



**Growing business volumes in Core Bank –  
original 2016 NCA target of €93bn already achieved**

19th Annual Banking & Insurance CEO Conference

## Achievements since our Investors' Day end of 2012

1

### Sound operating performance in the Core Bank

- › In a challenging market environment the Core Bank shows around 10% operating RoE - MSB and PC with slight loan growth, in contrast to the market
- › The strategic repositioning of PC is bearing first fruits: ~382k net new customers, market share in new business in mortgages has doubled to above 8%
- › Ongoing good portfolio quality (risk density) in Core Bank. Further reduction of Default portfolio and improved coverage. NPL ratio below 2%.

2

### Significant reduction of the NCA portfolio

- › The €68bn wind-down of our NCA portfolio in only 21 months was significantly faster than planned - NCA portfolio has been reduced by 68% since 2008
- › The higher risk portfolio in the performing book was ~€3.5bn as of Q2 2014 - down by close to 80% since Q3 2012
- › NPL`s in NCA down by €4.3bn while coverage improved to 36%, Ship finance to 43% solely
- › Transactions as the recent Spain, Portugal and Japanese portfolio sale as well as the sale of the chemicals tankers have proven the fair valuation of the assets in our books

3

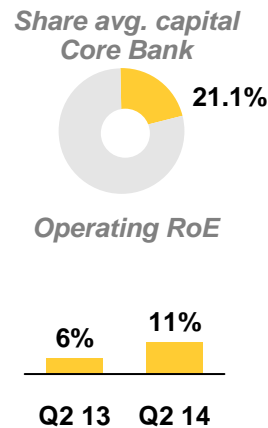
### Further progress in capital and cost management

- › CET1 fully phased-in ratio has improved by 180bps to 9.4% as of Q2 2014. CET1 under phase-in relevant for AQR more than € 7 bn above the 8%-threshold as defined by EBA
- › Strengthening of capital base and quality through repayment of silent participations
- › Continued strong cost management despite investments - more than 30% cost reduction since 2007

# 1 Well established business models in MSB, CEE and C&M - transformation in PC gaining momentum

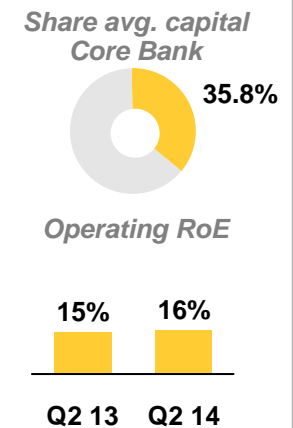
## Private Customers: Transformation of business modell gaining momentum

- › Strong retail franchise with significant increase in market coverage after merger: 1,200 branches and 11m clients
- › Comdirect is No. 1 online broker in Germany
- › Top-3 position in German Wealth Management
- › Transformation of business initiated, visible improvement



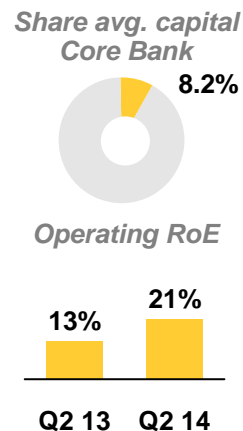
## Mittelstandsbank: Leveraging our success

- › Market leader in German SME banking with unrivalled regional coverage
- › Leading bank covering almost all attractive large corps within Germany (customer coverage 90%)
- › Market-leading foreign trade expertise, profiting from strong export trends
- › Market share of 14% in export LCs in Europe



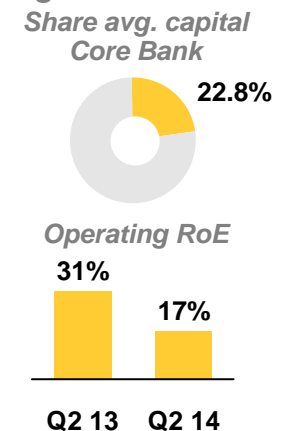
## CEE: Focus on our strengths

- › Strong market presence of mBank in attractive growth market Poland with more than 4.5m customers
- › Portfolio realignment completed in 2012 with sale of PSB and Bank Forum
- › 235,000 new customers gained in retail banking since end of 2012



## C&M: Client centric investment banking

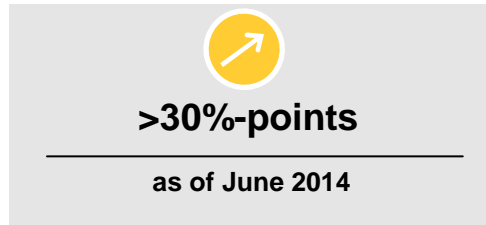
- › Integrated Investment Banking model, serving C&M, MSB and PC clients
- › Almost 90% of C&M revenues generated with direct client business
- › €800m synergies from merger lifted, 56% RWA and 33% Credit VaR reduction achieved
- › Continue to focus on core strengths and further optimise efficiency and profitability



# 1 We are on a good way to achieve our profitability target 2016

## Increased customer satisfaction

Net promoter score  
(Branch network)



Awards: best branch network and best customer advisory



## Increasing number of clients until Q2 2014

**~383.000**  
net new customers

**~418.350**  
new current accounts

**€12.0bn**  
new assets under control

## Profitability target 2016

Revenues  
€3,800m - €3,900m



Costs  
~€3,000m

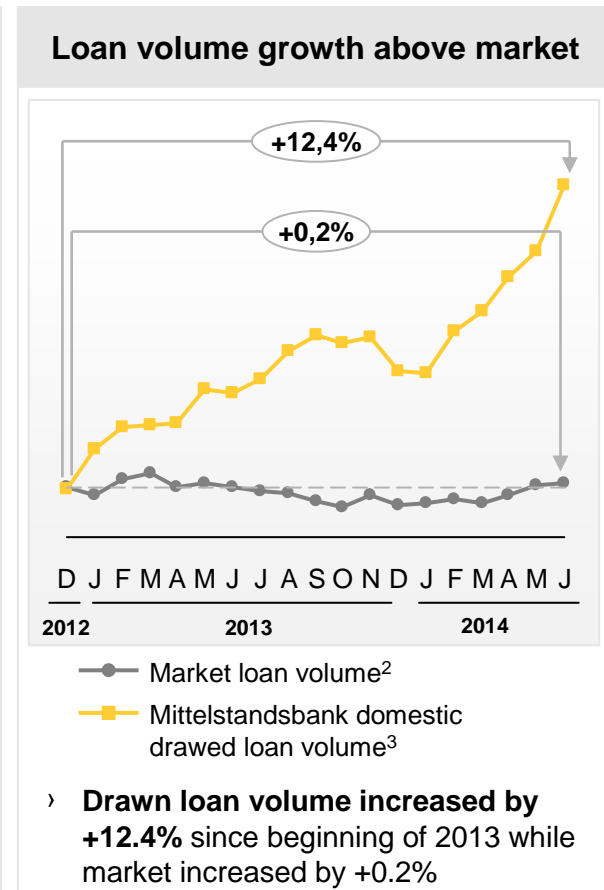
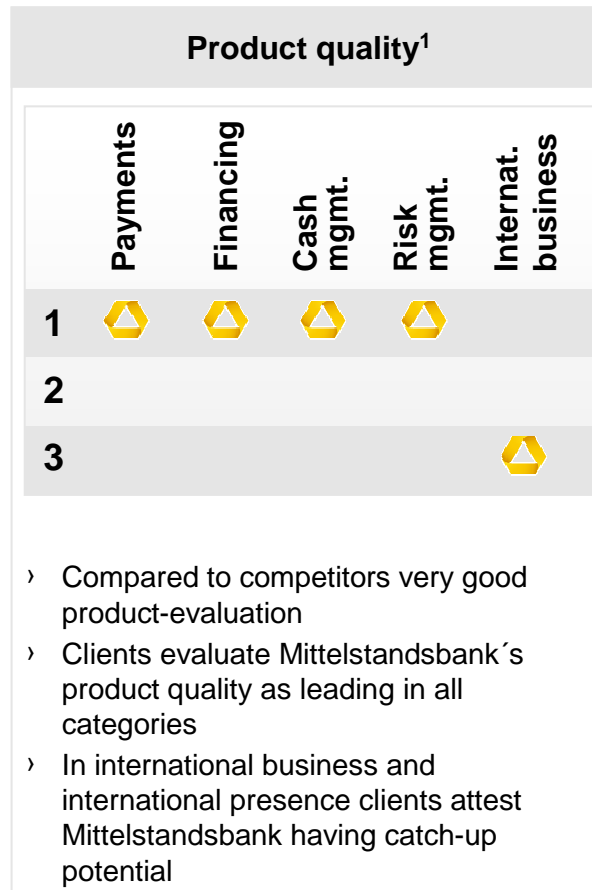
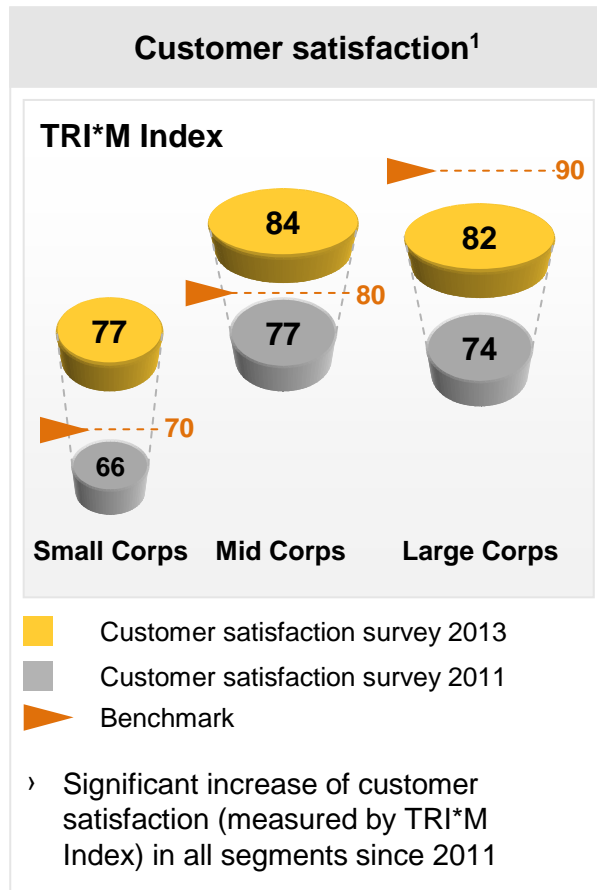


LLP  
€200m - €300m











Operating Profit  
**>€500m**

# 1 Above market customer satisfaction and loan volume growth proofs success of Mittelstandsbank's business model



1) Interview of SMEs and large corps of Commerzbank  
 2) Deutsche Bundesbank, monthly loan portfolio.  
 3) Mittelstandsbank domestic: Mittelstand and Großkunden domestic (without CoC RE).

# 1 Higher capital allocation to strong core banking franchise in order to strengthen our earnings capacity

Avg. capital employed in Q2 2014 In €bn	Planned change in capital allocation 2013-2016	Strategic goals	Investors' Day – targets 2016
<b>PC</b>  <b>4.0</b>		<ul style="list-style-type: none"> <li>› Transforming the business model for significant increase in efficiency and profitability</li> </ul>	<b>RoE<sup>2)</sup></b> > 12% <b>CIR</b> < 80%
<b>MSB</b>  <b>6.9</b>		<ul style="list-style-type: none"> <li>› Leverage and grow unique and successful business model</li> </ul>	<b>RoE<sup>2)</sup></b> > 20% <b>CIR</b> < 45%
<b>CEE</b>  <b>1.6</b>		<ul style="list-style-type: none"> <li>› Selective organic growth</li> </ul>	<b>RoE<sup>2)</sup></b> > 15% <b>CIR</b> < 55%
<b>C&amp;M</b>  <b>4.4</b>	 <sup>1)</sup>	<ul style="list-style-type: none"> <li>› Continue capital efficiency</li> <li>› Maintain profitability and grow selectively</li> </ul>	<b>RoE<sup>2)</sup></b> > 15% <b>CIR</b> < 65%

<sup>1)</sup> Before Basel III RWA effects <sup>2)</sup> Pre-tax operating RoE

## Achievements since our Investors' Day end of 2012

1

### Sound operating performance in the Core Bank

- › In a challenging market environment the Core Bank shows around 10% operating RoE - MSB and PC with slight loan growth, in contrast to the market
- › The strategic repositioning of PC is bearing first fruits: ~382k net new customers, market share in new business in mortgages has doubled to above 8%
- › Ongoing good portfolio quality (risk density) in Core Bank. Further reduction of Default portfolio and improved coverage. NPL ratio below 2%.

