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# Commerzbank 4.0 and Q3 2016 results

Commerzbank German Investment Seminar 2017

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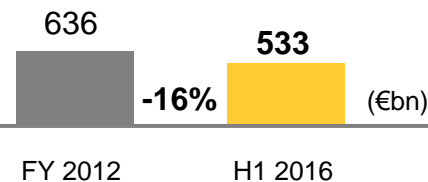
# Agenda

<b>1</b>	<b>Commerzbank strategy 4.0</b>	<b>page 3</b>
<b>2</b>	<b>Commerzbank Q3 2016 results</b>	<b>page 30</b>
	<b>Appendix</b>	<b>page 44</b>

## We have made Commerzbank more stable – and less risky

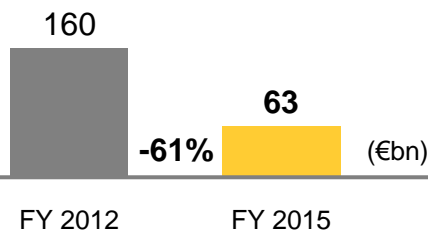
### Balance sheet

Total assets down by **16%**



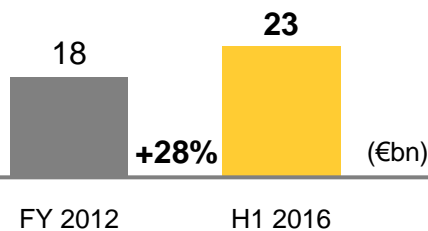
### Risk

**€97 bn** reduction of non-core assets

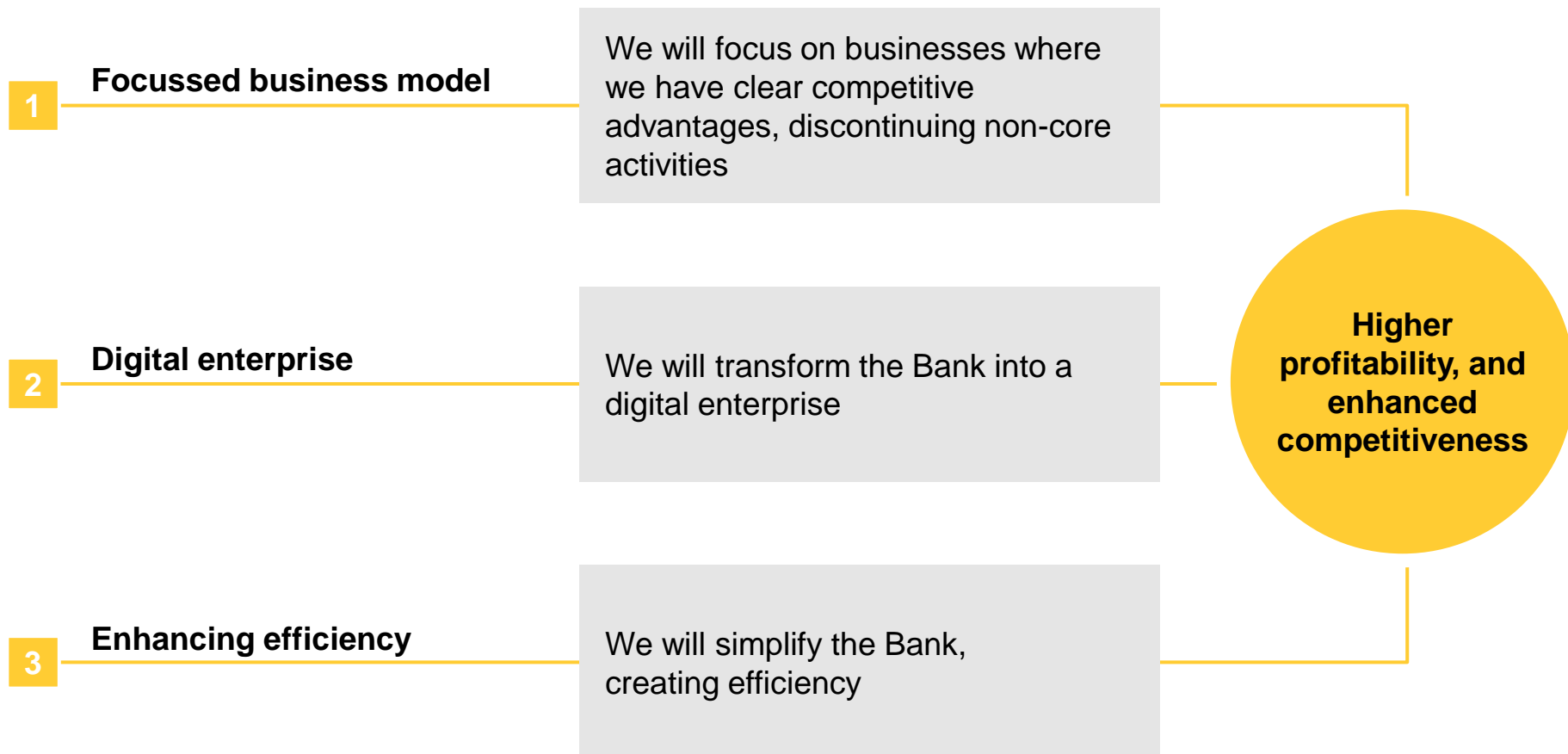


### Capital

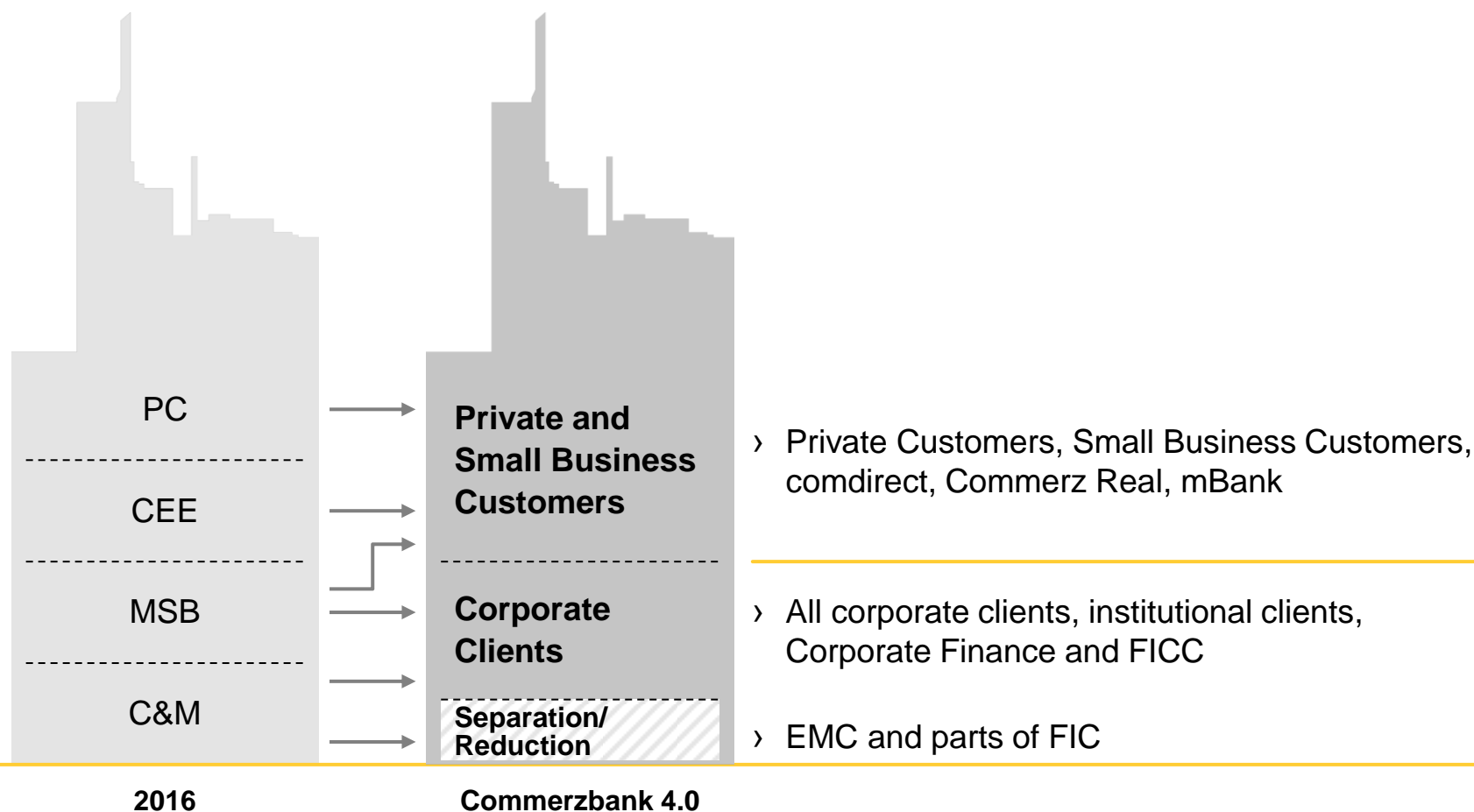
CET1 capital increased by **28%**



## Commerzbank 4.0 – a strategic programme with three cornerstones



## Commerzbank with two strong customer segments



## Private Customers: successful business model in the challenging German market

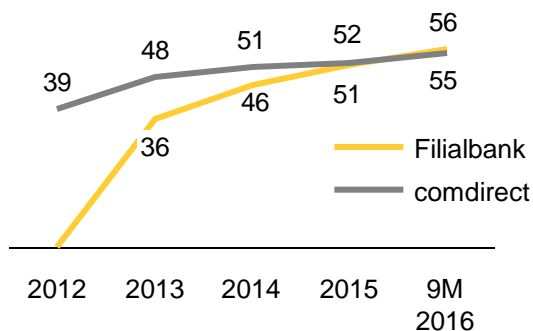
- › Private Customers business is already profitable (> 20% RoTE), and growing
- › Profit contribution has tripled since 2012 (FY 2015: €701m)
- › One million net new customers accomplished

 **Target: 2 million net new customers in the German market by 2020**

# Private Customers: restructuring of the Private Customers business model has generated growing and profitable business

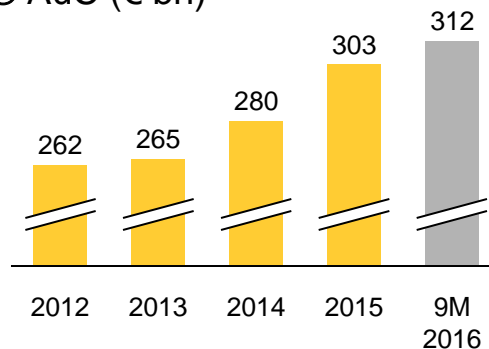
## 1 Rising customer satisfaction

NPS (%)



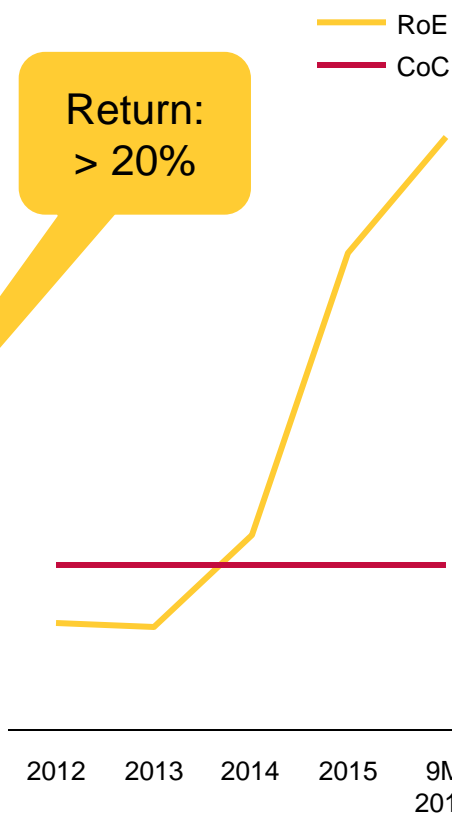
## 2 ~300 bn in assets managed

Ø AuC (€ bn)



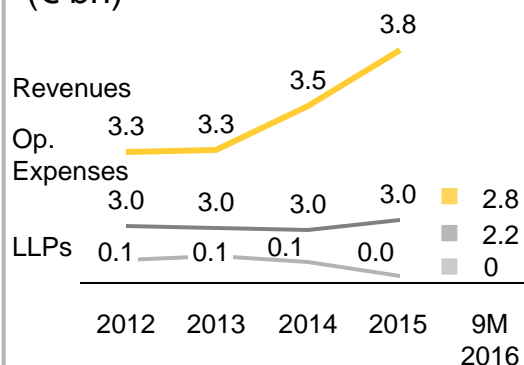
## 5 RoE back above CoC

Return:  
> 20%



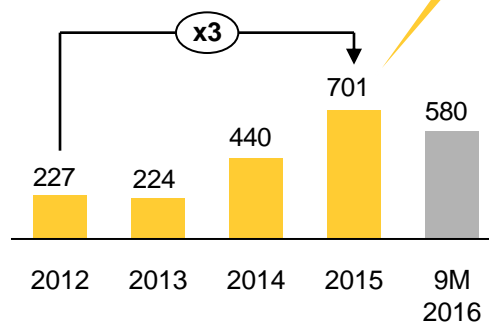
## 3 Higher revenues – stable costs

(€ bn)



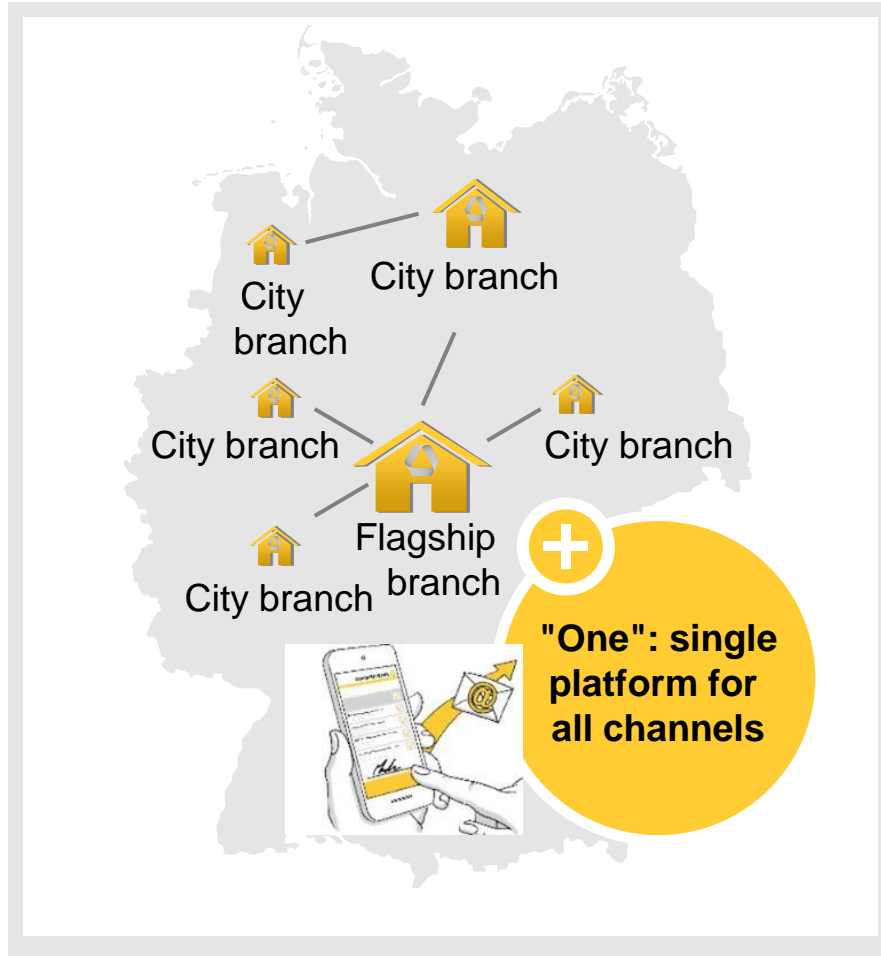
## 4 Results tripled

Contribution margin III (€ m)





