	-40	-9	-75	-78	30	-19	17	-50
o/w Other income	-	-	-	1	1	-	-41	-	-	-41
o/w FVA, CVA / DVA (Nil, NFVR)	-8	11	-42	9	-30	-78	29	-18	13	-55
<b>ACR</b>	<b>-3</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
o/w Net interest income	-	4	-	-	4	-	-	-	-	-
o/w Net fair value result	27	53	-	-	80	-	-	-	-	-
o/w Other income	-30	21	-	-	-9	-	-	-	-	-
o/w FVA, CVA / DVA, Other former ACR valuations (Nil, NFVR)	-3	78	-	-	75	-	-	-	-	-
<b>O&amp;C</b>	<b>-2</b>	<b>-</b>	<b>-29</b>	<b>37</b>	<b>5</b>	<b>-74</b>	<b>15</b>	<b>-33</b>	<b>-23</b>	<b>-115</b>
o/w Net interest income	-	-	1	2	4	11	-3	10	11	28
o/w Net fair value result	-2	-	-41	40	-3	-74	-45	-72	-32	-224
o/w Other income	-	-	10	-5	4	-11	64	30	-2	81
o/w FVA, CVA / DVA, AT1 FX effect <sup>1</sup> , Other former ACR valuations (Nil, NFVR)	-2	-	-29	37	5	-74	15	-33	-23	-115

## Description of Exceptional Revenue Items

2019	€m	€m	2020	€m	
Q1 PPA Consumer Finance (PSBC)	-19	Q4 PPA Consumer Finance (PSBC)	-15	Q1 PPA Consumer Finance (PSBC)	-13
Q2 PPA Consumer Finance (PSBC)	-18	Q4 Insurance-based product (CC)	-22	Q2 PPA Consumer Finance (PSBC)	-12
Q2 Insurance-based product (CC)	-34			Q2 Fine UK Financial Conduct Authority (CC)	-41
Q3 PPA Consumer Finance (PSBC)	-16			Q3 PPA Consumer Finance (PSBC)	-11
Q3 Sale of ebase (PSBC)	103			Q4 PPA Consumer Finance (PSBC)	-10



# Glossary – Key Ratios



Key Ratio	Abbreviation	Calculated for	Numerator	Denominator		
				Group	Private and Small Business Customers and Corporate Clients	Others & Consolidation
Cost/income ratio (excl. compulsory contributions) (%)	CIR (excl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses	Total revenues	Total revenues	n/a
Cost/income ratio (incl. compulsory contributions) (%)	CIR (incl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses and compulsory contributions	Total revenues	Total revenues	n/a
Operating return on CET1 (%)	Op. RoCET (%)	Group and segments (excl. O&C)	Operating profit	Average CET1 <sup>1</sup>	12% <sup>2</sup> of the average RWAs (YTD: PSBC €47.3bn, CC €96.7bn)	n/a (note: O&C contains the reconciliation to Group CET1)
Operating return on tangible equity (%)	Op. RoTE (%)	Group and segments (excl. O&C)	Operating profit	Average IFRS capital after deduction of goodwill and other intangible assets <sup>1</sup>	12% <sup>2</sup> of the average RWAs plus average regulatory capital deductions (excluding goodwill and other intangible assets) (YTD: PSBC €0bn, CC €0.5bn)	n/a (note: O&C contains the reconciliation to Group tangible equity)
Return on equity of net result (%)	Net RoE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components <sup>1</sup>	n/a	n/a
Net return on tangible equity (%)	Net RoTE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components after deduction of goodwill and other intangible assets (net of tax) <sup>1</sup>	n/a	n/a
Non-Performing Exposure ratio (%)	NPE ratio (%)	Group	Non-performing loans and advances	Total gross loans and advances (according to EBA Risk Dashboard)	n/a	n/a
Cost of Risk (bps)	CoR (bps)	Group	Risk Result	Exposure at Default	n/a	n/a
Cost of Risk on Loans (bps)	CoRL (bps)	Group	Risk Result	Loans and Advances [annual report note (25)]	n/a	n/a
Key Parameter	Calculated for	Calculation				
Total clean revenues	Group and segments	Total revenues excluding exceptional revenue items				
Underlying Operating Performance	Group and segments	Operating result excluding exceptional revenue items and compulsory contributions				

<sup>1</sup>) Includes consolidated P&L reduced by dividend accrual and potential (fully discretionary) AT1 coupon

<sup>2</sup>) charge rate reflects current regulatory and market standard

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## Financial calendar 2021



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