2

### Significant reduction of the NCA portfolio

- › **The €68bn wind-down of our NCA portfolio in only 21 months was significantly faster than planned - NCA portfolio has been reduced by 68% since 2008**
- › **The higher risk portfolio in the performing book was ~€3.5bn as of Q2 2014 - down by close to 80% since Q3 2012**
- › **NPL`s in NCA down by €4.3bn while coverage improved to 36%, Ship finance to 43% solely**
- › **Transactions as the recent Spain, Portugal and Japanese portfolio sale as well as the sale of the chemicals tankers have proven the fair valuation of the assets in our books**

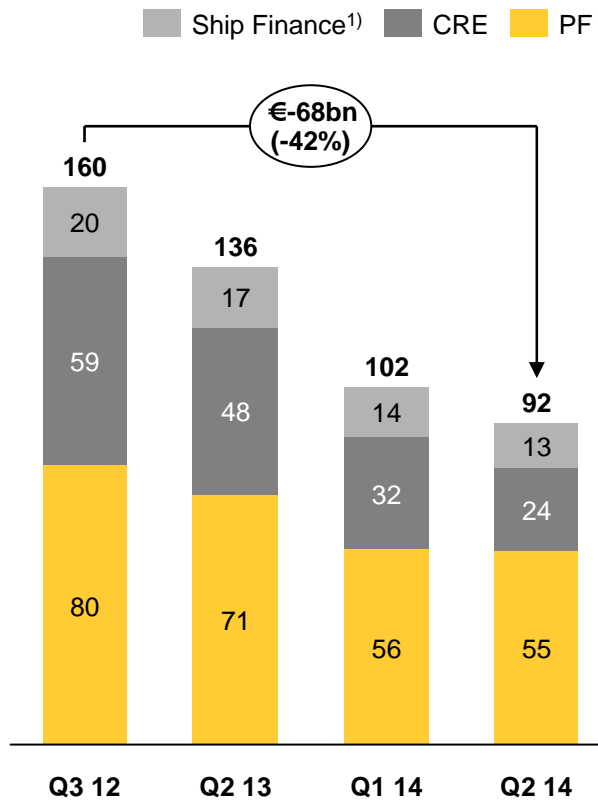
3

### Further progress in capital and cost management

- › CET1 fully phased-in ratio has improved by 180bps to 9.4% as of Q2 2014. CET1 under phase-in relevant for AQR more than € 7 bn above the 8%-threshold as defined by EBA
- › Strengthening of capital base and quality through repayment of silent participations
- › Continued strong cost management despite investments - more than 30% cost reduction since 2007

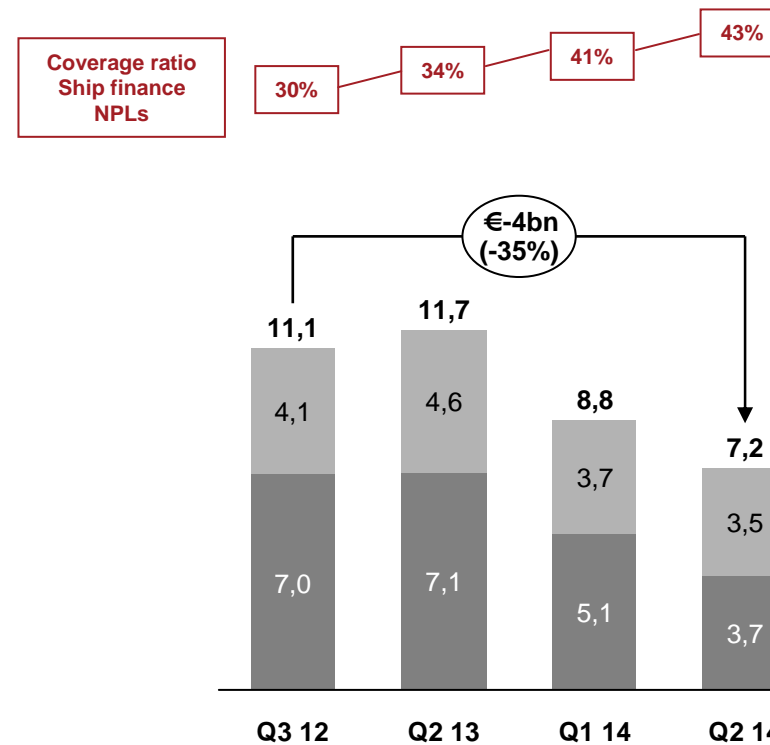
**2 Original 2016 NCA target of €93bn already achieved – significant reduction in NCA volume while coverage ratio could be improved**

**NCA EaD including default portfolio**  
in €bn



<sup>1)</sup> Deutsche Schiffsbank

**NCA default portfolio**  
in €bn



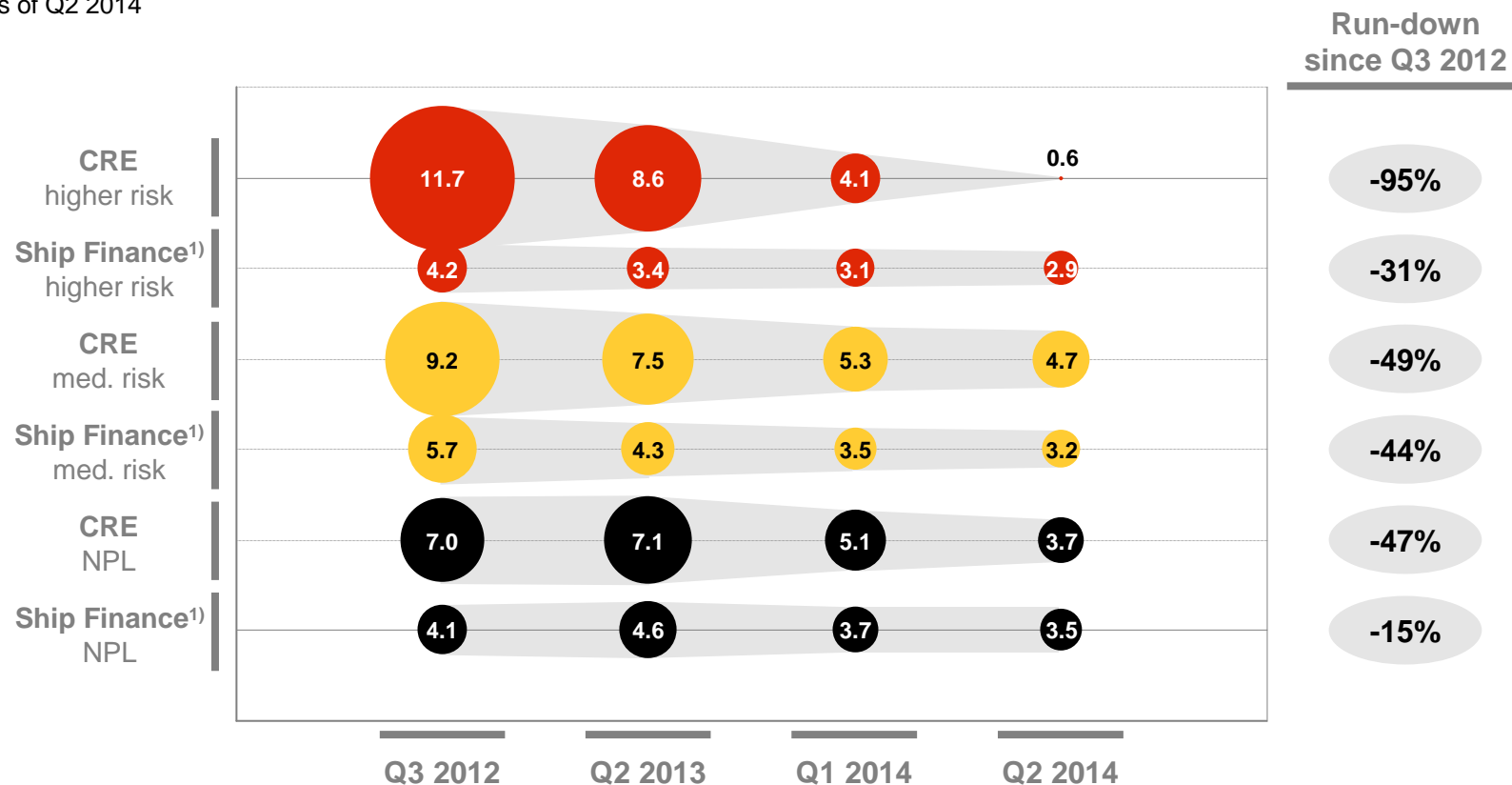
<sup>1)</sup> Deutsche Schiffsbank



## 2 Higher risk cluster CRE reduced to less than €1bn after portfolio transactions

### EaD-Development over time

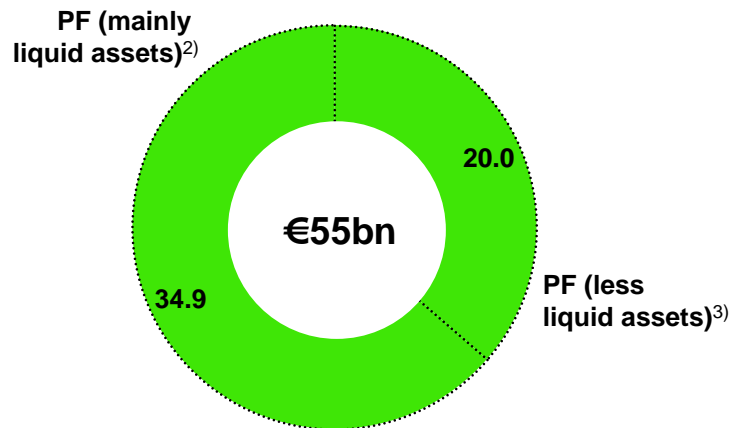
€bn as of Q2 2014



<sup>1)</sup> Deutsche Schiffsbank

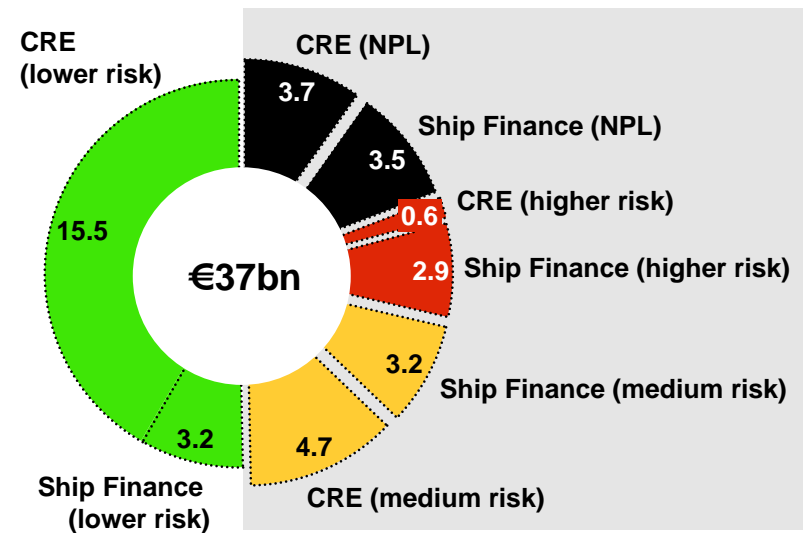
## 2 New EaD target of €~20bn for CRE and Ship Finance<sup>1)</sup> – Public Finance with held-to-maturity strategy

EaD volume of Public Finance portfolio  
€bn as of Q2 2014



- <sup>2)</sup> Mainly liquid assets with low discounts in market value (e.g. German "Bundesländer", Swiss and Belgian sovereigns)
- <sup>3)</sup> Less liquid assets with higher discounts in market value (e.g. Euro exit risk, U.S. sub-sovereigns)

EaD volume of CRE and Ship Finance<sup>1)</sup> portfolios  
€bn as of Q2 2014



Natural maturities lead to €47bn EaD in 2016 – options for opportunistic sales and transfers of mainly liquid assets under regular review



Acceleration of value preserving run-down of CRE and Ship Finance<sup>1)</sup>  
**New target 2016: €~20bn**

Note: Numbers may not add up due to rounding <sup>1)</sup> Deutsche Schiffsbank

## Achievements since our Investors' Day end of 2012

1

### Sound operating performance in the Core Bank

- › In a challenging market environment the Core Bank shows around 10% operating RoE - MSB and PC with slight loan growth, in contrast to the market
- › The strategic repositioning of PC is bearing first fruits: ~382k net new customers, market share in new business in mortgages has doubled to above 8%
- › Ongoing good portfolio quality (risk density) in Core Bank. Further reduction of Default portfolio and improved coverage. NPL ratio below 2%.

