

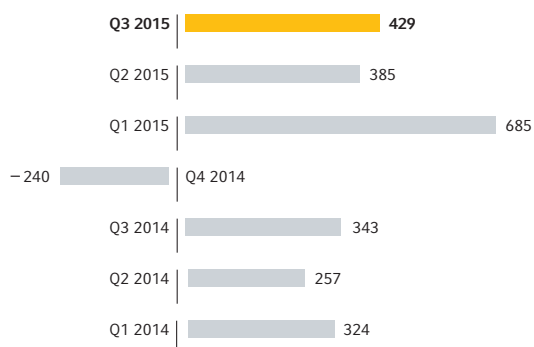
Interim Report as at 30 September 2015



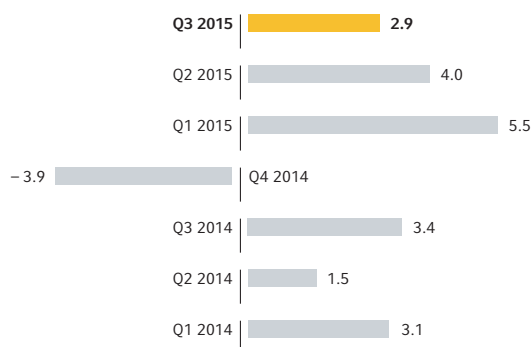
Key figures

| Income statement | 1.1.–30.9.2015 | 1.1.–30.9.2014 |
|--|------------------|-------------------|
| Operating profit (€m) | 1,499 | 924 |
| Operating profit per share (€) | 1.25 | 0.81 |
| Pre-tax profit or loss (€m) | 1,405 | 924 |
| Consolidated profit or loss ¹ (€m) | 853 | 525 |
| Earnings per share (€) | 0.71 | 0.46 |
| Operating return on equity ² (%) | 6.9 | 4.5 |
| Operating return on tangible equity ³ (%) | 7.8 | 5.1 |
| Cost/income ratio in operating business (%) | 72.3 | 74.5 |
| Return on equity of consolidated profit or loss ^{1,2,4} (%) | 4.1 | 2.7 |
| Balance sheet | 30.9.2015 | 31.12.2014 |
| Total assets (€bn) | 563.9 | 557.6 |
| Risk-weighted assets (€bn) | 214.2 | 215.2 |
| Equity as shown in balance sheet (€bn) | 30.1 | 27.0 |
| Total capital as shown in balance sheet (€bn) | 41.8 | 39.3 |
| Capital ratios⁵ | | |
| Tier 1 capital ratio (%) | 12.5 | 11.7 |
| Common Equity Tier 1 ratio ⁶ (%) | 12.5 | 11.7 |
| Common Equity Tier 1 ratio ⁶ (fully phased-in; %) | 10.8 | 9.3 |
| Total capital ratio (%) | 15.2 | 14.6 |
| Staff | 30.9.2015 | 30.9.2014 |
| Germany | 39,041 | 40,047 |
| Abroad | 12,581 | 12,223 |
| Total | 51,622 | 52,270 |
| Long-/short-term rating | | |
| Moody's Investors Service, New York | Baa1/P-2 | Baa1/P-2 |
| Standard & Poor's, New York | BBB+/A-2 | A-/A-2 |
| Fitch Ratings, New York/London | BBB/F2 | A+/F1+ |

Operating profit (€m)



Return on equity of consolidated profit or loss^{1,2,4} (%)



¹ Insofar as attributable to Commerzbank shareholders.

² Annualised.

³ The capital base comprises the average Group capital less intangible assets pursuant to Basel 3.

⁴ The capital base comprises the average Group capital attributable to Commerzbank shareholders.

⁵ Preliminary figures as at 30 September 2015 (including retainable interim profit).

⁶ The Common Equity Tier 1 ratio is the ratio of Common Equity Tier 1 (mainly subscribed capital and reserves) to risk-weighted assets.

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Letter from the Chairman of the Board of Managing Directors



Martin Blessing

Chairman of the Board of Managing Directors

Dear shareholders,

we are satisfied overall with the earnings performance in the first nine months of 2015. In a difficult market environment we managed to improve our consolidated operating profit by just under two-thirds overall compared with the corresponding prior-year period. This was largely due to the successful turnaround in the Private Customers segment, but also to much smaller losses in the Non-Core Assets (NCA) run-off segment, in which we have consistently reduced our portfolios. The performance of these two segments shows that the measures we announced at the 2012 Investors' Day have so far proved to be correct and successful.

The growth in income and operating profit from private customer business compared with the prior-year period was partly due to higher volumes for premium custody accounts and wealth management products and to a positive market performance. We also recorded further strong growth in residential mortgage financing and consumer loan business.

Mittelstandsbank posted a weaker performance, with operating profit significantly lower than in the first nine months of the previous year. The increase of around 5% in total lending year-on-year only partially offset the margin erosion on the deposit side due to market conditions. We also had to make a one-off write-down on a shareholding. Regardless of the current earnings performance, we firmly believe that we are well positioned in the corporate customer business. However, there will be no let-up in our efforts to operate even more efficiently and profitably.

The Central & Eastern Europe segment recorded stable income and operating profit in the period under review despite a further interest rate cut by the Polish national bank in March 2015, while the segment also benefited from the sale of the insurance business at the start of the year. The future performance of this segment will also depend in part on the structure of the legal and regulatory initiatives that are expected after the Polish elections at the end of October 2015, including those relating to a conversion of mortgage loans denominated in Swiss francs into zloty and the introduction of a banking levy in Poland. The possibility of a significant impact on our Polish subsidiary mBank cannot be ruled out.

Business activities in the Corporates & Markets segment tailed off in the third quarter in line with the general market trend. The continuing uncertainty regarding the US Federal Reserve's future monetary policy ultimately led to lower customer activity than is usual for the time of year. The resulting fall in income in the third quarter was offset by extraordinarily good half-year results. In the period under review therefore the segment recorded a stable operating profit compared with the prior-year period.

We are also well on track in our Non-Core Assets run-off segment. We were able to significantly reduce our operating loss compared with the prior-year period and have been trimming our portfolios on an ongoing basis. We had already laid the foundations in the previous quarter for a further reduction of our non-strategic portfolio, and this was completed in the third quarter. We continued our value-preserving reduction strategy with the sale of two commercial real estate portfolios and the ship restructuring platform Hanseatic Ship Asset Management GmbH, further trimming both risk and complexity in the Non-Core Assets segment. As at the reporting date we had reduced our ship and real estate portfolio to €22bn. This means we are already within striking distance of our target of €20bn for these two portfolios by 2016.

Overall, Commerzbank recorded consolidated earnings attributable to Commerzbank shareholders of €853m in the first nine months of 2015, 62.5% higher than the prior-year figure of €525m. With a Common Equity Tier 1 ratio of 10.8% as at 30 September 2015 we have achieved our capital target for 2016 – even factoring out the capital increase carried out in April 2015 – a year earlier than scheduled.

Dear shareholders, there has been a sea change in the demands placed on modern, sustainable banking business in recent years. Our customers expect multi-channel advisory services, digital financial offerings and individual, tailor-made products. We have to, want to and above all are able to rise to these challenges thanks to the strategic initiatives we have launched and in some cases already successfully implemented. However, there is very limited scope for dealing with the wide range of external and uncontrollable operating conditions we face. The key here is to respond promptly and in line with requirements, which creates additional challenges for us and all our competitors.

In the last interim report I indicated that the ongoing review of internal processes, structures and technical platforms to make ourselves leaner, more efficient and more customer-oriented is not a one-off project but a long-term task that will occupy us over the coming years. I would like to expressly reiterate this and point out once again how important it is for us to largely counteract the noticeably tougher requirements if we are to achieve sustainable result growth.

For 2015 as a whole we are still targeting further profitable growth in the Core Bank and an expansion of our market share, even though further adverse effects – particularly in connection with the difficult market conditions – cannot be ruled out. We are still planning to distribute a dividend for the 2015 financial year, and 20 cents per share was set aside for this in the regulatory capital. Based on current knowledge, provided there are no major negative surprises in the fourth quarter we will propose to the decision-making bodies that a dividend in this amount be distributed for the 2015 financial year.

Yours sincerely



Martin Blessing, Chairman of the Board of Managing Directors

Development of Commerzbank shares

After rising by an impressive 22% to a peak of just under 12,400 points at the beginning of 2015, due in particular to the expansive monetary policy of the European Central Bank, the DAX was unable to maintain this trend as the year progressed. While the DAX went into reverse in the second quarter, due in part to the concerns over Greece, the surprising slowdown of the Chinese economy in the third quarter fuelled increasing pessimism regarding growth. This ultimately even led the US Federal Reserve to hold back on raising interest rates at the short end, which in turn had a negative impact on the global capital markets. After

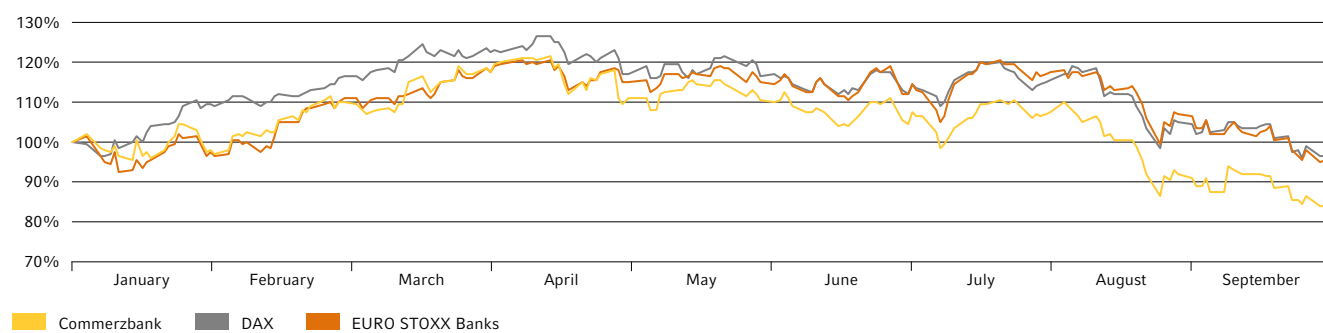
reaching a low of 8,355 points, by the end of the quarter the DAX stood at 9,660 points, slightly below the level recorded at the end of the previous year.

While bank stocks enjoyed strong gains in the first quarter (EURO-STOXX Banks Index +17.2%), thanks in particular to further narrowing of risk premiums and falling Bund yields, there was also some price weakening as the year progressed. By the end of the third quarter the sector index was also slightly lower than it had been at the beginning of 2015.

The Commerzbank share was also unable to escape the negative market trend in the third quarter. From its high of €13.29 on 14 April, the stock recorded its lowest price the year to date of €9.25 on 28 September.

Commerzbank share vs. performance indices in the first nine months of 2015

Daily figures, 30.12.2014 = 100



The Commerzbank share price fell by 14.2% in the first nine months of 2015, compared with a fall of 2.3% for the EURO-STOXX Banks Index over the same period. The fall in the share price was chiefly attributable to the debate at the start of July regarding the possible impact on mBank's earnings of converting mortgage loans denominated in Swiss francs into zloty. The Commerzbank share price closed the quarter at €9.42.

The daily turnover of Commerzbank shares – in terms of the number of shares traded – was down slightly year-on-year in the first nine months of 2015.

The average daily trading volume was around 9.8 million shares (first nine months of 2014: 10.3 million shares). At the peak of trading, 40.9 million shares were traded on stock exchanges. Commerzbank's market capitalisation stood at €11.8bn as at the end of the third quarter.

On 30 September 2015, approximately one quarter of all Commerzbank shares were held by our major shareholders SoFFin, Capital Group and BlackRock. The rest of Commerzbank's shares were held by our private shareholders mainly resident in Germany and institutional investors.

Over the third quarter of 2015, 13 analysts recommended buying Commerzbank shares. The share of buy recommendations was therefore 42%, some 18 percentage points higher than the level at end-2014. 13 analysts also recommended holding Commerzbank shares, while 5 recommended selling them.

| Highlights of the Commerzbank share | 1.1.–30.9.2015 | 1.1.–30.9.2014 |
|--|----------------|----------------|
| Shares issued in million units (30.9.) | 1,252.4 | 1,138.5 |
| Xetra intraday prices in € | | |
| High | 13.39 | 14.48 |
| Low | 9.05 | 10.18 |
| Closing price (30.9.) | 9.42 | 11.84 |
| Daily trading volume ¹ in million units | | |
| High | 40.9 | 24.1 |
| Low | 4.0 | 3.8 |
| Average | 9.9 | 10.3 |
| Index weighting in % (30.9.) | | |
| DAX | 1.3 | 1.4 |
| EURO STOXX Banks | 2.0 | 2.1 |
| Earnings per share in € | 0.71 | 0.46 |
| Book value per share ² in € (30.9.) | 23.26 | 23.42 |
| Net asset value per share ³ in € (30.9.) | 21.75 | 21.82 |
| Market value/Net asset value (30.9.) | 0.43 | 0.54 |

¹ Total for German stock exchanges.

² Excluding non-controlling interests.

³ Excluding non-controlling interests and cash flow hedges and less goodwill.

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Business and overall conditions

Overall economic situation

Global economic development continues to be affected by the problems facing the emerging markets. In China, the correction in the real estate market and the sharp rise in debt are putting a brake on economic growth. Concerns over an economic downturn are driving individuals and companies to transfer capital abroad, with a corresponding negative impact on the Chinese yuan. The Chinese central bank has been releasing foreign exchange reserves on a large scale since August in order to support its currency.

In the industrialised countries the weaker demand from the emerging markets has so far been largely offset by stronger domestic demand. The US economy, for example, has enjoyed robust growth since spring after the false start at the beginning of the year. The US labour market has continued to pick up, and there is now almost full employment. In numerical terms there is now close to one vacancy for every unemployed person. The ongoing weak inflation has led the US Federal Reserve to delay its interest rate hike, however.

The eurozone economy has also recorded solid growth over the year to date. It benefited above all from the marked depreciation of the euro at the start of 2015, which improved the price competitiveness of companies within the eurozone. The fall in energy prices is also boosting the purchasing power of private households, encouraging them to increase their consumption. The growth gap within the eurozone has narrowed significantly, with the reforms initiated in the crisis countries having a positive impact. Ireland and Spain recorded the strongest growth rates of all eurozone countries in the first half of 2015.

By contrast, the German economy, which has been hit especially hard by the weakening demand from the emerging markets, has lost a bit of momentum over the year to date.

Despite the economic recovery and the rise in import prices due to depreciation, there has been little increase in underlying eurozone inflation. This is also attributable to the significant decline in energy prices, which are subsequently also putting a brake on price increases outside the energy sector.

The ECB's zero interest rate policy continues to force investors into riskier forms of investment such as equities, corporate bonds and the government bonds of periphery countries. However, the soaring DAX index has recently had its wings clipped by China's economic worries and the emissions scandal enveloping Volkswagen.

Important business policy and staffing events in the third quarter of 2015

Commerzbank sells two commercial real estate financing portfolios

Commerzbank concluded agreements with investors at the beginning of July for the sale of two commercial real estate portfolios (CRE). A European portfolio with a nominal volume of €2.2bn was sold to a consortium of J. P. Morgan and Lone Star, while a German portfolio with a nominal volume of around €0.7bn was sold to the investor Oaktree. The parties have agreed to maintain confidentiality about all other details of the contracts.

The German commercial real estate finance portfolio sold consisted mainly of non-performing loans. The European portfolio included both problem loans and performing loans. The sales have greatly reduced the complexity of the NCA CRE portfolio.

Commerzbank sells ship restructuring platform

In mid-July Commerzbank took advantage of the favourable market environment and signed an agreement to sell our ship restructuring platform HSAM GmbH (Hanseatic Ship Asset Management GmbH) founded at the end of May 2013 to a joint venture established between the KKR Special Situations Group of Kohlberg Kravis Roberts & Co. L.P. (USA) and Borealis Maritime Ltd. (UK). The sale generated proceeds of around €233m. The parties have agreed to maintain confidentiality about all other details of the contract.

Changes in the Board of Managing Directors of Commerzbank

At the beginning of September the Supervisory Board of Commerzbank agreed to the request by Dr. Stefan Schmittmann to terminate his contract as Chief Risk Officer, which runs until the end of October 2016, at the end of 2015. The Supervisory Board will decide on a successor in due course.

Earnings performance, assets and financial position

Business performance in the first nine months of 2015 was affected by the ongoing difficult market conditions. Overall, however, we are satisfied with the results reported. We managed to improve our consolidated operating profit by just under two-thirds compared with the corresponding prior-year period. The significantly higher result is largely due to the successful turnaround in the Private Customers segment, but also to much smaller losses in the Non-Core Assets (NCA) run-off segment.

Consolidated earnings attributable to Commerzbank shareholders in the period under review were €853m, after €525m in the prior-year period.

Total assets as at 30 September 2015 were €563.9bn, marginally above the figure for year-end 2014. Risk-weighted assets amounted to €214.2bn. The Common Equity Tier 1 ratio rose to 12.5% as at the end of September 2015, to a significant degree driven by the capital increase at the end of April.

Income statement of the Commerzbank Group

The individual items in the income statement performed as follows in the first nine months of the current year:

Net interest and trading income rose by 10.3% to €5,027m overall. During the reporting period, net interest income rose by €258m year-on-year to €4,489m, while net trading income and net income from hedge accounting rose by €210m to €538m. While lending volumes in both Private Customers and Mittelstandsbank increased in the first nine months, with the interest contribution rising as a result, net interest income from deposit business in both segments was still affected by the low level of market interest rates. A special dividend from EURO Kartensysteme GmbH led to an overall increase in net interest income in the Private Customers segment. In the Central & Eastern Europe segment, net interest income was down year-on-year. The reduction of the National Bank of Poland's reference interest rate by a total of 100 basis points in October 2014 and March 2015 was not fully offset by growth in lending and deposit volumes and in business with private and corporate customers. Corporates & Markets reported a large increase in net interest income and net trading income compared with the first nine months of the previous year.

The segment profited from demand for investment solutions in the equity derivatives area as well as for hedging requirements in the raw materials and currency sector. The sharp rise in net interest income in Non-Core Assets was due in part to charges on portfolio sales booked as interest expense in the first half of 2014. In addition, the decline in interest income resulting from the portfolio reduction was more than offset this year by substantial additional income from measures to restructure funding. Net trading income for the period includes positive measurement effects from both counterparty risks and the measurement of own liabilities of €114m, compared with €57m in the equivalent period last year. Further information on the composition of net interest income and the trading result is given in the notes to the interim financial statements on pages 55 and 56.

Net commission income in the reporting period rose by 6.4% year-on-year to €2,549m. This was largely due to the dynamic performance of the equity markets – particularly in the first half of 2015 – which in the Private Customers segment was reflected in a rise in volume-based commission income. The rise in net commission income in Mittelstandsbank was attributable in particular to growth in currency hedging business with our customers.

Net investment income in the first nine months of 2015 was €–106m, after €18m in the prior-year period. The decrease of €124m stemmed chiefly from write-downs on HETA Asset Resolution AG.

Other net income was €–7m for the reporting period, compared with €–108m a year earlier. The charges in the prior-year period resulted primarily from provisions in respect of legal and litigation risks.

The net allocation to loan loss provisions fell by 30.1% year-on-year to €–584m. This decline was due to a lower need for provisions in Private Customers, Mittelstandsbank and Central & Eastern Europe. The loan loss provisioning requirement also fell in the Non-Core Assets segment. While provisions for commercial real estate financing remained largely constant compared with the prior-year period, there was a significant reduction in loan loss provisions for ship financing. Corporates & Markets reported a higher net reversal in the first nine months of 2015 than that achieved in the prior-year period. This was principally the result of a one-off effect in relation to settled legal disputes.

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In the period under review, operating expenses were €5,426m, an increase of 5.4% on the prior-year figure. While personnel expenses, at €2,932m, were only slightly above the prior year level, other operating expenses including depreciation on fixed assets and amortisation of other intangible assets, rose by 10.3% to €2,494m. The increase of €232m was chiefly due to the first-time reporting of the European bank levy in the amount of €165m as well as a rise in costs for investments in IT.

As a result of the developments described above, the Commerzbank Group posted an operating profit of €1,499m in the first nine months of the current year, compared with €924m in the same period last year.

Profit in the period under review was burdened by restructuring expenses of €94m. These expenses related mainly to the bundling of product and market expertise in Corporates & Markets and to the optimisation of internal processes.

Pre-tax profit for the first nine months of the current year was €1,405m, after €924m in the prior-year period. Tax expense for the reporting period was €466m, compared with €320m for the equivalent prior-year period. The remeasurement of deferred tax assets on tax loss carryforwards as a result of the restrictions imposed by the UK government on the offsetting of tax loss carryforwards against future profits was one of the main items that pushed up the tax rate. Consolidated profit after tax came to €939m, compared with €604m in the prior-year period. Net of non-controlling interests of €86m, a consolidated profit of €853m was attributable to Commerzbank shareholders.

Operating earnings per share came to €1.25 and earnings per share to €0.71. In the prior-year period, the comparable figures were €0.81 and €0.46 respectively.

Balance sheet of the Commerzbank Group

Total assets of the Commerzbank Group as at 30 September 2015 were €563.9bn, marginally above the figure for year-end 2014.

As at the reporting date the cash reserve had increased by €9.3bn to €14.2bn. The sharp rise was attributable in particular to the temporary investment of available liquidity with the ECB because of less attractive Reverse-Repo terms – in the third quarter the Reverse Repo business has gained traction again. Claims on banks were €88.3bn, up €8.2bn from the year-end. While claims (due on demand and up to three months) rose by €18.3bn, claims with maturities up to one year fell by €10.9bn.

Claims from secured money market transactions rose by €2.3bn. Claims on customers remained at around the previous year's level at €234.1bn. The fall in volume in maturities up to one year was offset by a corresponding rise in longer-dated maturities. As at the reporting date, total lending to customers and banks stood at €232.4bn, down 3.5% on year-end 2014. Whereas loans to banks fell by €3.9bn to €21.3bn, customer lending business was a marginal 2.1% below the year-end 2014 level at €211.1bn. The increase in lending volume in the core segments was more than offset by the reduction in non-strategic business in the NCA segment. As at the reporting date, trading assets amounted to €126.0bn, a fall of 3.3% compared with year-end 2014. While holdings of equities, other equity-related securities and investment fund units increased by €4.0bn due to the positive market environment for equity products and associated high customer demand, positive fair values of financial derivatives, in particular interest-rate-related derivative transactions, decreased by €9.1bn compared with the year-end level. Financial investments were down €5.9bn compared with year-end 2014 at €84.5bn. The fall was due to a decline in bonds, notes and other interest-rate-related securities.

On the liabilities side, liabilities to banks – especially those with maturities up to one year – rose by €3.8bn to €103.3bn. The increase in volume related exclusively to foreign bank liabilities. Liabilities to customers rose by 4.7% compared with year-end 2014 to €260.7bn due to volume growth among maturities up to one year. Securitised liabilities were €4.5bn lower compared with year-end 2014 at €44.3bn. The €6.6bn fall in bonds and notes issued to €39.1bn was due in part to a decline of €0.8bn in mortgage Pfandbriefe, largely as a result of maturities at Hypothekbank Frankfurt AG, and also to a reduction of €3.4bn in the volume of public-sector Pfandbriefe. The fall was partially offset by an increase of €2.0bn in money market instruments issued. Liabilities from trading activities decreased in volume by €5.2bn overall to €92.0bn. This was mainly due to the decline in interest-rate related derivatives transactions, partly offset by an increase in short sales of bonds and equities.

Equity

The equity capital (before non-controlling interests) reported in the balance sheet as at 30 September 2015 was €29.1bn, €3.1bn above the figure for year-end 2014. The capital reserve increased by €1.3bn compared with year-end 2014 due to the capital increase carried out in the spring. As at the reporting date, it stood at €17.2bn. Subscribed capital rose slightly by €0.1bn to €1.3bn. Retained earnings were up €1.2bn on the end-2014 level, at €11.6bn. As at the reporting date, the revaluation reserve stood at €-0.6bn. This was an improvement of around €0.3bn compared with the end of 2014 and was attributable in particular to a rise in the fair values of Italian government bonds. Together with the negative cash flow hedge reserves and the currency translation reserves, this amounted to a deduction of €-0.9bn from equity compared with €-1.4bn at year-end 2014.

Risk-weighted assets were €214.2bn as at 30 September 2015, slightly below the level of year-end-2014. This was primarily the result of the ongoing reduction of the credit portfolio of the NCA segment, partly offset by the exchange rate based increase in the RWA relating to lending risks as well as increased market and operational risks. Regulatory Tier 1 capital rose by around €1.7bn to €26.8bn compared with year-end 2014, chiefly as a result of the capital increase at the end of April. In conjunction with the slightly lower level of risk-weighted assets, the Tier 1 ratio rose to 12.5%.

Common Equity Tier 1 capital came to €26.8bn. Under Basel 3 phase-in rules, this is identical to core capital. The total capital ratio was 15.2% on the reporting date. The Basel 3 Core Tier 1 capital ratio (on a fully phased-in basis, i.e. on the basis of fully implemented regulations according to our interpretation) amounted to 10.8% as at the reporting date. As at the reporting date, the leverage ratio based on the CRD IV/CRR rules applicable on that date (delegated act), which compares Tier 1 capital with leverage exposure, was 4.7% (phase-in) or 4.1% (fully phased-in).

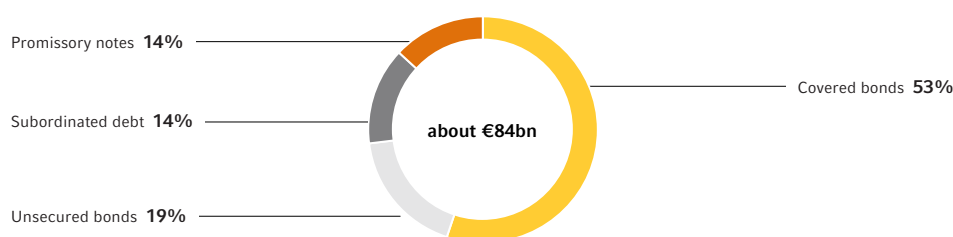
The Bank complies with all regulatory requirements. The disclosures as required by banking regulators include the retainable portion of interim profit. Since the deadline for the preparation of the interim financial statements differs from the reporting deadline, these disclosures are provisional.

Funding and liquidity

Commerzbank had unrestricted access to the money and capital markets throughout the reporting period, and its liquidity and solvency were also adequate at all times. It was always able to raise the resources required for a balanced funding mix and continued to enjoy a comfortable liquidity position in the period under review.

Capital market funding structure¹

As at 30 September 2015



¹⁾ Based on reported figures

The Commerzbank Group raised a total of €5.4bn in long-term funding on the capital market in the first nine months of 2015.

In the collateralised area, Commerzbank Aktiengesellschaft issued three benchmark bonds. A mortgage Pfandbrief in the form of a benchmark bond with a volume of €500m and a seven-year term was placed in January.

This issue was topped up by a further €500m at the end of March, to €1bn. A five-year and a seven-year mortgage Pfandbrief, each with a volume of €500m, were then issued in the third quarter. In addition, €150m of mortgage Pfandbriefe were issued in the form of private placements. The mortgage Pfandbriefe are secured by Commerzbank's private residential mortgage loans in Germany. The Polish subsidiary mBank also issued private placements with a volume of €255m.

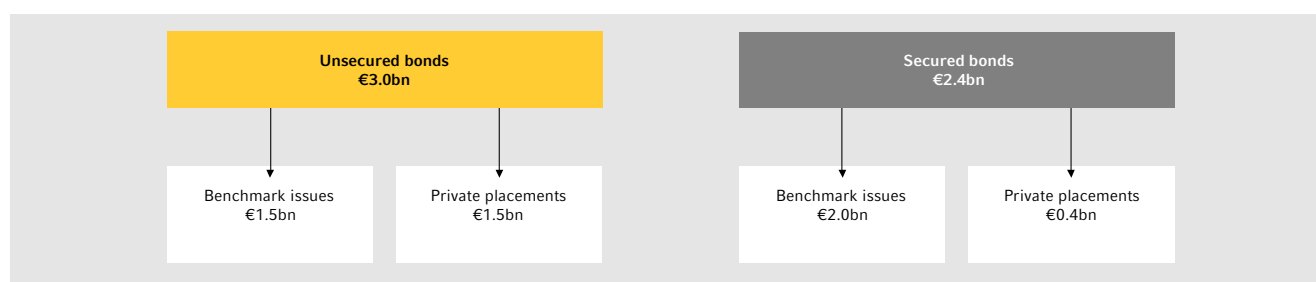
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An unsecured three-year benchmark bond with a volume of €750m was issued in March. This issue was topped up by a further €250m in April. A further benchmark bond with a volume of €500m and a seven-year term was issued in September. A

further €1.5bn was raised through private placements. The issues had an average term of around six years. Funding spreads remain at a low level.

Group capital market funding in the first nine months of 2015

Volume €5.4bn



Based on its internal liquidity model, which uses conservative assumptions, as at the end of the quarter the Bank had available excess liquidity of €97.2bn. Of this, €44.2bn is held in a separate liquidity reserve portfolio managed by Group Treasury to cover liquidity outflows should a stress event occur and to ensure solvency at all times. The Bank also continues to hold €9.8bn in its intraday liquidity reserve portfolio.

The regulatory liquidity requirements of the German Liquidity Regulation were met at all times in the reporting period. As at the reporting date, Commerzbank Aktiengesellschaft's key liquidity ratio calculated using the German Liquidity Regulation's standard approach was 1.40, still significantly higher than the minimum regulatory requirement of 1.00. Commerzbank's liquidity situation therefore remains comfortable given its conservative and forward-looking funding strategy. The Bank is not currently drawing on central bank liquidity facilities.

Key figures for the Commerzbank Group

Largely as a result of the rise in income described above, the main operating return ratios of the Commerzbank Group for the first nine months of 2015 were significantly higher overall than in the comparable prior-year period.

The operating return on equity rose from 4.5% in the prior-year period to 6.9%. The return on equity based on consolidated profit was 4.1%, compared with 2.7% a year earlier. The operating return on tangible equity, which is increasingly of interest to investors, was 7.8%, up from 5.1% in the prior-year period. The cost/income ratio also improved, falling to 72.3% due to the increase in operating income, compared with 74.5% in the prior-year period.

Segment performance

The comments on the segments' results for the first nine months of 2015 are based on the segment structure that was applicable at year-end 2014. Further information on segment reporting can be found on page 59 ff of the interim financial statements.

The Core Bank achieved an operating profit of €1,828m in the reporting period. This represents an increase of 19.1% compared with the prior-year period. While Private Customers recorded significant earnings growth, Mittelstandsbank was affected by the difficult market conditions. Operating profit in the Central &

Eastern Europe and Corporates & Markets segments remained stable. Others and Consolidation also recorded a marked improvement in earnings performance compared with the first nine months of the previous year due to the good performance of Group Treasury.

