



150  
YEARS

**Successful start of Commerzbank 5.0 – 2019  
with stable operating profit and strong capital ratio**

Analyst conference – Q4 2019 / FY 2019 preliminary and unaudited results

# 2019 better than expected – early tangible progress of Commerzbank 5.0

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## **Better financial performance than expected**

Increased operating result based on stable underlying revenues

## **Strong CET1 ratio of 13.4%**

Solid basis for strategy execution and growth

## **90% shareholding in comdirect reached**

Prerequisite for squeeze-out and integration fulfilled

## **Early part-time retirement program agreed**

Potential of > 1000 FTE reduction

# Stable operating profit and strong capital ratio

## Highlights 2019

### Stable core businesses based on customer and asset growth

- › In PSBC increase of underlying revenues supported by around 473k net new customers and €35bn growth of loan and securities volumes in PSBC Germany
- › In CC underlying revenues backed by increased loan volume with corporates (+€6bn) but also reflecting lack of contributions from closed legacy businesses

### Stable operating result of €1.26bn benefiting from strict cost management

- › Net result of €644m and RoTE of 2.4% affected by high tax rate and restructuring charge
- › Operating expenses and compulsory contributions below €6.8bn in line with FY guidance
- › Dividend of €0.15 proposed based on previous year's pay-out ratio

### Clean balance sheet and healthy risk profile – ACR closed in 2019

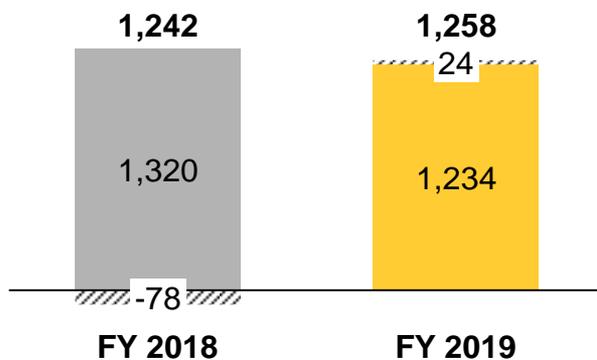
- › Strong CET1 ratio at 13.4% and leverage ratio at 5.1%
- › Risk result of -€620m – increase driven by individual cases
- › Group NPE ratio on low level of 0.9% (1.0% in 2018)

# Key financial figures at a glance

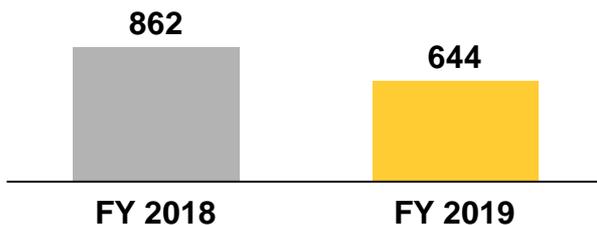
## Group Financial Results

### Operating result (€m)

 Exceptional Revenue Items

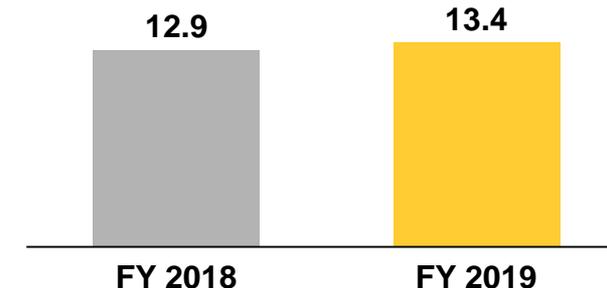


### Net result<sup>1</sup> (€m)

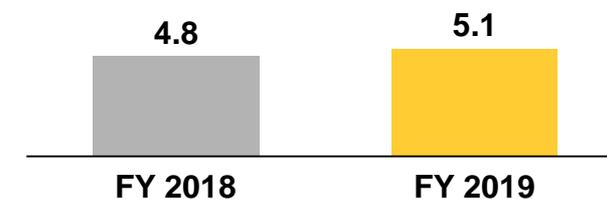


## Group Capital<sup>2</sup>

### CET1 ratio (%)



### Leverage ratio fully loaded (% eop)



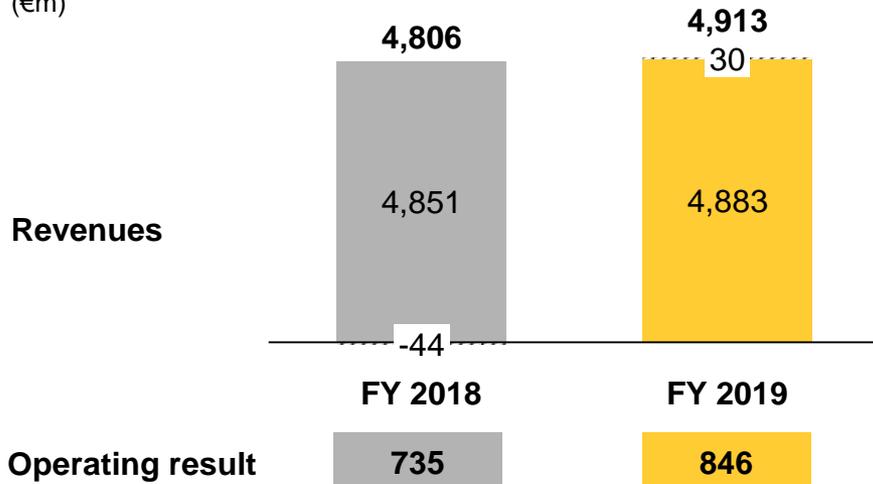
## Exceptional revenue items

2018 (€m)		Revenues	2019 (€m)		Revenues	
Q1	› Hedging & valuation adjustments	-24	1	› Hedging & valuation adjustments	-15	
	› Polish group insurance business (PSBC)	52		› PPA Consumer Finance (PSBC)	-19	-34
	› PPA Consumer Finance (PSBC)	-27				
Q2	› Hedging & valuation adjustments	42	18	› Hedging & valuation adjustments	86	
	› PPA Consumer Finance (PSBC)	-25		› PPA Consumer Finance (PSBC)	-18	34
				› Insurance based product (CC)	-34	
Q3	› Hedging & valuation adjustments	41	18	› Hedging & valuation adjustments	-74	
	› PPA Consumer Finance (PSBC)	-23		› PPA Consumer Finance (PSBC)	-16	13
				› Sale ebase (PSBC)	103	
Q4	› Hedging & valuation adjustments	-95	-115	› Hedging & valuation adjustments	47	
	› PPA Consumer Finance (PSBC)	-21		› PPA Consumer Finance (PSBC)	-15	11
				› Insurance based product (CC)	-22	
FY		-78			24	

# Revenues and operating results of Commerzbank divisions

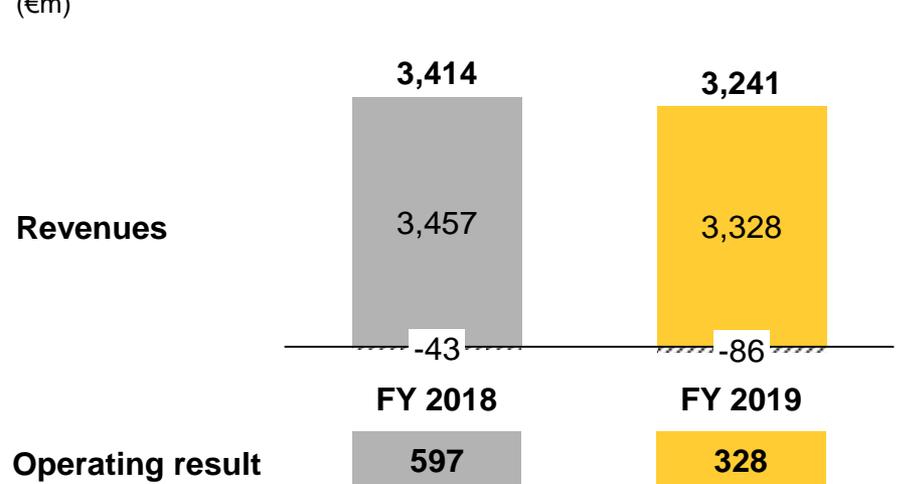
## Private and Small Business Customers

(€m)



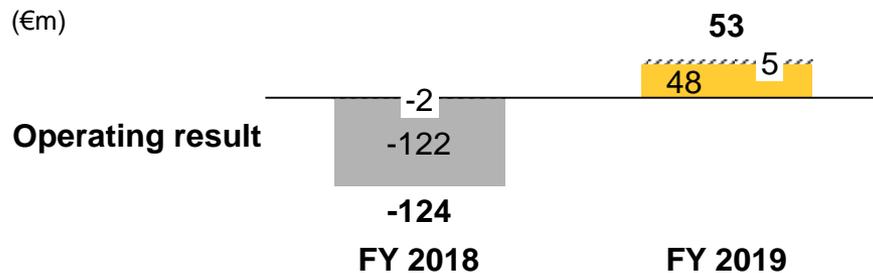
## Corporate Clients

(€m)



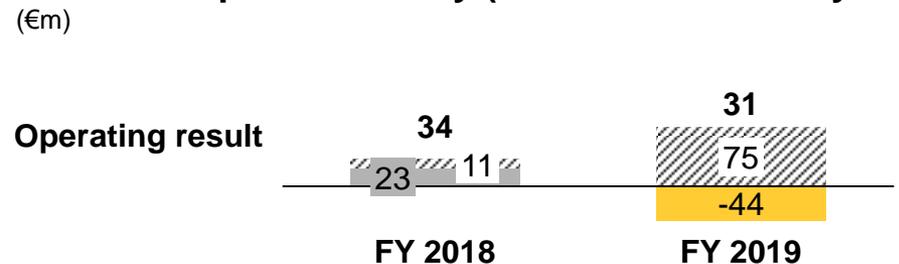
## Others & Consolidation

(€m)



## Asset & Capital Recovery (dissolved as of July 1<sup>st</sup>)

(€m)

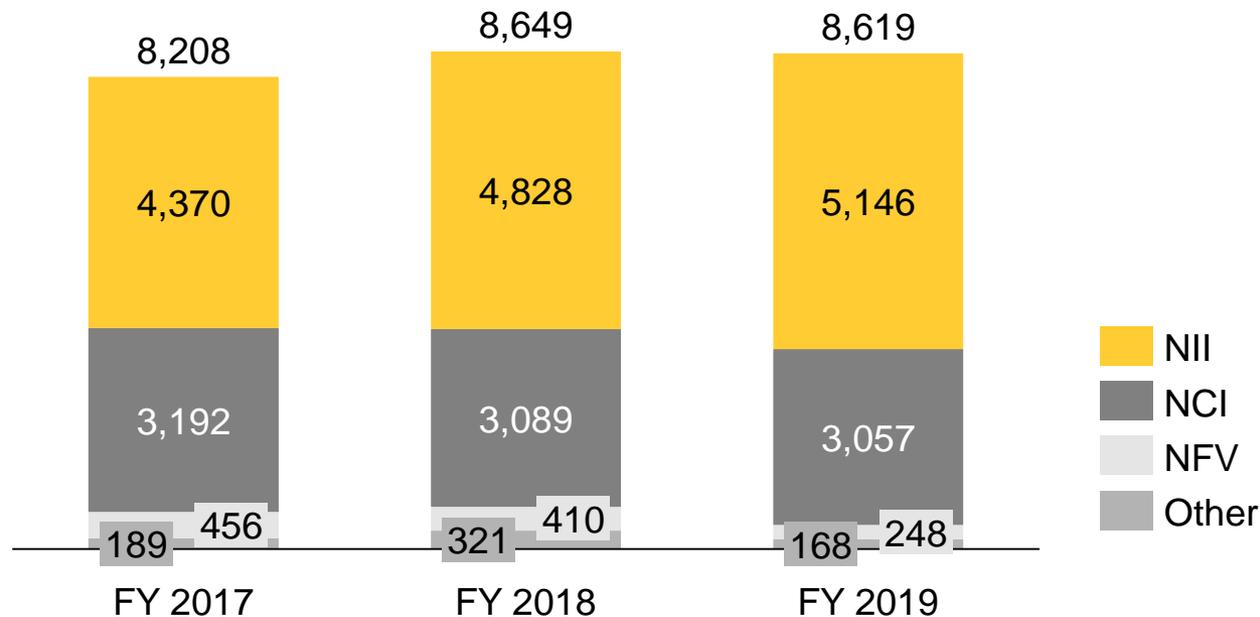


/// Exceptional revenue items

## Stable revenues – growth compensating effects from negative interest rate environment and reduction of legacy portfolios

### Revenues (excluding exceptional items)

(€m)