2

### Significant reduction of the NCA portfolio

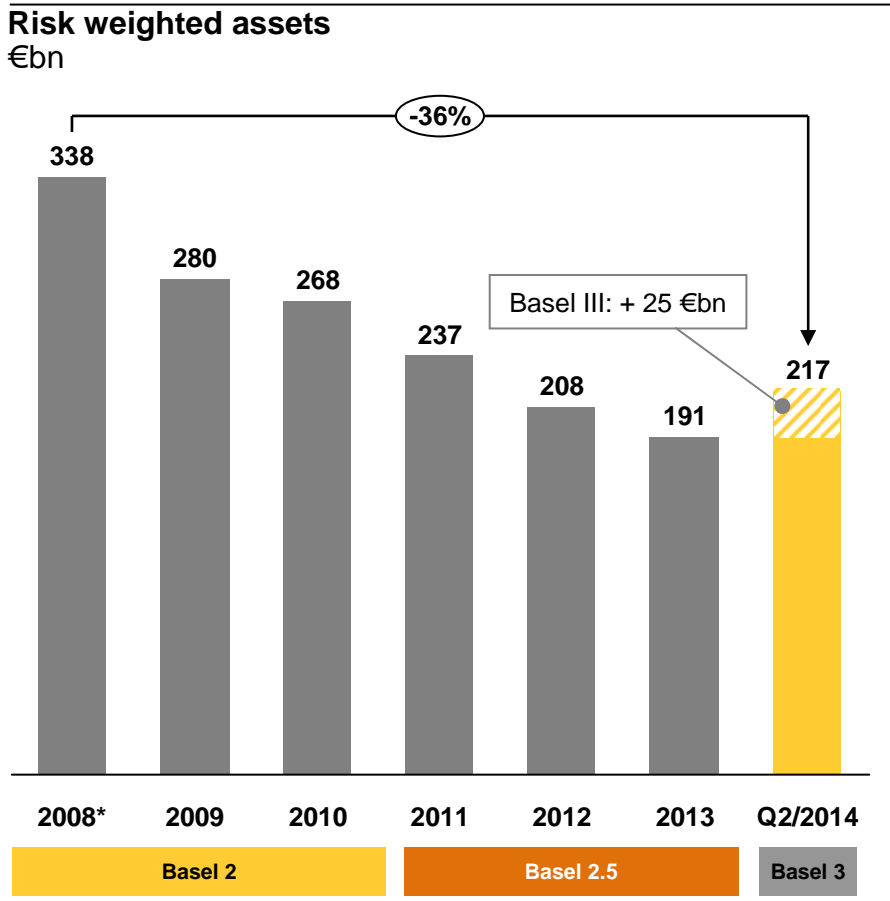
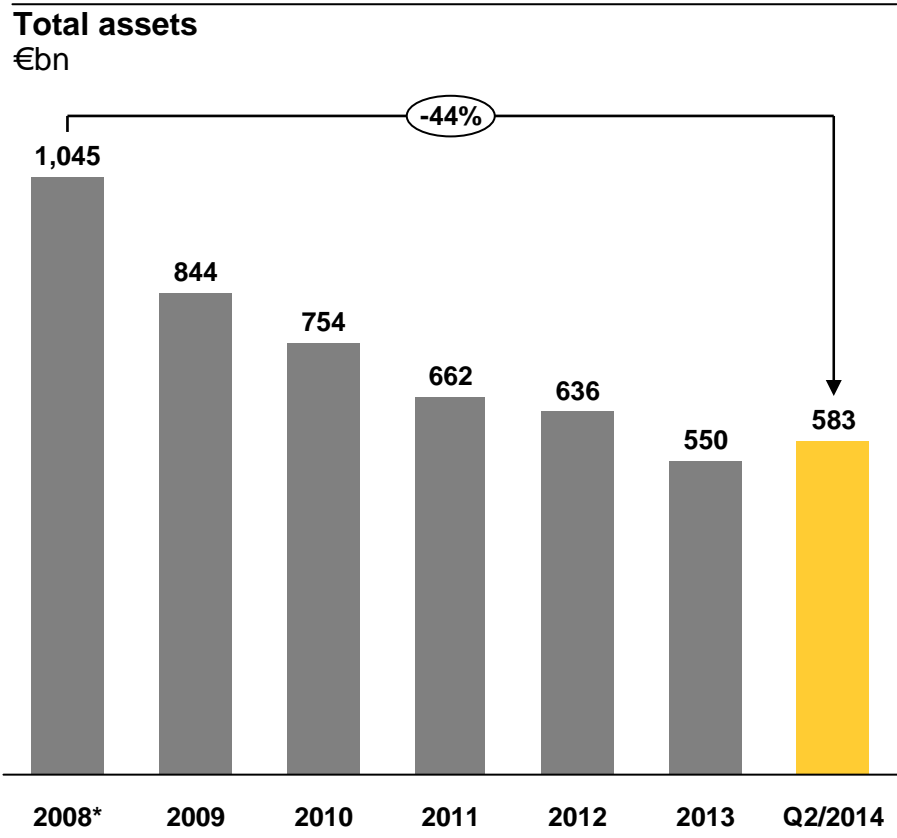
- › The €68bn wind-down of our NCA portfolio in only 21 months was significantly faster than planned - NCA portfolio has been reduced by 68% since 2008
- › The higher risk portfolio in the performing book was ~€3.5bn as of Q2 2014 - down by close to 80% since Q3 2012
- › NPL`s in NCA down by €4.3bn while coverage improved to 36%, Ship finance to 43% solely
- › Transactions as the recent Spain, Portugal and Japanese portfolio sale as well as the sale of the chemicals tankers have proven the fair valuation of the assets in our books

3

### Further progress in capital and cost management

- › **CET1 fully phased-in ratio has improved by 180bps to 9.4% as of Q2 2014. CET1 under phase-in relevant for AQR more than € 7 bn above the 8%-threshold as defined by EBA**
- › **Strengthening of capital base and quality through repayment of silent participations**
- › **Continued strong cost management despite investments - more than 30% cost reduction since 2007**

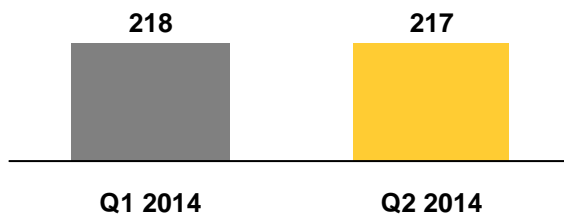
### 3 Successful reduction of balance sheet volume without deterioration of RWA density



\* Pro Forma based on CBK + Dreba

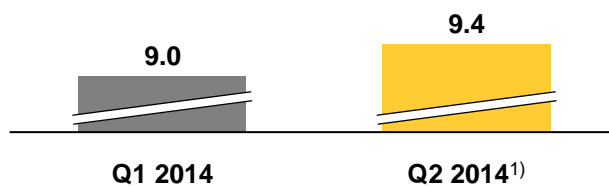
### 3 Common Equity Tier 1 ratio fully phased-in increased to 9.4%

**RWA**  
€bn



- › Business growth in Core Bank leads to higher credit RWA
- › RWA decrease of €3.4bn due to portfolio sales in CRE

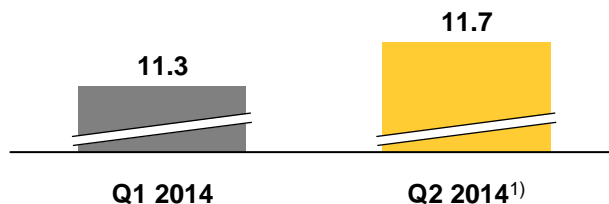
**B3 fully phased-in**  
%



- › Inclusion of H1 2014 earnings
- › Improvements in capital reserves and regulatory deduction items

Capital (€bn)	Q1 2014	Q2 2014 <sup>1)</sup>
	19.7	20.4

**B3 phase-in**  
%



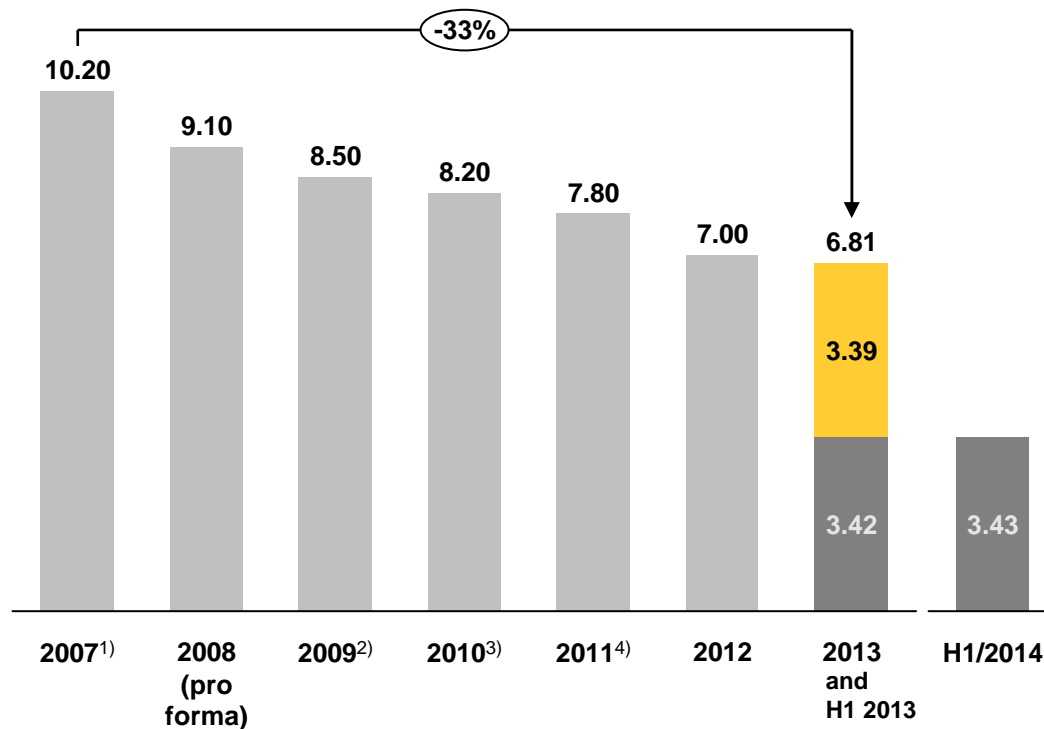
- › Increase analogue to B3 ratio fully phased-in

Capital (€bn)	Q1 2014	Q2 2014 <sup>1)</sup>
	24.7	25.3

<sup>1)</sup> Includes net profit of H1 2014

### 3 Commerzbank with excellent cost management track record

Operating expenses  
€bn



- › Cost reduction of 33% since 2007
- › Costs in Q2 2014 almost stable at €1.7bn for the 6th consecutive quarter. As expected, operating costs increased due to several regulatory requirements (e.g. for AQR, Fatca, CRD IV-implementation) and ongoing strategic investments – offset by synergies and reduction in FTEs
- › Costs in 2014 expected to be above 2013 level, but will not exceed €7bn.