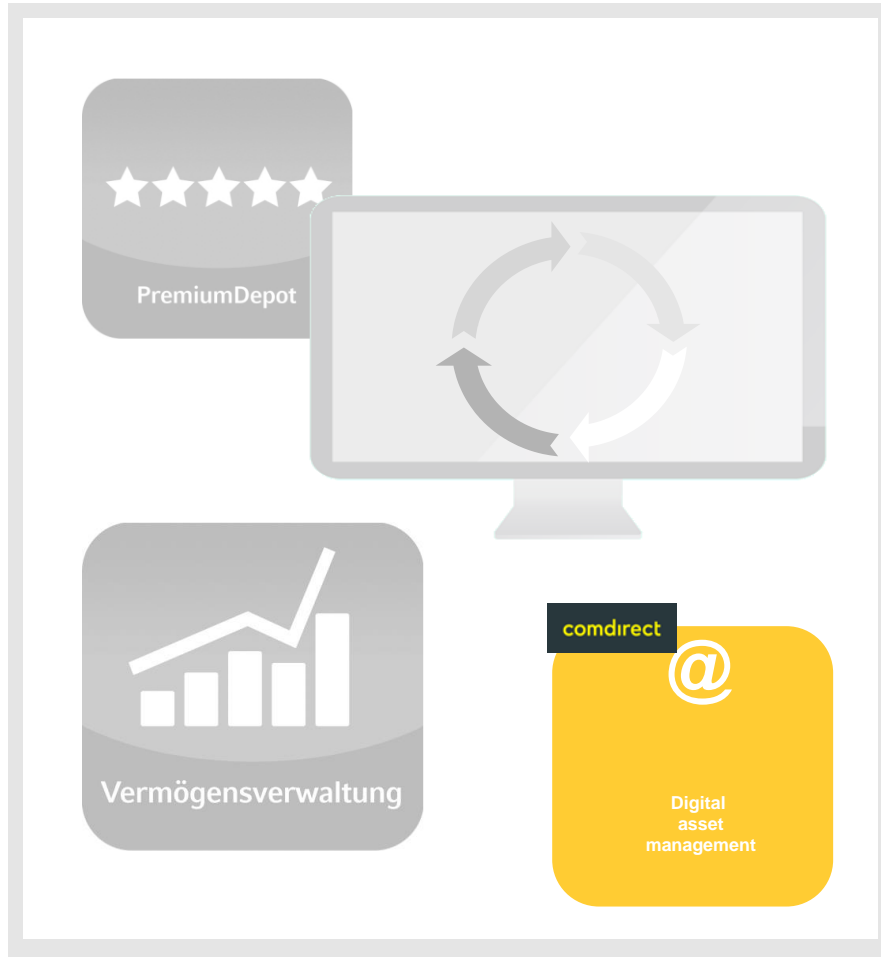
## Private Customers: achieving faster growth by combining digital platform strategy with modern branch formats



### Digital and personal

- › **Multi-channel bank "One"** is the IT platform for all channels and all customers
- › **Two branch formats** provide for broad market coverage at approximately 1,000 locations
- › **Flagship branches** with focus on advisory services
- › **City branches** deliver efficient customer services, with reduced infrastructure and operating costs

## Private Customers: accelerated growth through attractive products and partnerships



### Digital and personal

- › **Digital instalment loans:** high-margin product on own platform, and on the Bank's own loan book
- › **Digital asset management:** Robo Advice and digital asset management via comdirect
- › **Partnership Banking:** acquiring new customers through cooperations (Tchibo, Amazon, Lufthansa)
- › **Simplified product portfolio**

## Small Business Customers: growth through regional proximity and digital advantage



### Digital and personal

- › **Competitive advantages** by combining the strengths of PC (efficiency) and MSB (loans)
- › **Digital offers and strong nationwide presence**
  - Customers have 24/7 access to small business customers offer, via online, mobile, and video advisory services
  - Physical **proximity** and regional **accessibility**: small business customers advisors able to reach ~80% of all customers within 30 minutes
- › **Tailor-made offering**: business and private product offers from a single source



**Target: Raise market share from 5% to 8%**

# >€1.1bn additional revenues from Private and Small Business Customers

## Private and Small Business Customers

### Private Customers

€450-550m

- › Expansion of customer base by ~2m
- › Build-up of own consumer lending platform
- › Rise in net commission income in particular in securities and payment transaction businesses

### Small Business Customers

€350-450m

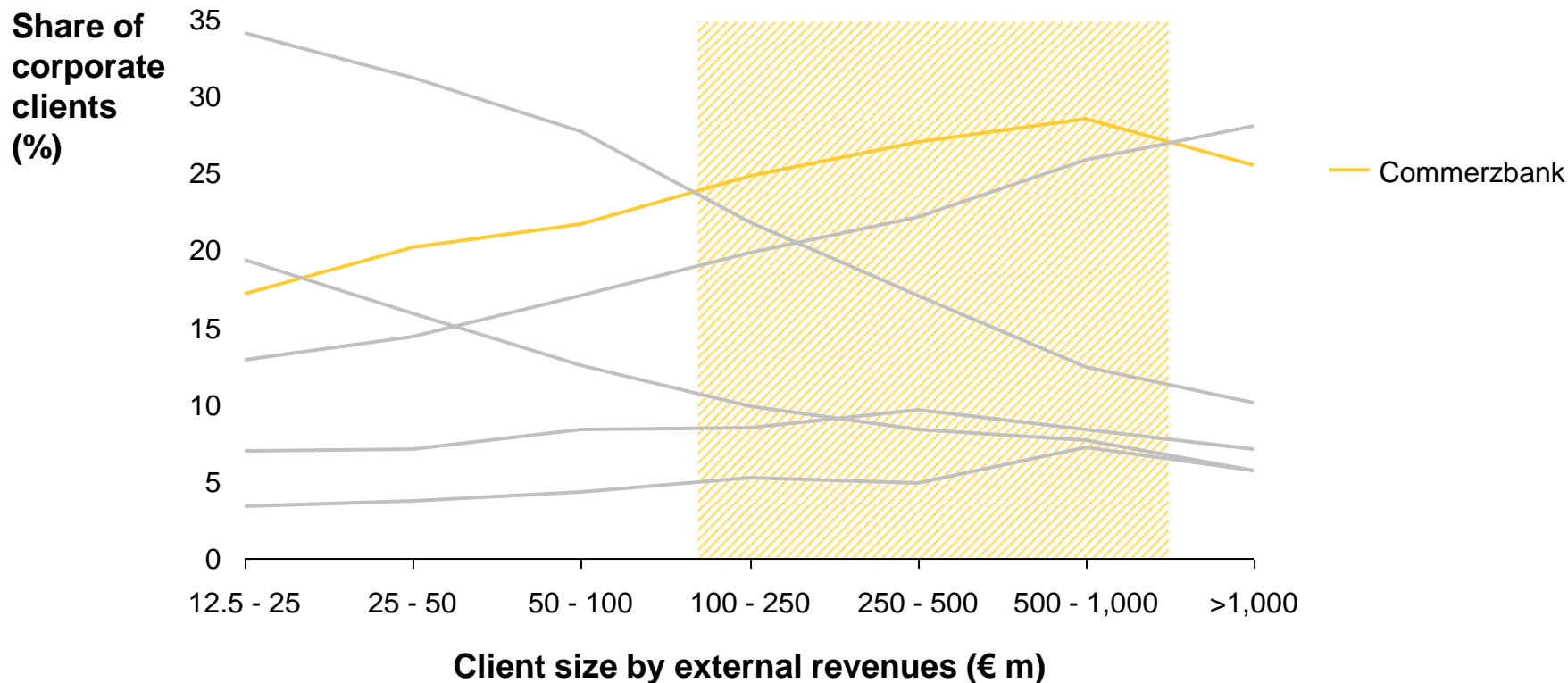
- › Increasing sales of innovative and digital (incl. attacker) products as well as expansion of customer base
- › Significant growth in credit & payment transaction business
- › Dedicated and taylor-made services for specific target groups

### mBank

€300-400m

- › Further development of successful mobile banking strategy
- › Ongoing significant growth in net new customers
- › Continued efficiency gains, e.g. by optimizing balance sheet structure, rigorous implementation of „paperless“ principle

## Corporate Clients: Commerzbank enjoys a leading position in the 'traditional' SME business, as principal banking partner



**Our starting position: a leading bank for the German Mittelstand**

Source: Crefo analysis 2015, MSB

## Corporate Clients: focus on core business – integration of investment bank

**Mittelstandsbank**



**Corporates & Markets**

Persistent market leadership in German corporate banking

Financing more than 30% of German foreign trade

Strong international presence

Leverage of unrivalled sector expertise

Leading provider of hedging products for corporate clients

Rolling-out our Debt House No. 1 position to Europe



**Focus on efficiency and leveraging of strengths**

# More efficient and cost-effective structure through reduction of parts of trading activities and focus on core products

## Product offering today

<b>MSB</b>		<ul style="list-style-type: none"> <li>› Credit</li> <li>› Trade Finance</li> <li>› Structured Finance</li> <li>› Cash Management</li> </ul>
<b>C&amp;M</b>	<b>Advisory &amp; DCM</b>	<ul style="list-style-type: none"> <li>› Corporate Advisory</li> <li>› Corporate Financing</li> </ul>
	<b>FIC</b>	<ul style="list-style-type: none"> <li>› Hedging products</li> <li>› Core investment products</li> <li>› Exotic investment products</li> </ul>
	<b>Commodities</b>	<ul style="list-style-type: none"> <li>› Hedging products</li> <li>› Investment products</li> </ul>
	<b>Equity</b>	<ul style="list-style-type: none"> <li>› Structured equity products</li> </ul>

## Future product offering

<b>Corporate Clients</b>		<ul style="list-style-type: none"> <li>› Credit</li> <li>› Trade Finance</li> <li>› Structured Finance</li> <li>› Cash Management</li> </ul>
<b>Advisory &amp; DCM</b>		<ul style="list-style-type: none"> <li>› Corporate Advisory</li> <li>› Corporate Financing</li> </ul>
<b>FICC</b>		<ul style="list-style-type: none"> <li>› Hedging products FIC</li> <li>› Core investment products FIC</li> <li>› Commodity hedges</li> </ul>

**EXIT**

**Separation**  
**Separation**

## >€300m additional revenues from Corporate Clients business

### Corporate Clients

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#### **Customer growth & pricing**

**€185-270m**

- › Customer growth in particular in Mittelstand clients segment
- › Continuous development of product portfolio and launch of new digital products and services
- › Implementation of data driven pricing models

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#### **Trade Finance**

**€40-60m**

- › Growth focus on most important trade corridors for German and European corporate clients
- › Leading compliance culture
- › Increasing cross-selling in relevant product categories

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#### **Specific sector expertise**

**€75-125m**

- › Leveraging of our in-depth German C&M expertise into selected international key industry sectors
- › Expansion of customer base in European focus sectors



# Reduction of trading activities releases capital

## Reduction of trading activities

### Revenue loss

**~€400m**

- › Exit of exotic derivatives business in interest-rates trading, significant right-sizing of credit trading and exit of market services business
- › Separation of structured equity business with less connectivity to core client business
- › Revenue loss of ~€400m is partly offset by cost reduction of ~€200m
- › RWA release of €6bn and prevention of additional RWA through FRTB of €8bn
- › Capital deductions reduced by €75m (Prudent Valuation)

### Net capital relief

**~€500m**

# Further value preserving run-down of ACR

## Run-down ACR

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### Revenue loss

**~€100m**

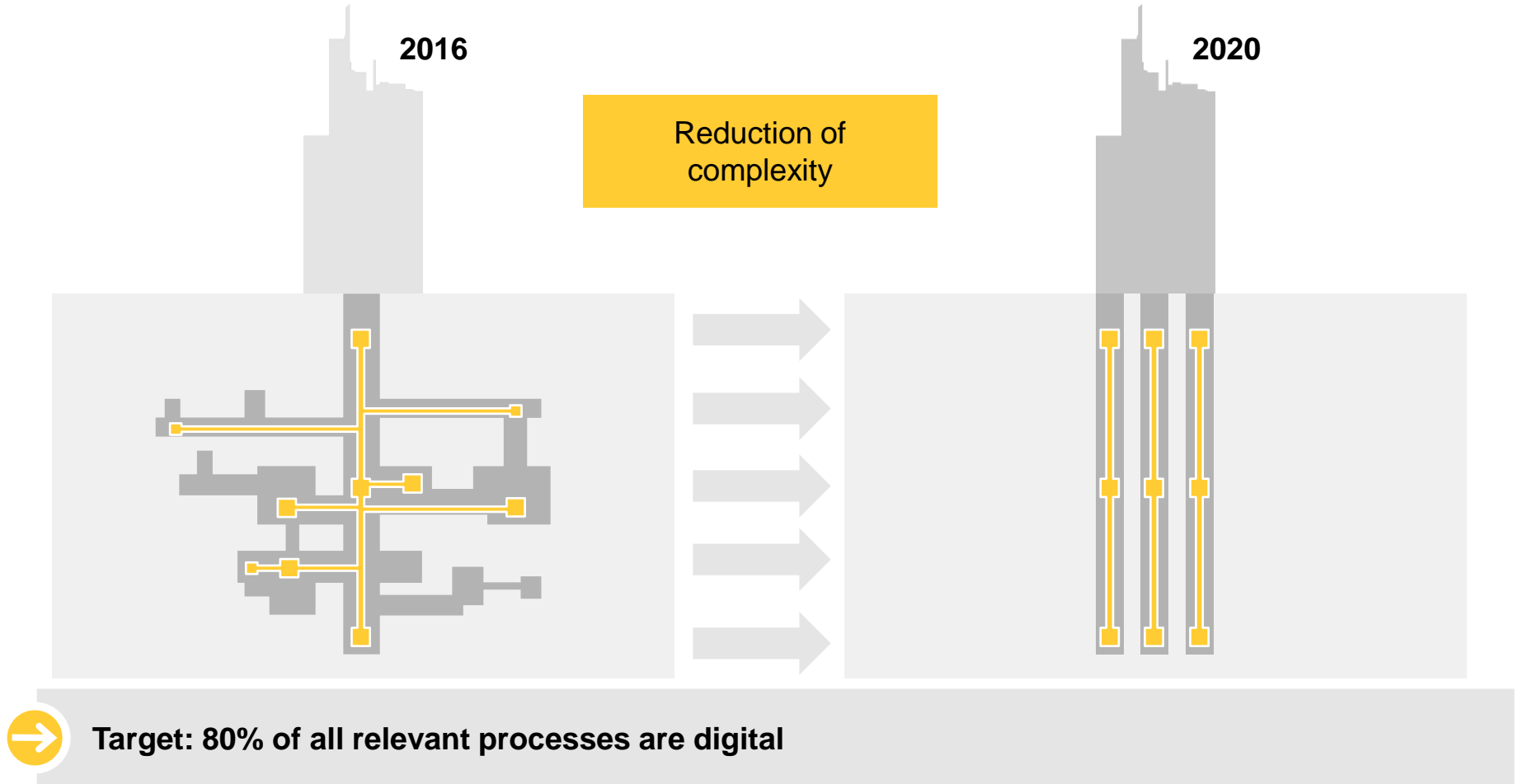
- › Further run-down of CRE portfolio and PF assets (held to maturity)
- › Shipping market deterioration increases cost of risk
- › Expected cumulative operating loss of ~€1.1bn for 2017-2020
- › RWA reduction of ~€9bn leads to gross capital relief of €1.4bn until 2020

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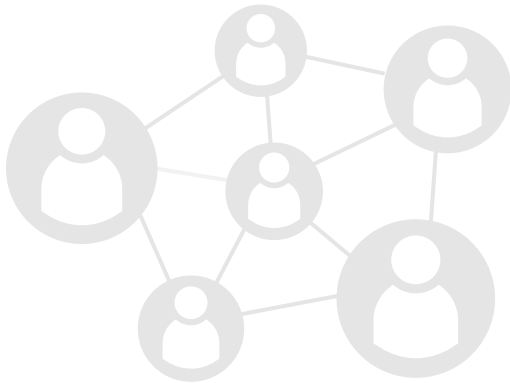
### Net capital relief