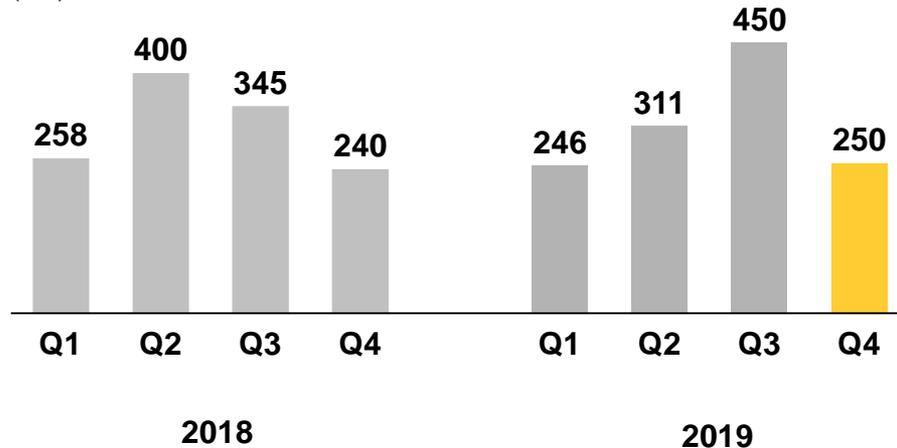


→ Targeted underlying revenues in 2020 at least at level of 2019

# Stable FY operating result – better Q4 despite higher risk result

## Group operating result

(€m)



## Group P&L

in €m	Q4 2018	Q3 2019	Q4 2019	FY 2018	FY 2019
Revenues	2,035	2,183	2,173	8,570	8,643
Exceptional items	-115	13	11	-78	24
<b>Revenues excl. exceptional items</b>	<b>2,151</b>	<b>2,170</b>	<b>2,163</b>	<b>8,649</b>	<b>8,619</b>
<i>o/w Net interest income</i>	1,254	1,277	1,323	4,828	5,146
<i>o/w Net commission income</i>	754	763	788	3,089	3,057
<i>o/w Net fair value result</i>	17	98	85	410	248
<i>o/w Other income</i>	126	32	-33	321	168
Risk result	-154	-114	-250	-446	-620
Operating expenses	1,579	1,559	1,608	6,459	6,313
Compulsory contributions	63	60	65	423	453
<b>Operating result</b>	<b>240</b>	<b>450</b>	<b>250</b>	<b>1,242</b>	<b>1,258</b>
Impairments on other intangible assets	-	-	28	-	28
Restructuring expenses	-	-	101	-	101
<b>Pre-tax profit discontinued operations</b>	<b>-30</b>	<b>-7</b>	<b>-9</b>	<b>-15</b>	<b>-17</b>
<b>Pre-tax profit Commerzbank Group</b>	<b>209</b>	<b>443</b>	<b>112</b>	<b>1,227</b>	<b>1,112</b>
Taxes on income	75	104	154	262	369
Minority interests	22	43	13	102	100
<b>Net result</b>	<b>113</b>	<b>296</b>	<b>-54</b>	<b>862</b>	<b>644</b>
CIR (excl. compulsory contributions) (%)	77.6	71.4	74.0	75.4	73.0
CIR (incl. compulsory contributions) (%)	80.7	74.1	77.0	80.3	78.3
Net RoTE (%)	1.8	4.4	-1.1	3.4	2.4
Operating RoCET (%)	4.1	7.5	4.1	5.4	5.3

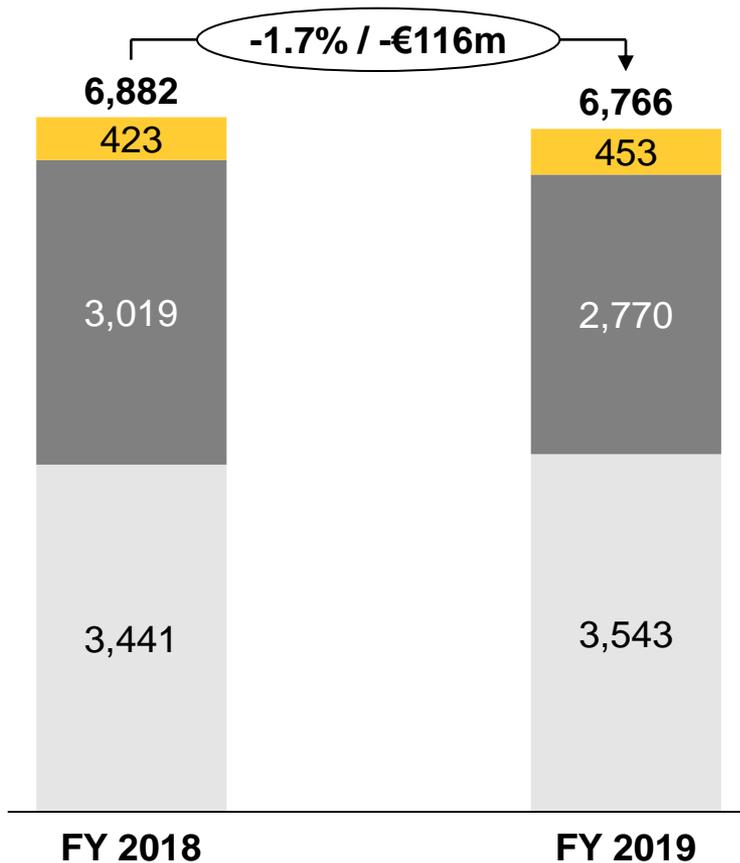
## Highlights

- › Nearly stable underlying revenues – Q4 2019 including €57m legal provision for mBank's FX loan portfolio (other income)
- › Q4 underlying NII benefits from Corporate Clients and Treasury contribution while NCI increased due to better performance in PSBC's securities business
- › Q4 operating result in addition reflects risk result driven by single cases
- › Q4 net result of -€54m driven by early recognition of first restructuring charge for Commerzbank 5.0 and high tax rate

# Cost target reached

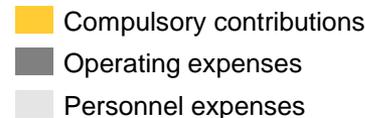
## FY 2018 vs. FY 2019 transition

(€m)



## Highlights

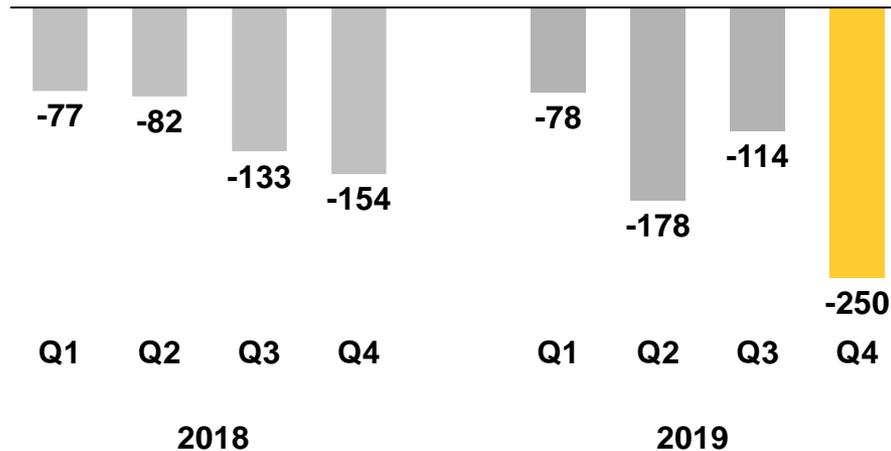
- › **Compulsory contributions** increased mainly due to higher European bank levy in mBank (+€23m)
- › **Operating expenses** decreased by -€249m due to prioritised investments and further cost management – like more efficient use of consultancy services and advertisement
- › **Personnel expenses** benefit from a net reduction of about 1,100 FTE to around 40,400 FTE
- › Increase in personnel expenses due to new compensation model and general pay scale increase as well as slightly higher variable compensation



# Risk indicators remain mostly stable despite the macro environment

## Risk Result

(€m)



## Risk Result divisional split

Risk Result in €m	Q4 2018	Q3 2019	Q4 2019	FY 2018	FY 2019
Private and Small Business Customers	-49	-87	-67	-233	-253
Corporate Clients	-73	-31	-156	-194	-342
Asset & Capital Recovery	-23	-	-	-8	-24
Others & Consolidation	-9	4	-27	-10	-
<b>Group</b>	<b>-154</b>	<b>-114</b>	<b>-250</b>	<b>-446</b>	<b>-620</b>
NPE in €bn					
Private and Small Business Customers	1.8	1.8	1.8	1.8	1.8
Corporate Clients	1.7	1.6	1.7	1.7	1.7
Asset & Capital Recovery	0.4	-	-	0.4	-
Others & Consolidation	-	0.2	0.2	-	0.2
<b>Group</b>	<b>3.8</b>	<b>3.6</b>	<b>3.7</b>	<b>3.8</b>	<b>3.7</b>
Group NPE ratio (in %) <sup>1</sup>	1.0	0.9	0.9	1.0	0.9
Group CoR (bps) <sup>2</sup>	10	10	14	10	14

## Highlights

- › PSBC and CC with healthy risk profile – Group NPE<sup>1</sup> ratio of 0.9%
- › German economy remains resilient – only a moderate increase in underlying risk indicators and general risk provisioning
- › Increase of Q4 risk result to -€250m driven by individual cases mainly in International Corporates
- › FY increased risk result mainly due to single cases in CC and in mBank (PSBC)

## Corporate Clients – well diversified portfolio

### Exposure by industry sector – top 10 industries

(% of EaD in portfolio)



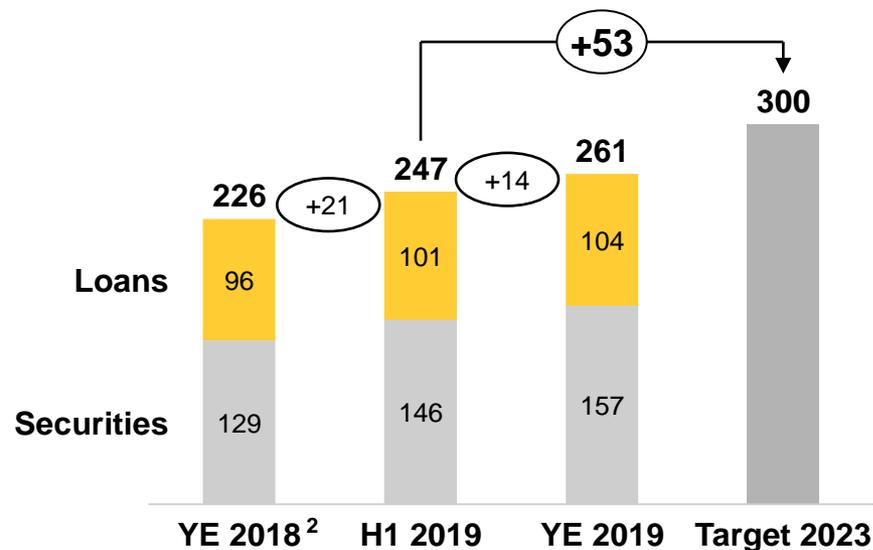
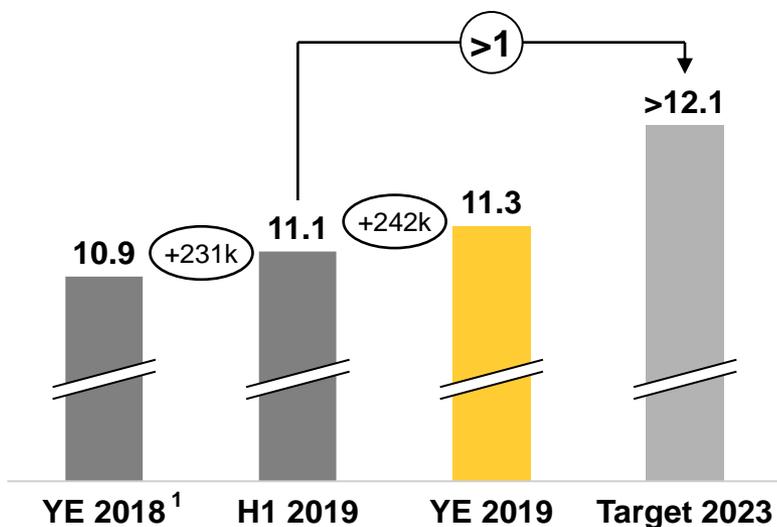
### Current analysis

- › Diversification of the portfolio robust enough to manage slowdowns in individual sectors
- › Ongoing close monitoring of portfolio in light of slower growth of German and European economy