In the Non-Core Assets segment, operating losses decreased again compared with the same period in 2014 due to higher income. This is attributable in part to charges, particularly in the first half of 2014, while substantial additional income was also generated this year from measures to restructure funding.

Private Customers

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in %/%-points |
|---|----------------|----------------|----------------------|
| Income before provisions | 2,796 | 2,582 | 8.3 |
| Loan loss provisions | -39 | -68 | -42.6 |
| Operating expenses | 2,195 | 2,168 | 1.2 |
| Operating profit/loss | 562 | 346 | 62.4 |
| Average capital employed | 4,017 | 4,271 | -5.9 |
| Operating return on equity (%) | 18.7 | 10.8 | 7.9 |
| Cost/income ratio in operating business (%) | 78.5 | 84.0 | -5.5 |

The Private Customers segment maintained its pleasing earnings performance in the third quarter of 2015, with both net interest income and net commission income up year-on-year. We have gained 753,000 net new customers since we began the realignment of our business model at the end of 2012, putting us significantly closer to our target of one million net new customers by the end of 2016. By enabling them to access an ever broader range of basic products online, we are increasingly giving our customers the option to conduct their banking transactions not only in one of our branches but also online. New residential mortgage financing also recorded strong growth in the third quarter, with a volume of €2.7bn. Overall demand for new residential mortgage financing is well over €9bn for the current financial year. The Private Customers segment improved its operating profit by €216m in the first nine months of the current financial year to €562m.

Income before loan loss provisions increased significantly by €214m to €2,796m in the period under review. Net interest income increased by 3.4% to €1,444m. Income growth was recorded thanks to very strong credit business, but this was more than offset by weaker income from deposits in view of the ongoing low interest rate environment. Net interest income for the third quarter of 2015 also includes a special dividend from EURO Kartensysteme GmbH.

The strong stock market performance in the first half of 2015 was brought to an abrupt halt in the third quarter by concerns about the Chinese economy and a resultant slowdown in global markets. Transaction-related income fell accordingly, but volume-related income from premium custody accounts and wealth management products increased. Net commission income increased by €165m year-on-year to €1,309m.

Loan loss provisions for private customer business were €-39m, a significant drop of 42.6% compared with the prior-year period.

Operating expenses rose slightly by 1.2% to €2,195m. The figure for this financial year includes for the first time expenses of €15m for the European bank levy, which were booked in the first quarter of 2015. Taking this effect into account, operating expenses – even after nine months – remained almost at the prior-year level.

The Private Customers segment reported a pre-tax profit of €562m in the first nine months of this year, compared with €346m in the same period of 2014.

The operating return on equity based on average capital employed of €4.0bn was 18.7% (previous year: 10.8%). The operating return on tangible equity was 27.2%, up from 15.5% in the prior-year period. The cost/income ratio was 78.5%, compared with 84.0% in the first nine months of 2014.

Mittelstandsbank

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in %/%-points |
|---|----------------|----------------|----------------------|
| Income before provisions | 2,064 | 2,206 | -6.4 |
| Loan loss provisions | -119 | -236 | -49.6 |
| Operating expenses | 1,094 | 997 | 9.7 |
| Operating profit/loss | 851 | 973 | -12.5 |
| Average capital employed | 8,130 | 7,506 | 8.3 |
| Operating return on equity (%) | 14.0 | 17.3 | -3.3 |
| Cost/income ratio in operating business (%) | 53.0 | 45.2 | 7.8 |

Against the backdrop of persistently difficult market conditions, the Mittelstandsbank segment posted an operating profit of €851m in the first nine months of 2015, compared with €973m in the prior-year period. This was primarily the result of falling profitability on deposits caused by the level of market interest rates and a writedown on a shareholding. The increase in operating expenses as a result of tighter regulation was compensated by lower loan loss provisions.

In the period under review, income before loan loss provisions came to €2,064m, 6.4% lower than the corresponding prior-year figure. Net interest income was below the level for the first nine months of the previous year at €1,271m due to the negative impact of the ongoing low interest rate environment. The net interest contribution from lending rose again, thanks to the strong position Mittelstandsbank enjoys in the market. Total lending, particularly to domestic corporate customers and large corporates, increased year-on-year in the first nine months of 2015. However, this effect was wiped out by the decline in the deposit business caused by the level of market interest rates. Net commission income increased slightly by 1.6% year-on-year to €818m. The increase was primarily attributable to growth in currency hedging business with our customers. Net trading income was €48m,

compared with €11m in the prior-year period. The rise was partly due to positive remeasurement effects on counterparty risks in derivatives business with our customers. The negative net investment income figure of €-61m resulted from a write-down on a shareholding.

Loan loss provisions for the period under review were €-119m, compared with €-236m in the same period of 2014. The fall was mainly due to lower additions to loss loan provisions for individual commitments.

At €1,094m, operating expenses were up €97m on the prior-year figure of €997m. The 9.7% increase was mainly due to the first-time reporting of the European bank levy of €44m and tighter regulatory requirements.

All in all, the Mittelstandsbank segment generated pre-tax profit of €851m in the period under review, which represents a decline of 12.5% compared with the same period of the previous year.

The operating return on equity based on average capital employed of €8.1bn was 14.0% (previous year: 17.3%). The operating return on tangible equity was 15.5%, after 19.5% in the prior-year period. The cost/income ratio was 53.0%, compared with 45.2% in the first nine months of 2014.

Central & Eastern Europe

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in %/%-points |
|---|----------------|----------------|----------------------|
| Income before provisions | 690 | 698 | -1.1 |
| Loan loss provisions | -75 | -96 | -21.9 |
| Operating expenses | 342 | 327 | 4.6 |
| Operating profit/loss | 273 | 275 | -0.7 |
| Average capital employed | 1,911 | 1,712 | 11.6 |
| Operating return on equity (%) | 19.0 | 21.4 | -2.4 |
| Cost/income ratio in operating business (%) | 49.6 | 46.8 | 2.7 |

The Central & Eastern Europe segment comprises all of the Group's activities in universal banking and direct banking in Central and Eastern Europe.

The segment is represented by mBank, which provides retail, corporate and investment banking services for customers in Poland, and retail banking services for customers in the Czech Republic and Slovakia. At the end of 2014 mBank had a market share of around 8%, making it the fourth-largest bank in Poland.

The Polish economy, which outperformed the eurozone in 2014, has continued its positive trend. However, the interest rate environment came under pressure following a further rate cut in March 2015. In the first nine months of 2015 the segment generated an operating profit of €273m, compared with €275m in the prior-year period.

Income before loan loss provisions was €690m in the period under review, close to the figure for the same period of the previous year. Net interest income fell by 5.9% year-on-year to €413m. The reduction of the National Bank of Poland's reference interest rate by a total of 100 basis points in October 2014 and March 2015 was not fully offset by growth in lending and deposit

volumes in the business of both private and corporate customers. Net commission income fell by €8m year-on-year to €159m due to the regulatory requirement to reduce fees in the card business in Poland. Overall, the decline in income from interest-bearing and commission-bearing business was almost offset by the proceeds from the sale of the insurance business to AXA Group generated in the first quarter of this year.

Loan loss provisions were down by 21.9% year-on-year in the first nine months of 2015 at €-75m.

Operating expenses were €15m higher than the prior-year figure at €342m. The increase was primarily attributable to higher regulatory expenses and a slight rise in staff costs.

The Central & Eastern Europe segment reported a pre-tax profit of €273m in the period under review, compared with €275m in the prior-year period.

The operating return on equity based on average capital employed of €1.9bn was 19.0% (previous year: 21.4%). The operating return on tangible equity was 23.1%, compared with 26.5% in the prior-year period. The cost/income ratio was 49.6%, compared with 46.8% in the prior-year period.

Corporates & Markets

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in %/%-points |
|---|----------------|----------------|----------------------|
| Income before provisions | 1,614 | 1,529 | 5.6 |
| Loan loss provisions | 25 | 14 | . |
| Operating expenses | 1,076 | 987 | 9.0 |
| Operating profit/loss | 563 | 556 | 1.3 |
| Average capital employed | 4,683 | 4,605 | 1.7 |
| Operating return on equity (%) | 16.0 | 16.1 | -0.1 |
| Cost/income ratio in operating business (%) | 66.7 | 64.6 | 2.1 |

After an extraordinarily good first half in 2015, business activities in the Corporates & Markets segment tailed off in the third quarter in line with the general market trend. A significant slowdown in the Chinese economy and falling commodity prices were the main drivers of the negative stock market trend, which was accompanied by a leap in volatility. The continuing uncertainty regarding the US Federal Reserve's future monetary policy ultimately led to lower customer activity in the third quarter than is usual for the time of year.

Corporates & Markets generated an operating profit of €563m in the period under review, compared with €556m in a prior-year period that had included positive measurement effects from restructured loans. The profit figure includes positive effects from the measurement of counterparty risks at €31m and from the measurement of own liabilities at €103m, compared with €29m last year from the measurement counterparty risks and €-16m from the measurement of own liabilities. In Corporate Finance, lower interest rates led to a decline in deposit business, while the primary market bonds and syndicated loans business continued to make a significant contribution to income, although not as high as in the previous year. The Equity Markets & Commodities division benefited from demand for investment in equity derivatives and the need for commodity hedging, enabling it to significantly increase income. Income in the Fixed Income & Currencies division – excluding measurement effects from own liabilities and counterparty risks in derivatives business – benefited above all from customer activity in currency hedging, while trading in bonds

and interest rate derivatives was down year-on-year. Credit Portfolio Management, which is responsible for managing and optimising the credit portfolios and counterparty risk, continued to generate stable income.

Income before loan loss provisions in the first nine months of the year was €1,614m, up €85m on the prior-year period. Adjusted for measurement effects the figure decreased by €36m. Net interest and trading income increased by €89m to €1,324m, while net commission income fell by €9m to €270m.

Loan loss provisions saw a net release of €25m in the first nine months of 2015, after €14m in the previous year.

Operating expenses increased by €89m year-on-year to €1,076m. The increase was chiefly due to the first-time reporting of the European bank levy in the amount of €67m.

Pre-tax profit fell by €50m to €506m. This includes restructuring expenses of €57m, mainly in connection with the bundling of product and market expertise.

The operating return on equity based on average capital employed of €4.7bn was 16.0% (prior-year period: 16.1%). The operating return on tangible equity was 16.6%, on a par with the level in the prior-year period. The cost/income ratio was 66.7%, compared with 64.6% in the previous year. Adjusted for the effects of measurement of own liabilities and counterparty risk in derivatives business, the operating return on equity would be 12.2% (previous year: 15.7%). The adjusted cost/income ratio would be 72.7%, compared with 65.1% a year earlier.

Non-Core Assets

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in %/%-points |
|---|----------------|----------------|----------------------|
| Income before provisions | 234 | 77 | . |
| Loan loss provisions | -313 | -449 | -30.3 |
| Operating expenses | 250 | 239 | 4.6 |
| Operating profit/loss | -329 | -611 | -46.2 |
| Average capital employed | 7,330 | 8,295 | -11.6 |
| Operating return on equity (%) | -6.0 | -9.8 | 3.8 |
| Cost/income ratio in operating business (%) | 106.8 | 310.4 | . |

In the first nine months of 2015 the non-strategic Non-Core Assets (NCA) segment posted a negative operating result of €-329m. The operating loss was therefore a full €282m smaller than in the same period of the previous year.

All sub-segments contributed to the marked improvement in the risk profile through the significant reduction of on-balance-sheet assets, with added support from portfolio transactions. The exposure at default (including problem loans) was reduced by around €16bn overall in the period under review to €68bn. The aggregate position in the the two sub-segments commercial real estate (EaD €-8bn to €12bn) and shipping (EaD €-2bn to €10bn) is already very close to our €20bn target for EaD at the end of 2016.

The low interest rate environment has led to continued strong demand for commercial real estate financing, bolstering early loan redemptions and sales transactions. The markets for European government bonds have calmed down again recently over the course of the year after major volatility with regard to risk premiums. The ECB's ongoing large-scale government bond purchases continue to have a positive impact, while political developments, often in connection with or as a consequence of elections, tend to have adverse effects. There are still no signs of any change for the better on the international shipping markets, due in part to the uncertain outlook for the global economy and hence demand for shipping transport capacities.

Income before loan loss provisions of €234m was generated in the period under review, compared with €77m in the prior-year period. The sharp rise in net interest income to €140m, after €-40m in the prior-year period, was due in part to the charges on portfolio sales booked as interest expense in the first half of 2014. In addition, the decline in interest income resulting from the portfolio reduction was more than offset this year by substantial additional income from measures to restructure funding.

As expected, with no new business being written net commission income of €13m does not make any significant contribution to income. Net trading income, which is volatile and largely reflects fair value changes from the measurement of derivatives, improved significantly to €308m after €170m in the prior-year period. The negative net investment income figure of €-210m chiefly comprises write-downs on HETA Asset Resolution AG. The €-78m reported in the previous year was due largely to effects from the intra-Group sales of public finance portfolios to Treasury. Other net income of €-15m reflects charges relating to the sale of the HSAM ship restructuring platform.

Loan loss provisions amounted to €-313m, less than the prior-year figure of €-449m. While provisions for commercial real estate financing remained largely constant compared with the prior-year period, there was a significant reduction in loan loss provisions for ship financing.

Operating expenses rose by €11m year-on-year to €250m. The figure includes the first-time inclusion of the European bank levy of €28m. The restructuring provision of €16m reflects measures to further reduce operational complexity.

In the first nine months of 2015, the NCA segment reported an overall pre-tax loss of €-345m (prior-year period: €-611m).

Average capital employed amounted to €7.3bn, compared with €8.3bn in the prior-year period.

Others and Consolidation

The Others and Consolidation segment contains the income and expenses which are not attributable to the business segments. Reporting for this segment under "Others" comprises equity participations that are not assigned to business segments, overarching Group matters such as costs for Group-wide projects,

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effects resulting from the purchase price allocation in connection with the Dresdner Bank takeover, specific individual matters that cannot be allocated to the segments, and Group Treasury. The costs of the service units, which – except for restructuring expenses – are mainly charged to the segments, are also shown here. Consolidation includes income and expense items that represent the reconciliation of internal management reporting figures shown in segment reporting with the Group financial statements in accordance with IFRS. Also shown here are the costs of the Group management units, which – except for restructuring expenses – are also mainly charged to the segments.

An operating result of €-421m was recorded for the first nine months of 2015, compared with €-615m in the prior-year period. This increase of €194m was primarily attributable to the performance of Group Treasury, which improved significantly on the very good result achieved in the previous year, and also to overarching Group matters and one-off effects. These include a large rise in net new provisions in respect of litigation risks in the previous year. Taking into account restructuring expenses of €21m in connection with the optimisation of internal processes, Others and Consolidation recorded a pre-tax loss of €-442m in the first nine months of 2015, compared with a loss of €-615m in the first nine months of 2014.

Report on events after the reporting period

There have been no events of particular significance since the end of the reporting period.

Outlook and opportunities report

Future economic situation

Global economic growth is unlikely to be much faster in 2015 than in 2014. This is chiefly due to the expected performance of the emerging markets, where the policy of cheap money has led to excesses relating to the real estate markets and private debt that now need to be corrected. Investors are also likely to shift capital from the emerging markets if the US Federal Reserve starts to raise interest rates. We predict that China will record slower growth than the Chinese government expects this year, but we regard an economic crash as unlikely.

The government and its banks have a wealth of resources at their disposal to reduce imbalances in the Chinese economy over an extended period.

In contrast, the US economy is set to record further growth even though sluggish global demand and the strong dollar will put a brake on exports for rather longer. Unemployment is likely to fall further, while wage growth should gradually accelerate. The Federal Reserve is therefore likely to start raising key interest rates before the end of this year.

The eurozone economy is unlikely to see any increase in the rate of expansion over the coming quarters, with the depreciation of the euro and the low crude oil price providing only temporary fuel for growth. The euro has also appreciated significantly again since April 2015. The ongoing excesses in certain countries relating to real estate markets and debt will also continue to slow growth. Real GDP growth is projected to rise by 1.5% in 2015.

The German economy, which is heavily dependent on demand from the emerging markets, will in all probability grow more slowly over the coming quarters. We are anticipating growth of 1.8% for the whole of 2015.

Given the modest economic outlook and a rate of inflation that remains well below the central bank's target, the ECB will probably further expand its bond purchase programme rather than ending it early.

The opposing monetary policy paths taken by the USA and the eurozone suggest that the euro is set to depreciate further against the dollar. Yields on ten-year Bunds should rise slightly as the fed funds rate increases. The Fed's change of direction will also hurt equities. Overall, though, German and European stocks should benefit from the fact that the ECB's zero interest rate policy is continuing to drive investors into riskier assets.

Future situation in the banking sector

Our views regarding the expected development of the banking sector over the medium term have not changed significantly since the statements published in the 2014 Annual Report.

Key asset positions in the international equity and bond markets have lost a lot of value in recent months. The uncertainty over Greece has now been replaced by concerns about the economic performance of the emerging markets in general and China in particular, and uncertainties in the run-up to the first interest rate hike since the financial crisis in the USA.

There has been a marked increase in volatility, particularly on the bond markets, due in part to the ECB's advice that the markets would need to get used to more significant fluctuations and also to the reduction of foreign exchange reserves in China. The global economic outlook is also gloomier in the real economy, with uncertainty over future development rising across the board.

Given the cyclical fatigue affecting the global economy and structural problems in many regions that have previously contributed to growth, it is therefore still too soon to sound the all-clear for the banking sector. The eurozone economy is still receiving a push-start from special factors such as lower oil prices, a drop in the external value of the euro and in particular an expansionary monetary policy; the danger of setbacks in the economic recovery has not been totally banished. The euro crisis – with its complex interplay between government debt and financial and structural factors – is not so easily overcome. It is not yet clear, for example, whether the new Greek government will be strong enough to implement the reforms agreed with lenders. The debt reduction on the part of governments, companies and private households has not yet been completed and continues to weigh on the profitability of banks throughout the eurozone.

The eurozone banking sector is still in the middle of a long-term structural transformation triggered by the crisis of the last few years. German banks in particular have made progress in adapting their capital bases to the strict regulatory rules. However, there are frequent concerns over banks' operating profitability and return on equity. There is an increasing focus on individual business models for sustainable profit generation and stress resistance in an ongoing low interest rate environment. As a result, big banks – particularly German ones – are stubbornly trading at a huge discount to their book value.

The stronger capital base is offset by reductions in implicit government guarantees, stricter rules on resolutions and greater creditor loss participation. The downgrading of bank ratings for long-term unsecured liabilities by rating agencies in response to the EU Bank Recovery and Resolution Directive and the debt moratorium imposed on HETA Asset Resolution AG by Austria's Financial Market Authority have increased the potential for jitters in the banking environment. A further reduction in leverage exposure levels, improved asset quality and better operating profitability in an increasingly digitalised and automated industry are still essential if the banking sector is to meet the tougher requirements of banking supervisors and fulfil investor expectations.

The pressure on the banking sector has increased as a result of regulation, structural transformation and competition, and this is made even more difficult to handle by the increasingly limited scope for future margin stabilisation due to the very low level of interest rates and the uncertainty regarding additional relief through a reduction in loan loss provisions.

Corporate investment activity is likely to remain tentative until the end of this year and into the next. This can also be attributed to increased use of internal and alternative external funding sources, which is impeding a strong revival in lending to corporate customers despite clear signs of recovery. In the private customer business, net commission income could grow despite the still prevailing preference for highly liquid investments that pay little commission and an unwillingness to buy securities directly, particularly as there is increased scope for sales of pension products. Impulses for the sector are also coming from domestic employment, which is at an all-time high, and the still good prospects for real estate lending.

Low interest rates, high price sensitivity on the part of customers and greater competition from online banks and technology-driven players with banking licences, are a fundamental hindrance to the expansion of earnings potential. All in all, eurozone banks will have rather limited scope to boost earnings for the foreseeable future given the loss of global economic momentum. There is a risk that the increased uncertainty regarding the future performance of the financial markets and the real economy may have a greater impact on the spending of many companies and private households than is generally assumed.

The outlook for banking in our second core market, Poland, has been dampened by the outcome of the recent parliamentary elections, even though the economic situation remains good. The potential legal and regulatory initiatives expected, including those relating to a conversion of mortgage loans denominated in Swiss francs into zloty and the introduction of a banking levy in Poland, mean that the possibility of a significant impact on the banking sector can no longer be ruled out.

The expected economic growth should boost credit volumes, and the improving position of private households and the corporate sector will be reflected in banks' risk costs. The main growth drivers are set to be corporate loans, but an increase in income is also expected in the Private Customers segment thanks to higher disposable income and low interest rates.

Financial outlook for the Commerzbank Group

Planned financing measures

Commerzbank anticipates that its capital market funding requirement over the coming years will be comparable to the volume for this year. The Bank is able to issue mortgage Pfandbriefe, public-sector Pfandbriefe and structured covered bonds secured by SME loans. The secured funding instruments in particular give us stable access to long-term funding with cost advantages compared to unsecured sources of funding.

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Such issues are a key element of Commerzbank's funding mix. Commerzbank intends to launch unsecured capital market issues in the future as well: mainly private placements to meet demand from customers, and where necessary to further diversify the Bank's funding base. Hypothekbank Frankfurt AG has no funding requirement due to the reduction strategy. By regularly reviewing and adjusting the assumptions used for liquidity management and the long-term funding requirement, Commerzbank will continue to respond actively to changes in the market environment and business performance in order to secure a comfortable liquidity cushion and an appropriate funding structure.

Planned investments

Commerzbank's current and planned investment activity is in line with its growth strategy. The Bank is targeting focused growth by adapting the business model to the new environment in the financial sector and investing in the earnings power of the core business. The Bank's investment plans have not changed significantly in the first nine months of 2015 from the plans set out on pages 100 to 102 of the 2014 Annual Report.

Anticipated liquidity trends

Over the course of the year, the eurozone money and capital markets have again been characterised by the monetary policy measures implemented by the ECB to support the economic recovery in the eurozone.

The ECB is making an additional €60bn of liquidity available each month through the securities purchase programme. The excess liquidity in the system will therefore increase on an ongoing basis. The ECB also announced in the third quarter of 2015 that it would be willing to take further measures if the monetary policy measures implemented to date either failed to have the desired effect or did so only to an insufficient extent.

As expected, very short-term interest rates moved towards the rate of return for the deposit facility. The Eonia interest rate remained negative and moved as expected towards -15 basis points. We anticipate that Eonia will trend sideways for the rest of the year. Shorter-term Euribor fixings up to three months have also fallen into negative territory as expected. The yield curve flattened out overall in the previous quarter, with short-term yields falling slightly and long-term yields such as the ten-year swap rate also down. We anticipate a slightly weaker Euribor curve for the rest of the year, leading to a further reduction in yields.

We expect three-month Euribor to move towards -6 basis points. As for credit spreads, certainty was restored to the European government bond markets following the elections in Greece and the Catalonia region of Spain. Spreads in southern European countries such as Portugal, Spain and Italy in particular narrowed significantly, while the core eurozone countries were only able to benefit to a limited extent. This trend was also supported by the expansion of the ECB's bond purchase programme. Only covered bonds, which generally trade in a very narrow range, saw a slight widening of spreads. Given the constant demand from the ECB in connection with its bond purchase programme and the overall reduction in issuance activity, we still expect spreads to remain stable in the fourth quarter of 2015.

We believe that the implementation of regulatory measures such as the liquidity coverage ratio (LCR) and the leverage ratio is already priced into the market. For example, funding costs for collateral that generates an LCR outflow have generally become more expensive relative to LCR-eligible securities, and a new bilateral repo market has developed for more intensive trading in these collateral up/downgrades.

Commerzbank's liquidity management is well prepared to cope with changing market conditions and is set to respond promptly to new market circumstances. The Bank has a comfortable liquidity position that is above internal limits and the currently applicable requirements prescribed by the German Liquidity Regulation and MaRisk.

The Bank holds a liquidity reserve to provide a cushion against unexpected outflows of cash, made up of highly liquid assets that can be discounted at central banks. Our business planning is done such that a liquidity cushion can be maintained commensurate with the prevailing market conditions and related uncertainties. This is supported by the Bank's stable franchise in private and corporate customer business and its continued access to secured and unsecured loans in the money and capital markets.

Anticipated performance of the Commerzbank Group

We fundamentally stand by what we said at the end of 2014 about the anticipated performance of the Commerzbank Group in 2015.

Although the usual seasonal weakening of the operating performance seen in the third quarter is likely to continue in the final quarter, we are still expecting to improve total operating revenues for the financial year both at Core Bank level and for the Group as a whole in 2015.

This forecast is based on the growth initiatives in the Core Bank segments which are aimed at delivering steadily increased growth in business volumes and an improved market position for Commerzbank. We believe earnings growth is also possible in the NCA segment given the positive measurement effects for derivatives resulting from narrowing spreads.

However, adverse effects from the environment of extremely low interest rates, along with the not sufficiently robust economic situation in Europe, represent significant headwinds and uncertainties for the period until the end of the year, which may have a negative impact on the targeted business and earnings growth and could undermine the expected improvement in consolidated profit.

The targeted increase in net interest income in 2015 continues to be hampered by the effects of an interest rate environment that has once again become significantly more challenging and by muted demand for credit reflecting the low level of investment activity among companies. Rising lending volumes in new and existing business, driven by an improved competitive position, particularly in residential mortgages but also in some areas of corporate banking business, are having a positive effect. However, declining deposit margins are having a negative impact. In the NCA segment, the elimination of a negative special effect in the previous year in connection with a portfolio transaction is likely to make up for the increasingly significant drop in income caused by the excellent progress made in reducing the portfolio of interest-bearing assets. Here, as at Group level, we expect a slight rise in net interest income for 2015 as a whole.

We are likewise forecasting a slight increase in net commission income in 2015. Although the very dynamic performance of the private customer business, where our customer-focused advisory approach is paying off in securities business, could continue in the fourth quarter, the muted level of activity among Mittelstand customers indicates that commission business will likely be flat. It is difficult to forecast net trading income because of the unpredictability of developments on the global financial markets. However, the occasional spikes in capital market volatility reaffirms our approach of deliberately not engaging in proprietary trading activities.

Unless the global economic environment deteriorates significantly by the end of the year, we expect loan loss provisions for 2015 as a whole to be somewhere below €900m for the Group as a whole. We expect risk costs to be lower than in 2014, both for the Core Bank and for NCA. In the run-off segment, the improvement in portfolio quality and much smaller holdings of commercial real estate lending and ship financing should permit a further significant reduction in the loan loss provision charge. However, in ship financing, which is likely to account once again for the lion's share of loan impairments, there is no prospect yet of a sustained improvement in the difficult environment.

Strict cost management remains necessary if we are to counter the cost pressure due to regulatory requirements, the European bank levy and the exchange rate effects arising from the weaker euro. Commerzbank aims to keep total operating expenses – excluding charges due to the European bank levy – to a level only slightly above €7.0bn.

In connection with the processes we have launched to raise efficiency, restructuring provisions in the middle two-digit million range cannot be ruled out for the fourth quarter. In addition, tax effects may impact the full-year result.

We are nevertheless maintaining our existing forecast of a significant improvement in consolidated profit, both before and after tax, for 2015 as a whole. The Commerzbank Group's operating return on equity will also improve considerably as a result. In the final quarter as in the third quarter, owing to seasonal factors we do not expect operating profit to match the performance of the first six months. Excluding the effect of high additional charges from bank levies, the cost/income ratio will fall slightly.

With a Common Equity Tier 1 ratio of 10.8% as at 30 September 2015 we have achieved our capital target for 2016 – even factoring out the capital increase carried out in April 2015 – a year earlier than scheduled. We expect the Basel 3 Core Tier 1 capital ratio (on a fully phased-in basis, i.e. on the basis of fully implemented regulations according to our interpretation) to be at least 10.8% in the fourth quarter.

Based on current knowledge, provided there are no major negative surprises in the fourth quarter we will propose to the decision-making bodies that a dividend of 20 cents per share be distributed for the 2015 financial year.

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Risk-oriented overall bank management

Commerzbank defines risk as the danger of possible losses or profits foregone due to internal or external factors. In risk management, we normally distinguish between quantifiable and non-quantifiable types of risk. Quantifiable risks are those to which a value can normally be attached in financial statements or in regulatory capital requirements, while non-quantifiable risks include reputational risks.

Risk management organisation

Commerzbank regards risk management as a task for the whole bank. The Chief Risk Officer (CRO) is responsible for developing and implementing the Group's risk policy guidelines for quantifiable risks laid down by the Board of Managing Directors as well as for their measurement. The CRO regularly reports to the Board of Managing Directors and the Risk Committee of the Supervisory Board on the overall risk situation within the Group.

The risk management organisation comprises Credit Risk Management Core Bank, Credit Risk Management Non-Core Assets (NCA), Intensive Care, Market Risk Management as well as Risk Controlling and Capital Management. In the Core Bank segments, credit risk management is separated into a performing loan area and Intensive Care, while in the NCA segment it has been merged into a single unit across all rating classes. All divisions have a direct reporting line to the CRO. The heads of these five risk management divisions together with the CRO make up the Risk Management Board within Group Management.

The organisation of Commerzbank's risk management is presented in detail in the 2014 Annual Report.

Risk-bearing capacity and stress testing

Risk-bearing capacity analysis is a key part of overall bank management and Commerzbank's Internal Capital Adequacy Assessment Process (ICAAP). The purpose is to ensure that sufficient capital is held for the risk profile of the Commerzbank Group at all times.

Commerzbank monitors risk-bearing capacity using a gone concern approach which seeks primarily to protect unsubordinated lenders. This objective should be achieved even in the event of extraordinarily high losses from an unlikely extreme event. The gone concern analysis is supplemented by elements

aimed at ensuring the institution's continuing existence (going concern perspective). In addition, risk-bearing capacity is assessed using macroeconomic stress scenarios. The 2014 Annual Report provides further details on the methodology used.

Risk-bearing capacity (RBC) is deemed to be assured as long as the RBC ratio is higher than 100%. In 2015 to date, the RBC ratio has been consistently above 100% and was 189% as at 30 September 2015 owing to the significant increase in economic risk coverage potential. Due to the sale of HSAM GmbH (Hanseatic Ship Asset Management GmbH) in the third quarter of 2015, Commerzbank's property value change risk has been reduced significantly, too.

| Risk-bearing capacity Group €bn | 30.9.2015 | 31.12.2014 |
|---|-----------|------------|
| Economic risk coverage potential ¹ | 30 | 28 |
| Economically required capital ² | 16 | 16 |
| thereof for default risk | 11 | 12 |
| thereof for market risk | 4 | 3 |
| thereof for operational risk | 2 | 2 |
| thereof diversification effects | -2 | -2 |
| RBC ratio ³ | 189% | 172% |

¹ Including potential deductible amounts for business risk.

² Including property value change risk, risk of unlisted investments and reserve risk.

³ RBC ratio = economic risk coverage potential/economically required capital.

Default risk

Default risk refers to the risk of losses due to defaults by counterparties. For Commerzbank, the concept of default risk embraces not only the risks associated with defaults on loans, but also counterparty and issuer risks as well as country and transfer risk.