**~€300m**

## Our evolution into a digital enterprise



## Digital Campus as engine of transformation



E2E: Management Board responsibility

Business and IT experts working together in one place

All experts will commit 100% of their capacity

Priority for internal resources

Agile working methods

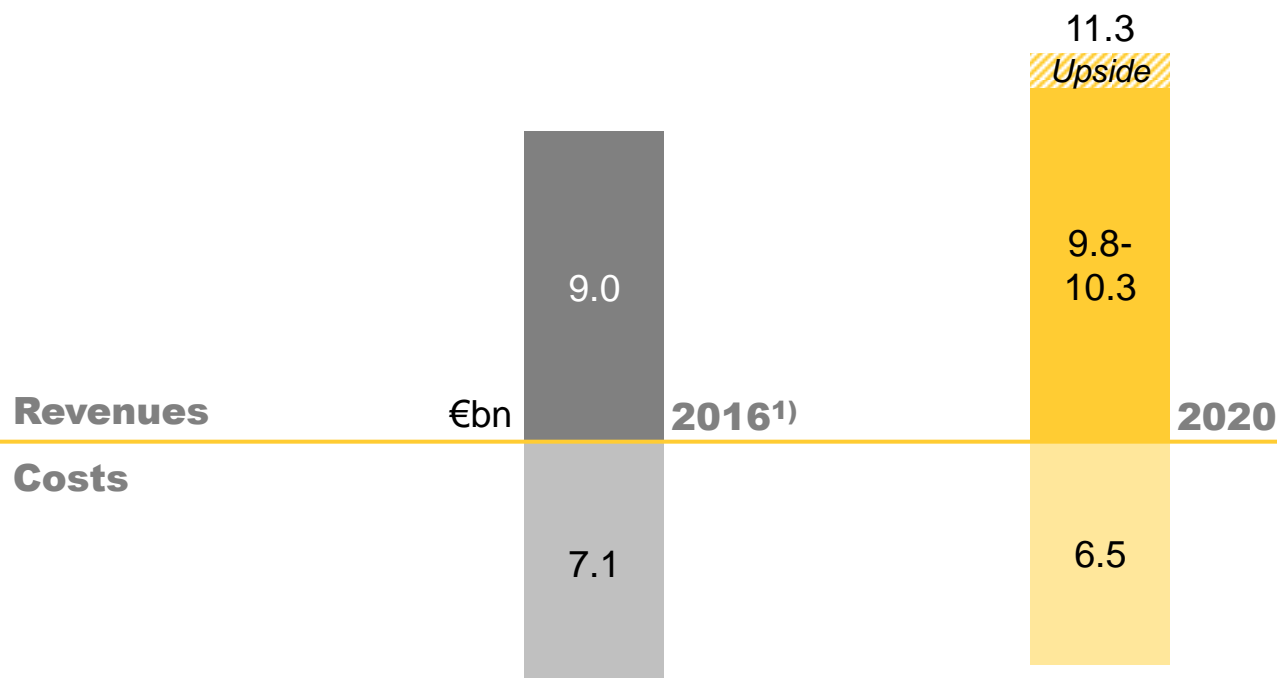
Shortening of implementation cycle

'Fail fast' principle

Digital transformation

 **Speed in digitalisation will secure competitive advantages**

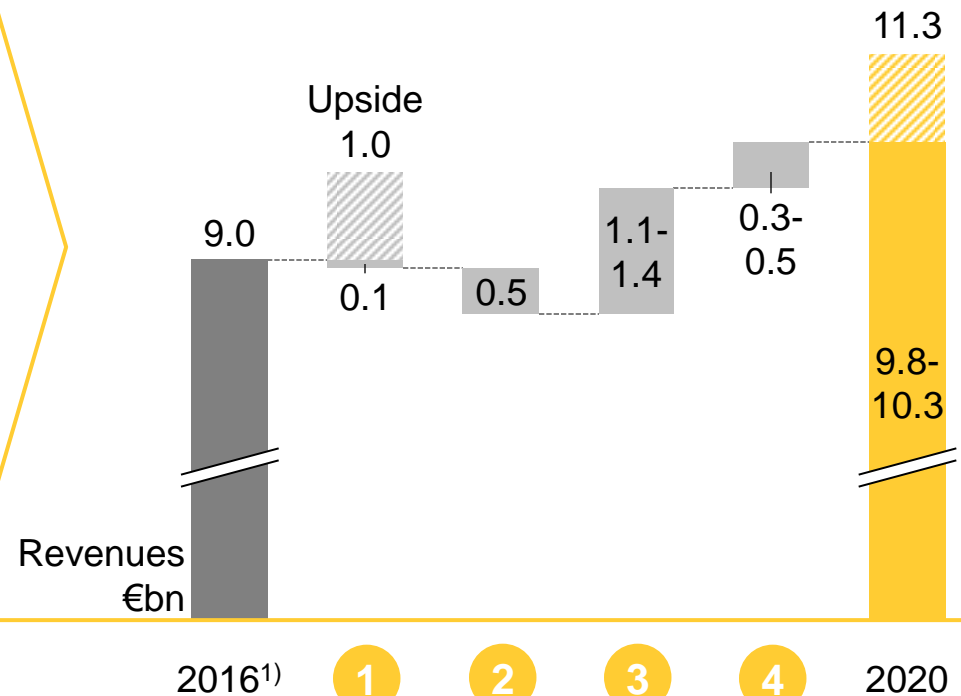
## Specific growth measures and significant cost savings lead to CIR <66% and RoTE >6%



CIR	79%	<66% (~60% Upside)
RoTE	3%	>6% (>8% Upside)

## Substantial revenue increase from growth – revenues >€9.8bn in 2020 even in current interest rate environment

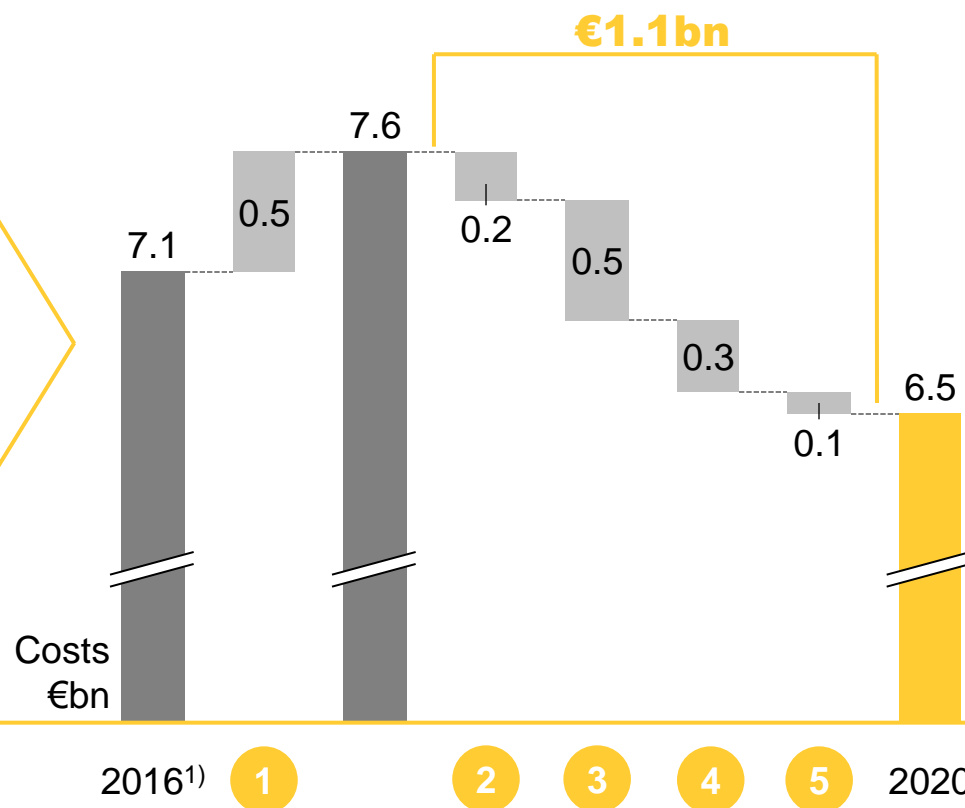
- 1 Ongoing negative interest rate environment anticipated – upside case if rates increase
- 2 ACR run-down and reduction of trading activities
- 3 Growth in Private and Small Business Customers segment (incl. mBank)
- 4 Growth in Corporate Clients segment



Revenue growth in core business in accordance with strict compliance and risk criteria

## Significant cost savings through digitalisation and reduction of complexity

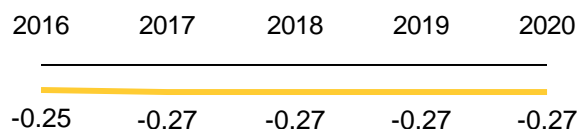
- 1 Inflation, regulatory costs and depreciation
- 2 Cost reduction through run-down ACR and reduction of trading activities
- 3 Savings through digitalisation and automatisisation of processes
- 4 Reduction of complexity in business model
- 5 Benefits of sourcing initiatives



## Specific growth and pricing measures compensate for adverse effects from current interest rate environment

### In current rate environment

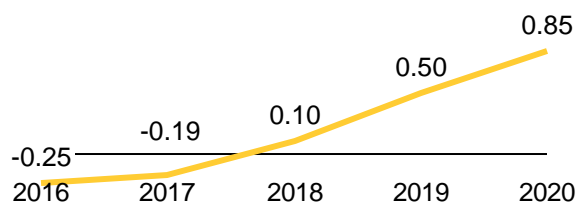
3M-Euribor (avg. p.a. in %)



- › Expected gross revenue decline under current interest rate conditions by 2020: ~€300m vs. 2016
- › Revenue loss will be reduced to ~€100m by ...
  - › growth initiative in residential mortgage lending
  - › specific pricing measures in corporate clients business

### In rising rate environment

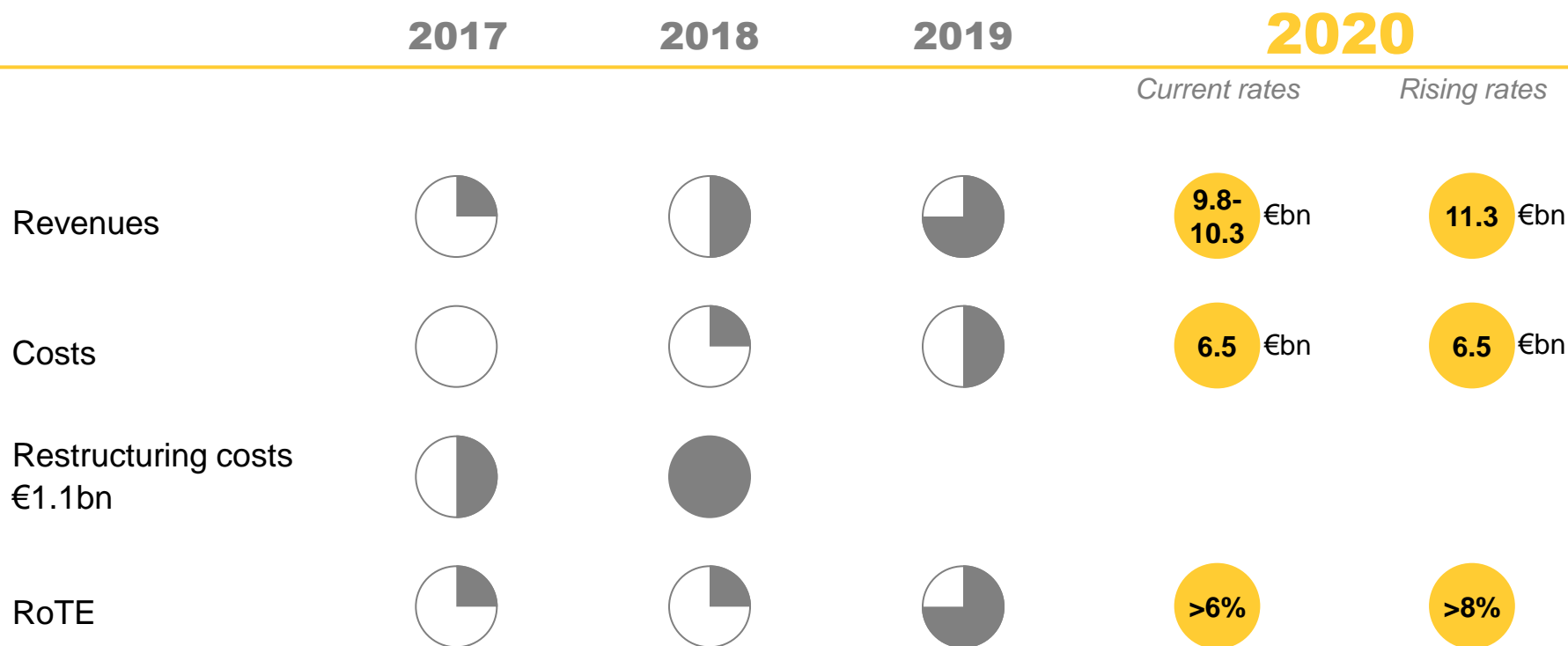
3M-Euribor (avg. p.a. in %)








- › Higher interest income up to €1.0bn due to ...
  - › return to positive rates on central bank deposits
  - › high share of non-interest bearing customer deposits
  - › higher returns from reinvestment of excess deposits



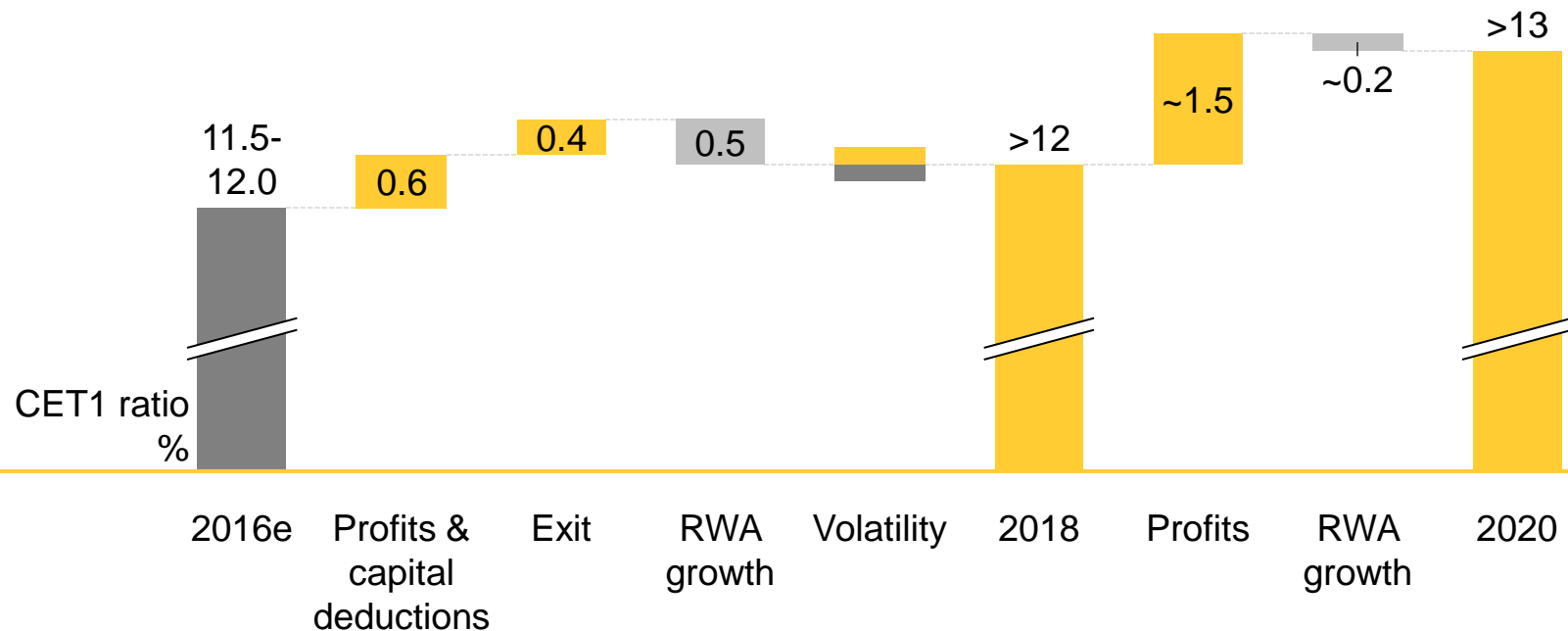
## Transformation requires two years with low profitability



