

Disclosures according to Pfandbriefgesetz

Mortgage Pfandbriefe

€m	31.12.2017			31.12.2016		
	Nominal value	Net present value	Risk-adjusted net present value ¹	Nominal value	Net present value	Risk-adjusted net present value ¹
Cover calculation mortgage Pfandbriefe						
Liabilities to be covered	15,423.3	16,412.6	15,687.5	14,775.8	16,181.5	13,593.9
of which Pfandbriefe outstanding	15,423.3	16,412.6	15,687.5	14,775.8	16,181.5	13,593.9
of which derivatives	–	–	–	–	–	–
Cover assets	21,835.2	23,915.3	22,745.9	18,752.6	21,074.5	16,247.8
of which cover loans	21,125.7	23,145.8	21,990.0	18,232.6	20,551.1	15,729.8
of which cover assets Art. 19 (1) No. 1, 2, 3 PfandBG	709.5	769.5	755.9	520.0	523.4	518.0
of which derivatives	–	–	–	–	–	–
Risk-adjusted net present value after interest rate stress test			7,058.4			2,653.9
Loss from currency stress test			–			–
Cover surplus	6,411.9	7,502.7	7,058.4	3,976.7	4,893.0	2,653.9

¹ Risk-adjusted net present value including currency stress test.

€m	31.12.2017	31.12.2016
Mortgage Pfandbriefe outstanding with a residual term of		
up to 6 months	1,067.1	404.3
over 6 months up to 12 months	104.3	730.6
over 12 months up to 18 months	973.9	1,066.0
over 18 months up to 2 years	2,501.4	76.0
over 2 years up to 3 years	1,287.9	3,435.8
over 3 years up to 4 years	793.7	1,237.4
over 4 years up to 5 years	1,357.0	721.7
over 5 years up to 10 years	7,056.0	6,702.0
over 10 years	282.0	402.0
Total	15,423.3	14,775.8
Cover assets mortgage Pfandbriefe with a residual fixed interest period of		
up to 6 months	830.5	690.8
over 6 months up to 12 months	902.0	712.6
over 12 months up to 18 months	1,036.2	739.8
over 18 months up to 2 years	759.7	716.6
over 2 years up to 3 years	1,968.2	1,536.4
over 3 years up to 4 years	1,884.0	1,922.8
over 4 years up to 5 years	2,262.4	1,660.6
over 5 years up to 10 years	11,295.4	10,049.5
over 10 years	896.8	723.4
Total	21,835.2	18,752.6

Other cover assets €m	31.12.2017	31.12.2016
Equalisation claims as defined by Art. 19 (1) no. 1 Pfandbriefgesetz		
Germany	-	-
Total	-	-
Loans as defined by Art. 19 (1) no. 2 Pfandbriefgesetz		
Germany	-	-
of which covered bonds as defined by Art. 129 of EU Regulation 575/2013	-	-
Total	-	-
Loans as defined by Art. 19 (1) no. 3 Pfandbriefgesetz		
Germany	545.0	520.0
Belgium	164.5	-
Total	709.5	520.0
Total	709.5	520.0

Size categories €m	31.12.2017	31.12.2016
Up to €0.3m	17,157.4	15,207.6
over €0.3m up to €1m	3,125.5	2,291.1
over €1m up to €10m	706.2	610.7
over €10m	136.7	123.1
Total	21,125.7	18,232.6

Mortgage Pfandbriefe by country and type of use €m	31.12.2017		31.12.2016	
Germany	Commercial	Residential	Commercial	Residential
Flats	-	5,306.0	-	4,355.1
Single family house	-	12,925.1	-	11,278.5
Multi-dwellings	-	2,659.9	-	2,321.7
Office buildings	49.1	-	51.5	-
Retail buildings	141.7	-	193.0	-
Industrial buildings	0.3	-	0.9	-
Other commercially used real estate	43.6	-	31.7	-
Unfinished new buildings not yet generating income	-	0,0	-	0.1
Building sites	-	0,0	0,0	0,0
Total	234.6	20,891.1	277.1	17,955.5