Commerzbank Group

Credit risk parameters To manage and limit default risks in the Commerzbank Group, we use the following risk parameters amongst others: exposure at default (EaD)¹, loss at default (LaD), expected loss (EL), risk density (EL/EaD), credit value at risk (CVaR = economically required capital for credit risk with a confidence level of 99.91% and a holding period of one year), risk-weighted assets and "all-in" for bulk risk. The credit risk parameters in the rating levels 1.0 to 5.8 of Commerzbank Group are distributed as follows over the Core Bank and Non-Core Assets:

¹ Expected exposure amount taking into account a potential (partial) drawing of open lines and contingent liabilities that will adversely affect risk-bearing capacity at default. For Public Finance securities, the nominal is reported as EaD.

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| Credit risk parameters as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp | CVaR €m |
|--|----------------------------|---------------------|--------------------|---------------|
| Core Bank | 371 | 1,002 | 27 | 8,312 |
| Non-Core Assets | 65 | 545 | 84 | 2,708 |
| Group | 436 | 1,547 | 36 | 11,021 |

When broken down on the basis of PD ratings, 79% of the Group's portfolio is in internal rating classes 1 and 2, which comprise investment grade.

| Rating breakdown as at 30.9.2015 EaD % | 1.0–1.8 | 2.0–2.8 | 3.0–3.8 | 4.0–4.8 | 5.0–5.8 |
|---|-----------|-----------|-----------|----------|----------|
| Core Bank | 32 | 49 | 14 | 4 | 1 |
| Non-Core Assets | 29 | 42 | 19 | 6 | 5 |
| Group | 32 | 48 | 15 | 4 | 2 |

The regional breakdown of the exposure corresponds to the Bank's strategic direction and reflects the main areas of its global business activities. Around half of the Bank's exposure relates to Germany, another third to other countries in Europe and 7% to North America. The rest is broadly diversified and is split among a large number of countries where we serve German exporters in particular or where Commerzbank has a local presence. In view of the current situation in Ukraine, the exposures in Ukraine and Russia are a particular focus of risk management. During the first three quarters of 2015, the exposure in Russia was reduced from €5.7bn to €4.0bn. The exposure in Ukraine was at €0.1bn as at the end of September 2015.

The expected loss on the Group portfolio is mainly divided between Germany and Western Europe. A main driver of the expected loss in the region "Other" is ship finance.

| Group portfolio by region as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp |
|---|----------------------------|---------------------|--------------------|
| Germany | 220 | 495 | 22 |
| Western Europe | 104 | 372 | 36 |
| Central and Eastern Europe | 39 | 220 | 56 |
| North America | 30 | 41 | 14 |
| Asia | 20 | 45 | 23 |
| Other | 22 | 374 | 169 |
| Group | 436 | 1,547 | 36 |

The table below shows the exposure to Greece, Italy, Portugal and Spain based on the member state where the head office or the asset is located.

| EaD ¹ €bn | 30.9.2015 | | | | | 31.12.2014 |
|-------------------------|-----------------------------|-------|-----|---------------------------|-------|------------|
| | Sove- reign ² | Banks | CRE | Corpo- rates/ Other | Total | Total |
| Greece | 0.0 | 0.1 | 0.1 | 0.1 | 0.3 | 0.3 |
| Italy | 8.7 | 0.5 | 0.7 | 2.4 | 12.4 | 13.2 |
| Portugal | 1.4 | 0.2 | 1.2 | 0.1 | 3.0 | 2.9 |
| Spain | 5.0 | 2.9 | 0.1 | 2.0 | 10.0 | 11.0 |

¹Excluding exposure from ship finance.

²Including sub-sovereigns.

Loan loss provisions The loan loss provisions relating to the Group's credit business amounted to €584m in the first three quarters of 2015 and were thus €252m below the previous year's figure of €836m.

Write-downs on securities are not recognised in loan loss provisions but in net investment income. Note 5 of the Interim Financial Statements gives further details on this.

| Loan loss provisions €m | 2015 | | | | 2014 | | | | | |
|---------------------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|------------|
| | Q1–Q3 | Q3 | Q2 | Q1 | Total | Q4 | Q1–Q3 | Q3 | Q2 | Q1 |
| Core Bank | 271 | 72 | 138 | 61 | 490 | 103 | 387 | 90 | 193 | 104 |
| Non-Core Assets | 313 | 74 | 142 | 97 | 654 | 205 | 449 | 251 | 64 | 134 |
| Group | 584 | 146 | 280 | 158 | 1,144 | 308 | 836 | 341 | 257 | 238 |

For 2015 as a whole, we expect loan loss provisions for the Group to be below €900m. However, in the event of an unexpected deterioration in economic conditions or defaults by large individual customers, higher loan loss provisions may also become necessary.

Default portfolio In the first three quarters of 2015, the default portfolio was reduced by €3.8bn. This reduction was largely due to successful restructuring measures in the NCA segment.

The following table shows the exposure in default in the category LaR as well as the exposure in default that has been decided to be sold off (IFRS 5).

| Default portfolio category LaR €m | 30.9.2015 | | | 31.12.2014 | | |
|--|-----------|-----------|-------|------------|-----------|-------|
| | Group | Core Bank | NCA | Group | Core Bank | NCA |
| Default volume | 8,002 | 4,934 | 3,068 | 11,843 | 5,610 | 6,233 |
| Loan loss provisions | 3,732 | 2,643 | 1,088 | 5,145 | 2,950 | 2,196 |
| GLLP | 820 | 557 | 264 | 822 | 513 | 309 |
| Collaterals | 3,249 | 1,209 | 2,040 | 5,526 | 1,454 | 4,072 |
| Coverage ratio excluding GLLP (%) ¹ | 87 | 78 | 102 | 90 | 79 | 101 |
| Coverage ratio including GLLP (%) ¹ | 97 | 89 | 111 | 97 | 88 | 105 |
| NPL ratio (%) ² | 1.8 | 1.3 | 4.5 | 2.7 | 1.6 | 7.4 |

¹ Coverage ratio: total risk provisions, collateral (and GLLP) as a proportion of the default volume.

² NPL ratio: default volume (non-performing loans – NPL) as a proportion of total exposure (EaD including NPL).

Core Bank

The Core Bank comprises the segments Private Customers, Mittelstandsbank, Central & Eastern Europe, Corporates & Markets as well as Others and Consolidation.

Credit risk parameters The Core Bank's exposure in the rating classes 1.0 to 5.8 rose to €371bn as at 30 September 2015 (31 December 2014: €355bn). Risk density in this area remained stable at 27 basis points.

| Credit risk parameters as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp | CVaR €m |
|--|-------------------------|------------------|-----------------|--------------|
| Private Customers | 95 | 174 | 18 | 994 |
| Mittelstandsbank | 135 | 394 | 29 | 3,884 |
| Central & Eastern Europe | 28 | 152 | 54 | 748 |
| Corporates & Markets | 64 | 239 | 37 | 1,903 |
| Others and Consolidation ¹ | 49 | 43 | 9 | 784 |
| Core Bank | 371 | 1,002 | 27 | 8,312 |

¹ Mainly Treasury liquidity portfolios.

Some 81% of the Core Bank's portfolio consists of investment grade securities, corresponding, on the basis of PD ratings, to our internal rating classes 1 and 2.

| Rating breakdown as at 30.9.2015 EaD % | 1.0–1.8 | 2.0–2.8 | 3.0–3.8 | 4.0–4.8 | 5.0–5.8 |
|---|-----------|-----------|-----------|----------|----------|
| Private Customers | 34 | 50 | 12 | 3 | 1 |
| Mittelstandsbank | 14 | 60 | 20 | 5 | 2 |
| Central & Eastern Europe | 5 | 60 | 22 | 10 | 2 |
| Corporates & Markets | 50 | 38 | 9 | 1 | 2 |
| Core Bank¹ | 32 | 49 | 14 | 4 | 1 |

¹ Including Others and Consolidation.

Loan loss provisions Loan loss provisions in the Core Bank amounted to €271m in the first three quarters of 2015. The charge was therefore reduced by €116m compared with the previous year.

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| Loan loss provisions €m | 2015 | | | | | 2014 | | | | |
|---------------------------|------------|-----------|------------|-----------|------------|------------|------------|-----------|------------|------------|
| | Q1-Q3 | Q3 | Q2 | Q1 | Total | Q4 | Q1-Q3 | Q3 | Q2 | Q1 |
| Private Customers | 39 | 5 | 21 | 13 | 79 | 11 | 68 | 16 | 16 | 36 |
| Mittelstandsbank | 119 | 27 | 57 | 35 | 342 | 106 | 236 | 36 | 143 | 57 |
| Central & Eastern Europe | 75 | 28 | 24 | 23 | 123 | 27 | 96 | 37 | 38 | 21 |
| Corporates & Markets | -25 | 11 | 11 | -47 | -55 | -41 | -14 | 0 | -5 | -9 |
| Others and Consolidation | 63 | 1 | 25 | 37 | 1 | 0 | 1 | 1 | 1 | -1 |
| Core Bank | 271 | 72 | 138 | 61 | 490 | 103 | 387 | 90 | 193 | 104 |

Default portfolio The Core Bank's default portfolio was €676m below the year-end 2014 level.

| Default portfolio Core Bank €m | 30.9.2015 | 31.12.2014 |
|-----------------------------------|-----------|------------|
| Default volume | 4,934 | 5,610 |
| Loan loss provisions | 2,643 | 2,950 |
| GLLP | 557 | 513 |
| Collaterals | 1,209 | 1,454 |
| Coverage ratio excluding GLLP (%) | 78 | 79 |
| Coverage ratio including GLLP (%) | 89 | 88 |
| NPL ratio (%) | 1.3 | 1.6 |

Private Customers

The Private Customers segment comprises the activities of Private Customers, Direct Banking and Commerz Real. Private Customers also includes Commerzbank's branch business in Germany for private and business customers as well as Wealth Management.

The risks in private customer business depend mainly on the economic environment, trends in unemployment levels and real estate prices. We manage risks by the use of defined lending standards, active monitoring of new business, close observation of the real estate market and IT-based overdraft management, as well as by other means. We also identify any irregularities in loans by using selected triggers. These loans are dealt with in our area of early risk identification.

We meet the financing needs of our customers with a broad and modern product range. The focus of the portfolio is on traditional owner-occupied home financing and the financing of real estate capital investments (residential mortgage loans and investment properties with a total EaD of €60bn). We provide our business customers with credit in the form of individual loans with a volume of €14bn. In addition, we meet our customers' day-to-day demand for credit with consumer loans (consumer and instalment loans, credit cards, to a total of €10bn).

In the third quarter, too, there was continued growth in the private customer business, particularly in residential mortgage loans. Risk density was reduced by 3 basis points compared with year-end 2014 to stand at 18 basis points.

| Credit risk parameters as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp |
|--|----------------------------|---------------------|--------------------|
| Residential mortgage loans | 55 | 85 | 15 |
| Investment properties | 5 | 5 | 11 |
| Individual loans | 14 | 31 | 23 |
| Consumer and instalment loans/credit cards | 10 | 24 | 25 |
| Domestic subsidiaries | 4 | 9 | 24 |
| Foreign subsidiaries and other | 7 | 20 | 29 |
| Private Customers | 95 | 174 | 18 |

Loan loss provisions for Private Customer business fell by €29m compared with the prior-year period to stand at the very low level of €39m.

The default portfolio in the segment was reduced by €102m compared with 31 December 2014.

| Default portfolio Private Customers €m | 30.9.2015 | 31.12.2014 |
|--|-----------|------------|
| Default volume | 651 | 754 |
| Loan loss provisions | 216 | 258 |
| GLLP | 106 | 113 |
| Collaterals | 301 | 361 |
| Coverage ratio excluding GLLP (%) | 79 | 82 |
| Coverage ratio including GLLP (%) | 96 | 97 |
| NPL ratio (%) | 0.7 | 0.8 |

Mittelstandsbank

This segment comprises all the Group's activities with mainly mid-size corporate customers, the public sector and institutional customers, where they are not assigned to other segments. The segment is also responsible (partially in cooperation with the Corporates and Markets segment) for the Group's relationships with banks and financial institutions in Germany and abroad, as well as with central banks. We are seeking further growth in German corporate customers and international corporate customers connected to Germany through their core business, and are investing in certain new markets. The risk appetite is oriented towards the assessment of the relevant sector, but also towards a company's economic and competitive conditions. We are analysing the future viability of the company's business model, its strategic direction and its creditworthiness.

| Credit risk parameters as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp |
|--|----------------------------|---------------------|--------------------|
| Corporates Domestic | 88 | 261 | 29 |
| Corporates International | 22 | 36 | 17 |
| Financial Institutions | 25 | 96 | 39 |
| Mittelstandsbank | 135 | 394 | 29 |

The EaD in the Mittelstandsbank segment stood at €135bn, virtually unchanged over the first nine months (31 December 2014: 134bn). The economic environment in Germany is still solid. Risk density in the Corporates Domestic area was at 29 basis points as at 30 September 2015.

In Corporates International, EaD as at 30 September 2015 was €22bn, while risk density was 17 basis points. For details of developments in the Financial Institutions portfolio please see page 32.

Loan loss provisions in Mittelstandsbank were €119m, representing a sharp reduction of €117m compared with the previous year's figure. The reduction was largely attributable to smaller loan loss provisions for new defaults.

The Mittelstandsbank's default portfolio has been reduced by €313m since 31 December 2014.

| Default portfolio Mittelstandsbank €m | 30.9.2015 | 31.12.2014 |
|---|-----------|------------|
| Default volume | 2,270 | 2,583 |
| Loan loss provisions | 1,196 | 1,429 |
| GLLP | 294 | 276 |
| Collaterals | 406 | 441 |
| Coverage ratio excluding GLLP (%) | 71 | 72 |
| Coverage ratio including GLLP (%) | 84 | 83 |
| NPL ratio (%) | 1.7 | 1.9 |

Central & Eastern Europe

The Central & Eastern Europe segment contains the Group's universal banking and direct banking activities in Central and Eastern Europe. The segment is represented by mBank. It provides retail, corporate and investment banking services for customers in Poland, and retail banking services for customers in the Czech Republic and Slovakia. The Central & Eastern Europe segment's strategic focus is on organic growth in Polish small and medium-sized businesses and private customer business in mBank's core markets.

| Credit risk parameters as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp |
|--|----------------------------|---------------------|--------------------|
| Central & Eastern Europe | 28 | 152 | 54 |

The EaD of the Central & Eastern Europe segment as at 30 September 2015 was slightly higher compared with end-2014, at €28bn. Risk density in this area was 54 basis points. The Swiss franc exposure was just under €5bn. These are mainly mortgage-secured engagements with private customers.

The Central & Eastern Europe segment's loan loss provisions fell by €21m year-on-year to reach €75m.

As at the reporting date, the default portfolio was downsized by €46m compared to the year-end 2014 level.

| Default portfolio Central & Eastern Europe €m | 30.9.2015 | 31.12.2014 |
|---|-----------|------------|
| Default volume | 1,165 | 1,212 |
| Loan loss provisions | 656 | 604 |
| GLLP | 73 | 67 |
| Collaterals | 442 | 649 |
| Coverage ratio excluding GLLP (%) | 94 | 103 |
| Coverage ratio including GLLP (%) | 100 | 109 |
| NPL ratio (%) | 4.0 | 4.5 |

Corporates & Markets

This segment comprises the Group's business with multinationals, institutional customers and selected large corporate customers (Corporates) and its customer-driven capital market activities (Markets).

The regional focus of our activities is on Germany and Western Europe, which account for around 71% of the exposure. North America accounted for around 15% of the exposure as at the end of September 2015. Overall, EaD as at the end of September 2015 was €64bn, around €4bn above the figure as at the end of December 2014. The increase of risk density was due to a few individual cases.

| Credit risk parameters as at 30.9.2015 | Exposure at default €bn | Expected loss €m | Risk density bp |
|--|----------------------------|---------------------|--------------------|
| Germany | 20 | 68 | 35 |
| Western Europe | 26 | 128 | 49 |
| Central and Eastern Europe | 1 | 4 | 29 |
| North America | 10 | 12 | 12 |
| Asia | 3 | 6 | 19 |
| Other | 4 | 21 | 47 |
| Corporates & Markets | 64 | 239 | 37 |

Corporates & Markets provides its customers with long-term support in all financial matters, especially through its underwriting and issuances services (e.g. of equities, bonds and syndicated loans). Stringent guidelines and defined limits keep the underwriting risk for all product types under control. The positions that remain on the Bank's books through its activity as lead arranger or market maker are closely monitored from market and credit risk perspectives at both counterparty and portfolio level. The increasing momentum in the leveraged buyout market in particular is currently very challenging for credit risk management.

There is also a focus on close monitoring of counterparties (such as banks and broker dealers) in countries with higher risks, particularly in terms of backed trading activities. The aim is to continue supporting our customers in these countries and to focus on supporting highly flexible business. The strategy of Corporates & Markets with large corporate customers in these critical countries remains unchanged.

While new investments in the Structured Credit area stood at €1.2bn at the end of 2014, in the period to the end of September 2015 the volume increased by a further €1.3bn to a total of €2.6bn. In general, we prefer to invest in bonds of senior tranches of securitisation transactions in the consumer (auto) ABS, UK RMBS and CLO asset classes, which show a robust structure and a moderate risk profile.

The overall structured credit portfolio was down year-on-year to €6.2bn as at September 2015 (€7.7bn as at December 2014). At the same time, risk values¹ were down compared with year-end 2014 (€2.4bn) to stand at €1.9bn. A large part of the portfolio is made up of CDOs securitising corporate loans in the USA and Europe (CLOs) and of other structured credit positions made up of total return swap positions.

Loan loss provisions in the Corporates & Markets segment are strongly influenced by movements in individual exposures. The net release of loan loss provisions of €25m in the first three quarters of 2015 was primarily due to the successful restructuring of an individual exposure. Reversal of loan loss provisions was therefore €11m above the comparable figure in the previous year.

The default portfolio in the Corporates & Markets segment was reduced by €223m in the first three quarters of 2015.

| Default portfolio Corporates & Markets €m | 30.9.2015 | 31.12.2014 |
|---|-----------|------------|
| Default volume | 749 | 972 |
| Loan loss provisions | 478 | 625 |
| GLLP | 82 | 56 |
| Collaterals | 61 | 3 |
| Coverage ratio excluding GLLP (%) | 72 | 65 |
| Coverage ratio including GLLP (%) | 83 | 70 |
| NPL ratio (%) | 1.2 | 1.6 |

¹ Risk value is the balance sheet value of cash instruments. For long CDS positions it comprises the nominal value of the reference instrument less the net present value of the credit derivative.

Non-Core Assets

Commercial Real Estate (CRE), Deutsche Schiffsbank (DSB) and Public Finance are bundled in the Non-Core Assets run-off segment. The intention is that all the portfolios in this area should be completely wound down over time.

Exposure at default for the segment in the performing loan book totalled €65bn as at 30 September 2015, €13bn less than at the end of 2014.

| Credit risk parameters as at 30.9.2015 | Exposure at Default €bn | Expected loss €m | Risk density bp | CVaR €m |
|--|----------------------------|---------------------|--------------------|--------------|
| Commercial Real Estate | 11 | 131 | 117 | |
| Deutsche Schiffsbank | 8 | 327 | 414 | |
| Public Finance | 46 | 87 | 19 | |
| Non-Core Assets | 65 | 545 | 84 | 2,708 |

Loan loss provisions in the Non-Core Assets segment stood at €313m, representing a fall of €136m compared with the previous year. Here, it has to be considered that the previous year's figure contains a reversal from portfolio transactions in the amount of €112m.

| Loan loss provisions €m | 2015 | | | | 2014 | | | | | |
|---------------------------|------------|-----------|------------|-----------|------------|------------|------------|------------|-----------|------------|
| | Q1-Q3 | Q3 | Q2 | Q1 | Total | Q4 | Q1-Q3 | Q3 | Q2 | Q1 |
| Commercial Real Estate | 76 | 5 | 46 | 25 | 73 | 1 | 72 | 82 | -72 | 62 |
| Deutsche Schiffsbank | 239 | 70 | 96 | 73 | 588 | 205 | 383 | 173 | 137 | 74 |
| Public Finance | -1 | 0 | 0 | -1 | -7 | -2 | -5 | -3 | 0 | -2 |
| Non-Core Assets | 313 | 74 | 142 | 97 | 654 | 205 | 449 | 251 | 64 | 134 |

The default volume more than halved in the first three quarters of 2015 compared with year-end 2014. This decline was predominantly attributable to repayments actively enforced by the Bank.

| Default portfolio NCA category LaR €m | 30.9.2015 | 31.12.2014 |
|---|-----------|------------|
| Default volume | 3,068 | 6,233 |
| Loan loss provisions | 1,088 | 2,196 |
| GLLP | 264 | 309 |
| Collaterals | 2,040 | 4,072 |
| Coverage ratio excluding GLLP (%) | 102 | 101 |
| Coverage ratio including GLLP (%) | 111 | 105 |
| NPL ratio (%) | 4.5 | 7.4 |

Commercial Real Estate

Holdings were further reduced in the first nine months of 2015, primarily at Hypothekbank Frankfurt AG. EaD was reduced by just under €6bn to €11bn. This reduction is attributable in particular to the sale of two commercial real estate portfolios. One of the portfolios in question was European, the other German. The German portfolio consisted mainly of non-performing loans. Overall, the sale has further greatly reduced the complexity and risk content of the CRE portfolio.

Nevertheless, our aim is to continue the value-preserving reduction strategy, with a focus on reducing the higher-risk sub-portfolios.

| CRE portfolio by region EaD €bn | 30.9.2015 | 31.12.2014 |
|-----------------------------------|-----------|------------|
| Germany | 7 | 10 |
| Western Europe | 3 | 4 |
| Central and Eastern Europe | 1 | 2 |
| North America | 0 | 0 |
| Asia | 0 | 0 |
| Other | 0 | 0 |
| Commercial Real Estate | 11 | 17 |

Loan loss provisions in the Commercial Real Estate division were €76m in the first three quarters of 2015.

There was a significant reduction of €2,024m in the default portfolio for the Commercial Real Estate division compared with the end of the previous year.

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| Default portfolio CRE €m | 30.9.2015 | 31.12.2014 |
|-----------------------------------|-----------|------------|
| Default volume | 1,311 | 3,335 |
| Loan loss provisions | 284 | 900 |
| GLLP | 87 | 80 |
| Collaterals | 1,146 | 2,523 |
| Coverage ratio excluding GLLP (%) | 109 | 103 |
| Coverage ratio including GLLP (%) | 116 | 105 |
| NPL ratio (%) | 10.5 | 16.7 |

Deutsche Schiffsbank

Compared with 31 December 2014, exposure to ship finance in the performing loan book was reduced from €9.2bn to €7.9bn in line with our reduction strategy. It was also possible to more than offset opposing effects caused by the appreciation of the US dollar against the euro, even though most of the portfolio is denominated in US dollar.

Our portfolio is mainly made up of the following three standard types of ship: container ships (€3bn), tankers (€2 bn) and bulkers (€2bn). The rest of the portfolio consists of various special tonnages that are well diversified across the various ship segments.

In the third quarter of 2015, the tanker markets were once again stronger as a result of high crude oil production. The markets for container ships experienced falls in rates across all ship sizes. This trend was driven by the weakness in global trading activity. The markets for post panamax ships came under pressure due to the increase in deliveries of very large container ships. The markets for bulkers continued to suffer from overcapacity, but showed slight improvements in terms of charter rates and ship values. We do not expect a lasting market recovery across all asset classes in the short term.

In line with our value-preserving reduction strategy we are continuing to steadily reduce risks in our existing portfolio.

Loan loss provisions in the Deutsche Schiffsbank division fell €144m year-on-year to €239m.

The default portfolio underwent a further significant reduction of €1,142m compared with 31 December 2014 due to successful downsizing measures.

| Default portfolio DSB by ship type €m | 30.9.2015 | | | | 31.12.2014 |
|---|-----------|-----------|--------|--------|------------|
| | Total | Container | Tanker | Bulker | Total |
| Default volume | 1,751 | 739 | 281 | 338 | 2,893 |
| Loan loss provisions | 804 | 337 | 75 | 155 | 1,296 |
| GLLP | 173 | 79 | 11 | 36 | 224 |
| Collaterals | 894 | 353 | 218 | 200 | 1,549 |
| Coverage ratio excluding GLLP (%) | 97 | 93 | 104 | 105 | 98 |
| Coverage ratio including GLLP (%) | 107 | 104 | 108 | 116 | 106 |
| NPL ratio (%) | 18.1 | 19.8 | 11.9 | 16.3 | 24.0 |

Public Finance

In its NCA segment, Commerzbank brings together a large part of its public finance business and secured and unsecured bond issues/loans from banks, held available particularly as substitute cover for Pfandbrief issues. The receivables and securities in the Public Finance portfolio are held in our subsidiaries Hypothekbank Frankfurt and Erste Europäische Pfandbrief- und Kommunal-kreditbank, among others. Management of the NCA Public Finance portfolio is divided between Corporates & Markets and Group Treasury.

The borrowers in the Public Finance portfolio in NCA (€39bn EaD) are sovereigns, federal states, regions, cities and local authorities as well as supranational institutions. The main exposure is in Germany and Western Europe.

The remaining Public Finance portfolio in NCA is accounted for by banks (€7bn EaD), with the focus likewise on Germany and Europe. Most of the bank portfolio comprises securities and loans which to a large extent are covered by guarantee/maintenance obligations or other public guarantees, or were issued in the form of covered bonds.

The Public Finance division also includes the private finance initiative (PFI) portfolio. This business comprises the long-term financing of public sector facilities and service companies with good credit ratings, such as hospitals and water utilities. In addition, the PFI portfolio is secured by monoliner guarantees, and in accordance with the NCA strategy is set to be wound down over time in a value-preserving manner.

As a result of sales and repayments, the Public Finance portfolio in NCA was further run down by a total of €6bn in the first three quarters of 2015.

Reversal of loan loss provisions in Public Finance was down slightly year-on-year at €1m. Write-downs on securities are recognised not in loan loss provisions but in net investment income. Note 5 of the Interim Financial Statements gives further details on this.

The Public Finance default portfolio was almost unchanged compared with year-end 2014, standing at €5m.

Further portfolio analyses

The analyses below are independent of the existing segment allocation. The positions shown are already contained in full in the Group and segment presentations above.

Corporates portfolio by sector

A breakdown of the corporates exposure by sector is shown below:

| Corporates portfolio by sector | 30.9.2015 | | | 31.12.2014 | | |
|--------------------------------|----------------------------|---------------------|--------------------|----------------------------|---------------------|--------------------|
| | Exposure at default €bn | Expected loss €m | Risk density bp | Exposure at default €bn | Expected loss €m | Risk density bp |
| Energy/Environment | 18 | 85 | 47 | 17 | 74 | 44 |
| Consumption | 14 | 56 | 39 | 12 | 37 | 31 |
| Transport/Tourism | 13 | 28 | 21 | 13 | 26 | 21 |
| Wholesale | 11 | 46 | 40 | 11 | 49 | 43 |
| Basic materials/Metals | 11 | 37 | 34 | 11 | 42 | 39 |
| Technology/Electrical industry | 10 | 26 | 26 | 9 | 26 | 28 |
| Services/Media | 10 | 104 | 106 | 9 | 35 | 39 |
| Mechanical engineering | 10 | 28 | 29 | 9 | 26 | 28 |
| Automotive | 9 | 21 | 24 | 8 | 29 | 36 |
| Chemicals/Plastics | 9 | 39 | 43 | 9 | 54 | 63 |
| Construction | 5 | 35 | 69 | 5 | 47 | 100 |
| Pharma/Healthcare | 5 | 14 | 29 | 4 | 10 | 23 |
| Other | 11 | 29 | 25 | 10 | 30 | 29 |
| Total | 136 | 546 | 40 | 127 | 487 | 38 |

Financial Institutions portfolio

The focus in the Core Bank remains on the trade finance activities that we carry out on behalf of our corporate customers in Mittelstandsbank and on capital market activities in Corporates & Markets. Public finance portfolios are being further reduced. We are keeping a close watch on the introduction of rules on

resolutions for banks in developed markets. In many emerging markets, the outlook is gloomy given the weaker economic growth and the prospect of possible interest rate hikes in the US. We are responding with flexible portfolio management that is tailored to the individual situation of each country.

| FI portfolio by region ¹ | 30.9.2015 | | | 31.12.2014 | | |
|-------------------------------------|----------------------------|---------------------|--------------------|----------------------------|---------------------|--------------------|
| | Exposure at default €bn | Expected loss €m | Risk density bp | Exposure at default €bn | Expected loss €m | Risk density bp |
| Germany | 9 | 8 | 8 | 11 | 6 | 5 |
| Western Europe | 21 | 45 | 21 | 26 | 54 | 21 |
| Central and Eastern Europe | 5 | 29 | 57 | 9 | 31 | 35 |
| North America | 2 | 3 | 14 | 2 | 2 | 9 |
| Asia | 12 | 33 | 27 | 13 | 37 | 29 |
| Other | 7 | 38 | 51 | 8 | 34 | 43 |
| Total | 57 | 156 | 27 | 69 | 165 | 24 |

¹ Excluding exceptional debtors.

24 Risk-oriented overall bank management

24 Default risk

34 Market risk

36 Liquidity risk

37 Operational risk

38 Other risks

Non-Bank Financial Institutions portfolio

In the Non-Bank Financial Institutions (NBFI) portfolio our focus is on attractive new business with clients with good credit ratings, which we carry out in the interests of our institutional customers.

These are, on the whole, diversified insurance companies, asset managers and regulated funds, with a regional focus on clients in Germany and Western Europe.

| NBFI portfolio by region | 30.9.2015 | | | 31.12.2014 | | |
|----------------------------|----------------------------|---------------------|--------------------|----------------------------|---------------------|--------------------|
| | Exposure at default €bn | Expected loss €m | Risk density bp | Exposure at default €bn | Expected loss €m | Risk density bp |
| Germany | 8 | 22 | 26 | 8 | 18 | 22 |
| Western Europe | 16 | 30 | 18 | 17 | 32 | 19 |
| Central and Eastern Europe | 1 | 8 | 112 | 1 | 6 | 88 |
| North America | 9 | 6 | 7 | 8 | 5 | 6 |
| Asia | 1 | 2 | 15 | 1 | 1 | 11 |
| Other | 2 | 2 | 10 | 1 | 3 | 21 |
| Total | 37 | 69 | 19 | 37 | 65 | 18 |

Originator positions

Commerzbank and Hypothekbank Frankfurt have in recent years securitised receivables from loans to the Bank's customers with a current volume of €2.1bn, primarily for capital management purposes. In the third quarter of 2015, the transactions "CoCo Finance II -1" of asset class "corporates" with a volume of €2bn

and "Cotrax Finance II - 1" of asset class "banks" with a volume of €450m were both paid back according to contract.