## Group RWA remain stable – ongoing portfolio optimisation

<i>Pro forma H1 2016</i>	<b>RWA (€bn)</b>	<b>Path 2020</b>	
Private & Small Business Customers	<b>38</b>		Significant growth in capital efficient lending business with private and small business customers
Corporate Clients	<b>102</b>		Overall stable RWA development due to further portfolio optimisation gains used as source of funds for our growth initiatives
Others & Consolidation	<b>29</b>		Tight RWA management in Group Treasury
Asset & Capital Recovery	<b>23</b>		RWA relief as a result of further non-strategic assets run-down
Reduction of trading activities	<b>6</b>		RWA relief and avoidance of additional RWA through FRTB of €8bn

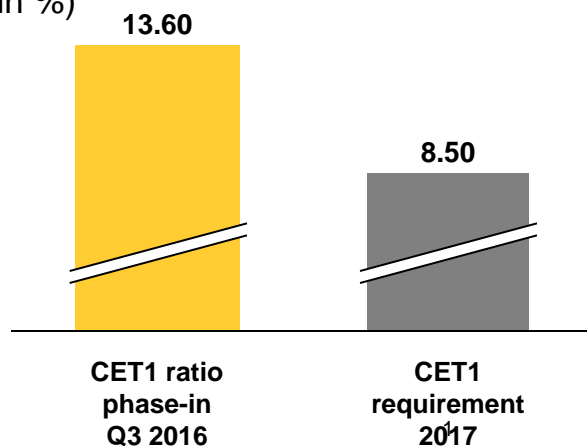
## CET1 to be at ~12% during the transition period



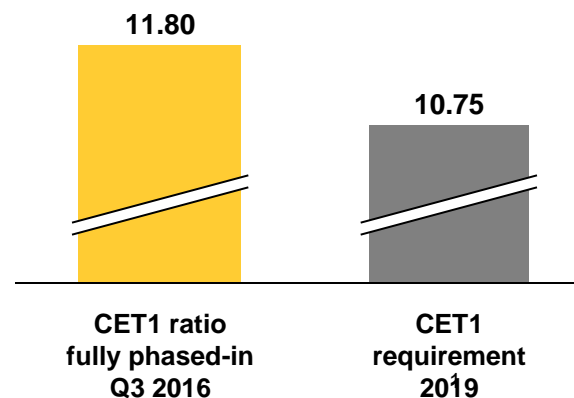
- › Suspension of dividend payments to cover restructuring costs
- › Comfortable capital position including buffers against potential IFRS 9 / Basel IV effects
- › Additional potential of >100bps in case of higher interest rates in 2020

## Commerzbank above CET1 requirement

**Capital ratio vs. SREP requirements**  
(phase-in %)



**Capital ratio vs. SREP requirements**  
(fully phase-in %)



### Additional Information

- › Maximum Distributable Amount (MDA) trigger consists of CET1 requirement and Pillar1 AT1 and T2 minimum requirement
- › CET1 capital requirement for 2017 includes Pillar1 minimum of 4.5%; Pillar2 requirement of 2.25%; Capital Conservation Buffer of 1.25% (2.5% in 2019); Domestic Systemically Important Bank's Buffer (D-SIB/O-SII) of 0.5% (1.5% in 2019)
- › Total capital ratio fully phased-in of 14.9% (Q3 2016) above total capital requirement of 14.25% for 2019

## Targets 2020 of new strategy Commerzbank 4.0

	<i>Current rates</i>	<i>Rising rates</i>
<b>Revenues (€bn)</b>	<b>9.8-10.3</b>	<b>11.3</b>
<b>Costs (€bn)</b>	<b>6.5</b>	<b>6.5</b>
<b>CIR (%)</b>	<b>&lt;66</b>	<b>~60</b>
<b>Net RoTE (%)</b>	<b>&gt;6</b>	<b>&gt;8</b>
<b>CET1 (%)</b>	<b>&gt;13</b>	<b>&gt;13</b>

# Agenda

<b>1</b>	<b>Commerzbank strategy 4.0</b>	<b>page 3</b>
<b>2</b>	<b>Commerzbank Q3 2016 results</b>	<b>page 30</b>
	<b>Appendix</b>	<b>page 44</b>

## Higher operating result – capital ratio increased to 11.8%

### Higher operating result of €429m – further growth in PC and CEE

- › Revenues of €2.4bn supported by positive valuation effects
- › Stable expenses of €1.7bn – capital neutral goodwill impairment of €627m
- › 9M 2016 operating RoTE of 5.3%

### Healthy risk profile confirmed despite shipping

- › Higher LLPs in Q3 (€275m) – deterioration in shipping timely reflected
- › Strong NPL ratio of 1.7% maintained at a low level
- › Low cost of risk in 9M 2016 of 19bps reflects good portfolio quality

### CET1 ratio at 11.8%

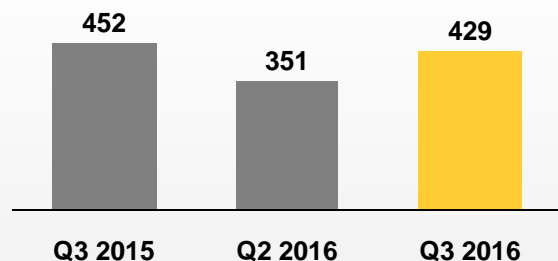
- › Effective risk management leads to RWA decrease of €4bn
- › CET1 capital stable at €23bn
- › Comfortable leverage ratio of 4.5%



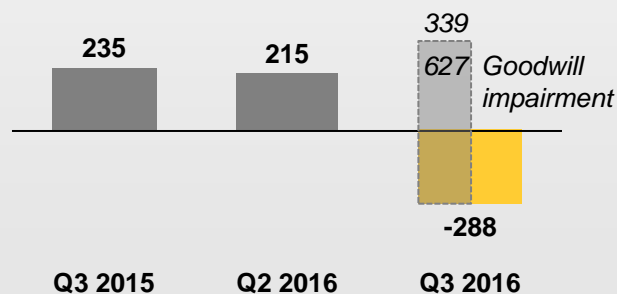
## Key financial figures at a glance

### Group Financial Result (€m)

#### Operating result

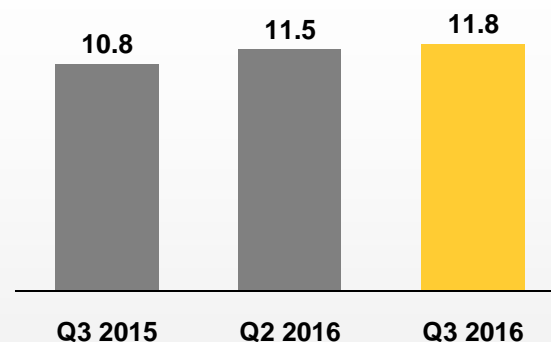


#### Net result<sup>1)</sup>

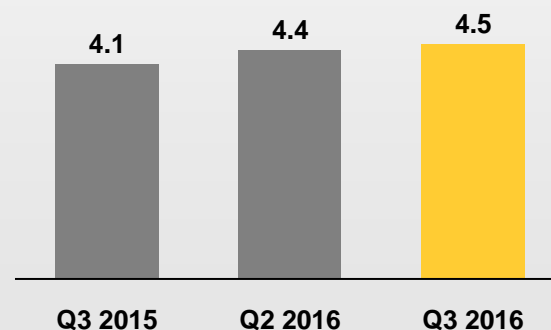


### Group Capital (% end of period)

#### B3 CET1 ratio fully phased-in

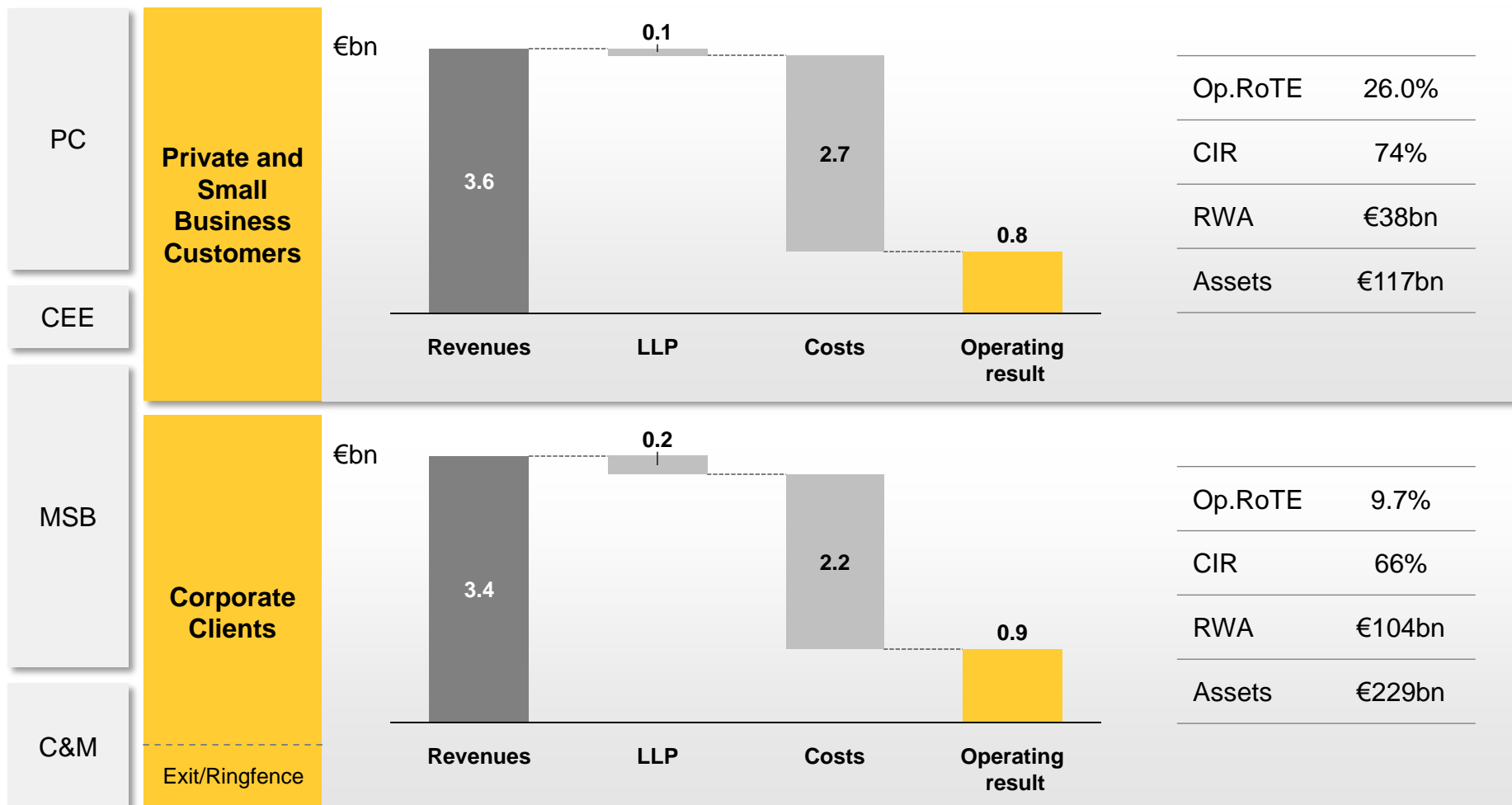


#### Leverage ratio<sup>2)</sup>



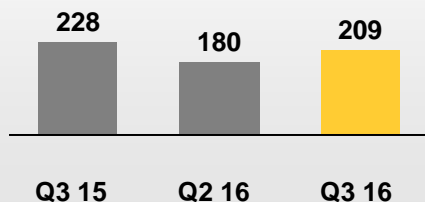


## Operating result of Commerzbank new divisions at a glance in new structure as of 9M 2016

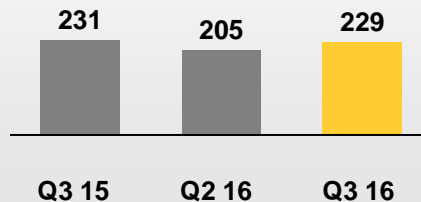


## Operating result of Commerzbank divisions in former structure

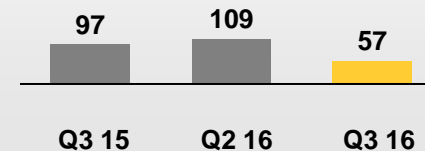
### Private Customers (€m)



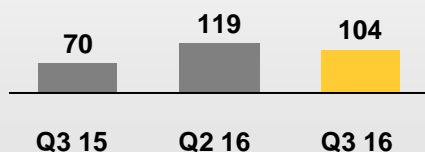
### Mittelstandsbank (€m)



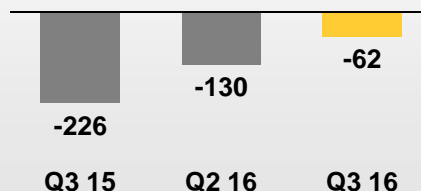
### Central & Eastern Europe (€m)



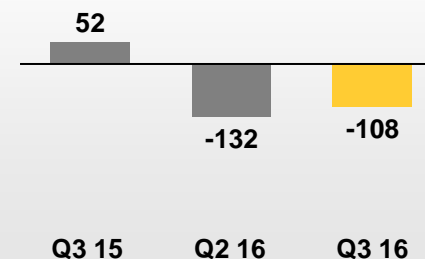
### Corporates & Markets (€m)



### Others & Consolidation (€m)

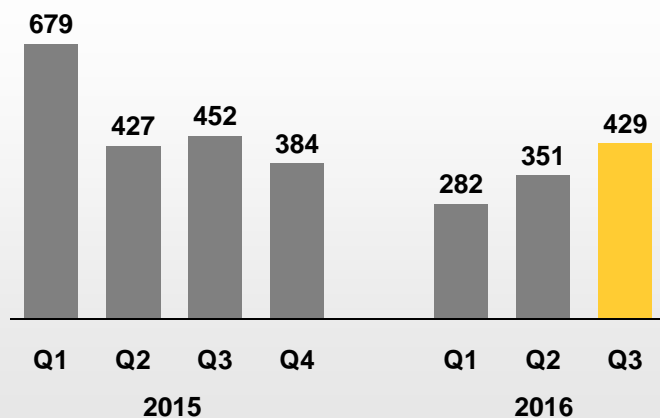


### Asset & Capital Recovery (€m)



## Group operating result of €429m

### Group Operating result (€m)



### Group P&L

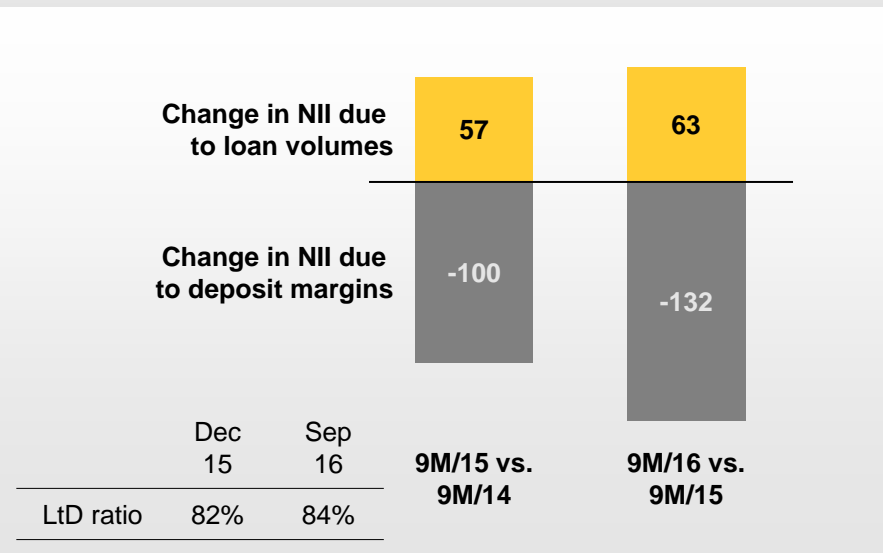
in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Revenues	2,317	2,240	2,437	7,555	7,000
LLP	-146	-187	-275	-584	-610
Costs	1,719	1,702	1,733	5,413	5,328
<b>Operating result</b>	<b>452</b>	<b>351</b>	<b>429</b>	<b>1,558</b>	<b>1,062</b>
Impairments on goodwill & other intang. assets	-	-	627	-	627
Restructuring expenses	28	40	57	94	97
Taxes on income	158	58	14	489	161
Minority interests	31	38	19	84	81
<b>Net result <sup>1)</sup></b>	<b>235</b>	<b>215</b>	<b>-288</b>	<b>891</b>	<b>96</b>
CIR (%)	74.2	76.0	71.1	71.6	76.1
Ø Equity (€bn)	29.6	29.6	29.7	28.8	29.7
Net RoE (%)	3.3	3.0	-4.0	4.3	0.4
Net RoTE (%)	3.7	3.4	-4.5	4.8	0.5
Operating return on CET1 (%)	7.9	6.1	7.5	9.5	6.1

