



# Strong performance in 2023 – strategy is delivering

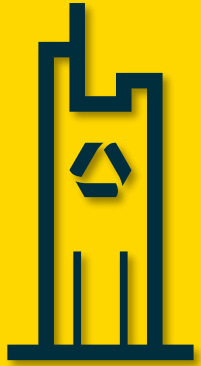
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Analyst conference – Q4 2023 / FY 2023 preliminary and unaudited results

# Manfred Knof

# CEO





**We had  
a great  
business  
year 2023**



Delivered on Strategy 2024 one year early



New business model geared towards revenue growth



Costs managed strictly in line with CIR target



Capital distribution of €1bn to shareholders

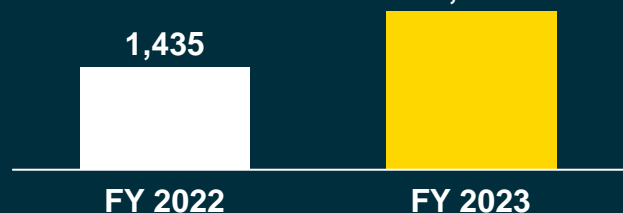


Green transformation with SBTi path to net-zero firmly anchored in strategy

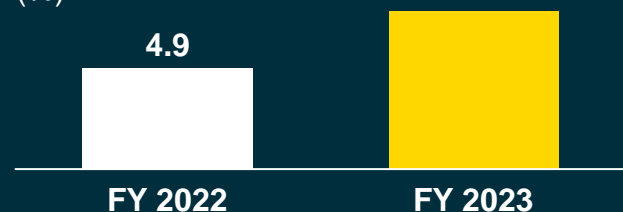
# Increased return of 7.7% at high 14.7% CET1 ratio



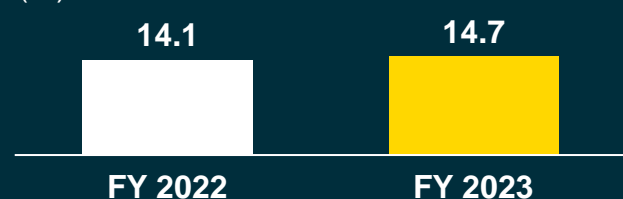
## Net Result (€m)



## RoTE (%)



## CET1 ratio (%)



Strong revenues (+11%) from customer business and rates

Costs contained – CIR of 61%

Good asset quality with 23bps cost of risk – carry over of €453m top-level-adjustment

50% pay-out ratio with €600m buyback and planned ~35 cent dividend

# First milestones of Strategy 2027 reached



## Asset Management

Acquisition<sup>1</sup> of 74.9% in Aquila Capital Investmentgesellschaft (ACI) to drive sustainable asset management

Provide customers with renewable real-asset investment opportunities

Group's real asset portfolio grows to more than €40bn



## Payments

Joint Venture<sup>1</sup> with Global Payments Inc. to enhance digital payment capabilities

Offer one-stop-shop digital payment services for merchants

Enhanced value proposition for small business customers



ODDO BHF

## Equity Capital Markets

Expansion of Swiss ECM activities in strong partnership with ODDO BHF

Exclusivity to underwrite and execute ECM transactions for all products

Enlargement of research coverage universe from 27 to ~50 companies in Switzerland

1) Transaction subject to regulatory approvals

# Top priorities of the management board for 2024



**Ensure  
delivery of  
targeted  
capital return**



**Grow  
fee income**



**Strict  
performance  
and strategy-  
execution  
management**



**Strengthen  
customer  
loyalty**



**Improve  
employee  
satisfaction**



# Moving Forward



2023 was an excellent year for  
Commerzbank

First tangible achievements in our strategy  
'Moving Forward'

Positive outlook for 2024 with the clear  
target of a pay-out ratio<sup>1</sup> of at least 70%

1) Pay-out ratio based on net result after potential (fully discretionary) AT1 coupon payments; pay-out not exceeding net result after potential AT1 coupon payments

# Bettina Orlopp

## CFO





# Strong operating performance



## Result

FY operating result of €3,421m (Q4 €542m)

FY net result of €2,224m (Q4 €395m)

FY RoTE of 7.7%

## Revenues

FY revenues of €10,461m (Q4 €2,409m) even though burdened by increase of provisions for CHF loans to -€1,094m (Q4 -€340m)

Q4 NII up 9% YoY

Q4 NCI nearly stable YoY

## Costs

FY CIR of 61%

FY costs of €6,422m in line with target

## Risk

FY -€618m (Q4 -€252m) risk result well within expectations

Total remaining TLA of €453m

NPE ratio at 0.8%

## Capital

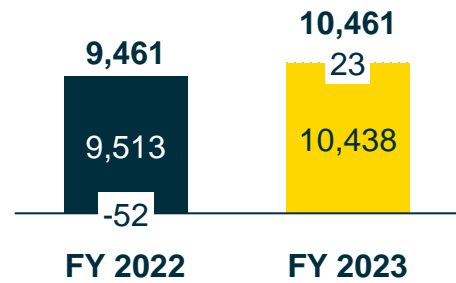
CET1 ratio improved to 14.7% with comfortable buffer to MDA

Total €1bn distribution planned – 50% pay-out ratio consisting of up to €600m share buyback currently in execution and planned ~35 cents dividend subject to AGM approval

# Strong operating performance driven by higher revenues

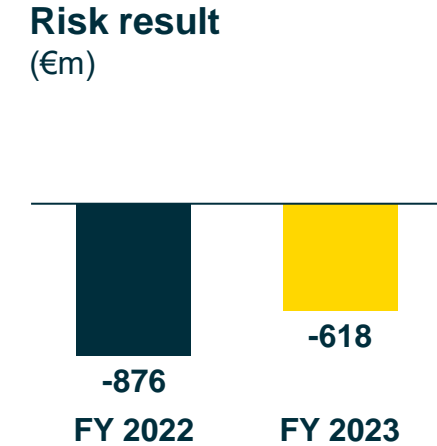
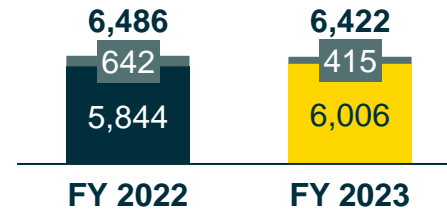
**Revenues**  
(€m)

▨ Exceptional revenue items

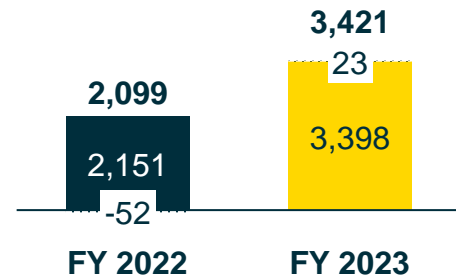


**Costs**  
(€m)

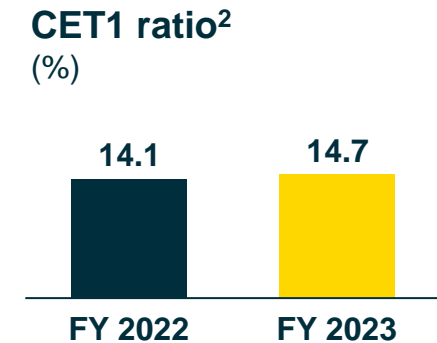
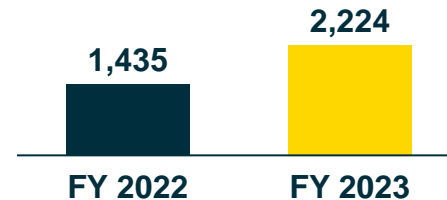
■ Compulsory contribution  
■ Operating expenses



**Operating result**  
(€m)



**Net result<sup>1</sup>**  
(€m)



1) Consolidated result attributable to Commerzbank shareholders and investors in additional equity components  
2) Includes net result reduced by pay-out accrual and potential (fully discretionary) AT1 coupons

# Exceptional items net slightly positive in 2023



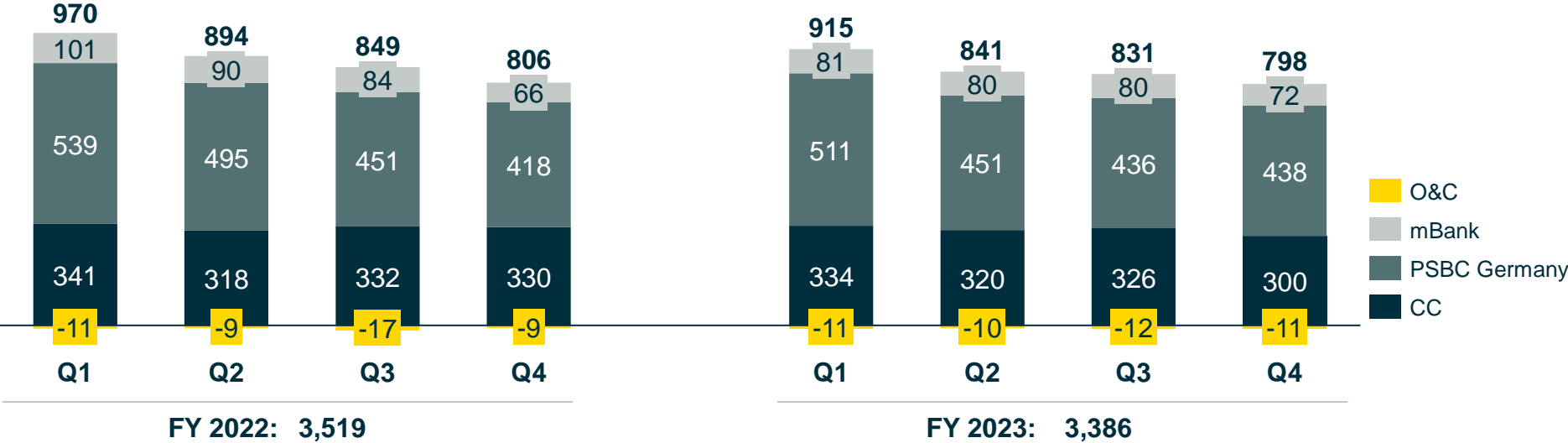
2022 (€m)		Revenues	
<b>Q1</b>	Hedging & valuation adjustments	17	<b>56</b>
	PPA Consumer Finance (PSBC)	-6	
	TLTRO benefit (O&C)	45	
<b>Q2</b>	Hedging & valuation adjustments	48	<b>111</b>
	PPA Consumer Finance (PSBC)	-5	
	TLTRO benefit (O&C)	42	
	Prov. re judgement on pricing of accounts (PSBC)	27	
<b>Q3</b>	Hedging & valuation adjustments	84	<b>-181</b>
	PPA Consumer Finance (PSBC)	-5	
	TLTRO benefit (O&C)	9	
	Credit holidays in Poland (PSBC)	-270	
<b>Q4</b>	Hedging & valuation adjustments	-118	<b>-38</b>
	PPA Consumer Finance (PSBC)	-4	
	TLTRO benefit (O&C)	93	
	Credit holidays in Poland (PSBC)	-9	
<b>FY</b>			<b>-52</b>

2023 (€m)		Revenues	
<b>Q1</b>	Hedging & valuation adjustments	9	<b>13</b>
	PPA Consumer Finance (PSBC)	-7	
	Credit holidays in Poland (PSBC)	11	
<b>Q2</b>	Hedging & valuation adjustments	17	<b>9</b>
	PPA Consumer Finance (PSBC)	-6	
	Credit holidays in Poland (PSBC)	-2	
<b>Q3</b>	Hedging & valuation adjustments	33	<b>27</b>
	PPA Consumer Finance (PSBC)	-5	
<b>Q4</b>	Hedging & valuation adjustments	-45	<b>-25</b>
	PPA Consumer Finance (PSBC)	-5	
	Credit holidays in Poland (PSBC)	4	
	Prov. re judgement on pricing of accounts (PSBC)	21	
<b>FY</b>			<b>23</b>

# Net commission income seasonally lower in Q4



## Underlying net commission income (€m)



### Highlights Q4

Lower NCI in CC QoQ reflects seasonally weaker capital markets business, mainly syndications – YoY NCI -€30m lower as Q4 2022 benefitted from very strong FX business

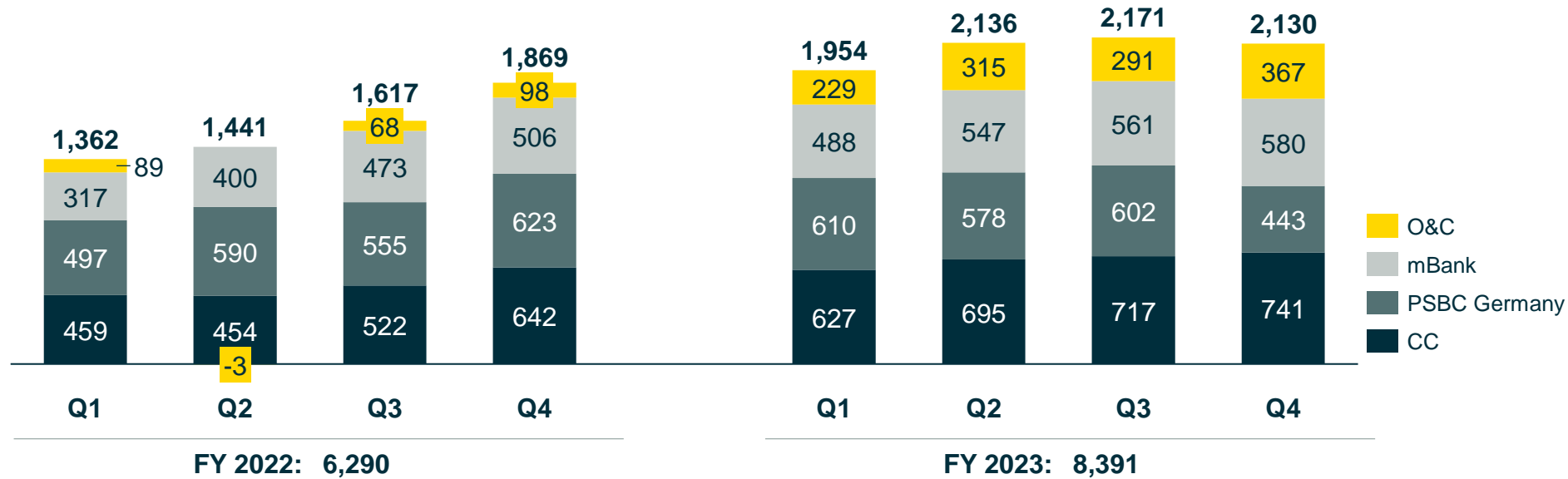
NCI in PSBC Germany up €20m YoY on improved revenues from the securities business – QoQ stable

Seasonally lower NCI in mBank

# NII in Q4 nearly on record level



## Underlying net interest income (€m)



### Highlights Q4

NII at CC QoQ benefits from improved loan margins and stable contribution from deposits  
 PSBC Germany's NII is ~€570m when excluding ca. -€130m effect from adjustments in the replication portfolio – QoQ further reduction mainly driven by increased deposit beta

QoQ higher NII at mBank mainly due to continued effective margin management

Increase in O&C mainly reflects other side of the adjustment in the replication portfolio of PSBC, partly offset by -€30m from remuneration of minimum reserves at ECB at 0%  
 Higher NII in 2023 due to higher rates continues to be largely offset in NFV

# 2024 NII outlook ~€7.9bn based on current forward rates



## Base assumptions for NII outlook 2024

### Interest rates<sup>1</sup>

- Average ECB deposit rate: ~3.5%
- Average 10y swap rate: ~ 2.6%

### Deposit beta<sup>2</sup>

- Average deposit beta in Germany: ~35%

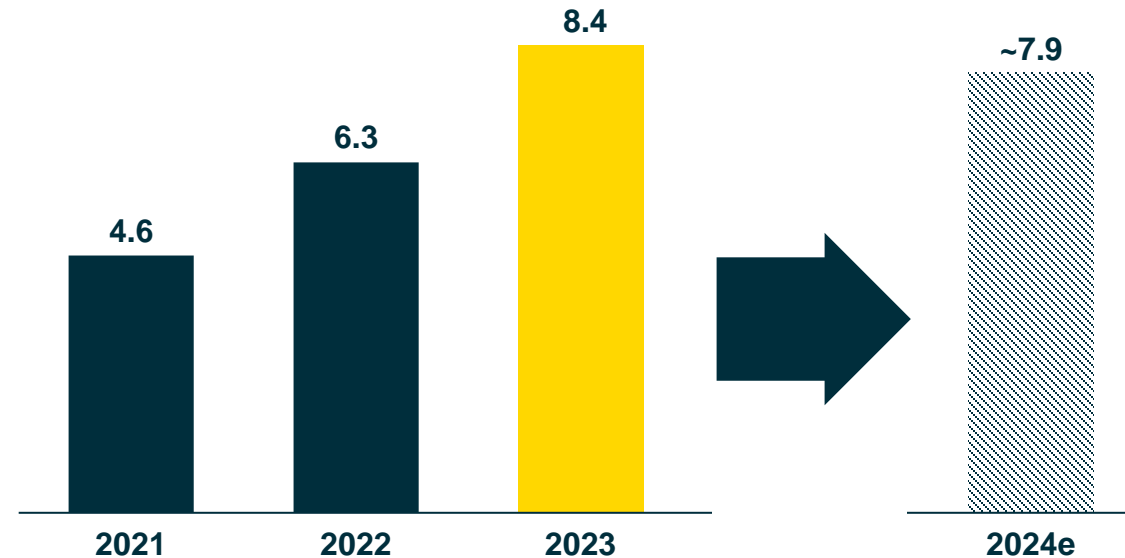
### Deposit volume

- Slight increase of deposit volume starting from ~€258bn at end of 2023

### mBank

- NII expected slightly below level of 2023 assuming unchanged interest rates

## Development in NII (€bn)



## Comments

Average deposit beta in 2023 was ~25% and ~30% in Q4 – December exit beta was ~32% reflecting strong inflow of call money in Q4

Expected >€400m higher NII from replication portfolio including benefits from equity model

Volume of modelled deposits at €123bn at end of 2023

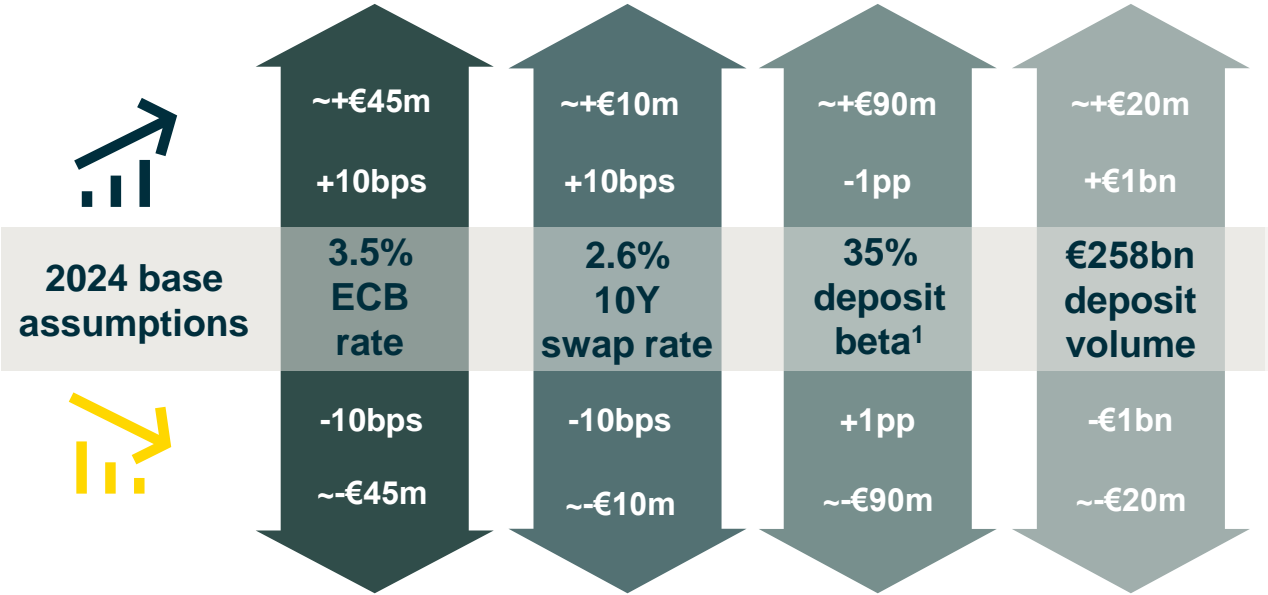
1) Forward rates from 8 February 2024

2) Deposit beta is the average interest pass-through rate to customers across interest bearing and non-interest bearing deposit products

# Mitigants can counter potentially lower rates



## Main sensitivities for NII



## Mitigating measures in case of lower rates

- Beta management
- Higher loan growth and margins
- Partial offset in NFV
- Better securities business
- Strict CIR management

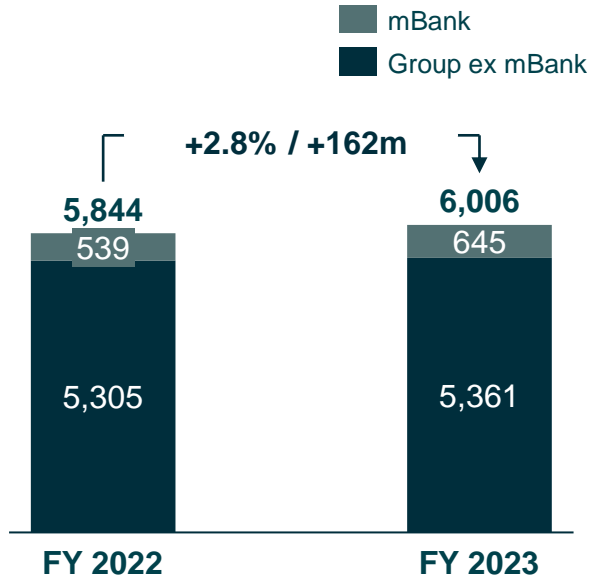
**We expect NII in 2025 slightly below 2024**

1) Deposit beta is the average interest pass-through rate to customers across interest bearing and non-interest bearing deposit products

