COMMERZBANK

Disclosure Report as at 31 March

2021

in accordance with the Capital Requirements Regulation (CRR)

The bank at your side

Content

Due to rounding, numbers and percentages presented throughout this report may not add up precisely to the totals provided..

Introduction

Commerzbank
Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 30,000 corporate client groups and around 11 million private and small-business customers in Germany. The Bank's two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services. Its Polish subsidiary mBank S.A. is an innovative digital bank that serves approximately 5.5 million private and corporate customers, predominantly in Poland, but also in the Czech Republic and Slovakia.

A detailed description of Commerzbank Group is given in the Annual Report 2020 and in the Interim financial information as at 31 March 2021.

Objective of the Disclosure Report
In this report Commerzbank Aktiengesellschaft as the ultimate parent company of the regulated banking group is complying with the disclosure requirements of Articles 431 – 455 of regulation (EU) No. 575/2013 – the Capital Requirements Regulation (CRR) – and the guidelines on the disclosure requirements under Part Eight of Regulation (EU) No. 575/2013 – EBA/GL/2016/11 – as at 31 March 2021. The tables defined according to the EBA guidelines and integrated into the report are indicated by the table names provided with the prefix EU.

Scope
This Disclosure Report is based on the group of companies consolidated for regulatory purposes. The companies consolidated for regulatory purposes only include those carrying out banking and other financial business. The consolidated group consists of a domestic parent company and its affiliated companies. The aim of regulatory consolidation is to prevent multiple use of capital that in fact exists only once by subsidiary companies in the financial sector. The companies consolidated under IFRS, by contrast, comprise all the companies controlled by the ultimate parent company.

Commerzbank is one of the largest financial institutions in Germany and with its consolidated balance sheet total it is regularly well above the 30 billion euro limit relevant for the quarterly disclosure obligation. Hence, independent of the criteria in Article 433 CRR, Commerzbank has implemented the reporting requirements during the period from Q2 2015 on and discloses the quarterly and semi-annually required information as appropriate[1]

[1] Vgl. hierzu EBA/GL/2014/14, Titel V, Abs. 18. sowie EBA/GL/2016/11 Nr. 46.

Equity capital, capital requirement and risk-weighted assets (RWA)

Capital structure

The composition of the regulatory capital and the capital ratios are given in the following table.

CAP1: Equity structure (basis: EU 1423/2013)

€m Line		31.3.2021	31.12.2020
Common Equity Tier 1 capital: instruments and reserves			
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	25,987	28,378
28	Total regulatory adjustments to Common Equity Tier 1 (CET1) capital	−2,019	−4,767
29	**CET1 capital**	**23,968**	**23,611**
36	Additional Tier 1 (AT1) capital before regulatory adjustments	2,969	3,179
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	0
44	**Additional Tier 1 (AT1) capital**	**2,969**	**3,179**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**26,938**	**26,790**
51	Tier 2 capital before regulatory adjustments	4,744	4,843
57	Total regulatory adjustments to Tier 2 capital	−30	−30
58	**Tier 2 capital**	**4,714**	**4,813**
59	**Total capital (TC = Tier 1 + Tier 2)**	**31,652**	**31,603**
60	**Total risk-weighted assets**	**178,471**	**178,581**
Capital ratios			
61	Common Equity Tier 1 ratio (as a percentage of total risk exposure amount)	13.4	13.2
62	Tier 1 ratio (as a percentage of total risk exposure amount)	15.1	15.0
63	Total capital ratio (as a percentage of total risk exposure amount)	17.7	17.7

For the Commerzbank Group, the transitional provisions laid down in Article 468 CRR and Article 473a shall not apply. We have received approval from the supervisor for the application of the transitional regime to IFRS 9 in accordance with Article 473a CRR. However, the effects from the application are so marginal that we do not take these into account as of 31 March 2021.
Information on equity capital, capital ratios and the leverage ratio reflect the full impact of the IFRS 9 introduction.

The overview below shows the composition of the Commerzbank Group's capital figures. The reconciliation of equity reported in the balance sheet with regulatory capital is already integrated in these figures.