### Highlights

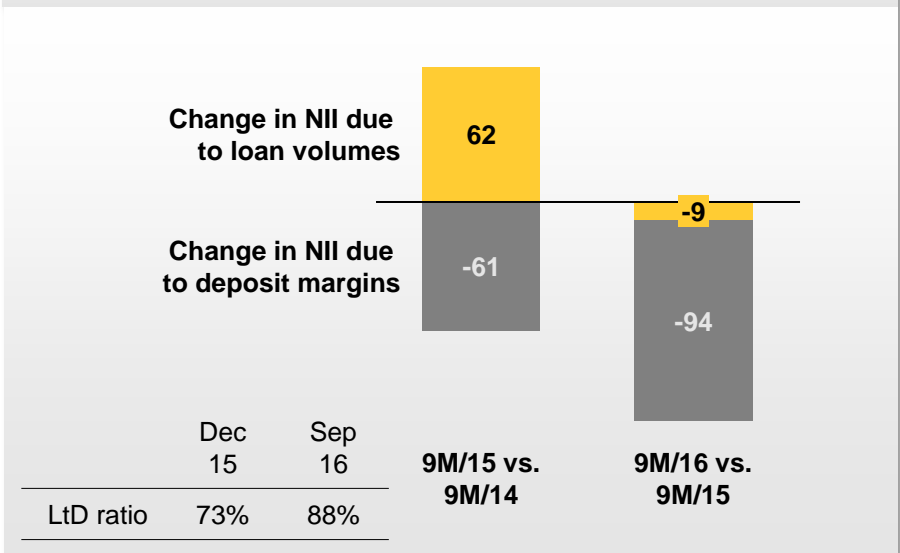
- › Revenue increase of €197m q-o-q stems mainly from positive valuation effects in ACR (+€130m) and XVA/OCS (+€51m in C&M and MSB)
- › Increase in LLPs (+€88m q-o-q) as expected (Shipping) while costs remained almost flat (+€31m q-o-q)
- › Capital neutral impairment on goodwill (€627m) leads to the expected negative net result of €-288m in Q3 2016

## Negative interest rate environment further burdens NII

### NII analysis PC (€m)



### NII analysis MSB (€m)

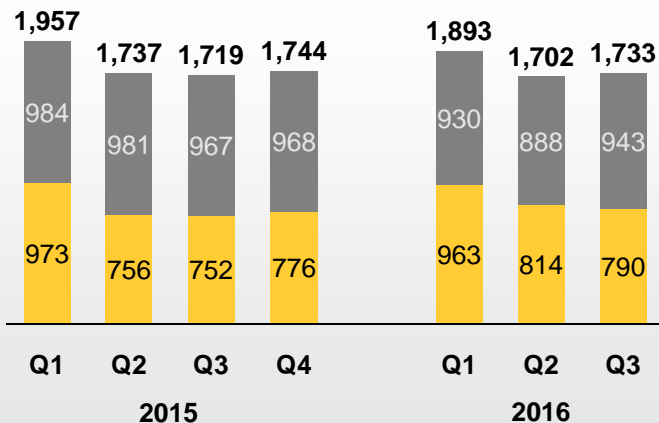


### Highlights

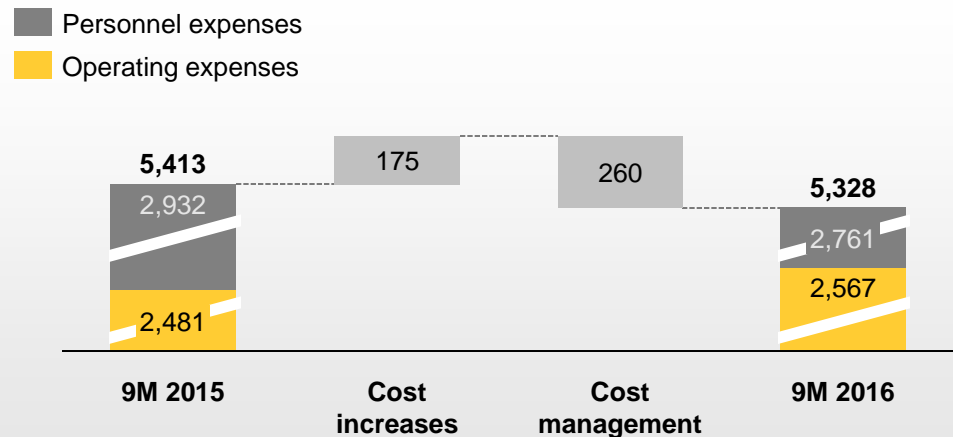
- › Gross burden from negative rates environment on deposit margins adds up to €226m in PC and MSB
- › Substantial mitigation in PC due to growing loan volumes – softened negative impact on MSB (only additional gross burden of €-20m in Q3 vs 2015) due to reduction of deposits by €21bn since Dec. 2015
- › Measures such as pricing initiatives remain in place – expected net burden 2020 vs 2016 of €100m

## Active cost management compensates for investments and additional external burdens

**Costs, Group (€m)**



**Transition costs 9M 2015 vs. 9M 2016 (€m)**

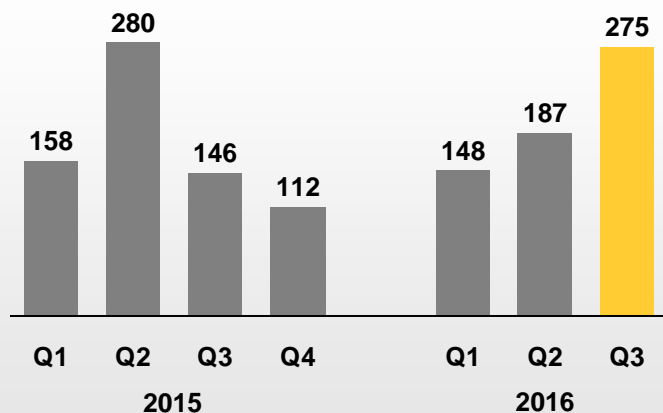


### Highlights

- › Investments mainly for digitization, strengthening the compliance function and implementing regulatory requirements
- › Personnel expenses decreased due to net FTE reduction (~900 FTE), sourcing initiatives and lower variable compensation
- › Additional burdens from banking tax and deposit guarantee scheme (incl. new Polish banking tax of €54m) fully compensated

## Moderate increase of group LLPs in line with expectations

### Provisions for loan losses, Group (€m)



### LLP divisional split

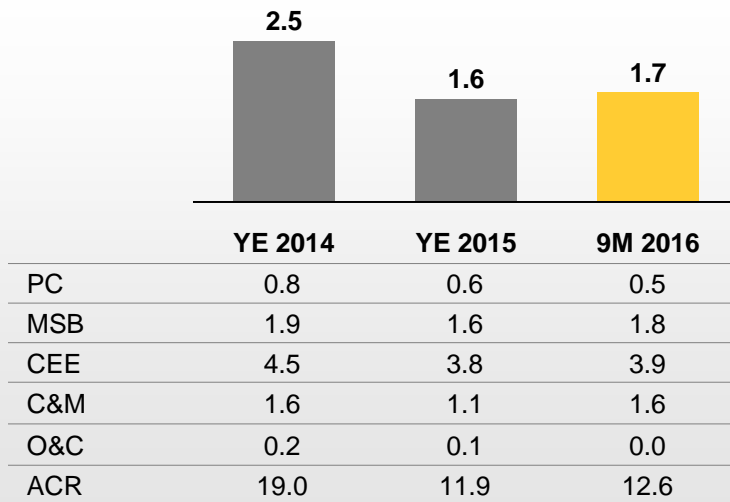
in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Private Customers	13	2	0	51	11
Mittelstandsbank	31	93	67	110	213
Central & Eastern Europe	28	29	32	75	74
Corporates & Markets	11	-12	29	-25	22
Others & Consolidation	1	-	-	62	-2
Asset & Capital Recovery	62	75	147	311	292
Group CoR (bps)	18	15	19	18	19
Group NPL (€bn)	8.0	6.5	7.5	8.0	7.5
Group NPL ratio (in %)	1.8	1.4	1.7	1.8	1.7

### Highlights

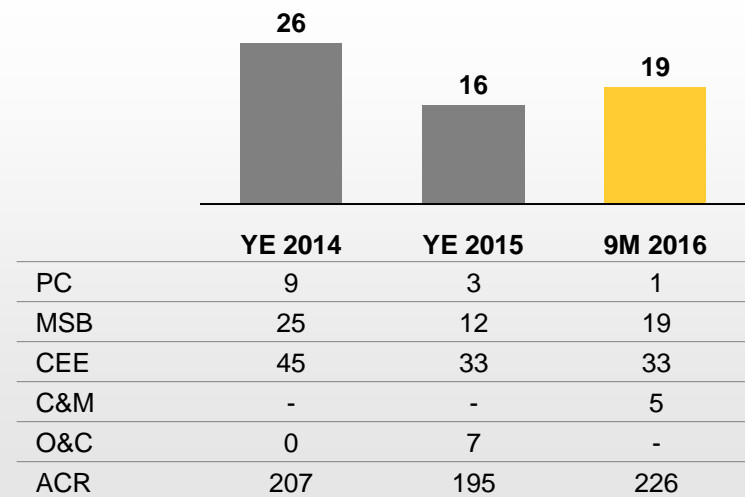
- › Overall LLPs still at a low level reflecting the good portfolio quality and the stable German economy
- › LLPs in PC benefit from very good solvency of German households
- › A further deterioration in the shipping markets is reflected timely in a significant LLP increase in ACR compared to Q2 2016

## Strong NPL ratio of 1.7% maintained at a low level

### NPL ratio<sup>1)</sup> in Group (%)



### Cost of Risk<sup>2)</sup> in Group (bps)

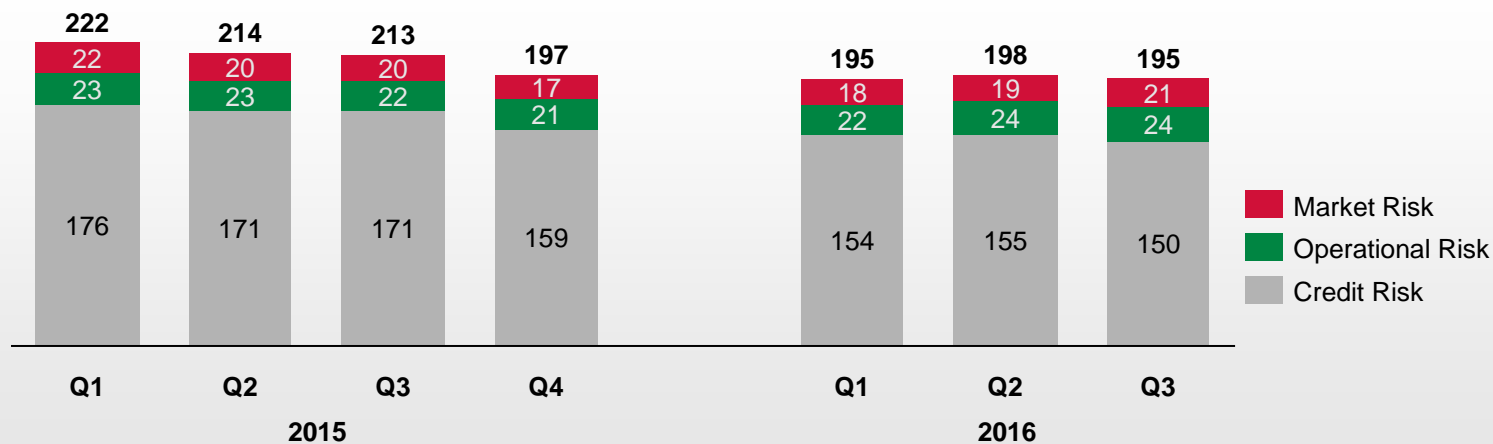


### Highlights

- › Increase of NPL ratio and Cost of Risk in ACR driven by shipping portfolio as expected and clearly addressed
- › Temporary higher NPL ratio for MSB driven by an exceptional single case with high exposure and low loss expectation
- › Increase in C&M driven by a single case with high exposure

## Effective risk management leads to RWA decrease of €4bn

RWA (B3 fully phased-in) development by RWA classification (€bn)



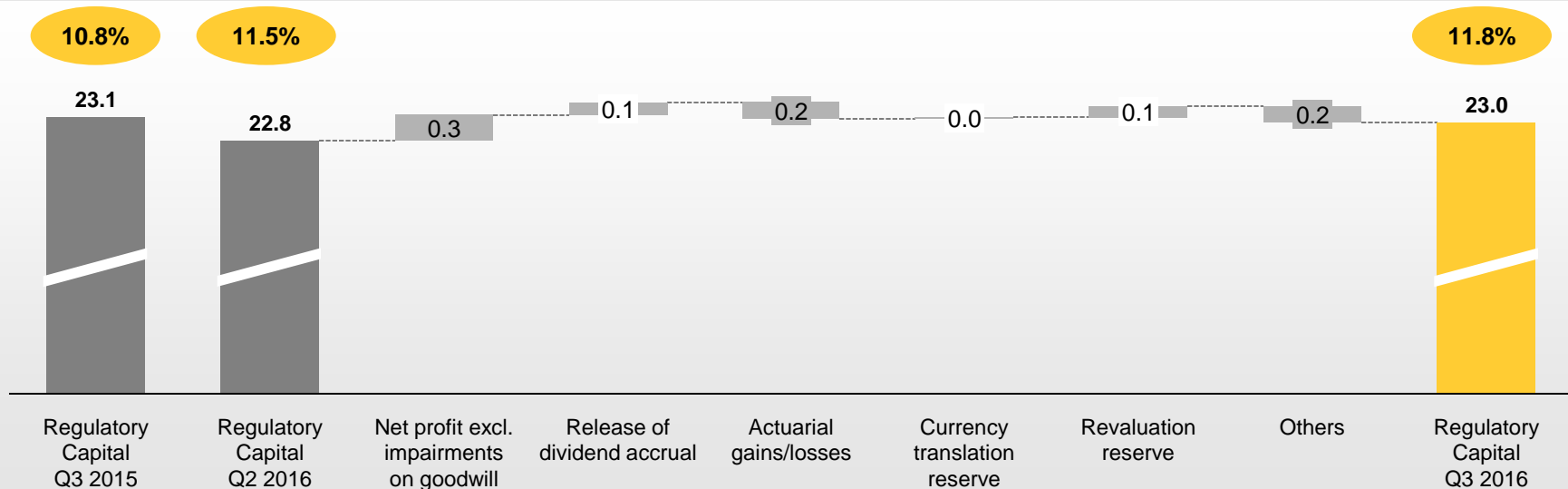
### Highlights

- › Decrease in credit risk RWA due to active portfolio management and reductions in the financial institutions portfolio
- › Slight decrease in operational RWA by €0.5bn
- › Slight increase in market risk RWA by €1.2bn