# Private and Small Business Customers: continued growth towards Commerzbank 5.0 targets

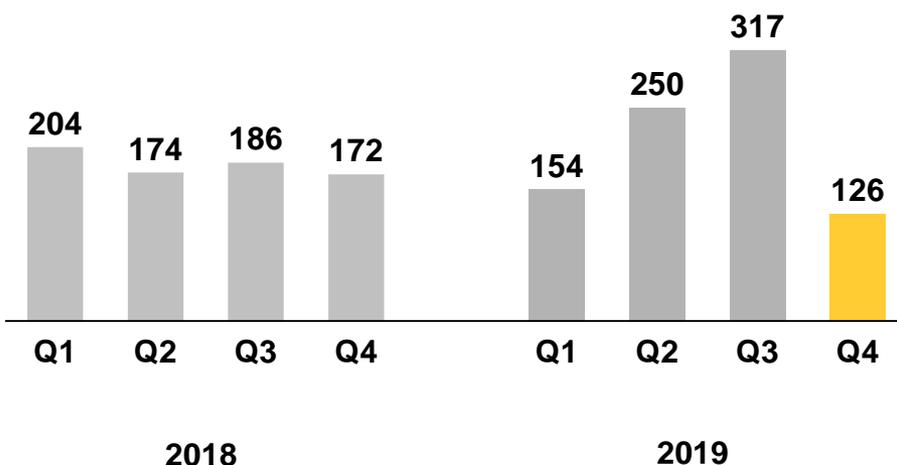
**Customers (Germany)**  
(m)

**Loan and Securities Volumes (Germany)**  
(€bn eop)



# Private and Small Business Customers: higher operating result 2019 – Q4 impacted by provision for litigation at mBank

## Operating result (€m)



## Segmental P&L

in €m	Q4 2018	Q3 2019	Q4 2019	FY 2018	FY 2019
Revenues	1,163	1,328	1,160	4,806	4,913
o/w Private Customers	578	570	567	2,383	2,326
o/w Small Business Customers	209	204	203	816	813
o/w mBank	257	298	255	1,040	1,121
o/w comdirect	95	100	91	389	387
o/w Commerz Real	46	71	57	222	236
o/w exceptional revenue items	-23	84	-14	-44	30
<i>Revenues excl. exceptional items</i>	<i>1,185</i>	<i>1,243</i>	<i>1,173</i>	<i>4,851</i>	<i>4,883</i>
Risk result	-49	-87	-67	-233	-253
Operating expenses	890	873	913	3,586	3,529
Compulsory contributions	52	51	55	252	285
<b>Operating result</b>	<b>172</b>	<b>317</b>	<b>126</b>	<b>735</b>	<b>846</b>
RWA (end of period in €bn)	41.4	46.5	47.2	41.4	47.2
CIR (excl. compulsory contributions) (%)	76.5	65.7	78.7	74.6	71.8
CIR (incl. compulsory contributions) (%)	81.0	69.6	83.4	79.9	77.6
Operating return on equity (%)	14.0	23.3	8.9	15.5	15.8

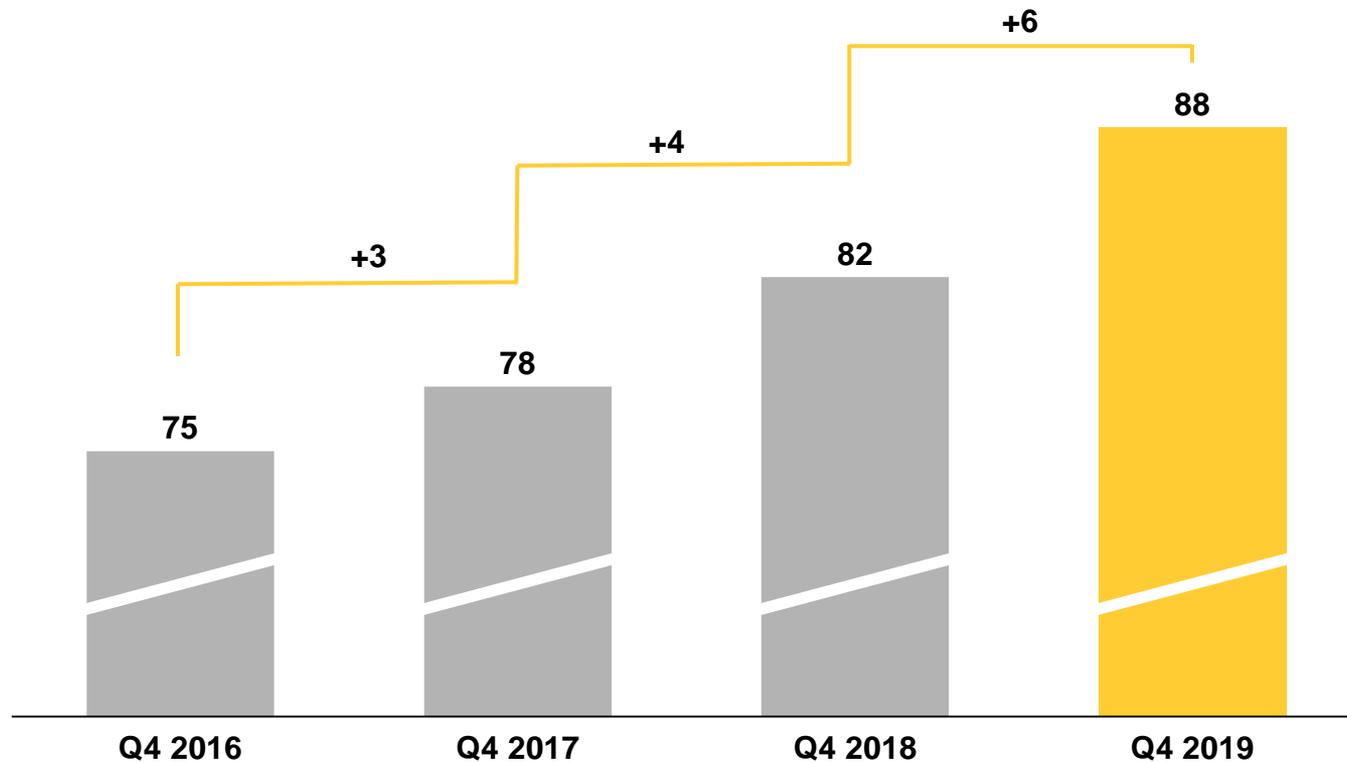
## Highlights

- › FY underlying revenues increased €32m (1%) driven by €116m (4%) higher NII from growth – offsetting impact from rates and recent ECB decisions
- › FY operating result up €111m (15%) with improved revenues and costs more than compensating higher risk result
- › Q4 operating result of €126m reflects legal provision of €57m for mBank's FX loan portfolio and YoY higher risk result
- › Q4 asset growth in PSBC Germany driven by securities up €8.2bn to €157bn and mortgages up €1.6bn to €80.9bn compared to Q3 – consumer finance book at €3.7bn

# Corporate Clients: strong growth in loan volume in 2019

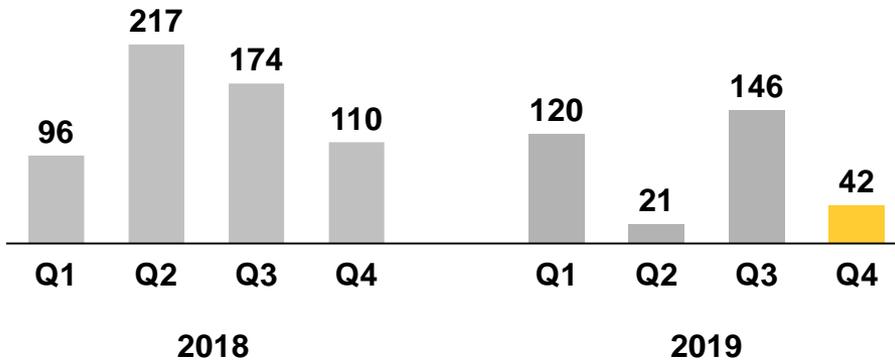
## Loan volume Corporates

(€bn | Mittelstand and International Corporates)



# Corporate Clients: resilient customer business – legacy portfolios no longer contributing

## Operating result (€m)



## Segmental P&L

in €m	Q4 2018	Q3 2019	Q4 2019	FY 2018	FY 2019
Revenues	796	781	825	3,414	3,241
o/w Mittelstand	451	449	449	1,757	1,788
o/w International Corporates	229	237	233	886	961
o/w Financial Institutions	122	129	108	474	488
o/w others	43	9	48	340	91
o/w exceptional revenue items	-49	-42	-13	-43	-86
<i>Revenues excl. exceptional items</i>	<i>845</i>	<i>823</i>	<i>838</i>	<i>3,457</i>	<i>3,328</i>
Risk result	-73	-31	-156	-194	-342
Operating expenses	604	596	619	2,503	2,453
Compulsory contributions	9	8	9	119	118
<b>Operating result</b>	<b>110</b>	<b>146</b>	<b>42</b>	<b>597</b>	<b>328</b>
Impairments on other intangible assets	-	-	28	-	28
<b>Pre-tax profit discontinued operations</b>	<b>-30</b>	<b>-7</b>	<b>-9</b>	<b>-15</b>	<b>-17</b>
RWA (end of period in €bn)	96.9	103.1	95.8	96.9	95.8
CIR (excl. compulsory contributions) (%)	75.8	76.4	75.0	73.3	75.7
CIR (incl. compulsory contributions) (%)	77.0	77.4	76.1	76.8	79.3
Operating return on equity (%)	3.9	4.8	1.4	5.5	2.8

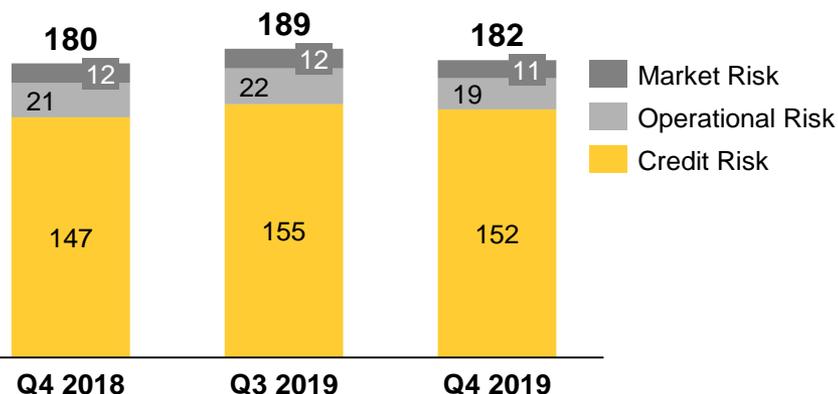
## Highlights

- › FY revenues 4% higher in Mittelstand and International Corporates based on strong customer franchise with growth offsetting effects from rates environment
- › FY revenues in Financial Institutions up 3% vs. 2018 – Q4 reflects portfolio optimisation
- › Lower Q4 and FY operating results driven by lack of contributions from unwound legacy portfolios and risk result driven by single cases

## Strong CET1 ratio of 13.4%

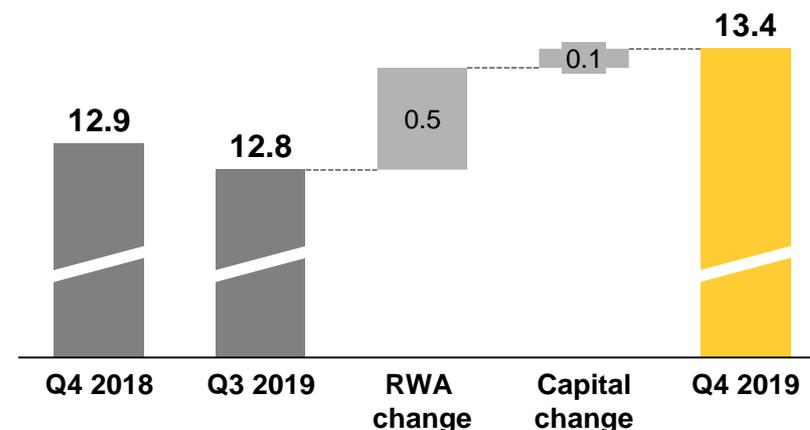
### RWA development by risk types

(€bn eop)



### Transition of CET1 ratio

(%)



### Highlights :

- › €3bn decrease in operational risk RWA mainly reflects model enhancement following regulatory approval as well as update on loss history
- › €1bn lower market risk RWA based on position changes and the sale of EMC
- › €3bn reduction of Credit Risk RWA reflects portfolio optimisation towards year-end and securitisation
- › Capital built mainly from lower capital deductions

# Commerzbank 5.0: systematic execution in 2020 – on our way to 2023

## Commerzbank 5.0 targets 2020



### PSBC

+ >€10bn loans & securities and more than 200k net new customers

Introduction of pricing measures on deposits in excess of €250k

Integration of comdirect and sale of mBank



### Corporate Clients

Increase of underlying revenues as compared to previous year

300 new client groups in Mittelstand (GER and Eurozone)

Balancing business growth and capital efficiency



### IT & Operations

Make 40% of relevant applications cloud-ready (coming from 25%)

Significant increase of nearshore capacities of IT staff from 8% to 14%

Negotiations with workers council for FTE reduction



### Responsibility

Integration of climate related measures into our credit risk management  
Further development of green products, e.g. green mortgages

## Objectives and expectations for 2020

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- We continue our growth strategy and target underlying revenues at least at level of 2019
- We confirm our target cost base of €6.7bn plus up to €0.2bn cost-to-achieve IT investments
- We expect a risk result above €650m
- We plan to maintain a dividend pay-out ratio comparable to last year
- We continue to target a CET1 ratio  $\geq 12.75\%$  at year-end

# Commerzbank 5.0

## digital – personal – responsible

# Appendix

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<b>German economy</b>	20	<b>Risk &amp; Capital Management</b>	
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# German economy 2020 – looking for the turn-around

## Current development

- › After shrinking slightly in Q2 2019, real GDP recovered moderately in H2.
- › The service sector is still holding up significantly better than manufacturing. This divergence points to subdued external demand as the main reason of recent weak growth. In contrast, the ECB's monetary policy is still supporting domestic demand. However, investment has weakened recently and the increase of employment has slowed, too.
- › Given the still low readings of sentiment indicators there are no signs yet for a fast turn-around.