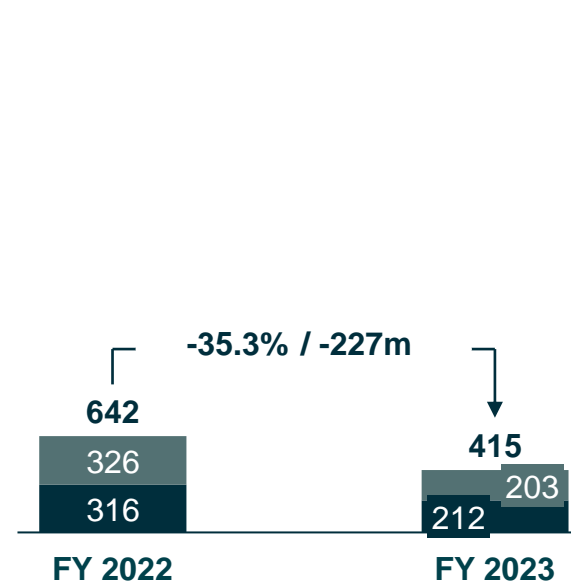
# Total costs within target of €6.4bn



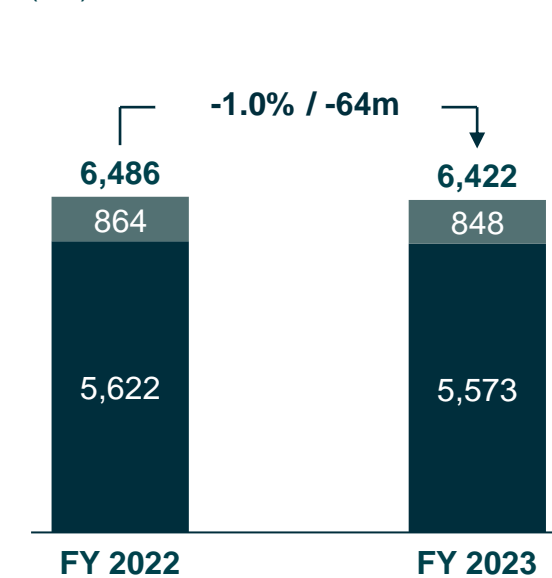
## Operating expenses (€m)



## Compulsory contribution (€m)



## Total costs (€m)



### Highlights 12M

Compared to last year, operating expenses rose as a result of general salary increases as well as increases of accruals for variable compensation and inflation compensation payments

Decreasing European bank levy (-€91m) due to lower target volume for 2023 in Q1 driven by reduced growth for European covered deposits and increase of payment commitments in Q2

Less contribution to Deposit Guarantee Scheme following introduction of Institutional Protection Scheme in Poland in 2022 (-€102m)

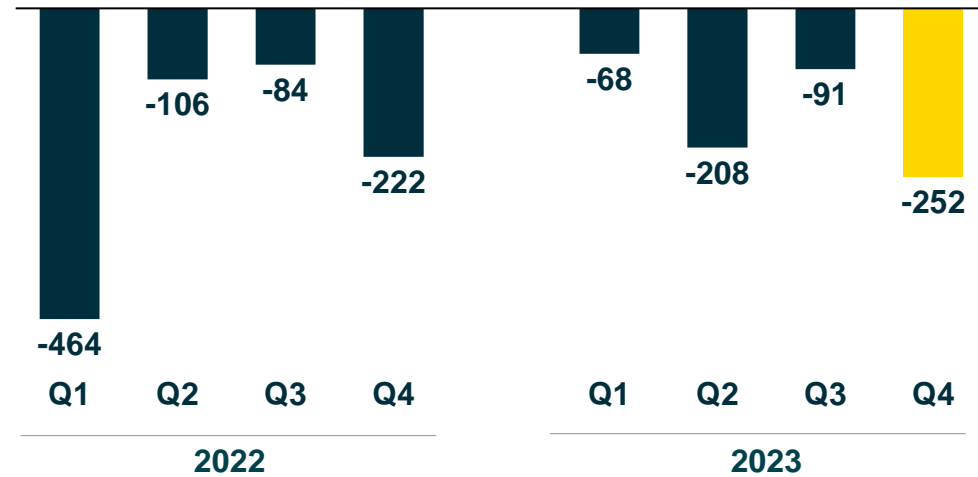
Total costs within target of €6.4bn due to continuously active cost management compensating further inflation effects



# High credit quality maintained



## Risk result (€m)



## Risk result divisional split

Risk Result (€m)	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Private and Small-Business Customers Germany	-102	-39	-92	-218	-231
mBank	-39	-55	-109	-174	-241
Corporate Clients	-121	-4	-36	-446	-155
Others & Consolidation	40	7	-15	-38	8
<b>Group</b>	<b>-222</b>	<b>-91</b>	<b>-252</b>	<b>-876</b>	<b>-618</b>

NPE (€bn)	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Private and Small-Business Customers Germany	0.7	0.8	0.8	0.7	0.8
mBank	1.1	1.2	1.2	1.1	1.2
Private and Small-Business Customers	1.8	2.0	2.1	1.8	2.1
Corporate Clients	2.8	2.5	2.5	2.8	2.5
Others & Consolidation	1.0	0.7	0.2	1.0	0.2
<b>Group</b>	<b>5.7</b>	<b>5.2</b>	<b>4.8</b>	<b>5.7</b>	<b>4.8</b>
Group NPE ratio (in %)	1.1	1.0	0.8	1.1	0.8
Group CoR (bps) (year-to-date)	17	9	11	17	11
Group CoR on Loans (CoRL) (bps) (year-to-date)	33	18	23	33	23

### Highlights Q4

Risk result in PSBC Germany driven by model adjustments such as forward looking booking of 'Future of IRB' impact

mBank with higher risk result due to model recalibration and new backstop indicator

FY 2023 risk result in CC benefits from releases, especially in Q3

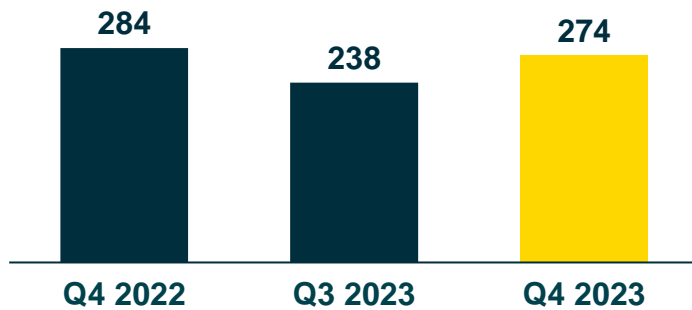
NPE ratio on a slightly lower level at 0.8%  
CoRL of 23 bps in line with expectations

# €453m top level adjustment remains available

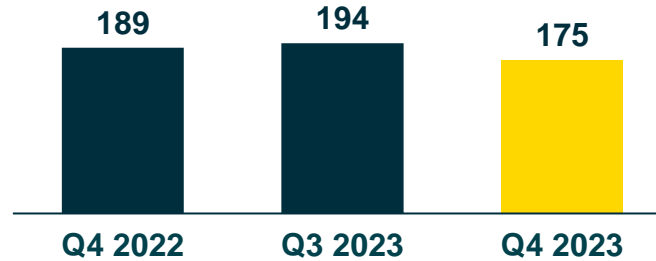


## Top level adjustment (TLA) (€m)

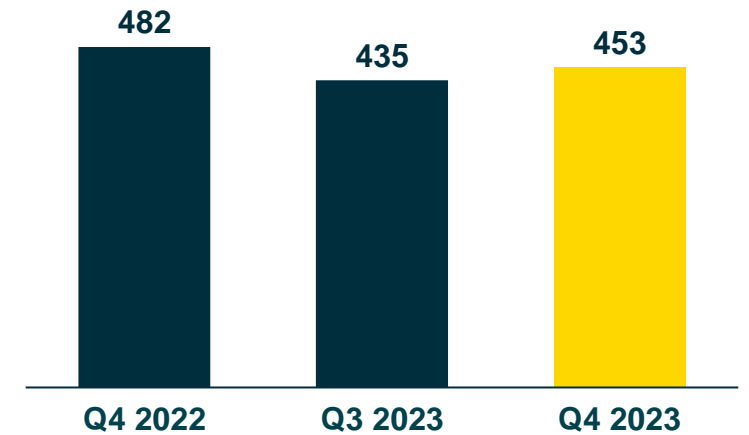
CC



PSBC



Group



### Highlights Q4

Re-calculation based on the current portfolio and changed underlying macroeconomic assumptions led to a reduction of TLA in PSBC and an increase in CC

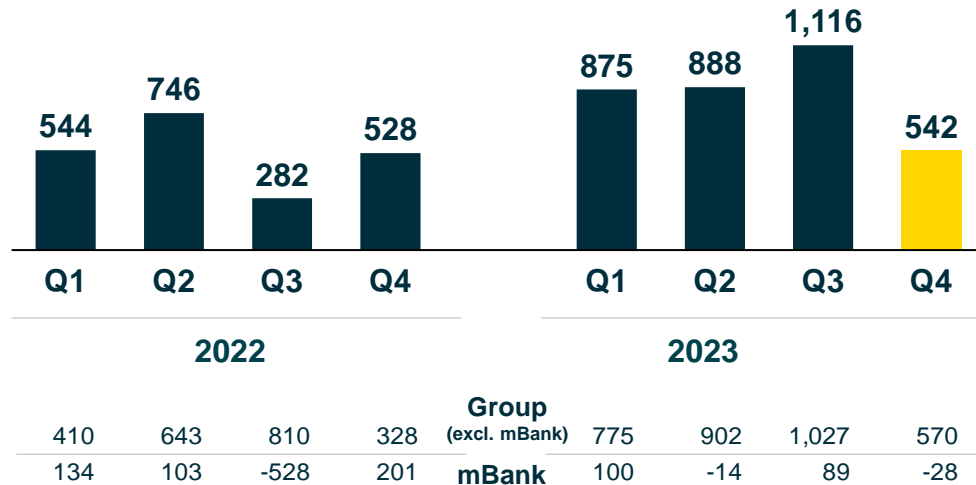
TLA of O&C unchanged at €4m

€453m TLA available to cover expected secondary effects from supply chains, uncertainties from inflation, and the impact of the current restrictive monetary policy

# Strong customer business – burdens in Q4



## Group operating result (€m)



### Highlights Q4

Revenues up 1% YoY driven by underlying NII up 14%

Other income lower -36% YoY mainly reflects burden from CHF mortgages at mBank

NFV result reflects residual market valuations after application of hedge accounting, revaluation of a participation and partial offset of higher NII

FY tax rate of 35% – provisions for legal risk of CHF mortgages in Poland largely not tax-deductible

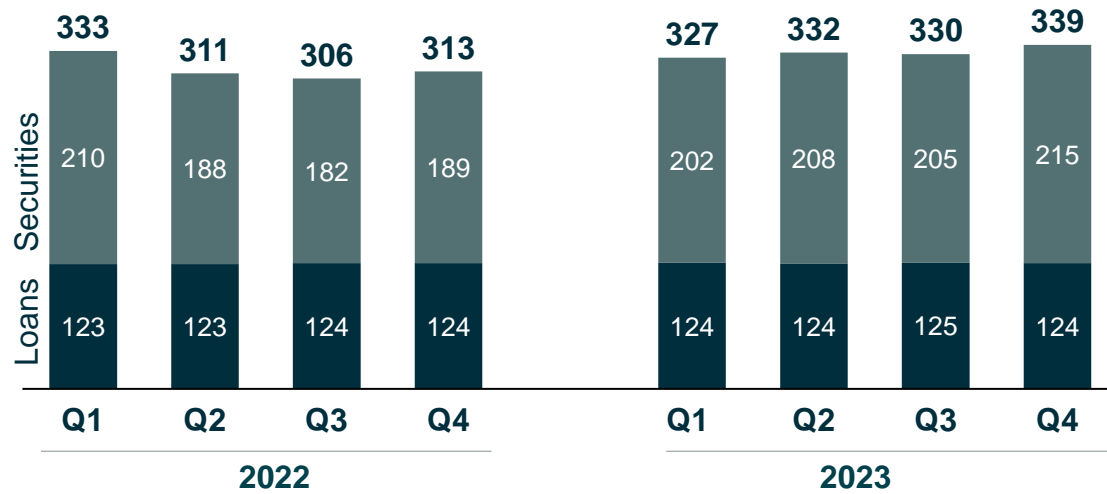
## Group P&L

€m	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Revenues	2,363	2,755	2,409	9,461	10,461
Exceptional items	-38	27	-25	-52	23
<b>Revenues excl. exceptional items</b>	<b>2,401</b>	<b>2,727</b>	<b>2,434</b>	<b>9,513</b>	<b>10,438</b>
o/w Net interest income	1,869	2,171	2,130	6,290	8,391
o/w Net commission income	806	831	798	3,519	3,386
o/w Net fair value result	-25	-100	-157	419	-372
o/w Other income	-249	-175	-338	-715	-967
Risk result	-222	-91	-252	-876	-618
Personnel expenses	880	917	878	3,415	3,562
Administrative expenses	673	587	679	2,429	2,444
Operating expenses	1,553	1,504	1,557	5,844	6,006
Compulsory contributions	59	45	59	642	415
<b>Operating result</b>	<b>528</b>	<b>1,116</b>	<b>542</b>	<b>2,099</b>	<b>3,421</b>
Restructuring expenses	40	6	4	94	18
<b>Pre-tax profit Commerzbank Group</b>	<b>488</b>	<b>1,109</b>	<b>537</b>	<b>2,005</b>	<b>3,403</b>
Taxes on income	-41	405	166	612	1,188
Minority interests	57	20	-24	-42	-10
<b>Net result</b>	<b>472</b>	<b>684</b>	<b>395</b>	<b>1,435</b>	<b>2,224</b>
CIR (excl. compulsory contributions) (%)	65.7	54.6	64.6	61.8	57.4
CIR (incl. compulsory contributions) (%)	68.2	56.2	67.1	68.6	61.4
Net RoTE (%)	6.7	9.6	5.2	4.9	7.7
Operating RoCET (%)	8.8	17.6	8.5	8.7	13.7

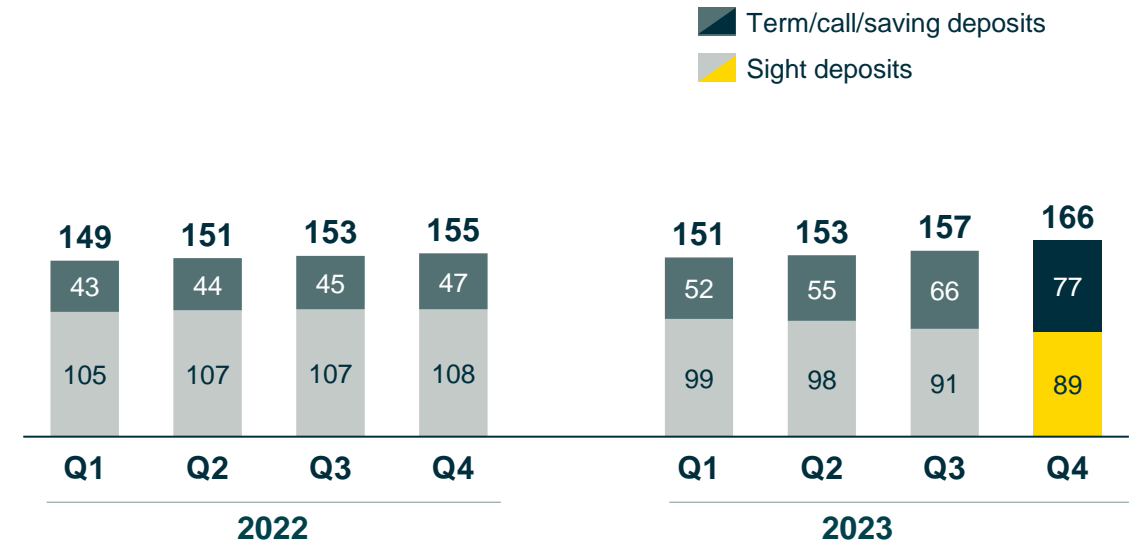
# PSBC: increasing deposits – ongoing shift in deposit mix



**Loan and securities volumes (Germany)**  
(€bn | eop)



**Deposits (Germany)**  
(€bn | eop)



## Highlights Q4

Higher securities volume by around €10bn QoQ – thereof about €11bn due to market moves, partially offset by around -€1bn outflows as customers realised profits

German mortgage business largely stable at €94bn

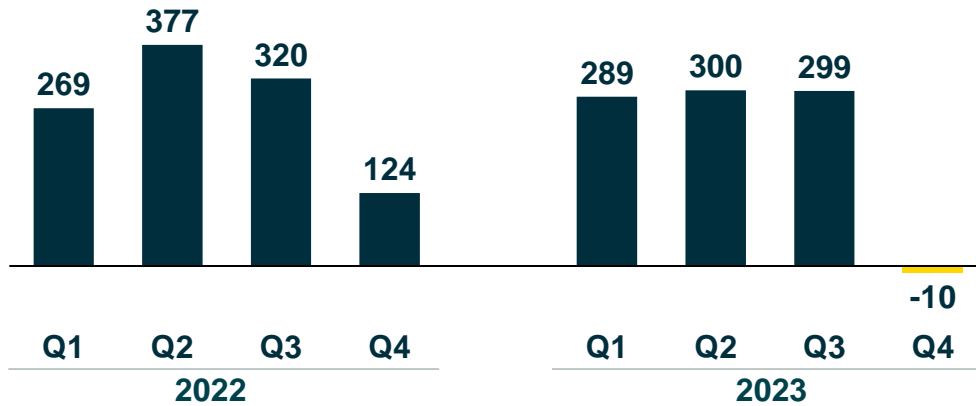
Consumer finance book lower at €3.1bn

QoQ higher deposit volume driven by inflows into call accounts

# Good core business in PSBC Germany – one-offs in Q4



## Operating result PSBC Germany (€m)



## Total PSBC operating result including mBank

Year	Q1	Q2	Q3	Q4
2022	403	481	-208	325
2023	389	286	388	-39

## Segmental P&L PSBC Germany

€m	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Revenues	1,052	1,046	896	4,318	4,139
Exceptional items	-4	-5	17	7	-2
<b>Revenues excl. exceptional items</b>	<b>1,056</b>	<b>1,052</b>	<b>879</b>	<b>4,311</b>	<b>4,140</b>
o/w Private Customers	793	786	652	3,192	3,050
o/w Small-Business Customers	218	230	185	847	871
o/w Commerz Real	45	36	42	272	220
Risk result	-102	-39	-92	-218	-231
Operating expenses	803	705	800	2,875	2,930
Compulsory contributions	22	4	15	134	100
<b>Operating result</b>	<b>124</b>	<b>299</b>	<b>-10</b>	<b>1,091</b>	<b>878</b>
RWA (end of period in €bn)	32.5	30.8	31.5	32.5	31.5
CIR (excl. compulsory contributions) (%)	76.3	67.4	89.3	66.6	70.8
CIR (incl. compulsory contributions) (%)	78.5	67.7	90.9	69.7	73.2
Operating return on equity (%)	12.4	30.0	-1.1	27.3	21.8

## Highlights Q4

Stable customer revenues QoQ – lower revenues mainly due to adjustments in the replication portfolio, offset in O&C, and write-down of a participation

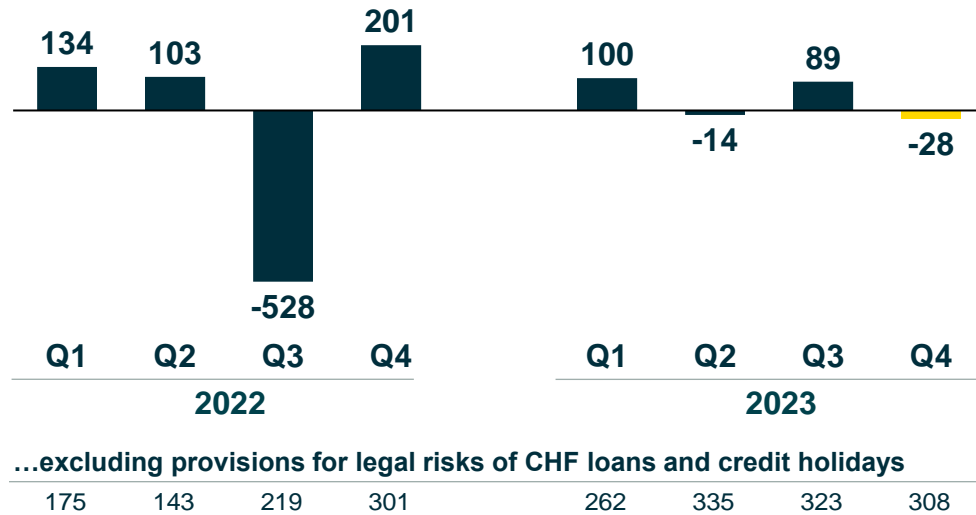
-€28m underlying Q4 NFV mainly due to revaluation of a participation

Net increase of customer base in Germany by 31k in Q4 largely due to new deposit customers

# mBank: strong underlying business



## Operating result mBank (€m)



## Segmental P&L mBank

€m	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Revenues	417	346	307	948	1,235
Exceptional items	-7	-1	3	-279	15
<b>Revenues excl. exceptional items</b>	<b>423</b>	<b>347</b>	<b>304</b>	<b>1,227</b>	<b>1,221</b>
Risk result	-39	-55	-109	-174	-241
Operating expenses	141	161	184	539	645
Compulsory contributions	36	41	43	326	203
<b>Operating result</b>	<b>201</b>	<b>89</b>	<b>-28</b>	<b>-90</b>	<b>146</b>
RWA (end of period in €bn)	21.1	20.9	22.3	21.1	22.3
CIR (excl. compulsory contributions) (%)	33.8	46.5	59.8	56.8	52.2
CIR (incl. compulsory contributions) (%)	42.5	58.4	73.7	91.2	68.7
Operating return on equity (%)	30.2	12.9	-4.1	-3.3	5.4
Provisions for legal risks of CHF loans of mBank	-92	-234	-340	-650	-1,094
Credit holidays in Poland	-9	-	4	-278	12
<b>Op. result ex prov. for CHF loans &amp; credit holidays</b>	<b>301</b>	<b>323</b>	<b>308</b>	<b>839</b>	<b>1,228</b>

### Highlights Q4

Operating result excluding additional provisions for CHF loans and credit holidays increased 2% YoY – QoQ 5% lower due to higher costs and an increased risk result from model calibration and implementation of a new backstop indicator