## CET1 ratio of 11.8% due to lower RWA and slightly increased capital

### Regulatory capital (CET1 B3 fully phased-in) transition (€bn)

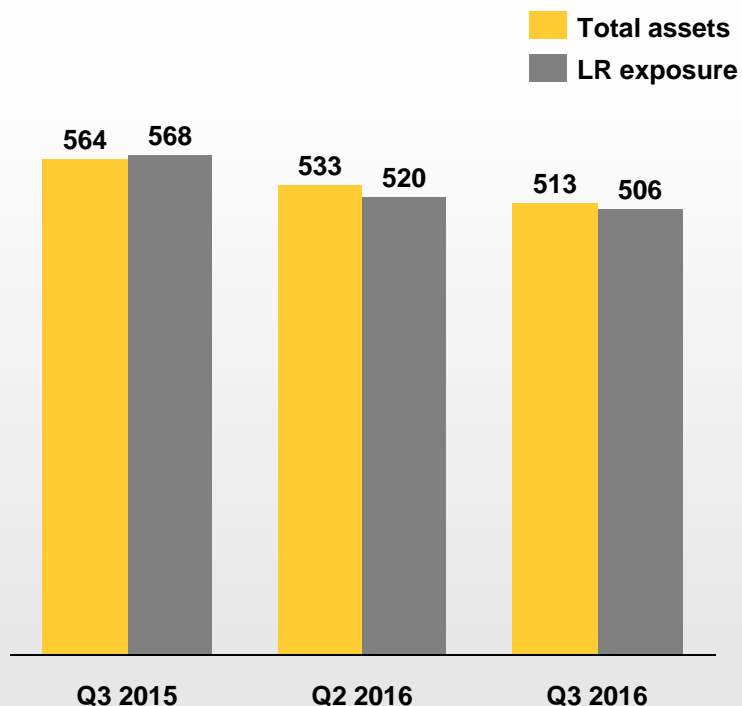


### Highlights

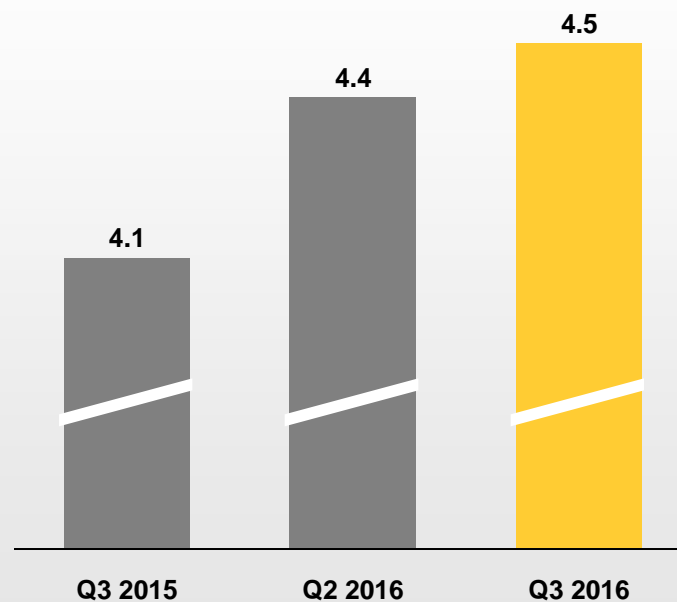
- › Increase of CET1 ratio by 30bps predominantly due to lower credit risk RWA
- › Positive contribution of Q3 2016 net profit excluding capital neutral impairment on goodwill
- › Release of dividend accrual as of H1 2016
- › Higher burden from actuarial gains and losses while revaluation reserve recovered as expected

## Leverage ratio at 4.5% fully phased-in

Total assets and LR exposure (€bn)



Leverage ratio fully phased-in<sup>1)</sup> as of Q3 2016 (%)



## Outlook 2016

We expect to keep our cost base stable compared to 2015 fully compensating additional external burdens

We expect loan loss provisions below €1.0bn despite continuously challenging shipping markets

Including goodwill impairment we expect a positive net result for the full year 2016

We expect an increase of CET1 ratio to around 12% at year-end



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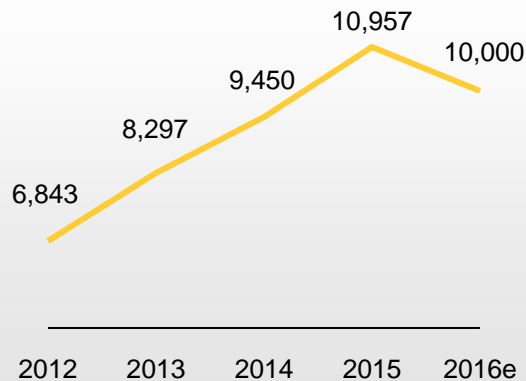
## Appendix

## German economy 2016/2017 – ongoing moderate growth ahead

### Current development

- › After a strong Q1 economy slowed down again in Q2 and in Q3 – on average growth should have been in line with the trend observed in 2015
- › Main driver of the recovery is still private consumption supported by higher wages and rising employment – exports have slowed down as the world economy has lost steam
- › Labor market has improved further
- › Refugees crisis has subsided – economic effects remain uncertain

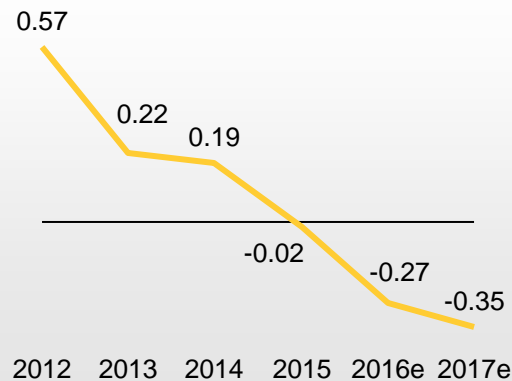
### DAX (avg. p.a.)



### Our expectation for 2016/2017

- › Recovery will continue as there is no negative shock ahead – monetary policy will stay expansionary and the negative effect of Brexit will be very limited
- › Headwinds from the EM are still a burden for exports – in addition, shrinking profit margins of firms are still restraining investment
- › Therefore we do not expect accelerating growth rates for the time being resulting in growth forecasts of 1.8% for 2016 and 1.3% for 2017

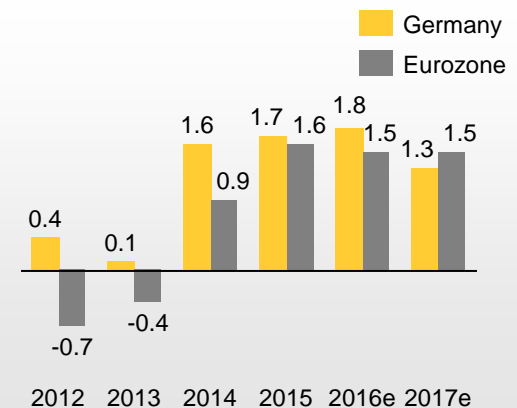
### Euribor (avg. p.a. in %)



### Mounting headwinds from EM

- › 40% of German exports go to EM, of which 6%pts to China
- › Imports of EM has fallen since year end 2014 after it had increased significantly and pumped up German export growth
- › EM in particular suffer from increased levels of private sector debt – in addition commodity exporting EM are hit by lower commodity prices, particularly oil prices

### GDP (change vs. previous year in %)



## Hedging & Valuation adjustments

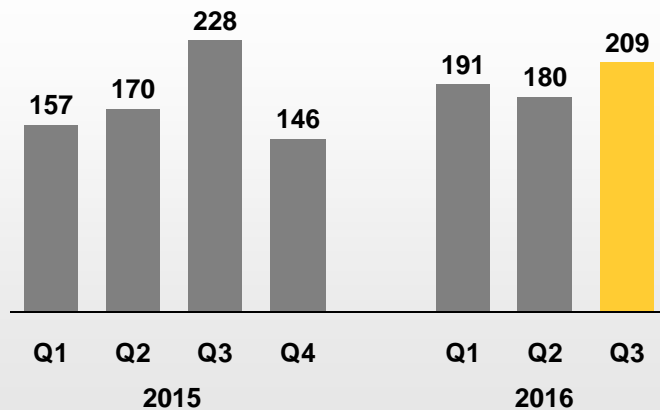
€m		Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16	Q3 16
<b>PC</b>	OCS, FVA & Net CVA/DVA	-	-	-	-	-2	-1	-
<b>MSB</b>	OCS, FVA & Net CVA/DVA	17	25	-22	-18	4	-12	21
<b>CEE</b>	OCS, FVA & Net CVA/DVA	1	1	2	-2	-2	-	-1
<b>C&amp;M</b>	OCS	7	39	57	-32	-25	21	53
	FVA & Net CVA / DVA	40	2	-12	-1	37	43	29
	OCS, FVA & Net CVA/DVA	47	41	45	-33	12	64	82
<b>O&amp;C</b>	OCS, FVA & Net CVA/DVA	9	21	-138	5	30	7	6
<b>ACR</b>	OCS, FVA & Net CVA/DVA	56	1	10	-80	103	4	172
<b>Group</b>	OCS, FVA & Net CVA/DVA	130	88	-102	-127	145	62	280
<b>Other ACR valuation effects</b>		102	87	56	21	13	-64	-102
<b>Total</b>		232	175	-46	-106	158	-2	178

# Commerzbank Group

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	2,794	2,444	2,317	7,555	2,240	9,795	2,323	2,240	2,437	7,000	5.2	8.8
o/w Total net interest and net trading income	1,986	1,496	1,469	4,951	1,275	6,226	1,344	1,274	1,508	4,126	2.7	18.4
o/w Net commission income	915	855	825	2,595	829	3,424	821	781	777	2,379	-5.8	-0.5
o/w Other income	-107	93	23	9	136	145	158	185	152	495	>100	-17.8
Provision for possible loan losses	-158	-280	-146	-584	-112	-696	-148	-187	-275	-610	-88.4	-47.1
Operating expenses	1,957	1,737	1,719	5,413	1,744	7,157	1,893	1,702	1,733	5,328	0.8	1.8
o/w European bank levy	167	2	-4	165	-46	119	156	32	21	208	>100	-34.4
<b>Operating profit</b>	<b>679</b>	<b>427</b>	<b>452</b>	<b>1,558</b>	<b>384</b>	<b>1,942</b>	<b>282</b>	<b>351</b>	<b>429</b>	<b>1,062</b>	<b>-5.1</b>	<b>22.2</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	627	627	-	-
Restructuring expenses	66	-	28	94	20	114	-	40	57	97	>100	42.5
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>613</b>	<b>427</b>	<b>424</b>	<b>1,464</b>	<b>364</b>	<b>1,828</b>	<b>282</b>	<b>311</b>	<b>-255</b>	<b>338</b>	<b>&gt;100</b>	<b>&gt;100</b>
Taxes on income	240	91	158	489	140	629	89	58	14	161	-91.1	-75.9
Minority Interests	29	24	31	84	31	115	24	38	19	81	-38.7	-50.0
<b>Consolidated Result attributable to Commerzbank shareholders</b>	<b>344</b>	<b>312</b>	<b>235</b>	<b>891</b>	<b>193</b>	<b>1,084</b>	<b>169</b>	<b>215</b>	<b>-288</b>	<b>96</b>	<b>&gt;100</b>	<b>&gt;100</b>
Assets	608,965	564,619	567,817	567,817	532,696	532,696	535,876	532,651	513,444	513,444	-9.6	-3.6
Liabilities	608,965	564,619	567,817	567,817	532,696	532,696	535,876	532,651	513,444	513,444	-9.6	-3.6
Average capital employed	27,436	29,290	29,605	28,777	29,901	29,058	29,746	29,606	29,664	29,672	0.2	0.2
RWA credit risk fully phased in (end of period)	176,024	171,399	171,005	171,005	158,617	158,617	154,061	154,692	150,256	150,256	-12.1	-2.9
RWA market risk fully phased in (end of period)	22,471	20,368	20,481	20,481	17,427	17,427	18,286	19,281	20,508	20,508	0.1	6.4
RWA operational risk fully phased in (end of period)	23,053	22,655	21,978	21,978	21,398	21,398	22,176	24,327	23,836	23,836	8.5	-2.0
<b>RWA fully phased in (end of period)</b>	<b>221,547</b>	<b>214,422</b>	<b>213,465</b>	<b>213,465</b>	<b>197,442</b>	<b>197,442</b>	<b>194,523</b>	<b>198,300</b>	<b>194,601</b>	<b>194,601</b>	<b>-8.8</b>	<b>-1.9</b>
Cost/income ratio (%)	70.0%	71.1%	74.2%	71.6%	77.9%	73.1%	81.5%	76.0%	71.1%	76.1%	-	-
Operating return on equity (%)	9.9%	5.8%	6.1%	7.2%	5.1%	6.7%	3.8%	4.7%	5.8%	4.8%	-	-
Operating return on tangible equity (%)	11.1%	6.5%	6.8%	8.1%	5.7%	7.5%	4.3%	5.3%	6.4%	5.3%	-	-
Return on equity of net result (%)	5.2%	4.4%	3.3%	4.3%	2.7%	3.9%	2.4%	3.0%	-4.0%	0.4%	-	-
Net return on tangible equity (%)	5.8%	4.9%	3.7%	4.8%	3.0%	4.3%	2.6%	3.4%	-4.5%	0.5%	-	-

## Private Customers: Continued growth path within challenging market environment

### Operating result (€m)



### Segmental P&L

in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Revenues	995	925	954	2,870	2,823
o/w Filialbank	866	752	763	2,469	2,308
o/w Direct Banking	94	126	82	283	296
o/w Commerz Real	36	47	109	118	219
LLP	-13	-2	-0	-51	-11
Costs	754	743	745	2,264	2,232
<b>Operating result</b>	<b>228</b>	<b>180</b>	<b>209</b>	<b>555</b>	<b>580</b>
CIR (%)	75.8	80.3	78.1	78.9	79.1
Ø Equity (€bn)	2.9	2.3	2.3	3.0	2.4
Operating return on equity (%)	31.4	31.3	35.7	24.8	32.4

### Highlights

- › Sustainable loan growth (+8% y-o-y) at overall stable margins – strong market position in new mortgages enhanced
- › NCI with 3% increase q-o-q due to slightly better securities performance and pricing initiatives
- › Revenues in Commerz Real benefit from strong real estate markets (e.g. Frankfurt)
- › 994k net new customers since 2013 close to target of 1m net new customers