1) Arithmetic sum of Commerzbank and Dresdner Bank figures as reported as of December 31st, 2007  
 2) Adjusted for first 12 days Dresdner Bank effect, integration charges and exit units  
 3) Adjusted for integration charges and exit units  
 4) Adjusted for integration charges

## Key Financial Facts Q2 2014

- Group operating result of €257m in Q2 2014 leads to €581m for H1 2014 exceeding H1 2013 by 8%. Core bank with 3% revenue increase q-o-q. Growing business volumes in PC and MSB underpin strategic progress.
- Group net result of €100m for Q2 2014 leads to €300m in H1 2014 compared to €-58m in H1 2013.
- Capital accretive portfolio sales in CRE lead to substantial derisking in NCA – original 2016 EaD target of €93bn already achieved.
- Low LLPs of €257m supported by €112m release as a result of the CRE portfolio sales. Costs almost stable at €1.7bn for the 6th consecutive quarter.
- CET1 Basel III fully phased-in increased from 9.0% to 9.4%<sup>1)</sup>.

<sup>1)</sup> Includes net profit of H1 2014

## Outlook 2014



We keep on growing business volumes in the Core Bank with special focus on loan volumes in PC and MSB



We confirm our cost guidance for 2014 of max €7.0bn



We update our forecasted LLP to stay well below 2013



We focus our value preserving asset run-down in NCA on CRE and Ship Finance<sup>1)</sup> with a new 2016 EaD target for CRE and Ship Finance<sup>1)</sup> of €~20bn



We confirm our 2016 target for CET1 Basel III fully phased-in beyond 10% however we do not expect a linear development

<sup>1)</sup> Deutsche Schiffsbank



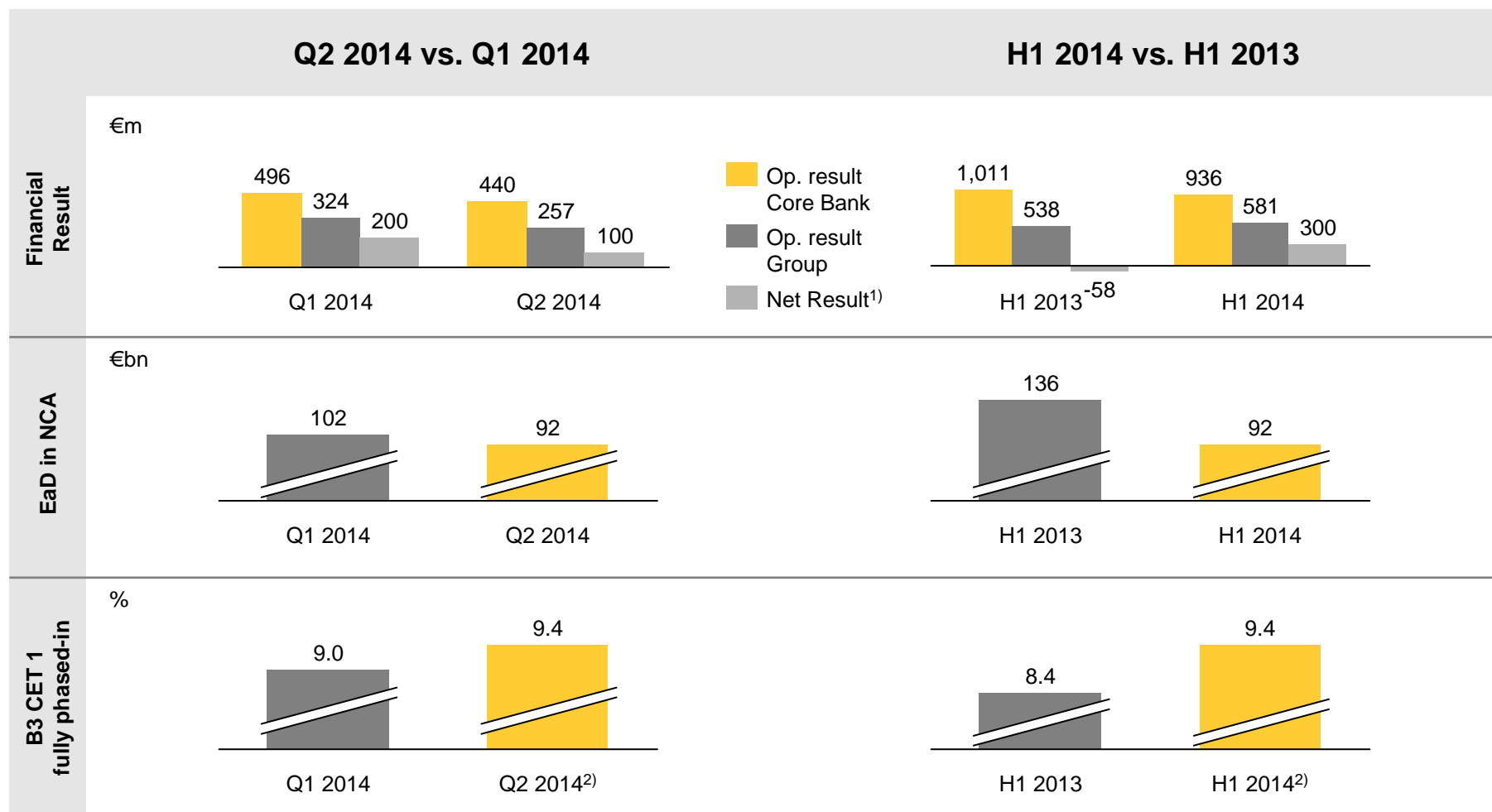
## Strategic Agenda: Our financial goals for 2016

Targets	Investors' Day 2012	NEW	Targets 2016
NCA run-down	€93bn		€~20bn (CRE + Ship Finance)
Basel III CET1 fully phased-in	>9% (phase-in)		>10%
CIR, Core Bank	~60%		~60%
ROE, Core Bank (after tax <sup>1)</sup> )	>10%		>10%

<sup>1)</sup> Based on imprecise tax rate

# Appendix

## Key financial figures at a glance

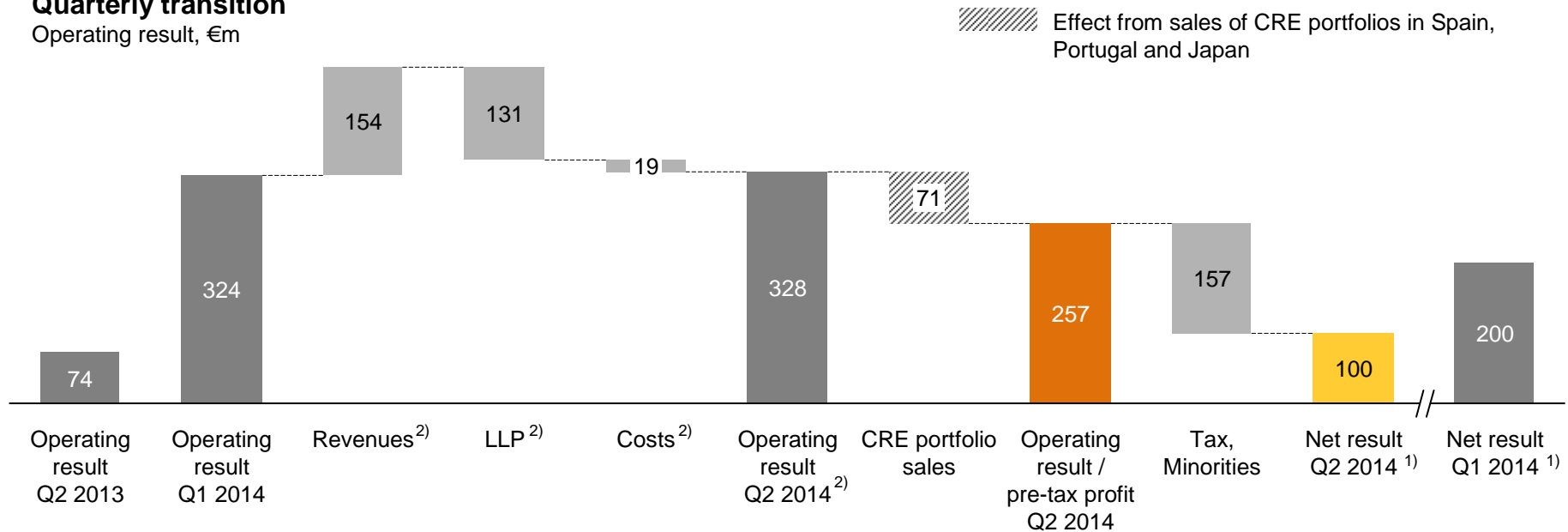


<sup>1)</sup> Consolidated result attributable to Commerzbank shareholders <sup>2)</sup> Includes net profit of H1 2014

## Group operating result affected by CRE portfolio sales

### Quarterly transition

Operating result, €m



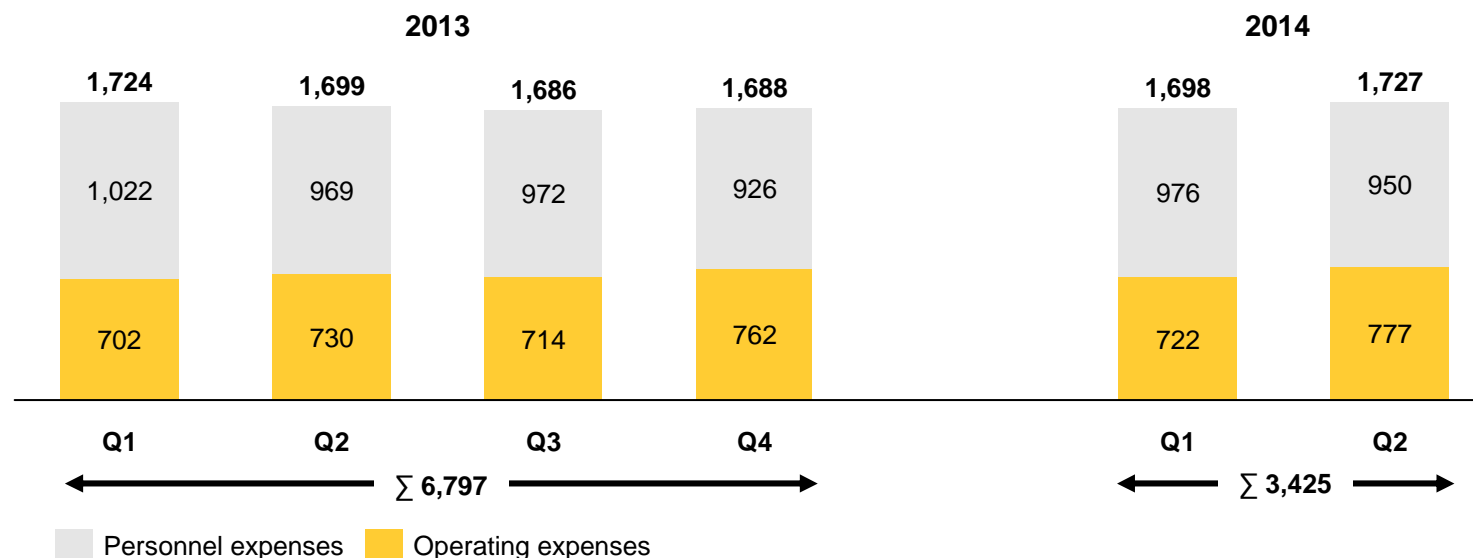
### Q2 2014 vs. Q1 2014

- ▲ Group revenues excluding the CRE portfolio sales increased by 7%
- ▲ €-71m effect from CRE portfolio sales include €112m LLP releases in NPL portfolio which proves conservative valuation standards while impact of €-183m reflects small discount on performing loans and transaction costs
- ▼ Q2 2014 net result includes taxes of prior periods

<sup>1)</sup> Consolidated result attributable to Commerzbank shareholders <sup>2)</sup> Excluding effect from sale of Spain, Portugal and Japan CRE portfolios