Foreign currency €m	31.12.2017	31.12.2016
Net present value	–	–
Interest structure %	31.12.2017	31.12.2016
Share of fixed-income cover assets	99.7	97.2
Share of fixed-income Pfandbriefe	99.2	98.3
Limit breaches €m	31.12.2017	31.12.2016
Total amount of loans that exceed the limits defined by Art. 13 (1) PfandBG	–	–
Total amount of loans that exceed the limits defined by Art. 19 (1) PfandBG	–	–
Other structural data	31.12.2017	31.12.2016
Average age of the loans weighted by value, in years (seasoning)	5.0	5.3
Average weighted loan-to-value ratio in %	52.6	52.4
Payments in arrear Germany €m	31.12.2017	31.12.2016
Total payments overdue by at least 90 days	–	–
Total amount of interest in arrears	–	–
Total amount of these receivables where the arrears represent at least 5% of the receivable concerned	–	–

Public Pfandbriefe

€m	31.12.2017			31.12.2016		
	Nominal value	Net present value	Risk-adjusted net present value ¹	Nominal value	Net present value	Risk-adjusted net present value ¹
Cover calculation public Pfandbriefe						
Liabilities to be covered	9,816.9	12,400.4	13,235.1	11,080.4	14,217.4	14,056.5
of which Pfandbriefe outstanding	9,816.9	12,400.4	13,235.1	11,080.4	14,217.4	14,056.5
of which derivatives	–	–	–	–	–	–
Cover assets	10,993.7	13,640.1	14,357.2	12,799.2	15,842.1	15,487.3
of which cover loans	180.9	184.2	183.6	723.6	754.3	746.1
of which cover assets Art. 20 (1) PfandBG	10,903.8	13,524.0	14,232.8	12,451.7	15,480.1	15,125.3
of which cover assets Art. 20 (2) PfandBG	89.9	116.1	124.4	347.5	362.0	362.0
of which derivatives	–	–	–	–	–	–
Risk-adjusted net present value after interest rate stress test			1,288.7			1,624.7
Loss from currency stress test			-166.6			-193.9
Cover surplus	1,176.8	1,239.7	1,122.1	1,718.7	1,624.7	1,430.8

¹ Risk-adjusted net present value including currency stress test.

€m	31.12.2017	31.12.2016
Public Pfandbriefe outstanding with a residual term of		
up to 6 months	623.4	486.8
over 6 months up to 12 months	402.2	720.7
over 12 months up to 18 months	957.6	640.2
over 18 months up to 2 years	1,003.9	422.2
over 2 years up to 3 years	859.7	1,998.3
over 3 years up to 4 years	296.0	1,005.7
over 4 years up to 5 years	370.5	336.8
over 5 years up to 10 years	2,394.8	2,582.3
over 10 years	2,908.8	2,887.6
Total	9,816.9	11,080.4
Cover assets public Pfandbriefe with a residual fixed interest period of		
up to 6 months	867.2	817.9
over 6 months up to 12 months	812.7	1,076.4
over 12 months up to 18 months	175.6	819.9
over 18 months up to 2 years	472.9	707.7
over 2 years up to 3 years	839.1	652.9
over 3 years up to 4 years	307.9	983.8
over 4 years up to 5 years	613.3	362.2
over 5 years up to 10 years	2,275.3	2,473.6
over 10 years	4,629.9	4,904.7
Total	10,993.7	12,799.2

Other cover assets €m	31.12.2017	31.12.2016
Equalisation claims as defined by Art. 20 (2) no. 1 Pfandbriefgesetz		
Germany	–	–
Total	–	–
Equalisation claims as defined by Art. 20 (2) no. 2 Pfandbriefgesetz		
Germany	89.9	247.5
of which covered bonds as defined by Art. 129 of EU Regulation 575/2013	–	–
Netherlands	–	100.0
of which covered bonds as defined by Art. 129 of EU Regulation 575/2013	–	–
Total	89.9	347.5
Total	89.9	347.5

Size categories €m	31.12.2017	31.12.2016
up to €10m	133.5	119.0
over €10m up to €100m	1,865.2	2,256.5
over €100m	8,905.1	10,076.2
Total	10,903.8	12,451.7

Foreign currency €m	31.12.2017	31.12.2016
Net present value in Canadian dollars	–	40.3
Net present value in Swiss francs	852.7	664.1
Net present value in British pounds	514.1	566.5
Net present value in US dollars	453.6	384.4

Interest structure %	31.12.2017	31.12.2016
Share of fixed-income cover assets	75.9	68.1
Share of fixed-income Pfandbriefe	84.1	84.1