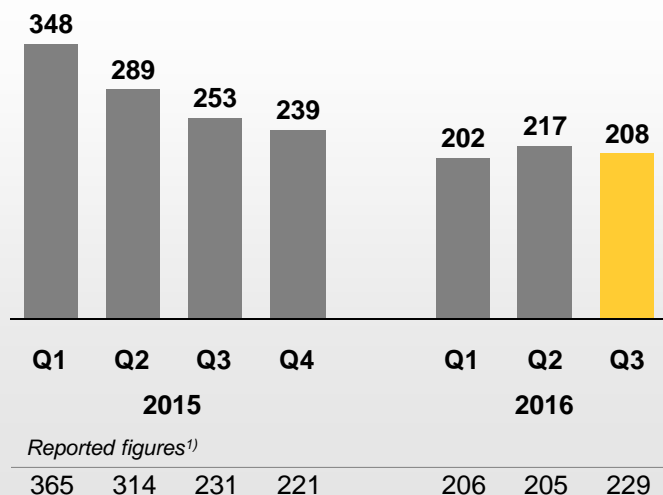


## Private Customers

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	935	940	995	2,870	906	3,776	944	925	954	2,823	-4.1	3.1
o/w Net interest income	439	477	553	1,469	460	1,929	475	430	433	1,338	-21.7	0.7
o/w Net trading income	-	1	-	1	5	6	-1	-	1	-	-	>100
o/w Net commission income	473	441	439	1,353	414	1,767	427	415	426	1,268	-3.0	2.7
o/w Other income	23	21	3	47	27	74	43	80	94	217	>100	17.5
Provision for possible loan losses	-14	-24	-13	-51	24	-27	-9	-2	-	-11	100.0	100.0
Operating expenses	764	746	754	2,264	784	3,048	744	743	745	2,232	-1.2	0.3
o/w European bank levy	16	-	-	16	-4	12	16	1	-	16	-100.0	-100.0
<b>Operating profit</b>	<b>157</b>	<b>170</b>	<b>228</b>	<b>555</b>	<b>146</b>	<b>701</b>	<b>191</b>	<b>180</b>	<b>209</b>	<b>580</b>	<b>-8.3</b>	<b>16.1</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>157</b>	<b>170</b>	<b>228</b>	<b>555</b>	<b>146</b>	<b>701</b>	<b>191</b>	<b>180</b>	<b>209</b>	<b>580</b>	<b>-8.3</b>	<b>16.1</b>
Assets	76,303	78,239	79,618	79,618	80,744	80,744	81,949	84,224	85,161	85,161	7.0	1.1
Liabilities	100,747	102,613	102,599	102,599	104,745	104,745	105,124	107,189	106,601	106,601	3.9	-0.5
Average capital employed	3,121	2,924	2,908	2,984	2,890	2,961	2,526	2,303	2,340	2,390	-19.5	1.6
RWA credit risk fully phased in (end of period)	18,879	19,008	18,862	18,862	15,520	15,520	14,957	14,637	14,623	14,623	-22.5	-0.1
RWA market risk fully phased in (end of period)	728	798	744	744	876	876	1,011	971	653	653	-12.2	-32.8
RWA operational risk fully phased in (end of period)	6,899	6,604	6,643	6,643	6,755	6,755	5,276	5,815	5,494	5,494	-17.3	-5.5
<b>RWA fully phased in (end of period)</b>	<b>26,505</b>	<b>26,410</b>	<b>26,248</b>	<b>26,248</b>	<b>23,151</b>	<b>23,151</b>	<b>21,244</b>	<b>21,423</b>	<b>20,769</b>	<b>20,769</b>	<b>-20.9</b>	<b>-3.0</b>
Cost/income ratio (%)	81.7%	79.4%	75.8%	78.9%	86.5%	80.7%	78.8%	80.3%	78.1%	79.1%	-	-
Operating return on equity (%)	20.1%	23.3%	31.4%	24.8%	20.2%	23.7%	30.2%	31.3%	35.7%	32.4%	-	-
Operating return on tangible equity (%)	19.6%	22.7%	30.2%	24.1%	19.4%	22.9%	29.2%	29.5%	34.2%	30.9%	-	-

## Mittelstandsbank: Stable operating results throughout 2016

### Operating result<sup>2)</sup> (€m)



### Segmental P&L

in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Revenues <sup>2)</sup>	674	701	678	2,195	2,078
o/w Mittelstand Germany	356	354	335	1,060	1,033
o/w Large Corp. & Int.	175	238	222	677	674
o/w Financial Institutions	108	95	94	346	286
FVA and net CVA / DVA	-22	-12	21	20	13
LLP	-31	-93	-67	-110	-213
Costs	390	391	403	1,195	1,238
<b>Operating result</b>	<b>231</b>	<b>205</b>	<b>229</b>	<b>910</b>	<b>640</b>
CIR (%) <sup>2)</sup>	57.9	55.8	59.5	54.4	59.6
Ø Equity (€bn)	8.3	7.9	7.9	8.4	8.0
Operating return on equity (%) <sup>2)</sup>	12.1	11.0	10.6	14.2	10.5

### Highlights

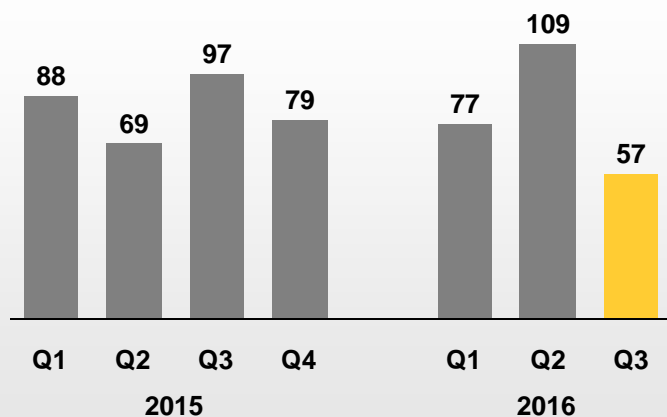
- › Maintained strong market position in a seasonally weak quarter
- › Weaker corporate finance business in Q3 2016 weighs on NCI mainly due to fewer transactions and lower deal size
- › Financial Institutions with stable revenues q-o-q at lower level compared to 2015 due to internally tightened risk and compliance framework

# Mittelstandsbank

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	808	755	652	2,215	705	2,920	703	689	699	2,091	7.2	1.5
o/w Net interest income	490	473	456	1,419	448	1,867	435	463	445	1,343	-2.4	-3.9
o/w Net trading income	26	41	-18	49	-14	35	-1	-17	21	3	>100	>100
o/w Net commission income	292	262	266	820	273	1,093	262	241	224	727	-15.8	-7.1
o/w Other income	-	-21	-52	-73	-2	-75	7	2	9	18	>100	>100
Provision for possible loan losses	-24	-55	-31	-110	-77	-187	-53	-93	-67	-213	>-100	28.0
Operating expenses	419	386	390	1,195	407	1,602	444	391	403	1,238	3.3	3.1
o/w European bank levy	48	-	-	48	-10	38	53	2	-	55	-14.1	-92.9
<b>Operating profit</b>	<b>365</b>	<b>314</b>	<b>231</b>	<b>910</b>	<b>221</b>	<b>1,131</b>	<b>206</b>	<b>205</b>	<b>229</b>	<b>640</b>	<b>-0.9</b>	<b>11.7</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>365</b>	<b>314</b>	<b>231</b>	<b>910</b>	<b>221</b>	<b>1,131</b>	<b>206</b>	<b>205</b>	<b>229</b>	<b>640</b>	<b>-0.9</b>	<b>11.7</b>
Assets	100,997	98,408	101,078	101,078	97,202	97,202	96,332	97,183	91,975	91,975	-9.0	-5.4
Liabilities	142,696	143,732	148,203	148,203	150,541	150,541	144,780	128,040	131,956	131,956	-11.0	3.1
Average capital employed	8,460	8,335	8,334	8,376	8,427	8,389	8,118	7,932	7,862	7,971	-5.7	-0.9
RWA credit risk fully phased in (end of period)	72,789	70,228	70,933	70,933	69,567	69,567	66,128	66,877	64,025	64,025	-9.7	-4.3
RWA market risk fully phased in (end of period)	1,206	1,169	1,008	1,008	1,319	1,319	1,406	1,394	1,269	1,269	25.8	-9.0
RWA operational risk fully phased in (end of period)	3,845	3,495	3,174	3,174	3,096	3,096	4,784	4,989	4,837	4,837	52.4	-3.0
<b>RWA fully phased in (end of period)</b>	<b>77,840</b>	<b>74,892</b>	<b>75,115</b>	<b>75,115</b>	<b>73,981</b>	<b>73,981</b>	<b>72,319</b>	<b>73,260</b>	<b>70,130</b>	<b>70,130</b>	<b>-6.6</b>	<b>-4.3</b>
Cost/income ratio (%)	51.9%	51.1%	59.8%	54.0%	57.7%	54.9%	63.2%	56.7%	57.7%	59.2%	-	-
Operating return on equity (%)	17.3%	15.1%	11.1%	14.5%	10.5%	13.5%	10.2%	10.3%	11.7%	10.7%	-	-
Operating return on tangible equity (%)	16.6%	14.4%	10.6%	13.9%	10.0%	12.9%	9.6%	9.8%	11.0%	10.1%	-	-

## Central & Eastern Europe: mBank with continued organic growth

### Operating result (€m)



### Segmental P&L

in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Revenues	228	272	228	687	720
LLP	-28	-29	-32	-75	-74
Costs	103	134	139	358	403
<b>Operating result</b>	<b>97</b>	<b>109</b>	<b>57</b>	<b>254</b>	<b>243</b>
CIR (%)	45.2	49.3	61.0	52.1	56.0
Ø Equity (€bn)	1.7	1.7	1.7	1.7	1.7
Operating return on equity (%)	22.3	26.3	13.5	20.0	19.5

### Highlights

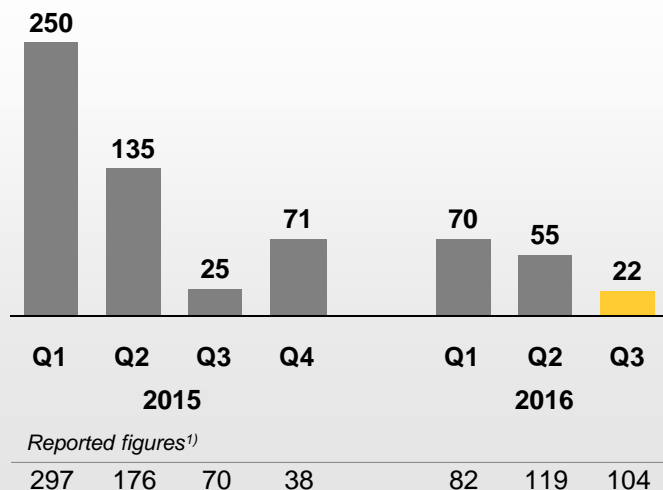
- › Significant growth of operating revenues of +10% q-o-q (w/o gain from VISA in Q2 2016)
- › Increase of interest income (+7% q-o-q) from further improvement of net interest margin and growth of deposit volume as well as higher commission income (+15% q-o-q)
- › mBank's organic growth leads to strong increase of consumer loans by 15% YTD and deposits by 12% YTD
- › 9M 2016 expenses include Polish banking tax of €54m

## Central & Eastern Europe

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	253	206	228	687	251	938	220	272	228	720	0.0	-16.2
o/w Net interest income	134	132	143	409	153	562	150	146	156	452	9.1	6.8
o/w Net trading income	20	15	25	60	10	70	15	13	15	43	-40.0	15.4
o/w Net commission income	47	56	56	159	56	215	49	48	55	152	-1.8	14.6
o/w Other income	52	3	4	59	32	91	6	65	2	73	-50.0	-96.9
Provision for possible loan losses	-23	-24	-28	-75	-22	-97	-13	-29	-32	-74	-14.3	-10.3
Operating expenses	142	113	103	358	150	508	130	134	139	403	35.0	3.7
o/w European bank levy (including Polish banking tax)	5	-	-4	1	-	1	13	20	21	54	>100	1.7
<b>Operating profit</b>	<b>88</b>	<b>69</b>	<b>97</b>	<b>254</b>	<b>79</b>	<b>333</b>	<b>77</b>	<b>109</b>	<b>57</b>	<b>243</b>	<b>-41.2</b>	<b>-47.7</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>88</b>	<b>69</b>	<b>97</b>	<b>254</b>	<b>79</b>	<b>333</b>	<b>77</b>	<b>109</b>	<b>57</b>	<b>243</b>	<b>-41.2</b>	<b>-47.7</b>
Assets	30,158	28,904	29,735	29,735	29,034	29,034	29,023	29,076	29,997	29,997	0.9	3.2
Liabilities	25,319	23,933	25,364	25,364	24,923	24,923	24,815	24,806	25,789	25,789	1.7	4.0
Average capital employed	1,618	1,713	1,744	1,691	1,723	1,699	1,645	1,656	1,689	1,664	-3.1	2.0
RWA credit risk fully phased in (end of period)	14,391	14,411	14,228	14,228	13,630	13,630	13,671	13,615	13,479	13,479	-5.3	-1.0
RWA market risk fully phased in (end of period)	558	483	492	492	584	584	369	415	509	509	3.6	22.7
RWA operational risk fully phased in (end of period)	760	781	830	830	796	796	1,146	1,158	1,510	1,510	81.9	30.4
<b>RWA fully phased in (end of period)</b>	<b>15,709</b>	<b>15,675</b>	<b>15,550</b>	<b>15,550</b>	<b>15,010</b>	<b>15,010</b>	<b>15,186</b>	<b>15,188</b>	<b>15,498</b>	<b>15,498</b>	<b>-0.3</b>	<b>2.0</b>
Cost/income ratio (%)	56.1%	54.9%	45.2%	52.1%	59.8%	54.2%	59.1%	49.3%	61.0%	56.0%	-	-
Operating return on equity (%)	21.8%	16.1%	22.3%	20.0%	18.3%	19.6%	18.7%	26.3%	13.5%	19.5%	-	-
Operating return on tangible equity (%)	21.7%	16.0%	22.2%	20.0%	18.4%	19.6%	18.8%	26.3%	13.2%	19.3%	-	-

## Corporates & Markets: Stable revenues in Q3 2016 across business divisions year-on-year

### Operating result<sup>2)</sup> (€m)



### Segmental P&L

in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Revenues <sup>2)</sup>	381	374	373	1,514	1,210
o/w Advisory & Primary Markets	98	128	94	351	340
o/w EMC	93	104	99	553	316
o/w FIC	96	82	100	362	353
o/w CPM	89	66	95	278	236
OCS, FVA and net CVA / DVA	45	64	82	133	158
LLP	-11	12	-29	25	-22
Costs	345	331	322	1,129	1,041
<b>Operating result</b>	<b>70</b>	<b>119</b>	<b>104</b>	<b>543</b>	<b>305</b>
CIR (%) <sup>2)</sup>	90.6	88.4	86.4	74.6	86.0
Ø Equity (€bn)	4.1	3.8	3.9	4.2	3.8
Operating return on equity (%) <sup>2)</sup>	2.4	5.8	2.3	13.1	5.2

### Highlights

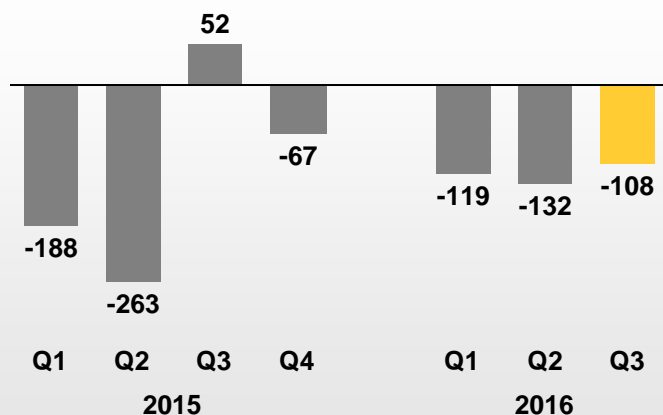
- › Corporate client business with solid contribution from debt capital markets
- › FIC with stable revenue trend in sustained challenging low interest rate environment, EMC with flat revenues y-o-y
- › FIC complex and exotic rates derivatives business discontinued, EMC business to be ring-fenced under new strategy and intended to be brought to the market