Composition of the Commerzbank Group's capital figures

	Position | €m	**31.3.2021**	**31.12.2020**
1	**Equity as shown in balance sheet**	**29,301**	**28,600**
2	of which: additional equity components[1]	2,619	2,619
3	Equity as shown in balance sheet without additional equity components	26,682	25,981
4	Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	−62	−57
5	Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	60	56
6	Correction to non-controlling interests (minorities)	−462	−468
7	Goodwill	–	–
8	Intangible assets	−626	−457
9	Surplus in plan assets	−319	−68
10	Deferred tax assets from loss carryforwards	−341	−288
11	Shortfall due to expected loss	−107	−148
12	Prudential valuation	−213	−189
13	First loss positions from securitisations	−191	−178
14	Deferred tax assets from temporary differences which exceed the 10% threshold	−113	−344
15	Unrecognised gains	−227	−92
16	Others and rounding	−112	−136
17	**Common Equity Tier 1 capital[2]**	**23,968**	**23,611**
18	**Additional Tier 1 capital[3]**	**2,969**	**3,179**
19	**Tier 1 Capital**	**26,938**	**26,790**
20	**Tier 2 capital**	**4,714**	**4,813**
21	**Own funds**	**31,652**	**31,603**
22	Risk-weighted assets	178,471	178,581
23	of which: Credit Risk	149,314	147,960
24	of which: Market Risk[3]	12,467	12,333
25	of which: operational risk	16,690	18,287
26	Common Equity Tier 1 capital ratio (%)	13.4%	13.2%
27	Tier 1 capital ratio (%)	15.1%	15.0%
28	Total capital ratio (%)	17.7%	17.7%

[1] AT1 issue which is equity as shown in balance sheet and which is taken into account as Additional Tier 1 capital according to CRR.
[2] Capital reduced by potential (fully discretionary) AT 1 coupons.
[3] Includes Credit Valuation Adjustment Risk.

The table reconciles reported equity to Common Equity Tier 1 (CET1) and the other components of regulatory capital. The main changes in Common Equity Tier 1 capital compared with 31 December 2020 resulted from the positive capital effects of actuarial gains made by the pension plans, which were partially offset by higher regulatory capital deductions.

The increase in Tier 1 capital compared to the end of the year 2020 is due to the increase in CET 1 capital, which was partially reduced by the regulatory phase-out of grandfathered AT 1 instruments.

The own funds increased due to higher Tier 1 capital and were only partially reduced by the fact, that due to regulatory transitional rules, grandfathered Tier 2 instruments were no longer eligible for recognition. Both the increase in the Tier 1 capital ratio and the increase in the total capital ratio is mainly due to the increase in regulatory capital. Risk-weighted assets were €178.5bn as at 31 March 2021, in line with the level as at the end of 2020.

Capital requirement and RWA

The capital requirements set out below relate to the Commerzbank Group and the figures are the same with regard to content as in the capital adequacy reports submitted to the Deutsche Bundesbank under Basel 3 Pillar 1.

Capital requirements by risk type

Of the overall capital requirement 76% relates to credit risk positions (excluding counterparty credit risk). Further 6.1% of the overall capital requirement relates to counterparty credit risk. Based on the EBA requirements, credit value adjustments (CVAs) are also assigned to this credit risk category.

Securitised positions in the banking book are also shown as a separate credit risk category subject to a capital requirement in the table EU OV1 below, accounting for 2.6% of total capital requirement. Commerzbank treats these positions according to the recognition hierarchy in accordance with the change in own funds requirements (Regulation (EU) No 2017/2401). Capital deduction items of securitisations directly reduce the equity capital and thus are not included in the capital requirements.

As at 31 March 2021, capital requirements for market risks are 5.2% of total requirements. Commerzbank generally uses an internal market risk model to calculate the regulatory capital requirement; the standardised approaches are applied for smaller units in Commerzbank Group in accordance with the par-tial use option.

To calculate the capital adequacy requirement for operational risks, Commerzbank uses the advanced measurement approach (AMA). This risk category accounts for 9.4% of the total capital requirements.

Risk-weighted assets were €178.5bn as at 31 March 2021, in line with the level as at the end of 2020. This was mainly attributable to offsetting effects between risk-weighted assets from credit risk and risk-weighted assets from operational risk. While the increase in risk-weighted assets from credit risk was mainly attributable to FX effects, the reduction in risk-weighted assets from operational risk was caused by changes in loss database and improvements in qualitative model indicators. Risk-weighted assets from market price risks were almost unchanged.