NII up 3% QoQ mainly due active deposit management

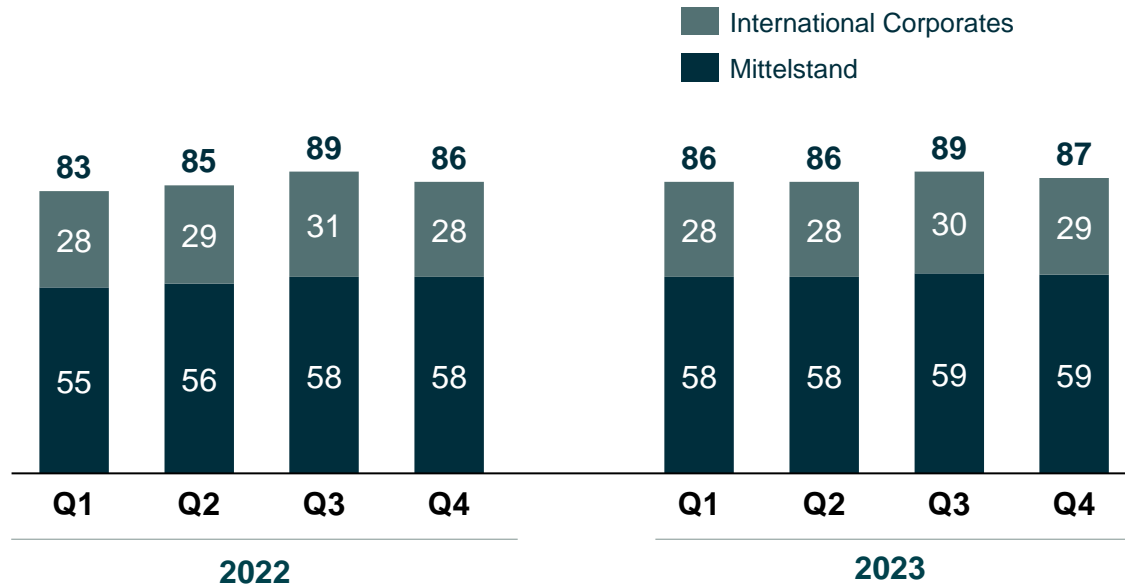
Volume of CHF loans before deductions at €1.9bn; total provisions for legal risk of €1.9bn (thereof €0.4bn liabilities for repaid loans as well as for legal fees) – net volume €0.4bn and coverage ratio of 99.5%

# CC: stable loan business – ongoing shift in deposit mix



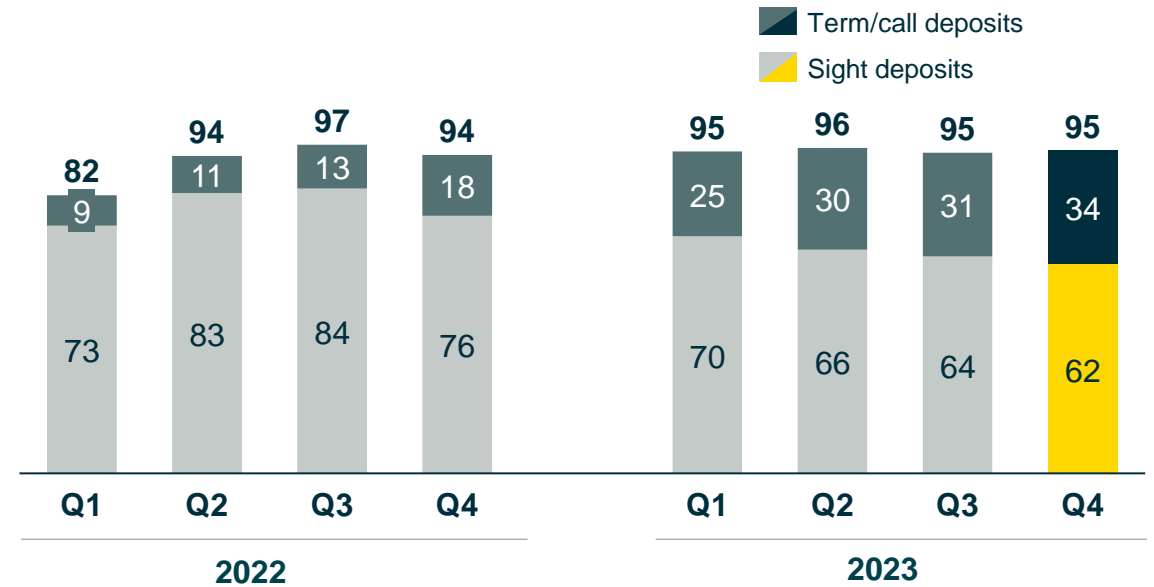
## Loan volume corporates

(€bn | quarterly avg. | Mittelstand and International Corporates)



## Deposits

(€bn | quarterly avg.)



### Highlights Q4

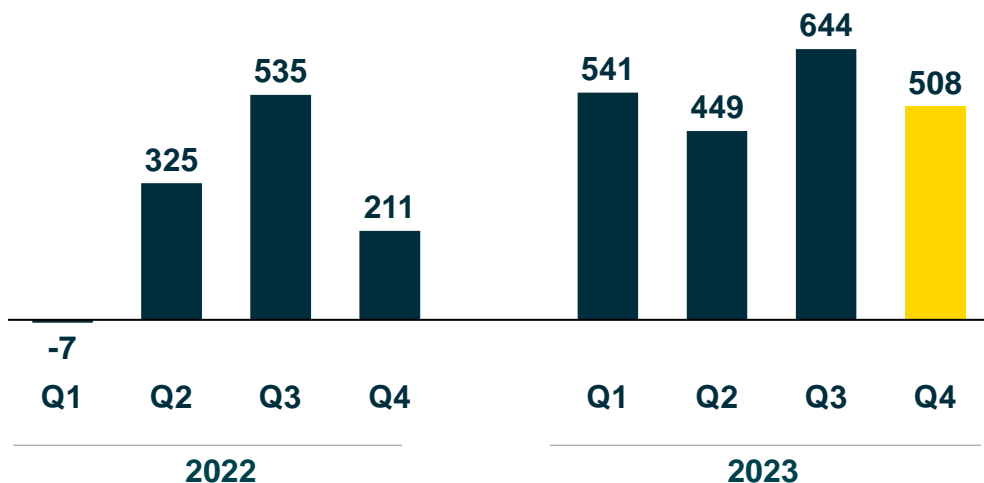
QoQ slightly reduced loan volume primarily in International Corporates

Stable deposit volume with ongoing shift from sight to term and call deposits

# CC: strong revenues in all client groups



## Operating result (€m)



## Segmental P&L CC

€m	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Revenues	963	1,171	1,106	3,792	4,481
Exceptional items	-31	5	-11	-32	13
<b>Revenues excl. exceptional items</b>	<b>993</b>	<b>1,166</b>	<b>1,117</b>	<b>3,824</b>	<b>4,468</b>
o/w Mittelstand	591	660	661	2,072	2,578
o/w International Corporates	216	285	276	926	1,077
o/w Institutionals	176	207	215	602	821
o/w others	10	13	-35	224	-9
Risk result	-121	-4	-36	-446	-155
Operating expenses	629	522	561	2,162	2,111
Compulsory contributions	1	-	-	120	73
<b>Operating result</b>	<b>211</b>	<b>644</b>	<b>508</b>	<b>1,065</b>	<b>2,142</b>
RWA (end of period in €bn)	81.6	83.3	82.8	81.6	82.8
CIR (excl. compulsory contributions) (%)	65.4	44.6	50.7	57.0	47.1
CIR (incl. compulsory contributions) (%)	65.5	44.6	50.8	60.2	48.7
Operating return on equity (%)	8.3	24.5	19.3	10.6	20.4

### Highlights Q4

YoY operating result +140% based on higher NII mainly due to deposits with further benefits from low risk result and reduced costs  
QoQ overall stable revenues in customer segments

Underlying NCI weaker QoQ due to capital markets business  
Underlying FY NFV result nearly stable based on steady customer business

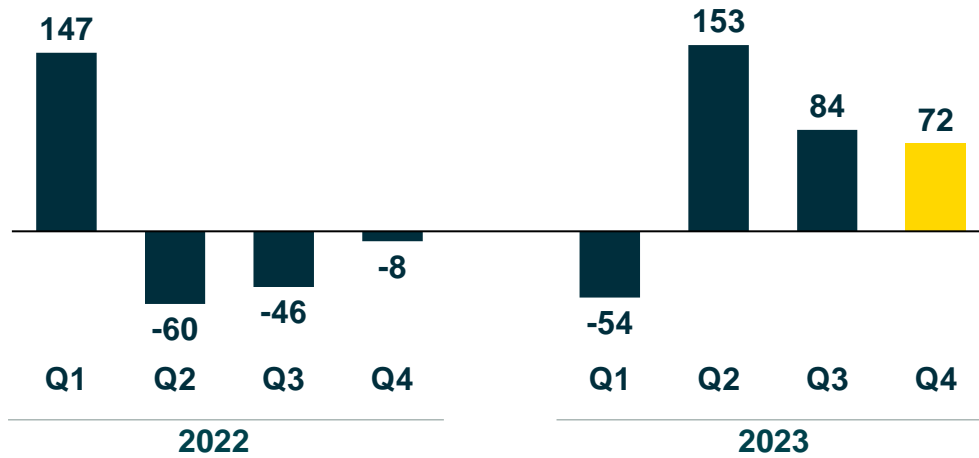
RWA decreased 1% QoQ mainly due to a securitisation transaction and FX effects more than offsetting higher operational risk RWA due to higher operating revenues in FY 2023



# O&C: positive contribution in Q4



## Operating result (€m)



## Segmental P&L O&C

€m	Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Revenues	-68	192	101	403	606
Exceptional items	4	29	-34	253	-2
<b>Revenues excl. exceptional items</b>	<b>-72</b>	<b>163</b>	<b>135</b>	<b>150</b>	<b>609</b>
<i>o/w Net interest income</i>	98	291	367	251	1,202
<i>o/w Net commission income</i>	-9	-12	-11	-46	-45
<i>o/w Net fair value result</i>	-54	-161	-214	30	-647
<i>o/w Other income</i>	-107	45	-7	-85	99
Risk result	40	7	-15	-38	8
Operating expenses	-20	116	13	268	320
Compulsory contribution	-	-	1	63	40
<b>Operating result</b>	<b>-8</b>	<b>84</b>	<b>72</b>	<b>34</b>	<b>255</b>
RWA (end of period in €bn)	33.5	38.7	38.5	33.5	38.5

## Highlights Q4

NII at O&C higher QoQ mainly due to offsetting effect of adjustment in replication portfolio of PSBC Germany

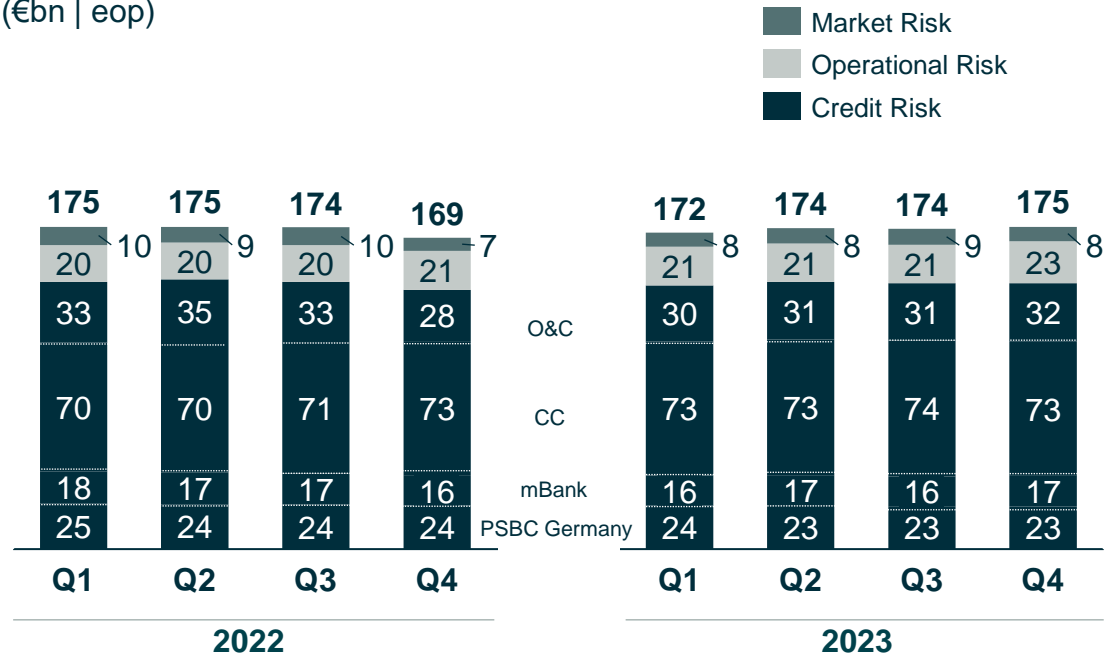
NFV result mainly reflects residual market valuations after application of hedge accounting and valuation effects of -€9m from CommerzVentures

RWA decrease QoQ mainly due to lower operational risk RWA allocations

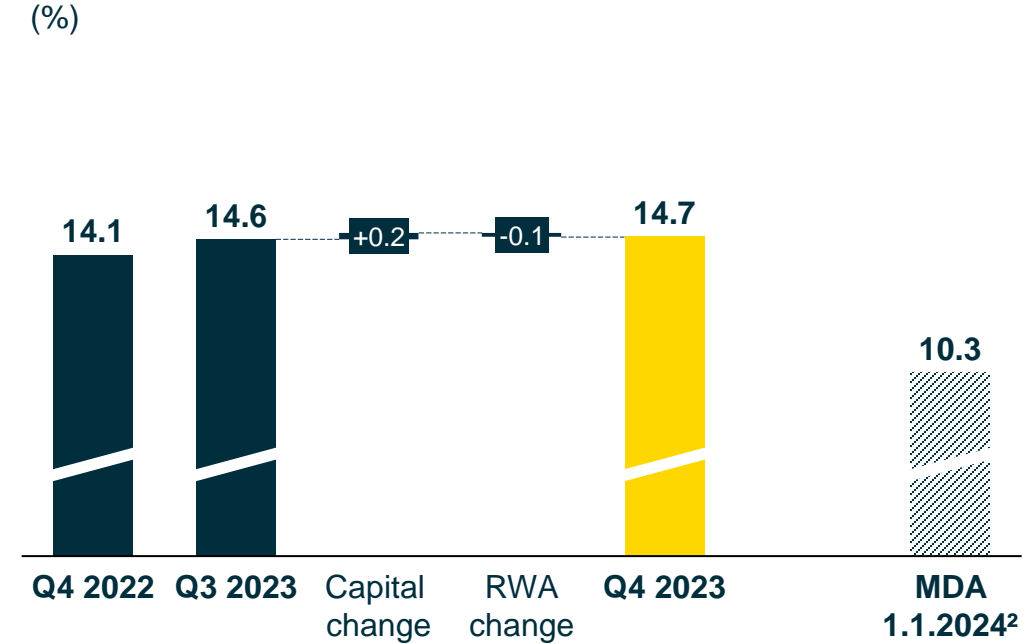
# CET1 ratio of 14.7% provides large buffer to MDA



## RWA development by risk types (€bn | eop)



## Transition of CET1 ratio<sup>1</sup> (%)



### Highlights Q4

Total RWA increased slightly

Slight decreases in market risk RWA and credit risk RWA could not compensate €2bn higher operational risk RWA due to higher operating revenues in FY 2023

Capital increase mainly based on positive net result and regulatory adjustments; partially offset by other comprehensive income

1) Includes net result reduced by pay-out accrual and potential (fully discretionary) AT1 coupons  
2) Pro-forma MDA based on SREP requirements effective from 1 January 2024

# Targets for 2024



## Revenues

We target 4% growth in NCI and NII ~€7.9bn

## Costs

We target a CIR of ~60%

## Risk

We aim for a risk result < -€800m assuming usage of TLA

## Capital

We expect a decreasing CET1 ratio of still >14% due to capital distribution<sup>1</sup> to shareholders and RWA growth

## Return

We aim for a net result above last year

We target a pay-out ratio<sup>2</sup> of 70 + X% – subject to approval of ECB and German Finance Agency

**Targets based on the assumption of a mild recession in Germany and subject to future development of CHF burdens in mBank**

1) No accrual of net result to CET1 within the year

2) Pay-out ratio based on net result after potential (fully discretionary) AT1 coupon payments; pay-out not exceeding net result after potential AT1 coupon payments

# Appendix



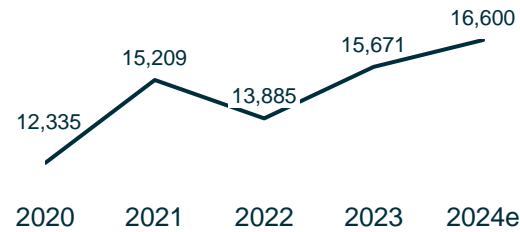
<b>German economy</b>	28	<b>Commerzbank Group</b>		<b>P&amp;L tables</b>	
<b>Russia and risk related information</b>		Commerzbank financials at a glance	44	Commerzbank Group	59
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Commerzbank's risk provisions related to stages	30	Loan and deposit volumes	46	PSBC Germany	61
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Commercial real estate	38	Liquidity position / ratios	47	Corporate Clients	63
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# German economy expected to stay weak



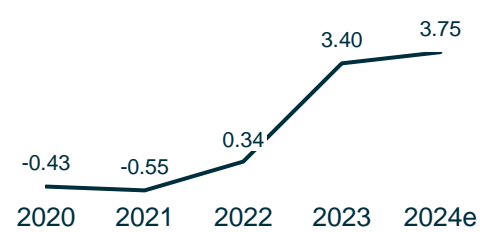
## DAX

(avg. p.a.)

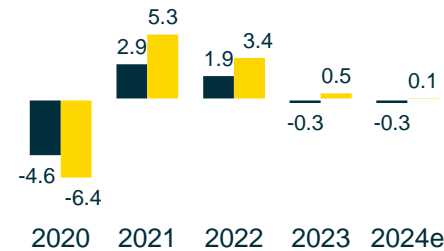


## 3m-Euribor

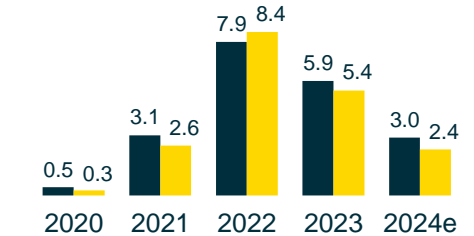
(avg. p.a. | %)



## GDP<sup>1</sup> (change vs. previous year | %)



## Inflation<sup>1</sup> (%)



1) ■ Germany ■ Eurozone

## Latest development

The recovery of the German economy that many had hoped for is still a long time coming. According to a first estimate, real GDP actually fell by 0.3% in Q4.

The economy continues to be held back by the strong inflation of the past two years which has depressed real incomes and is therefore likely to be the main reason for weak private consumption to date. However, the massive rate hikes by the ECB and many other central banks, which are curbing demand for German products at home and abroad, are also increasingly having an effect.

Unemployment has risen in recent months due to the weak economy. However, the number of unemployed persons remains significantly lower than it has been for most of the past 40 years.

The inflation rate declined further to 2.9% in January. Energy prices, for example, have recently not risen nearly as much as a year ago; in some cases they have even fallen slightly. The same applies to food prices. However, at 3.4%, the core inflation rate excluding energy and food was recently still well above the ECB's target of 2%.

## Outlook for 2024

Significantly lower leading indicators and fewer new orders for manufacturing and the construction sector suggest that the German economy will not pick up any time soon. While it is true that the burden of energy prices is easing, many other conditions have deteriorated noticeably. The ECB and most other western central banks have massively increased interest rates, which is increasingly slowing down the economy with the usual delay.

This argues against a rapid economic recovery. It is more likely that the German economy will continue to shrink at the start of 2024. A very hesitant recovery at best is also to be expected for the rest of the year in view of the ECB remaining on the brakes. We therefore assume that real GDP will shrink slightly on average this year - as it did in 2023.

The inflation rate will probably fall in the coming months. This is because food prices are likely to decelerate further. Price pressure from increased material costs is also easing. However, underlying inflation will remain well above the ECB's target of 2%, as the next wave of costs has already reached companies with the noticeably stronger rise in wages. As a result, the ECB is not likely to cut its key interest rate until the summer despite the weak economy.

# Russia net exposure reduced by €67m in Q4 2023



## Russia exposure

Net exposure (€m)	2022					2023			
	18 Feb	29 Apr	15 Jul	30 Sep	31 Dec	31 Mar	30 Jun	30 Sep	31 Dec
Corporates	621	580	398	322	261	217	184	161	148
– thereof at Eurasija	392	374	182	98	61	46	37	31	21
Banks	528	78	75	61	46	44	15	15	14
Sovereign (at Eurasija)	127	137	182	161	87	66	57	45	47
Pre-export finance	590	396	362	369	350	318	320	190	135
<b>Total</b>	<b>1,866</b>	<b>1,191</b>	<b>1,017</b>	<b>913</b>	<b>744</b>	<b>645</b>	<b>576</b>	<b>411</b>	<b>344</b>

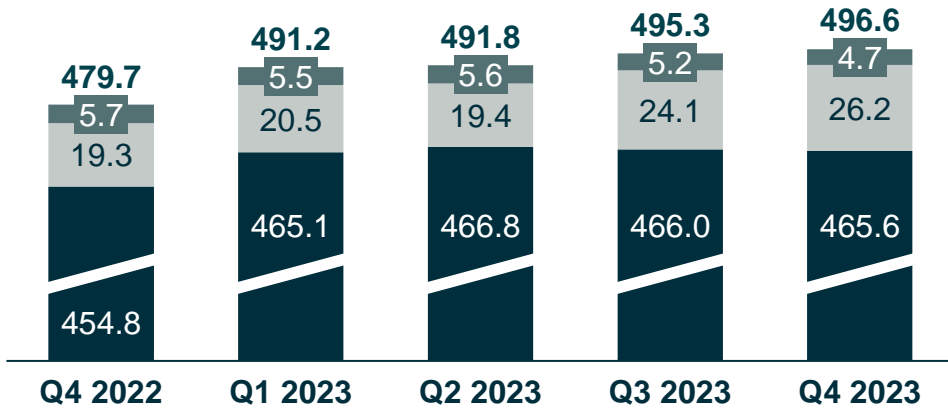
Group exposure net of ECA and cash held at Commerzbank reduced to €344m

Additionally, Eurasija holds domestic RUB deposits of ~€0.4bn (€0.5bn Sep 23) at Russian Central Bank/Moscow Currency Exchange

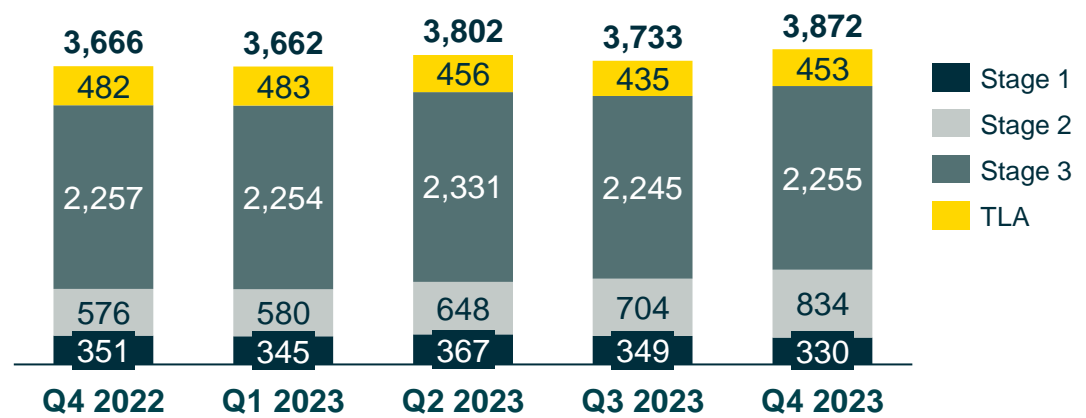
We continue to reduce exposures while supporting existing clients in compliance with all sanctions regulations