## Corporates & Markets

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	680	541	426	1,647	397	2,044	475	438	455	1,368	6.8	3.9
o/w Total net interest and net trading income	584	417	357	1,358	235	1,593	341	344	357	1,042	-	3.8
o/w Net commission income	103	99	68	270	97	367	91	83	78	252	14.7	-6.0
o/w Other income	-7	25	1	19	65	84	43	11	20	74	>100	81.8
Provision for possible loan losses	47	-11	-11	25	11	36	-5	12	-29	-22	>-100	>-100
Operating expenses	430	354	345	1,129	370	1,499	388	331	322	1,041	-6.7	-2.7
o/w European bank levy	65	2	-	67	-30	37	32	1	-	33	-62.5	-99.3
<b>Operating profit</b>	<b>297</b>	<b>176</b>	<b>70</b>	<b>543</b>	<b>38</b>	<b>581</b>	<b>82</b>	<b>119</b>	<b>104</b>	<b>305</b>	<b>48.6</b>	<b>-12.6</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	138	138	-	-
Restructuring expenses	50	-	7	57	-	57	-	12	10	22	42.9	-16.7
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>247</b>	<b>176</b>	<b>63</b>	<b>486</b>	<b>38</b>	<b>524</b>	<b>82</b>	<b>107</b>	<b>-44</b>	<b>145</b>	<b>&gt;-100</b>	<b>&gt;-100</b>
Assets	225,917	182,966	192,699	192,699	163,279	163,279	164,624	168,279	139,257	139,257	-27.7	-17.2
Liabilities	197,293	158,773	164,368	164,368	127,116	127,116	131,581	138,702	112,584	112,584	-31.5	-18.8
Average capital employed	4,069	4,330	4,101	4,167	3,945	4,111	3,654	3,815	3,864	3,778	-5.8	1.3
RWA credit risk fully phased in (end of period)	21,524	21,021	21,157	21,157	19,797	19,797	20,024	19,653	18,324	18,324	-13.4	-6.8
RWA market risk fully phased in (end of period)	11,920	11,585	10,997	10,997	8,634	8,634	9,049	9,897	10,402	10,402	-5.4	5.1
RWA operational risk fully phased in (end of period)	5,717	5,602	5,201	5,201	4,691	4,691	5,392	6,511	6,369	6,369	22.5	-2.2
<b>RWA fully phased in (end of period)</b>	<b>39,161</b>	<b>38,208</b>	<b>37,355</b>	<b>37,355</b>	<b>33,122</b>	<b>33,122</b>	<b>34,465</b>	<b>36,061</b>	<b>35,096</b>	<b>35,096</b>	<b>-6.0</b>	<b>-2.7</b>
Cost/income ratio (%)	63.2%	65.4%	81.0%	68.5%	93.2%	73.3%	81.7%	75.6%	70.8%	76.1%	-	-
Operating return on equity (%)	29.2%	16.3%	6.8%	17.4%	3.9%	14.1%	9.0%	12.5%	10.8%	10.8%	-	-
Operating return on tangible equity (%)	23.5%	13.4%	5.6%	14.1%	3.2%	11.6%	7.4%	10.7%	9.3%	9.1%	-	-

## Asset & Capital Recovery: Positive valuation effects offset increase in LLPs

### Operating result (€m)



### Segmental P&L

in € m	Q3 2015	Q2 2016	Q3 2016	9M 2015	9M 2016
Revenues	157	-24	72	62	30
LLP	-62	-75	-147	-311	-292
Costs	43	33	33	150	97
<b>Operating result</b>	<b>52</b>	<b>-132</b>	<b>-108</b>	<b>-399</b>	<b>-359</b>
CIR (%)	27.4	n/a	45.8	241.9	323.3
Ø Equity (€bn)	3.8	3.5	3.3	4.4	3.3
CRE (EaD in €bn)	3.5	2.8	2.7	3.5	2.7
Ship Finance (EaD in €bn)	6.9	5.4	5.0	6.9	5.0
Public Finance (EaD in €bn)	8.7	9.1	9.5	8.7	9.5

### Highlights

- › Positive valuation effects (€130m q-o-q) due to movements in CVA/DVA as well as mark-to-market valuation of derivatives
- › LLPs as expected at higher level in Q3 2016 driven by deterioration on ship markets
- › Wind down of Ship Finance and CRE portfolio compensated by effects in Public Finance



## Asset & Capital Recovery

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	-19	-76	157	62	14	76	-18	-24	72	30	-54.1	>100
o/w Net interest income	110	39	-17	132	5	137	3	-49	60	14	>100	>100
o/w Net trading income	47	-100	139	86	8	94	-30	24	37	31	-73.4	54.2
o/w Net commission income	6	6	2	14	3	17	-	1	1	2	-50.0	-
o/w Other income	-182	-21	33	-170	-2	-172	9	-	-26	-17	>-100	>-100
Provision for possible loan losses	-109	-140	-62	-311	-50	-361	-70	-75	-147	-292	>-100	-96.0
Operating expenses	60	47	43	150	31	181	31	33	33	97	-23.3	-
o/w European bank levy	9	-	-	9	-1	8	5	1	-	6	-100.0	-100.0
<b>Operating profit</b>	<b>-188</b>	<b>-263</b>	<b>52</b>	<b>-399</b>	<b>-67</b>	<b>-466</b>	<b>-119</b>	<b>-132</b>	<b>-108</b>	<b>-359</b>	<b>&gt;-100</b>	<b>18.2</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring expenses	16	-	-	16	-	16	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>-204</b>	<b>-263</b>	<b>52</b>	<b>-415</b>	<b>-67</b>	<b>-482</b>	<b>-119</b>	<b>-132</b>	<b>-108</b>	<b>-359</b>	<b>&gt;-100</b>	<b>18.2</b>
Assets	27,425	24,581	23,776	23,776	22,604	22,604	24,128	30,429	30,875	30,875	29.9	1.5
Liabilities	14,970	14,210	12,941	12,941	14,951	14,951	15,186	22,677	22,465	22,465	73.6	-0.9
Average capital employed	4,720	4,516	3,839	4,359	3,652	4,182	3,280	3,470	3,287	3,346	-14.4	-5.3
RWA credit risk fully phased in (end of period)	25,045	22,229	19,475	19,475	16,483	16,483	16,947	17,077	14,217	14,217	-27.0	-16.7
RWA market risk fully phased in (end of period)	4,095	3,142	3,677	3,677	2,965	2,965	3,007	3,150	4,471	4,471	21.6	41.9
RWA operational risk fully phased in (end of period)	1,950	2,066	2,091	2,091	2,167	2,167	2,468	3,021	2,856	2,856	36.6	-5.5
<b>RWA fully phased in (end of period)</b>	<b>31,090</b>	<b>27,438</b>	<b>25,243</b>	<b>25,243</b>	<b>21,615</b>	<b>21,615</b>	<b>22,422</b>	<b>23,249</b>	<b>21,544</b>	<b>21,544</b>	<b>-14.7</b>	<b>-7.3</b>

## Others & Consolidation

€m	Q1 2015	Q2 2015	Q3 2015	9M 2015	Q4 2015	12M 2015	Q1 2016	Q2 2016	Q3 2016	9M 2016	% Q3 vs Q3	% Q3 vs Q2
Total Revenues	137	78	-141	74	-33	41	-1	-60	29	-32	>100	>100
o/w Total net interest and net trading income	136	1	-169	-32	-35	-67	-43	-80	-17	-140	89.9	78.7
o/w Net commission income	-6	-9	-6	-21	-14	-35	-8	-7	-7	-22	-16.7	-
o/w Other income	7	86	34	127	16	143	50	27	53	130	55.9	96.3
Provision for possible loan losses	-35	-26	-1	-62	2	-60	2	-	-	2	100.0	>100
Operating expenses	142	91	84	317	2	319	156	70	91	317	8.3	30.0
o/w European bank levy	25	-	-	25	-1	24	38	6	-	44	>100	>100
<b>Operating profit</b>	<b>-40</b>	<b>-39</b>	<b>-226</b>	<b>-305</b>	<b>-33</b>	<b>-338</b>	<b>-155</b>	<b>-130</b>	<b>-62</b>	<b>-347</b>	<b>72.6</b>	<b>52.3</b>
Impairments on goodwill and other intangible assets	-	-	-	-	-	-	-	-	489	489	-	-
Restructuring expenses	-	-	21	21	20	41	-	28	47	75	>100	67.9
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>-40</b>	<b>-39</b>	<b>-247</b>	<b>-326</b>	<b>-53</b>	<b>-379</b>	<b>-155</b>	<b>-158</b>	<b>-598</b>	<b>-911</b>	<b>&gt;100</b>	<b>&gt;100</b>
Assets	148,165	151,521	140,911	140,911	139,833	139,833	139,820	123,460	136,179	136,179	-3.4	10.3
Liabilities	127,941	121,358	114,342	114,342	110,420	110,420	114,390	111,237	114,050	114,050	-0.3	2.5
Average capital employed	5,447	7,472	8,679	7,199	9,264	7,716	10,522	10,430	10,622	10,525	22.4	1.8
RWA credit risk fully phased in (end of period)	23,395	24,501	26,350	26,350	23,620	23,620	22,335	22,832	25,589	25,589	-2.9	12.1
RWA market risk fully phased in (end of period)	3,965	3,190	3,564	3,564	3,049	3,049	3,445	3,454	3,205	3,205	-10.1	-7.2
RWA operational risk fully phased in (end of period)	3,882	4,107	4,039	4,039	3,893	3,893	3,110	2,833	2,769	2,769	-31.4	-2.2
<b>RWA fully phased in (end of period)</b>	<b>31,242</b>	<b>31,799</b>	<b>33,953</b>	<b>33,953</b>	<b>30,562</b>	<b>30,562</b>	<b>28,889</b>	<b>29,119</b>	<b>31,563</b>	<b>31,563</b>	<b>-7.0</b>	<b>8.4</b>

## Capital markets funding activities (as of 9M 2016)

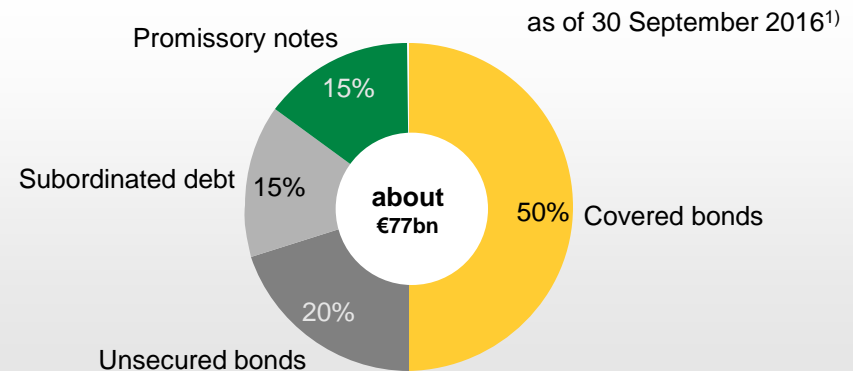
### Funding strategy

- › Commerzbank uses covered bonds and senior unsecured instruments for funding purposes
- › Funding via private placements and public transactions
- › Issuance programs in the Euromarkets (e.g. DIP)
- › Since 2011 USD Medium-Term Note Program (144a/3a2)
- › Issuance requirements 2016 well below €10bn

### Funding 9M 2016 highlights

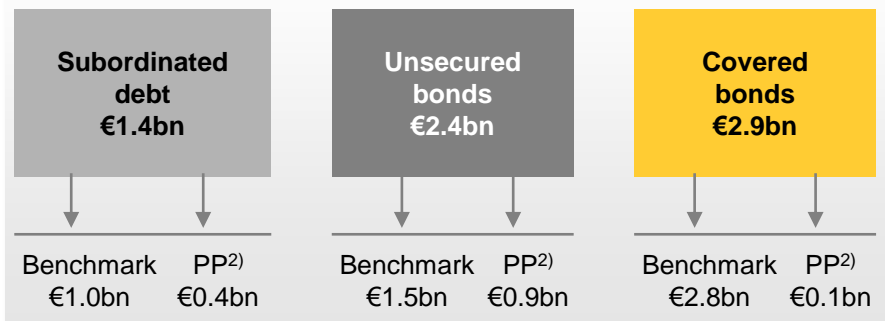
- › Within 9M 2016 Commerzbank issued a total of €6.7bn (in Q3 €3.9bn) with an average term of around nine years
- › Euro Tier 2 benchmark with maturity of ten years and \$0.4bn Tier 2 of with twelve years maturity
- › Two senior unsecured benchmarks (incl. mBank €0.5bn)
- › Three long-dated benchmark Mortgage Pfandbriefe

### Capital market funding structure



### Capital market funding activities

9M 2016 – Notional €6.7bn



## Rating overview Commerzbank

As of 1<sup>st</sup> of January 2017

Bank Ratings/ Categories	S&P Global	MOODY'S INVESTORS SERVICE	FitchRatings	SCOPE Scope Ratings
Counterparty, Derivatives	BBB+ watch pos.	A2	A-	-
Deposits	BBB+ watch pos.	A2 stable	A-	-
Preferred Senior Debt	BBB+ watch pos.	A2 stable	A-	A stable
Senior Subordinated Debt	BBB+ watch dev.	Baa1 stable*	BBB+ stable*	A- stable
Stand-alone (financial strength)	bbb+	baa3	bbb+	
Short-term Debt	A-2 watch pos	P-1	F2	S-1
<b>Covered Bond Ratings</b>				
Public Sector Pfandbriefe	-	Aaa		
Mortgage Pfandbriefe	-	Aaa		

### Rating actions in Q4 2016

- › **Fitch Ratings** assigned Derivate Counterparty Rating (DCR), Deposit Rating and “Preferred” Senior Debt Rating of “A-”
- › **S&P Global** placed Issuer Credit Ratings (Counterparty, Deposit, Preferred Senior Debt) on “BBB+” watch positive and Senior Subordinated Debt on “BBB+” watch developing.
- › **Moody's** assigned a Preferred Senior Unsecured Debt Rating of “A2”.

## Group equity composition

	Capital Q2 2016 End of period €bn	Capital Q3 2016 End of period €bn	Capital Q3 2016 Average €bn		Ratios Q3 2016 %	Ratios Q3 2016 %
<b>Common equity tier 1 B3 capital (phase in)</b>	<b>26.3</b>	<b>26.5</b>		→		<b>CET1 ratio phase-in: 13.6%</b>
Transition adjustments	3.5	3.5 <sup>1)</sup>				
<b>Common equity tier 1 B3 capital (fully phased-in)</b>	<b>22.8</b>	<b>23.0</b>	<b>23.0</b>	→	<b>Op. RoCET: 7.5%</b>	<b>CET1 ratio fully phased-in: 11.8%</b>
DTA	0.9	1.1				
Deductions on securitizations	0.3	0.3				
Deductions related to non-controlling interests	0.4	0.4				
IRB shortfall	0.8	0.8				
Other regulatory adjustments	1.1	1.3				
<b>Tangible equity</b>	<b>26.3</b>	<b>26.8</b>	<b>26.6</b>	→	<b>Op. RoTE: 6.4%</b>	
Goodwill and other intangible assets	3.2	2.6	3.1		<b>Pre-tax RoE: -3.4%</b>	
<b>IFRS capital</b>	<b>29.5</b>	<b>29.4</b>	<b>29.7</b>	→	<b>Op. RoE: 5.8%</b>	
Subscribed capital	1.3	1.3				
Capital reserve	17.2	17.2				
Retained earnings	10.9	10.9 <sup>2)</sup>				
Currency translation reserve	-0.2	-0.1				
Revaluation reserve	-0.9	-0.8				
Cash flow hedges	-0.1	-0.1				
Consolidated P&L	0.4	0.1				
<b>IFRS capital without non-controlling interests</b>	<b>28.5</b>	<b>28.4</b>	<b>28.6</b>	→	<b>RoE on net result: -4.0%</b>	
Non-controlling interests (IFRS)	1.0	1.0	1.1		<b>RoTE on net result: -4.5%</b>	

## For more information, please contact Commerzbank's IR team

### IR contact

#### **Christoph Wortig (Head of IR Communications)**

P: +49 69 136 52668

M: christoph.wortig@commerzbank.com

#### **Institutional Investors and Financial Analysts**

##### **Michael H. Klein**

P: +49 69 136 24522

M: michael.klein@commerzbank.com

##### **Fabian Brügmann**

P: +49 69 136 28696

M: fabian.bruegmann@commerzbank.com

#### **Retail Investors**

##### **Simone Nuxoll**

P: +49 69 136 45660

M: simone.nuxoll@commerzbank.com

#### **Dirk Bartsch (Head of Strategic IR / Rating Agency Relations)**

P: +49 69 136 22799

M: dirk.bartsch@commerzbank.com

[ir@commerzbank.com](mailto:ir@commerzbank.com)  
[www.ir.commerzbank.com](http://www.ir.commerzbank.com)

### Financial calendar

**2017**

**09 Feb**



Annual Press Conference

**03 May**



Annual General Meeting

**09 May**



Q1 2017 results

**02 Aug**



Q2 2017 results

**09 Nov**



Q3 2017 results