## Our expectation for 2020

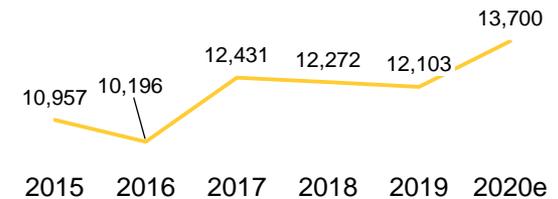
- › In Q1 there will be some negative effects of the outbreak of the corona virus. However, this will probably prove as a temporary issue. In the further course of the year somewhat stronger demand in some parts of the world economy (especially in emerging markets) will probably help global as well as German manufacturing. Nevertheless, we are unlikely to experience a classical cyclical upswing.
- › The growth rate of the German economy in 2020 (Commerzbank forecast: 0.8%) will be higher than in 2019 (0.6%) only because of a higher number of working days. In 2021 growth will probably still be anaemic with an increase of real GDP by 0.8% yoy.

## Risks in the long-run

- › The export oriented German economy is suffering especially from rising protectionism initiated by the US government.
- › Germany's competitiveness within the Euro area has eroded over the past years. The negative consequences have already become visible. The auto industry e.g. has shifted part of its production abroad.
- › Economic policy has been geared more towards redistribution of income than support for growth, and this will not change for the time being.

## DAX

(avg. p.a.)



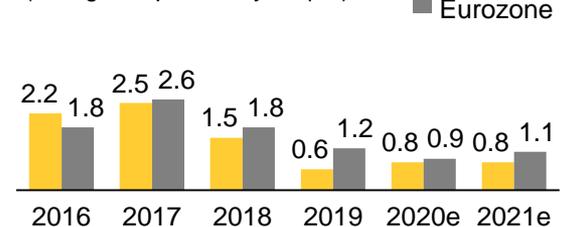
## Euribor

(avg. p.a. | %)



## GDP

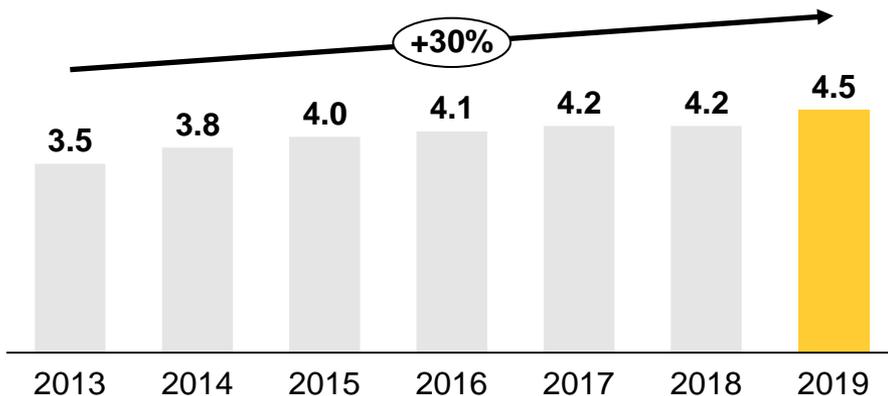
(change vs. previous year | %)



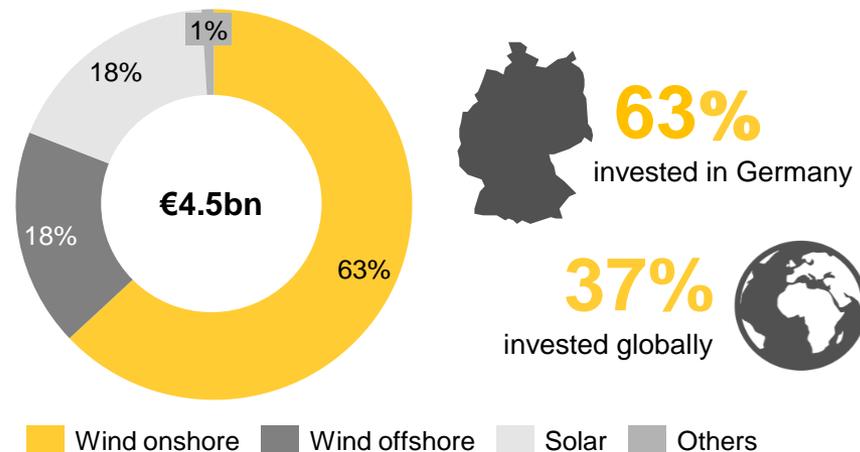
# As a leading German provider of renewable energy project finance it is our objective to become Germany's most sustainable commercial bank

## Renewable energy project finance portfolio

(EaD, €bn eop)



## Portfolio breakdown



## Commerzbank's sustainability ratings<sup>1</sup>



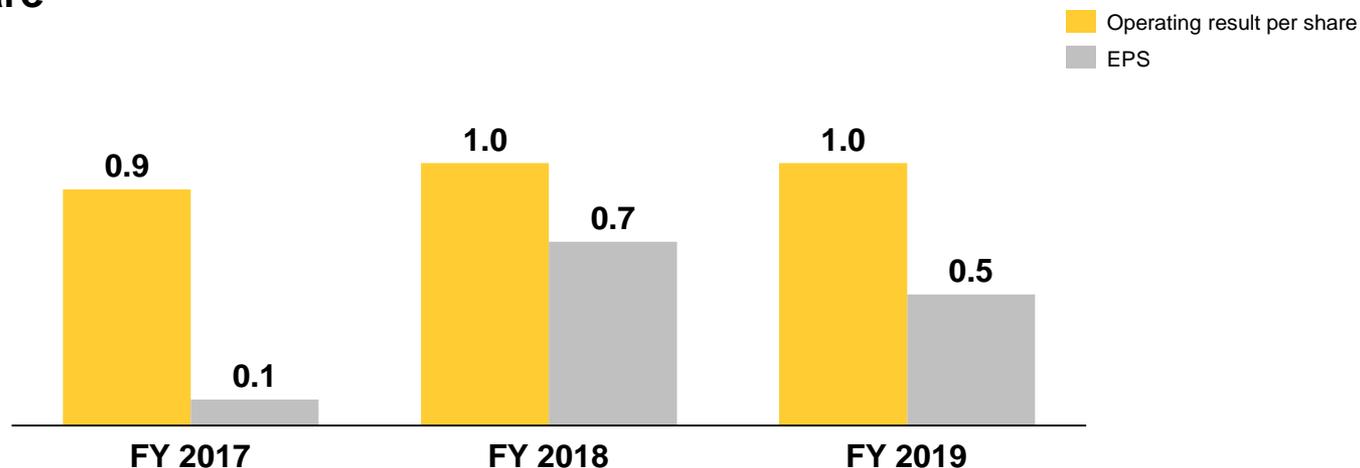
## Commerzbank financials at a glance

Group	Q4 2018	Q3 2019	Q4 2019	FY 2018	FY 2019
Operating result (€m)	240	450	250	1,242	1,258
Net result (€m)	113	296	-54	862	644
CET1 ratio (%) <sup>1</sup>	12.9	12.8	13.4	12.9	13.4
Total assets (€bn)	462	513	464	462	464
RWA (€bn)	180	189	182	180	182
Leverage ratio fully loaded (%)	4.8	4.7	5.1	4.8	5.1
Cost/income ratio (excl. compulsory contributions) (%)	77.6	71.4	74.0	75.4	73.0
Cost/income ratio (incl. compulsory contributions) (%)	80.7	74.1	77.0	80.3	78.3
Net RoE (%)	1.6	4.0	-1.0	3.1	2.2
Net RoTE (%)	1.8	4.4	-1.1	3.4	2.4
Total capital ratio fully loaded (%) <sup>1</sup>	15.9	15.8	16.4	15.9	16.4
NPE ratio (in %)	1.0	0.9	0.9	1.0	0.9
CoR (bps)	10	10	14	10	14

## Key figures Commerzbank share

### Figures per share

(€)

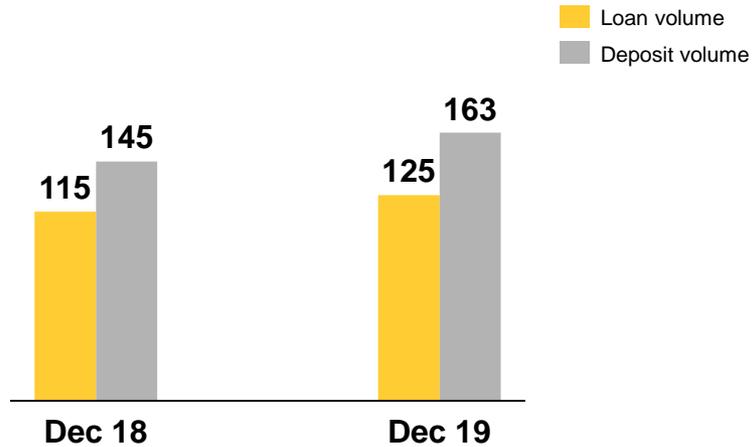


ytd as of	FY 2017	FY 2018	FY 2019
Number of shares issued (in m)	1,252.40	1,252.40	1,252.40
Market capitalisation (in €bn)	15.7	7.2	6.9
Net asset value per share (in €)	21.88	21.34	21.54
Low/high Xetra intraday prices YtD (in €)	6.97/12.96	5.50/13.82	4.66/8.26

# Loan and deposit development

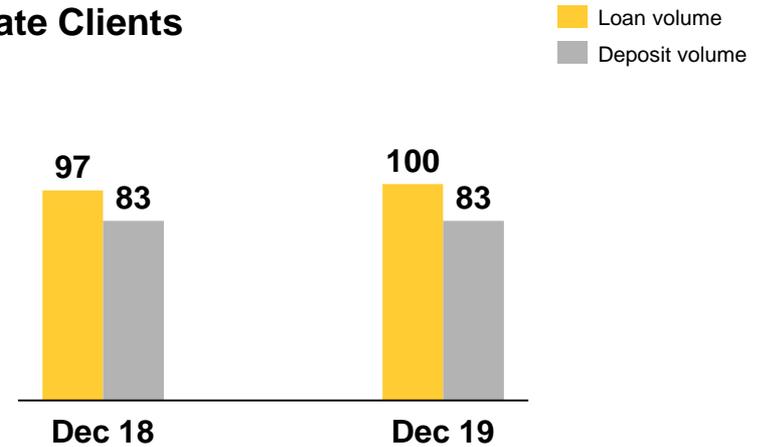
## PSBC

(€bn)



## Corporate Clients

(€bn)



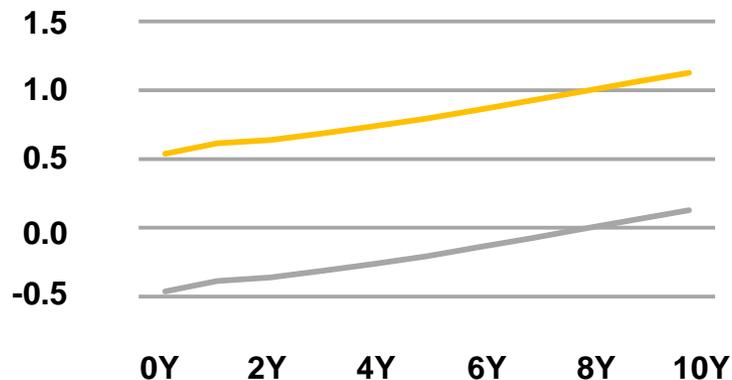
## Highlights

- › Loan growth in Private and Small Business Customers mainly driven by residential mortgage business in Germany and mBank's loan book
- › Increased loan volumes in International Corporates and Mittelstand