# Stable exposure with adequate risk provisions including TLA

**Exposure<sup>1</sup>**  
(€bn)



**Risk provisions**  
(€m)



**Coverage<sup>2</sup>**

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Stage 3	39.5%	41.1%	41.7%	42.9%	47.5%
Stage 2	3.0%	2.8%	3.3%	2.9%	3.2%
Stage 1	0.1%	0.1%	0.1%	0.1%	0.1%

## Highlights Q4

Exposure increase in stage 2 driven by mBank

Reduced exposure with increased coverage in stage 3

Overall level of TLA increased to €453m

TLA increases the effective coverage of our credit portfolio mainly in stage 2

1) Exposure at Default relevant for IFRS 9 accounting (on- and off-balance exposures in the accounting categories AC and FVOCI; figures of previous quarters partly adjusted)

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

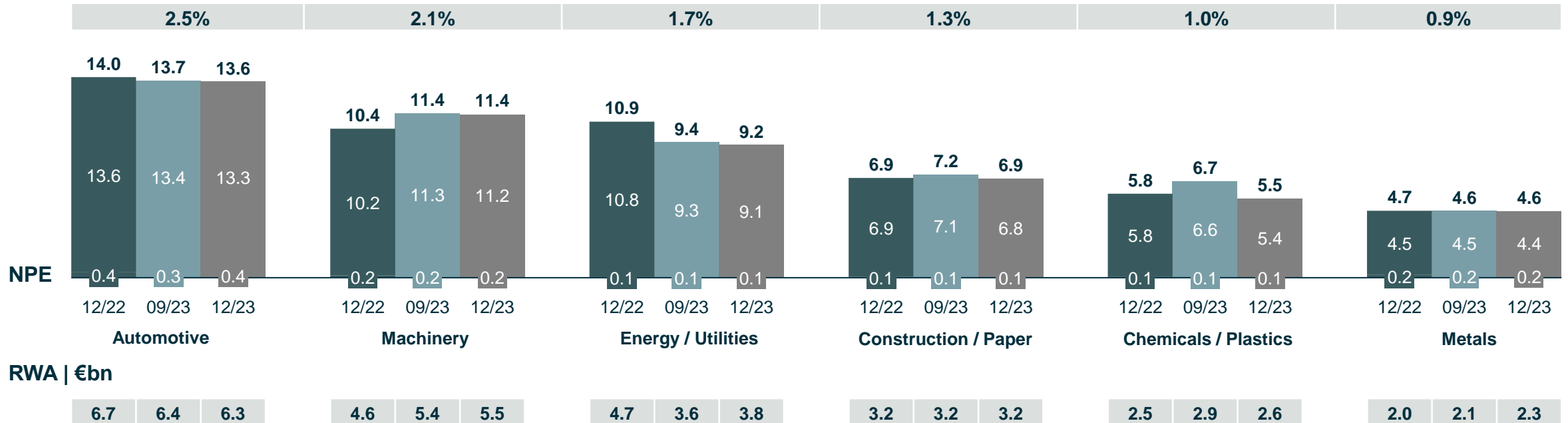
# Focus sectors



## Corporates' sectors

(€bn | EaD)

### Share within Commerzbank's portfolio 12/2023

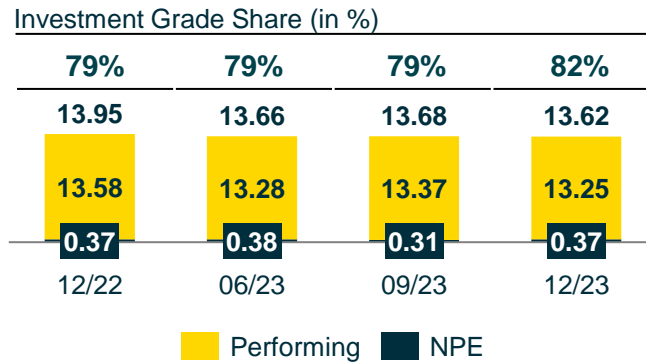






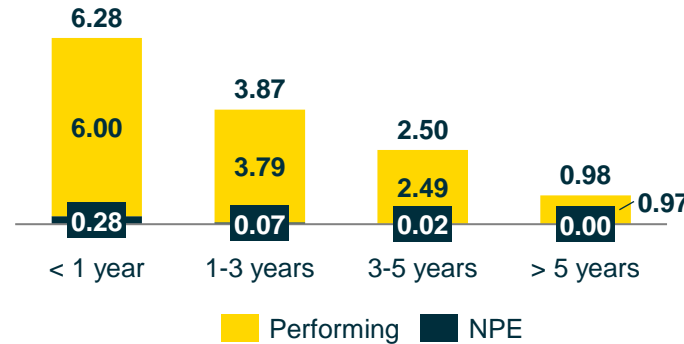
## Portfolio development

(€bn | EaD)



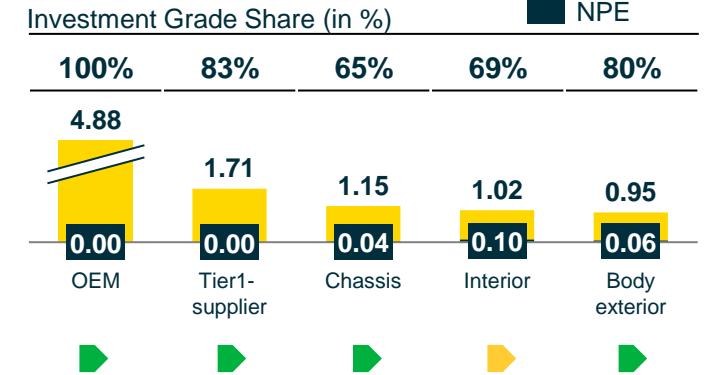
## Maturities

(€bn | EaD)



## Top 5 sub-portfolios 12/23

(€bn | EaD)



## Portfolio comments / sector outlook

- Q3 saw some suppliers performing below expectations due to selective supply chain challenges and eMobility call-offs being below target. 2023 full year results are nonetheless expected to be at least stable. 2024 will prove as challenging as previous years as demand remains constrained (e.g. due to inflation and interest rate levels) and structural challenges becoming more and more the driving force for credit risks
- Even though global car demand is forecasted to continue to grow, the challenges of the disruptive and dynamic technological transformation, management of supply chains in light of geopolitical risks, advent of new competitors and more and more indications of eroding competitiveness in the EU and particularly Germany is putting pressure on OEMs and suppliers alike
- OEM/Tier1-supplier are the cornerstone of our portfolio and are assessed to emerge from current challenges fundamentally intact. Exceptionally strong OEM profit levels seen in 2022 and 2023 are expected to moderate somewhat in 2024
- Suppliers had already to deal with margin pressure due to strong increases of input price levels. Clients with weaknesses in its business model, e.g. a weaker market position, will find it hard to pass through increased costs, eroding margins. Effective cost optimisation will be a key area for management attention of many suppliers. We also observe that profits are increasingly driven by operations outside Germany, which is creating challenges for corporates without sufficient size or financial means to localise operations
- Client-specific risk factors are assessed to materialise from time to time, leading to a moderate increase of intensive care cases. Usual reasons triggering a transfer include short term liquidity needs or complex refinancing situations. Commerzbank is continuously evaluating and mitigating respective risks by increasing structural protections and consult early on with the client and all related internal functions, including the intensive care department

Sector portfolio based on BSS (Industry Control Key)

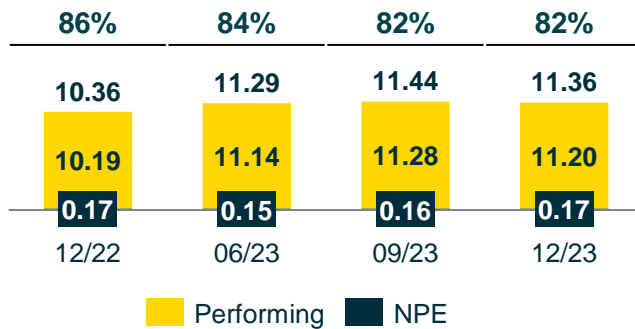
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 Sector Outlook



## Portfolio development

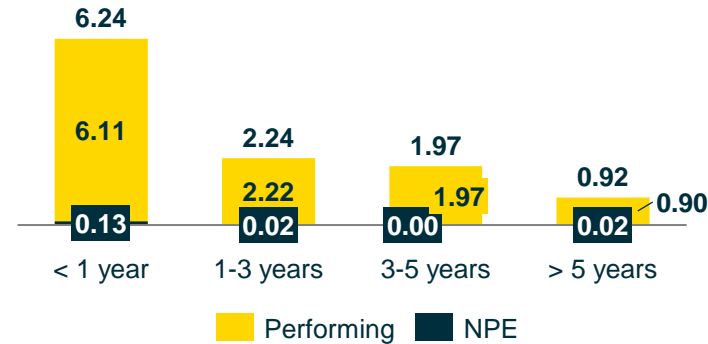
(€bn | EaD)

Investment Grade Share (in %)



## Maturities

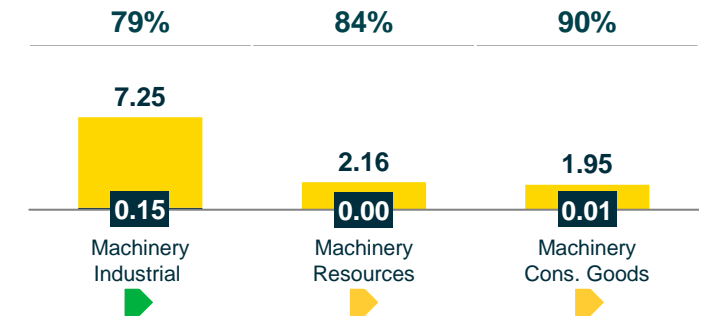
(€bn | EaD)



## Sub-portfolios 12/23

(€bn | EaD)

Investment Grade Share (in %)



## Portfolio comments / sector outlook

- Overall stable sector due to internationalization and very high diversification within the portfolio
- Supply chain disruptions (delays, shortages, esp. critical parts) generally eased and higher material prices as well as upstream products are included in calculations. Where these prices fall they support earnings. Prices for services and labour costs are rising and a shortage of manpower is amongst the main challenges for the clients. Measures to offset the persisting negative effects were taken and we see that bigger players in general are able to handle these challenges better
- The decline in order intake due to the general cooling of the world economy and increasing interest rates have a visible effect for the majority of our clients. Where relevant, current order books cover the production until mid/end 2024
- With a slowing demand, prices for new orders could come under pressure again and therefore negatively influence future earnings in 2024. A strict cost management is helping here to manage these effects
- While higher prices will keep the utilisation of facilities high, we expect to see a declining utilisation due to melting order books especially for guarantee business. Strong market players request cash financing when they see a good opportunity to consolidate their respective market or broaden their product range or production capability

Sector portfolio based on BSS (Industry Control Key)



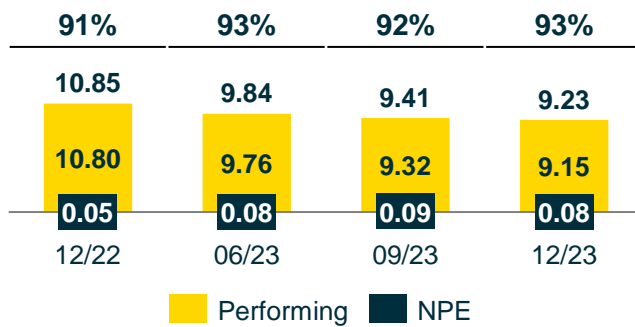
Sector Outlook



## Portfolio development

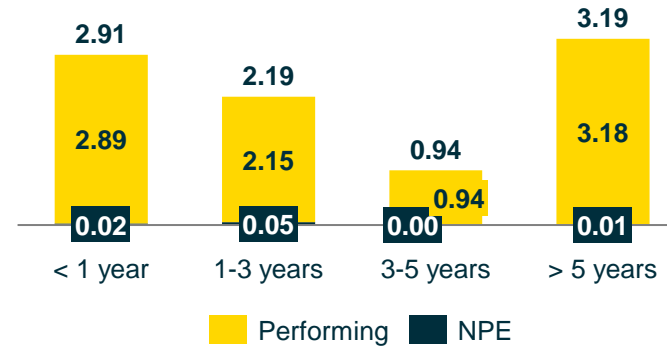
(€bn | EaD)

Investment Grade Share (in %)



## Maturities

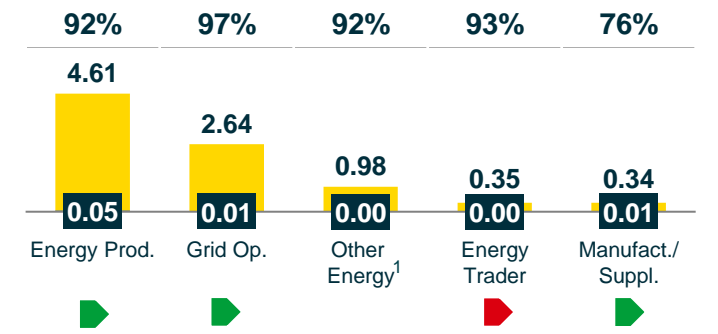
(€bn | EaD)



## Top 5 sub-portfolios 12/23

(€bn | EaD)

Investment Grade Share (in %)



## Portfolio comments / sector outlook

- Energy sector: As part of the critical infrastructure, the sector is fundamentally stable, albeit was strongly affected by the erratic price development, especially gas in 2022. Thanks to massive governmental interventions across Europe and the very mild winter periods 2022/23 and 2023/24 (so far), the price level have evened out on an overall acceptable level. The energy supply for the remaining winter of 2023/24 seems to be secure. Gas storage is high across Europe. Russian energy exports no longer play a significant role in Europe's energy supply (the US is now the main supplier of LNG to Europe), although some risk factors remain
- Our portfolio is mainly dominated by large international corporates with integrated business models (generation, trade, storage, grids, distribution). Current developments include the strong expansion of renewable energy capacities with increasing investment requirements, the security of supply and the decarbonisation of the heating sector. Fossil energy sources continue to decline. Renewable energies expansion requires the expansion/optimisation of the grid and the construction of additional storage capacities. Meanwhile the outlook for the main sub-sectors is "green", but we are still very reluctant towards wholesale electricity, gas and coal companies (especially discount providers). Our outlook "red" for the sub-sector "energy trading" remains unchanged
- In Germany there is an urgent need to establish a regulatory framework for 1) new gas-fired power plants (acc. BMWK<sup>2</sup> 15-25 GW until 2030), incentive and investment security for implementation are still unclear and must be established as soon as possible (e.g. capacity mechanism), 2) building up a hydrogen economy and infrastructure and 3) and a further decarbonised heating infrastructure
- Nevertheless and overall, the financial effects for the energy sector should be manageable

Sector portfolio based on BSS (Industry Control Key)

Green Yellow Red Sector Outlook

1) "Other" sub-portfolio generally includes individual major exposures that carry out business activities in various subsectors and are not allocated to a sub-portfolio. Due to the diversification of these clients, no uniform sector outlook can be given

2) BMWK: Bundesministerium für Wirtschaft und Klimaschutz / Federal Ministry for Economic Affairs and Climate Action

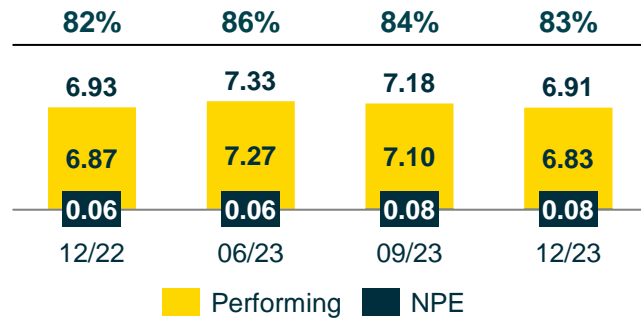
# Construction / Paper



## Portfolio development

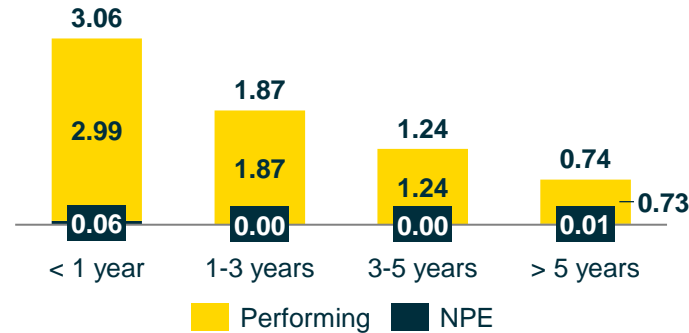
(€bn | EaD)

Investment Grade Share (in %)



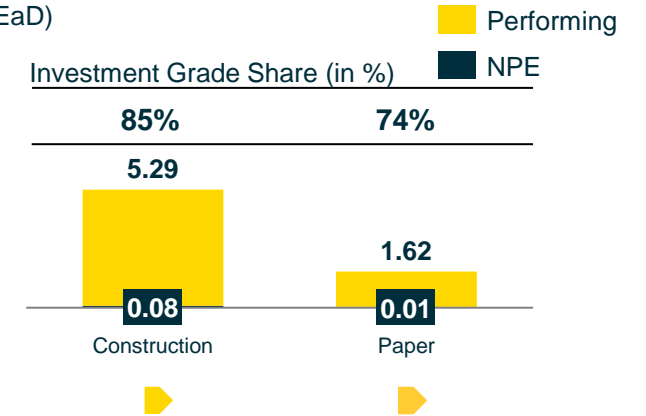
## Maturities

(€bn | EaD)



## Sub-portfolios 12/23

(€bn | EaD)



## Portfolio comments / sector outlook

- The construction portfolio is diversified with a high proportion of borrowers with investment grade ratings. Bigger customers are international companies in Europe. The financing focus lies in the short-term and guarantee business
- The increases in material and energy costs led to a significant increase of building costs. The sharp rise in energy costs, the rise in interest rates and due to the accelerating inflation consumers suffer a significant loss of purchasing power. This has led to a significant decline of incoming orders mainly in the private sector but also for commercial investments in Germany. In comparison, infrastructure investments are more stable
- The slowing demand shows a significant negative impact on the construction supply industry and the building materials trade. At the moment we do not see any relaxation in 2024
- Due to necessary investments in the production plants the portfolio in the paper sector has a higher part of mid- and long-term credit facilities. The credit exposure increased continuously over the last months. Due to the deteriorating economy, companies are currently postponing further investments
- The paper industry is experiencing a significant decline in demand due to the overall economic reluctance to buy. This requires price reductions on the sales side, which exceed the material cost savings and the relief on the energy side. Some companies temporarily reduce their production. Therefore we see a lower profitability, but nevertheless on an acceptable level
- Mainly the larger companies have broader opportunities to face the current challenges and were able to build up sufficient buffers in the past

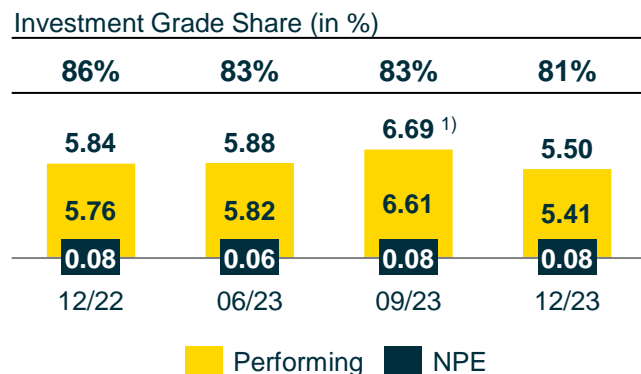
Sector portfolio based on BSS (Industry Control Key)

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 Sector Outlook



## Portfolio development

(€bn | EaD)



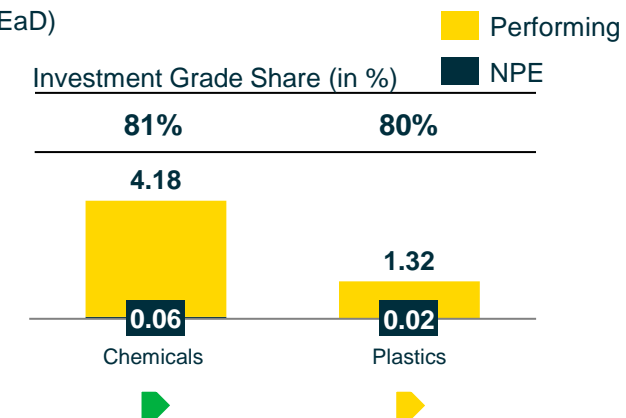
## Maturities

(€bn | EaD)



## Sub-portfolios 12/23

(€bn | EaD)



## Portfolio comments / sector outlook

- Weak economic developments in Germany and Europe as well as falling export quotas to China slowed down the chemical industry. Global chemical production rose by only 2.3% by November 2023. Production losses due to unfavourable site conditions were at -8.7% in the EU27 and at -11% in Germany. With 81% of the relevant EaD in investment grade, the risk profile remains good. Outlook: at best, companies expect stable sales and a 15-25% decline in EBITDA for 2023. Large companies and global players generally have strong financial resources and are able to cope with the economic impact whereas the risk profile of SMEs is temporarily decreasing (especially in the plastics sector)
- The chemical industry as an energy intensive sector use oil/gas as raw material source as well. Despite the multiple crises in the global environment, prices for oil/gas came back to a normal level. Nevertheless, the recessive trends in the global economy let decrease the demand in the customer markets. Companies are taking the following countermeasures: cost-cutting programs, price increases (price escalation clauses) and investment reduction to stabilise their operative income. Especially in Germany the industry faces high production costs, regulations, bureaucracy and weak demand for chemicals. That is why the trend of domestic de-industrialisation is ongoing
- Plastic as an important industry with composite materials follows the cyclical nature of their customer markets and is mostly anchored in the small and medium-sized businesses. Companies are often not able to pass on the energy/raw material prices directly (time lag). Therefore the margins are temporarily weakened

Sector portfolio based on BSS (Industry Control Key)



Sector Outlook

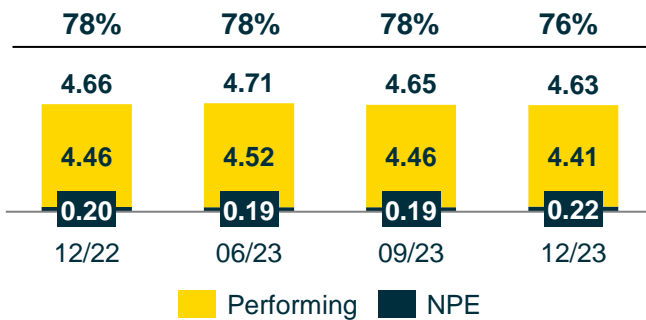
1) EaD peak in 09/2023 due to technical reasons only