As at the reporting date 30 September 2015, risk exposures with a value of €1.9bn were retained. By far the largest portion of these positions is accounted for by €1.8bn of senior tranches, which are nearly all rated good or very good.

| Securitisation pool €bn | Maturity | Commerzbank volume ¹ | | | Total volume ¹ 30.9.2015 | Total volume ¹ 31.12.2014 |
|----------------------------|-------------|---------------------------------|------------|------------------|--|---|
| | | Senior | Mezzanine | First loss piece | | |
| Corporates | 2020 – 2036 | 1.8 | 0.1 | < 0.1 | 2.0 | 4.1 |
| RMBS | 2048 | 0.0 | 0.0 | 0.0 | < 0.1 | < 0.1 |
| CMBS | 2046 – 2084 | 0.0 | < 0.1 | < 0.1 | < 0.1 | 1.0 |
| Total | | 1.8 | 0.1 | < 0.1 | 2.1 | 5.1 |

¹ Tranches/retentions (nominal): Banking and trading book.

Conduit exposure and other asset-backed exposures

Commerzbank is the sponsor of the multiseller asset-backed commercial paper conduit Silver Tower. It uses it to securitise receivables from customers in the Mittelstandsbank and Corporates & Markets segments, in particular from trade and leasing. The transactions are financed predominantly through the issue of asset-backed commercial papers (ABCPs) or through the drawing of credit lines (liquidity lines). In the third quarter of 2015, the volume and risk values in the Silver Tower conduit remained almost stable and at the end of September 2015 stood at €3.1bn, around €0.2bn below the figure as at the end of December 2014.

The other asset-backed exposures mainly comprise government-guaranteed ABSs issued by Erste Europäische Pfandbrief- und Kommunalkreditbank (succeeding Hypothekbank Frankfurt) and Hypothekbank Frankfurt (being fully downsized) in the Public Finance area, along with trading book positions of Commerzbank AG in Germany.

Both the volume and risk values remained almost stable compared with the end of 2014: the volume stood at €4.7bn (December 2014: €4.7bn) and risk values at €4.6bn (2014: €4.5bn).

Market risk

Market risk is the risk of potential financial losses due to changes in market prices (interest rates, commodities, credit spreads, exchange rates and equity prices) or in parameters that affect prices such as volatilities and correlations. Losses may impact profit or loss directly, for example in the case of trading book positions. However, for banking book positions they are reflected in the revaluation reserve or in hidden liabilities/reserves.

Risk management

A standardised value at risk model incorporating all positions is used for the internal management of market risk. VaR quantifies the potential loss from financial instruments over a predefined time horizon and with a specific probability. For internal management purposes, a confidence level of 97.5% and a holding period of one day are assumed. The value at risk concept makes it possible to compare risks over a variety of business areas. It enables many positions to be aggregated, taking account of correlations between different assets. This ensures a consolidated view of the market risk at all times.

A ten-day holding period and a confidence level of 99% are used for regulatory capital adequacy purposes. These assumptions meet the requirements of the Basel Committee and other international standards on the management of market risk. For certain evaluations, such as backtesting and disclosure, the VaR is also calculated on the basis of a one-day holding period. In order to provide for a consistent presentation of the risk parameters in this report, all figures relating to VaR are based on a confidence level of 99% and a holding period of one day.

In internal management, all positions relevant to market risk are covered, and trading and banking book positions are jointly managed. For regulatory purposes, additional stand-alone management of the trading book is carried out (in accordance with regulatory requirements, including currency and commodity risks in the banking book). The VaR for the overall book rose by €43m to €141m. One major reason for this increase is a higher volatility in the markets. The change in volatility resulted in particular from market events like, for example, the crisis in Greece, strong interest rate movements implied by the monetary policy and worries about the economic growth in China.

| VaR contribution ¹ €m | 30.9.2015 | 31.12.2014 |
|------------------------------------|------------|------------|
| Overall book | 141 | 98 |
| thereof trading book | 27 | 16 |

¹ 99% confidence level, one-day holding period, equally weighted market data, 254 days' history.

Trading book

The value at risk rose by €11m to €27m in the first nine months of 2015. This was attributable to increased volatility in the markets, which in particular affected Corporates & Markets and Treasury.

| VaR of portfolios in the trading book ¹ €m | Q1–Q3 2015 | 2014 |
|---|------------|-----------|
| Minimum | 17 | 11 |
| Mean | 24 | 15 |
| Maximum | 38 | 37 |
| VaR at end of reporting period | 27 | 16 |

¹ 99% confidence level, one-day holding period, equally weighted market data, 254 days' history.

The market risk profile is diversified across all asset classes. The dominant asset classes are foreign exchange, credit spread and interest rate risks. Interest rate risk also contains basis and inflation risk. Basis risk arises if, for example, positions are closed through hedging transactions with a different type of price setting than the underlying transaction.

The rise in VaR in the first nine months of 2015 was mainly due to changes in foreign exchange and credit spread risks. The increased foreign exchange risks stemmed from the sharp fluctuations in the US dollar rate and affected Treasury and pension fund positions in particular. The increase in the credit spread and interest rate risks is also attributable to the higher volatility in the market.

| VaR contribution by risk type in the trading book ¹ €m | 30.9.2015 | 31.12.2014 |
|---|-----------|------------|
| Credit spreads | 8 | 5 |
| Interest rates | 6 | 3 |
| Equities | 3 | 2 |
| FX | 9 | 5 |
| Commodities | 1 | 1 |
| Total | 27 | 16 |

¹ 99% confidence level, one-day holding period, equally weighted market data, 254 days' history.

| | |
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| 24 | Risk-oriented overall bank management |
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Further risk ratios are calculated for regulatory capital adequacy. This includes in particular the calculation of stressed VaR. On the basis of the VaR method described above, stressed VaR evaluates the present position in the trading book by reference to market movements from a specified crisis period in the past. Stressed VaR decreased by €4m to €33m. This was mainly due to changes in positions in the Treasury area. The crisis observation period used for the stressed VaR is checked regularly through model validation and approval processes and adjusted where necessary. The crisis observation period was not changed in the course of the year.

In addition, the incremental risk charge and the equity event VaR ratios quantify the risk of deterioration in creditworthiness and event risks in trading book positions.

The reliability of the internal model is monitored by backtesting on a daily basis. The VaR calculated is set against actually occurring profits and losses. The process draws a distinction between “clean P&L” and “dirty P&L” backtesting. In the former, exactly the same positions in the income statement are used as were used for calculating the VaR. This means that the profits and losses forecast from the VaR estimate and the profits and losses actually calculated are based on the same positioning. In dirty P&L backtesting, by contrast, profits and losses from newly concluded and expired transactions from the day under consideration are included. If the loss actually calculated exceeds the loss forecast from the VaR estimate, it is described as a negative backtesting outlier.

Analysing the results of backtesting provides an informative basis for checking parameters and for improving the market risk model. In the first nine months of 2015, we saw three negative outlier in the clean P&L approach and none in the dirty P&L approach. As such, the results are in line with statistical expectations and confirm the quality of the VaR model. Backtesting is also used by the supervisory authorities for evaluating internal risk models. Negative outliers are classified by means of a traffic-light system laid down by the supervisory authorities. All negative backtesting outliers at Group level (from both clean P&L and dirty P&L) must be reported to the supervisory authorities, citing their extent and cause.

As the VaR concept gives a prediction of potential losses on the assumption of normal market conditions, it is supplemented by the calculation of stress tests. These stress tests measure the risk to which Commerzbank is exposed, based on unlikely but still plausible events. These events may be simulated using extreme movements on various financial markets. The key scenarios relate to major changes in credit spreads, interest rates and yield curves,

exchange rates, share prices and commodities prices. Events simulated in stress tests include all stock prices falling by 15%, a parallel shift in the interest rate curve or changes to the curve's gradient. Extensive group-wide stress tests and scenario analyses are carried out as part of risk monitoring.

The VaR and stress test models are validated regularly. In the first nine months of 2015, model adjustments were implemented that helped to further improve the accuracy of risk measurement.

Banking book

The key drivers of market risk in the banking book are the credit spread risks in the area of Non-Core Assets – Public Finance, including the positions held by Hypothekbank Frankfurt and Erste Europäische Pfandbrief- und Kommunalkreditbank. We are continuing systematically with the downsizing strategy that we have followed rigorously in this area for many years. The Treasury portfolios with their credit spread risk, interest rate risk and basis risk also influence the market risk in the banking book.

In market risk management credit spread risks in the banking and trading books are considered together. Credit spread sensitivities (downshift of 1 basis point) for all securities and derivative positions (excluding loans) fell moderately from €63m at year-end 2014 to €57m at the end of the third quarter. This was mainly due to the fall in bond market prices in Non-Core Assets resulting from the rise in credit spreads and interest rates.

Most credit spread sensitivities relate to securities positions classified as loans and receivables (LaR). Changes in market price have no impact on the revaluation reserve or the income statement for these positions.

Pension fund risk is also part of market risk in the banking book. Our pension fund portfolio comprises a well-diversified investment section and the section of insurance-related liabilities. The duration of the liabilities is extremely long (cash outflows modelled over almost 90 years) and the main portion of the overall portfolio's present value risk is in maturities of 15 and more years. Main risk drivers are long-term euro interest rates, credit spreads and expected euro inflation due to anticipated pension dynamics. Equity, volatility and foreign exchange risk also need to be taken into consideration. Diversification effects between individual risks reduce the overall risk. The extremely long maturities of these liabilities represent the greatest challenge, particularly for hedging credit spread risk. This is because there is insufficient liquidity in the market for corresponding hedging products.

Market liquidity risk

In measuring economic capital adequacy, Commerzbank also takes account of market liquidity risk. This is the risk of the Bank not being able to liquidate or hedge risky positions in a timely manner, to the desired extent and on acceptable terms as a result of insufficient liquidity in the market.

We first create a realistic downsizing profile for each portfolio on the basis of its product and risk strategies and an assessment of the market. This enables portfolios to be classified in terms of their convertibility into cash using a so-called market liquidity factor. The market liquidity factor takes into account the heightened volatility of portfolio value resulting from the extended holding period for risk positions in line with the portfolio's downsizing profile. The market risk of every portfolio is then evaluated based on a one-year view and weighted with the market liquidity factor.

As at the end of September 2015, Commerzbank had earmarked €0.2bn in economic capital to cover market liquidity risk in the trading and banking book. Asset-backed securities and structured products in particular have a higher market liquidity risk.

Liquidity risk

In a narrower sense, Commerzbank defines liquidity risk as the risk that the Group will be unable to meet its daily payment obligations. In a broader sense, liquidity risk describes the risk that future payments cannot be funded to the full amount, in the required currency or at standard market conditions, as and when they are due.

Risk management

Commerzbank uses a wide range of tools to manage and monitor liquidity risks on the basis of its own liquidity risk model. The stress scenario within the Bank that underlies the model and is relevant for management purposes allows for the impact of both a bank-specific stress event and a broader market crisis. Binding regulatory requirements are an integral component of the management mechanism.

Group Treasury is responsible for the Group's liquidity management operations. Group Treasury is represented in all major locations of the Group in Germany and abroad and has reporting lines into all subsidiaries. Additional information on this subject can be found in the section "Funding and Liquidity" in the Interim Management Report. Liquidity risk is monitored on the basis of the Bank's own liquidity risk model by the independent risk function.

The Bank has established early warning indicators for the purpose of managing liquidity risk. These ensure that appropriate steps can be taken in good time to secure long-term financial solidity.

Risk concentrations can lead to increased outflows of liquidity, particularly in a stress situation, and thus to increased liquidity risk. They can, for example, occur with regard to maturities, large individual creditors or currencies. By means of ongoing monitoring and reporting, emerging risk concentrations in funding can be recognised in a timely manner and mitigated through suitable measures.

In the event of a liquidity crisis, the emergency plan provides for various measures for different types of crisis that can be launched by the central Asset Liability Committee. The emergency plan forms an integral part of Commerzbank's recovery plan and is updated annually. It defines a clear allocation of responsibilities for the processes to be followed in emergency situations and gives details of any action that may need to be taken.

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Quantification and stress testing

The setting of liquidity risk modelling parameters taking regulatory requirements into account and the adjustment of limits are described in Commerzbank's liquidity risk framework. The combination of modelling and limits provides the basis for quantifying our liquidity risk tolerance, which is in line with the overall risk strategy.

The liquidity gap profile is shown for the whole of the modelling horizon across the full spectrum of maturities and follows a multi-level concept. The levels 1 to 5 include deterministic and modelled cash flows of existing business while planned new business is considered in the calculus on levels 6 and 7.

Based on the liquidity gap profile, management mechanisms such as recovery and early warning indicators are being limited and monitored, correspondingly. Hard limits are defined for a time horizon of up to one year, while for time horizons of over a year review triggers are in place to limit the liquidity risk in line with our funding capacity. The Group limits are broken down into individual currencies and Group units.

In the first three quarters of 2015, Commerzbank's internal liquidity risk ratios, including the regulatory liquidity coverage ratio, were at all times within the limits set by the Board of Managing Directors. The same is true of compliance with the survival period calculation set down by MaRisk and with the external regulatory German Liquidity Regulation; at the end of the third quarter, the liquidity ratio stood at 1.40.

Significant factors in liquidity risk tolerance include the reserve period, the size of the liquidity reserve portfolio held to compensate for unexpected short-term liquidity outflows, and the limits in the various maturity bands. In order to ensure that it functions as a buffer in stress situations, the liquidity reserve portfolio is maintained and monitored separately by the Treasury. The liquidity reserve portfolio is funded in line with liquidity risk tolerance in order to ensure that it is kept at the required size throughout the entire reserve period stipulated by the Board of Managing Directors.

Based on its internal liquidity model, which uses conservative assumptions, at the end of the reporting period the Bank had available excess liquidity of up to €97.2bn in the maturity band for up to one day. Of this amount, €44.2bn was held in a separate liquidity reserve portfolio managed by Group Treasury to cover liquidity outflows should a stress event occur and to ensure

solvency at all times. When simulating the existing exposures under the current model assumptions, a liquidity shortage would only occur after more than seven years, whereas the limitation of the internal model would already allow for a term transformation position in the maturity band of over one year.

In addition, the Bank operates an intraday liquidity reserve portfolio in the amount of €9.8bn as at the reporting date. This is unchanged compared with the end of the previous quarter.

The main liquidity risk drivers underlying the stress scenario are a markedly increased outflow of short-term customer deposits, above-average drawdown of credit lines, extensions of lending business regarded as commercially necessary, the need to provide additional collateral for secured transactions and the application of higher risk discounts to the liquidation values of assets. The internal liquidity risk model is complemented by the regular analysis of additional inverse stress scenarios.

Operational risks

Based on the Capital Requirements Regulation (CRR), Commerzbank defines operational risk (OpRisk) as the risk of loss resulting from the inadequacy or failure of internal processes, people and systems or from external events. This definition includes legal risks; it does not cover reputational or strategic risks.

Commerzbank takes an active approach to managing operational risk, aiming to systematically identify OpRisk profiles and risk concentrations and to define, prioritise and implement risk mitigation measures.

Operational risks are characterised by asymmetric distribution of losses. This means that most of the losses are relatively small, while isolated losses with a very low probability of occurrence have the potential to be large and devastating. This makes it necessary not only to limit high loss potential but also to proactively manage losses that can be expected to occur frequently.

To do this, Commerzbank has set up a multi-stage system that brings together the defined limits on economic capital (risk capacity) and those set for operational risk management during the year (risk appetite/tolerance). It is complemented by rules on the transparent and conscious acceptance and approval of individual risks (risk acceptance).

Commerzbank uses the advanced measurement approach to measure regulatory and economic capital for operational risks. Risk-weighted assets for operational risks on this basis amounted to €22.0bn at the end of the third quarter of 2015 (31 December 2014: €21.6bn). Meanwhile, economically required capital was €1.8bn (31 December 2014: €1.8bn).

The following table gives an overview of risk-weighted assets and the economically required capital (ErC) by segment:

| €bn | 30.9.2015 | | 31.12.2014 | |
|--------------------------|-------------|------------|-------------|------------|
| | RWA | ErC | RWA | ErC |
| Private Customers | 6.6 | 0.5 | 9.0 | 0.8 |
| Mittelstandsbank | 3.2 | 0.3 | 3.3 | 0.3 |
| Central & Eastern Europe | 0.8 | 0.1 | 0.4 | 0.0 |
| Corporates & Markets | 5.2 | 0.4 | 4.7 | 0.4 |
| Non-Core Assets | 2.1 | 0.2 | 1.3 | 0.1 |
| Others and Consolidation | 4.0 | 0.3 | 2.9 | 0.2 |
| Group | 22.0 | 1.8 | 21.6 | 1.8 |

OpRisk management includes an annual evaluation of the Bank's internal control system (ICS) and of the risk scenario assessments. Furthermore, OpRisk loss events are subjected to ongoing analysis and to ICS backtesting on an event-driven basis. Where loss events involve \geq €1m, lessons learned activities are carried out. External OpRisk events at competitors are also systematically evaluated.

Other risks

In mid-March 2015, Commerzbank reached agreement in settlement negotiations with various US authorities regarding violations of US sanctions and anti-money laundering provisions. Commerzbank has been cooperating with the US authorities and the local authorities in New York for several years and has provided them with extensive documentation and results of various internal investigations.

In connection with the settlement with the US authorities, Commerzbank has undertaken to implement additional measures to improve compliance-relevant processes. The settlement also includes a three-year deferred prosecution agreement. For more information regarding the settlement please see Note 24 to the Interim Financial Statements (Provisions).

Over the past few years, the Bank has already improved its compliance-relevant processes and has implemented further measures in line with the settlement now reached with the US authorities. Furthermore, the group-wide compliance programme, "Achieving a Robust Compliance Framework", was initiated. This program focuses on additional measures for the prevention of money laundering and compliance with sanctions requirements, such as the optimisation of monitoring and scoring processes and systems, promotion of a lasting culture of compliance at Commerzbank Group, development and implementation of education and training plans, and the revision of internal guidelines to improve comprehensibility.

The Cologne public prosecutor's office is currently conducting an investigation regarding the suspicion that German taxpayers may have received help in evading tax. Commerzbank is cooperating fully with the authorities. The discussions to close the investigations are already at an advanced stage.

In terms of all other risks, there were no significant changes in the first nine months of 2015 compared with the position reported in detail in the 2014 Annual Report.

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

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Statement of comprehensive income

Income statement

| €m | Notes | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|---|-------|----------------|----------------|-------------|
| Interest income | | 9,186 | 9,626 | -4.6 |
| Interest expenses | | 4,697 | 5,395 | -12.9 |
| Net interest income | (1) | 4,489 | 4,231 | 6.1 |
| Loan loss provisions | (2) | -584 | -836 | -30.1 |
| Net interest income after loan loss provisions | | 3,905 | 3,395 | 15.0 |
| Commission income | | 3,065 | 2,857 | 7.3 |
| Commission expenses | | 516 | 461 | 11.9 |
| Net commission income | (3) | 2,549 | 2,396 | 6.4 |
| Net trading income | (4) | 594 | 317 | 87.4 |
| Net income from hedge accounting | | -56 | 11 | . |
| Net trading income and net income from hedge accounting | | 538 | 328 | 64.0 |
| Net investment income | (5) | -106 | 18 | . |
| Current net income from companies accounted for using the equity method | | 46 | 42 | 9.5 |
| Other net income | (6) | -7 | -108 | -93.5 |
| Operating expenses | (7) | 5,426 | 5,147 | 5.4 |
| Restructuring expenses | (8) | 94 | - | . |
| Pre-tax profit or loss | | 1,405 | 924 | 52.1 |
| Taxes on income | (9) | 466 | 320 | 45.6 |
| Consolidated profit or loss | | 939 | 604 | 55.5 |
| Consolidated profit or loss attributable to non-controlling interests | | 86 | 79 | 8.9 |
| Consolidated profit or loss attributable to Commerzbank shareholders | | 853 | 525 | 62.5 |
| Earnings per share € | | | | |
| Earnings per share | | 0.71 | 0.46 | 54.3 |

The earnings per share, calculated in accordance with IAS 33, are based on the consolidated profit or loss attributable to Commerzbank shareholders. No conversion or option rights were

outstanding in the current year or comparable prior-year period. The figure for diluted earnings was therefore identical to the undiluted figure.

Condensed statement of comprehensive income

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|---|----------------|----------------|-------------|
| Consolidated profit or loss | 939 | 604 | 55.5 |
| Change from remeasurement of defined benefit plans not recognised in income statement | 294 | -407 | . |
| Change from non-current assets and disposal groups held for sale not recognised in income statement | - | - | . |
| Change in companies accounted for using the equity method | 0 | 0 | . |
| Items not recyclable through profit or loss | 294 | -407 | . |
| Change in revaluation reserve | | | |
| Reclassified to income statement | -11 | 2 | . |
| Change in value not recognised in income statement | 321 | 305 | 5.2 |
| Change in cash flow hedge reserve | | | |
| Reclassified to income statement | 63 | 90 | -30.0 |
| Change in value not recognised in income statement | -3 | 2 | . |
| Change in currency translation reserve | | | |
| Reclassified to income statement | 7 | -4 | . |
| Change in value not recognised in income statement | 139 | 158 | -12.0 |
| Change from non-current assets and disposal groups held for sale | | | |
| Reclassified to income statement | -1 | -2 | -50.0 |
| Change in value not recognised in income statement | 0 | - | . |
| Change in companies accounted for using the equity method | 7 | 4 | 75.0 |
| Items recyclable through profit or loss | 522 | 555 | -5.9 |
| Other comprehensive income | 816 | 148 | . |
| Total comprehensive income | 1,755 | 752 | . |
| Comprehensive income attributable to non-controlling interests | 78 | 101 | -22.8 |
| Comprehensive income attributable to Commerzbank shareholders | 1,677 | 651 | . |

The condensed statement of comprehensive income for the third quarter was as follows:

| 3rd quarter €m | 1.7.–30.9.2015 | 1.7.–30.9.2014 | Change in % |
|---|----------------|----------------|--------------|
| Consolidated profit or loss | 236 | 250 | -5.6 |
| Change from remeasurement of defined benefit plans not recognised in income statement | 23 | -177 | . |
| Change from non-current assets and disposal groups held for sale not recognised in income statement | - | - | . |
| Change in companies accounted for using the equity method | 0 | 0 | . |
| Items not recyclable through profit or loss | 23 | -177 | . |
| Change in revaluation reserve | | | |
| Reclassified to income statement | 41 | -1 | . |
| Change in value not recognised in income statement | 53 | 83 | -36.1 |
| Change in cash flow hedge reserve | | | |
| Reclassified to income statement | 19 | 26 | -26.9 |
| Change in value not recognised in income statement | -2 | -1 | 100.0 |
| Change in currency translation reserve | | | |
| Reclassified to income statement | - | -2 | -100.0 |
| Change in value not recognised in income statement | -86 | 101 | . |
| Change from non-current assets and disposal groups held for sale | | | |
| Reclassified to income statement | - | - | . |
| Change in value not recognised in income statement | - | - | . |
| Change in companies accounted for using the equity method | -5 | 4 | . |
| Items recyclable through profit or loss | 20 | 210 | -90.5 |
| Other comprehensive income | 43 | 33 | 30.3 |
| Total comprehensive income | 279 | 283 | -1.4 |
| Comprehensive income attributable to non-controlling interests | 19 | 35 | -45.7 |
| Comprehensive income attributable to Commerzbank shareholders | 260 | 248 | 4.8 |

The breakdown of other comprehensive income for the first nine months of 2015 was as follows:

| Other comprehensive income €m | 1.1.–30.9.2015 | | | 1.1.–30.9.2014 | | |
|--|----------------|-------------|-------------|----------------|-----------|-------------|
| | Before taxes | Taxes | After taxes | Before taxes | Taxes | After taxes |
| Change from remeasurement of defined benefit plans | 427 | -133 | 294 | -592 | 185 | -407 |
| of which companies accounted for using the equity method | 0 | - | 0 | 0 | - | 0 |
| of which non-current assets and disposal groups held for sale | - | - | - | - | - | - |
| Change in revaluation reserve | 401 | -91 | 310 | 428 | -121 | 307 |
| Change in cash flow hedge reserve | 88 | -28 | 60 | 133 | -41 | 92 |
| Change in currency translation reserve | 147 | -1 | 146 | 154 | - | 154 |
| Change from non-current assets and disposal groups held for sale | -1 | - | -1 | -2 | - | -2 |
| Change in companies accounted for using the equity method | 7 | - | 7 | 4 | - | 4 |
| Other comprehensive income | 1,069 | -253 | 816 | 125 | 23 | 148 |

Other comprehensive income for the third quarter broke down as follows:

| Other comprehensive income €m | 1.7.–30.9.2015 | | | 1.7.–30.9.2014 | | |
|--|----------------|------------|-------------|----------------|-----------|-------------|
| | Before taxes | Taxes | After taxes | Before taxes | Taxes | After taxes |
| Change from remeasurement of defined benefit plans | 18 | 5 | 23 | -234 | 57 | -177 |
| of which companies accounted for using the equity method | 0 | - | 0 | 0 | - | 0 |
| of which non-current assets and disposal groups held for sale | - | - | - | - | - | - |
| Change in revaluation reserve | 161 | -67 | 94 | 108 | -26 | 82 |
| Change in cash flow hedge reserve | 26 | -9 | 17 | 36 | -11 | 25 |
| Change in currency translation reserve | -86 | 0 | -86 | 99 | 0 | 99 |
| Change from non-current assets and disposal groups held for sale | - | - | - | - | - | - |
| Change in companies accounted for using the equity method | -5 | - | -5 | 4 | - | 4 |
| Other comprehensive income | 114 | -71 | 43 | 13 | 20 | 33 |

Income statement (by quarter)

| €m | 2015 | | | 2014 | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 3 rd quarter | 2 nd quarter | 1 st quarter | 4 th quarter | 3 rd quarter | 2 nd quarter | 1 st quarter |
| Net interest income | 1,310 | 1,681 | 1,498 | 1,376 | 1,495 | 1,606 | 1,130 |
| Loan loss provisions | -146 | -280 | -158 | -308 | -341 | -257 | -238 |
| Net interest income after loan loss provisions | 1,164 | 1,401 | 1,340 | 1,068 | 1,154 | 1,349 | 892 |
| Net commission income | 810 | 839 | 900 | 809 | 799 | 782 | 815 |
| Net trading income | 193 | -189 | 590 | 60 | 79 | -184 | 422 |
| Net income from hedge accounting | -2 | 17 | -71 | 5 | 21 | 4 | -14 |
| Net trading income and net income from hedge accounting | 191 | -172 | 519 | 65 | 100 | -180 | 408 |
| Net investment income | -39 | 61 | -128 | 64 | 15 | 41 | -38 |
| Current net income from companies accounted for using the equity method | 15 | 17 | 14 | 2 | 19 | 10 | 13 |
| Other net income | 22 | -8 | -21 | -469 | -22 | -18 | -68 |
| Operating expenses | 1,734 | 1,753 | 1,939 | 1,779 | 1,722 | 1,727 | 1,698 |
| Restructuring expenses | 28 | - | 66 | 61 | - | - | - |
| Pre-tax profit or loss | 401 | 385 | 619 | -301 | 343 | 257 | 324 |
| Taxes on income | 165 | 83 | 218 | -67 | 93 | 132 | 95 |
| Consolidated profit or loss | 236 | 302 | 401 | -234 | 250 | 125 | 229 |
| Consolidated profit or loss attributable to non-controlling interests | 29 | 22 | 35 | 27 | 25 | 25 | 29 |
| Consolidated profit or loss attributable to Commerzbank shareholders | 207 | 280 | 366 | -261 | 225 | 100 | 200 |

Balance sheet

| Assets €m | Notes | 30.9.2015 | 31.12.2014 | Change in % |
|---|------------|----------------|----------------|-------------|
| Cash reserve | | 14,195 | 4,897 | . |
| Claims on banks | (11,13,14) | 88,277 | 80,036 | 10.3 |
| of which pledged as collateral | | – | – | . |
| Claims on customers | (12,13,14) | 234,136 | 232,867 | 0.5 |
| of which pledged as collateral | | – | – | . |
| Value adjustment on portfolio fair value hedges | | 305 | 415 | –26.5 |
| Positive fair values of derivative hedging instruments | | 3,025 | 4,456 | –32.1 |
| Trading assets | (15) | 125,980 | 130,343 | –3.3 |
| of which pledged as collateral | | 5,467 | 5,532 | –1.2 |
| Financial investments | (16) | 84,506 | 90,358 | –6.5 |
| of which pledged as collateral | | 731 | 569 | 28.5 |
| Holdings in companies accounted for using the equity method | | 703 | 677 | 3.8 |
| Intangible assets | (17) | 3,451 | 3,330 | 3.6 |
| Fixed assets | (18) | 1,415 | 1,916 | –26.1 |
| Investment properties | | 104 | 620 | –83.2 |
| Non-current assets and disposal groups held for sale | | 820 | 421 | 94.8 |
| Current tax assets | | 402 | 716 | –43.9 |
| Deferred tax assets | | 2,822 | 3,358 | –16.0 |
| Other assets | (19) | 3,711 | 3,199 | 16.0 |
| Total | | 563,852 | 557,609 | 1.1 |

| Liabilities and equity €m | Notes | 30.9.2015 | 31.12.2014 | Change in % |
|--|-------|----------------|----------------|-------------|
| Liabilities to banks | (20) | 103,264 | 99,443 | 3.8 |
| Liabilities to customers | (21) | 260,697 | 248,977 | 4.7 |
| Securitised liabilities | (22) | 44,314 | 48,813 | -9.2 |
| Value adjustment on portfolio fair value hedges | | 1,150 | 1,278 | -10.0 |
| Negative fair values of derivative hedging instruments | | 7,797 | 9,355 | -16.7 |
| Trading liabilities | (23) | 91,953 | 97,163 | -5.4 |
| Provisions | (24) | 3,442 | 5,251 | -34.5 |
| Current tax liabilities | | 308 | 239 | 28.9 |
| Deferred tax liabilities | | 84 | 131 | -35.9 |
| Liabilities from disposal groups held for sale | | 146 | 142 | 2.8 |
| Other liabilities | (25) | 8,859 | 7,499 | 18.1 |
| Subordinated debt instruments | (26) | 11,736 | 12,358 | -5.0 |
| Equity | | 30,102 | 26,960 | 11.7 |
| Subscribed capital | | 1,252 | 1,139 | 9.9 |
| Capital reserve | | 17,192 | 15,928 | 7.9 |
| Retained earnings | | 11,549 | 10,383 | 11.2 |
| Other reserves | | -865 | -1,396 | -38.0 |
| Total before non-controlling interests | | 29,128 | 26,054 | 11.8 |
| Non-controlling interests | | 974 | 906 | 7.5 |
| Total | | 563,852 | 557,609 | 1.1 |

Statement of changes in equity

| €m | Subscribed capital | Capital reserve | Retained earnings | Other reserves | | | Total before non-controlling interests | Non-controlling interests | Equity |
|--|--------------------|-----------------|-------------------|---------------------|-------------------------|------------------------------|--|---------------------------|---------------|
| | | | | Revaluation reserve | Cash flow hedge reserve | Currency translation reserve | | | |
| Equity as at 1.1.2014 | 1,139 | 15,928 | 10,660 | -1,195 | -357 | -192 | 25,983 | 950 | 26,933 |
| Total comprehensive income | - | - | -301 | 238 | 111 | -1 | 47 | 108 | 155 |
| Consolidated profit or loss | | | 264 | | | | 264 | 106 | 370 |
| Change from remeasurement of defined benefit plans | | | -565 | | | | -565 | -1 | -566 |
| Change in revaluation reserve | | | | 238 | | | 238 | 24 | 262 |
| Change in cash flow hedge reserve | | | | | 111 | | 111 | | 111 |
| Change in currency translation reserve | | | | | | -5 | -5 | -21 | -26 |
| Change from non-current assets and disposal groups held for sale | | | | | | -1 | -1 | | -1 |
| Change in companies accounted for using the equity method | | | | | | 5 | 5 | | 5 |
| Dividend paid on silent participations | | | | | | | - | | - |
| Dividend paid on shares | | | | | | | - | -62 | -62 |
| Reverse stock split | | | | | | | - | | - |
| Capital increases | | | | | | | - | | - |
| Withdrawal from retained earnings | | | | | | | - | | - |
| Decrease in silent participations | | | | | | | - | | - |
| Changes in ownership interests | | | -5 | | | | -5 | -89 | -94 |
| Other changes ¹ | | | 29 | | | | 29 | -1 | 28 |
| Equity as at 31.12.2014 | 1,139 | 15,928 | 10,383 | -957 | -246 | -193 | 26,054 | 906 | 26,960 |

¹ If relevant for the reporting period, other changes mainly comprise changes in the group of consolidated companies, changes in treasury shares and the change in derivatives on own equity instruments.

| €m | Subscribed capital | Capital reserve | Retained earnings | Other reserves | | | Total before non-controlling interests | Non-controlling interests | Equity |
|--|--------------------|-----------------|-------------------|---------------------|-------------------------|------------------------------|--|---------------------------|---------------|
| | | | | Revaluation reserve | Cash flow hedge reserve | Currency translation reserve | | | |
| Equity as at 31.12.2014 | 1,139 | 15,928 | 10,383 | - 957 | - 246 | - 193 | 26,054 | 906 | 26,960 |
| Total comprehensive income | - | - | 1,146 | 323 | 60 | 148 | 1,677 | 78 | 1,755 |
| Consolidated profit or loss | | | 853 | | | | 853 | 86 | 939 |
| Change from remeasurement of defined benefit plans | | | 293 | | | | 293 | 1 | 294 |
| Change in revaluation reserve | | | | 323 | | | 323 | - 13 | 310 |
| Change in cash flow hedge reserve | | | | | 60 | | 60 | - | 60 |
| Change in currency translation reserve ¹ | | | | | | 142 | 142 | 4 | 146 |
| Change from non-current assets and disposal groups held for sale | | | | | | - 1 | - 1 | | - 1 |
| Change in companies accounted for using the equity method | | | | | | 7 | 7 | - | 7 |
| Dividend paid on silent participations | | | | | | | - | | - |
| Dividend paid on shares | | | | | | | - | - 11 | - 11 |
| Reverse stock split | | | | | | | - | | - |
| Change in accounting par value | | | | | | | - | | - |
| Capital increases | 113 | 1,264 | - 5 | | | | 1,372 | | 1,372 |
| Withdrawal from retained earnings | | | | | | | - | | - |
| Decrease in silent participations | | | | | | | - | | - |
| Changes in ownership interests | | | - 1 | | | | - 1 | - 2 | - 3 |
| Other changes ² | | | 26 | | | | 26 | 3 | 29 |
| Equity as at 30.9.2015 | 1,252 | 17,192 | 11,549 | - 634 | - 186 | - 45 | 29,128 | 974 | 30,102 |

¹ Including changes in the group of consolidated companies. The change in the current financial year is mainly due to the currencies US dollar, Polish zloty, British pound and the Russian rouble.