# Significant NII potential in scenario of rising interest rates

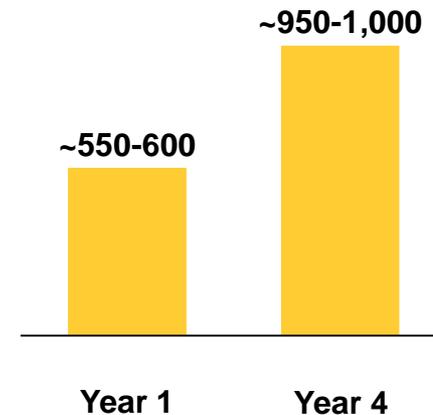
## 100 bp parallel up-shift in rates yield curve

(as of 31 December 2019, in %)



## Scenario impact on NII

(€m)



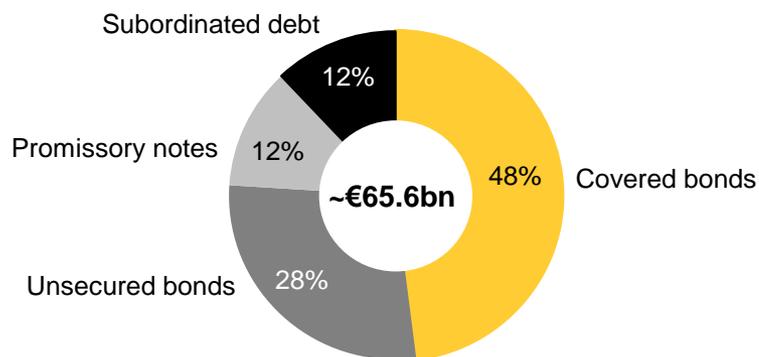
## Highlights

- › Year 1 effect of ~€550-600m driven by short-end rates due to large stock of overnight (excess) deposits
- › Thereof ~1/2 stem from leaving the negative interest rate territory
- › Year 4 effect of ~€950-1,000m driven by higher reinvestment yield of modelled deposits used to refinance longer term loans

# Capital markets funding activities

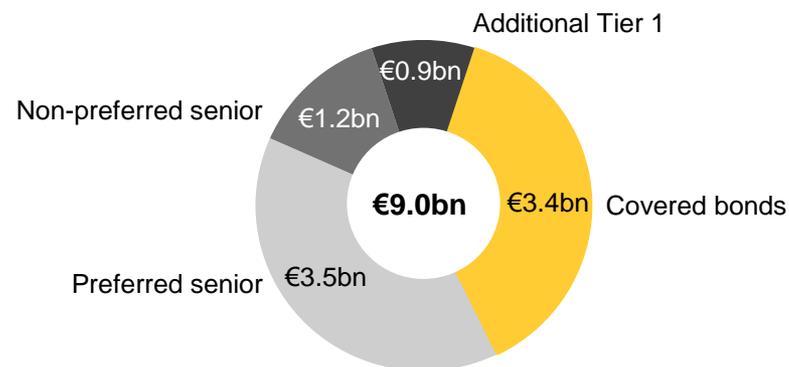
## Funding structure<sup>1</sup>

(as of 31 December 2019)



## Group funding activities FY 2019<sup>2</sup>

(nominal values)



## Highlights

- › €9bn issued in FY 2019 (average maturity over 8 years) thereof:
  - Covered bonds: €2.5bn benchmarks with maturity from 5 to 15 years
  - Preferred senior: Benchmark transactions of 5 and 7 years maturity; total volume of €2.75bn
  - Non-preferred senior: Benchmark transactions with 5 years and 7 years maturity; total volume of €1.0bn
  - Inaugural Additional Tier 1: USD1bn perpetual non-call April 2025 with 7% p.a. coupon generated investor interest over USD10.5bn

## Awards 2019



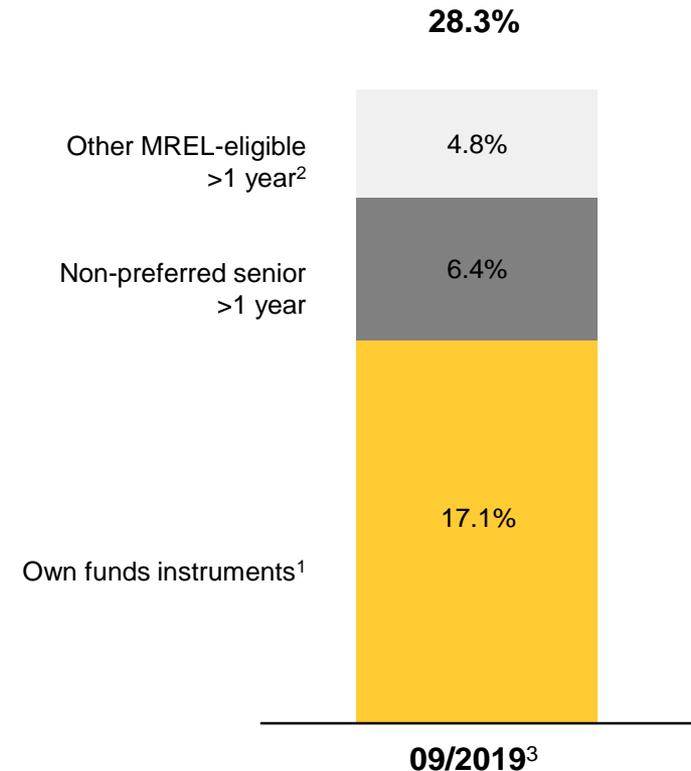
# Commerzbank's issuance strategy consistent with MREL requirement

## MREL requirement

- › In June 2018, Commerzbank has received the formal MREL requirement on a consolidated basis calibrated based on data as of 31 December 2016
- › The minimum requirement in terms of RWA is 27.27% being in line with SRB's 2017 policy which was applicable at the time
- › The MREL requirement contains a transitional period and is to be complied with after 30 June 2020
- › As of 30 September 2019 Commerzbank fulfils the future MREL requirement with an MREL ratio of 28.3% of RWA according to SRB's 2018 policy
- › Current issuance strategy consistent with the requirement
- › A new MREL requirement is expected in Q1 2020
- › MREL eligible funding volume 2019 at €5.5bn – 2020 volume expected at similar level

## MREL ratio

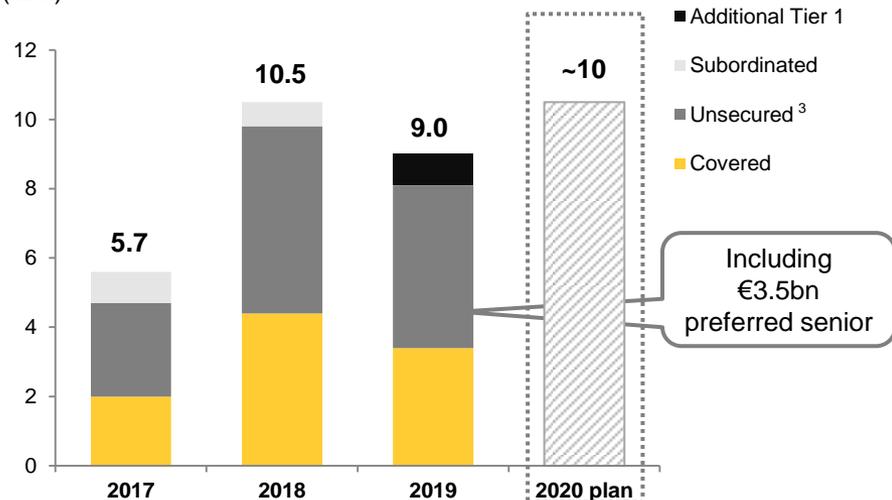
(% of RWA)



# Capital markets funding expectations 2020 similar to 2019

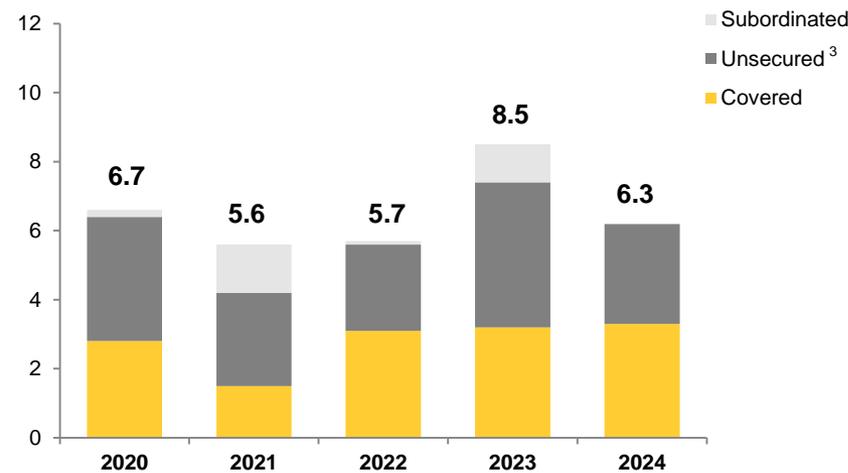
## New issues activities<sup>1</sup>

(€bn)



## Maturities<sup>2</sup> until 2024

(€bn)

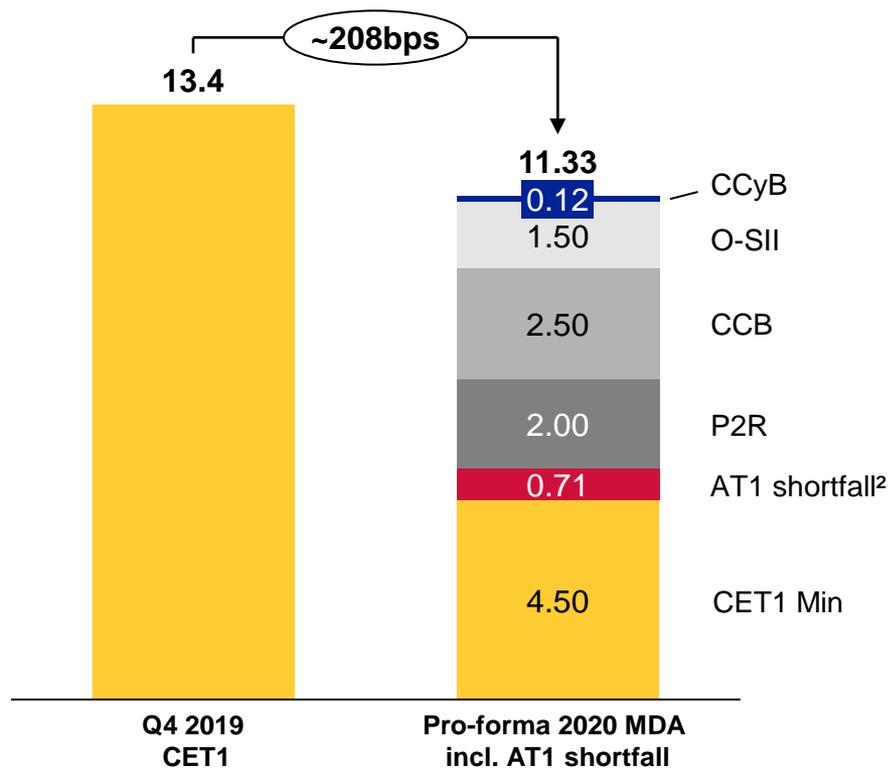


- › Funding plan with approx. €10bn similar to 2019 funding
- › Continued focus on diversification of funding basis
- › Dynamic review of funding requirements during the year to incorporate any new developments
- › In January 2020 successful issuance of €1.75bn unsecured instruments
  - €750m 7 years non-preferred benchmark
  - €500m 7 years preferred senior (re-opening of the December 2026 issue from 2019)
  - Inaugural GBP 400m non-preferred senior benchmark with maturity 5 years

## Distance to MDA comfortable

### Distance to MDA – Status quo based on SREP requirement for 2020<sup>1</sup>

(%)



- › ~208 bps distance to MDA based on Q4 2019 CET1 ratio of 13.4% and SREP requirement for 2020
- › AT1 shortfall significantly reduced by inaugural USD 1bn AT1 issue in July 2019
- › Further AT1 issuance strategy to be considered in light of maintaining an appropriate distance to MDA and capital requirements