## Portfolio development

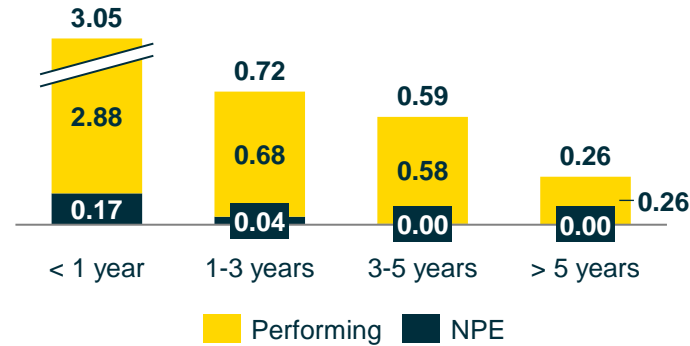
(€bn | EaD)

Investment Grade Share (in %)



## Maturities

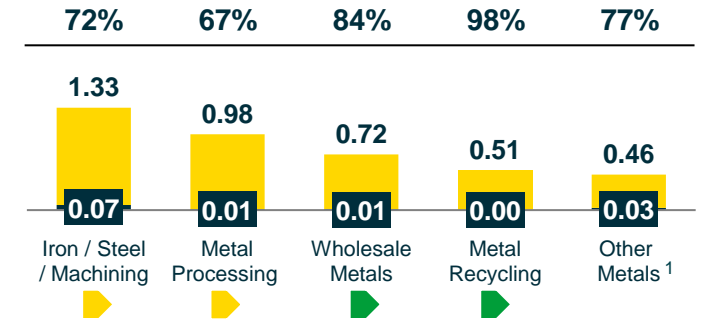
(€bn | EaD)



## Top 5 sub-portfolios 12/23

(€bn | EaD)

Investment Grade Share (in %)



## Portfolio comments / sector outlook

- The metal portfolio is diversified with a high share of borrowers with investment grade ratings. The portfolio is also regionally wide spread with a high share of international exposures. The focus is primarily on short and mid term business. Against this background, the portfolio is well-prepared for a recession scenario. However sector strategy is still on hold due to the ongoing structural challenges
- Metal production and processing are highly affected by energy and gas price development. Gas serves both, as a process component and a primary energy source in the production process. The metal industry is often at the beginning of the value chain and can trigger a knock-on effect with considerable consequences for the buying industries, especially automotive, machinery and construction. Global positioning protects some groups with diversified locations. Production sites in America, Asia and parts of Europe outside the primarily affected countries can temporarily balance out negative influences in individual locations. Moreover, many players have fixed energy contracts for several years to mitigate the bulk of the energy price risk. However some groups (especially aluminium and steel production) cut production in Europe because of the high energy prices
- The metal industry had a strong performance in the past two years and the first quarter 2023 because of the rising prices and the good business environment. Due to the economic downturn this came to an end in 2023. The earnings' situation deteriorated especially in the second half of 2023 due to shrinking demand and higher costs (materials, energy, personal). However, producers are entering this downturn in a better leveraged position than in previous periods with better liquidity and equity reserves, which were built up from the good operating profitability in the last years. Overall, the sector outlook is slightly negative

Sector portfolio based on BSS (Industry Control Key)

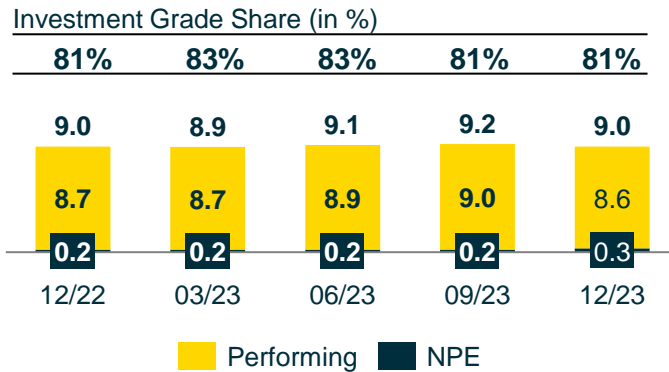
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 Sector Outlook

1) "Other" sub-portfolio generally includes individual major exposures that carry out business activities in various subsectors and are not allocated to a sub-portfolio. Due to the diversification of these clients, no uniform sector outlook can be given

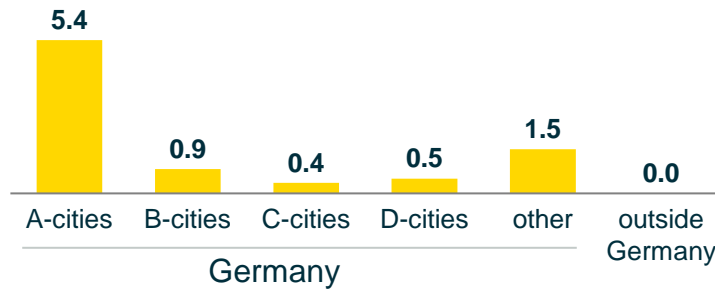
# Commercial Real Estate (asset-based)



## Portfolio development (€bn | EaD)



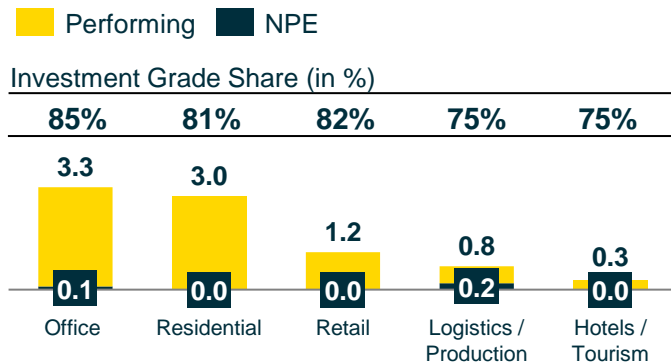
## Location 12/23<sup>1</sup> (€bn | EaD Performing)



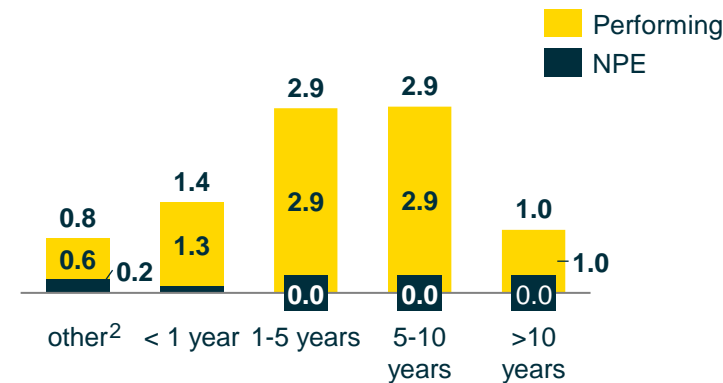
## Portfolio

- Portfolio amounts to €9.0bn of which €0.3bn is non-performing exposure (~4% of total portfolio)
- Sound rating profile with a high share of 81% with investment grade quality
- EaD share to IFRS9 stages: 91% in S1 (93% 09/23), 5% in S2 (5% 09/23) and 4% in S3 (increase due to one new client in S3; 2% 09/2023)
- Assets focused on most attractive A-cities. Over 99% of financed objects are located in Germany
- Offices and residential with the highest share of the portfolio (together €6.4bn)
- Average LTV is 51% - largest asset class office with 51% LTV
- Nearly 50% of the portfolio with full or partial recourse to the sponsor or borrower
- Development risk with about 6% share of the portfolio; increased requirements implemented

## Top 5 asset classes 12/23 (€bn | EaD)



## Fixed interest period 12/23 (€bn | EaD)



## Strategy

- As a result of the current macroeconomic situation, the new business strategy will continue to be cautious. Strong restraint in the non-food retail sector

1) City categories according to Bulwiengesa. Category A represents the seven most attractive and liquid real estate cities in Germany

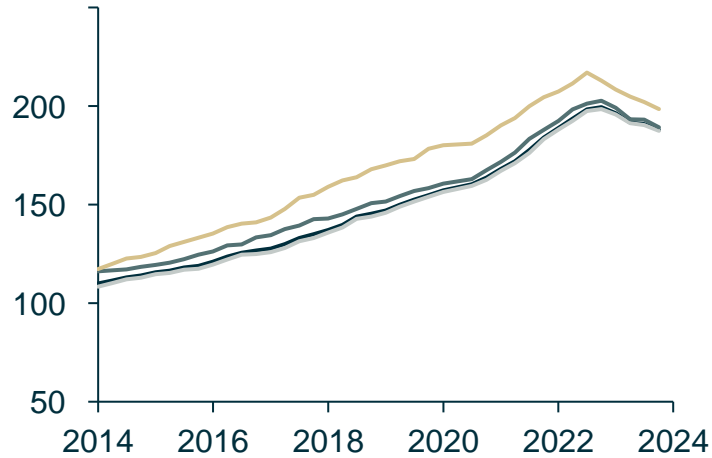
2) Until further notice or variable interest rate

# Residential mortgage business and property prices



## German residential properties

(index values)

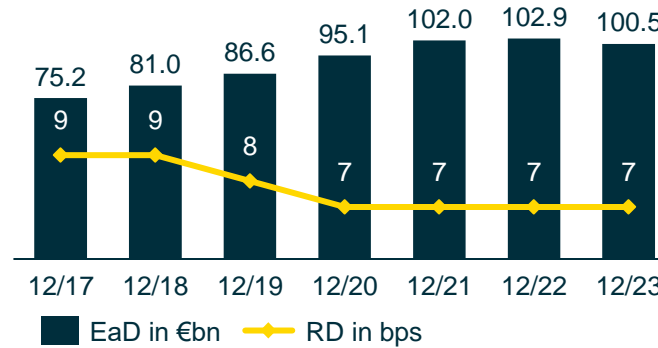


— Owner occupied housing — Condominiums  
— Single family houses — Multi family houses

Prices of houses and flats, existing stock and newly constructed dwellings, averages

## Overall mortgage portfolio

- Mortgage volume decreased QoQ and YoY – risk quality remained stable so far:



- Rating profile with a share of 92.9% in investment grade ratings (09/23: 92.7%); poor rating classes 4.x/5.x with 1.4% share only
- Vintages of recent years developed more favorably so far; NPE-ratio remains at a low level of less than 0.4% (coverage 88%)

- New business in Q4 2023 with €1.3bn around 40% lower than in previous quarter and still on much lower level than in previous years
- PD in new business slightly improved to 0.48% (Q3/23 0.50%), repayment rates slightly up from 2.39% to 2.57%
- Portfolio guidelines and observations for PD, LtCV and repayment rates are continuously monitored. Compared to the drawn loan volume, the EaD (exposure at default) also considers undrawn commitments
- Average “Beleihungsauslauf” (BLA) in new business of 82.6% in Q4/23 (82.2% in Q3). German BLA is more conservative than the internationally used LtV definition due to the application of the strict German Pfandbrief law
- Increased costs of living are adequately taken into account in the application process

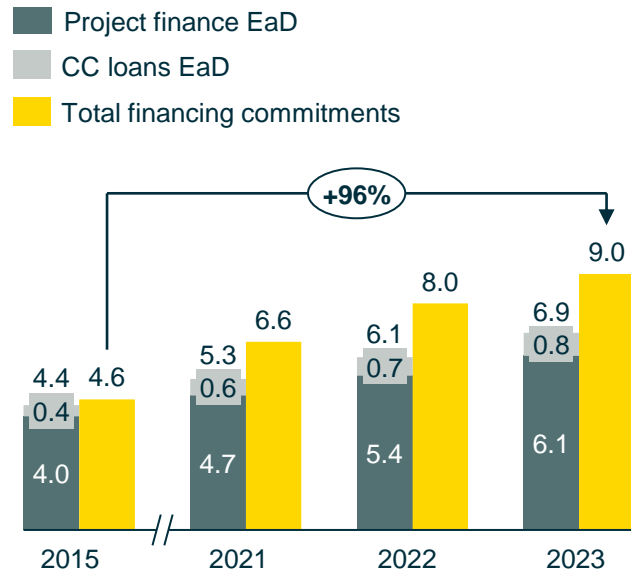
**Risk parameters unchanged, but economic environment of high interest rates, inflation and recession is still challenging**



# Development of renewable energy portfolio

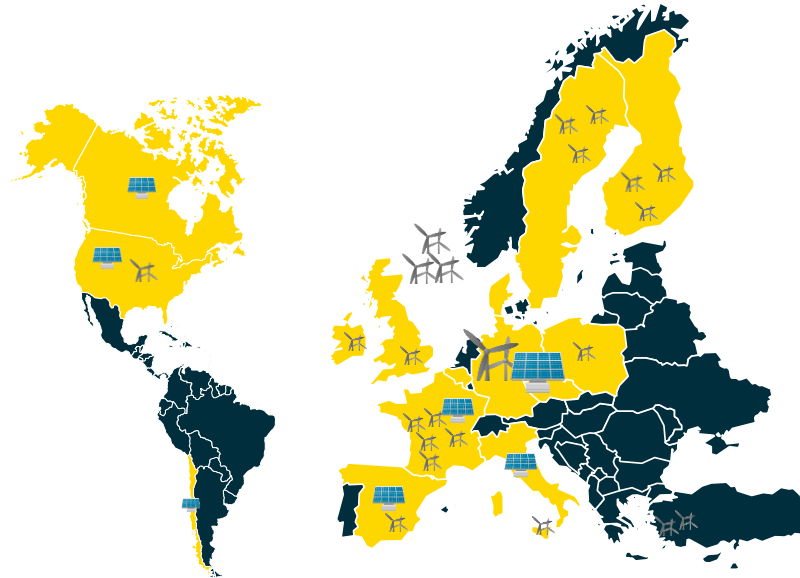


## Renewable energy portfolio (€bn | eop)



1) MLA = Mandated Lead Arranger  
2) Project finance only

## Global footprint of renewable energy financing



### Offshore:

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

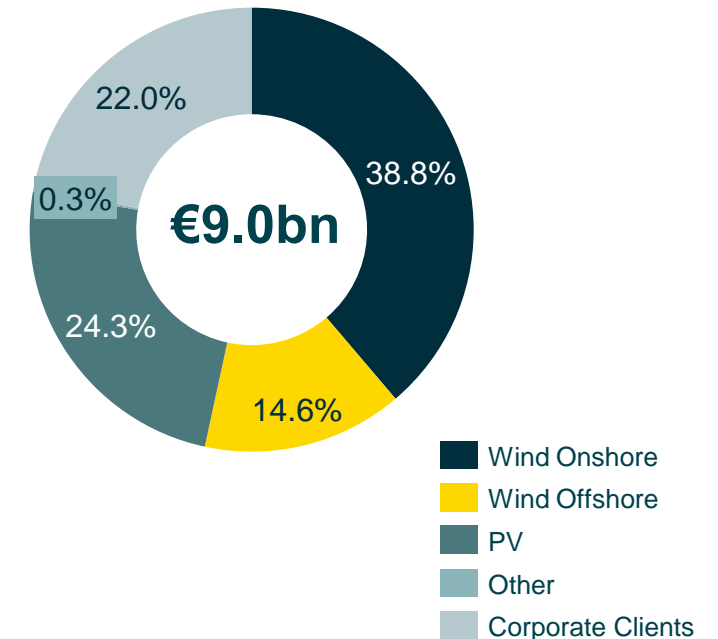
### International RE project finance:

amongst others US, UK, France, Netherlands and Spain

### Core market Germany:

approx. 43% of portfolio in Germany

## Renewable energy portfolio (€bn | financing commitments eop)



**43%**  
invested in Germany<sup>2</sup>



**57%**  
invested globally<sup>2</sup>

# Commerzbank AG has 3 outstanding green bonds with a total volume of €1.6bn



## Commerzbank Green Bond Framework<sup>1</sup>



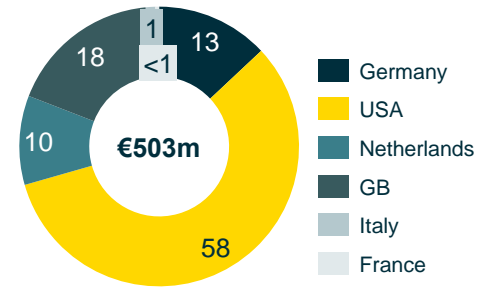
An amount equivalent to the net proceeds will be used exclusively to (re)finance eligible renewable energy loans. The assigned green assets are subject to an annual review by Sustainalytics.



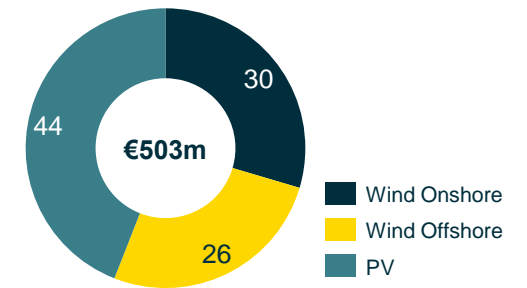
## Assigned assets Green Bond DE000CZ45W57<sup>2</sup>

(%)

### Allocation by country



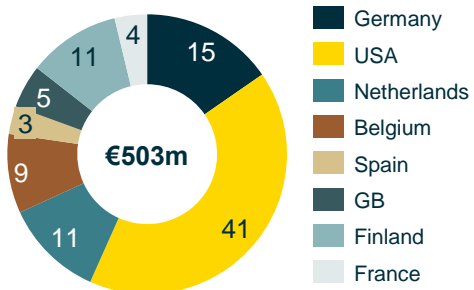
### Allocation by technology



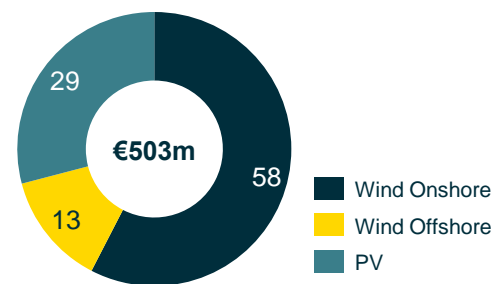
## Assigned assets Green Bond DE000CB0HRQ9<sup>2</sup>

(%)

### Allocation by country



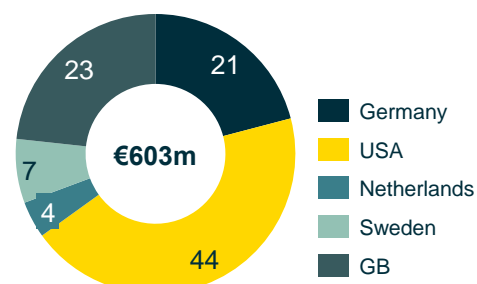
### Allocation by technology



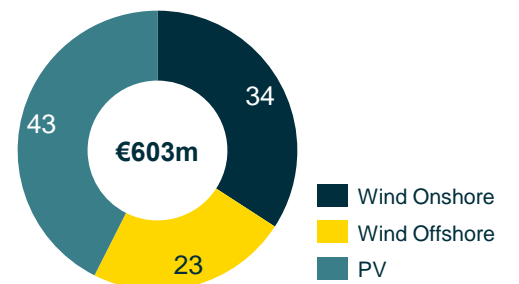
## Assigned assets Green Bond DE000CZ439B6<sup>2</sup>

(%)

### Allocation by country



### Allocation by technology



1) The Green Bond Framework can be found [here](#).

2) Based on [allocation reporting](#) as of 06/2023.