## Almost stable total expenses for the 6th consecutive quarter

Costs  
€m



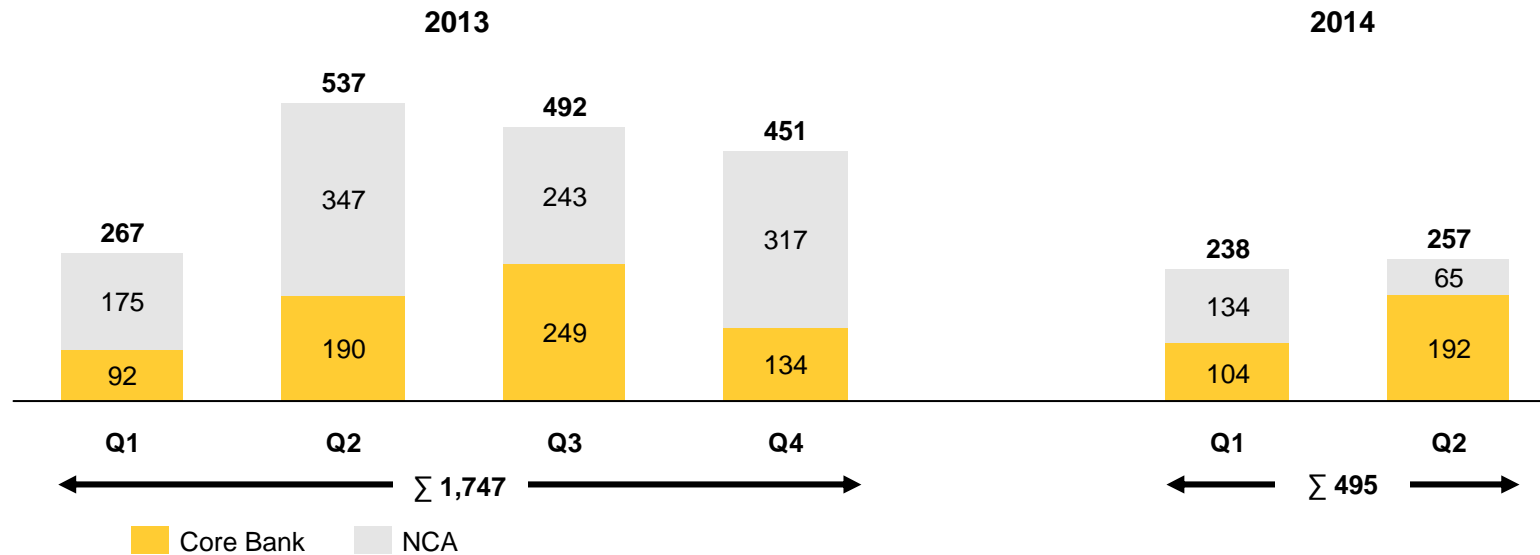
### Q2 2014 vs. Q1 2014

- ▶ Total expenses almost at level Q1 2014
- ▲ Decreasing personnel expenses due to reduced FTE
- ▶ As expected, operating costs increased due to several regulatory requirements (e.g. for AQR, Fatca, CRD IV-implementation), ongoing strategic investments and transaction costs from CRE portfolio sales

## Low LLPs supported by €112m release from CRE portfolio sales

### Provisions for loan losses

€m



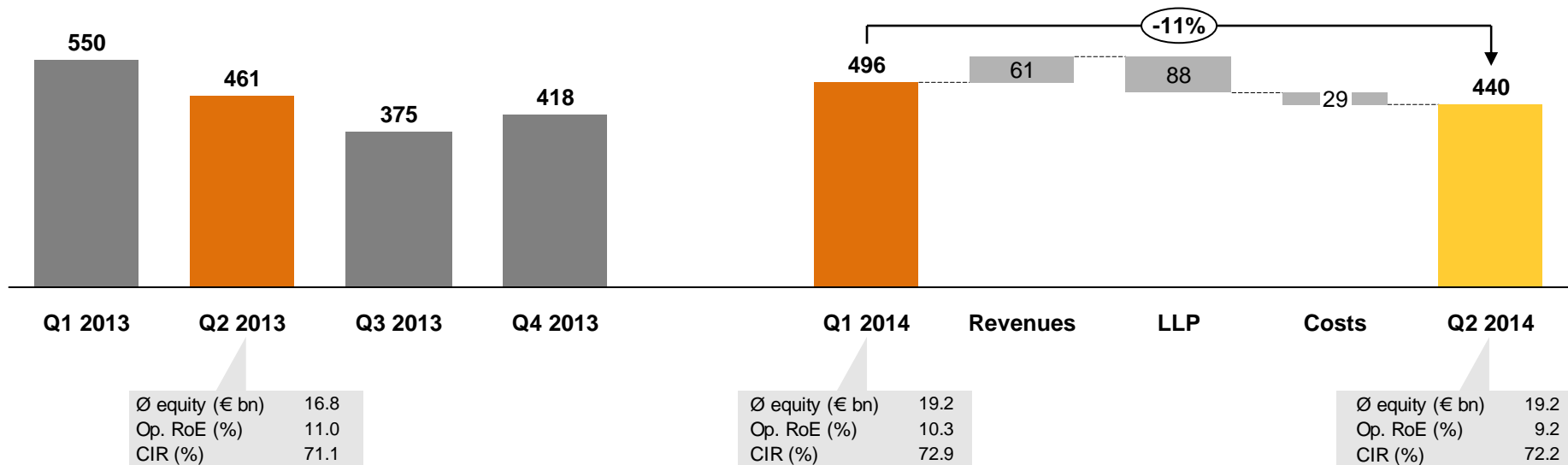
### Q2 2014 vs. Q1 2014

- ▲ LLP in CRE supported by asset run down as well as by releases from CRE portfolio sales
- ▶ Ship Finance LLPs as expected
- ▲ Good portfolio quality in Core Bank

## Core Bank: Revenue increase of 3% q-o-q

### Quarterly transition

Operating result, €m



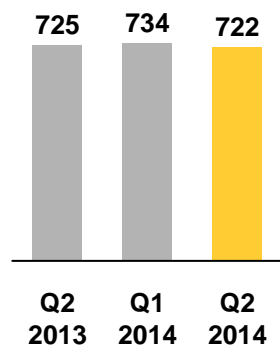
### Q2 2014 vs. Q1 2014

- ▲ Revenue increase of 3%, with improvements in MSB, CEE and Treasury – slight reductions in PC (after seasonally higher Q1 2014) and C&M (after disposal gains in Q1 2014)
- ▶ LLPs at the same level as in Q2 2013
- ▶ Others & Consolidation of €-212m with improved Treasury result

## PC divisional split

### Filialbank – Revenues before LLP

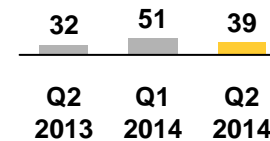
€m



- ▲ Growth of new mortgage loan volume to €2.7bn exceeds strong Q1 2014 (+18% q-o-q)
- ▲ Assets in premium and managed accounts increased to 31% of total securities business (+3%p q-o-q; +10%p y-o-y)

### Commerz Real – Revenues before LLP

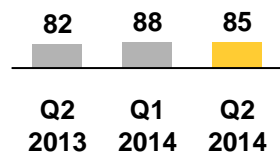
€m



- ▲ Stable revenues from ongoing business
- ▶ Q1 2014 revenues supported by portfolio sale in asset structuring unit

### Direct Banking – Revenues before LLP

€m



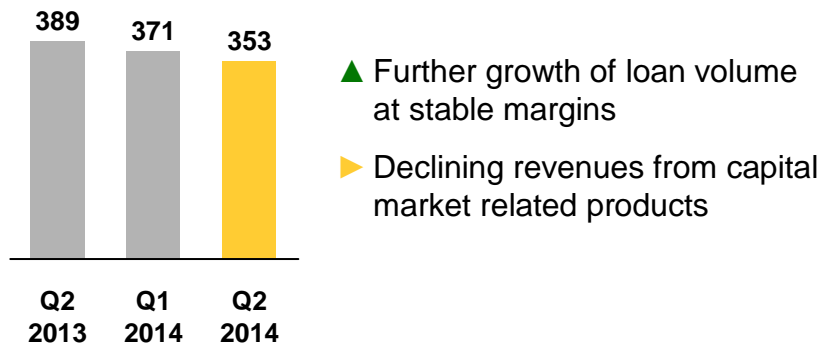
- ▲ Assets under control increased to €57bn (+3.2% q-o-q)
- ▲ +16k net new clients vs. Q1 2014



## MSB divisional split

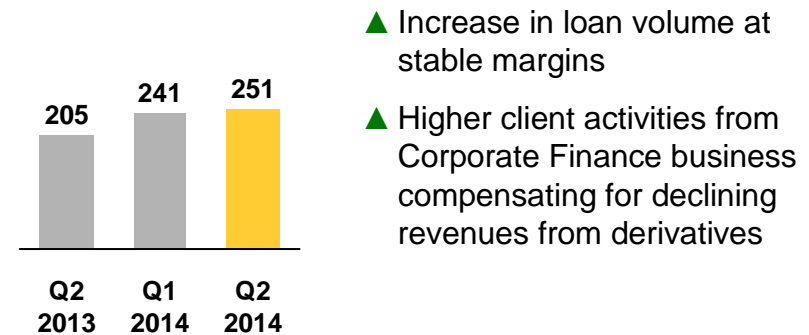
### Mittelstand Germany – Revenues before LLP

€m



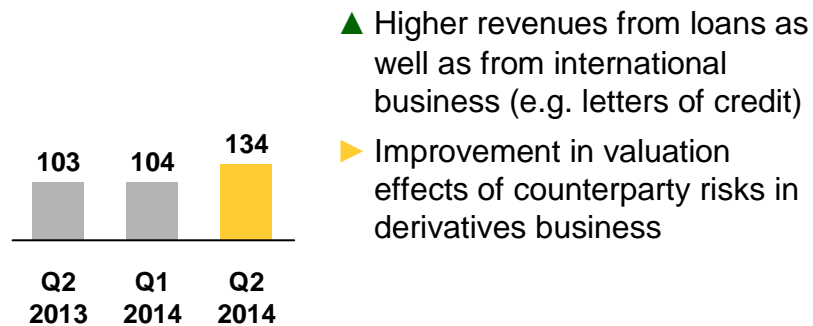
### Großkunden & International – Revenues before LLP

€m



### Financial Institutions – Revenues before LLP

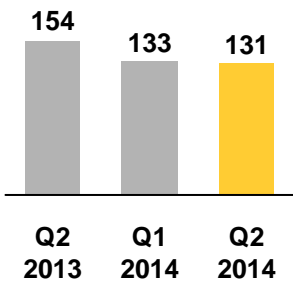
€m



# Corporates & Markets divisional split

## Corporate Finance – Revenues before LLPs

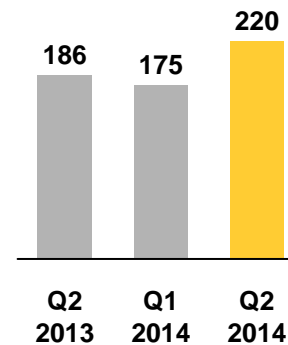
€m



- ▲ Good performance in Bonds and Loans business driven by increased client activity
- ▲ ECM with best quarter since Q2 2011
- ▶ Y-o-y revenue decline due to lost revenue stream after loan restructuring in Q3 2013

## EMC – Revenues before LLPs

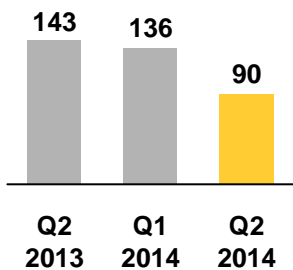
€m



- ▲ Strong demand for off-the-shelf and tailor-made equity derivatives products
- ▼ Challenging environment for commodities product range, especially structured products

## FIC – Revenues before LLPs (excl. OCS effect, CVA/DVA<sup>1)</sup>)

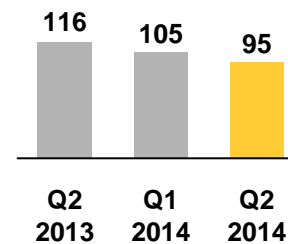
€m



- ▶ Credit Trading with solid performance
- ▼ Revenues and client demand remain under pressure due to historical lows in volatility both in interest rates and FX

## CPM – Revenues before LLPs (excl. CVA/DVA<sup>1)</sup>)

€m

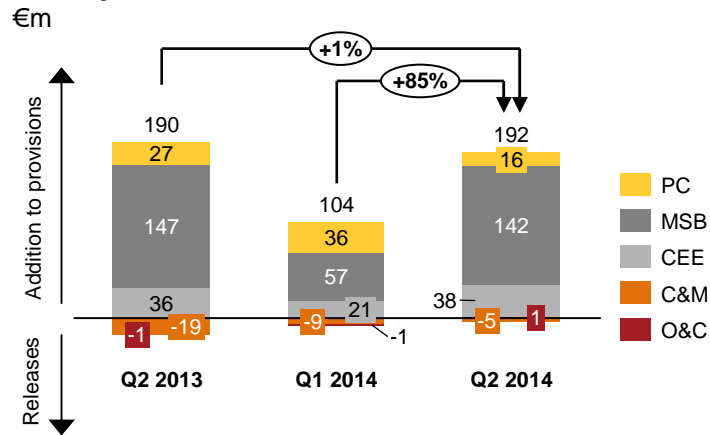


- ▶ Lower contribution from Structured Credit Legacy after previous disposal gains

<sup>1)</sup> Net of hedges. Since Q2 2013 spread based calculation of CVA/DVA impact, before calculation was rating based.