Limit breaches €m	31.12.2017	31.12.2016
Total amount of loans that exceed the limits defined by Art. 20 (2) PfandBG	–	–

Payments in arrear €m	31.12.2017	31.12.2016
Total payments overdue by at least 90 days	–	–
Total amount of these receivables where the arrears represent at least 5% of the receivable concerned	–	–

Registered office of borrowers or guarantors €m	31.12.2017	31.12.2016
Total	10,903.8	12,451.7
of which borrowers have a registered office in		
Countries	1,810.8	1,708.3
Germany	204.5	306.8
Great Britain/North Ireland/Channel Islands/Isle of Man	261.6	347.5
Iceland	91.7	97.4
Italy	44.2	43.0
Canada	14.3	16.3
Austria	632.9	622.3
Portugal	475.0	275.0
Czech Republic	86.5	–
Regional authorities	6,059.6	5,820.7
Germany	4,227.4	4,087.0
France including Monaco	47.2	52.9
Italy	495.1	520.1
Japan	42.0	42.0
Canada	59.5	67.7
Austria	60.0	–
Switzerland	897.3	754.3
Spain	231.1	296.7
Local authorities	1,217.6	1,355.8
Belgium	30.0	–
Germany	80.7	83.1
Estonia	5.5	6.9
Finland	84.6	89.6
France including Monaco	23.3	26.2
Great Britain/North Ireland/Channel Islands/Isle of Man	7.3	7.6
Iceland	22.2	26.9
Italy	477.4	478.3
Canada	–	38.8
Switzerland	98.1	126.6
USA	388.3	471.9
Other borrowers with a registered office in	730.2	1,837.8
Germany	274.9	458.3
France including Monaco	367.4	380.8
Austria	–	812.0
Switzerland	50.0	100.0
Supranational organisations ¹	2.0	5.9
USA	35.9	80.9
Total	9,818.2	10,722.5
of which guarantors have a registered office in		
Countries	206.5	749.1
Germany	206.5	749.1
of which receivables from export credit agencies	180.9	723.6
Regional authorities	145.3	124.0
Germany	–	–
Belgium	145.3	124.0
Local authorities	–	–
Germany	–	–
Other borrowers	733.8	856.0
Germany	733.8	856.0
Total	1,085.6	1,729.1
Other cover assets as defined by Art. 20 (2) Pfandbriefgesetz	89.9	347.5
Total	10,993.7	12,799.2

¹ Cover assets issued by European institutions.

Shipping Pfandbriefe

Commerzbank surrendered its licence to operate shipping Pfandbrief business with effect from 31 May 2017. As of 1 June 2017 the Federal Financial Supervisory Authority granted an exception to the cap set for further cover assets under the Pfandbrief Act Art. 26 (1) no. 4. Shipping Pfandbriefs issued are fully secured by

additional assets that satisfy the requirements for covering public-sector Pfandbriefs and (to the extent that they exceed the cap on other cover assets under the Pfandbrief Act) also the credit rating criteria set by the Federal Financial Supervisory Authority.

€m	31.12.2017			31.12.2016		
	Nominal value	Net present value	Risk-adjusted net present value	Nominal value	Net present value	Risk-adjusted net present value
Cover calculation ship Pfandbriefe						
Liabilities to be covered	460.9	536.2	555.9	1,135.4	1,290.9	1,281.2
of which Pfandbriefe outstanding	460.9	536.2	555.9	1,095.3	1,243.5	1,233.4
of which derivatives ¹	–	–	–	40.2	47.4	47.8
Cover assets	573.7	587.8	599.2	1,687.8	1,767.5	1,767.2
of which cover loans	–	–	–	1,407.8	1,475.7	1,478.9
of which cover assets as defined by Art. 26 (1) no. 2, 3, 4 PfandBG	573.7	587.8	599.2	280.0	291.8	288.3
of which derivatives ¹	–	–	–	–	–	–
Risk-adjusted net present value after interest rate stress test			43.3			486.0
Loss from currency stress test			–			-168.8
Cover surplus	112.8	51.6	43.3	552.3	476.6	317.2

¹ Exclusively to cover currency risks.