# Still good development in difficult environment in 2023

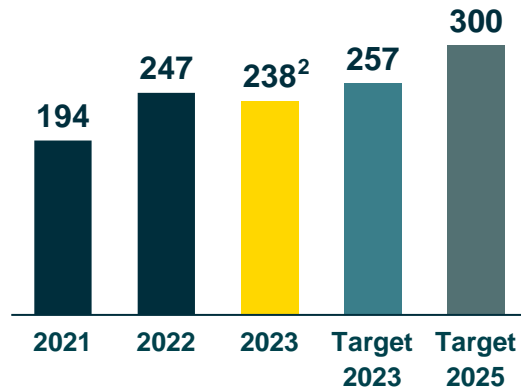


**Advisory products**  
(no balance sheet impact, €bn)



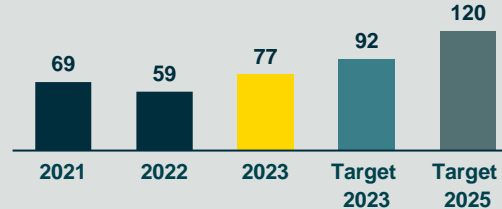
**Loan products**  
(with balance sheet impact, €bn)

## Sustainable products (€bn)

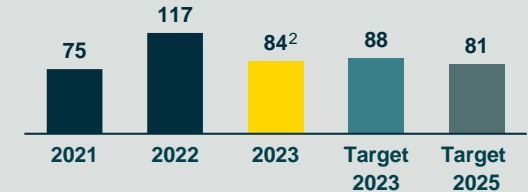


### Corporate Clients

- Accompanied ESG bond transactions (e.g. green and social bonds)\*
- Sustainable investment solutions for Corporate Clients\*\*

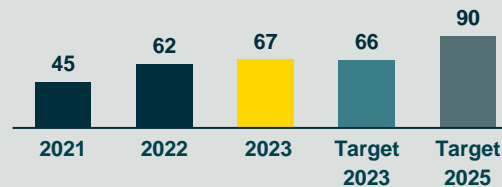


- Renewable energy loan portfolio\*\*
- Sustainability linked loans\*
- KfW sustainability linked programmes\*

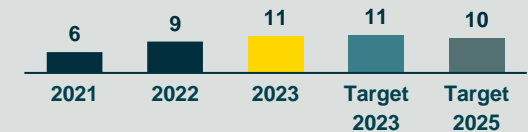


### Private & Small-Business Customers<sup>1</sup>

- Asset management, securities advisory and brokerage\*\*
- Commerz Real products\*\*
- Retirement solutions\*

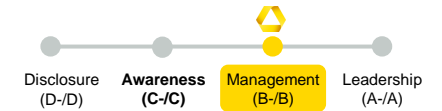
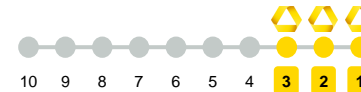
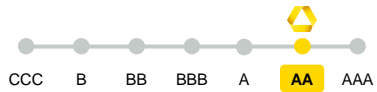


- Green mortgages\*\*
- KfW programmes\*\*



1) 2021 and 2022 numbers based on different method of calculation due to broader scope of included advisory products \* Flow value / \*\* Stock value  
2) Adjustment on 28 February 2024 - based on audited figures

# ESG ratings prove that we are on the right track



## ESG Rating

Double A rated in the upper part of the MSCI ESG rating scale

Above industry average positions in terms of privacy & data security, human capital development and financing environmental impact



## ESG Risk Rating

Commerzbank is at medium risk of experiencing material financial impacts from ESG factors (score of 26.0 / 100 with 0 being the best)



## ESG Corporate Rating

Rated in the ISS ESG prime segment and within the top 20% of the industry group

Excellent ratings especially in the categories staff & suppliers, environmental management, corporate governance and business ethics



## ESG QualityScores

Commerzbank assigned with low ESG risks by ISS ESG QualityScores

Social QualityScore 1, Environmental QualityScore 2, Governance QualityScore 3



## Climate Change Rating

Rated B, which indicates that Commerzbank is taking coordinated action on climate issues

Excellent ratings and above industry average positions particularly in the categories emissions reduction initiatives and low carbon products, governance as well as risk management processes

# Commerzbank financials at a glance



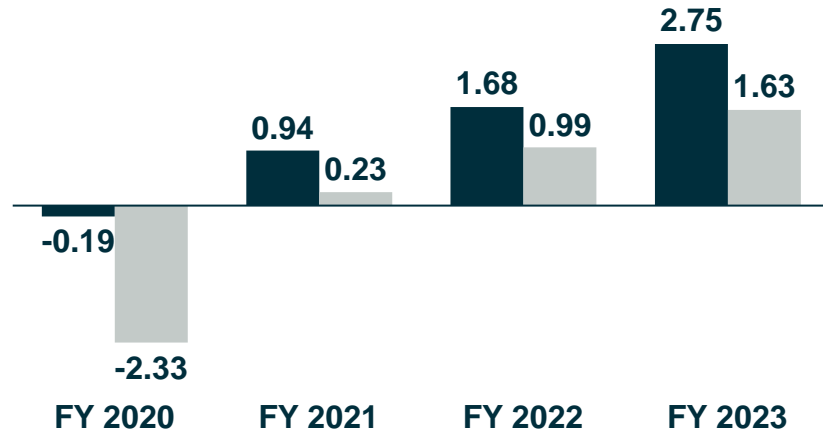
Group		Q4 2022	Q3 2023	Q4 2023	FY 2022	FY 2023
Total revenues	€m	2,363	2,755	2,409	9,461	10,461
Risk result	€m	-222	-91	-252	-876	-618
Personnel expenses	€m	880	917	878	3,415	3,562
Administrative expenses (excl. depreciation)	€m	465	395	466	1,609	1,651
Depreciation	€m	208	193	213	820	794
Compulsory contributions	€m	59	45	59	642	415
<b>Operating result</b>	<b>€m</b>	<b>528</b>	<b>1,116</b>	<b>542</b>	<b>2,099</b>	<b>3,421</b>
Net result	€m	472	684	395	1,435	2,224
Cost/income ratio (excl. compulsory contributions)	%	65.7	54.6	64.6	61.8	57.4
Cost/income ratio (incl. compulsory contributions)	%	68.2	56.2	67.1	68.6	61.4
Accrual for potential AT1 coupon distribution current year	€m	-45	-50	-47	-196	-194
Net RoE	%	6.5	9.2	5.0	4.7	7.4
Net RoTE	%	6.7	9.6	5.2	4.9	7.7
Total assets	€m	477,428	509,885	517,166	477,428	517,166
Deposits (amortised cost)	€m	352,403	367,763	379,311	352,403	379,311
Loans and advances (amortised cost)	€m	267,432	274,594	268,935	267,432	268,935
RWA	€m	168,731	173,626	175,114	168,731	175,114
CET1 <sup>1</sup>	€m	23,854	25,369	25,720	23,854	25,720
CET1 ratio <sup>1</sup>	%	14.1	14.6	14.7	14.1	14.7
Total capital ratio (with transitional provisions) <sup>1</sup>	%	18.9	19.2	19.3	18.9	19.3
Leverage ratio <sup>1</sup>	%	4.9	4.9	4.9	4.9	4.9
Liquidity coverage ratio (LCR)	%	144.9	139.2	145.4	144.9	145.4
Net stable funding ratio (NSFR)	%	128.3	127.0	130.2	128.3	130.2
NPE ratio	%	1.1	1.0	0.8	1.1	0.8
Group CoR (year-to-date)	bps	17	9	11	17	11
Group CoR on Loans (CoRL) (year-to-date)	bps	33	18	23	33	23
Full-time equivalents excl. junior staff (end of period)		36,192	36,257	36,559	36,192	36,559

1) Capital reduced by pay-out accrual and potential (fully discretionary) AT1 coupons

# Key figures Commerzbank share



## Figures per share (€)



■ Operating result per share<sup>1</sup>  
■ EPS<sup>1</sup>

	YE 2020	YE 2021	YE 2022	YE 2023
Number of shares issued (m)	1,252.40	1,252.40	1,252.40	1,240.22
Market capitalisation (€bn)	6.6	8.4	11.1	13.3
Net asset value per share (€)	19.80	20.50 <sup>2</sup>	21.60 <sup>2</sup>	23.33 <sup>3</sup>
Low/high Xetra intraday prices (€)	2.80/6.83	4.70/7.19	5.17/9.51	8.31/12.01

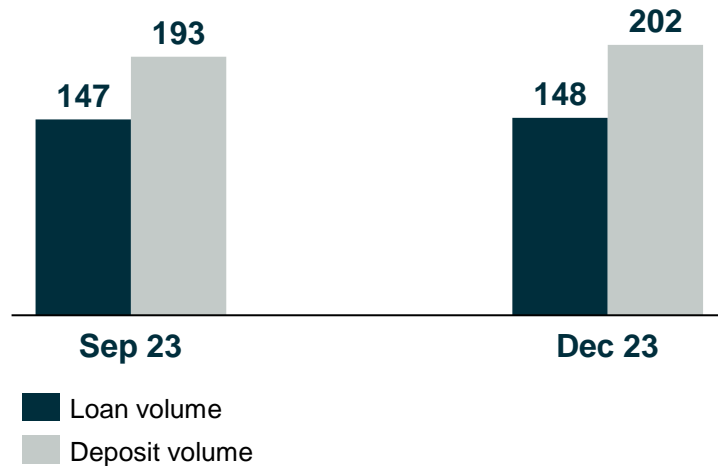
1) Based on average number of outstanding shares in the period  
 2) Restatement  
 3) Based on number of outstanding shares

# Loan and deposit development



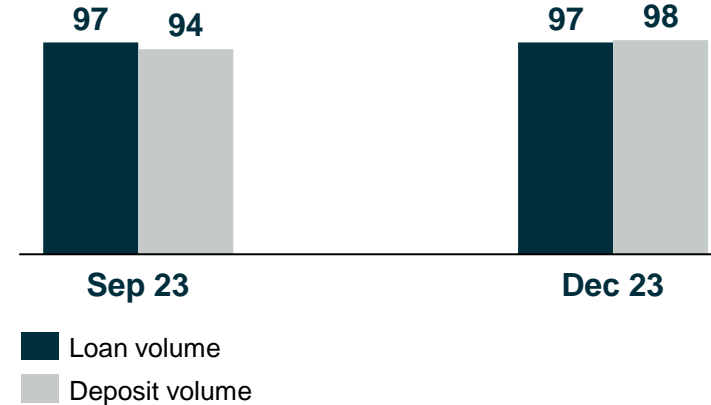
## PSBC

(€bn | monthly average)



## Corporate Clients

(€bn | monthly average)



## Highlights

FX related increase in loan volume in mBank; stable development in PSBC Germany

Increase in deposit volume mainly at PSBC Germany and also FX related at mBank

In CC, largely stable development of loan volumes across client groups

Deposit volumes increased in Mittelstand and International Corporates

In PSBC Germany >90% of deposits are insured (>65% statutory and >25% private insurance)

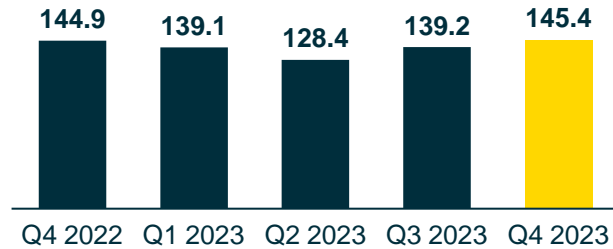
In CC >60% of deposits are insured (<5% statutory and almost 60% private insurance)

# Comfortable liquidity position

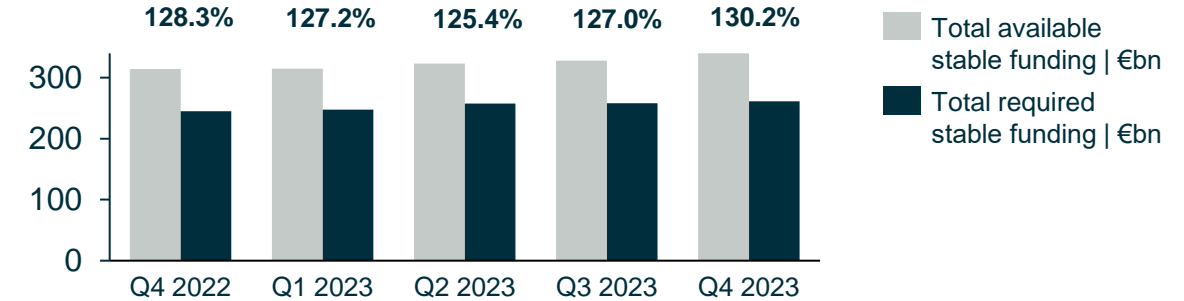


## LCR

(% | eop)

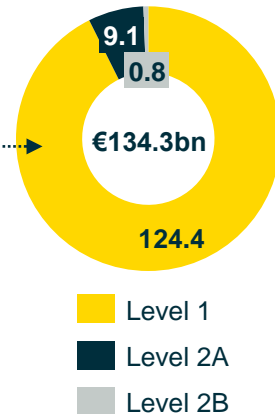
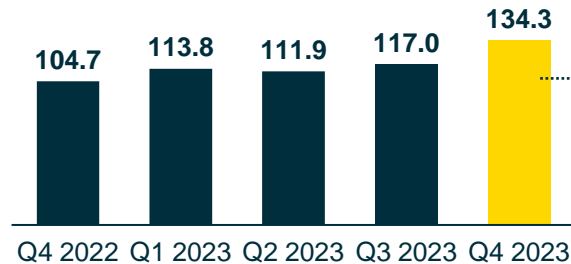


## Net stable funding ratio (NSFR)



## Highly liquid assets

(€bn)



## Liquidity risk management

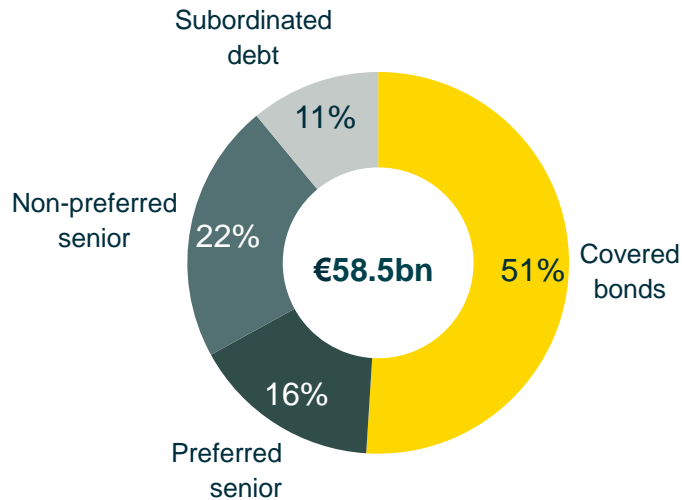
- Daily calculation of the liquidity gap profile
- Liquidity reserves are ring-fenced in separate portfolios on the balance sheet (assets and funding respectively)
- Intraday liquidity reserve portfolio (central bank eligible collateral) serves as cushion for a possible intraday stress
- Stress liquidity reserve portfolio consists of highly liquid assets and covers potential liquidity outflows according to the liquidity gap profile under stress



# €10.1bn capital markets funding issued in 2023



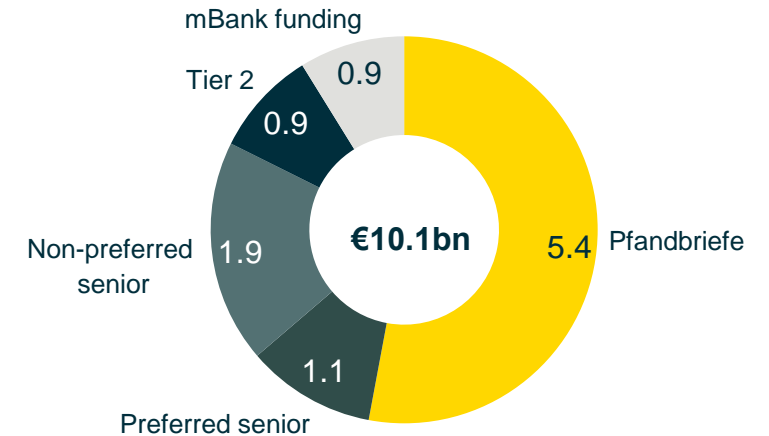
## Funding structure<sup>1</sup>



## Benchmarks / Highlights

- Pfandbriefe:**  
 €4.35bn Mortgage-Pfandbriefe with maturities between 3 and 10 years  
 €750m 2.5 year Public sector Pfandbrief
- Non-preferred senior:**  
 €750m 7NC6 year benchmark and CHF325m 4 and 5 tenor  
 €600m Green bond 5.5NC4.5 issuance
- Tier 2:**  
 SGD300m 10.25NC5.25 and SGD300m 10.5NC5.5  
 €500m 10.25NC5.25 transactions
- mBank funding:**  
 Green non-preferred senior €750m 4NC3 bond

## Group issuance activities 2023 (€bn | nominal values)



## Funding plan 2024 around €10bn

In January 2024 (not included in figures):

**Pfandbriefe:** €2bn dual tranche 3 and 7 years

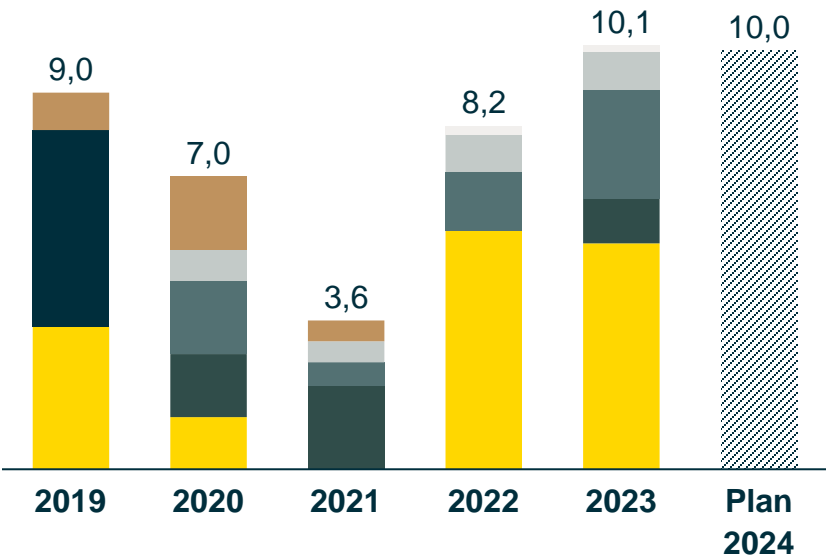
**Non-preferred senior:** €750m 7NC6

1) Based on balance sheet figures

# Expected funding volume 2024 around €10bn

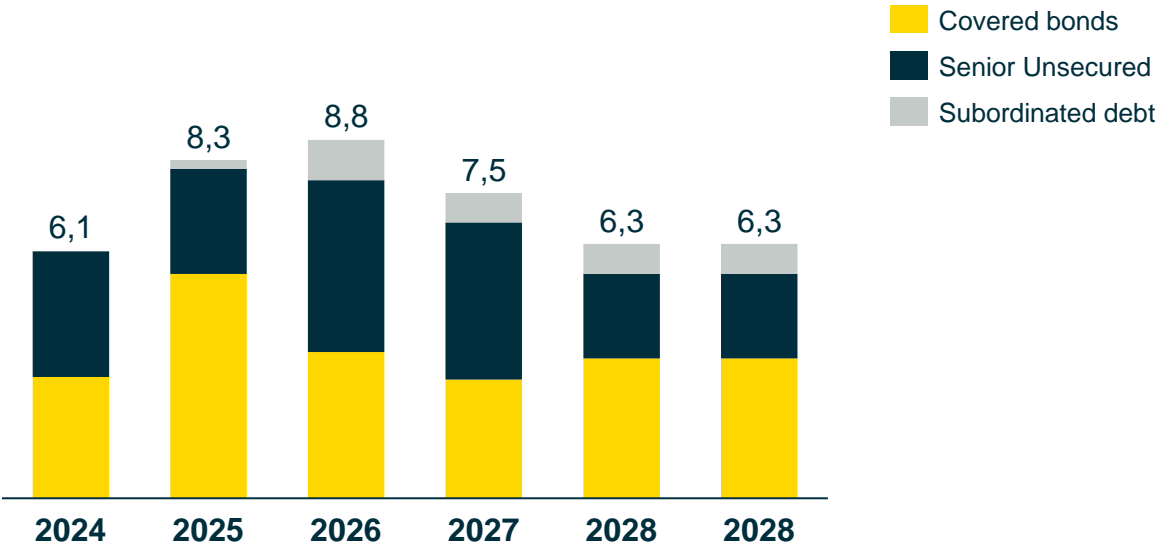


**Funding activities<sup>1</sup>**  
(€bn)



- Covered
- Unsecured
- Preferred Senior
- Non-preferred Senior
- Subordinated
- Additional Tier 1
- others

**Maturities until 2027<sup>2</sup>**  
(€bn)



**Details**

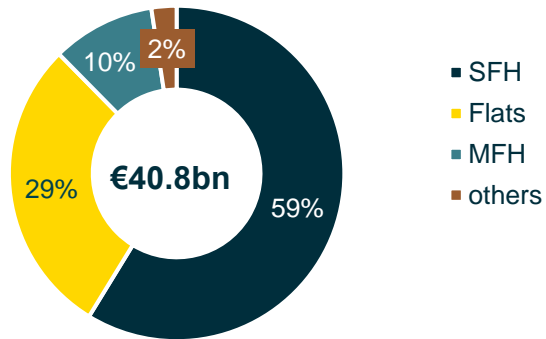
- Continued focus on diversification of funding
- Well balanced maturity profile

1) Nominal value  
2) Based on balance sheet figures, senior unsecured bonds includes preferred and non-preferred senior bonds

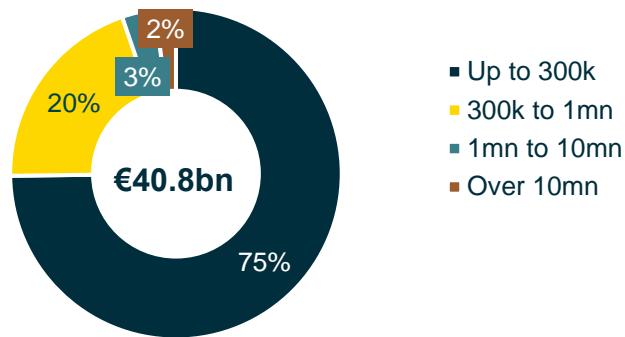
# Mortgage Pfandbrief cover pool (12/2023)



## Overview by property type



## Overview by size



## Cover pool details<sup>1</sup>

- Total assets: €42.4bn
- Cover loans: €40.8bn
- Further assets: €1.6bn
- Fixed rated assets: 98%
- Weighted avg. LTV ratio: 51%
- Outstanding Pfandbriefe: €29.5bn
- Fixed rated Pfandbriefe: 76%
- Cover surplus: €12.9bn (44% nom.)
- Moody's rating: Aaa

## Highlights

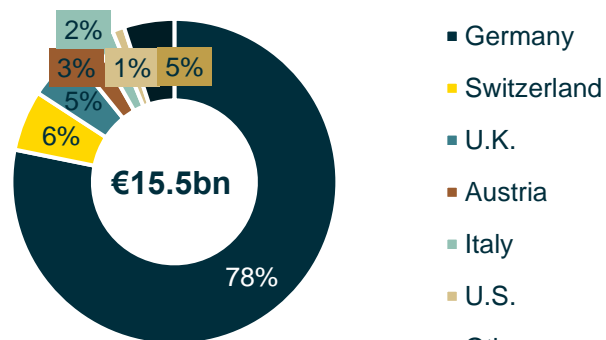
- Only German mortgages
- 98% German residential mortgages, only 2% commercial
- Over 70% of the mortgages are "owner occupied"
- Highly granular cover pool with 75% of the loans are €300k or smaller

1) Commerzbank Disclosures according to §28 Pfandbriefgesetz 31 December 2023

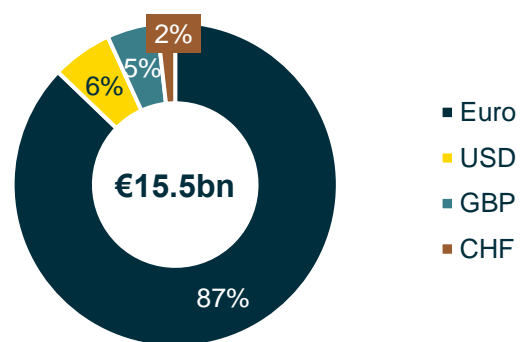
# Public Sector Pfandbrief cover pool (12/2023)



## Borrower / guarantor & country breakdown



## Currency breakdown



## Cover pool details<sup>1</sup>

- Total assets: €15.5bn  
of which are municipal loans : €7.3bn  
of which are export finance loans : €2.7bn
- Fixed rated assets: 76%
- Outstanding Pfandbriefe: €9.2bn
- Fixed rated Pfandbriefe: 52%
- Cover surplus: €7.3bn  
(90% nom.)
- Moody's rating: Aaa

## Highlights

- Commerzbank utilizes the public sector Pfandbrief to support its German municipal lending and guaranteed export finance business.
- > 75% are assets from Germany
- Over 80% of the assets are EUR denominated