² If relevant for the reporting period, other changes mainly comprise changes in the group of consolidated companies, changes in treasury shares and the change in derivatives on own equity instruments.

As at 30 September 2015, the subscribed capital of Commerzbank Aktiengesellschaft pursuant to the Bank's articles of association was €1,252m and was divided into 1,252,357,634 no-par-value shares (accounting value per share of €1.00). The average number of ordinary shares in issue was 1,195,432,288 (30 September 2014: 1,138,506,941).

On 27 April 2015 Commerzbank Aktiengesellschaft announced in an ad hoc disclosure that it would increase its share capital by 113,850,693 new shares from authorised capital with shareholders' subscription rights excluded. The shares were placed with institutional investors on 28 April 2015 by means of an accelerated book-

building process and have full dividend rights for the current financial year. The issue price was €12.10 per share and led to an increase of €113m in subscribed capital and €1,264m in the capital reserve. The costs incurred in this capital action were €5m, which were recognised in retained earnings.

There was no impact on the other reserves from assets and disposal groups held for sale as at 30 September 2015.

In the first nine months of 2015 there was no material impact from the purchase of additional shares in already consolidated companies or the disposal of shares in subsidiaries that continue to be consolidated.

For information: Statement of changes in equity from 1 January to 30 September 2014

| €m | Subscribed capital | Capital reserve | Retained earnings | Other reserves | | | Total before non-controlling interests | Non-controlling interests | Equity |
|--|--------------------|-----------------|-------------------|---------------------|-------------------------|------------------------------|--|---------------------------|---------------|
| | | | | Revaluation reserve | Cash flow hedge reserve | Currency translation reserve | | | |
| Equity as at 1.1.2014 | 1,139 | 15,928 | 10,660 | -1,195 | -357 | -192 | 25,983 | 950 | 26,933 |
| Total comprehensive income | - | - | 118 | 281 | 92 | 160 | 651 | 101 | 752 |
| Consolidated profit or loss | | | 525 | | | | 525 | 79 | 604 |
| Change from remeasurement of defined benefit plans | | | -407 | | | | -407 | | -407 |
| Change in revaluation reserve | | | | 281 | | | 281 | 26 | 307 |
| Change in cash flow hedge reserve | | | | | 92 | | 92 | | 92 |
| Change in currency translation reserve | | | | | | 158 | 158 | -4 | 154 |
| Change from non-current assets and disposal groups held for sale | | | | | | -2 | -2 | | -2 |
| Change in companies accounted for using the equity method | | | | | | 4 | 4 | | 4 |
| Dividend paid on silent participations | | | | | | | - | | - |
| Dividend paid on shares | | | | | | | - | -62 | -62 |
| Reverse stock split | | | | | | | - | | - |
| Capital increases | | | | | | | - | | - |
| Withdrawal from retained earnings | | | | | | | - | | - |
| Decrease in silent participations | | | | | | | - | | - |
| Changes in ownership interests | | | 4 | | | | 4 | -41 | -37 |
| Other changes ¹ | | | 22 | | | | 22 | | 22 |
| Equity as at 30.9.2014 | 1,139 | 15,928 | 10,804 | -914 | -265 | -32 | 26,660 | 948 | 27,608 |

¹ If relevant for the reporting period, other changes mainly comprise changes in the group of consolidated companies, changes in treasury shares and the change in derivatives on own equity instruments.

Cash flow statement (condensed version)

| €m | 2015 | 2014 ¹ |
|--|---------------|-------------------|
| Cash and cash equivalents as at 1.1. | 4,897 | 12,397 |
| Net cash from operating activities | 2,793 | 883 |
| Net cash from investing activities | 5,938 | -6,323 |
| Net cash from financing activities | 509 | -1,581 |
| Total net cash | 9,240 | -7,021 |
| Effects from exchange rate changes | 144 | 546 |
| Effects from non-controlling interests | -86 | -79 |
| Cash and cash equivalents as at 30.9. | 14,195 | 5,843 |

¹ Prior-year figures restated.

The cash flow statement shows the changes in cash and cash equivalents for the Commerzbank Group. These correspond to the cash reserve item in the balance sheet and consist of cash on hand, balances with central banks and debt issues of public-sector borrowers.

With regard to the Commerzbank Group the cash flow statement is not very informative. For us the cash flow statement replaces neither liquidity planning nor financial planning, nor is it employed as a management tool.

Selected notes

General Information

Accounting policies

The interim financial statements of the Commerzbank Group as at 30 September 2015 were prepared in accordance with Art. 315 a (1) of the German Commercial Code (HGB) and Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 (the IAS Regulation), together with other regulations for adopting certain international accounting standards on the basis of the International Financial Reporting Standards (IFRS) approved and published by the International Accounting Standards Board (IASB) and their interpretation by the IFRS Interpretations Committee. This report takes particular account of the requirements of IAS 34 relating to interim financial reporting.

Uniform accounting and measurement methods are used throughout the Commerzbank Group in preparing the financial statements. For fully consolidated companies and holdings in companies accounted for using the equity method we predominantly used financial statements prepared as at 30 September 2015. The reporting currency of the Group financial statements is the euro. Unless otherwise indicated, all amounts are shown in millions of euros. In the statement of comprehensive income, the balance sheet, the statement of changes in equity and the condensed cash flow statement amounts under €500,000.00 are shown as €0m; where an item is €0.00 this is denoted by a dash. In all other notes amounts rounded down to €0m and zero items are both indicated by a dash.

Application of new and revised standards

We have employed the same accounting policies in preparing these financial statements as in our Group financial statements as at 31 December 2014 (see page 158 ff. of our 2014 Annual Report). These financial statements take into account the standards and interpretations that must be applied in the EU from 1 January 2015 (revised IAS 19 and amendments arising from the IASB's annual improvement process for the 2010 to 2012 and 2011 to 2013 cycles), which had no material impact on the Commerzbank Group financial statements.

The impact of the new and revised standards (IAS 1, 16, 27, 28, 38 and 41 and IFRS 9, 10, 11, 12, 14 and 15) and interpretations whose application is not yet mandatory on the Group's accounting and measurement practices is set out below.

The IASB published an extensively revised new version of IFRS 9 in July 2014. IFRS 9 replaces the previous standard governing the accounting treatment of financial instruments (IAS 39). IFRS 9 contains new rules for classifying financial instruments on the assets side of the balance sheet and also changes the regulations on the accounting treatment of expected default risk (provisions). The EU Commission started the process for implementing it into European law in December 2014 and has asked the European Financial Reporting Advisory Group (EFRAG) for its opinion. Based on the information available so far, the process of adoption may be

completed by the end of 2015. Due to the long timespan until its likely entry into force (1 January 2018) and the remaining uncertainties and potential scope for interpretation it is not yet possible to quantify the impact of IFRS 9 reliably.

We do not expect any significant effects on the Group financial statements from the other standards and interpretations whose application is not yet mandatory (including the changes from the IASB's annual improvement process), which are set out below.

The amended standard IAS 1 contains amendments with regard to materiality, aggregation and the ordering of notes to the financial statements. The amended standards IAS 16 and 38 clarify the acceptable methods of depreciation and amortisation of tangible and intangible assets.

The amendments to the standards IAS 16 and 41 relate to the accounting treatment of what are known as bearer plants.

The amendments to IAS 27 permit the use of the equity method for holdings in subsidiaries, joint ventures and associates in separate IFRS financial statements and therefore do not apply to the Commerzbank Group financial statements.

The amendments to the IAS 28 and IFRS 10 standards mean that unrealised gains or losses from transactions with an associate or joint venture are recognised if assets that constitute a business are sold or contributed to the associate or joint venture.

The amended standard IFRS 11 requires both the initial acquisition of an interest in a joint operation, and the acquisition of additional interest, to be accounted for in accordance with the principles of IFRS 3 and other applicable IFRSs as long as they do not contradict the provisions of IFRS 11.

A further amendment to the standards IFRS 10 and 12 as well as IAS 28 relates to the application of the consolidation exception for investment entities.

IFRS 14, which only applies to those adopting IFRS for the first time and is therefore not relevant for the Commerzbank Group, deals with the treatment of regulatory deferral account balances recognised in previous GAAP financial statements.

Changes in presentation

We have reported negative interest on financial instruments held as assets in other interest expense and positive interest on financial instruments held as liabilities in other interest income since the second quarter of 2015, with retroactive effect from 1 January 2015. We have not restated the first quarter of 2015 or the prior-year period when negative interest was offset against either interest income or interest expenses, as the effect was not material for the Commerzbank Group during these periods.

IFRS 15, which has not yet been adopted by the EU, introduces a principles-based five-step model framework dealing with the nature, amount and timing of revenues and cash flows arising from a contract with a customer. It replaces IAS 11 and 18, IFRIC 13, 15 and 18 as well as SIC-31. The standard also requires extensive qualitative and quantitative disclosures on contracts, service agreements and significant judgements and estimates.

Changes from the IASB's annual improvement cycle 2012 to 2014 were published in September 2014, consisting mainly of clarifications of definitions and minor changes in recognition, measurement and reporting of transactions.

We applied funding valuation adjustments (FVA) for the first time in the third quarter of 2015. FVA involves recognising the funding costs or benefits of uncollateralised derivatives, as well as collateralised derivatives where there is only partial collateral or the collateral cannot be used for funding purposes, at fair value. This change had an impact of €-131m on net trading income in the current financial year. FVA has already been recognised as a deduction from core Tier 1 capital in recent years as part of the "prudent valuation" approach and there is therefore no impact on regulatory capital.

Consolidated companies

The following companies were consolidated for the first time as at 30 September 2015:

| Name of company | Equity share and voting rights | Acquisition cost | Assets | Liabilities |
|--|--------------------------------|------------------|--------|-------------|
| | % | €m | €m | €m |
| COCO Finance II-2 Ltd., Dublin, Ireland | – | – | 171.7 | 171.7 |
| ComStage LevDAX® x2 UCITS ETF, Luxembourg, Luxembourg | 93.0 | 34.0 | 35.8 | 5.7 |
| ComStage MSCI Italy TRN UCITS ETF, Luxembourg, Luxembourg | 99.8 | 21.5 | 22.5 | 1.3 |
| ComStage MSCI Spain TRN UCITS ETF, Luxembourg, Luxembourg | 99.5 | 21.5 | 22.4 | 1.5 |
| ComStage ShortMDAX TR UCITS ETF, Luxembourg, Luxembourg | 95.0 | 44.7 | 46.6 | –2.8 |
| MS "SCHUMANN" Schiffahrtsgesellschaft mbH & Co. KG, Hamburg, Germany | 98.0 | – | – | – |
| MS "TSCHAIKOWSKY" Schiffahrtsgesellschaft mbH & Co. KG, Hamburg, Germany | 98.0 | – | – | – |
| Tele-Tech Investment Sp. z.o.o., Warsaw, Poland | 100.0 | – | 24.1 | 24.0 |

The first-time consolidations listed above are entities that were newly formed or else exceeded our materiality limits for consolidation. In the case of additional purchases we apply the provisions of IFRS 3 as soon as we have control of the acquired company. The first-time consolidations did not give rise to any goodwill. Negative differences are reported in the income statement as at the date of acquisition in accordance with IFRS 3.34. There were no negative differences during the period under review.

The following companies were sold or permanently fell below our materiality threshold for consolidation:

- Disposals
 - AWL I Sp. z o.o., Warsaw, Poland
 - Brafero-Sociedade Imobiliária, S.A., Lisbon, Portugal
 - BRE Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A., Warsaw, Poland
 - CG NL Holding B.V., Amsterdam, Netherlands
 - CGM Lux 1 S.à.r.l., Luxembourg, Luxembourg
 - CGM Lux 2 S.à.r.l., Luxembourg, Luxembourg
 - CGM Lux 3 S.à.r.l., Luxembourg, Luxembourg
 - Espacio Leon Propco S.L.U., Madrid, Spain
 - Forum Almada, Gestao de Centro Comercial, Sociedade Unipessoal Lda. II & Comandita, Lisbon, Portugal
 - Forum Almada-Gestao de Centro Commercial, Sociedade Unipessoal, Lda., Lisbon, Portugal
 - Forum Montijo, Gestao de Centro Comercial Sociedade Unipessoal, Lda, Lisbon, Portugal
 - Transfinance a.s., Prague, Czech Republic
- Liquidations
 - Commerzbank Leasing 1 S.à r.l., Luxembourg, Luxembourg
 - Commerzbank Finance 2 S.à.r.l., Luxembourg, Luxembourg
 - COCO Finance II-1 Ltd., Dublin, Ireland
 - CoTraX Finance II-1 Ltd, Dublin, Ireland
- Entities that have permanently fallen below our materiality threshold for consolidation
 - Commerz Real Estate Master FCP-SIF, Luxembourg, Luxembourg
 - Commerzbank Leasing December (9) Limited, London, United Kingdom
 - Commerzbank Leasing December (11), London, United Kingdom
 - Commerzbank Leasing December (17) Limited, London, United Kingdom
 - Commerzbank Leasing December (19) Limited, London, United Kingdom
 - Commerzbank Leasing December (20) Limited, London, United Kingdom
 - Commerzbank Leasing December (22) Limited, London, United Kingdom
 - Commerzbank Leasing December (23) Limited, London, United Kingdom
 - Commerzbank Leasing December (24) Limited, London, United Kingdom
 - Commerzbank Overseas Holdings Limited, London, United Kingdom

- Frankfurter Gesellschaft für Vermögensanlagen mit beschränkter Haftung, Eschborn, Germany
- LSF Loan Solutions Frankfurt GmbH, Eschborn, Germany
- gr Grundstücks GmbH Objekt Corvus, Eschborn, Germany
- gr Grundstücks GmbH Objekt Corvus & Co. Sossenheim KG i.L., Eschborn, Germany
- HF Estate Management GmbH, Eschborn, Germany
- MLV 45 Sp. z o.o. sp. k., Warsaw, Poland
- NAVALIS Schiffsbetriebsgesellschaft mbH & Co MS "NEDLLOYD JULIANA" KG, Hamburg, Germany
- NORA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Lampertheim KG i.L., Düsseldorf, Germany
- Property Invest Ferdinando di Savoia S.r.l., Milan, Italy
- Property Invest GmbH, Eschborn, Germany
- Property Invest Italy S.r.l., Milan, Italy
- Rügen Eins GmbH, Frankfurt am Main, Germany
- SB-Bauträger GmbH & Co. Urbis Hochhaus-KG, Frankfurt am Main, Germany
- Space Park GmbH & Co. KG, Frankfurt am Main, Germany

The following companies were merged with Commerzbank Group consolidated companies:

- BRE Agent Ubezpieczeniowy Sp. z.o.o., Warsaw, Poland
- BRE Ubezpieczenia Sp. z.o.o., Warsaw, Poland
- Commerz Real IT-Leasing GmbH, Düsseldorf, Germany
- Honeywell Grundbesitzverwaltungs-GmbH & Co. Vermietungs-KG, Grünwald, Germany
- Westend Grundstücksgesellschaft mbH, Eschborn, Germany
- Wohnbau-Beteiligungsgesellschaft mbH, Frankfurt am Main, Germany

In the first nine months of 2015 Apartamenty Molo Rybackie Sp. z o.o., Gdynia, Poland was added to the group of companies accounted for using the equity method. RECAP/Commerz AMW Investment, L.P. – New York, USA, which is being wound down, ceased to be accounted for using the equity method in the first nine months of 2015.

In line with our asset reduction strategy in the Non-Core Assets (NCA) segment, an agreement on the sale of Hanseatic Ship Asset Management GmbH (HSAM), Hamburg was reached in the third quarter of 2015. The sale was effective on 1 October 2015 and HSAM was therefore still reported as held for sale as at 30 September 2015. The charge of €40m resulting from the sale was already recognised in the second quarter. One European and one German commercial mortgage portfolio in the NCA segment were also sold in the third quarter of 2015. Avolo Aviation GmbH & Co. KG, Karlsruhe, is held for sale in the Private Customers segment. Fund units are also held for sale in this segment. Until the definitive transfer of the holdings, we measure Non-current assets held for sale in accordance with IFRS 5 and report them separately in the relevant balance sheet items.

In the third quarter of 2015, Real estate from fixed assets and Investment properties as well as an equity participation from Financial investments in Non-current assets which are held for sale were reclassified, in accordance with IFRS 5.

Notes to the income statement

(1) Net interest income

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|--|----------------|----------------|-------------|
| Interest income | 9,186 | 9,626 | -4.6 |
| Interest income from lending and money market transactions and from the securities portfolio (available-for-sale) | 598 | 636 | -6.0 |
| Interest income from lending and money market transactions and from the securities portfolio (loans and receivables) | 6,430 | 7,190 | -10.6 |
| Interest income from lending and money market transactions and from the securities portfolio (from applying the fair value option) | 236 | 255 | -7.5 |
| Interest income from lending and money market transactions and from the securities portfolio (held for trading) | 1,142 | 948 | 20.5 |
| Prepayment penalty fees | 96 | 88 | 9.1 |
| Gains on the sale of loans and receivables and repurchase of liabilities | 321 | 99 | . |
| Dividends from securities | 96 | 132 | -27.3 |
| Current net income from equity holdings and non-consolidated subsidiaries | 117 | 12 | . |
| Current income from properties held for sale and from investment properties | 59 | 56 | 5.4 |
| Other interest income | 91 | 210 | -56.7 |
| Interest expenses | 4,697 | 5,395 | -12.9 |
| Interest expense on subordinated debt instruments and on securitised and other liabilities | 3,727 | 4,528 | -17.7 |
| Interest expenses from applying the fair value option | 339 | 467 | -27.4 |
| Interest expenses on securitised liabilities held for trading | 84 | 96 | -12.5 |
| Loss on the sale of loans and receivables and repurchase of liabilities | 136 | 222 | -38.7 |
| Current expenses from properties held for sale and from investment properties | 16 | 36 | -55.6 |
| Other interest expense | 395 | 46 | . |
| Total | 4,489 | 4,231 | 6.1 |

The unwinding effect for the period 1 January to 30 September 2015 was €28m (previous year: €61m).

Other interest expense includes, among other items, net interest expense for pensions and negative interest from financial instruments held as assets (1 January to 30 September 2015: €157m). Other interest income includes negative interest from

financial instruments held as liabilities (1 January to 30 September 2015: €91m) among other items. Net interest from derivatives (banking and trading book) is recognised in other interest income or other interest expense, depending on the net balance.

(2) Loan loss provisions

The breakdown of loan loss provisions in the income statement was as follows:

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|---|----------------|----------------|--------------|
| Allocation to loan loss provisions ¹ | -1,503 | -1,868 | -19.5 |
| Reversals of loan loss provisions ¹ | 1,073 | 1,143 | -6.1 |
| Net balance of direct write-downs, write-ups and amounts recovered on claims written down | -154 | -111 | 38.7 |
| Total | -584 | -836 | -30.1 |

¹ Gross figures (e.g. migrations between different types of provisions are not netted off).

(3) Net commission income

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|---|----------------|----------------|-------------|
| Securities transactions | 724 | 634 | 14.2 |
| Asset management | 145 | 126 | 15.1 |
| Payment transactions and foreign business | 996 | 950 | 4.8 |
| Real estate lending business | 24 | 28 | -14.3 |
| Guarantees | 161 | 164 | -1.8 |
| Net income from syndicated business | 221 | 258 | -14.3 |
| Intermediary business | 147 | 93 | 58.1 |
| Fiduciary transactions | 6 | 5 | 20.0 |
| Other | 125 | 138 | -9.4 |
| Total¹ | 2,549 | 2,396 | 6.4 |

¹ Of which commission income €3,065m (previous year: €2,857m) and commission expense €516m (previous year: €461m).

(4) Net trading income

We have split net trading income into two components:

- Net trading gain or loss (this includes trading in securities, promissory note loans, precious metals and derivative instruments plus the net gain or loss on the remeasurement of derivative financial instruments that do not qualify for hedge accounting).
- Net gain or loss from applying the fair value option (including changes in the fair value of related derivatives).

All financial instruments held for trading purposes are measured at fair value. Fair value is derived both from quoted market prices and internal pricing models (primarily net present value and option pricing models). Interest rate and cross-currency interest rate derivatives are measured taking account of the fixing frequency for variable payments.

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|--|----------------|----------------|-------------|
| Net trading gain or loss ¹ | 590 | 433 | 36.3 |
| Net gain or loss from applying the fair value option | 4 | -116 | . |
| Total | 594 | 317 | 87.4 |

¹ Including net gain or loss on the remeasurement of derivative financial instruments.

(5) Net investment income

Net investment income contains gains or losses on the disposal and remeasurement of securities in the loans and receivables and available-for-sale categories, equity holdings, holdings in

companies accounted for using the equity method and subsidiaries.

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|---|----------------|----------------|-------------|
| Net gain or loss from interest-bearing business | - 86 | 4 | . |
| In the available-for-sale category | 88 | -2 | . |
| Gain on disposals (including reclassification from revaluation reserve) | 94 | 41 | . |
| Loss on disposals (including reclassification from revaluation reserve) | -25 | -42 | -40.5 |
| Net remeasurement gain or loss | 19 | -1 | . |
| In the loans and receivables category | -174 | 6 | . |
| Gains on disposals | 31 | 39 | -20.5 |
| Loss on disposals | -19 | -44 | -56.8 |
| Net remeasurement gain or loss ¹ | -186 | 11 | . |
| Net gain or loss on equity instruments | -20 | 14 | . |
| In the available-for-sale category | 3 | 1 | . |
| Gain on disposals (including reclassification from revaluation reserve) | 5 | 5 | 0.0 |
| Loss on disposals (including reclassification from revaluation reserve) | -2 | -4 | -50.0 |
| In the available-for-sale category, measured at acquisition cost | 48 | 10 | . |
| Net remeasurement gain or loss | -71 | -4 | . |
| Net gain or loss on disposals and remeasurement of companies accounted for using the equity method | - | 7 | -100.0 |
| Total | -106 | 18 | . |

¹ Includes reversals of €9m of portfolio valuation allowances for reclassified securities (previous year: reversals of €14m).

The net income from equity instruments mainly comprised the net gain generated on the disposal of BRE Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A., Warsaw.

(6) Other net income

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 ¹ | Change in % |
|---|----------------|-----------------------------|--------------|
| Other material items of expense | 227 | 435 | -47.8 |
| Allocations to provisions | 67 | 318 | -78.9 |
| Operating lease expenses | 85 | 87 | -2.3 |
| Expenses arising from building and architects' services | 17 | 3 | . |
| Hire-purchase expenses and sublease expenses | 7 | 9 | -22.2 |
| Expenses from investment properties | 13 | 12 | 8.3 |
| Expenses from non-current assets held for sale | 35 | - | . |
| Expenses from disposal of fixed assets | 3 | 6 | -50.0 |
| Other material items of income | 295 | 297 | -0.7 |
| Reversals of provisions | 111 | 125 | -11.2 |
| Operating lease income | 130 | 115 | 13.0 |
| Income from insurance business | 6 | 18 | -66.7 |
| Income from building and architects' services | 1 | 3 | -66.7 |
| Hire-purchase income and sublease income | 21 | 22 | -4.5 |
| Income from investment properties | 3 | 5 | -40.0 |
| Income from non-current assets held for sale | 18 | 5 | . |
| Income from disposal of fixed assets | 5 | 4 | 25.0 |
| Balance of exchange rate changes | -31 | -11 | . |
| Balance of sundry tax income/expenses | -19 | -23 | -17.4 |
| Balance of sundry other income/expenses | -25 | 64 | . |
| Other net income | -7 | -108 | -93.5 |

¹ Prior-year figures restated.

(7) Operating expenses

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|---|----------------|----------------|-------------|
| Personnel expenses | 2,932 | 2,884 | 1.7 |
| Administrative expenses | 2,137 | 1,938 | 10.3 |
| Depreciation/amortisation of fixed assets and other intangible assets | 357 | 325 | 9.8 |
| Total | 5,426 | 5,147 | 5.4 |

The administrative expenses include €165m for bank levy in the current financial year.

(8) Restructuring expenses

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|--|----------------|----------------|-------------|
| Expenses for restructuring measures introduced | 94 | - | . |
| Total | 94 | - | . |

The restructuring expenses of €94m in the first nine months of financial year 2015 related to the realignment of the Corporates & Markets division in London, the creation of global centres of competence and the reorganisation of our operations in Luxembourg. The aim of these measures is to reduce costs by

moving activities to alternative locations while maintaining comparable quality. The cost reductions accompanied by restructuring expenses are largely related to the implementation of personnel adjustments.

(9) Taxes on income

Group tax expense was €466m as at 30 September 2015. With pre-tax profit of €1,405m the Group's effective tax rate was therefore 33.2% (Group income tax rate: 31.23%). Group tax expense derived mainly from current tax expenses of the mBank sub-group, comdirect bank AG and Commerzbank Aktiengesellschaft in Ger-

many and Luxembourg for the current year. The remeasurement of deferred tax assets on tax loss carryforwards as a result of the restrictions imposed by the UK government on the offsetting of tax loss carryforwards against future profits was one of the main items that pushed up the tax rate.

(10) Segment reporting

Segment reporting reflects the results of the operating segments within the Commerzbank Group. The segment information below is based on IFRS 8 Operating Segments, which applies the management approach. In accordance with this standard, segment information must be prepared on the basis of the internal reporting information that is evaluated by the chief operating decision maker to assess the performance of the operating segments and make decisions regarding the allocation of resources to the operating segments. Within the Commerzbank Group, the function of chief operating decision maker is exercised by the Board of Managing Directors.

Our segment reporting covers five operating segments plus the Others and Consolidation segment. This reflects the Commerzbank Group's organisational structure and forms the basis for internal management reporting. The business segments are divided up on the basis of distinctions between products, services and/or customer target groups. Minor modifications in the segments' business models led to slight adjustments in the business responsibilities.

- The Private Customers segment comprises the activities of Private Customers, Direct Banking and Commerz Real. The Private Customers division combines the classic branch business with retail and corporate customers and private banking. The dense national network of local branches offers a full service range of banking products including loan, deposit, securities, payment and pension products. Wealth Management provides services to wealthy clients in Germany and abroad and also contains the Group's portfolio management activities. The focus is on services such as securities and portfolio management, credit management and loans and real estate management. We also provide advice on trust and inheritance issues and corporate investments. Moreover, this segment includes Commerz Direktservice GmbH, which provides call

centre services for Commerzbank customers. The joint venture Commerz Finanz, which is focused on consumer lending, is managed centrally by the Private Customers segment and also reports its results there. Since 1 July 2012 the private real estate portfolio of the Private Customer portfolio of Hypothekenbank Frankfurt Aktiengesellschaft has been part of the Private Customers division. The Direct Banking division comprises the activities of the comdirect bank Group. The B2B (ebase) and B2C businesses (comdirect) contained in Direct Banking provide standardised, primarily internet-based advisory and service offerings for customers. Commerz Real has been a division of the Private Customers segment since July 2012 (except for the warehouse section). Its product range comprises open-ended real estate funds (hausinvest), asset structuring of investment products for private and institutional investors (real estate, infrastructure including tankers, aircraft, rolling stock and renewable energy), asset structuring of financing products and equipment leasing.