EU OV1: Overview of RWAs

€m			Risk-weighted assets (RWAs)		Capital requirements
CRR Article			31.3.2021	31.12.2020	31.3.2021
	1	Credit risk (excluding CCR)	136,351	134,918	10,908
438 (c) (d)	2	Of which the standardised approach	19,971	19,559	1,598
438 (c) (d)	3	Of which the foundation IRB (FIRB) approach	0	0	0
438 (c) (d)	4	Of which the advanced IRB (AIRB) approach	116,380	115,359	9,310
438 (d)	5	Of which equity IRB under the simple risk-weighted approach or the IMA	0	0	0
107, 438 (c) (d)	6	CCR (counterparty credit risk)	10,808	11,438	865
438 (c) (d)	7	Of which mark to market	2,169	1,901	174
438 (c) (d)	8	Of which original exposure	0	0	0
	9	Of which the standardised approach	0	0	0
	10	Of which internal model method (IMM)	5,504	5,891	440
438 (c) (d)	11	Of which risk exposure amount for contributions to the default fund of a CCP	21	85	2
438 (c) (d)	12	Of which CVA	3,113	3,561	249
438 (e)	13	Settlement risk	0	1	0
449 (o) (i)	14	Securitisation exposures in the banking book (after the cap)	4,722	4,614	378
	15	Of which internal rating-based approach (SEC-IRBA)	1,869	1,914	150
	16	Of which the standardised approach (SEC-SA)	447	595	36
	17	Of which approach based on external ratings (SEC-ERBA)	2,406	2,105	193
	18	Of which internal assessment approach (IAA)	0	0	0
438 (e)	19	Market risk	9,354	8,773	748
	20	Of which the standardised approach	794	715	64
	21	Of which IMA	8,560	8,057	685
438 (e)	22	Large exposures	0	0	0
438 (f)	23	Operational risk	16,690	18,287	1,335
	24	Of which basic indicator approach	0	0	0
	25	Of which the standardised approach	0	0	0
	26	Of which advanced measurement approach	16,690	18,287	1,335
437 (2), 48, 60	27	Amounts below the thresholds for deduction (subject to 250% risk weight)	546	549	44
	28	**Total**	**178,471**	**178,581**	**14,278**

The following table EU CR8 shows the RWA development of credit risk exposures in the IRBA portfolio of Commerzbank Group between 31 December 2020 and 31 March 2021. The increase in RWA in the first quarter of 2021 was mainly attributable to an increased portfolio size, foreign exchange movements as well as model changes (mainly due to mbanks LGD model). On the other hand, there are RWA reductions due to the expiration of remaining maturities (duration effects) and changes in portfolio quality (asset quality and collateral effects).

EU CR8: RWA flow statements of credit risk exposures under the IRB approach

		a	b
	€m	Risk-weighted assets (RWAs)	Capital requirements
1	**RWAs at previous quarter end**	**115,359**	**9,229**
2	Asset size	3,182	255
3	Asset quality	−889	−71
4	Model updates	855	68
5	Methodology and policy	0	0
6	Acquisitions and disposals	0	0
7	Foreign exchange movements	1,017	81
8	Collateral effects	−1,155	−92
9	Duration effects	−1,451	−116
10	Others	−538	−43
11	**RWAs at the end of the reporting period**	**116,380**	**9,310**

The following table EU CCR7 shows the development of RWAs by main drivers for counterparty credit risk exposures under the IMM in the first quarter of 2021. The decrease of RWA was mainly caused by an exposure reduction.

EU CCR7: RWA flow statements of CCR exposures under the Internal Model Method (IMM)

		a	b
	€m	Risk-weighted assets (RWAs)	Capital requirements
1	**RWAs at previous quarter end**	**5,891**	**471**
2	Asset size	−267	−21
3	Credit quality of counterparties	3	0
4	Model updates	59	5
5	Methodology and policy	0	0
6	Acquisitions and disposals	0	0
7	Foreign exchange movements	−182	−15
8	Others	0	0
9	**RWAs at the end of the reporting period**	**5,504**	**440**

The following table EU MR2-B shows the development of RWAs by main drivers for market risk exposures under the Internal Model Approach (IMA) in the first quarter of 2021.