1) Commerzbank Disclosures according to §28 Pfandbriefgesetz 31 December 2023

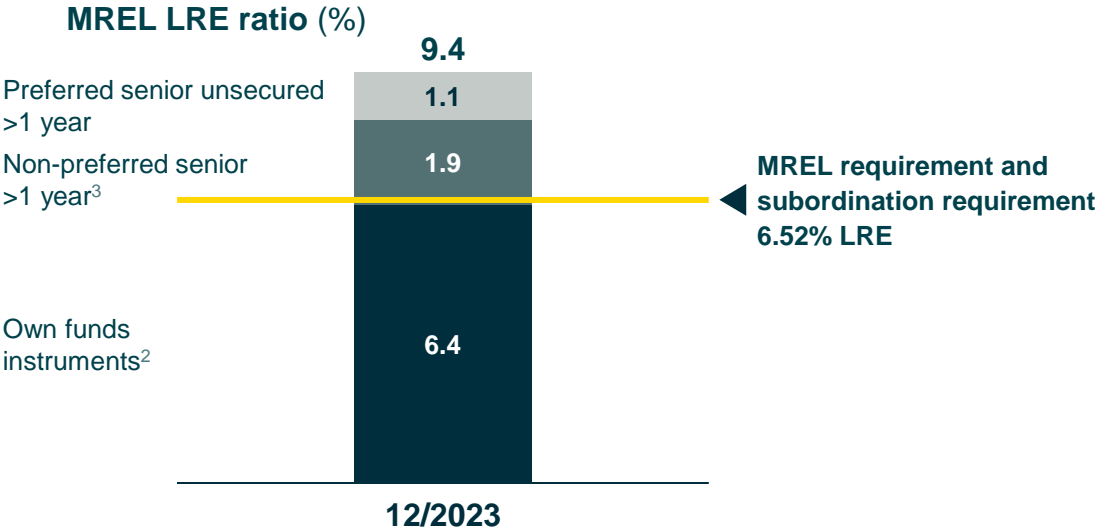
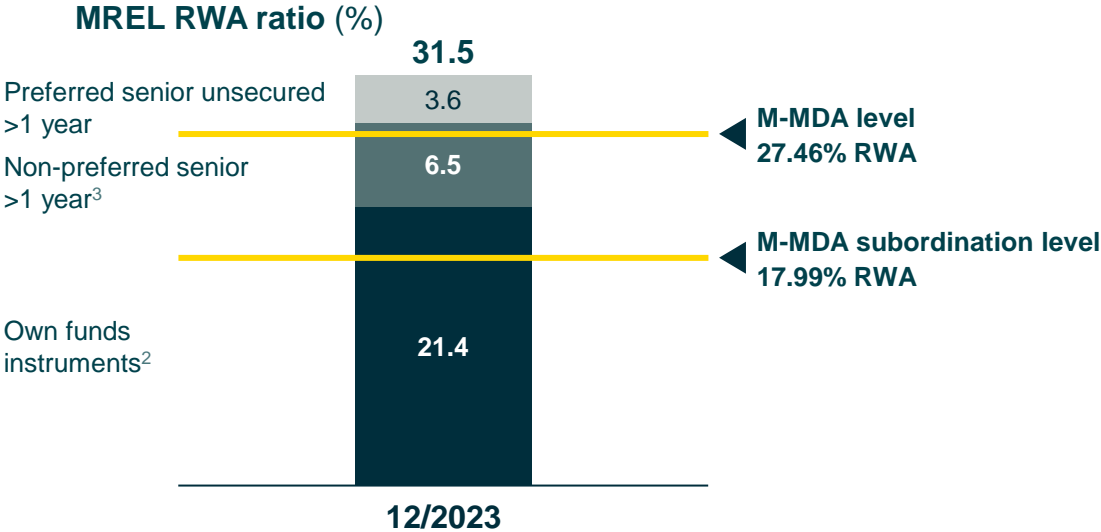
# Comfortable fulfilment of RWA and LRE MREL requirements

## MREL Requirements and M-MDA

Based on data as of 31 December 2023, Commerzbank fulfils its current MREL RWA requirement<sup>1</sup> of 27.46% RWA with an MREL ratio of 31.5% RWA and the MREL subordination requirement of 17.99% RWA with a ratio of 27.9% RWA, both including the combined buffer requirement (CBR)

Both, the MREL LRE ratio of 9.4% and MREL subordination LRE ratio of 8.3% comfortably meet the requirement of 6.52%

The issuance strategy is consistent with all RWA and LRE based MREL requirements

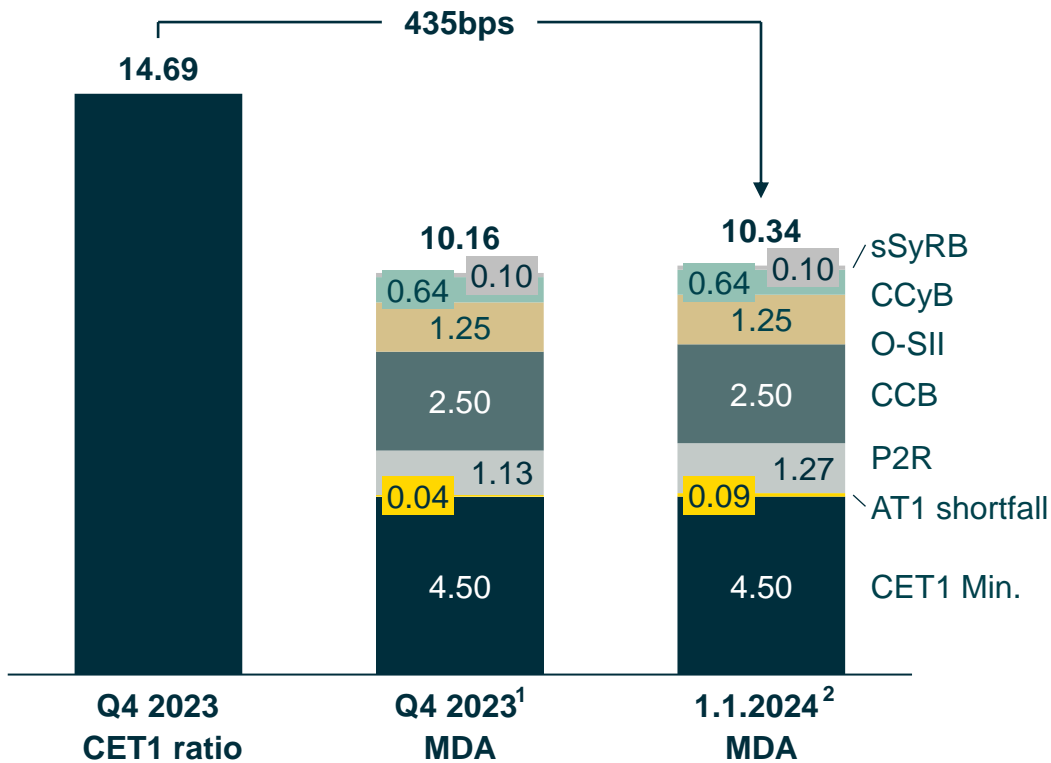


1) In May 2023, Commerzbank AG received its current MREL requirement calibrated based on data as of 31 December 2021. The resolution approach is a multiple point of entry (MPE) with two separate resolution groups (resolution group A: Commerzbank Group without mBank subgroup; resolution group B: mBank subgroup). The legally binding MREL (subordination) requirement is defined as a percentage of risk-weighted assets (RWA) and leverage ratio exposure (LRE)  
 2) Includes amortized amount (regulatory) of Tier 2 instruments with maturity > 1 year  
 3) According to §46f KWG or non-preferred senior by contract

# Commerzbank's MDA



## Distance to MDA (%)



## Highlights

453bps distance to MDA based on Q4 2023 CET1 ratio of 14.69% and 2022 SREP requirements

- MDA increased by 3bps compared to Q3 2023 – driven by increase in AT1 shortfall (+2bps) and CCyB increase (+1bp)
- Q4 2023 AT1 shortfall of 4bps

435bps distance to MDA based on Q4 2023 CET1 ratio of 14.69% and SREP requirements effective from 1 January 2024

- New SREP determined a slight increase of Pillar 2 requirement (P2R) by 25bps to 2.25%, hence increase in CET1 P2R by 14bps and in AT1 shortfall by 5bps (based on RWAs as of Q4 2023)

AT1 layer will continue to be managed to maintain appropriate distance to MDA. Based on the new SREP P2R we target a Tier 2 layer above 2.56% in 2024 – Tier 2 with moderate maturities and issuance needs in 2024

1) Based on RWAs of €175.1bn as of Q4 2023. AT1 requirement of 1.875% and Tier 2 requirement of 2.5%

2) Pro-forma MDA based on SREP requirements effective from 1 January 2024

# Rating overview Commerzbank



As of 15 February 2024

	<b>S&amp;P Global</b>	<b>MOODY'S INVESTORS SERVICE</b>
<b>Bank ratings</b>	<b>S&amp;P</b>	<b>Moody's</b>
Counterparty rating/assessment <sup>1</sup>	A	A1/ A1 (cr)
Deposit rating <sup>2</sup>	A- positive	A1 stable
Issuer credit rating (long-term debt)	A- positive	A2 stable
Stand-alone rating (financial strength)	bbb	baa2
Short-term debt	A-2	P-1
<b>Product ratings (unsecured issuances)</b>		
Preferred senior unsecured debt	A- positive	A2 stable
Non-preferred senior unsecured debt	BBB-	Baa2
Subordinated debt (Tier 2)	BB+	Baa3
Additional Tier 1 (AT1)	BB-	Ba2
<b>Product ratings (secured issuances)</b>		
Mortgage Pfandbriefe	-	Aaa
Public Sector Pfandbriefe	-	Aaa

## Recent rating events

S&P revised the outlook of Commerzbank's issuer credit rating (= preferred senior rating) to positive in November 2023

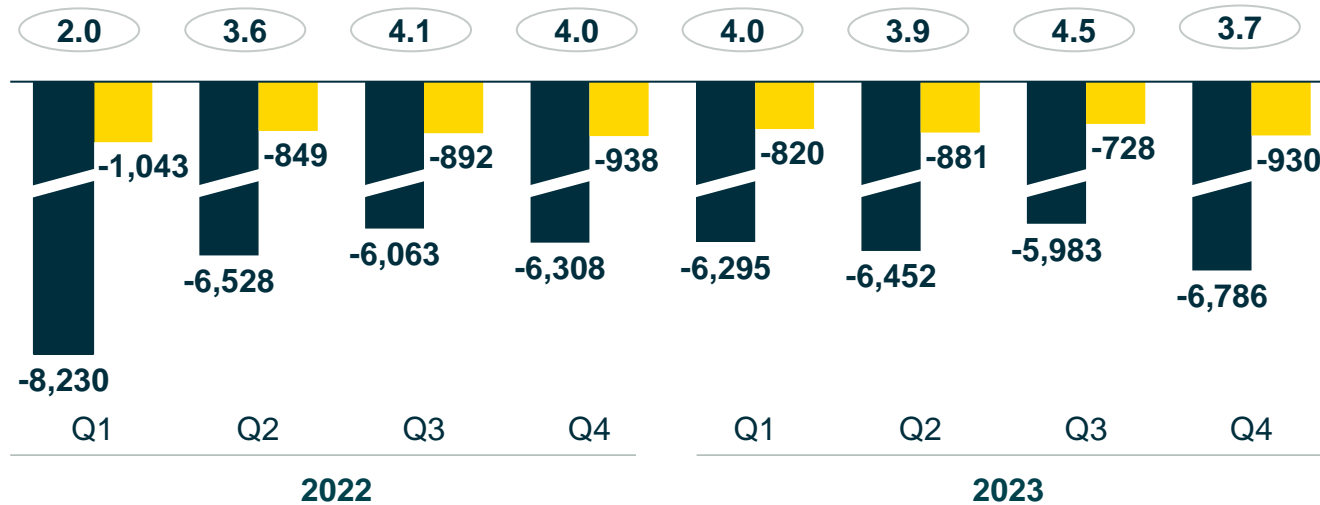
1) Includes parts of client business (i.e. counterparty for derivatives)

2) Includes corporate and institutional deposits

# IAS 19: Development of pension obligations



## Cumulated actuarial gains and losses (€m)



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

1) OCI effect driven by development of plan assets versus pension obligations, after tax, without minorities; cumulated since 1/1/2013 (new IAS19 standard) including possible restatements  
 2) Discount rate for German pension obligations (represents 97% of Group pension obligations)

## Explanation

Following the strong decline of market yields towards year-end, the EUR IAS19 discount rate ended 30bp lower YoY. The present-valued pension obligations (DBO) therefore increased over the full year, producing a YtD liability loss in OCI. Valuation adjustments of DBO for higher actual and expected inflation induced an additional YtD liability loss in OCI

Pension assets' OCI increased by a similar amount YtD

In summary, liability loss and asset gain were balanced and produced a YtD net OCI gain of +€7m (after tax) on Group level

The discount rate is derived from an AA rated government bond basket, re-calibrated on corporate bond level, with an average duration of 14 years

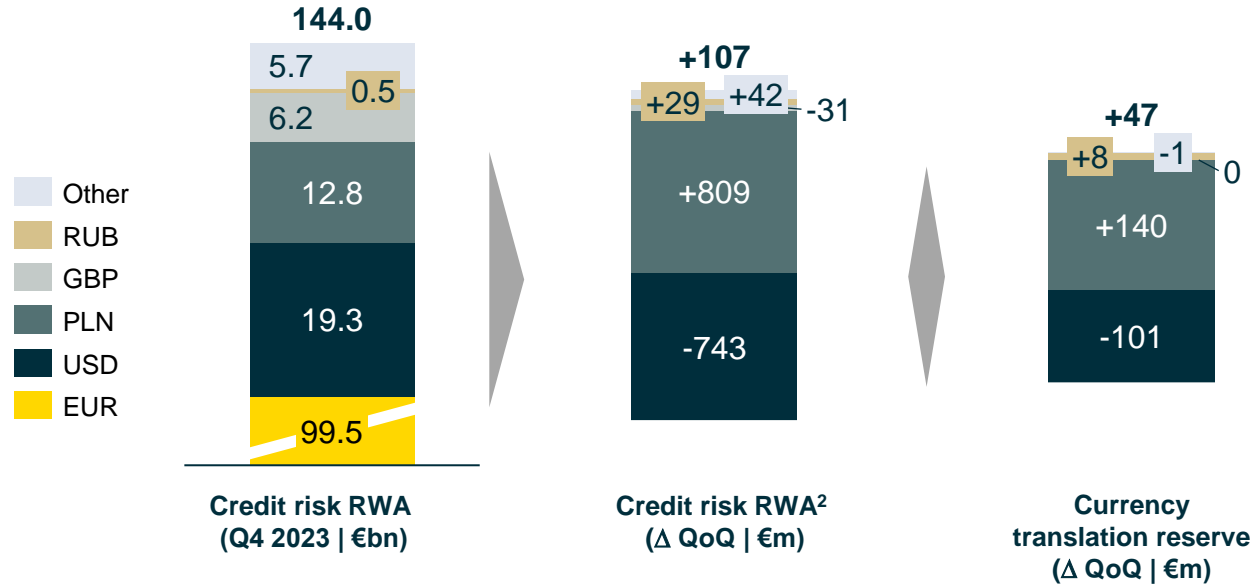
The funding ratio (plan assets vs. pension obligations) is 109% across all Group plans



# FX impact on CET1 ratio



## QoQ change in FX capital position



## Explanation

Positive impact on CET1 ratio<sup>1</sup> from increasing effect of the currency translation reserve as it overcompensates slightly higher FX driven credit risk RWA

Slight increase in credit risk RWA from FX effects mainly due to stronger PLN (+€809m) and RUB (+€29m), mostly offset by weaker USD (-€743m) and GBP (-€31m)

Higher currency translation reserve mainly due to increase from PLN (+€140m) and RUB (+€8m), partly compensated by USD (-€101m)

FX rates <sup>3</sup>	09/23	12/23
EUR / GBP	0.865	0.869
EUR / PLN	4.628	4.340
EUR / USD	1.059	1.105
EUR / RUB	103.127	99.321

1) Based on current CET1 ratio

2) Change in credit risk RWA solely based on FX not on possible volume effects since 09/23

3) FX rates of main currencies only

# Commerzbank Capital Return Policy

Clear capital return plan with prudent capital buffer



## Capital return 2022-24

Capital return 2022-2024 based on increasing pay-out ratios leading to a capital return of ~€3bn<sup>1</sup>

2022: 30% (€0.4bn)

2023: 50% (€1.0bn)

2024: 70 + X%

2024 return consists of share buy-back<sup>2</sup> applied for after H1 2024 results and dividend approved at AGM in 2025

## Capital return 2025-27

2025-2027 capital return with a pay-out ratio well above 50% but not more than the net result<sup>1</sup>; pay-out is depending on economic development and business opportunities

Return consists of share buy-back<sup>2</sup> and dividend approved at AGM of following year

Commerzbank aims for a steady development of the dividend with increasing results. Share buy-backs will be applied for remaining capital to be returned within the pay-out ratio

## CET1 ratio

Reaching and maintaining prudent CET1 ratio of 13.5%

CET1 ratio of at least 250bp above MDA after distribution prerequisite for dividend payment

Additional prerequisite for a share buy-back is a CET1 ratio of at least 13.5% after distribution<sup>2</sup>

Updated with FY 2023 figures

1) Pay-out based on net result after potential (fully discretionary) AT1 coupon payments

2) Subject to approval of ECB and German Finance Agency

# Group equity composition



	Capital Q3 2023 EoP €bn	Capital Q4 2023 EoP €bn	Capital Q4 2023 Average €bn		P&L Q4 2023 €m	P&L FY 2023 €m		Ratios Q4 2023 %	Ratios FY 2023 %		
<b>Common equity tier 1 capital</b>	25.4	25.7	25.6	<sup>1</sup>	<b>Operating Result</b>	542	3,421	→	<b>Op. RoCET</b>	8.5%	13.7%
DTA	0.2	0.2									
Minority interests	0.4	0.5									
Prudent Valuation	0.4	0.4									
Defined Benefit pension fund assets	0.8	0.6									
Instruments that are given recognition in AT1 Capital	3.1	3.1									
Other regulatory adjustments	0.4	0.2									
<b>Tangible equity</b>	<b>30.7</b>	<b>30.7</b>	<b>30.9</b>	<sup>1</sup>	<b>Operating Result</b>	542	3,421	→	<b>Op. RoTE</b>	7.0%	11.3%
Goodwill and other intangible assets (net of tax)	1.1	1.1	1.1								
<b>IFRS capital</b>	<b>31.7</b>	<b>31.8</b>	<b>32.0</b>	<sup>1</sup>							
Subscribed capital	1.2	1.2									
Capital reserve	10.1	10.1									
Retained earnings	17.0	16.8									
t/o consolidated P&L	1.8	2.2									
t/o cumulated accrual for pay-out and potential AT1 coupons	-0.9	-1.2									
Currency translation reserve	-0.3	-0.3									
Revaluation reserve	-0.3	-0.1									
Cash flow hedges	-0.1	-0.1									
<b>IFRS capital attributable to Commerzbank shareholders</b>	<b>27.7</b>	<b>27.7</b>	<b>27.8</b>	<sup>1</sup>	<b>Consolidated P&amp;L</b>	395	2,224				
<b>Tangible equity attributable to Commerzbank shareholders</b>	<b>26.6</b>	<b>26.6</b>	<b>26.8</b>	<sup>1</sup>	./ accrual for potential AT1 coupon distribution current year	-47	-194				
<b>Additional equity components</b>	<b>3.1</b>	<b>3.1</b>	<b>3.1</b>		<b>Consolidated P&amp;L adjusted for RoE/RoTE</b>	<b>348</b>	<b>2,031</b>	→	<b>Net RoE</b>	5.0%	7.4%
<b>Non-controlling interests</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>					→	<b>Net RoTE</b>	5.2%	7.7%

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

# Commerzbank Group



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Total underlying revenues	2,737	2,309	2,066	2,401	9,513	2,655	2,621	2,727	2,434	10,438
Exceptional items	56	111	-181	-38	-52	13	9	27	-25	23
<b>Total revenues</b>	<b>2,793</b>	<b>2,420</b>	<b>1,886</b>	<b>2,363</b>	<b>9,461</b>	<b>2,668</b>	<b>2,629</b>	<b>2,755</b>	<b>2,409</b>	<b>10,461</b>
o/w Net interest income	1,401	1,478	1,621	1,958	6,459	1,947	2,130	2,166	2,126	8,368
o/w Net commission income	970	894	849	806	3,519	915	841	831	798	3,386
o/w Net fair value result	353	69	172	-143	451	-72	-17	-67	-202	-359
o/w Other income	69	-22	-757	-258	-967	-122	-324	-175	-313	-933
o/w Dividend income	-	8	13	11	32	-	4	9	14	26
o/w Net income from hedge accounting	13	-55	-39	-33	-113	-3	10	-8	40	39
o/w Other financial result	26	-24	-284	-11	-292	3	15	60	-25	52
o/w At equity result	-	4	5	4	13	1	3	-	1	4
o/w Other net income	30	45	-452	-229	-606	-123	-355	-235	-342	-1,055
Risk result	-464	-106	-84	-222	-876	-68	-208	-91	-252	-618
Operating expenses	1,438	1,423	1,429	1,553	5,844	1,464	1,481	1,504	1,557	6,006
Compulsory contributions	347	144	91	59	642	260	52	45	59	415
<b>Operating result</b>	<b>544</b>	<b>746</b>	<b>282</b>	<b>528</b>	<b>2,099</b>	<b>875</b>	<b>888</b>	<b>1,116</b>	<b>542</b>	<b>3,421</b>
Restructuring expenses	15	25	14	40	94	4	4	6	4	18
<b>Pre-tax result Commerzbank Group</b>	<b>529</b>	<b>721</b>	<b>267</b>	<b>488</b>	<b>2,005</b>	<b>871</b>	<b>885</b>	<b>1,109</b>	<b>537</b>	<b>3,403</b>
Taxes on income	199	226	228	-41	612	279	338	405	166	1,188
Minority Interests	32	25	-155	57	-42	12	-19	20	-24	-10
<b>Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components</b>	<b>298</b>	<b>470</b>	<b>195</b>	<b>472</b>	<b>1,435</b>	<b>580</b>	<b>565</b>	<b>684</b>	<b>395</b>	<b>2,224</b>
Total Assets / Total Liabilities	519,322	528,903	535,645	477,428	477,428	497,357	501,603	509,885	517,166	517,166
Average capital employed	23,755	23,988	24,102	24,112	24,003	24,048	24,729	25,365	25,642	24,945
RWA credit risk (end of period)	144,783	146,222	144,789	140,473	140,473	142,866	144,802	144,128	144,044	144,044
RWA market risk (end of period)	10,432	8,934	9,784	7,060	7,060	7,588	8,326	8,701	8,280	8,280
RWA operational risk (end of period)	19,891	19,891	19,891	21,199	21,199	21,074	20,849	20,797	22,790	22,790
<b>RWA (end of period)</b>	<b>175,106</b>	<b>175,047</b>	<b>174,464</b>	<b>168,731</b>	<b>168,731</b>	<b>171,528</b>	<b>173,977</b>	<b>173,626</b>	<b>175,114</b>	<b>175,114</b>
Cost/income ratio (excl. compulsory contributions) (%)	51.5%	58.8%	75.8%	65.7%	61.8%	54.9%	56.3%	54.6%	64.6%	57.4%
Cost/income ratio (incl. compulsory contributions) (%)	63.9%	64.8%	80.6%	68.2%	68.6%	64.6%	58.3%	56.2%	67.1%	61.4%
Operating return on CET1 (RoCET) (%)	9.2%	12.4%	4.7%	8.8%	8.7%	14.6%	14.4%	17.6%	8.5%	13.7%
Operating return on tangible equity (%)	7.6%	10.3%	3.8%	7.2%	7.2%	11.8%	11.8%	14.6%	7.0%	11.3%
Return on equity of net result (%)	3.9%	6.5%	2.2%	6.5%	4.7%	8.0%	7.6%	9.2%	5.0%	7.4%
Net return on tangible equity (%)	4.0%	6.7%	2.2%	6.7%	4.9%	8.3%	7.9%	9.6%	5.2%	7.7%