- The Mittelstandsbank segment is divided into the three Group divisions Mittelstand Germany, Corporate Banking & International and Financial Institutions. Our comprehensive service offering includes payments and cash management solutions, flexible financing solutions, interest rate and currency management products, professional investment advisory services and innovative investment banking solutions. The Mittelstand Germany division serves small and mid-sized customers, the public sector and institutional clients. In the Corporate Banking & International division we concentrate on serving corporate groups with revenues of over €500m (except for multinational corporates, which are handled by Client Relationship Management within the Corporates & Markets segment). Smaller groups with a strong capital market affinity are also serviced by this division. With our foreign branch offices we act as a strategic partner for

both the international activities of our German corporate customers and for international companies with business activities in our home market of Germany. In selected core markets we also provide services to small and medium-sized customers in their local business, even when it has no connections with Germany. The Corporate Banking & International division also contains the centre of competence for customers from the energy sector. A new centre of competence for corporate customer real estate was established in April this year. Its aim is to make our expertise in commercial real estate finance available to our corporate customer base. By doing so the Mittelstandsbank is rigorously pursuing its strategy as a full-service provider for its corporate customers in Germany, with a clear focus on financing the real economy. The Financial Institutions division is responsible for relationships with banks and financial institutions in Germany and abroad, as well as with central banks. The strategic focus is on Commerzbank becoming customers' preferred source of trade finance services. Financial Institutions uses a global network of correspondent banks, together with business relationships in emerging markets, to support the Group's financing and processing of foreign trade activities on behalf of all Commerzbank Group customers throughout the world, and thus supports other Group divisions of the Bank in their international strategies.

- The Central & Eastern Europe (CEE) segment comprises the universal banking and direct banking activities in this region during the reporting period. It includes in particular our Polish subsidiary mBank, which offers banking products for corporate customers as well as financial services for private customers in Poland, the Czech Republic and Slovakia.
- Corporates & Markets consists of four main businesses: Equity Markets & Commodities comprises trading and sales of equity and commodity-related financial products. Fixed Income & Currencies handles trading and sales of interest rate, credit and currency instruments. Corporate Finance provides arrangement and advisory services for equity, debt and hybrid instruments, securitisation solutions and mergers & acquisitions. Credit Portfolio Management is responsible for actively managing the counterparty risks arising from the lending and trading transactions of Corporates & Markets on a uniform global basis. The assets transferred from the Portfolio Restructuring Unit are also wound down in this Group division in a value-preserving manner. Corporates & Markets also houses Client Relationship Management, which is responsible for servicing German multinational industrial companies, German and international insurers, private equity investors, sovereign wealth funds and public sector customers.

- The Non-Core Assets (NCA) segment groups together the results from the Commercial Real Estate, Public Finance (including Private Finance Initiatives) and Deutsche Schiffsbank (DSB) divisions. Commercial Real Estate belongs almost entirely, and Public Finance predominantly, to the Commerzbank subsidiary Hypothekenbank Frankfurt Aktiengesellschaft. The DSB division comprises the ship finance activities of the comdirect Group, including all ship financing activities of the former Deutsche Schiffsbank Aktiengesellschaft. The NCA segment also comprises the warehouse assets of Commerz Real Aktiengesellschaft.
- The Others and Consolidation segment contains the income and expenses which are not attributable to the business segments. Reporting for this segment under "Others" comprises equity participations that are not assigned to business segments, overarching Group matters such as costs for Group-wide projects, effects resulting from the purchase price allocation in connection with the Dresdner Bank takeover, specific individual matters that cannot be allocated to the segments, and Group Treasury. The costs of the service units, which – except for restructuring costs – are mainly charged to the segments, are also shown here. Consolidation includes income and expense items that represent the reconciliation of internal management reporting figures shown in segment reporting with the Group financial statements in accordance with IFRS. Also shown here are the costs of the Group management units, which – except for restructuring costs – are also mainly charged to the segments.

The performance of each segment is measured in terms of operating profit or loss and pre-tax profit or loss, as well as return on equity and the cost/income ratio. Operating profit or loss is defined as the sum of net interest income after loan loss provisions, net commission income, net trading income and net income from hedge accounting, net investment income, current net income from companies accounted for using the equity method and other net income less operating expenses. As we report pre-tax profits, non-controlling interests are included in the figures for both profit or loss and average capital employed. All the revenue for which a segment is responsible is thus reflected in the pre-tax profit.

The return on equity is calculated as the ratio of profit (both operating and pre-tax) to average capital employed. It shows the return on the capital employed in a given segment. In addition to the usual key performance indicators, we are for the first time reporting the operating return on equity less goodwill and other intangible assets, which is increasingly becoming a source of interest for investors. The cost/income ratio in operating business

reflects the cost efficiency of the various segments and expresses the relationship of operating expenses to income before loan loss provisions.

Income and expenses are reported in the segments by originating unit and at market prices, with the market interest rate method being used for interest rate operations. The actual funding costs for the segment-specific equity holdings allocated to each segment are shown in net interest income. The Group's return on capital employed is allocated to the net interest income of the various segments in proportion to the average capital employed in the segment. The interest rate used is the long-term risk-free rate on the capital market. The average capital employed is calculated using the Basel 3 methodology, based on average risk-weighted assets and the capital charges for market risk positions (risk-weighted asset equivalents). At Group level, IFRS capital is shown, which is used to calculate the return on equity. The adjustment of average capital employed to IFRS capital is carried out in Others and Consolidation. Against the backdrop of increased capital adequacy requirements the capital requirement for risk-weighted assets assumed for segment reporting purposes is 10% from 2015. The prior-year figures have been restated accordingly. As a result of the continuing reduction in the NCA segment's portfolio part of the capital allocation reported there, which was originally required by the EBA for the risks of EU government bonds, was given back to the core bank in the first quarter of 2014. We also report assets as well as liabilities and equity for the individual segments. Due to our business model the segment balance sheet only balances out at Group level.

The segment reporting of the Commerzbank Group shows the segments' pre-tax profit or loss. To reflect the impact on earnings of specific tax-related transactions in the Corporates & Markets segment, the net interest income of Corporates & Markets includes a pre-tax equivalent of the after-tax income from these transactions. When segment reporting is reconciled with the figures from external accounting this pre-tax equivalent is eliminated in Others and Consolidation. When showing the elimination of intragroup profits from intragroup transactions in segment reporting the transferring segment is treated as if the transaction had taken place outside the Group. Intragroup profits and losses are therefore eliminated in Others and Consolidation.

The operating expenses reported under operating profit or loss contain personnel expenses, other operating expenses as well as depreciation and write-downs on fixed assets and other intangible assets. Restructuring expenses and impairments of goodwill are reported below the operating profit line in pre-tax profit or loss. Operating expenses are attributed to the individual segments on the basis of cost causation. The indirect expenses arising in connection with internal services are charged to the user of the service and credited to the segment performing the service. The provision of intragroup services is charged at market prices or at full cost.

The carrying amounts of companies accounted for using the equity method were €703m (previous year: €677m) and were divided over the segments as follows: Private Customers €417m (previous year: €393m), Mittelstandsbank €104m (previous year: €102m), Corporates & Markets €103m (previous year: €93m), Non-Core Assets €58m (previous year: €66m) and Others and Consolidation €21m (previous year: €23m).

The tables below contain information on the segments as at 30 September 2015 and on the comparative figures for the prior-year period.

| 1.1.–30.9.2015 €m | Private Customers | Mittel- standsbank | Central & Eastern Europe | Corporates & Markets | Non- Core Assets | Others and Consoli- dation | Group |
|--|----------------------|-----------------------|--------------------------------|-------------------------|------------------------|----------------------------------|----------------|
| Net interest income | 1,444 | 1,271 | 413 | 1,381 | 140 | -160 | 4,489 |
| Loan loss provisions | -39 | -119 | -75 | 25 | -313 | -63 | -584 |
| Net interest income after loan loss provisions | 1,405 | 1,152 | 338 | 1,406 | -173 | -223 | 3,905 |
| Net commission income | 1,309 | 818 | 159 | 270 | 13 | -20 | 2,549 |
| Net trading income and net income from hedge accounting | 1 | 48 | 60 | -57 | 308 | 178 | 538 |
| Net investment income | - | -61 | 46 | 6 | -210 | 113 | -106 |
| Current net income from companies accounted for using the equity method | 36 | 3 | - | 11 | -2 | -2 | 46 |
| Other net income | 6 | -15 | 12 | 3 | -15 | 2 | -7 |
| <i>Income before loan loss provisions</i> | <i>2,796</i> | <i>2,064</i> | <i>690</i> | <i>1,614</i> | <i>234</i> | <i>111</i> | <i>7,509</i> |
| <i>Income after loan loss provisions</i> | <i>2,757</i> | <i>1,945</i> | <i>615</i> | <i>1,639</i> | <i>-79</i> | <i>48</i> | <i>6,925</i> |
| Operating expenses | 2,195 | 1,094 | 342 | 1,076 | 250 | 469 | 5,426 |
| Operating profit or loss | 562 | 851 | 273 | 563 | -329 | -421 | 1,499 |
| Restructuring expenses | - | - | - | 57 | 16 | 21 | 94 |
| Pre-tax profit or loss | 562 | 851 | 273 | 506 | -345 | -442 | 1,405 |
| Assets | 77,699 | 91,887 | 29,743 | 188,947 | 83,751 | 91,825 | 563,852 |
| Liabilities and equity | 102,492 | 147,033 | 25,238 | 160,460 | 44,036 | 84,593 | 563,852 |
| Average capital employed | 4,017 | 8,130 | 1,911 | 4,683 | 7,330 | 2,780 | 28,851 |
| Operating return on equity¹ (%) | 18.7 | 14.0 | 19.0 | 16.0 | -6.0 | | 6.9 |
| Operating return on tangible equity¹ (%) | 27.2 | 15.5 | 23.1 | 16.6 | -6.0 | | 7.8 |
| Cost/income ratio in operating business (%) | 78.5 | 53.0 | 49.6 | 66.7 | | | 72.3 |
| Return on equity of pre-tax profit or loss¹ (%) | 18.7 | 14.0 | 19.0 | 14.4 | -6.3 | | 6.5 |
| Staff (average headcount) | 15,617 | 5,865 | 8,156 | 1,929 | 447 | 17,808 | 49,822 |

¹ Annualised.

| | |
|----|-----------------------------------|
| 40 | Statement of comprehensive income |
| 45 | Balance sheet |
| 47 | Statement of changes in equity |
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| 1.1.–30.9.2014 €m | Private Customers | Mittel- standsbank | Central & Eastern Europe | Corporates & Markets | Non- Core Assets | Others and Consoli- dation | Group |
|--|----------------------|-----------------------|--------------------------------|-------------------------|------------------------|----------------------------------|----------------|
| Net interest income | 1,396 | 1,346 | 439 | 1,247 | -40 | -157 | 4,231 |
| Loan loss provisions | -68 | -236 | -96 | 14 | -449 | -1 | -836 |
| Net interest income after loan loss provisions | 1,328 | 1,110 | 343 | 1,261 | -489 | -158 | 3,395 |
| Net commission income | 1,144 | 805 | 167 | 279 | 20 | -19 | 2,396 |
| Net trading income and net income from hedge accounting | 1 | 11 | 71 | -12 | 170 | 87 | 328 |
| Net investment income | 2 | 9 | 4 | 6 | -78 | 75 | 18 |
| Current net income from companies accounted for using the equity method | 26 | 8 | - | 9 | -4 | 3 | 42 |
| Other net income | 13 | 27 | 17 | - | 9 | -174 | -108 |
| <i>Income before loan loss provisions</i> | <i>2,582</i> | <i>2,206</i> | <i>698</i> | <i>1,529</i> | <i>77</i> | <i>-185</i> | <i>6,907</i> |
| <i>Income after loan loss provisions</i> | <i>2,514</i> | <i>1,970</i> | <i>602</i> | <i>1,543</i> | <i>-372</i> | <i>-186</i> | <i>6,071</i> |
| Operating expenses | 2,168 | 997 | 327 | 987 | 239 | 429 | 5,147 |
| Operating profit or loss | 346 | 973 | 275 | 556 | -611 | -615 | 924 |
| Restructuring expenses | - | - | - | - | - | - | - |
| Pre-tax profit or loss | 346 | 973 | 275 | 556 | -611 | -615 | 924 |
| Assets | 70,737 | 86,541 | 28,279 | 217,124 | 104,179 | 89,498 | 596,358 |
| Liabilities and equity | 97,120 | 139,761 | 23,543 | 202,162 | 53,526 | 80,246 | 596,358 |
| Average capital employed | 4,271 | 7,506 | 1,712 | 4,605 | 8,295 | 883 | 27,272 |
| Operating return on equity¹ (%) | 10.8 | 17.3 | 21.4 | 16.1 | -9.8 | | 4.5 |
| Operating return on tangible equity¹ (%) | 15.5 | 19.5 | 26.5 | 16.6 | -9.8 | | 5.1 |
| Cost/income ratio in operating business (%) | 84.0 | 45.2 | 46.8 | 64.6 | | | 74.5 |
| Return on equity of pre-tax profit or loss¹ (%) | 10.8 | 17.3 | 21.4 | 16.1 | -9.8 | | 4.5 |
| Staff (average headcount) | 15,882 | 5,794 | 7,690 | 1,969 | 584 | 17,922 | 49,841 |

¹ Annualised.

Details for Others and Consolidation:

| €m | 1.1.–30.9.2015 | | | 1.1.–30.9.2014 | | |
|---|----------------|---------------|--------------------------|----------------|---------------|--------------------------|
| | Others | Consolidation | Others and Consolidation | Others | Consolidation | Others and Consolidation |
| Net interest income | -122 | -38 | -160 | -126 | -31 | -157 |
| Loan loss provisions | -63 | - | -63 | -1 | - | -1 |
| Net interest income after loan loss provisions | -185 | -38 | -223 | -127 | -31 | -158 |
| Net commission income | -15 | -5 | -20 | -13 | -6 | -19 |
| Net trading income and net income from hedge accounting | 168 | 10 | 178 | 80 | 7 | 87 |
| Net investment income | 112 | 1 | 113 | 10 | 65 | 75 |
| Current net income from companies accounted for using the equity method | -2 | - | -2 | 3 | - | 3 |
| Other net income | 9 | -7 | 2 | -169 | -5 | -174 |
| <i>Income before loan loss provisions</i> | <i>150</i> | <i>-39</i> | <i>111</i> | <i>-215</i> | <i>30</i> | <i>-185</i> |
| <i>Income after loan loss provisions</i> | <i>87</i> | <i>-39</i> | <i>48</i> | <i>-216</i> | <i>30</i> | <i>-186</i> |
| Operating expenses | 489 | -20 | 469 | 435 | -6 | 429 |
| Operating profit or loss | -402 | -19 | -421 | -651 | 36 | -615 |
| Restructuring expenses | 21 | - | 21 | - | - | - |
| Pre-tax profit or loss | -423 | -19 | -442 | -651 | 36 | -615 |
| Assets | 91,825 | - | 91,825 | 89,498 | - | 89,498 |
| Liabilities and equity | 84,593 | - | 84,593 | 80,246 | - | 80,246 |

Under Consolidation we report consolidation and reconciliation items between the results of the segments and the Others category on the one hand and the Group financial statements on the other. This includes the following items among others:

- Remeasurement effects from the application of hedge accounting to cross-segment transactions as per IAS 39 are shown in Consolidation.
- Net remeasurement gains or losses on own bonds and shares incurred in the segments are eliminated under Consolidation.
- Other consolidation effects from intragroup transactions are also reported here.

The breakdown within segment reporting of the results by geographical region, which is mainly based on the location of the branch or group company, was as follows:

| 1.1.–30.9.2015 €m | Germany | Europe excluding Germany | America | Asia | Others | Total |
|---|----------------|--------------------------------|--------------|--------------|----------|----------------|
| Net interest income | 2,503 | 1,702 | 136 | 148 | – | 4,489 |
| Loan loss provisions | – 376 | – 219 | 7 | 4 | – | – 584 |
| Net interest income after loan loss provisions | 2,127 | 1,483 | 143 | 152 | – | 3,905 |
| Net commission income | 2,079 | 384 | 37 | 49 | – | 2,549 |
| Net trading income and net income from hedge accounting | 540 | 14 | – 77 | 61 | – | 538 |
| Net investment income | – 105 | – 2 | – | 1 | – | – 106 |
| Current net income from companies accounted for using the equity method | 36 | 4 | 3 | 3 | – | 46 |
| Other net income | – 5 | 19 | – 16 | – 5 | – | – 7 |
| <i>Income before loan loss provisions</i> | <i>5,048</i> | <i>2,121</i> | <i>83</i> | <i>257</i> | <i>–</i> | <i>7,509</i> |
| <i>Income after loan loss provisions</i> | <i>4,672</i> | <i>1,902</i> | <i>90</i> | <i>261</i> | <i>–</i> | <i>6,925</i> |
| Operating expenses | 4,241 | 987 | 96 | 102 | – | 5,426 |
| Operating profit or loss | 431 | 915 | – 6 | 159 | – | 1,499 |
| Credit-risk-weighted assets | 108,450 | 56,312 | 3,979 | 3,041 | – | 171,782 |

In the prior-year period we achieved the following results in the various geographical regions:

| 1.1.–30.9.2014 €m | Germany | Europe excluding Germany | America | Asia | Others | Total |
|---|----------------|--------------------------------|--------------|--------------|----------|----------------|
| Net interest income | 2,500 | 1,523 | 82 | 126 | – | 4,231 |
| Loan loss provisions | – 678 | – 167 | 10 | – 1 | – | – 836 |
| Net interest income after loan loss provisions | 1,822 | 1,356 | 92 | 125 | – | 3,395 |
| Net commission income | 1,947 | 370 | 27 | 52 | – | 2,396 |
| Net trading income and net income from hedge accounting | 362 | – 39 | – 45 | 50 | – | 328 |
| Net investment income | – | 13 | 4 | 1 | – | 18 |
| Current net income from companies accounted for using the equity method | 33 | 4 | 3 | 2 | – | 42 |
| Other net income | – 140 | 28 | 4 | – | – | – 108 |
| <i>Income before loan loss provisions</i> | <i>4,702</i> | <i>1,899</i> | <i>75</i> | <i>231</i> | <i>–</i> | <i>6,907</i> |
| <i>Income after loan loss provisions</i> | <i>4,024</i> | <i>1,732</i> | <i>85</i> | <i>230</i> | <i>–</i> | <i>6,071</i> |
| Operating expenses | 4,002 | 956 | 93 | 96 | – | 5,147 |
| Operating profit or loss | 22 | 776 | – 8 | 134 | – | 924 |
| Credit-risk-weighted assets | 117,000 | 50,360 | 3,018 | 2,717 | – | 173,095 |

Credit risk-weighted assets are shown for the geographical segments rather than non-current assets. In accordance with IFRS 8.32 Commerzbank has decided not to provide a breakdown of the Commerzbank Group's total profits by products and

services. We decided not to collect this data for cost reasons, as it is used neither for internal management activities nor management reporting.

Notes to the balance sheet

(11) Claims on banks

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|---------------|---------------|-------------|
| Due on demand | 37,633 | 29,070 | 29.5 |
| With a residual term | 50,747 | 51,078 | -0.6 |
| up to three months | 32,628 | 22,944 | 42.2 |
| over three months to one year | 11,234 | 22,164 | -49.3 |
| over one year to five years | 6,404 | 5,587 | 14.6 |
| over five years | 481 | 383 | 25.6 |
| Total | 88,380 | 80,148 | 10.3 |
| of which reverse repos and cash collaterals | 50,370 | 48,096 | 4.7 |
| of which relate to the category: | | | |
| Loans and receivables | 56,895 | 52,458 | 8.5 |
| Available-for-sale financial assets | - | - | . |
| At fair value through profit or loss (fair value option) | 31,485 | 27,690 | 13.7 |

Claims on banks after deduction of loan loss provisions amounted to €88.277m (previous year: €80.036m).

(12) Claims on customers

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|----------------|----------------|-------------|
| With an indefinite residual term | 28,295 | 26,368 | 7.3 |
| With a residual term | 210,056 | 212,162 | -1.0 |
| up to three months | 39,870 | 37,407 | 6.6 |
| over three months to one year | 21,348 | 25,732 | -17.0 |
| over one year to five years | 66,656 | 65,371 | 2.0 |
| over five years | 82,182 | 83,652 | -1.8 |
| Total | 238,351 | 238,530 | -0.1 |
| of which reverse repos and cash collaterals | 27,237 | 22,886 | 19.0 |
| of which relate to the category: | | | |
| Loans and receivables | 213,761 | 219,565 | -2.6 |
| Available-for-sale financial assets | - | - | . |
| At fair value through profit or loss (fair value option) | 24,590 | 18,965 | 29.7 |

Claims on customers after deduction of loan loss provisions amounted to €234.136m (previous year: €232.867m).

(13) Total lending

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--------------------|----------------|----------------|-------------|
| Loans to banks | 21,310 | 25,203 | -15.4 |
| Loans to customers | 211,114 | 215,650 | -2.1 |
| Total | 232,424 | 240,853 | -3.5 |

We distinguish loans from claims on banks and customers such that only claims for which a special loan agreement has been concluded with the borrower are shown as loans. Interbank money

market transactions and reverse repo transactions, for example, are thus not shown as loans. Acceptance credits are also included in loans to customers.

(14) Loan loss provisions

Provisions for loan losses are made in accordance with rules that apply Group-wide and cover all discernible credit risks. For loan losses that have already occurred but are not yet known, portfolio

valuation allowances have been calculated in line with procedures derived from Basel 3 methodology.

| Development of provisioning €m | 2015 | 2014 | Change in % |
|---|--------------|--------------|--------------|
| As at 1.1. | 6,013 | 7,019 | -14.3 |
| Allocations | 1,503 | 1,868 | -19.5 |
| Disposals | 2,777 | 2,706 | 2.6 |
| Utilisation | 1,704 | 1,563 | 9.0 |
| Reversals | 1,073 | 1,143 | -6.1 |
| Changes in the group of consolidated companies | -12 | -17 | -29.4 |
| Exchange rate changes/reclassifications/unwinding | -150 | 8 | . |
| As at 30.9. | 4,577 | 6,172 | -25.8 |

With direct write-downs, write-ups and recoveries on written-down claims taken into account, the allocations and reversals recognised in profit or loss resulted in provisions of €584m (30 September 2014: €836m) (see Note 2).

| Loan loss provisions €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|--------------|--------------|--------------|
| Specific valuation allowances | 3,634 | 5,079 | -28.5 |
| Portfolio valuation allowances | 684 | 696 | -1.7 |
| Provisions for on-balance-sheet loan losses | 4,318 | 5,775 | -25.2 |
| Specific loan loss provisions | 123 | 111 | 10.8 |
| Portfolio loan loss provisions | 136 | 127 | 7.1 |
| Provisions for off-balance-sheet loan losses | 259 | 238 | 8.8 |
| Total | 4,577 | 6,013 | -23.9 |

For claims on banks, loan loss provisions amounted to €103m (previous year: €112m) and for claims on customers to €4,215m (previous year: €5,663m).

(15) Trading assets

The Group's trading activities include trading in:

- Bonds, notes and other interest-rate-related securities,
- Shares and other equity-related securities as well as units in investment funds,
- Promissory note loans and other claims,
- Foreign currencies and precious metals,
- Derivative financial instruments and
- Other trading assets.

Other assets held for trading comprise positive fair values of loans for syndication as well as loans and money market trading transactions.

All the items in the trading portfolio are reported at fair value.

The positive fair values also include derivative financial instruments which cannot be used as hedging instruments in hedge accounting.

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|----------------|----------------|-------------|
| Bonds, notes and other interest-rate-related securities | 14,299 | 14,059 | 1.7 |
| Promissory note loans | 1,156 | 1,102 | 4.9 |
| Shares, other equity-related securities and units in investment funds | 28,938 | 24,936 | 16.0 |
| Positive fair values of derivative financial instruments | 80,237 | 89,315 | -10.2 |
| Currency-related derivative transactions | 15,209 | 16,707 | -9.0 |
| Interest-rate-related derivative transactions | 58,188 | 66,587 | -12.6 |
| Other derivative transactions | 6,840 | 6,021 | 13.6 |
| Other trading assets | 1,350 | 931 | 45.0 |
| Total | 125,980 | 130,343 | -3.3 |

Other transactions involving positive fair values of derivative financial instruments consisted mainly of €3,177m in equity derivatives (previous year: €2,083m) and €1,552m in credit derivatives (previous year: €1,712m).

(16) Financial investments

Financial investments are financial instruments not assigned to any other balance sheet item. They comprise bonds, notes and other interest-rate-related securities, shares and other equity-related securities not used for trading purposes, as well as units in

investment funds, equity holdings (including companies not accounted for using the equity method and jointly controlled entities) and holdings in non-consolidated subsidiaries.

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|---------------|---------------|-------------|
| Bonds, notes and other interest-rate-related securities ¹ | 83,253 | 89,076 | -6.5 |
| Shares, other equity-related securities and units in investment funds | 840 | 993 | -15.4 |
| Equity holdings | 239 | 177 | 35.0 |
| Holdings in non-consolidated subsidiaries | 174 | 112 | 55.4 |
| Total | 84,506 | 90,358 | -6.5 |
| of which relate to the category: | | | |
| Loans and receivables ¹ | 39,270 | 45,154 | -13.0 |
| Available-for-sale financial assets | 43,051 | 42,756 | 0.7 |
| of which measured at amortised cost | 382 | 309 | 23.6 |
| At fair value through profit or loss | 2,185 | 2,448 | -10.7 |

¹ Reduced by portfolio valuation allowances for reclassified securities of €32m (previous year: €41m).

As at 30 September 2015 the financial investments included €382m (previous year: €309m) of equity-related financial instruments which are predominantly unlisted (e.g. shareholdings in limited companies) and are measured at cost, as we do not have any reliable data to calculate fair value for these assets. We plan to continue to hold these financial instruments.

In its press release of 13 October 2008, the IASB issued an amendment to IAS 39 relating to the reclassification of financial instruments. In accordance with the amendment, securities in the Public Finance portfolio for which there was no active market were reclassified from the IAS 39 available-for-sale financial assets category to the IAS 39 loans and receivables category in the

financial years 2008 and 2009. The fair value at the date of reclassification was recognised as the new carrying amount of these securities.

The revaluation reserve after deferred taxes for all the securities reclassified in financial years 2008 and 2009 was €-0.5bn as at 30 September 2015 (previous year: €-0.5bn). Without these reclassifications, the revaluation reserve for these portfolios after deferred taxes would have been €-2.6bn (previous year: €-2.7bn) as at 30 September 2015; the carrying amount of these portfolios on the balance sheet date was €37.2bn (previous year: €42.7bn) and fair value was €34.1bn (previous year: €39.5bn).

(17) Intangible assets

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|-----------------------------|--------------|--------------|-------------|
| Goodwill | 2,076 | 2,076 | 0.0 |
| Other intangible assets | 1,375 | 1,254 | 9.6 |
| Customer relationships | 325 | 355 | -8.5 |
| In-house developed software | 686 | 616 | 11.4 |
| Other | 364 | 283 | 28.6 |
| Total | 3,451 | 3,330 | 3.6 |

(18) Fixed assets

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|--------------|--------------|--------------|
| Land and buildings and other fixed assets | 981 | 1,457 | -32.7 |
| Office furniture and equipment | 434 | 459 | -5.4 |
| Total | 1,415 | 1,916 | -26.1 |

(19) Other assets

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--------------------------------------|--------------|--------------|-------------|
| Collection items | 24 | 17 | 41.2 |
| Precious metals | 281 | 177 | 58.8 |
| Leased equipment | 833 | 795 | 4.8 |
| Accrued and deferred items | 316 | 219 | 44.3 |
| Initial/variation margins receivable | 320 | 194 | 64.9 |
| Defined benefit assets | 423 | 342 | 23.7 |
| Other assets | 1,514 | 1,455 | 4.1 |
| Total | 3,711 | 3,199 | 16.0 |

(20) Liabilities to banks

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|----------------|---------------|-------------|
| Due on demand | 46,147 | 43,629 | 5.8 |
| With a residual term | 57,117 | 55,814 | 2.3 |
| up to three months | 26,323 | 24,850 | 5.9 |
| over three months to one year | 6,307 | 5,824 | 8.3 |
| over one year to five years | 13,668 | 14,040 | -2.6 |
| over five years | 10,819 | 11,100 | -2.5 |
| Total | 103,264 | 99,443 | 3.8 |
| of which repos and cash collaterals | 30,826 | 33,410 | -7.7 |
| of which relate to the category: | | | |
| Liabilities measured at amortised cost | 76,586 | 72,893 | 5.1 |
| At fair value through profit or loss (fair value option) | 26,678 | 26,550 | 0.5 |

(21) Liabilities to customers

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|----------------|----------------|-------------|
| Savings deposits | 6,870 | 6,760 | 1.6 |
| With an agreed period of notice of | | | |
| three months | 6,822 | 6,701 | 1.8 |
| over three months | 48 | 59 | -18.6 |
| Other liabilities to customers | 253,827 | 242,217 | 4.8 |
| Due on demand | 158,203 | 151,727 | 4.3 |
| With a residual term | 95,624 | 90,490 | 5.7 |
| up to three months | 38,706 | 33,814 | 14.5 |
| over three months to one year | 25,508 | 20,482 | 24.5 |
| over one year to five years | 11,587 | 13,336 | -13.1 |
| over five years | 19,823 | 22,858 | -13.3 |
| Total | 260,697 | 248,977 | 4.7 |
| of which repos and cash collaterals | 20,215 | 20,204 | 0.1 |
| of which relate to the category: | | | |
| Liabilities measured at amortised cost | 240,600 | 225,906 | 6.5 |
| At fair value through profit or loss (fair value option) | 20,097 | 23,071 | -12.9 |

(22) Securitised liabilities

Securitised liabilities consist of bonds and notes, including ship and mortgage Pfandbriefe and public-sector Pfandbriefe, money market instruments (e.g. euro notes, commercial paper), index certificates, own acceptances and promissory notes outstanding.

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|---------------|---------------|-------------|
| Bonds and notes issued | 39,103 | 45,664 | -14.4 |
| of which mortgage Pfandbriefe | 13,158 | 13,973 | -5.8 |
| Public Pfandbriefe | 9,959 | 13,353 | -25.4 |
| Money market instruments issued | 5,162 | 3,136 | 64.6 |
| Own acceptances and promissory notes outstanding | 49 | 13 | . |
| Total | 44,314 | 48,813 | -9.2 |
| of which relate to the category: | | | |
| Liabilities measured at amortised cost | 42,980 | 47,346 | -9.2 |
| At fair value through profit or loss (fair value option) | 1,334 | 1,467 | -9.1 |

| Residual maturities of securitised liabilities €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|---------------|---------------|-------------|
| Due on demand | – | – | . |
| With a residual term | 44,314 | 48,813 | –9.2 |
| up to three months | 5,670 | 5,031 | 12.7 |
| over three months to one year | 9,158 | 10,245 | –10.6 |
| over one year to five years | 21,068 | 24,888 | –15.3 |
| over five years | 8,418 | 8,649 | –2.7 |
| Total | 44,314 | 48,813 | –9.2 |

In the first nine months of 2015, material new issues with a total volume of €12.0bn were floated. In the same period the volume of redemptions and repurchases amounted to €3.1bn and the volume of bonds maturing to €14.0bn.