# Rating overview Commerzbank

As of 13 February 2020

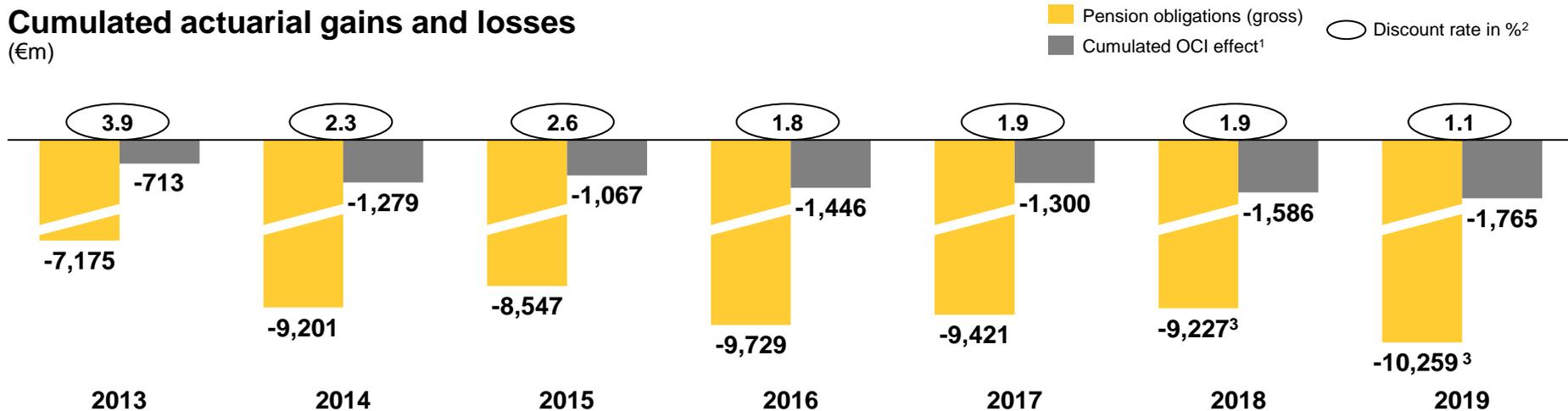
	<b>S&amp;P Global</b>	<b>MOODY'S</b> INVESTORS SERVICE	<b>FitchRatings</b>
Bank Ratings	S&P	Moody's	Fitch
Counterparty Rating/ Assessment <sup>1</sup>	A	A1/ A1 (cr)	A- (dcr)
Deposit Rating <sup>2</sup>	A- negative	A1 stable	A-
Issuer Credit Rating (long-term debt)	A- negative	A1 stable	BBB+ negative
Stand-alone Rating (financial strength)	bbb+	baa2	bbb+
Short-term debt	A-2	P-1	F1
Product Ratings (unsecured issuances)			
Preferred senior unsecured debt	A- negative	A1 stable	A-
Non-preferred senior unsecured debt	BBB	Baa2	BBB+ negative
Subordinated debt (Tier 2)	BBB-	Baa3	BBB
Additional Tier 1 (AT1)	BB	Ba2	-

## Rating event in Q4 2019

- › FitchRatings **revised the outlook** of Commerzbank's issuer credit rating to **negative** (previously: stable)

# IAS 19: Development of pension obligations

## Cumulated actuarial gains and losses (€m)

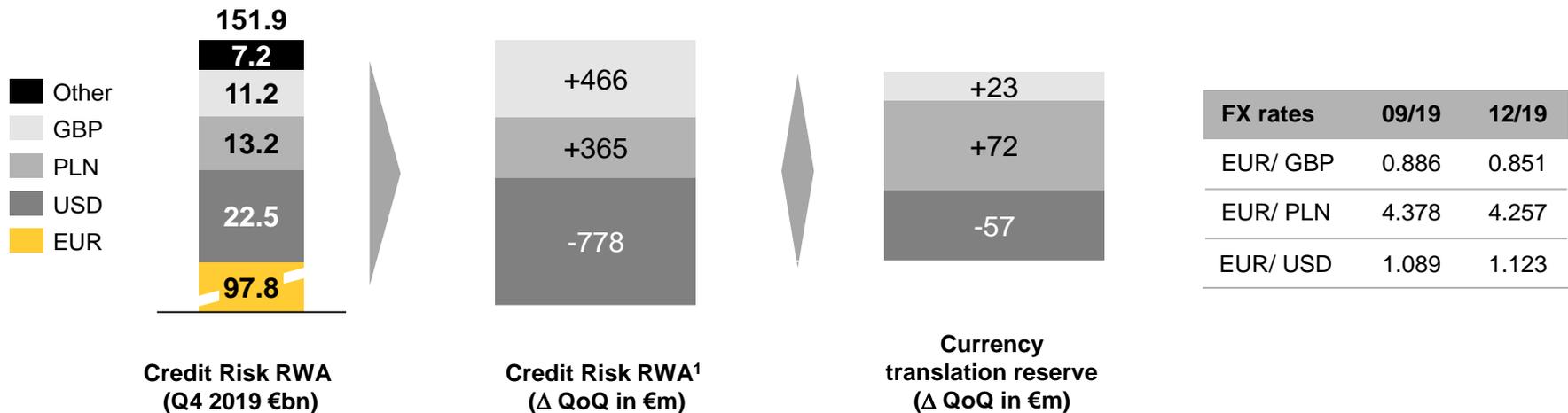


## Additional information

- › Pension obligations increased YtD due to a decrease in the discount rate. This effect could be compensated through an increased market value of plan assets (LDI approach)
- › YtD OCI capital effect of -€179m after tax
- › The IAS19 discount rate is derived from a AA rated corporate bond basket yield with average duration of 18 years
- › The average funding ratio (plan assets vs. pension obligations) of all Group plans is 94.8%
- › Since 2013, hedge via plan assets dampened the obligation increase of €3,084m to a cumulated OCI capital effect of -€1,052m

# Slight net positive impact on CET1 ratio from FX effects

## QoQ Change in FX capital position



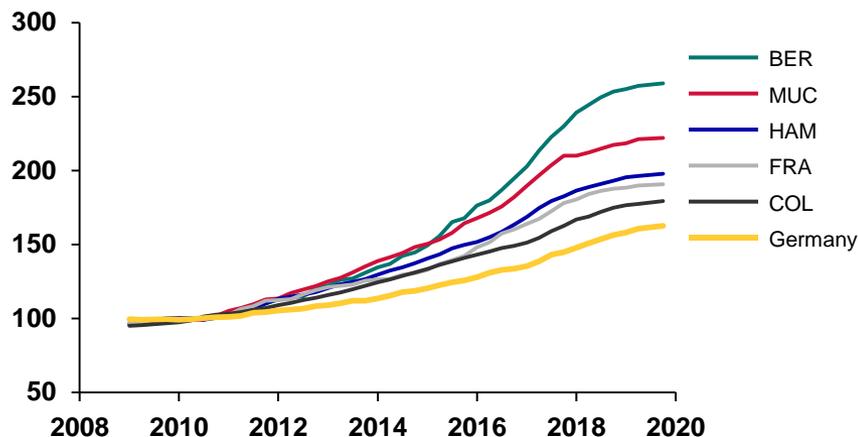
## Explanation

- › Positive impact on capital ratio due to lower Credit Risk RWA from USD weakening as well as due to increasing currency translation reserve for PLN:
  - QoQ the EUR strengthened by +3.2% against the USD resulting in –€0.8bn lower Credit Risk RWA, which was only partly compensated by a slightly decreased currency translation reserve by –€57m
  - Major impact from increasing currency translation reserve for PLN with only minor impacts on Credit Risk RWA

# Residential mortgage business vs. property prices

## German residential properties

(index values)



Source: vdpresearch, Commerzbank Research

- › Prices of houses and flats, existing stock and newly constructed dwellings, averages
- › Munich (MUC), Berlin (BER), Hamburg (HAM), Frankfurt (FRA), Cologne (COL)

## Overall mortgage portfolio

- › Growing mortgage volume with a very good risk quality:
  - 12/15: EaD €62.6bn – RD 12bp
  - 12/16: EaD €66.8bn – RD 10bp
  - 12/17: EaD €75.2bn – RD 9bp
  - 12/18: EaD €81.0bn – RD 9bp
  - 12/19: EaD €86.6bn – RD 8bp
- › Rating profile with a share of 90% in investment grade ratings
- › Vintages of recent years developed more favourably so far and NPEs remain at a low level
- › Due to risk-oriented selection very low RD
- › As a consequence of low interest rates, repayment rates remain on a very high level
- › Average “Beleihungsauslauf” (BLA) in new business of 83% in Q4/2019. German BLA is more conservative than the internationally used LtV definition due to the application of the strict German Pfandbrief law



**Risk parameters on very good level, loan decisions remain conservative**

# Group equity composition

	Capital Q3 2019 EoP €bn	Capital Q4 2019 EoP €bn	Capital Q4 2019 Average €bn		Ratios Q4 2019 %	Ratios FY 2019 %	Ratio FY 2019 %		
<b>Common equity tier 1 capital</b>	<b>24.2</b>	<b>24.4</b>	<b>24.4</b>	<sup>1</sup> →	<b>Op. RoCET</b>	<b>4.1%</b>	<b>5.3%</b>	<b>CET1 ratio</b>	<b>13.4%</b>
DTA	1.1	0.9							
Minority interests	0.5	0.6							
Prudent Valuation	0.3	0.2							
IRB shortfall	0.3	0.3							
Instruments that are given recognition in AT1 Capital	0.9	0.9							
Other regulatory adjustments	0.4	0.6							
<b>Tangible equity</b>	<b>27.7</b>	<b>27.8</b>	<b>27.8</b>	<sup>1</sup> →	<b>Op. RoTE</b>	<b>3.6%</b>	<b>4.7%</b>		
Goodwill and other intangible assets	2.7	2.7	2.7						
<b>IFRS capital</b>	<b>30.5</b>	<b>30.4</b>	<b>30.5</b>	<sup>1</sup>					
Subscribed capital	1.3	1.3							
Capital reserve	17.2	17.2							
Retained earnings <sup>2</sup>	9.4	9.4							
Currency translation reserve	-0.2	-0.2							
Revaluation reserve	0.0	0.0							
Cash flow hedges	-0.0	-0.0							
Consolidated P&L	0.7	0.6							
<b>IFRS capital attributable to Commerzbank shareholders</b>	<b>28.3</b>	<b>28.3</b>	<b>28.4</b>	<sup>1</sup> →	<b>Net RoE</b>	<b>-1.0%</b>	<b>2.2%</b>		
<b>Additional equity components</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>		<b>Net RoTE</b>	<b>-1.1%</b>	<b>2.4%</b>		
<b>Non-controlling interests</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>						