# Private and Small-Business Customers



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Total underlying revenues	1,474	1,519	1,066	1,479	5,539	1,495	1,284	1,399	1,183	5,361
Exceptional items	-7	21	-275	-11	-272	7	-7	-6	20	13
<b>Total revenues</b>	<b>1,467</b>	<b>1,540</b>	<b>791</b>	<b>1,468</b>	<b>5,266</b>	<b>1,503</b>	<b>1,277</b>	<b>1,392</b>	<b>1,203</b>	<b>5,374</b>
o/w Net interest income	808	985	1,023	1,125	3,941	1,091	1,119	1,157	1,018	4,385
o/w Net commission income	640	586	535	484	2,245	592	531	517	510	2,150
o/w Net fair value result	55	-47	-38	-49	-79	-34	-45	-64	-29	-173
o/w Other income	-36	15	-728	-92	-841	-147	-328	-218	-296	-988
o/w Dividend income	-	4	13	2	19	-	1	10	7	18
o/w Net income from hedge accounting	-	1	-12	10	-2	-	-2	4	-5	-3
o/w Other financial result	-5	-5	-270	-14	-294	-12	-5	1	29	14
o/w At equity result	-1	-1	3	4	5	-	-	-1	-	-1
o/w Other net income	-30	16	-462	-93	-569	-134	-321	-232	-328	-1,016
Risk result	-72	-88	-90	-141	-392	-128	-49	-94	-201	-472
Operating expenses	821	829	821	944	3,414	846	880	866	983	3,575
Compulsory contributions	171	143	88	58	460	140	62	45	57	303
<b>Operating result</b>	<b>403</b>	<b>481</b>	<b>-208</b>	<b>325</b>	<b>1,001</b>	<b>389</b>	<b>286</b>	<b>388</b>	<b>-39</b>	<b>1,024</b>
Total Assets	168,321	168,145	169,140	170,749	170,749	172,230	173,963	176,152	179,698	179,698
Total Liabilities	203,039	204,431	206,154	210,303	210,303	208,616	211,608	215,713	228,254	228,254
Average capital employed	6,728	6,844	6,737	6,669	6,745	6,804	6,817	6,742	6,681	6,769
RWA credit risk (end of period)	42,157	41,586	40,862	39,699	39,699	39,857	40,042	39,300	39,703	39,703
RWA market risk (end of period)	908	802	850	575	575	598	683	691	777	777
RWA operational risk (end of period)	11,465	11,644	11,577	13,343	13,343	13,289	12,738	11,729	13,336	13,336
<b>RWA (end of period)</b>	<b>54,529</b>	<b>54,033</b>	<b>53,289</b>	<b>53,616</b>	<b>53,616</b>	<b>53,744</b>	<b>53,463</b>	<b>51,720</b>	<b>53,816</b>	<b>53,816</b>
Cost/income ratio (excl. compulsory contributions) (%)	55.9%	53.8%	103.8%	64.3%	64.8%	56.3%	69.0%	62.2%	81.8%	66.5%
Cost/income ratio (incl. compulsory contributions) (%)	67.6%	63.1%	114.9%	68.2%	73.6%	65.6%	73.8%	65.4%	86.5%	72.2%
Operating return on CET1 (RoCET) (%)	24.0%	28.1%	-12.3%	19.5%	14.8%	22.9%	16.8%	23.0%	-2.3%	15.1%
Operating return on tangible equity (%)	22.7%	26.3%	-11.6%	18.5%	14.0%	21.9%	16.1%	22.2%	-2.2%	14.5%
Provisions for legal risks of CHF loans of mBank	-41	-40	-477	-92	-650	-173	-347	-234	-340	-1,094
Operating result ex legal provisions on CHF loans	445	521	269	417	1,651	562	633	622	302	2,118

# PSBC Germany | Part of segment Private and Small-Business Customers



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Total underlying revenues	1,066	1,116	1,074	1,056	4,311	1,153	1,056	1,052	879	4,140
Exceptional items	-6	22	-5	-4	7	-7	-6	-5	17	-2
<b>Total revenues</b>	<b>1,059</b>	<b>1,138</b>	<b>1,069</b>	<b>1,052</b>	<b>4,318</b>	<b>1,147</b>	<b>1,050</b>	<b>1,046</b>	<b>896</b>	<b>4,139</b>
o/w Net interest income	491	585	550	619	2,244	603	572	596	438	2,209
o/w Net commission income	539	495	451	418	1,904	511	451	436	438	1,837
o/w Net fair value result	22	3	4	9	37	8	2	-8	-28	-26
o/w Other income	8	55	64	6	133	24	26	21	47	119
o/w Dividend income	-	3	13	2	18	-	-	10	6	16
o/w Net income from hedge accounting	-	-	-	-	-	-	-	-	-	-
o/w Other financial result	-	-	-	1	1	-	-	-	25	26
o/w At equity result	-1	-1	3	4	5	-	-	-1	-	-1
o/w Other net income	8	52	48	-	109	25	26	12	15	78
Risk result	-17	-46	-52	-102	-218	-91	-9	-39	-92	-231
Operating expenses	689	691	692	803	2,875	702	723	705	800	2,930
Compulsory contributions	84	23	4	22	134	64	18	4	15	100
<b>Operating result</b>	<b>269</b>	<b>377</b>	<b>320</b>	<b>124</b>	<b>1,091</b>	<b>289</b>	<b>300</b>	<b>299</b>	<b>-10</b>	<b>878</b>
Total Assets	124,960	125,571	126,975	126,178	126,178	126,025	126,286	127,621	127,630	127,630
Total Liabilities	160,360	162,238	164,272	166,282	166,282	162,826	164,313	167,921	176,678	176,678
Average capital employed	3,920	4,049	4,018	4,015	3,995	4,118	4,089	3,988	3,927	4,032
RWA credit risk (end of period)	24,584	24,146	24,257	23,611	23,611	23,522	23,359	23,261	23,078	23,078
RWA market risk (end of period)	449	466	492	245	245	247	311	281	326	326
RWA operational risk (end of period)	7,361	7,455	7,382	8,685	8,685	8,676	8,125	7,294	8,115	8,115
<b>RWA (end of period)</b>	<b>32,394</b>	<b>32,067</b>	<b>32,131</b>	<b>32,541</b>	<b>32,541</b>	<b>32,445</b>	<b>31,795</b>	<b>30,837</b>	<b>31,520</b>	<b>31,520</b>
Cost/income ratio (excl. compulsory contributions) (%)	65.0%	60.7%	64.8%	76.3%	66.6%	61.3%	68.9%	67.4%	89.3%	70.8%
Cost/income ratio (incl. compulsory contributions) (%)	73.0%	62.8%	65.2%	78.5%	69.7%	66.8%	70.6%	67.7%	90.9%	73.2%
Operating return on CET1 (RoCET) (%)	27.5%	37.3%	31.9%	12.4%	27.3%	28.1%	29.3%	30.0%	-1.1%	21.8%
Operating return on tangible equity (%)	26.9%	36.4%	31.2%	12.3%	26.8%	27.7%	28.8%	29.3%	-1.0%	21.3%



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Total underlying revenues	409	402	-7	423	1,227	342	228	347	304	1,221
Exceptional items	-1	-1	-271	-7	-279	14	-1	-1	3	15
<b>Total revenues</b>	<b>408</b>	<b>402</b>	<b>-278</b>	<b>417</b>	<b>948</b>	<b>356</b>	<b>226</b>	<b>346</b>	<b>307</b>	<b>1,235</b>
o/w Net interest income	317	400	473	506	1,697	488	547	561	580	2,176
o/w Net commission income	101	90	84	66	341	81	80	80	72	313
o/w Net fair value result	33	-49	-42	-57	-116	-42	-47	-56	-2	-147
o/w Other income	-44	-40	-792	-98	-974	-171	-354	-239	-343	-1,107
o/w Dividend income	-	1	-	-	1	-	1	-	1	2
o/w Net income from hedge accounting	-	1	-12	10	-2	-	-2	4	-5	-3
o/w Other financial result	-5	-5	-270	-15	-295	-12	-5	1	4	-12
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	-38	-36	-510	-93	-678	-159	-347	-245	-343	-1,094
Risk result	-55	-41	-38	-39	-174	-37	-39	-55	-109	-241
Operating expenses	132	138	129	141	539	143	157	161	184	645
Compulsory contributions	87	119	83	36	326	76	44	41	43	203
<b>Operating result</b>	<b>134</b>	<b>103</b>	<b>-528</b>	<b>201</b>	<b>-90</b>	<b>100</b>	<b>-14</b>	<b>89</b>	<b>-28</b>	<b>146</b>
Total Assets	43,361	42,574	42,164	44,570	44,570	46,204	47,677	48,531	52,068	52,068
Total Liabilities	42,679	42,193	41,882	44,021	44,021	45,790	47,294	47,792	51,576	51,576
Average capital employed	2,808	2,795	2,719	2,654	2,750	2,686	2,729	2,754	2,754	2,737
RWA credit risk (end of period)	17,572	17,441	16,604	16,087	16,087	16,334	16,683	16,039	16,625	16,625
RWA market risk (end of period)	459	336	358	331	331	351	372	410	451	451
RWA operational risk (end of period)	4,103	4,189	4,195	4,657	4,657	4,613	4,613	4,435	5,220	5,220
<b>RWA (end of period)</b>	<b>22,134</b>	<b>21,965</b>	<b>21,158</b>	<b>21,075</b>	<b>21,075</b>	<b>21,299</b>	<b>21,668</b>	<b>20,883</b>	<b>22,296</b>	<b>22,296</b>
Cost/income ratio (excl. compulsory contributions) (%)	32.3%	34.3%	n/a	33.8%	56.8%	40.3%	69.4%	46.5%	59.8%	52.2%
Cost/income ratio (incl. compulsory contributions) (%)	53.6%	64.0%	n/a	42.5%	91.2%	61.6%	88.7%	58.4%	73.7%	68.7%
Operating return on CET1 (RoCET) (%)	19.1%	14.8%	-77.7%	30.2%	-3.3%	14.9%	-2.0%	12.9%	-4.1%	5.4%
Operating return on tangible equity (%)	17.3%	13.0%	-68.4%	26.9%	-2.9%	13.5%	-1.9%	12.2%	-3.9%	5.0%

# Corporate Clients



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Total underlying revenues	924	900	1,006	993	3,824	1,061	1,125	1,166	1,117	4,468
Exceptional items	2	-18	15	-31	-32	18	1	5	-11	13
<b>Total revenues</b>	<b>926</b>	<b>882</b>	<b>1,021</b>	<b>963</b>	<b>3,792</b>	<b>1,079</b>	<b>1,126</b>	<b>1,171</b>	<b>1,106</b>	<b>4,481</b>
o/w Net interest income	459	454	522	642	2,077	627	695	717	741	2,781
o/w Net commission income	341	318	332	330	1,320	334	320	326	300	1,281
o/w Net fair value result	115	103	168	49	436	132	128	129	75	463
o/w Other income	12	7	-1	-59	-41	-15	-18	-2	-9	-44
o/w Dividend income	-	3	-	2	5	-	2	-	2	4
o/w Net income from hedge accounting	-9	-7	-2	-1	-18	-	-1	-1	1	-
o/w Other financial result	-2	-3	-2	-3	-10	-2	-1	2	-1	-2
o/w At equity result	1	5	2	-	8	1	3	1	-	5
o/w Other net income	21	9	2	-57	-26	-14	-21	-3	-12	-50
Risk result	-286	-52	13	-121	-446	54	-169	-4	-36	-155
Operating expenses	532	504	497	629	2,162	514	514	522	561	2,111
Compulsory contributions	115	1	2	1	120	78	-6	-	-	73
<b>Operating result</b>	<b>-7</b>	<b>325</b>	<b>535</b>	<b>211</b>	<b>1,065</b>	<b>541</b>	<b>449</b>	<b>644</b>	<b>508</b>	<b>2,142</b>
Total Assets	137,696	144,368	144,601	136,696	136,696	135,005	135,282	139,461	134,434	134,434
Total Liabilities	161,327	172,197	173,597	156,203	156,203	161,953	163,634	170,851	168,960	168,960
Average capital employed	10,135	9,967	9,959	10,182	10,072	10,393	10,512	10,508	10,521	10,481
RWA credit risk (end of period)	69,768	69,570	71,285	72,978	72,978	72,741	73,457	73,687	72,594	72,594
RWA market risk (end of period)	6,462	4,980	5,409	4,090	4,090	4,767	5,000	5,398	5,118	5,118
RWA operational risk (end of period)	4,311	4,244	4,299	4,534	4,534	4,474	4,271	4,168	5,122	5,122
<b>RWA (end of period)</b>	<b>80,541</b>	<b>78,795</b>	<b>80,994</b>	<b>81,601</b>	<b>81,601</b>	<b>81,983</b>	<b>82,727</b>	<b>83,252</b>	<b>82,834</b>	<b>82,834</b>
Cost/income ratio (excl. compulsory contributions) (%)	57.4%	57.1%	48.7%	65.4%	57.0%	47.6%	45.7%	44.6%	50.7%	47.1%
Cost/income ratio (incl. compulsory contributions) (%)	69.8%	57.3%	48.9%	65.5%	60.2%	54.9%	45.1%	44.6%	50.8%	48.7%
Operating return on CET1 (RoCET) (%)	-0.3%	13.0%	21.5%	8.3%	10.6%	20.8%	17.1%	24.5%	19.3%	20.4%
Operating return on tangible equity (%)	-0.2%	12.1%	19.8%	7.6%	9.8%	19.1%	15.7%	22.7%	17.8%	18.8%



# Others & Consolidation



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Total underlying revenues	338	-110	-6	-72	150	99	212	163	135	609
Exceptional items	61	108	80	4	253	-13	15	29	-34	-2
<b>Total revenues</b>	<b>399</b>	<b>-2</b>	<b>73</b>	<b>-68</b>	<b>403</b>	<b>86</b>	<b>227</b>	<b>192</b>	<b>101</b>	<b>606</b>
o/w Net interest income	134	39	77	191	441	229	315	291	367	1,202
o/w Net commission income	-11	-9	-17	-9	-46	-11	-10	-12	-11	-45
o/w Net fair value result	183	13	41	-144	93	-170	-100	-132	-248	-650
o/w Other income	93	-44	-28	-107	-85	39	22	45	-7	99
o/w Dividend income	-1	1	1	7	7	-1	-	-1	5	4
o/w Net income from hedge accounting	22	-48	-25	-41	-93	-2	13	-11	44	43
o/w Other financial result	33	-16	-12	6	11	16	21	57	-53	41
o/w At equity result	-	-	-	-	-	-	-	-	-	-
o/w Other net income	39	20	8	-79	-11	26	-12	-	-3	11
Risk result	-106	34	-6	40	-38	6	9	7	-15	8
Operating expenses	86	91	112	-20	268	104	87	116	13	320
Compulsory contributions	61	1	1	-	63	42	-4	-	1	40
<b>Operating result</b>	<b>147</b>	<b>-60</b>	<b>-46</b>	<b>-8</b>	<b>34</b>	<b>-54</b>	<b>153</b>	<b>84</b>	<b>72</b>	<b>255</b>
Restructuring expenses	15	25	14	40	94	4	4	6	4	18
<b>Pre-tax result</b>	<b>132</b>	<b>-84</b>	<b>-60</b>	<b>-48</b>	<b>-60</b>	<b>-59</b>	<b>150</b>	<b>77</b>	<b>68</b>	<b>236</b>
Total Assets	213,305	216,390	221,905	169,983	169,983	190,122	192,359	194,272	203,035	203,035
Total Liabilities	154,956	152,274	155,895	110,923	110,923	126,788	126,361	123,321	119,952	119,952
Average capital employed	6,892	7,177	7,406	7,262	7,186	6,851	7,400	8,115	8,439	7,695
RWA credit risk (end of period)	32,858	35,066	32,642	27,797	27,797	30,268	31,303	31,141	31,747	31,747
RWA market risk (end of period)	3,063	3,152	3,525	2,394	2,394	2,223	2,643	2,612	2,386	2,386
RWA operational risk (end of period)	4,115	4,002	4,014	3,322	3,322	3,311	3,840	4,900	4,331	4,331
<b>RWA (end of period)</b>	<b>40,036</b>	<b>42,220</b>	<b>40,181</b>	<b>33,513</b>	<b>33,513</b>	<b>35,802</b>	<b>37,787</b>	<b>38,653</b>	<b>38,464</b>	<b>38,464</b>

# Commerzbank Group | Exceptional revenue items



€m	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Exceptional Revenue Items</b>	<b>56</b>	<b>111</b>	<b>-181</b>	<b>-38</b>	<b>-52</b>	<b>13</b>	<b>9</b>	<b>27</b>	<b>-25</b>	<b>23</b>
o/w Net interest income	39	37	4	89	169	-7	-6	-5	-5	-23
o/w Net fair value result	17	48	84	-118	31	9	17	33	-45	13
o/w Other income	-	27	-270	-9	-252	11	-2	-	25	34
o/w FVA, CVA / DVA, AT1 FX effect (NII, NCI, NFVR)	17	48	84	-118	31	9	17	33	-45	13
<b>PSBC Germany</b>	<b>-6</b>	<b>22</b>	<b>-5</b>	<b>-4</b>	<b>7</b>	<b>-7</b>	<b>-6</b>	<b>-5</b>	<b>17</b>	<b>-2</b>
o/w Net interest income	-6	-5	-5	-4	-20	-7	-6	-5	-5	-23
o/w Net fair value result	-	1	-	-	-	-	-	-	-	-
o/w Other income	-	27	-	-	27	-	-	-	21	21
o/w FVA, CVA / DVA (NII, NFVR)	-	1	-	-	-	-	-	-	-	-
<b>mBank</b>	<b>-1</b>	<b>-1</b>	<b>-271</b>	<b>-7</b>	<b>-279</b>	<b>14</b>	<b>-1</b>	<b>-1</b>	<b>3</b>	<b>15</b>
o/w Net fair value result	-1	-1	-1	2	-1	3	1	-1	-1	3
o/w Other income	-	-	-270	-9	-278	11	-2	-	4	12
o/w FVA, CVA / DVA (NII, NFVR)	-1	-1	-1	2	-1	3	1	-1	-1	3
<b>CC</b>	<b>2</b>	<b>-18</b>	<b>15</b>	<b>-31</b>	<b>-32</b>	<b>18</b>	<b>1</b>	<b>5</b>	<b>-11</b>	<b>13</b>
o/w Net fair value result	2	-18	15	-31	-32	18	1	5	-11	13
o/w FVA, CVA / DVA (NII, NFVR)	2	-18	15	-31	-32	18	1	5	-11	13
<b>O&amp;C</b>	<b>61</b>	<b>108</b>	<b>80</b>	<b>4</b>	<b>253</b>	<b>-13</b>	<b>15</b>	<b>29</b>	<b>-34</b>	<b>-2</b>
o/w Net interest income	45	42	9	93	189	-	-	-	-	-
o/w Net fair value result	16	66	70	-89	63	-13	15	29	-34	-2
o/w FVA, CVA / DVA, AT1 FX effect (NII, NCI, NFVR)	16	66	70	-89	63	-13	15	29	-34	-2

## Description of Exceptional Revenue Items

2022	€m	2022	€m	2023	€m
Q1 PPA Consumer Finance (PSBC)	-6	Q4 TLTRO benefit (O&C)	93	Q1 PPA Consumer Finance (PSBC)	-7
Q1 TLTRO benefit (O&C)	45	Q4 Credit holidays in Poland (PSBC)	-9	Q1 Credit holidays in Poland (PSBC)	11
Q2 PPA Consumer Finance (PSBC)	-5			Q2 PPA Consumer Finance (PSBC)	-6
Q2 TLTRO benefit (O&C)	42			Q2 Credit holidays in Poland (PSBC)	-2
Q2 Prov. re judgement on pricing of accounts (PSBC)	27			Q3 PPA Consumer Finance (PSBC)	-5
Q3 PPA Consumer Finance (PSBC)	-5			Q4 PPA Consumer Finance (PSBC)	-5
Q3 TLTRO benefit (O&C)	9			Q4 Credit holidays in Poland (PSBC)	4
Q3 Credit holidays in Poland (PSBC)	-270			Q4 Prov. re judgement on pricing of accounts (PSBC)	21
Q4 PPA Consumer Finance (PSBC)	-4				

# Glossary – Key ratios



Key Ratio	Abbreviation	Calculated for	Numerator	Denominator		
				Group	Private and Small Business Customers and Corporate Clients	Others & Consolidation
Cost/income ratio (excl. compulsory contributions) (%)	CIR (excl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses	Total revenues	Total revenues	n/a
Cost/income ratio (incl. compulsory contributions) (%)	CIR (incl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses and compulsory contributions	Total revenues	Total revenues	n/a
Operating return on CET1 (%)	Op. RoCET (%)	Group and segments (excl. O&C)	Operating profit	Average CET1 <sup>1</sup>	12.7% <sup>2</sup> of the average RWAs (YTD: PSBC Germany €31,7bn, mBank €21,6bn, CC €82,5bn)	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 intangible assets <sup>1</sup>	12.7% <sup>2</sup> of the average RWAs plus average regulatory capital deductions (excluding intangible assets) (YTD: PSBC Germany €0,1bn, mBank €0,2bn, CC €0,9bn)	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 pay-out accrual (if applicable) and after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components <sup>1</sup>	n/a	n/a
Net return on tangible equity (%)	Net RoTE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after pay-out accrual (if applicable) and after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components after deduction of intangible assets (net of tax) <sup>1</sup>	n/a	n/a
Non-Performing Exposure ratio (%)	NPE ratio (%)	Group	Non-performing exposures	Total exposures according to EBA Risk Dashboard	n/a	n/a
Cost of Risk (bps)	CoR (bps)	Group	Risk Result	Exposure at Default	n/a	n/a
Cost of Risk on Loans (bps)	CoRL (bps)	Group	Risk Result	Loans and Advances [annual report note (25)]	n/a	n/a
Key Parameter	Calculated for	Calculation				
Total underlying 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				

1) Reduced by potential pay-out accrual and potential (fully discretionary) AT1 coupon

2) Charge rate reflects current regulatory and market standard

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## Financial calendar 2024

30 April 2024



AGM

15 May 2024



Q1 2024 results

7 August 2024



Q2 2024 results

6 November 2024



Q3 2024 results

# Disclaimer



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