The slight increase in total RWA from market risk is mainly due to the stressed VaR, the increase of which is mainly due to changes in the positions in the Treasury and corporate clients division.

EU MR2-B: RWA flow statements of market risk exposures under the Internal Model Approach (IMA)

		a	b	c	d	e	f	g
	€m	VaR	sVaR	IRC	Comprehensive risk measure	Others	Total RWAs	Total capital requirements
1	**RWAs at previous quarter end**	**2,817**	**4,845**	**396**	**0**	**0**	**8,057**	**645**
1a	Regulatory adjustment	0	0	0	0	0	0	0
1b	RWAs at the previous quarter-end (end of the day)	2,817	4,845	396	0	0	8,057	645
2	Movement in risk levels	–113	445	170	0	0	503	40
3	Model updates/changes	0	0	0	0	0	0	0
4	Methodology and policy	0	0	0	0	0	0	0
5	Acquisitions and disposals	0	0	0	0	0	0	0
6	Foreign exchange movements[1]	0	0	0	0	0	0	0
7	Others	0	0	0	0	0	0	0
8a	RWAs at the end of the reporting period (end of the day)	2,704	5,290	566	0	0	8,560	685
8b	Regulatory adjustment	0	0	0	0	0	0	0
8	**RWAs at the end of the reporting period**	**2,704**	**5,290**	**566**	**0**	**0**	**8,560**	**685**

[1] Changes of RWA which are due to foreign exchange movements are reported under „Movement in risk levels“.

Leverage Ratio and Liquidity Coverage Ratio

Leverage Ratio

The leverage ratio (LR) shows the ratio of Tier 1 capital to leverage ratio exposure, consisting of the non risk-weighted assets plus off-balance sheet positions. The way in which exposure to derivatives, securities financing transactions and off-balance sheet positions is calculated is laid down by regulators. As a non risk-sensitive figure the leverage ratio is intended to supplement risk-based measures of capital adequacy. It was 4.7% on the basis of the CRD IV/CRR regulation in force on the reporting date (with transitional provisions).

Leverage Ratio according to CRR[1]

	31.3.2021	31.12.2020	Change in %
Leverage ratio exposure with transitional provisions (€m)	578,617	541,412	6.9
Leverage ratio exposure fully loaded (€m)	578,617	541,412	6.9
Leverage ratio with transitional provisions (%)	4.7	4.9	
Leverage ratio fully loaded (%)	4.6	4.9	

[1] Differences between LR fully loaded and LR with transitional provisions solely due to Tier 1 capital; transitional agreements for the leverage ratio exposure expired end of 2017.

Liquidity Coverage Ratio

The liquidity coverage ratio (LCR) is the regulatory minimum liquidity ratio. It is a measure of the near-term solvency of the Bank under a predetermined stress scenario. Based on the requirements of the Basel Committee, the EU Commission set out the legal foundation for the LCR in the Capital Requirements Regulation (CRR) and inRegulation (EU) No. 575/2013, in conjunction with Delegated Regulation EU/2015/61 (D-REG).

The ratio itself is defined as the relationship between high quality liquid assets (HQLA) and net liquidity outflows (NLOs) within a 30-day period. Commerzbank monitors the LCR as part of its daily liquidity risk calculation.

The Bank has established internal early warning indicators for the purpose of managing liquidity risk. These ensure that appropriate steps can be taken in good time to secure long-term financial solidity. Risk concentrations can lead to increased outflows of liquidity, particularly in a stress situation. They can, for example, occur with regard to maturities, large individual creditors or currencies. By means of ongoing monitoring and reporting, emerging risk concentrations in funding can be recognised in a timely manner and mitigated through suitable measures. This also applies to payment obligations in foreign currencies. The Bank also mitigates concentrations through the continuous use of the broadly diversified sources of funding available to it, particularly in the form of diverse customer deposits and capital market instruments.

Commerzbank manages its global liquidity centrally using cash pooling. This approach ensures liquidity resources are used efficiently across all time zones, as Commerzbank Treasury units are located in Frankfurt, London, New York and Singapore.