# Commerzbank Group

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Total clean revenues	2,216	2,160	2,122	2,151	8,649	2,191	2,096	2,170	2,163	8,619
Exceptional items	1	18	18	-115	-78	-34	34	13	11	24
<b>Total revenues</b>	<b>2,217</b>	<b>2,178</b>	<b>2,140</b>	<b>2,035</b>	<b>8,570</b>	<b>2,157</b>	<b>2,130</b>	<b>2,183</b>	<b>2,173</b>	<b>8,643</b>
o/w Net interest income	1,098	1,190	1,223	1,237	4,748	1,232	1,275	1,260	1,307	5,074
o/w Net commission income	802	763	771	754	3,089	768	739	763	786	3,056
o/w Net fair value result	203	200	85	-121	366	85	28	15	116	244
o/w Other income	115	25	62	166	367	73	87	145	-36	270
o/w Dividend income	14	6	9	6	36	1	10	5	19	35
o/w Net income from hedge accounting	-16	36	6	22	48	50	46	36	-27	105
o/w Other financial result	-19	3	6	35	26	-20	31	-20	36	27
o/w At equity result	6	3	1	2	12	5	2	2	2	10
o/w Other net income	129	-24	40	101	245	37	-2	122	-65	93
Risk result	-77	-82	-133	-154	-446	-78	-178	-114	-250	-620
Operating expenses	1,638	1,636	1,607	1,579	6,459	1,567	1,579	1,559	1,608	6,313
Compulsory contributions	245	59	56	63	423	265	63	60	65	453
<b>Operating result</b>	<b>258</b>	<b>400</b>	<b>345</b>	<b>240</b>	<b>1,242</b>	<b>246</b>	<b>311</b>	<b>450</b>	<b>250</b>	<b>1,258</b>
Impairments on other intangible assets	-	-	-	-	-	-	-	-	28	28
Restructuring expenses	-	-	-	-	-	-	-	-	101	101
<b>Pre-tax result discontinued operations</b>	<b>42</b>	<b>-12</b>	<b>-15</b>	<b>-30</b>	<b>-15</b>	<b>-19</b>	<b>19</b>	<b>-7</b>	<b>-9</b>	<b>-17</b>
<b>Pre-tax result Commerzbank Group</b>	<b>300</b>	<b>388</b>	<b>330</b>	<b>209</b>	<b>1,227</b>	<b>227</b>	<b>330</b>	<b>443</b>	<b>112</b>	<b>1,112</b>
Taxes on income	5	94	89	75	262	91	20	104	154	369
Minority Interests	34	23	24	22	102	14	30	43	13	100
<b>Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components</b>	<b>261</b>	<b>271</b>	<b>217</b>	<b>113</b>	<b>862</b>	<b>122</b>	<b>280</b>	<b>296</b>	<b>-54</b>	<b>644</b>
Total Assets	470,031	487,536	493,220	462,386	462,386	503,266	518,052	513,349	463,636	463,636
o/w Discontinued operations	-	-	-	12,996	12,996	14,068	13,613	9,347	7,955	7,955
Average capital employed	22,468	22,640	23,097	23,399	22,886	23,440	23,818	24,108	24,402	23,940
RWA credit risk (end of period)	136,014	141,648	142,633	145,229	145,229	150,964	151,377	154,838	151,588	151,588
RWA market risk (end of period)	10,987	10,673	11,507	10,801	10,801	10,418	11,045	11,397	10,847	10,847
RWA operational risk (end of period)	21,090	21,297	21,685	21,393	21,393	21,562	22,833	21,859	18,728	18,728
<b>RWA (end of period) continued operations</b>	<b>168,091</b>	<b>173,618</b>	<b>175,825</b>	<b>177,423</b>	<b>177,423</b>	<b>182,944</b>	<b>185,256</b>	<b>188,094</b>	<b>181,163</b>	<b>181,163</b>
<b>RWA (end of period) discontinued operations</b>	<b>1,999</b>	<b>1,890</b>	<b>2,535</b>	<b>3,075</b>	<b>3,075</b>	<b>2,213</b>	<b>1,541</b>	<b>1,351</b>	<b>602</b>	<b>602</b>
<b>RWA (end of period)</b>	<b>170,090</b>	<b>175,508</b>	<b>178,360</b>	<b>180,498</b>	<b>180,498</b>	<b>185,158</b>	<b>186,797</b>	<b>189,445</b>	<b>181,765</b>	<b>181,765</b>
Cost/income ratio (excl. compulsory contributions) (%)	73.9%	75.1%	75.1%	77.6%	75.4%	72.7%	74.1%	71.4%	74.0%	73.0%
Cost/income ratio (incl. compulsory contributions) (%)	84.9%	77.8%	77.7%	80.7%	80.3%	85.0%	77.1%	74.1%	77.0%	78.3%
Operating return on CET1 (RoCET) (%)	4.6%	7.1%	6.0%	4.1%	5.4%	4.2%	5.2%	7.5%	4.1%	5.3%
Operating return on tangible equity (%)	4.0%	6.1%	5.2%	3.6%	4.7%	3.7%	4.7%	6.6%	3.6%	4.7%
Return on equity of net result (%)	3.8%	3.9%	3.1%	1.6%	3.1%	1.8%	4.0%	4.0%	-1.0%	2.2%
Net return on tangible equity (%)	4.2%	4.3%	3.4%	1.8%	3.4%	1.9%	4.4%	4.4%	-1.1%	2.4%

# Private and Small Business Customers

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Total clean revenues	1,212	1,226	1,227	1,185	4,851	1,221	1,245	1,243	1,173	4,883
Exceptional items	25	-25	-22	-23	-44	-20	-21	84	-14	30
<b>Total revenues</b>	<b>1,237</b>	<b>1,201</b>	<b>1,205</b>	<b>1,163</b>	<b>4,806</b>	<b>1,201</b>	<b>1,224</b>	<b>1,328</b>	<b>1,160</b>	<b>4,913</b>
o/w Net interest income	617	645	650	667	2,579	665	692	686	679	2,722
o/w Net commission income	508	471	483	465	1,928	468	461	485	500	1,914
o/w Net fair value result	32	54	48	26	160	57	48	51	57	213
o/w Other income	80	32	24	4	140	11	24	105	-76	64
o/w Dividend income	2	2	7	-1	10	1	4	-	5	10
o/w Net income from hedge accounting	-	-1	-1	1	-1	1	1	1	1	3
o/w Other financial result	11	20	9	8	48	7	5	11	1	24
o/w At equity result	-	1	-1	-	-	3	-	-	-	3
o/w Other net income	68	10	10	-5	83	-1	14	93	-81	25
Risk result	-49	-66	-69	-49	-233	-52	-48	-87	-67	-253
Operating expenses	888	912	897	890	3,586	870	873	873	913	3,529
Compulsory contributions	97	50	53	52	252	125	53	51	55	285
<b>Operating result</b>	<b>204</b>	<b>174</b>	<b>186</b>	<b>172</b>	<b>735</b>	<b>154</b>	<b>250</b>	<b>317</b>	<b>126</b>	<b>846</b>
Total Assets	130,511	131,769	136,612	138,435	138,435	141,420	144,551	147,036	150,316	150,316
Liabilities	155,740	160,735	165,462	170,028	170,028	175,928	180,932	182,362	186,537	186,537
Average capital employed	4,633	4,676	4,787	4,902	4,751	5,102	5,248	5,446	5,658	5,361
RWA credit risk (end of period)	32,897	33,529	34,643	35,523	35,523	37,292	38,334	40,469	41,109	41,109
RWA market risk (end of period)	876	782	802	780	780	919	946	949	951	951
RWA operational risk (end of period)	5,024	5,012	5,033	5,111	5,111	4,950	5,494	5,038	5,155	5,155
<b>RWA (end of period)</b>	<b>38,797</b>	<b>39,323</b>	<b>40,478</b>	<b>41,414</b>	<b>41,414</b>	<b>43,162</b>	<b>44,774</b>	<b>46,457</b>	<b>47,215</b>	<b>47,215</b>
Cost/income ratio (excl. compulsory contributions) (%)	71.7%	75.9%	74.4%	76.5%	74.6%	72.5%	71.3%	65.7%	78.7%	71.8%
Cost/income ratio (incl. compulsory contributions) (%)	79.6%	80.0%	78.8%	81.0%	79.9%	82.9%	75.7%	69.6%	83.4%	77.6%
Operating return on CET1 (RoCET) (%)	17.6%	14.9%	15.5%	14.0%	15.5%	12.1%	19.0%	23.3%	8.9%	15.8%
Operating return on tangible equity (%)	17.2%	14.6%	15.1%	13.7%	15.1%	11.7%	18.5%	22.9%	8.8%	15.4%

# Corporate Clients

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Total clean revenues	864	908	839	845	3,457	868	799	823	838	3,328
Exceptional items	-1	-8	15	-49	-43	-8	-23	-42	-13	-86
<b>Total revenues</b>	<b>863</b>	<b>900</b>	<b>854</b>	<b>796</b>	<b>3,414</b>	<b>860</b>	<b>775</b>	<b>781</b>	<b>825</b>	<b>3,241</b>
o/w Net interest income	417	437	453	470	1,777	467	453	460	481	1,861
o/w Net commission income	299	298	295	298	1,191	307	286	286	297	1,177
o/w Net fair value result	108	193	99	24	424	75	22	18	72	187
o/w Other income	39	-28	7	4	22	11	15	17	-25	17
o/w Dividend income	10	-3	5	3	14	1	3	4	4	11
o/w Net income from hedge accounting	-	2	-1	3	4	6	6	9	-5	16
o/w Other financial result	1	-2	-4	-17	-22	-	2	-2	-2	-2
o/w At equity result	6	2	2	2	12	2	2	2	2	8
o/w Other net income	22	-27	5	13	14	3	1	4	-24	-16
Risk result	-25	-35	-61	-73	-194	-28	-127	-31	-156	-342
Operating expenses	643	639	617	604	2,503	619	619	596	619	2,453
Compulsory contributions	100	9	1	9	119	93	8	8	9	118
<b>Operating result</b>	<b>96</b>	<b>217</b>	<b>174</b>	<b>110</b>	<b>597</b>	<b>120</b>	<b>21</b>	<b>146</b>	<b>42</b>	<b>328</b>
Impairments on other intangible assets	-	-	-	-	-	-	-	-	28	28
<b>Pre-tax result discontinued operations</b>	<b>42</b>	<b>-12</b>	<b>-15</b>	<b>-30</b>	<b>-15</b>	<b>-19</b>	<b>19</b>	<b>-7</b>	<b>-9</b>	<b>-17</b>
<b>Pre-tax result (total)</b>	<b>138</b>	<b>205</b>	<b>159</b>	<b>80</b>	<b>582</b>	<b>100</b>	<b>41</b>	<b>138</b>	<b>5</b>	<b>284</b>
Total Assets	173,494	183,226	185,400	175,289	175,289	193,853	200,729	200,125	178,844	178,844
o/w Discontinued operations	-	-	-	12,996	12,996	14,068	13,613	9,347	7,955	7,955
Liabilities	194,670	196,064	192,826	179,291	179,291	196,809	200,151	202,930	173,118	173,118
o/w Discontinued operations	-	-	-	12,375	12,375	12,774	12,832	11,061	8,528	8,528
Average capital employed	10,328	10,555	10,989	11,250	10,770	11,589	12,051	12,130	11,965	11,895
RWA credit risk (end of period)	71,813	75,507	77,090	77,889	77,889	81,855	82,504	85,199	81,915	81,915
RWA market risk (end of period)	4,622	4,695	4,996	4,556	4,556	4,855	4,914	5,359	4,995	4,995
RWA operational risk (end of period)	10,092	10,308	11,530	11,414	11,414	13,052	13,554	11,223	8,270	8,270
<b>RWA (end of period) continued operations</b>	<b>86,527</b>	<b>90,510</b>	<b>93,615</b>	<b>93,859</b>	<b>93,859</b>	<b>99,762</b>	<b>100,973</b>	<b>101,781</b>	<b>95,181</b>	<b>95,181</b>
<b>RWA (end of period) discontinued operations</b>	<b>1,999</b>	<b>1,890</b>	<b>2,535</b>	<b>3,075</b>	<b>3,075</b>	<b>2,213</b>	<b>1,541</b>	<b>1,351</b>	<b>602</b>	<b>602</b>
Cost/income ratio (excl. compulsory contributions) (%)	74.5%	71.1%	72.3%	75.8%	73.3%	72.0%	79.8%	76.4%	75.0%	75.7%
Cost/income ratio (incl. compulsory contributions) (%)	86.0%	72.0%	72.4%	77.0%	76.8%	82.8%	80.9%	77.4%	76.1%	79.3%
Operating return on CET1 (RoCET) (%)	3.7%	8.2%	6.3%	3.9%	5.5%	4.1%	0.7%	4.8%	1.4%	2.8%
Operating return on tangible equity (%)	3.4%	7.6%	5.9%	3.7%	5.2%	3.9%	0.7%	4.6%	1.3%	2.6%

# Asset & Capital Recovery

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Total clean revenues	68	10	2	22	103	14	-11	-	-	3
Exceptional items	-23	51	26	-43	11	-3	78	-	-	75
<b>Total revenues</b>	<b>45</b>	<b>62</b>	<b>28</b>	<b>-20</b>	<b>114</b>	<b>11</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>79</b>
o/w Net interest income	14	16	18	12	61	-15	-8	-	-	-23
o/w Net commission income	-	-	1	-	1	-	-	-	-	-
o/w Net fair value result	67	51	-6	-78	35	51	60	-	-	111
o/w Other income	-37	-6	16	45	17	-25	16	-	-	-9
o/w Dividend income	-	-	1	-1	-	-	-	-	-	-
o/w Net income from hedge accounting	-5	3	2	1	1	-3	13	-	-	10
o/w Other financial result	-40	-14	6	40	-7	-27	8	-	-	-19
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	7	5	6	5	23	5	-5	-	-	-
Risk result	-2	16	2	-23	-8	-1	-23	-	-	-24
Operating expenses	17	17	16	12	62	9	7	-	-	15
Compulsory contributions	10	-	-	-	10	9	-	-	-	9
<b>Operating result</b>	<b>16</b>	<b>60</b>	<b>14</b>	<b>-56</b>	<b>34</b>	<b>-7</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>31</b>
Total Assets	21,259	19,285	18,226	18,904	18,904	11,155	11,226	-	-	-
o/w Assets excl repos, collaterals and trading assets	9,516	8,680	8,076	7,985	7,985	3,763	4,019	-	-	-
Liabilities	18,707	17,007	16,269	16,877	16,877	9,880	10,130	-	-	-
Exposure at default	10,794	9,827	9,226	8,916	8,916	4,701	4,457	-	-	-
RWA credit risk (end of period)	10,717	9,778	9,319	8,806	8,806	7,268	7,127	-	-	-
RWA market risk (end of period)	2,802	2,203	2,060	1,965	1,965	1,819	2,267	-	-	-
RWA operational risk (end of period)	2,334	2,386	1,263	1,305	1,305	1,421	1,401	-	-	-
<b>RWA (end of period)</b>	<b>15,853</b>	<b>14,367</b>	<b>12,643</b>	<b>12,075</b>	<b>12,075</b>	<b>10,508</b>	<b>10,795</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Others & Consolidation