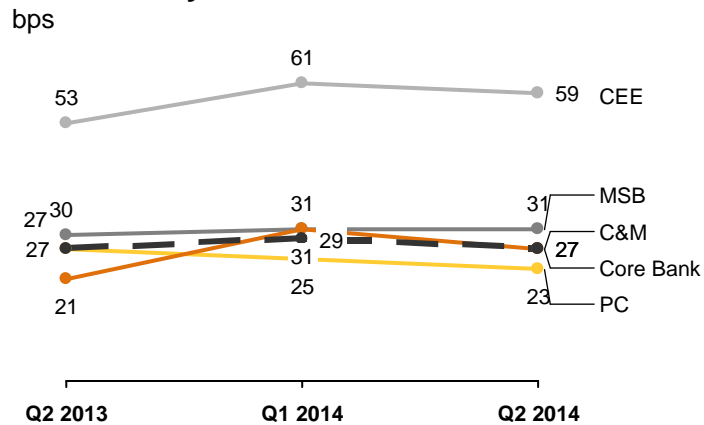
# Core Bank: Higher LLPs in line with expectations – NPL ratio at good level of 1.6%

## LLP split

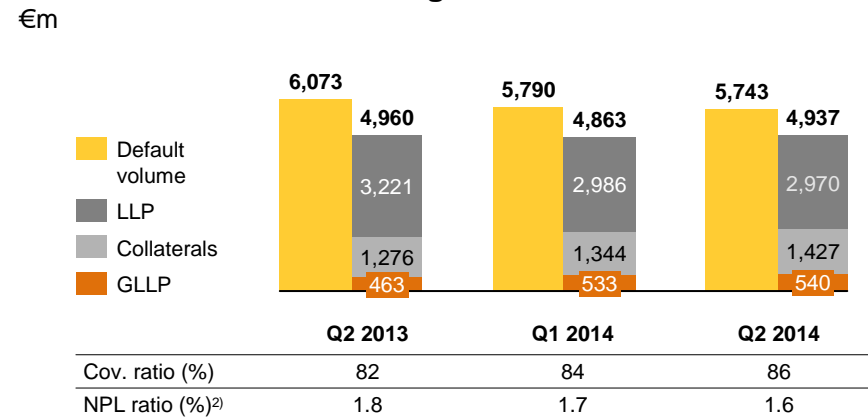


- ▲ Risk density in Core Bank stable below 30bp – very good portfolio quality in PC
- ▲ Default portfolio unchanged despite growing business volumes – improved coverage and lower NPL ratio
- ▶ LLPs at the level of Q2 2013 as expected

## Risk Density<sup>1)</sup> of EaD



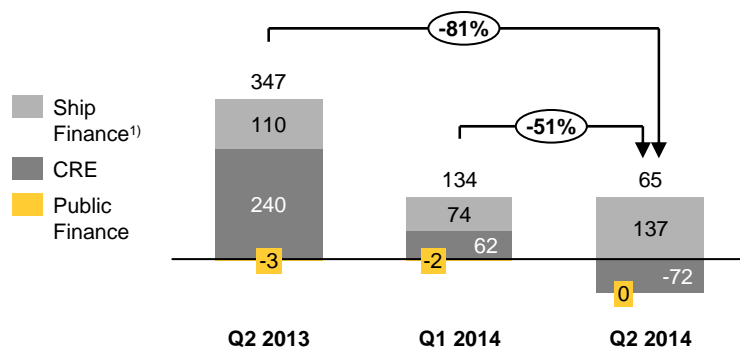
## Default volume and coverage



<sup>1)</sup> Risk Density = EL/EAD (on each segment) <sup>2)</sup> As % of EaD

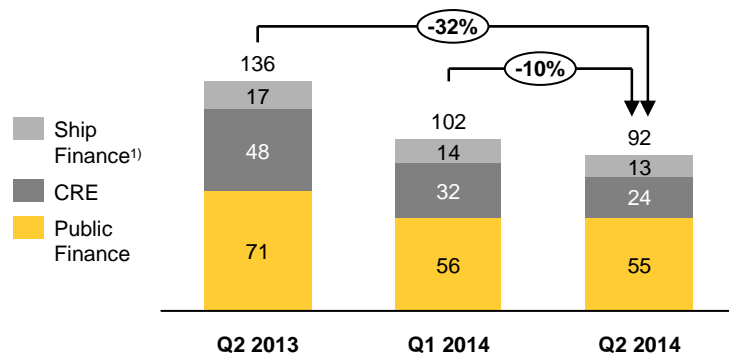
# NCA: Q2 Portfolio reduction of €10bn equally reflects current run-down and CRE sales – EaD of € 92bn already below original target for 2016

## LLP €m

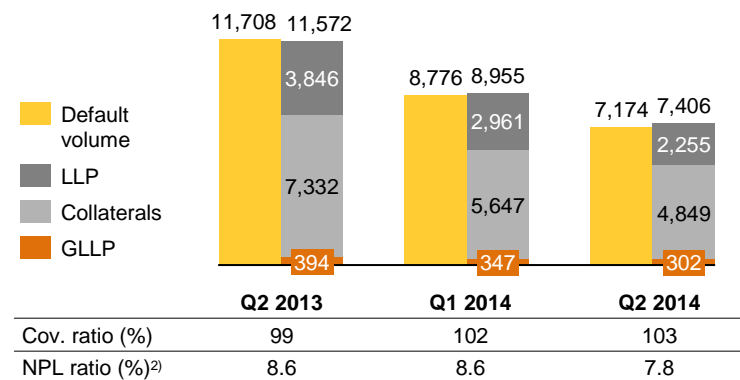


- ▲ CRE: Net LLP releases due to portfolio sales in Spain and Portugal
- ▶ Ship Finance<sup>1)</sup>: LLPs as expected
- ▲ Default portfolio reduction driven by CRE portfolio sales: Spain (€1.1bn), Portugal (€0.3bn)

## EaD incl. default volume €bn



## Default volume and coverage €m



Note: Numbers may not add up due to rounding <sup>1)</sup> Deutsche Schiffsbank <sup>2)</sup> As % of EaD























# Appendix

## Commerzbank financials at a glance

Group	Q2 2013	H1 2013	Q1 2014	Q2 2014	H1 2014
Operating result (€m)	74	538	324	257	581
Net result (€m) <sup>1)</sup>	40	-58	200	100	300
Core tier 1 ratio B 2.5 (2013) / CET 1 B 3 (2014) in (%)	12.1	12.1	11.3	11.7 <sup>2)</sup>	11.7 <sup>2)</sup>
CET 1 ratio B 3 fully phased in (%)	n/a	n/a	9.0	9.4 <sup>2)</sup>	9.4 <sup>2)</sup>
Total assets (€bn)	637	637	574	583	583
RWA B 2.5 (2013) / CET 1 B 3 (2014) (€bn)	206	206	218	217	217
Leverage ratio (phase-in, %)	n/a	n/a	4.1	4.1 <sup>2)</sup>	4.1 <sup>2)</sup>
Core Bank (incl. O&C)	Q2 2013	H1 2013	Q1 2014	Q2 2014	H1 2014
Operating result (€m)	461	1,011	496	440	936
Op. RoE (%)	11.0	12.2	10.3	9.2	9.8
CIR (%)	71.1	71.5	72.9	72.2	72.6
Risk density of EaD (bps)	27	27	29	27	27
LTD ratio (%)	74	74	76	77	77
NCA	Q2 2013	H1 2013	Q1 2014	Q2 2014	H1 2014
Operating result (€m)	-387	-473	-172	-183	-355
EaD incl. NPL volume (€bn)	136	136	102	92	92
Risk density of EaD (bps)	70	70	86	68	68

<sup>1)</sup> Attributable to Commerzbank shareholders <sup>2)</sup> Includes net profit of H1 2014

## NCA: Higher risk cluster CRE reduced to less than €1bn after sale of portfolios in Spain and Japan

Cluster	Commercial Real Estate <sup>1)</sup> EaD in €bn	Q2/14	Q4/13	Ship Finance <sup>2)</sup> EaD in €bn	Q2/14	Q4/13
<b>higher risk</b>	<ul style="list-style-type: none"> <li>Hungary  0.3</li> <li>Others  0.4</li> </ul>	<b>0.6</b> (3%)	<b>4.3</b> (14%)	<ul style="list-style-type: none"> <li>Bulk Carrier (Capesize/VLOC)  0.8</li> <li>Container &lt; 2,000 TEU  0.4</li> <li>Container 2,000 – 4,000 TEU  0.7</li> <li>Product-/Chemical Tanker  1.0</li> </ul>	<b>2.9</b> (31%)	<b>3.1</b> (29%)
<b>medium risk</b>	<ul style="list-style-type: none"> <li>Italy  1.4</li> <li>Portugal  1.1</li> <li>USA  0.1</li> <li>Others  2.1</li> </ul>	<b>4.7</b> (23%)	<b>6.3</b> (21%)	<ul style="list-style-type: none"> <li>Bulk Carrier (Handysize/-max)  0.9</li> <li>Bulk Carrier – Panamax  0.3</li> <li>Container 4,000 – 8,000 TEU  1.0</li> <li>Crude Oil Tanker  1.0</li> </ul>	<b>3.2</b> (34%)	<b>3.7</b> (36%)
<b>lower risk</b>	<ul style="list-style-type: none"> <li>Germany  12.4</li> <li>France  1.7</li> <li>Poland  0.6</li> <li>Others  0.8</li> </ul>	<b>15.5</b> (74%)	<b>19.4</b> (65%)	<ul style="list-style-type: none"> <li>Container &gt; 8,000 TEU  1.4</li> <li>Gas Tanker  0.6</li> <li>Yards  &lt;0.1</li> <li>Other (Cruise, Car Carrier, Offshore, Other)  1.2</li> </ul>	<b>3.2</b> (35%)	<b>3.7</b> (35%)

Note: Numbers may not add up due to rounding <sup>1)</sup> Incl. HF Retail portfolio of NCA <sup>2)</sup> Deutsche Schiffsbank

## NCA: Diversified portfolio

EaD (incl. NPL) per 30 June 2014, in €bn

Commercial Real Estate		GER	USA	IT	POR	Rest	Sum	EaD	RWA
	Performing	12.4	0.1	1.4	1.1	5.8	20.8		
NPL <sup>3)</sup>	2.2	0.3	0.5	0.0	0.7	3.7			
<b>Sum</b>	<b>14.6</b>	<b>0.4</b>	<b>1.9</b>	<b>1.1</b>	<b>6.5</b>	<b>24.5</b>			

Public Finance (incl. PFI <sup>1)</sup> )		GER	USA	IT	ES	POR	Rest	Sum	EaD	RWA
	FI	2.8	0.4	0.2	2.5	0.2	4.6	10.8		
Sovereign <sup>4)</sup>	7.7	3.7	8.5	2.1	0.8	9.6	32.5			
Others	2.2	3.7	0.1	0.6	0.1	4.9	11.6			
NPL <sup>3)</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
<b>Sum</b>	<b>12.8</b>	<b>7.7</b>	<b>8.9</b>	<b>5.2</b>	<b>1.2</b>	<b>19.1</b>	<b>54.9</b>			