Further information about liquidity risk management and the corresponding internal models, including those relating to the coronavirus crisis, can be found in the Management Report and in the liquidity risk section of the Risk Report in the Annual Report 2020.

The calculation of the LCR for the last reporting year is shown below. The averages of the 12 previous month-end values are calculated for each quarter. The resulting values are shown in the table below. The values are rounded to a full-million amount in euros and are presented on a consolidated basis for the Commerzbank Group.

		Total unweighted value (average)			
€m		30.6.2020	30.9.2020	31.12.2020	31.3.2021
	Number of data points used in the calculation of averages	12	12	12	12
High-quality liquid assets					
1	Total high-quality liquid assets (HQLA)				
Cash outflows					
2	Retail deposits and deposits from small business customers, of which:	137,112	142,966	148,775	154,712
3	Stable deposits	94,182	98,301	100,639	103,764
4	Less stable deposits	41,084	40,954	42,508	43,456
5	Unsecured wholesale funding	111,440	113,647	115,875	119,010
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	37,432	38,381	39,180	40,197
7	Non-operational deposits (all counterparties)	73,346	74,737	76,174	78,175
8	Unsecured debt	662	529	521	638
9	Secured wholesale funding				
10	Additional requirements	85,108	86,309	88,230	90,296
11	Outflows related to derivative exposures and other collateral requirements	7,434	7,604	7,735	7,476
12	Outflows related to loss of funding on debt products	261	218	213	219
13	Credit and liquidity facilities	77,412	78,487	80,282	82,601
14	Other contractual funding obligations	3,662	3,368	3,021	3,597
15	Other contingent funding obligations	103,423	102,646	101,953	101,690
16	Total cash outflows				
Cash inflows					
17	Secured lending (e.g. reverse repos)	61,484	55,212	48,875	44,153
18	Inflows from fully performing exposures	25,091	24,245	23,517	22,030
19	Other cash inflows	7,248	7,170	6,896	6,904
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies.)				
EU-19b	(Excess inflows from a related specialised credit institution)				
20	**Total cash inflows**	**93,823**	**86,627**	**79,288**	**73,086**
EU-20a	**Fully exempt inflows**	**0**	**0**	**0**	**0**
EU-20b	**Inflows subject to 90% cap**	**0**	**0**	**0**	**0**
EU-20c	**Inflows subject to 75% cap**	**87,846**	**81,888**	**75,747**	**70,612**
21	Liquidity buffer				
22	Total net cash outflows				
23	Liquidity coverage ratio				

		Total weighted value (average)			
€m		30.6.2020	30.9.2020	31.12.2020	31.3.2021
	Number of data points used in the calculation of averages	**12**	**12**	**12**	**12**
High-quality liquid assets					
1	Total high-quality liquid assets (HQLA)	86,482	90,217	95,389	102,093
Cash outflows					
2	Retail deposits and deposits from small business customers, of which:	9,145	9,317	9,578	9,827
3	Stable deposits	4,709	4,915	5,032	5,188
4	Less stable deposits	4,436	4,402	4,546	4,639
5	Unsecured wholesale funding	54,904	55,705	56,272	57,094
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	9,322	9,563	9,769	10,027
7	Non-operational deposits (all counterparties)	44,920	45,614	45,982	46,429
8	Unsecured debt	662	529	521	638
9	Secured wholesale funding	6,777	6,725	6,221	5,280
10	Additional requirements	20,707	20,518	20,344	19,841
11	Outflows related to derivative exposures and other collateral requirements	6,964	7,233	7,444	7,251
12	Outflows related to loss of funding on debt products	261	218	213	219
13	Credit and liquidity facilities	13,482	13,067	12,687	12,370
14	Other contractual funding obligations	2,740	2,479	2,242	2,916
15	Other contingent funding obligations	4,694	4,250	3,824	3,507
16	**Total cash outflows**	**98,967**	**98,993**	**98,481**	**98,465**
Cash inflows					
17	Secured lending (e.g. reverse repos)	6,145	5,452	4,757	3,904
18	Inflows from fully performing exposures	17,793	17,142	16,610	15,503
19	Other cash inflows	6,989	6,952	6,716	6,791
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies.)	0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)	0	0	0	0
20	**Total cash inflows**	**30,928**	**29,545**	**28,083**	**26,199**
EU-20a	**Fully exempt inflows**	**0**	**0**	**0**	**0**
EU-20b	**Inflows subject to 90% cap**	**0**	**0**	**0**	**0**
EU-20c	**Inflows subject to 75% cap**	**30,928**	**29,545**	**28,083**	**26,199**
21	**Liquidity buffer**	**86,482**	**90,217**	**95,389**	**102,093**
22	**Total net cash outflows**	**68,039**	**69,448**	**70,398**	**72,266**
23	**Liquidity coverage ratio**	**127.3%**	**129.8%**	**135.7%**	**141.5%**