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Total clean revenues	72	15	53	98	238	87	63	104	151	405
Exceptional items	-	-	-1	-1	-2	-2	-	-29	37	5
<b>Total revenues</b>	<b>72</b>	<b>15</b>	<b>53</b>	<b>96</b>	<b>236</b>	<b>85</b>	<b>63</b>	<b>74</b>	<b>188</b>	<b>410</b>
o/w Net interest income	50	92	103	87	332	115	139	114	146	514
o/w Net commission income	-7	-6	-8	-10	-30	-8	-8	-8	-11	-35
o/w Net fair value result	-4	-98	-57	-93	-253	-98	-101	-54	-13	-267
o/w Other income	33	27	15	113	187	76	33	23	66	198
o/w Dividend income	3	8	-4	5	12	-	3	-	11	15
o/w Net income from hedge accounting	-11	33	6	17	45	46	26	27	-23	76
o/w Other financial result	9	-1	-5	3	6	-	15	-29	37	23
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	32	-13	18	87	125	30	-11	25	41	84
Risk result	-1	3	-3	-9	-10	2	21	4	-27	-
Operating expenses	90	68	77	73	308	70	81	89	77	316
Compulsory contributions	38	1	1	2	42	38	1	1	1	41
<b>Operating result</b>	<b>-58</b>	<b>-51</b>	<b>-29</b>	<b>13</b>	<b>-124</b>	<b>-20</b>	<b>2</b>	<b>-12</b>	<b>83</b>	<b>53</b>
Restructuring expenses	-	-	-	-	-	-	-	-	101	101
<b>Pre-tax profit continued operations</b>	<b>-58</b>	<b>-51</b>	<b>-29</b>	<b>13</b>	<b>-124</b>	<b>-20</b>	<b>2</b>	<b>-12</b>	<b>-18</b>	<b>-48</b>
Total Assets	144,768	153,256	152,981	129,758	129,758	156,839	161,547	166,188	134,476	134,476
Liabilities	100,914	113,729	118,664	96,190	96,190	120,650	126,839	128,056	103,981	103,981
Average capital employed	5,024	5,154	5,267	5,364	5,191	5,126	4,912	4,669	5,246	5,064
RWA credit risk (end of period)	20,586	22,834	21,580	23,012	23,012	24,549	23,412	29,170	28,564	28,564
RWA market risk (end of period)	2,687	2,994	3,649	3,499	3,499	2,824	2,918	5,088	4,900	4,900
RWA operational risk (end of period)	3,640	3,590	3,859	3,564	3,564	2,139	2,385	5,597	5,303	5,303
<b>RWA (end of period)</b>	<b>26,913</b>	<b>29,418</b>	<b>29,089</b>	<b>30,076</b>	<b>30,076</b>	<b>29,512</b>	<b>28,715</b>	<b>39,856</b>	<b>38,768</b>	<b>38,768</b>
Group Ship Finance (EaD in €m)	1,800	1,423	1,057	500	500	300	300	200	100	100

# mBank

Part of Private and Small Business Customers' segment

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Total clean revenues	253	265	265	257	1,040	274	294	298	255	1,121
Exceptional items	52	-	-	-1	52	-	-3	-2	-	-5
<b>Total revenues</b>	<b>305</b>	<b>265</b>	<b>266</b>	<b>257</b>	<b>1,092</b>	<b>274</b>	<b>291</b>	<b>296</b>	<b>255</b>	<b>1,116</b>
o/w Net interest income	158	167	172	176	673	180	197	210	204	791
o/w Net commission income	65	59	56	52	233	55	53	59	62	229
o/w Net fair value result	31	40	38	22	131	45	44	49	48	185
o/w Other income	51	-	-1	6	55	-5	-3	-22	-59	-88
o/w Dividend income	-	1	-	-	1	-	1	-	-	1
o/w Net income from hedge accounting	-	-1	-1	1	-1	1	1	1	1	3
o/w Other financial result	1	-	-	2	4	4	-	3	1	7
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	49	1	-	2	52	-9	-4	-25	-60	-98
Risk result	-18	-48	-35	-20	-121	-30	-48	-50	-39	-168
Operating expenses	122	122	125	120	488	119	125	125	125	494
Compulsory contributions	52	29	30	29	140	75	29	31	32	166
<b>Operating result</b>	<b>113</b>	<b>67</b>	<b>75</b>	<b>87</b>	<b>342</b>	<b>50</b>	<b>89</b>	<b>89</b>	<b>60</b>	<b>289</b>
Total Assets	31,505	31,734	34,408	33,802	33,802	34,602	35,732	36,055	37,254	37,254
Liabilities	29,629	29,889	32,085	32,125	32,125	33,460	34,297	34,434	35,616	35,616
Average capital employed	1,956	2,028	2,094	2,129	2,049	2,156	2,240	2,322	2,325	2,261
RWA credit risk (end of period)	14,553	14,880	15,681	15,694	15,694	16,209	17,213	17,094	17,533	17,533
RWA market risk (end of period)	453	419	367	411	411	404	477	428	431	431
RWA operational risk (end of period)	1,702	1,707	1,777	1,524	1,524	1,511	1,697	1,443	1,320	1,320
<b>RWA (end of period)</b>	<b>16,707</b>	<b>17,005</b>	<b>17,825</b>	<b>17,629</b>	<b>17,629</b>	<b>18,124</b>	<b>19,388</b>	<b>18,965</b>	<b>19,283</b>	<b>19,283</b>
Cost/income ratio (excl. compulsory contributions) (%)	39.9%	45.9%	47.1%	46.8%	44.7%	43.5%	43.0%	42.3%	48.8%	44.2%
Cost/income ratio (incl. compulsory contributions) (%)	57.0%	56.7%	58.5%	58.2%	57.6%	70.7%	52.9%	52.7%	61.2%	59.1%
Operating return on CET1 (RoCET) (%)	23.1%	13.2%	14.4%	16.4%	16.7%	9.3%	15.9%	15.4%	10.3%	12.8%
Operating return on tangible equity (%)	22.9%	13.1%	14.0%	16.1%	16.5%	8.9%	15.3%	15.4%	10.4%	12.5%

# Commerzbank Group

## Exceptional revenue items

€m	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
<b>Exceptional Revenue Items</b>	<b>1</b>	<b>18</b>	<b>18</b>	<b>-115</b>	<b>-78</b>	<b>-34</b>	<b>34</b>	<b>13</b>	<b>11</b>	<b>24</b>
o/w Net interest income	-26	-17	-20	-17	-80	-22	-16	-17	-17	-72
o/w Net fair value result	14	50	31	-139	-44	18	30	-83	32	-4
o/w Other income	14	-15	7	40	46	-30	21	113	-4	100
o/w FVA, CVA / DVA, OCS, Other former ACR valuations (Nil, NFVR)	-24	42	41	-95	-36	-15	86	-74	47	45
<b>PSBC</b>	<b>25</b>	<b>-25</b>	<b>-22</b>	<b>-23</b>	<b>-44</b>	<b>-20</b>	<b>-21</b>	<b>84</b>	<b>-14</b>	<b>30</b>
o/w Net interest income	-27	-25	-23	-21	-95	-19	-18	-16	-15	-67
o/w Net fair value result	-	-	1	-2	-2	-1	-3	-3	1	-6
o/w Other income	52	-	-	-	52	-	-	103	-	103
o/w FVA, CVA / DVA (Nil, NFVR)	-	-	1	-2	-2	-1	-3	-3	1	-6
<b>CC</b>	<b>-1</b>	<b>-8</b>	<b>15</b>	<b>-49</b>	<b>-43</b>	<b>-8</b>	<b>-23</b>	<b>-42</b>	<b>-13</b>	<b>-86</b>
o/w Net interest income	1	-	-2	-2	-3	-3	-3	-2	-4	-13
o/w Net fair value result	-1	-8	16	-47	-40	-5	-20	-40	-9	-75
o/w Other income	-	-	-	-	-	-	-	-	1	1
o/w FVA, CVA / DVA, OCS (Nil, NFVR)	-1	-8	15	-49	-43	-8	11	-42	9	-30
<b>ACR</b>	<b>-23</b>	<b>51</b>	<b>26</b>	<b>-43</b>	<b>11</b>	<b>-3</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>75</b>
o/w Net interest income	-	7	5	6	17	-	4	-	-	4
o/w Net fair value result	15	59	15	-89	-	27	53	-	-	80
o/w Other income	-38	-15	7	40	-6	-30	21	-	-	-9
o/w FVA, CVA / DVA, Other former ACR valuations (Nil, NFVR)	-23	51	26	-43	11	-3	78	-	-	75
<b>O&amp;C</b>	<b>-</b>	<b>-</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>	<b>-2</b>	<b>-</b>	<b>-29</b>	<b>37</b>	<b>5</b>
o/w Net interest income	-	-	-	-	-	-	-	1	2	4
o/w Net fair value result	-	-	-1	-1	-2	-2	-	-41	40	-3
o/w Other income	-	-	-	-	-	-	-	10	-5	4
o/w FVA, CVA / DVA, Other former ACR valuations (Nil, NFVR)	-	-	-1	-1	-2	-2	-	-29	37	5

### Description of Exceptional Revenue Items

2018	€m	2019	€m	€m
Q1 PPA Consumer Finance (PSBC)	-27	Q1 PPA Consumer Finance (PSBC)	-19	Q4 PPA Consumer Finance (PSBC)
Q1 Polish group insurance business (PSBC)	52	Q2 PPA Consumer Finance (PSBC)	-18	Q4 Insurance-based product (CC)
Q2 PPA Consumer Finance (PSBC)	-25	Q2 Insurance-based product (CC)	-34	
Q3 PPA Consumer Finance (PSBC)	-23	Q3 PPA Consumer Finance (PSBC)	-16	
Q4 PPA Consumer Finance (PSBC)	-21	Q3 Sale of ebase (PSBC)	103	

# Glossary – key ratios

Key Ratio	Abbreviation	Calculated for	Numerator	Denominator			
				Group	Private and Small Business Customers and Corporate Clients	Asset & Capital Recovery	Others & Consolidation
Cost/income ratio (excl. compulsory contributions) (%)	CIR (excl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses	Total revenues	Total revenues	n/a	n/a
Cost/income ratio (incl. compulsory contributions) (%)	CIR (incl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses and compulsory contributions	Total revenues	Total revenues	n/a	n/a
Operating return on CET1 (%)	Op. RoCET (%)	Group and segments (excl. O&C)	Operating profit	Average CET1 <sup>1</sup>	12% <sup>2</sup> of the average RWAs (YTD: PSBC €44.7bn, CC €100.9bn)	15% <sup>2</sup> of the average RWAs (YTD: €10.8bn)	n/a (note: O&C contains the reconciliation to Group CET1)
Operating return on tangible equity (%)	Op. RoTE (%)	Group and segments (excl. O&C)	Operating profit	Average IFRS capital after deduction of goodwill and other intangible assets <sup>1</sup>	12% <sup>2</sup> of the average RWAs plus average regulatory capital deductions (excluding goodwill and other intangible assets) (YTD: PSBC €0.1bn, CC €0.6bn)	15% <sup>2</sup> of the average RWAs plus average regulatory capital deductions (excluding goodwill and other intangible assets) (YTD: €0.2bn)	n/a (note: O&C contains the reconciliation to Group tangible equity)
Return on equity of net result (%)	Net RoE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components <sup>1</sup>	n/a	n/a	n/a
Net return on tangible equity (%)	Net RoTE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components after deduction of goodwill and other intangible assets <sup>1</sup>	n/a	n/a	n/a

Key Parameter	Calculated for	Calculation
Total clean revenues	Group and segments	Total revenues excluding exceptional revenue items
Underlying Operating Performance	Group and segments	Operating result excluding exceptional revenue items and compulsory contributions

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## Financial calendar

2020

7 May



Annual General Meeting

13 May



Q1 2020 results

05 Aug



Q2 2020 results

05 Nov



Q3 2020 results

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