Ship Finance <sup>2)</sup> (incl. CR Warehouse)		Container	Tanker	Bulker	Rest	Sum	EaD	RWA
	Performing	3.5	2.6	2.0	1.2	9.4		
NPL <sup>3)</sup>	1.9	0.7	0.5	0.4	3.5			
<b>Sum</b>	<b>5.4</b>	<b>3.3</b>	<b>2.5</b>	<b>1.7</b>	<b>12.9</b>			

Note: Numbers may not add up due to rounding <sup>1)</sup> Utility and infrastructure transactions (mostly UK) – taken over from PRU in mid-2012; without value-impairing securities  
<sup>2)</sup> Deutsche Schiffsbank <sup>3)</sup> Claims in the category LaR <sup>4)</sup> Incl. regions



## Default portfolios CRE and Ship Finance<sup>1)</sup> as of 30 June 2014

	30 June 2014 (31 Dec 2013)						31 Dec 2012
Default portfolio CRE by country   €m	Total		Germany		US		Total
Default volume	3,663	(5,662)	2,201	(2,371)	257	(283)	7,643
Loan loss provisions	967	(1,882)	604	(662)	53	(55)	2,672
GLLP	75	(119)	27	(30)	2	(5)	130
Coverage ratio incl. GLLP excl. collaterals (%)	28	(35)	29	(29)	21	(21)	37
Collaterals	2,752	(3,847)	1,655	(1,692)	206	(257)	5,056
Coverage ratio incl. GLLP and collaterals (%)	104	(103)	104	(101)	102	(112)	103
NPL ratio (%)	15.0	(15.9)	15.0	(13.5)	71.4	(23.5)	14.0

	30 June 2014 (31 Dec 2013)						31 Dec 2012	
Default portfolio SF <sup>1)</sup> by ship type   €m	Total		Container		Tanker		Bulker	Total
Default volume	3,505	(3,871)	1,897	(1,956)	693	(788)	476 (581)	4,482
Loan loss provisions	1,286	(1,291)	725	(668)	233	(256)	125 (150)	1,211
GLLP	219	(281)	110	(178)	52	(58)	42 (32)	272
Coverage ratio incl. GLLP excl. collaterals (%)	43	(41)	44	(43)	41	(40)	35 (31)	33
Collaterals	2,097	(2,252)	1,050	(1,106)	445	(486)	364 (374)	2,789
Coverage ratio incl. GLLP and collaterals (%)	103	(99)	99	(100)	105	(102)	111 (96)	95
NPL ratio (%)	27.2	(27.0)	35.6	(34.6)	22.5	(23.0)	19.6 (21.3)	23.7

<sup>1)</sup> Deutsche Schiffsbank

# German economy 2014/2015 – Economy defies politics (as yet)

## Current development

- › German economy has taken a breather. Real GDP probably stagnated or even fell slightly in Q2.
- › This is mainly due to a special effect (mild winter pumping up construction in Q1, correction in Q2), but manufacturing has lost steam, too.
- › Labour market has improved further.
- › Government is about to reregulate the economy which will push up labour costs significantly.

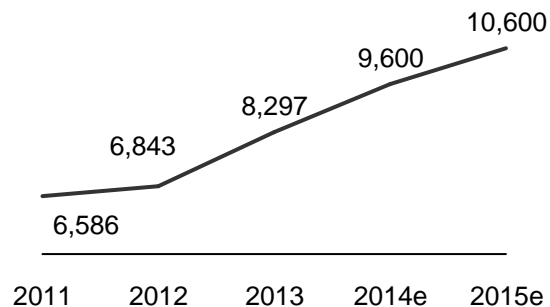
## Our expectation for 2014/2015

- › Despite the set-back in Q2 we expect the upswing to continue.
- › The expansionary monetary policy will continue to mask the dampening impetus from politics. We are looking for a growth rate of 2% in 2014 and 2015, which will still be above EMU average.
- › Underlying inflation will rise slowly. We expect inflation to average 1.2% in 2014 and at 2.2% in 2015.

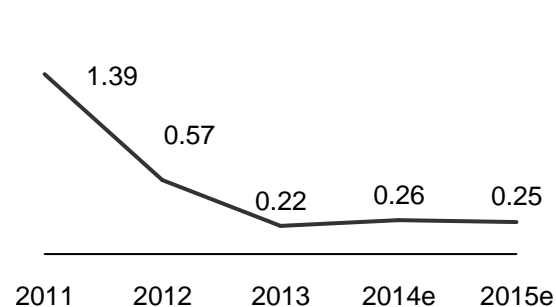
## Reasons for outperformance

- › No bubble in the housing market.
- › Low level of private sector debt translating to low refinancing cost.
- › Less need for fiscal consolidation.
- › Improved competitiveness since start of EMU; however, the advantage is about to decline due to cyclical and political reasons.
- › Strong position in Asian markets and Emerging Markets in general.

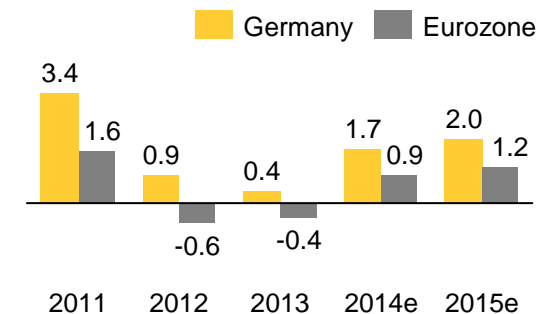
## DAX (average p.a.)



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



## GDP (Change vs previous year in %)



Source: Commerzbank Economic Research

# Commerzbank Group

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	2,455	2,310	2,281	2,229	2,260	2,241	-3.0	-0.8
o/w Total net interest and net trading income	1,671	1,618	1,409	1,381	1,538	1,426	-11.9	-7.3
o/w Net commission income	844	805	784	773	815	782	-2.9	-4.0
o/w Other income	-60	-113	88	75	-93	33	>100	>100
Provision for possible loan losses	-267	-537	-492	-451	-238	-257	52.1	-8.0
Operating expenses	1,724	1,699	1,686	1,688	1,698	1,727	1.6	1.7
<b>Operating profit</b>	<b>464</b>	<b>74</b>	<b>103</b>	<b>90</b>	<b>324</b>	<b>257</b>	<b>&gt;100</b>	<b>-20.7</b>
Impairments on goodw ill	-	-	-	-	-	-	-	-
Restructuring expenses	493	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>-29</b>	<b>74</b>	<b>103</b>	<b>90</b>	<b>324</b>	<b>257</b>	<b>&gt;100</b>	<b>-20.7</b>
							-	-
Average capital employed	26,445	26,459	26,758	26,842	27,077	27,285	3.1	0.8
RWA (End of Period)	209,796	206,288	197,287	190,588	218,259	217,013	5.2	-0.6
Cost/income ratio (%)	70.2%	73.5%	73.9%	75.7%	75.1%	77.1%		
Operating return on equity (%)	7.0%	1.1%	1.5%	1.3%	4.8%	3.8%		
Return on equity of pre-tax result (%)	-0.4%	1.1%	1.5%	1.3%	4.8%	3.8%		

## Core Bank

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	2,284	2,254	2,227	2,151	2,216	2,277	1.0	2.8
o/w Total net interest and net trading income	1,544	1,413	1,385	1,268	1,417	1,497	5.9	5.6
o/w Net commission income	825	787	778	757	810	777	-1.3	-4.1
o/w Other income	-85	54	64	126	-11	3	-94.4	>100
Provision for possible loan losses	-92	-190	-249	-134	-104	-192	-1.1	-84.6
Operating expenses	1,642	1,603	1,603	1,599	1,616	1,645	2.6	1.8
<b>Operating profit</b>	<b>550</b>	<b>461</b>	<b>375</b>	<b>418</b>	<b>496</b>	<b>440</b>	<b>-4.6</b>	<b>-11.3</b>
Impairments on goodwill	-	-	-	-	-	-	-	-
Restructuring expenses	493	0	0	0	-0	0	>100	>100
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>57</b>	<b>461</b>	<b>375</b>	<b>418</b>	<b>496</b>	<b>440</b>	<b>-4.6</b>	<b>-11.3</b>
	-	-	-	-	-	-	-	-
Average capital employed	16,387	16,808	17,426	17,931	19,193	19,163	14.0	-0.2
RWA (End of Period)	144,660	144,533	140,874	137,004	162,021	164,337	13.7	1.4
Cost/income ratio (%)	71.9%	71.1%	72.0%	74.3%	72.9%	72.2%	-	-
Operating return on equity (%)	13.4%	11.0%	8.6%	9.3%	10.3%	9.2%	-	-
Return on equity of pre-tax result (%)	1.4%	11.0%	8.6%	9.3%	10.3%	9.2%	-	-

## Private Customers

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	858	839	825	827	874	845	0.7	-3.3
o/w Total net interest and net trading income	431	444	452	446	450	480	8.1	6.7
o/w Net commission income	427	390	379	365	407	362	-7.2	-11.1
o/w Other income	-	5	-6	16	17	3	-40.0	-82.4
Provision for possible loan losses	-35	-27	-31	-15	-36	-16	40.7	55.6
Operating expenses	754	758	753	752	726	714	-5.8	-1.7
<b>Operating profit</b>	<b>69</b>	<b>54</b>	<b>41</b>	<b>60</b>	<b>112</b>	<b>115</b>	<b>&gt;100</b>	<b>2.7</b>
Impairments on goodwill	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>69</b>	<b>54</b>	<b>41</b>	<b>60</b>	<b>112</b>	<b>115</b>	<b>&gt;100</b>	<b>2.7</b>
Average capital employed	4,001	3,920	3,979	3,986	3,982	4,036	3.0	1.4
RWA (End of Period)	28,803	28,971	29,205	27,213	28,485	29,023	0.2	1.9
Cost/income ratio (%)	87.9%	90.3%	91.3%	90.9%	83.1%	84.5%	-	-
Operating return on equity (%)	6.9%	5.5%	4.1%	6.0%	11.3%	11.4%	-	-
Return on equity of pre-tax result (%)	6.9%	5.5%	4.1%	6.0%	11.3%	11.4%	-	-

# Mittelstandsbank

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	727	695	790	705	716	739	6.3	3.2
o/w Total net interest and net trading income	457	405	458	441	440	463	14.3	5.2
o/w Net commission income	280	272	264	250	274	264	-2.9	-3.6
o/w Other income	-10	18	68	14	2	12	-33.3	>100
Provision for possible loan losses	-78	-147	-106	-139	-57	-142	3.4	>-100
Operating expenses	324	333	335	345	322	330	-0.9	2.5
<b>Operating profit</b>	<b>325</b>	<b>215</b>	<b>349</b>	<b>221</b>	<b>337</b>	<b>267</b>	<b>24.2</b>	<b>-20.8</b>
Impairments on goodwill	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>325</b>	<b>215</b>	<b>349</b>	<b>221</b>	<b>337</b>	<b>267</b>	<b>24.2</b>	<b>-20.8</b>
							-	-
Average capital employed	5,829	5,903	6,065	6,165	6,624	6,858	16.2	3.5
RWA (End of Period)	55,364	56,802	57,354	57,746	61,951	66,214	16.6	6.9
Cost/income ratio (%)	44.6%	47.9%	42.4%	48.9%	45.0%	44.7%	-	-
Operating return on equity (%)	22.3%	14.6%	23.0%	14.3%	20.4%	15.6%	-	-
Return on equity of pre-tax result (%)	22.3%	14.6%	23.0%	14.3%	20.4%	15.6%	-	-