(23) Trading liabilities

Trading liabilities show the negative fair values of derivative financial instruments that do not qualify for hedge accounting as well as lending commitments with negative fair values. Own issues

in the trading book and delivery commitments arising from short sales of securities are also included under trading liabilities.

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|---------------|---------------|-------------|
| Currency-related derivative transactions | 17,333 | 18,637 | –7.0 |
| Interest-rate-related derivative transactions | 55,922 | 63,648 | –12.1 |
| Other derivative transactions | 6,162 | 6,616 | –6.9 |
| Certificates and other notes issued | 5,212 | 5,271 | –1.1 |
| Delivery commitments arising from short sales of securities, negative market values of lending commitments and other trading liabilities | 7,324 | 2,991 | . |
| Total | 91,953 | 97,163 | –5.4 |

Other derivative transactions consisted mainly of €3,452m in equity derivatives (previous year: €3,736m) and €2,184m in credit derivatives (previous year: €2,327m).

(24) Provisions

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|--------------|--------------|--------------|
| Provisions for pensions and similar commitments | 984 | 1,590 | -38.1 |
| Other provisions | 2,458 | 3,661 | -32.9 |
| Total | 3,442 | 5,251 | -34.5 |

The provisions for pensions and similar commitments relate primarily to direct pension commitments in Germany (see page 178 ff. of our 2014 Annual Report). The actuarial assumptions underlying these obligations at 30 September 2015 were a discount rate of 2.7% (previous year: 2.3%), a change in salaries of 2.0% (previous year: 2.5%) and an adjustment to pensions of 1.5% (previous year: 1.8%).

In case of legal proceedings for which provisions need to be recognised and which are contained in the other provisions, neither the duration of the proceedings nor the level of utilisation of the provision can be predicted with certainty at the date the provision is recognised. The provisions cover the costs expected according to our judgement as at balance sheet date. We have not set out the provision amounts individually to avoid influencing the outcome of the various proceedings. Provisions for legal proceedings and recourse claims of €380m (previous year: €1,748m) have been recognised for the following matters among others:

- Commerzbank and its subsidiaries operate in a large number of jurisdictions subject to different legal and regulatory requirements. In isolated cases in the past infringements of legal and regulatory provisions have come to light and have been prosecuted by government agencies and institutions. Some companies within the Group are currently still involved in a number of such cases.
- Commerzbank and its subsidiaries are mainly active in the area of investment advisory within the Private Customers segment. The legal requirements for investor- and investment-oriented advisory services have been made more rigorous, especially in recent years. Commerzbank and its subsidiaries have consequently been involved in a number of legal disputes, some of which are still pending, with investors who claim to have received poor or inadequate investment advice demanding compensation for damages or the reversal of investment transactions where information regarding commission fees was lacking (e.g. for closed-end funds).
- Following a ruling by the German Federal Court of Justice in October 2014 that non-term related processing fees in preformulated contract terms for consumer loans were invalid, a large number of customers have lodged claims with Commerzbank for repayment of the processing fees.
- Former employees of the Dresdner Bank Group have instigated lawsuits in Germany and at various locations abroad against

group companies to recover variable remuneration which was either not paid or not paid in the amount to which the employee was supposedly entitled for the 2008 financial year. The majority of these cases have already been legally decided in the courts. The rulings which resulted varied according to jurisdiction and the specifics of the respective case; in some instances the Bank prevailed and in others the Bank was ordered to pay.

- In the past few years the Commerzbank Group has sold a number of subsidiaries and equity holdings in Germany and abroad as well as some major properties. These contracts contain guarantees, certain indemnities and some financial commitments and could lead to claims being raised against the Commerzbank Group. In some cases, complaints have been filed claiming failure to honour the agreements in question.
- In connection with the acquisition of an equity stake by a Commerzbank subsidiary the vendor took the case to court disputing the way in which the share price had been determined through the transfer of properties by way of a non-cash capital contribution. The appeal court decided in April 2014 that the transfer of the properties by way of a non-cash capital contribution was invalid. The Commerzbank subsidiary appealed this ruling. The appeal was rejected in August 2015 and a drawdown of the provision is therefore likely. Adequate provision has been made for this outcome.
- A subsidiary of Commerzbank was involved in two South American banks which are meanwhile being liquidated. A number of investors and creditors of these banks have launched various legal actions in Uruguay and Argentina against the subsidiary, and in some cases Commerzbank as well, alleging liability as shareholders of the bankrupt companies as well as breaches of duties by the persons nominated by the subsidiary for the banks' supervisory boards. In addition the subsidiary was involved in two funds which raised money from investors and were managed by third parties. The liquidators of these funds have launched court proceedings in the US demanding the repayment of amounts received by the subsidiary from the funds.
- An investor is claiming compensation from Commerzbank and other defendants due to an alleged incorrect prospectus in connection with the flotation of a company on the stock market. In addition the company's insolvency administrator has raised recourse claims against the company arising from its joint

liability and for other reasons. The action was rejected by the court of first instance. The claimants are appealing against this decision. Should the claimants win their appeal in the higher courts, Commerzbank expects that recourse claims against other members of the consortium and third parties will be possible based on the contractual agreements.

- In July 2005 Commerzbank Aktiengesellschaft was sued as part of a consortium by a customer in the course of his bankruptcy proceedings in the US. The customer had repaid a loan in full as guarantor for his subsidiary and claimed that various repayments were invalid because he was evidently insolvent at the date the loan was granted. Two attempts at out-of-court mediation were unsuccessful. After the quashing of the ruling of the court of first instance, pre-trial discovery was held before the district court in March 2015. Following these proceedings the banking consortium has submitted an application for a summary judgement.
- Commerzbank has been sued by a customer's fidelity insurer in connection with foreign payment transactions which were allegedly not authorised by the customer. The Bank received notice of the action in November 2014. Commerzbank will defend itself against the action.
- Investors in a fund managed by a Commerzbank subsidiary active in asset management have sued this subsidiary for compensation arising from a lending commitment allegedly made by the subsidiary in the course of a joint venture project. A hearing date is planned for 2015.

- A subsidiary of Commerzbank was sued by a customer in May 2014 for compensation due to alleged fraudulent misselling of derivative transactions. The subsidiary has defended itself against the claim.

At the beginning of 2010 Commerzbank was requested by the US authorities to carry out an internal investigation of breaches by the Group of US sanctions regulations and to work closely with the US authorities in conducting this investigation. The US authorities also investigated whether Commerzbank infringed US anti-money laundering regulations. Commerzbank had been cooperating with the US authorities for several years and provided them with detailed documentation and the findings of various internal investigations. After the US Department of Justice decided in October 2014 to pursue a combined settlement of the two cases, an agreement was reached with the US authorities on the breaches of sanctions and anti-money laundering regulations in mid-March 2015. As part of this settlement Commerzbank has agreed to pay a total of US\$1,452m. Provisions have been recognised for this amount. Commerzbank also has wide-ranging obligations under the agreement, particularly in relation to cooperation with the US authorities and the improvement of the Bank's compliance processes. After they begin their work the monitors designated by US banking regulators will incur costs for the bank. The settlement also includes a deferred prosecution agreement covering a period of three years.

(25) Other liabilities

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|--------------|--------------|-------------|
| Liabilities attributable to film funds | 1,314 | 1,470 | - 10.6 |
| Liabilities attributable to non-controlling interests | 5,312 | 3,965 | 34.0 |
| Accrued and deferred items | 359 | 388 | - 7.5 |
| Variation margins payable | 142 | 138 | 2.9 |
| Other liabilities | 1,732 | 1,538 | 12.6 |
| Total | 8,859 | 7,499 | 18.1 |

(26) Subordinated debt instruments

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|--|---------------|---------------|--------------|
| Subordinated debt instruments | 10,941 | 12,635 | - 13.4 |
| Accrued interest, including discounts | 221 | - 1,010 | . |
| Remeasurement effects | 574 | 733 | - 21.7 |
| Total | 11,736 | 12,358 | - 5.0 |
| of which relate to the category: | | | |
| Liabilities measured at amortised cost | 11,728 | 12,350 | - 5.0 |
| At fair value through profit or loss (fair value option) | 8 | 8 | 0.0 |

In the first nine months of 2015 the volume of subordinated debt instruments maturing amounted to €0.9bn, repayments were €0.2bn and new issues €0.1bn. Other than this there were no material changes.

Other notes

(27) Capital requirements and leverage ratio

The table below with the composition of the Commerzbank Group's capital shows the figures on both a phase-in and a fully phased-in basis.

| Position €m | 30.9.2015 ¹ phase-in | 31.12.2014 phase-in | 30.9.2015 ¹ fully phased-in | 31.12.2014 fully phased-in |
|---|------------------------------------|------------------------|---|-------------------------------|
| Equity as shown in balance sheet | 30,102 | 26,960 | 30,102 | 26,960 |
| Effect from debit valuation adjustments | -128 | -38 | -319 | -188 |
| Correction to revaluation reserve | 567 | 906 | - | - |
| Correction to cash flow hedge reserve | 186 | 246 | 186 | 246 |
| Correction to phase-in (IAS 19) | 591 | 1,022 | - | - |
| Correction to non-controlling interests (minority) | -241 | -135 | -458 | -426 |
| Goodwill | -2,088 | -2,090 | -2,088 | -2,090 |
| Intangible assets | -1,067 | -969 | -1,067 | -969 |
| Surplus in plan assets | -141 | -57 | -352 | -283 |
| Deferred tax assets from loss carryforwards | -197 | -128 | -494 | -639 |
| Shortfall due to expected loss | -717 | -496 | -1,024 | -827 |
| Prudential valuation | -435 | -469 | -435 | -469 |
| Own shares | -26 | -17 | -56 | -68 |
| First loss positions from securitisations | -266 | -360 | -266 | -360 |
| Advance payment risks | - | - | - | - |
| Deduction of offset components of additional core capital (AT 1) | 1,020 | 935 | - | - |
| Deferred tax assets from temporary differences which exceed the 10% threshold | - | -89 | -311 | -886 |
| Accrued dividends | -250 | - | -250 | - |
| Others and rounding | -101 | -98 | -101 | -99 |
| Common Equity Tier 1 | 26,809 | 25,123 | 23,067 | 19,902 |
| Additional Tier 1 | - | - | - | - |
| Tier 1 capital | 26,809 | 25,123 | 23,067 | 19,902 |
| Tier 2 capital | 5,698 | 6,353 | 5,671 | 6,404 |
| Equity | 32,507 | 31,476 | 28,738 | 26,306 |
| Risk-weighted assets | 214,241 | 215,178 | 213,464 | 214,072 |
| Common Equity Tier 1 ratio (%) | 12.5 | 11.7 | 10.8 | 9.3 |
| Total capital ratio (%) | 15.2 | 14.6 | 13.5 | 12.3 |

¹ Preliminary figures (including retainable interim profit).

The table below shows the current risk-weighted assets, capital amounts and capital ratios:

| €m | 30.9.2015 ¹ | 31.12.2014 | Change in % |
|--------------------------------|------------------------|----------------|-------------|
| Credit risk | 171,782 | 173,563 | - 1.0 |
| Market risk ² | 20,481 | 20,055 | 2.1 |
| Operational risk | 21,978 | 21,560 | 1.9 |
| Total | 214,241 | 215,178 | -0.4 |
| Common Equity Tier 1 | 26,809 | 25,123 | |
| Tier 1 capital | 26,809 | 25,123 | |
| Total capital | 32,507 | 31,476 | |
| Common Equity Tier 1 ratio (%) | 12.5 | 11.7 | |
| Tier 1 ratio (%) | 12.5 | 11.7 | |
| Total capital ratio (%) | 15.2 | 14.6 | |

¹ Preliminary figures (including retainable interim profit).

² Including capital adequacy requirements for credit valuation adjustment risks.

The CRD IV/CRR has introduced the leverage ratio as a new tool and indicator for quantifying the risk of excessive leverage. The leverage ratio shows the ratio of Tier 1 capital to leverage exposure, consisting of the non-risk-weighted assets plus off-balance-sheet positions. The way in which exposure to derivatives, securities financing transactions and off-balance sheet positions is

calculated is laid down by regulators. The leverage ratio at the end of the third quarter of 2015 was calculated on the basis of the CRR as revised in January 2015. As a non-risk sensitive figure the leverage ratio is intended to supplement risk-based measures of capital adequacy.

| Leverage ratio according to revised CRR (delegated act) | 30.9.2015 |
|--|------------------|
| Leverage exposure "phase-in" (€m) | 570,131 |
| Leverage exposure "fully phased-in" (€m) | 567,626 |
| Leverage ratio "phase-in" (as at end of quarter; %) | 4.7 |
| Leverage ratio "fully phased-in" (as at end of quarter; %) | 4.1 |

(28) Contingent liabilities and irrevocable lending commitments

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|---|-----------|------------|-------------|
| Contingent liabilities | 36,688 | 37,147 | - 1.2 |
| from rediscounted bills of exchange credited to borrowers | 2 | 7 | -71.4 |
| from guarantees and indemnity agreements | 36,638 | 37,069 | - 1.2 |
| from other commitments | 48 | 71 | -32.4 |
| Irrevocable lending commitments | 65,949 | 59,850 | 10.2 |

Provisions for contingent liabilities and irrevocable lending commitments have been deducted from the respective items.

In addition to the credit facilities listed above, the Commerzbank Group can also sustain losses from legal risks where the occurrence of a loss may not be probable, but is not improbable either, and for which no provisions have been recognised. A reliable assessment either of the date on which the risk will materialise or of potential reimbursements is impossible. Depending on the outcome of the legal proceedings, the estimate of our risk of loss may be either too low or too high. However, in a large majority of cases the contin-

gent liabilities for legal risks do not materialise and therefore the amounts are not representative of the actual future losses. As at 30 September 2015 the contingent liability for legal risks amounted to €507m (previous year: €992m) and related to the following material issues:

- Several actions have been taken against a subsidiary of Commerzbank by customers of a former, now bankrupt, corporate customer which held its bank accounts with the subsidiary. The aim of the action is to obtain damages from the subsidiary for allegedly assisting the management of the bankrupt corpo-

rate customer in its fraudulent dealings in relation to the management of its accounts. The Bank believes the claims are unfounded.

- During the bankruptcy proceedings of a former customer, Commerzbank has been sued together with the customer's managing directors and other persons and companies on the basis of joint and several liability for alleged fraudulent bankruptcy. The action was rejected in the court of first instance insofar as it affected Commerzbank. The court ruled that although the bankruptcy could be regarded as fraudulent in accounting terms, there was no fraud in relation to the financing transactions. The claimants are appealing this decision.
- Together with other banks, Commerzbank was sued for damages for allegedly invalidly taking in pledge and realising globally certificated stocks. The suit was rejected in the court of first instance in 2010. The appeal was rejected in 2013. Leave to appeal this judgement was denied. However, the complaint against denial of leave to appeal taken by the plaintiff to the German Federal Court of Justice was partly upheld. This partial appeal was thrown out in the court of last instance in September 2015. The case has therefore now been definitively decided in favour of the banks involved and so also of Commerzbank.
- Following the sale of the stake in the Public Joint-Stock Company "Bank Forum", Kiev, Ukraine (Bank Forum) in 2012, Commerzbank was contacted by the purchasers raising claims under the contract of sale and alleging that the contract of sale was invalid as a result of fraud. The parties are currently engaged in arbitration on the basis of the arbitration clauses in the contract. The purchasers are demanding that the contract of sale should be declared invalid, the sale reversed and the instalments paid towards the purchase price reimbursed, together with compensation for the losses they have sustained. Commerzbank rejects these demands and has lodged claims against the purchasers for the payment of the remainder of the purchase price and against the guarantor of the purchase price under the guarantee. Commerzbank has now submitted its statement of defence to the court of arbitration.
- The Commerzbank Group held an equity holding in a company which was sold by way of a leveraged buyout. During the insolvency proceedings of this company a number of lawsuits were taken against the Commerzbank Group for repayment of the proceeds it received for the sale of its stake. Two of these suits have been rejected but are currently going through the appeals process.

(29) Derivative transactions

The nominal amounts and fair values of derivative transactions after netting the fair values of derivatives and any variation margins payable on them were as set out below.

The netting volume as at 30 September 2015 totalled €69,509m (previous year: €98,917m). On the assets side, €67,807m of this

was attributable to positive fair values and €1,702m to variation margins received. Netting on the liabilities side involved negative fair values of €68,652m and liabilities for variation margin payments of €857m.

| 30.9.2015 €m | Nominal amount by residual term | | | | | | Fair values | |
|---|---------------------------------|----------------|--------------------|-------------------|-------------------|------------------|----------------|----------------|
| | due on demand | up to 3 months | 3 months to 1 year | 1 year to 5 years | more than 5 years | Total | positive | negative |
| Foreign-currency-based forward transactions | 83 | 300,094 | 192,749 | 174,104 | 116,228 | 783,258 | 15,209 | 17,333 |
| Interest-based forward transactions | 10 | 341,024 | 1,181,881 | 944,768 | 1,110,462 | 3,578,145 | 129,020 | 132,371 |
| Other forward transactions | 1,992 | 78,202 | 48,534 | 107,538 | 20,174 | 256,440 | 6,840 | 6,162 |
| Total | 2,085 | 719,320 | 1,423,164 | 1,226,410 | 1,246,864 | 4,617,843 | 151,069 | 155,866 |
| <i>of which exchange-traded</i> | – | 49,495 | 46,638 | 29,041 | 5,885 | 131,059 | | |
| Net position in the balance sheet | | | | | | | 83,262 | 87,214 |

| 31.12.2014 €m | Nominal amount by residual term | | | | | | Fair values | |
|---|---------------------------------|----------------|--------------------|-------------------|-------------------|------------------|----------------|----------------|
| | due on demand | up to 3 months | 3 months to 1 year | 1 year to 5 years | more than 5 years | Total | positive | negative |
| Foreign-currency-based forward transactions | 4 | 249,095 | 148,242 | 191,380 | 122,093 | 710,814 | 17,185 | 18,808 |
| Interest-based forward transactions | 6 | 512,331 | 1,223,260 | 1,072,946 | 1,222,229 | 4,030,772 | 166,939 | 171,169 |
| Other forward transactions | 1,796 | 53,869 | 66,884 | 111,164 | 17,619 | 251,332 | 6,021 | 6,615 |
| Total | 1,806 | 815,295 | 1,438,386 | 1,375,490 | 1,361,941 | 4,992,918 | 190,145 | 196,592 |
| <i>of which exchange-traded</i> | – | 38,557 | 57,378 | 20,003 | 4,147 | 120,085 | | |
| Net position in the balance sheet | | | | | | | 93,771 | 98,256 |

(30) Fair value and fair value hierarchy of financial instruments

Under IAS 39, all financial instruments are initially recognised at fair value; financial instruments that are not classified as at fair value through profit or loss are recognised at fair value plus certain transaction costs. Subsequently, those financial instruments that are classified as at fair value through profit or loss and available-for-sale financial assets are measured at fair value on an ongoing basis. For this purpose, at fair value through profit or loss includes derivatives, instruments held for trading and instruments designated at fair value.

Under IFRS 13, the fair value of an asset is the amount for which it could be sold between knowledgeable, willing, independent parties in an arm's length transaction. The fair value therefore represents a realisable price. The fair value of a liability is defined as the price at which the debt could be transferred to a third party as part of an orderly transaction. The fair value of a liability also reflects own credit risk. If third parties provide security for our liabilities (e.g. guarantees), this security is not taken into account in the valuation of the liability, as the Bank's repayment obligation remains the same.

The most suitable measure of fair value is the quoted price for an identical instrument in an active market (fair value hierarchy Level 1). An active market is one in which transactions in the asset or liability take place sufficiently regularly and with sufficient volume to ensure pricing data is available continuously. As a rule, therefore, quoted prices are to be used if they are available. The relevant market used to determine the fair value is generally the market with the greatest activity (main market). To reflect the price at which an asset could be exchanged or a liability settled, asset positions are valued at the bid price and liability positions are valued at the ask price.

In those cases where no quoted prices are available, valuation is based on quoted prices for similar instruments in active markets. Where quoted prices are not available for identical or similar financial instruments, fair value is derived using an appropriate valuation model where the data inputs – except for non-material parameters – are obtained from verifiable market sources (fair value hierarchy Level 2). In accordance with IFRS 13,

valuation methods are to be chosen that are commensurate with the situation and for which the required information is available. For the selected methods, observable input parameters are to be used to the maximum extent possible and unobservable input parameters to the least extent possible.

While most valuation techniques rely on data from observable market sources, certain financial instruments are measured using models that incorporate at least one material input for which there is insufficient recent observable market data. IFRS 13 recognises the market approach, income approach and cost approach as potential methods of measurement. The market approach relies on measurement methods that draw on information about identical or comparable assets and liabilities. The income approach reflects current expectations about future cash flows, expenses and income. The income approach may also include option price models. The cost approach (which may only be applied to non-financial instruments) defines fair value as the current replacement cost of the asset, taking into account the asset's current condition. These valuations inherently include a greater level of management judgement. These unobservable inputs may include data that is extrapolated or interpolated, or may be derived by approximation to correlated or historical data. However, such inputs maximise market or third-party inputs and rely as little as possible on company-specific inputs (fair value hierarchy Level 3).

Valuation models must be consistent with accepted economic methodologies for pricing financial instruments and must incorporate all factors that market participants would consider appropriate in setting a price. All fair values are subject to the Commerzbank Group's internal controls and procedures which set out the standards for independently verifying or validating fair values. These controls and procedures are carried out and coordinated by the Independent Price Verification (IPV) Group within the finance function. The models, inputs and resulting fair values are reviewed regularly by Senior Management and the Risk function.

The fair values which can be realised at a later date can deviate from the estimated fair values.

The following summary shows how these measurement principles are applied to the key classes of financial instrument held by the Commerzbank Group:

- Listed derivatives are valued at the bid or offer price available on active markets. In some cases, theoretical prices may also be used. The fair value of OTC derivatives is determined using valuation models that are well established on the financial markets. On the one hand, models may be used that measure the expected future cash flows and discount these to determine the net present value of the financial instruments. On the other hand, alternative models may be used that determine the value at which there is no scope for arbitrage between a given instrument and other related traded instruments. For some derivatives, the valuation models used in the financial markets may differ in the way that they model the fair value and may use different input parameters to different degrees. These models are regularly calibrated to recent market prices.

Input parameters for these models are derived, where possible, from observable data such as prices or indices that are published by the relevant exchange, third-party brokers or organisations that provide generally recognised prices based on data submitted by significant market participants. Where input parameters are not directly observable, they may be derived from observable data through extrapolation or interpolation, or may be approximated by reference to historical or correlated data. Input parameters for derivative valuations would typically include underlying spot or forward security prices, volatility, interest rates and exchange rates.

The fair value of options is comprised of two parts, the intrinsic value and the time value. The factors used to determine the time value include the strike price compared to the underlying, the volatility of the underlying market, the time to expiry and the correlations between the underlying assets and underlying currencies.

- Equities, bonds and asset-backed securities (ABS) are valued using market prices from the relevant exchange, third-party brokers or organisations that provide generally recognised prices based on data submitted by significant market participants. In the absence of such prices, the price for similar

quoted instruments is used and adjusted to reflect the contractual differences between the instruments. In the case of more complex securities traded in markets that are not active, the fair value is derived using a valuation model that calculates the present value of the expected future cash flows. In such cases, the input parameters reflect the credit risk associated with those cash flows. Unlisted equities are recognised at cost if it is impossible to establish either a price quotation in an active market or the relevant parameters for the valuation model.

- Structured instruments are securities that combine features of fixed income and equity securities. As opposed to traditional bonds, structured instruments generally pay out a variable return based on the performance of some underlying asset with this return potentially being significantly higher (or lower) than the return on the underlying. In addition to the interest payments, the redemption value and maturity date of the structured debt instrument can also be affected by the derivatives embedded in the instrument. The methodology for determining the fair value of structured instruments can vary greatly as each instrument is individually customised and therefore the terms and conditions of each instrument must be considered individually. Structured instruments can provide exposure to almost any asset class, such as equities, commodities and foreign exchange, interest rate, credit and fund products.

Fair value hierarchy

Under IFRS 13, financial instruments carried at fair value are assigned to the three levels of the fair value hierarchy as follows:

- Level 1: Financial instruments where the fair value is based on quoted prices for identical financial instruments in active markets.
- Level 2: Financial instruments where no quoted prices are available for identical instruments in an active market and the fair value is established using valuation techniques.
- Level 3: Financial instruments where valuation techniques are used that incorporate at least one material input for which there is insufficient observable market data and where at least this input has a more than insignificant impact on the fair value.

The allocation of certain financial instruments to the relevant level is subject to the judgement of management on a systematic basis, particularly if the valuation is based both on observable market data and unobservable market data. An instrument's classification may also change over time due to changes in market liquidity and consequently in price transparency.

In the tables below the financial instruments reported in the balance sheet at fair value are grouped by balance sheet item and valuation category. They are broken down according to whether fair value is based on quoted market prices (Level 1), observable market data (Level 2) or unobservable market data (Level 3).

| Financial assets €bn | | 30.9.2015 | | | | 31.12.2014 | | | |
|--|--------------------------------------|-------------|--------------|------------|--------------|-------------|--------------|------------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| Claims on banks | At fair value through profit or loss | – | 31.5 | – | 31.5 | – | 27.7 | – | 27.7 |
| Claims on customers | At fair value through profit or loss | – | 24.2 | 0.4 | 24.6 | – | 18.5 | 0.5 | 19.0 |
| Positive fair values of derivative hedging instruments | Hedge accounting | – | 3.0 | – | 3.0 | – | 4.5 | – | 4.5 |
| Trading assets | Held for trading | 41.3 | 79.8 | 4.9 | 126.0 | 32.5 | 92.7 | 5.1 | 130.3 |
| of which positive fair values from derivatives | | – | 76.3 | 3.9 | 80.2 | – | 85.4 | 3.9 | 89.3 |
| Financial investments | At fair value through profit or loss | 1.0 | 1.1 | 0.1 | 2.2 | 2.4 | – | – | 2.4 |
| | Available-for-sale financial assets | 40.0 | 2.6 | 0.1 | 42.7 | 37.9 | 4.5 | 0.1 | 42.5 |
| Total | | 82.3 | 142.2 | 5.5 | 230.0 | 72.8 | 147.9 | 5.7 | 226.4 |

| Financial liabilities €bn | | 30.9.2015 | | | | 31.12.2014 | | | |
|--|--------------------------------------|-------------|--------------|------------|--------------|------------|--------------|------------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| Liabilities to banks | At fair value through profit or loss | – | 26.7 | – | 26.7 | – | 26.6 | – | 26.6 |
| Liabilities to customers | At fair value through profit or loss | – | 20.1 | – | 20.1 | – | 23.1 | – | 23.1 |
| Securitised liabilities | At fair value through profit or loss | 1.3 | – | – | 1.3 | 1.5 | – | – | 1.5 |
| Negative fair values of derivative hedging instruments | Hedge accounting | – | 7.8 | – | 7.8 | – | 9.4 | – | 9.4 |
| Trading liabilities | Held for trading | 11.9 | 77.5 | 2.6 | 92.0 | 7.8 | 86.9 | 2.5 | 97.2 |
| of which negative fair values from derivatives | | – | 76.8 | 2.6 | 79.4 | – | 86.3 | 2.5 | 88.8 |
| Subordinated debt instruments | At fair value through profit or loss | – | – | – | – | – | – | – | – |
| Total | | 13.2 | 132.1 | 2.6 | 147.9 | 9.3 | 146.0 | 2.5 | 157.8 |

A reclassification of levels occurs where a financial instrument is reclassified from one level of the 3-level valuation hierarchy to another. A reclassification of the financial instrument may be caused by market changes which impact on the input factors used

to value the financial instrument.

In the third quarter of 2015 there were no material reclassifications from Level 1 to Level 2.

The changes in financial instruments in the Level 3 category were as follows:

| Financial assets €m | Claims on customers | Trading assets | of which positive fair values from derivatives | Financial investments | | Total |
|--|--------------------------------------|------------------|--|--------------------------------------|-------------------------------------|--------------|
| | At fair value through profit or loss | Held for trading | Held for trading | At fair value through profit or loss | Available-for-sale financial assets | |
| Fair value as at 1.1.2014 | 284 | 1,813 | 775 | 25 | 59 | 2,181 |
| Changes in the group of consolidated companies | – | – | – | – | – | – |
| Gains or losses recognised in income statement during the period | –2 | 194 | 169 | – | – | 192 |
| of which unrealised gains/losses | –2 | 206 | 180 | – | – | 204 |
| Gains or losses recognised in revaluation reserve | – | – | – | – | –1 | –1 |
| Purchases | – | 251 | 7 | – | 89 | 340 |
| Sales | – | –225 | –152 | – | – | –225 |
| Issues | – | – | – | – | – | – |
| Redemptions | – | –13 | –10 | –28 | – | –41 |
| Reclassifications to Level 3 | 184 | 3,376 | 3,161 | 11 | 289 | 3,860 |
| Reclassifications from Level 3 | –15 | –249 | –31 | –6 | –312 | –582 |
| Fair value as at 31.12.2014 | 451 | 5,147 | 3,919 | 2 | 124 | 5,724 |
| Changes in the group of consolidated companies | – | – | – | – | – | – |
| Gains or losses recognised in income statement during the period | –3 | 209 | 253 | –2 | – | 204 |
| of which unrealised gains/losses | –3 | 340 | 307 | –2 | – | 335 |
| Gains or losses recognised in revaluation reserve | – | – | – | – | –3 | –3 |
| Purchases | – | 18 | – | 49 | 3 | 70 |
| Sales | – | –200 | –142 | – | –282 | –482 |
| Issues | – | – | – | – | – | – |
| Redemptions | – | –113 | –40 | –20 | –17 | –150 |
| Reclassifications to Level 3 | – | 17 | 16 | 517 | 292 | 826 |
| Reclassifications from Level 3 | –14 | –142 | –67 | –496 | –2 | –654 |
| Fair value as at 30.9.2015 | 434 | 4,936 | 3,939 | 50 | 115 | 5,535 |

Unrealised gains or losses on financial instruments held for trading purposes (trading assets and derivatives) are included in net trading income. Unrealised gains or losses on claims and financial investments at fair value through profit or loss are recognised in the net gain or loss from applying the fair value option.