€m	31.12.2017	31.12.2016
Ship Pfandbriefe outstanding with a residual term of		
up to 6 months	18.0	260.0
over 6 months up to 12 months	–	140.0
over 12 months up to 18 months	45.0	18.0
over 18 months up to 2 years	35.0	30.0
over 2 years up to 3 years	137.0	121.2
over 3 years up to 4 years	71.5	187.5
over 4 years up to 5 years	70.2	153.5
over 5 years up to 10 years	79.0	179.9
over 10 years	5.3	5.2
Total	460.9	1,095.3
Cover assets ship Pfandbriefe with a residual fixed interest period of		
up to 6 months	–	1,482.8
over 6 months up to 12 months	300.7	165.0
over 12 months up to 18 months	–	40.0
over 18 months up to 2 years	50.0	–
over 2 years up to 3 years	50.0	–
over 4 years up to 5 years	173.0	–
Total	573.7	1,687.8

Other cover assets €m	31.12.2017	31.12.2016
Germany		
Equalisation claims as defined by Art. 26 (1) no. 2 Pfandbriefgesetz	–	–
Loans as defined by Art. 26 (1) no. 3 Pfandbriefgesetz	75.0	–
of which covered bonds as defined by Art. 129 of EU Regulation 575/2013	–	–
Loans as defined by Art. 26 (1) no. 4 Pfandbriefgesetz ¹	498.7	115.0
Portugal		
Equalisation claims as defined by Art. 26 (1) no. 2 Pfandbriefgesetz	–	–
Loans as defined by Art. 26 (1) no. 3 Pfandbriefgesetz	–	–
of which covered bonds as defined by Art. 129 of EU Regulation 575/2013	–	–
Loans as defined by Art. 26 (1) no. 4 Pfandbriefgesetz	–	165.0
Total	573.7	280.0

¹ Commerzbank surrendered its licence to operate shipping Pfandbrief business with effect from 31 May 2017. In this context the Federal Financial Supervisory Authority granted an exception to the cap set for further cover assets under the Pfandbrief Act by Art. 26 (1) no.4 PfandBG as of 1 June 2017.

Size categories €m	31.12.2017	31.12.2016
Up to €0.5m	–	1.0
over €0.5m up to €5m	–	355.0
More than €5m	–	1,051.8
Total	–	1,407.8

Country in which the mortgaged vessel or vessel under construction is registered €m	31.12.2017	31.12.2016
Ocean going vessels	–	1,407.8
Antigua and Barbuda	–	5.4
Bahamas	–	61.2
Germany	–	737.0
Gibraltar	–	0.7
Greece	–	76.7
Great Britain	–	11.7
Hong Kong	–	31.2
Isle of Man	–	47.4
Liberia	–	95.3
Malta	–	114.5
Marshall Islands	–	109.1
Netherlands	–	17.8
Norway	–	7.6
Panama	–	23.2
Singapore	–	13.0
Turkey	–	5.6
Cyprus	–	50.4
Inland waterway vessels	–	–
Total	–	1,407.8

Foreign currency €m	31.12.2017	31.12.2016
Net present value in Swiss francs	–	9.4
Net present value in Japanese yen	–	38.7
Net present value in US dollars	–	826.9
Total	–	875.0

Interest structure %	31.12.2017	31.12.2016
Share of fixed-income cover assets	86.9	0.3
Share of fixed-income Pfandbriefe	97.2	89.0

Limit breaches €m	31.12.2017	31.12.2016
Total amount of loans that exceed the limits defined by Art. 26 (1) PfandBG ¹	–	–

¹ Commerzbank surrendered its licence to operate shipping Pfandbrief business with effect from 31 May 2017. In this context the Federal Financial Supervisory Authority granted an exception to the cap set for further cover assets under the Pfandbrief Act by Art. 26 (1) no.4 PfandBG as of 1 June 2017.

Payments in arrears

The nominal value of the loan receivables used to cover for ship Pfandbriefe was €0.0m; consequently no arrears of principal and interest existed.

In the previous year the nominal value of the loan receivables used to cover for ship Pfandbriefe was €1,407.8m. This did not include arrears of principal and interest, as principal payments

cease to be included in the cover calculation and interest was not treated as a cover asset after the due date.

Payments in arrears in excess of the cover amount stood at €17.1m in the previous year. Receivables where the arrears represented at least 5% of the receivable concerned amounted to €63.4m in total in the previous year.