## Central & Eastern Europe

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	185	195	212	216	224	234	20.0	4.5
o/w Total net interest and net trading income	129	130	147	145	156	175	34.6	12.2
o/w Net commission income	44	50	49	55	57	59	18.0	3.5
o/w Other income	12	15	16	16	11	-	-100.0	-100.0
Provision for possible loan losses	-6	-36	-41	-36	-21	-38	-5.6	-81.0
Operating expenses	104	105	106	114	105	112	6.7	6.7
<b>Operating profit</b>	<b>75</b>	<b>54</b>	<b>65</b>	<b>66</b>	<b>98</b>	<b>84</b>	<b>55.6</b>	<b>-14.3</b>
Impairments on goodwill	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>75</b>	<b>54</b>	<b>65</b>	<b>66</b>	<b>98</b>	<b>84</b>	<b>55.6</b>	<b>-14.3</b>
Average capital employed	1,717	1,659	1,642	1,598	1,561	1,576	-5.0	1.0
RWA (End of Period)	14,548	14,206	14,091	13,677	13,160	13,507	-4.9	2.6
Cost/income ratio (%)	56.2%	53.8%	50.0%	52.8%	46.9%	47.9%	-	-
Operating return on equity (%)	17.5%	13.0%	15.8%	16.5%	25.1%	21.3%	-	-
Return on equity of pre-tax result (%)	17.5%	13.0%	15.8%	16.5%	25.1%	21.3%	-	-

## Corporates & Markets

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	584	569	460	466	543	505	-11.2	-7.0
o/w Total net interest and net trading income	504	415	299	345	466	405	-2.4	-13.1
o/w Net commission income	83	93	91	100	76	101	8.6	32.9
o/w Other income	-3	61	70	21	1	-1	>-100	>-100
Provision for possible loan losses	26	19	-43	55	9	5	-73.7	-44.4
Operating expenses	338	334	332	355	336	324	-3.0	-3.6
<b>Operating profit</b>	<b>272</b>	<b>254</b>	<b>85</b>	<b>166</b>	<b>216</b>	<b>186</b>	<b>-26.8</b>	<b>-13.9</b>
Impairments on goodwill	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>272</b>	<b>254</b>	<b>85</b>	<b>166</b>	<b>216</b>	<b>186</b>	<b>-26.8</b>	<b>-13.9</b>
Average capital employed	3,254	3,286	2,823	2,887	4,376	4,373	33.1	-0.1
RWA (End of Period)	33,908	31,667	28,091	27,676	37,519	39,001	23.2	3.9
Cost/income ratio (%)	57.9%	58.7%	72.2%	76.2%	61.9%	64.2%	-	-
Operating return on equity (%)	33.4%	30.9%	12.0%	23.0%	19.7%	17.0%	-	-
Return on equity of pre-tax result (%)	33.4%	30.9%	12.0%	23.0%	19.7%	17.0%	-	-



## Non-Core Assets

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	171	56	54	78	44	-36	>100	>-100
o/w Total net interest and net trading income	127	205	24	113	121	-71	>100	>-100
o/w Net commission income	19	18	6	16	5	5	-72.2	-
o/w Other income	25	-167	24	-51	-82	30	>100	>100
Provision for possible loan losses	-175	-347	-243	-317	-134	-65	81.3	51.5
Operating expenses	82	96	83	89	82	82	-14.6	-
<b>Operating profit</b>	<b>-86</b>	<b>-387</b>	<b>-272</b>	<b>-328</b>	<b>-172</b>	<b>-183</b>	<b>52.7</b>	<b>-6.4</b>
Impairments on goodwill	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>-86</b>	<b>-387</b>	<b>-272</b>	<b>-328</b>	<b>-172</b>	<b>-183</b>	<b>52.7</b>	<b>-6.4</b>
Average capital employed	10,058	9,651	9,332	8,911	7,884	8,122	-15.8	3.0
RWA (End of Period)	65,135	61,755	56,413	53,584	56,239	52,676	-14.7	-6.3
Cost/income ratio (%)	48.0%	171.4%	153.7%	114.1%	186.4%	n/a	-	-
Operating return on equity (%)	-3.4%	-16.0%	-11.7%	-14.7%	-8.7%	-9.0%	-	-
Return on equity of pre-tax result (%)	-3.4%	-16.0%	-11.7%	-14.7%	-8.7%	-9.0%	-	-

## Others & Consolidation

in € m	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	% yoy	% qoq
Total Revenues	-70	-44	-60	-63	-141	-46	-4.5	67.4
o/w Total net interest and net trading income	23	19	29	-109	-95	-26	>-100	72.6
o/w Net commission income	-9	-18	-5	-13	-4	-9	50.0	>-100
o/w Other income	-84	-45	-84	59	-42	-11	75.6	73.8
Provision for possible loan losses	1	1	-28	1	1	-1	>-100	>-100
Operating expenses	122	73	77	33	127	165	>100	29.9
<b>Operating profit</b>	<b>-191</b>	<b>-116</b>	<b>-165</b>	<b>-95</b>	<b>-267</b>	<b>-212</b>	<b>-82.8</b>	<b>20.6</b>
Impairments on goodw ill	-	-	-	-	-	-	-	-
Restructuring expenses	493	-	-	-	-	-	-	-
Net gain or loss from sale of disposal groups	-	-	-	-	-	-	-	-
<b>Pre-tax profit</b>	<b>-684</b>	<b>-116</b>	<b>-165</b>	<b>-95</b>	<b>-267</b>	<b>-212</b>	<b>-82.8</b>	<b>20.6</b>
Average capital employed	1,586	2,040	2,917	3,296	2,650	2,319	13.7	-12.5
RWA (End of Period)	12,037	12,887	12,134	10,693	20,906	16,591	28.7	-20.6
Cost/income ratio (%)	n/a	n/a	n/a	n/a	n/a	n/a	-	-
Operating return on equity (%)	-48.2%	-22.7%	-22.6%	-11.5%	-40.3%	-36.6%	-	-
Return on equity of pre-tax result (%)	-172.5%	-22.7%	-22.6%	-11.5%	-40.3%	-36.6%	-	-

## Group equity definitions

€bn	Capital Q1 2014 End of Period	Capital Q2 2014 End of Period <sup>1)</sup>	Capital YTD Jun 2014 Average	
Subscribed capital	1.1	1.1		
Capital reserve	15.9	15.9		
Retained earnings	10.5	10.4		
Currency translation reserve	-0.2	-0.1		
Revaluation reserve	-1.1	-1.0		
Cash flow hedges	-0.3	-0.3		
Consolidated P&L	0.2	0.3		
<b>IFRS capital without non-controlling interests</b>	<b>26.2</b>	<b>26.4</b>	<b>26.3</b>	Basis for RoE on net result
Non-controlling interests (IFRS)	0.9	0.9	0.9	
<b>IFRS capital</b>	<b>27.1</b>	<b>27.3</b>	<b>27.2</b>	Basis for operating RoE and pre-tax RoE
Goodwill and intangibles	-3.0	-3.0		
DTA losses carried forward	-1.5	-1.5		
Deductions on securitizations	-0.4	-0.3		
Deductions related to non-controlling interests	-0.5	-0.5		
Investments in financial entities and own shares	-0.2	-0.1		
Other regulatory adjustments <sup>2)</sup>	-1.9	-1.4		
<b>Common equity tier 1 B3 capital (fully phased-in)</b>	<b>19.7</b>	<b>20.4</b>		Basis for CET1 B3 fully phased-in ratio
Transition adjustments	5.1	4.9		
<b>Common equity tier 1 capital (phase in)</b>	<b>24.7</b>	<b>25.3</b>		Basis for CET1 B3 phase-in ratio

Note: Numbers may not add up due to rounding <sup>1)</sup> Includes net profit of H1 2014 <sup>2)</sup> Include mainly capital deductions for shortfall, prudent valuation and defined benefit pension funds

## Glossary - Capital Allocation / RoE Calculation

### Capital Allocation

- › Amount of average capital allocated to business segments is calculated by multiplying the segments current YTD average Basel 3 RWA (PC € 28.8bn, MSB € 63.3bn, CEE € 13.3bn, C&M € 38.0bn, O&C € 19.2bn, NCA € 57.0bn) by a ratio of 9%
- › In addition average regulatory capital deductions are allocated attributable to business segments which results in increased average capital per segment (PC €1.4bn, MSB €1.0bn, CEE € 0.4bn, C&M € 1.0bn, O&C € 0.1bn, NCA € 0.4bn)
- › Excess capital is allocated to Others & Consolidation
- › Reallocation of €1.5bn EBA Capital Buffer to core bank (O&C) - previously total amount of €4bn was assigned to NCA
- › Capital allocation is disclosed in the business segment reporting of Commerzbank Group

### RoE Calculation

- › As of Q2 2014 the RoE is calculated on an average level of IFRS capital
- › Difference between Investors Capital and IFRS Capital is based on revaluation reserve and cash flow hedges (€1.4bn) – reverse effect in core bank driven by reallocation of EBA Capital Buffer (€1.5bn)
- › Calculation represents the current market standard of local and international financial institutes

## Hedging & Valuation Adjustments

	€m	Q1 13	Q2 13	Q3 13	Q4 13	FY 13	Q1 14	Q2 14
<b>PC</b>	OCS & Net CVA/DVA	0	-0	0	-0	-0	-0	0
<b>MSB</b>	OCS & Net CVA/DVA	-0	-34	13	21	-1	2	14
<b>CEE</b>	OCS & Net CVA/DVA	-	-7	6	-1	-2	-0	-1
<b>C&amp;M</b>	OCS & Net CVA/DVA	41	-20	-25	68	64	12	-8
<b>O&amp;C</b>	OCS & Net CVA/DVA	41	-25	-29	-29	-42	-11	-4
<b>Core Bank</b>	OCS & Net CVA/DVA	82	-86	-36	60	20	3	1
<b>NCA</b>	OCS & Net CVA/DVA	8	46	-8	-34	12	48	-0
<b>Group</b>	OCS & Net CVA/DVA	90	-40	-44	26	32	51	0

Note: Numbers may not add up due to rounding

# Notes

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

**Tanja Birkholz (Head of Investor Relations / Executive Management Board Member)**

P: +49 69 136 23854

M: [tanja.birkholz@commerzbank.com](mailto:tanja.birkholz@commerzbank.com)

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

P: +49 69 136 52668

M: [christoph.wortig@commerzbank.com](mailto:christoph.wortig@commerzbank.com)

**Institutional Investors and Financial Analysts**

**Michael H. Klein**

P: +49 69 136 24522

M: [michael.klein@commerzbank.com](mailto:michael.klein@commerzbank.com)

**Maximilian Bicker**

P: +49 69 136 28696

M: [maximilian.bicker@commerzbank.com](mailto:maximilian.bicker@commerzbank.com)

**Retail Investors**

**Florian Neumann**

P: +49 69 136 41367

M: [florian.neumann@commerzbank.com](mailto:florian.neumann@commerzbank.com)

**Ute Heiserer-Jäckel**

P: +49 69 136 41874

M: [ute.heiserer-jaeckel@commerzbank.com](mailto:ute.heiserer-jaeckel@commerzbank.com)

**Simone Nuxoll**

P: +49 69 136 45660

M: [simone.nuxoll@commerzbank.com](mailto:simone.nuxoll@commerzbank.com)

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

P: +49 69 136 22799

M: [dirk.bartsch@commerzbank.com](mailto:dirk.bartsch@commerzbank.com)

[ir@commerzbank.com](mailto:ir@commerzbank.com)

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

# Disclaimer

## Investor Relations

This presentation contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include, inter alia, statements about Commerzbank's beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates, projections and targets as they are currently available to the management of Commerzbank. Forward-looking statements therefore speak only as of the date they are made, and Commerzbank undertakes no obligation to update publicly any of them in light of new information or future events. By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, among others, the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which Commerzbank derives a substantial portion of its revenues and in which it holds a substantial portion of its assets, the development of asset prices and market volatility, potential defaults of borrowers or trading counterparties, the implementation of its strategic initiatives and the reliability of its risk management policies.

In addition, this presentation contains financial and other information which has been derived from publicly available information disclosed by persons other than Commerzbank ("external data"). In particular, external data has been derived from industry and customer-related data and other calculations taken or derived from industry reports published by third parties, market research reports and commercial publications. Commercial publications generally state that the information they contain has originated from sources assumed to be reliable, but that the accuracy and completeness of such information is not guaranteed and that the calculations contained therein are based on a series of assumptions. The external data has not been independently verified by Commerzbank. Therefore, Commerzbank cannot assume any responsibility for the accuracy of the external data taken or derived from public sources.

Copies of this document are available upon request or can be downloaded from [www.commerzbank.com/aktionaere/index.htm](http://www.commerzbank.com/aktionaere/index.htm)