The average quarterly LCR values have been consistently high. As at each of the reporting dates, Commerzbank considerably surpassed the required minimum ratio of 100%. The composition of the highly liquid assets available to cover the liquidity outflows in the reporting period is set out below:

Highly liquid assets in accordance with EU/2015/61

Average of the last 12 month-end values €m	Q2/2020	Q3/2020	Q4/2020	Q1/2021
Total	86,482	90,217	95,389	102,093
thereof: Level 1	72,979	74,492	79,429	88,033
thereof: Level 2A	12,597	15,043	15,397	13,506
thereof: Level 2B	906	682	563	554

In March 2021, Commerzbank also reports the LCR in US dollars and Polish zloty (PLN), as these are deemed to be significant foreign currencies under the CRR. In addition, the Bank ensures that foreign-exchange risk is monitored as well as limited and managed using an internal model.

When calculating the LCR, the Bank takes into account the liquidity inflows and outflows for derivatives over the next 30 days. When standardised master agreements are involved, the liquidity inflows and outflows are calculated on a net basis. Commerzbank also takes into account further items that could lead to additional outflows of liquidity. These items include variation margins for changes in the value of securities pledged as collateral and, in the event of a possible deterioration in credit rating, additional collateral furnished because of adverse market scenarios for derivatives transactions. For other contingent liabilities, since June 2019 Commerzbank has used additional outflows in accordance with Article 23 of Commission Delegated Regulation (EU) 2015/61.

Appendix

APP1: Supplement to equity structure (CAP1)

Line	(B) Reference to article in the regulation (EU) Nr. 575/2013
6	
28	
29	
36	
43	
44	
45	
51	
57	
58	
59	
60	
61	92 (2) (a)
62	92 (2) (b)
63	92 (2) (c)

List of abbreviations

AMA	Advanced Measurement Approach
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
CVA	Credit Valuatione Adjustments
EBA	European Banking Authority
HQLA	High-quality liquid assets
IRC	Incremental Risk Charge
IFRS	International Financial Reporting Standards
IMA	Internal Model Approach
IMM	Internal Model Method
IRBA	Internal Ratings Based Approach
LCR	Liquidity Coverage Ratio
LR	Leverage Ratio
NLO	Net liquidity outflows
RWA	Risk-weighted Assets
SACR	Standard Approach to Credit Risk
sVaR	stressed Value at Risk
VaR	Value at Risk

Disclaimer

Commerzbank's internal risk measurement methods and models which form the basis for the calculation of the figures shown in this report are state-of-the-art and based on banking sector practice. The risk models produce results appropriate to the management of the Bank. The measurement approaches are regularly reviewed by risk control and internal audit as well as by German and European supervisory authorities. Despite being carefully developed and regularly checked, models cannot cover all the influencing factors that have an impact in reality or illustrate their complex behaviour and interactions. These limits to risk modelling apply in particular in ex-treme situations. Supplementary stress tests and scenario analyses can only show examples of the risks to which a portfolio may be exposed in extreme market situations. However, stress-testing all imaginable scenarios is not feasible. Stress tests cannot offer a final estimate of the maximum loss should an extreme event occur.

The interpretations with regard to CRR/CRD IV rules are still ongoing. Therefore requirements for adjustment may occur due, for example, to modified interpretations in the course of the Q&A-process with EBA or due to new binding Technical Standards or guide-lines. Against this background we will continue to refine our methods and models in line with the interpretation of the rules. Thus, our measures may not be comparable with previously published measures and our competitors' measures published may differ from ours.

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