There was one significant reclassification from Level 2 to Level 3 in the first nine months of 2015 involving €0.5bn of securities at fair value through profit or loss, as observable data was no longer available on the market. Opposite reclassifications were made from Level 3 to Level 2 for €0.5bn of securities at fair value through profit or loss, as observable market parameters became available again.

| Financial liabilities €m | Trading liabilities | of which negative fair values from derivatives | Total |
|--|---------------------|---|--------------|
| | Held for trading | Held for trading | |
| Fair value as at 1.1.2014 | 633 | 528 | 633 |
| Changes in the group of consolidated companies | - | - | - |
| Gains or losses recognised in income statement during the period | 28 | 28 | 28 |
| of which unrealised gains/losses | -2 | -2 | -2 |
| Purchases | 45 | 45 | 45 |
| Sales | -7 | - | -7 |
| Issues | - | - | - |
| Redemptions | -17 | -17 | -17 |
| Reclassifications to Level 3 | 2,088 | 2,030 | 2,088 |
| Reclassifications from Level 3 | -235 | -81 | -235 |
| Fair value as at 31.12.2014 | 2,535 | 2,533 | 2,535 |
| Changes in the group of consolidated companies | - | - | - |
| Gains or losses recognised in income statement during the period | 104 | 104 | 104 |
| of which unrealised gains/losses | 119 | 119 | 119 |
| Purchases | 15 | 15 | 15 |
| Sales | -10 | -9 | -10 |
| Issues | - | - | - |
| Redemptions | -61 | -61 | -61 |
| Reclassifications to Level 3 | 152 | 149 | 152 |
| Reclassifications from Level 3 | -174 | -171 | -174 |
| Fair value as at 30.9.2015 | 2,561 | 2,560 | 2,561 |

Unrealised gains or losses on financial instruments held for trading purposes (trading liabilities and derivatives) are included in net trading income.

Sensitivity analysis

Where the value of financial instruments is based on unobservable input parameters (Level 3), the precise level of these parameters at the balance sheet date may be derived from a range of reasonable possible alternatives at the discretion of management. In preparing the Group financial statements, appropriate levels for these unobservable input parameters are chosen which are consistent with existing market evidence and in line with the Group's valuation control approach.

The purpose of this disclosure is to illustrate the potential impact of the relative uncertainty in the fair values of financial instruments with valuations based on unobservable input parameters (Level 3). Interdependencies frequently exist between the parameters used to determine Level 3 fair values. For example, an anticipated improvement in the overall economic situation may

cause share prices to rise, while securities perceived as being lower risk, such as German Government Bonds, may lose value. Such interdependencies are accounted for by means of correlation parameters insofar as they have a significant effect on the fair values in question. If a valuation model uses several parameters, the choice of one parameter may restrict the range of possible values the other parameters may take. So, by definition, this category will contain more illiquid instruments, instruments with longer-term maturities and instruments where sufficient independent observable market data is difficult to obtain. The purpose of this information is to illustrate the main unobservable input parameters for Level 3 financial instruments and subsequently present various inputs on which the key input parameters were based.

There was one significant reclassification from Level 2 to Level 3 in the first nine months involving €0.1bn of negative fair values of derivative financial instruments, as observable data was no longer available on the market.

The main unobservable input parameters for Level 3 and the key related factors may be summarised as follows:

- Internal rate of return (IRR):

The IRR is defined as the discount rate that sets the net present value of all cash flows from an instrument equal to zero. For bonds, the IRR depends, for example, upon the current bond price, the nominal value and the duration.

- Equity correlation:

Correlation is a measure of how two instruments move in relation to each other. Correlation is expressed as the correlation coefficient, which ranges between -1 and $+1$.

Many popular equity derivative products involve several underlying reference assets (equity basket correlation). The performance is determined by taking the average of the baskets; locking in at certain time intervals the best (or worst) performers; or picking the best (or worst) performer at maturity.

Basket products such as index baskets may have their performance linked to a number of indices. The inputs used to price these include the interest rate, index volatility, index dividend and the correlations between the indices. The correlation coefficients are typically provided by independent data providers. For correlated paths the average basket value can then be estimated by a large number of samples (Monte Carlo simulation).

A quanto (quantity adjusting option) swap is a swap with varying combinations of interest rate, currency and equity swap features, where the yield spread is based on the movement of two different countries' interest rates. Payments are settled in the same currency.

The inputs needed to value an equity quanto swap are the correlation between the underlying index and the FX forward rate, the volatility of the underlying index, the volatility of the FX forward rate and maturity.

- Credit spread:

The credit spread is the yield spread (premium or discount) between securities that are identical in all respects except for their respective credit quality. The credit spread represents the excess yield above the benchmark reference instrument that compensates for the difference in creditworthiness between the instrument and the benchmark. Credit spreads are quoted in terms of the number of basis points above (or below) the quoted benchmark. The wider (higher) the credit spread in relation to the benchmark, the lower the instrument's creditworthiness, and vice versa for narrower (lower) credit spreads.

- Discount yield:

Discount yield is a measure of a bond's percentage return. Discount yield is most frequently used to calculate the yield on short-term bonds and treasury bills sold at a discount. This yield calculation uses the convention of a 30-day month and 360-day year. The inputs required to determine the discount yield are the par value, purchase price and the number of days to maturity.

- Credit correlation:

Credit derivative products such as collateralised debt obligations (CDOs), CDS indices, such as iTraxx and CDX, and First-to-default (FTD) basket swaps all derive their value from an underlying portfolio of credit exposures.

Correlation is a key determinant in the pricing of FTD swaps. Default correlation assumptions can have a significant impact on the distribution of losses experienced by a credit portfolio. It is the loss distribution that captures the default characteristics of a portfolio of credits and ultimately determines the pricing of the FTD swaps.

At low correlation, the assets are virtually independent. In the case of an extremely low expected standard correlation, the distribution is almost symmetrical. There is a high probability of experiencing a few losses but almost no probability of experiencing a very large number of losses. Also the probability of experiencing zero losses is low. With a medium expected standard correlation, the distribution becomes more "skewed". There is thus a higher probability of experiencing no defaults, but also a higher probability of experiencing a large number of losses. As a result, there is a greater likelihood of assets defaulting together. The tail of the portfolio loss distribution is pushed out, with more of the risk therefore in the senior tranche.

At a high correlation, the portfolio virtually behaves like a single asset, which either does or does not default.

- Mean reversion of interest rates:

This is a theory suggesting that prices and returns eventually move back towards the mean or average. This mean or average can be the historical average of a price or yield or another relevant average such as average economic growth or the average return of an industry.

A single-factor interest rate model used to price derivatives is the Hull-White model. This assumes that short rates have a normal distribution and are subject to mean reversion. Volatility is likely to be low when short rates are near zero, which is reflected in a larger mean reversion in the model. The Hull-White model is an extension of the Vasicek and Cox-Ingersoll-Ross (CIR) models.

- Interest rate-forex (IR-FX) correlation:

The IR-FX correlation is relevant for the pricing of exotic interest rate swaps involving the exchange of funding payments in one currency and an exotic structured leg that is usually based on the development of two government bond yields in different currencies.

Data vendors provide a service for quanto swaps as well as for CMS quanto spread options in the same currency pairs. We participate in these services and receive consensus mid prices for these, together with spreads and standard deviations of the distribution of prices provided by all participants.

The model parameters required as inputs include, for example, rate/rate (Dom-For currency) and rate/FX (Dom-FX and For-FX) correlations. These are not directly observable on the market, but can be derived from consensus prices then used to price these transactions.

For the calculation of the correlation sensitivities, the different types of correlations (rate/rate and rate/FX) are shifted one after the other and the exotics interest rate swaps portfolio is revalued each time. The calculated price differences to the respective basis prices determine the sensitivity values for each correlation type. These calculations are done for the various currency pairs.

- Recovery rates, survival and default probabilities:

Supply and demand as well as the arbitrage relationship with asset swaps tends to be the dominant factor driving pricing of credit default swaps. Models for pricing default swaps tend to be used more for exotic structures and off-market default swap valuation for which fixed interest payments above or below the market rate are agreed. These models calculate the implied default probability of the reference asset as a means of discounting the cash flows in a default swap. The model inputs are credit spreads and recovery rates that are used to interpolate (“bootstrap”) a time series of survival probabilities of the reference asset. A typical recovery rate assumption in the default swap market for senior unsecured contracts is 40%.

Assumptions about recovery rates will be a factor determining the shape of the survival probability curve. Different recovery rate assumptions translate into different survival probability rates. For a given credit spread, a high recovery assumption implies a higher probability of default (relative to a low recovery assumption) and hence a lower survival probability.

There is a relationship over time between default rates and recovery rates of corporate bond issuers. In particular, there is an inverse correlation between the two: an increase in the default rate (defined as the percentage of issuers defaulting) is generally associated with a decline in the average recovery rate.

In practice, market participants use market spreads to determine implied default probabilities. Estimates of default probabilities also depend on the joint loss distributions of the parties involved in a credit derivative transaction. The copula function is used to measure the correlation structure between two or more variables. The copula function creates a joint distribution while keeping the characteristics of the two independent marginal distributions.

The following ranges for the material unobservable parameters were used in the valuation of our Level 3 financial instruments:

| €m | Valuation technique | 30.9.2015 | | Significant unobservable input parameters | 30.9.2015 | |
|------------------------------------|----------------------------|--------------|--------------|---|-----------|-----------|
| | | Assets | Liabilities | | Range | |
| Derivatives | | 3,939 | 2,560 | | | |
| Equity-related transactions | Discounted cash flow model | 199 | 77 | IRR (%) | 2.8 | 3.1 |
| Credit derivatives | Discounted cash flow model | 3,731 | 2,318 | Credit spread (bps) Recovery rate (%) | 100 40 | 500 80 |
| Interest-rate-related transactions | Option pricing model | 9 | 165 | IR-FX correlation (%) | -28 | 74 |
| Other transactions | | - | - | | | |
| Securities | | 1,595 | - | | | |
| Interest-rate-related transactions | Price-based model | 1,595 | - | Price (%) | - | 100 |
| of which ABS | Price-based model | 1,523 | -1 | Price (%) | - | 100 |
| Equity-related transactions | | - | - | | | |
| Loans | Price-based model | 1 | 1 | Price (%) | - | 100 |
| Total | | 5,535 | 2,561 | | | |

The table below shows the impact on the income statement of reasonable parameter estimates on the edges of these ranges for instruments in the fair value hierarchy Level 3. The sensitivity

analysis for financial instruments in the fair value hierarchy Level 3 is broken down by type of instrument:

| €m | 2015 | | Changed parameters |
|------------------------------------|--------------------------------------|--------------------------------------|--|
| | Positive effects on income statement | Negative effects on income statement | |
| Derivatives | 64 | -62 | |
| Equity-related transactions | 17 | -16 | IRR |
| Credit derivatives | 35 | -34 | Credit spread, recovery rate |
| Interest-rate-related transactions | 12 | -12 | Correlation |
| Other transactions | - | - | |
| Securities | 36 | -18 | |
| Interest-rate-related transactions | 36 | -18 | Price |
| of which ABS | 30 | -12 | Discount yield, recovery rate, credit spread |
| Equity-related transactions | - | - | |
| Loans | 1 | -1 | Price |

The selected parameters lie at the extremes of their range of reasonable possible alternatives. In practice, however, it is unlikely that all unobservable parameters would simultaneously lie at the extremes of this range. Consequently, the estimates provided are likely to exceed the actual uncertainty in the fair values of these

instruments. The purpose of these figures is not to estimate or predict future changes in fair value. The unobservable parameters were either shifted by between 1 and 10% as deemed appropriate by our independent valuation experts for each type of instrument or a measure of standard deviation was applied.

Day-One Profit or Loss

The Commerzbank Group has entered into transactions where the fair value was calculated using a valuation model, where not all material input parameters were observable in the market. The initial carrying value of such transactions is the transaction price. The difference between the transaction price and the fair value under the model is termed the “day one profit or loss”. The day one profit or loss is not recognised immediately in the income statement but pro rata over the term of the transaction.

As soon as there is a quoted market price on an active market for such transactions or all material input parameters become observable, the accrued day one profit or loss is immediately recognised in net trading income. A cumulated difference between transaction price and model valuation is calculated for the Level 3 items in all categories. Material impacts only result from financial instruments held for trading; the development was as follows:

| €m | Day one profit or loss | | |
|--|------------------------|---------------------|-------|
| | Trading assets | Trading liabilities | Total |
| Balance as at 1.1.2014 | – | 1 | 1 |
| Allocations not recognised in income statement | – | – | – |
| Reversals recognised in income statement | – | – | – |
| Balance as at 31.12.2014 | – | 1 | 1 |
| Allocations not recognised in income statement | – | 3 | 3 |
| Reversals recognised in income statement | – | 1 | 1 |
| Balance as at 30.9.2015 | – | 3 | 3 |

Below we provide more information on the fair values of financial instruments which are not recognised at fair value in the balance sheet, but for which a fair value must be disclosed. For the financial instruments reported in the balance sheet at fair value, the accounting methodology is set out in the section on fair value hierarchy.

The nominal value of financial instruments that fall due on a daily basis is taken as their fair value. These instruments include the cash reserve as well as overdrafts and demand deposits in the claims on banks and customers or liabilities to banks and customers items.

Market prices are not available for loans as there are no organised markets for trading these financial instruments. A discounted cash flow model is used for loans with parameters based on a risk-free yield curve (swap curve), credit spreads and a maturity-based premium to cover liquidity spreads, plus fixed premiums for administrative costs and the cost of capital. Data on the credit spreads of major banks and corporate customers is available. When using credit spreads, neither liquidity spreads nor premiums for administrative costs and the cost of capital may be considered, since implicitly they are already included in credit risk.

In the case of reclassified securities contained in the IAS 39 loans and receivables category the fair value is determined on the basis of available market prices insofar as an active market once again exists (Level 1). If there is no active market, recognised valuation methods are to be used to determine the fair values. In general, the discounted cash flow model is applied to the valuation. The parameters used comprise yield curves, risk and liquidity spreads and premiums for administrative costs and the cost of capital.

For liabilities to banks and customers, a discounted cash flow model is generally used for determining fair value, since market data is usually not available. In addition to the yield curve, own credit spread and a premium for operating expenses are also taken into account. In the case of promissory note loans issued by banks, the cost of capital is also taken into account.

The fair value of securitised liabilities, subordinated liabilities and hybrid capital is determined on the basis of available market prices. If no prices are available, the discounted cash flow model is used to determine the fair values. A number of different factors, including current market interest rates, the own credit spread and capital costs, are taken into account in determining fair value.

Fair Value Balance sheet

The table below compares the fair values of the balance sheet items with their carrying amounts:

| €bn | Fair value | | Carrying amount | | Difference | |
|--|------------|------------|-----------------|------------|------------|------------|
| | 30.9.2015 | 31.12.2014 | 30.9.2015 | 31.12.2014 | 30.9.2015 | 31.12.2014 |
| Assets | | | | | | |
| Cash reserve | 14.2 | 4.9 | 14.2 | 4.9 | – | – |
| Claims on banks | 88.3 | 80.0 | 88.3 | 80.0 | – | – |
| Claims on customers | 234.4 | 235.7 | 234.1 | 232.9 | 0.3 | 2.8 |
| Value adjustment on portfolio fair value hedges ¹ | 0.0 | 0.0 | 0.3 | 0.4 | –0.3 | –0.4 |
| Positive fair values of derivative hedging instruments | 3.0 | 4.5 | 3.0 | 4.5 | – | – |
| Trading assets | 126.0 | 130.3 | 126.0 | 130.3 | – | – |
| Financial investments | 81.4 | 87.3 | 84.5 | 90.4 | –3.1 | –3.1 |
| Non-current assets and disposal groups held for sale | 0.1 | 0.2 | 0.1 | 0.2 | – | – |
| Liabilities | | | | | | |
| Liabilities to banks | 103.3 | 99.4 | 103.3 | 99.4 | – | – |
| Liabilities to customers | 261.2 | 249.5 | 260.7 | 249.0 | 0.5 | 0.5 |
| Securitised liabilities | 46.0 | 52.0 | 44.3 | 48.8 | 1.7 | 3.2 |
| Value adjustment on portfolio fair value hedges ¹ | 0.0 | 0.0 | 1.2 | 1.3 | –1.2 | –1.3 |
| Negative fair values of derivative hedging instruments | 7.8 | 9.4 | 7.8 | 9.4 | – | – |
| Trading liabilities | 92.0 | 97.2 | 92.0 | 97.2 | – | – |
| Liabilities from disposal groups held for sale | 0.1 | 0.1 | 0.1 | 0.1 | – | – |
| Subordinated debt instruments | 12.4 | 13.1 | 11.7 | 12.4 | 0.7 | 0.7 |

¹ The fair value adjustments on portfolio fair value hedges are contained in the relevant balance sheet line items for the hedged items.

(31) Treasury shares

| | Number of shares in units | Accounting par value ¹ in €1,000 | Percentage of share capital |
|---|---------------------------|---|-----------------------------|
| Balance as at 30.9.2015 | – | – | – |
| Largest number acquired during the financial year | – | – | – |
| Total shares pledged by customers as collateral as at 30.9.2015 | 6,841,497 | 6,841 | 0.55 |
| Shares acquired during the current financial year | – | – | – |
| Shares disposed of during the current financial year | – | – | – |

¹ Accounting par value per share €1.00.

(32) Related party transactions

As part of its normal business activities, the Commerzbank Group does business with related parties. These include subsidiaries that are controlled but not consolidated for reasons of materiality, companies accounted for using the equity method, equity holdings, external providers of occupational pensions for employees of Commerzbank Aktiengesellschaft, key management personnel and members of their families as well as companies controlled by these persons. Key management personnel refers exclusively to members of Commerzbank Aktiengesellschaft's Board of Managing Directors and Supervisory Board.

Besides the size of the stake held by the German federal government as guarantor of the Financial Market Stabilisation

Authority (FMSA), which administers the Financial Market Stabilisation Fund (SoFFin), other factors (including membership of the supervisory board) which could allow a shareholder to exert a significant influence on Commerzbank Aktiengesellschaft also need to be taken into account. As a result the German federal government and entities controlled by it continue to constitute related parties as defined by IAS 24.

In the tables below we present relationships with federal government-controlled entities and agencies separately from relationships with other related parties.

Assets, liabilities and off-balance sheet items involving related parties (excluding federal agencies) were as follows:

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|-------------------------------------|--------------|--------------|--------------|
| Claims on banks | 17 | 41 | -58.5 |
| Claims on customers | 1,067 | 1,118 | -4.6 |
| Trading assets | 5 | 13 | -61.5 |
| Financial investments | 103 | 40 | . |
| Other assets | 143 | 51 | . |
| Total | 1,335 | 1,263 | 5.7 |
| Liabilities to banks | 7 | - | . |
| Liabilities to customers | 616 | 665 | -7.4 |
| Trading liabilities | - | 3 | -100.0 |
| Subordinated debt instruments | 252 | 394 | -36.0 |
| Other liabilities | 17 | 26 | -34.6 |
| Total | 892 | 1,088 | -18.0 |
| Off-balance-sheet items | | | |
| Guarantees and collaterals granted | 188 | 220 | -14.5 |
| Guarantees and collaterals received | 5 | 6 | -16.7 |

The following income and expenses arose from loan agreements with, deposits from and services provided in connection with related parties (excluding federal agencies):

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|--|----------------|----------------|-------------|
| Income | | | |
| Interest income | 68 | 77 | -11.7 |
| Commission income | 95 | 58 | 63.8 |
| Gains or losses on disposals and remeasurement | - | 2 | -100.0 |
| Others | 1 | 1 | 0.0 |
| Expenses | | | |
| Interest expenses | 25 | 35 | -28.6 |
| Commission expenses | 2 | 2 | 0.0 |
| Operating expenses | 60 | 52 | 15.4 |
| Write-downs/impairments | 2 | 11 | -81.8 |
| Others | 4 | 6 | -33.3 |

The Commerzbank Group conducts transactions with federal government-controlled entities and agencies as part of its ordinary business activities on standard market terms and conditions.

Assets and liabilities and off-balance-sheet items in connection with federal government-controlled entities changed as follows:

| €m | 30.9.2015 | 31.12.2014 | Change in % |
|-------------------------------------|---------------|---------------|-------------|
| Cash reserve | 6,361 | 247 | . |
| Claims on banks | 151 | 154 | -1.9 |
| Claims on customers | 1,256 | 1,438 | -12.7 |
| Trading assets | 3,001 | 970 | . |
| Financial investments | 3,438 | 3,484 | -1.3 |
| Total | 14,207 | 6,293 | . |
| Liabilities to banks | 13,627 | 13,255 | 2.8 |
| Liabilities to customers | 47 | 89 | -47.2 |
| Trading liabilities | 1,362 | 845 | 61.2 |
| Total | 15,036 | 14,189 | 6.0 |
| Off-balance-sheet items | | | |
| Guarantees and collaterals granted | 290 | 242 | 19.8 |
| Guarantees and collaterals received | - | - | . |

Income and expenses for transactions with federal agencies were as follows:

| €m | 1.1.–30.9.2015 | 1.1.–30.9.2014 | Change in % |
|--|----------------|----------------|-------------|
| Income | | | |
| Interest income | 142 | 209 | - 32.1 |
| Commission income | 3 | 2 | 50.0 |
| Gains or losses on disposals and remeasurement | 24 | 2 | . |
| Expenses | | | |
| Interest expenses | 69 | 139 | - 50.4 |
| Net loan loss provisions | - | 12 | - 100.0 |
| Commission expenses | - | - | . |
| Operating expenses | - | - | . |
| Write-downs/impairments | - | - | . |

(33) Information on netting of financial instruments

The table below shows the reconciliation of amounts before and after netting, as well as the amounts of existing netting rights which do not satisfy the netting criteria, separately for all recognised financial assets and liabilities which

- are already netted in accordance with IAS 32.42 (financial instruments I) and
- are subject to an enforceable, bilateral master netting agreement or a similar agreement but are not netted in the balance sheet (financial instruments II).

For the netting agreements we conclude master agreements with our counterparties (such as 1992 ISDA Master Agreement Multi-Currency Cross-Border; German Master Agreement for Financial Futures). By means of such netting agreements, the positive and negative fair values of the derivatives contracts included under a master agreement can be offset against one another. This netting process reduces the credit risk to a single net claim on the party to the contract (close-out-netting).

We apply netting to receivables and liabilities from repurchase agreements (reverse repos and repos) and to positive and negative fair values of derivatives. The balance sheet netting pertains to transactions with central counterparties.

| Assets €m | 30.9.2015 | | 31.12.2014 | |
|--|---------------|--|---------------|--|
| | Reverse repos | Positive fair values of derivative financial instruments | Reverse repos | Positive fair values of derivative financial instruments |
| Gross amount of financial instruments | 61,035 | 151,069 | 52,874 | 190,145 |
| Book values not eligible for netting | 5,527 | 6,235 | 5,588 | 8,430 |
| a) Gross amount of financial instruments I and II | 55,508 | 144,834 | 47,286 | 181,715 |
| b) Amount netted in the balance sheet for financial instruments I ¹ | 15,904 | 67,807 | 15,036 | 96,374 |
| c) Net amount of financial instruments I and II = a) – b) | 39,604 | 77,027 | 32,250 | 85,341 |
| d) Master agreements not already accounted for in b) | | | | |
| Amount of financial instruments II which do not fulfil or only partially fulfil the criteria under IAS 32.42 ² | 3,205 | 56,154 | 1,793 | 63,067 |
| Fair value of financial collateral relating to financial instruments I and II not already accounted for in b) ³ | | | | |
| Non-cash collaterals ⁴ | 28,683 | 1,588 | 15,950 | 2,043 |
| Cash collaterals | 96 | 12,150 | 16 | 10,738 |
| e) Net amount of financial instruments I and II = c) – d) | 7,620 | 7,135 | 14,491 | 9,493 |
| f) Fair value of financial collateral of central counterparties relating to financial instruments I | 7,464 | 585 | 14,479 | 664 |
| g) Net amount of financial instruments I and II = e) – f) | 156 | 6,550 | 12 | 8,829 |

¹ Of which for positive fair values €857m (previous year: €581m) is attributable to margins.

² Lesser amount of assets and liabilities.

³ Excluding rights or obligations to return arising from the transfer of collateral.

⁴ Including financial instruments not reported on the balance sheet (e.g. securities provided as collateral in repo transactions).

| Liabilities €m | 30.9.2015 | | 31.12.2014 | |
|--|--------------|--|---------------|--|
| | Repos | Negative fair values of derivative financial instruments | Repos | Negative fair values of derivative financial instruments |
| Gross amount of financial instruments | 46,381 | 155,866 | 49,883 | 196,592 |
| Book values not eligible for netting | 1,051 | 4,285 | 1,123 | 6,284 |
| a) Gross amount of financial instruments I and II | 45,330 | 151,581 | 48,760 | 190,308 |
| b) Amount netted in the balance sheet for financial instruments I ¹ | 15,904 | 68,652 | 15,036 | 98,336 |
| c) Net amount of financial instruments I and II = a) – b) | 29,426 | 82,929 | 33,724 | 91,972 |
| d) Master agreements not already accounted for in b) | | | | |
| Amount of financial instruments II which do not fulfil or only partially fulfil the criteria under IAS 32.42 ² | 3,205 | 56,154 | 1,793 | 63,067 |
| Fair value of financial collateral relating to financial instruments I and II not already accounted for in b) ³ | | | | |
| Non-cash collaterals ⁴ | 24,582 | 2,394 | 17,804 | 2,165 |
| Cash collaterals | 7 | 20,220 | 3 | 22,058 |
| e) Net amount of financial instruments I and II = c) – d) | 1,632 | 4,161 | 14,124 | 4,682 |
| f) Fair value of financial collateral of central counterparties relating to financial instruments I | 1,625 | 585 | 14,072 | 664 |
| g) Net amount of financial instruments I and II = e) – f) | 7 | 3,576 | 52 | 4,018 |

¹ Of which for negative fair values €1,702m (previous year: €2,543m) is attributable to margins.

² Lesser amount of assets and liabilities.

³ Excluding rights or obligations to return arising from the transfer of collateral.

⁴ Including financial instruments not reported on the balance sheet (e.g. securities provided as collateral in repo transactions).

Boards of Commerzbank Aktiengesellschaft

Supervisory Board

Klaus-Peter Müller
Chairman

Uwe Tschäge¹
Deputy Chairman

Hans-Hermann Altenschmidt¹

Dr. Nikolaus von Bomhard
(until 30.4.2015)

Gunnar de Buhr¹

Stefan Burghardt¹

Sabine U. Dietrich
(since 30.4.2015)

Karl-Heinz Flöther

Dr. Markus Kerber

Alexandra Krieger¹

Oliver Leiberich¹

Dr. Stefan Lippe

Beate Mensch¹

Anja Mikus
(since 30.4.2015)

Dr. Roger Müller

Dr. Helmut Perlet

Barbara Priester¹

Mark Roach¹

Petra Schadeberg-Herrmann
(until 30.4.2015)

Margit Schoffer¹

Nicholas Teller

Dr. Gertrude Tumpel-Gugerell

¹ Elected by the Bank's employees

Board of Managing Directors

Martin Blessing
Chairman

Frank Annuscheit

Markus Beumer

Stephan Engels

Michael Reuther

Dr. Stefan Schmittmann

Martin Zielke

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Frankfurt am Main, 29. Oktober 2015
The Board of Managing Directors



Martin Blessing



Frank Annuscheit



Markus Beumer



Stephan Engels



Michael Reuther



Stefan Schmittmann



Martin Zielke

Review report

To COMMERZBANK Aktiengesellschaft, Frankfurt am Main

We have reviewed the condensed consolidated interim financial statements – comprising the statement of financial position, statement of comprehensive income, condensed statement of cash flows, statement of changes in equity and selected explanatory notes – and the interim group management report of COMMERZBANK Aktiengesellschaft, Frankfurt am Main, for the period from 1 January to 30 September 2015 which are part of the quarterly financial report pursuant to § (Article) 37 x para. 3 WpHG (“Wertpapierhandelsgesetz”: German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company’s Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Frankfurt am Main, 29 October 2015

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Peter Goldschmidt
Wirtschaftsprüfer
(German Public Auditor)

Caroline Gass
Wirtschaftsprüferin
(German Public Auditor)

Significant subsidiaries and associates

| Germany | Abroad |
|---|---|
| Atlas Vermögensverwaltungsgesellschaft mbH, Frankfurt am Main | Commerzbank (Eurasija) SAO, Moscow |
| comdirect bank AG, Quickborn | Commerzbank International S.A., Luxembourg |
| Commerz Real AG, Eschborn | Commerzbank Zrt., Budapest |
| Hypothekbank Frankfurt AG, Eschborn | Commerz Markets LLC, New York |
| | Erste Europäische Pfandbrief- und Kommunalkreditbank Aktiengesellschaft in Luxembourg, Luxembourg |
| | mBank S.A., Warsaw |

Operative foreign branches

Amsterdam, Barcelona, Bratislava, Beijing, Brno (office), Brussels, Dubai, Hong Kong, London, Luxembourg, Madrid, Milan, New York, Ostrava (office), Paris, Plzeň (office), Prague, Shanghai, Singapore, Tianjin, Tokyo, Vienna, Zurich

Representative Offices and Financial Institutions desks

Abidjan, Addis Ababa, Almaty, Ashgabat, Baghdad, Baku, Bangkok, Beijing (FI Desk), Beirut, Belgrade, Brussels (Liaison Office to the European Union), Bucharest, Buenos Aires, Cairo, Caracas, Dhaka, Dubai (FI Desk), Ho Chi Minh City, Hong Kong (FI Desk), Istanbul, Jakarta, Johannesburg, Kiev, Kuala Lumpur, Lagos, Luanda, Melbourne, Milan (FI Desk), Minsk, Moscow, Mumbai, New York (FI Desk), Novosibirsk, Panama City, Riga, Santiago de Chile, São Paulo, Seoul, Shanghai (FI Desk), Singapore (FI Desk), Taipei, Tashkent, Tblisi, Tokyo (FI Desk), Tripoli, Zagreb

The German version of this Interim Report is the authoritative version.

Disclaimer

Reservation regarding forward-looking statements

This interim report contains forward-looking statements on Commerzbank's business and earnings performance, which are based upon our current plans, estimates, forecasts and expectations. The statements entail risks and uncertainties, as there are a variety of factors which influence our business and to a great extent lie beyond our sphere of influence. Above all, these include the economic situation, the state of the financial markets worldwide and possible loan losses. Actual results and developments may, therefore, diverge considerably from our current assumptions, which, for this reason, are valid only at the time of publication. We undertake no obligation to revise our forward-looking statements in the light of either new information or unexpected events.

Cover

German Football Association (DFB), Commerzbank-Arena, Frankfurt am Main

2016 Financial calendar

| | |
|------------------|--|
| 12 February 2016 | Annual Results Press Conference |
| End-March 2016 | Annual Report 2015 |
| 20 April 2016 | Annual General Meeting |
| 3 May 2016 | Interim Report as at 31 March 2016 |
| 2 August 2016 | Interim Report as at 30 June 2016 |
| 4 November 2016 | Interim Report as at 30 September 2016 |

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