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Commerzbank Aktiengesellschaft (the "Bank")

announces **Exchange Offer**

in relation to its

Description of the Existing Notes	ISIN	Denomination	Outstanding principal amount	Benchmark	Exchange Spread	Exchange Price	New Issue Spread	New Notes Issue Price
EUR 1,253,629,000 Subordinated 6.375% Tier II Fixed Rate Notes of 2011/2019 (the "Existing Notes")	DE000CB83CE3	EUR 1,000	EUR 1,253,629,000	Interpolated Mid-Swap Rates	18 bps	To be determined as set out in the Memorandum at the Pricing Time on the Pricing Date and announced as soon as reasonably practicable thereafter	291 bps	To be determined as set out in the Memorandum at the Pricing Time on the Pricing Date and announced as soon as reasonably practicable thereafter

for

Euro Denominated Subordinated 4.00 per cent. Notes due 2027, temporary ISIN DE000CZ40L30 (the "**New Notes**")

(the New Notes to be consolidated and form a single series with the EUR 500,000,000 subordinated 4.00 per cent. Notes of 2017/2027, ISIN DE000CZ40LW5 issued 16 January 2017 upon exchange of the Temporary Global Note representing the New Notes for the Permanent Global Note as set out in the Terms and Conditions of the New Notes)

This announcement is made as a matter of record only and should be read in conjunction with the exchange offer memorandum dated 7 March 2017 (the "**Memorandum**"). Capitalised terms used and not otherwise defined in this announcement have the meaning given in the Memorandum.

The Bank has today launched an invitation to all holders of the Existing Notes (the "**Noteholders**"), subject to offer restrictions set out in the Memorandum, to Offer to Exchange any and all of their Existing Notes for New Notes to be issued in the denominations of EUR 1,000 by the Bank under its existing EUR 40,000,000,000 Medium Term Note Programme, the terms and conditions of which are more fully set out in the form of New Notes Final Terms and New Notes Terms and Conditions attached to the Memorandum.

The Bank is intending that the Exchange Offer will not be accounted for as an extinguishment for accounting purposes. As of launch, the Bank expects this to be the case, however to the extent this changes as a result of prevailing market conditions, the Bank may choose to terminate the Offer.

The New Notes will

- (a) be issued by the Bank as Series 874 Tranche 2 under its EUR 40,000,000,000 Medium Term Note Programme in the denomination of EUR 1,000 each;
- (b) mature on 30 March 2027;
- (c) constitute Tier 2 instruments of the Bank;
- (d) bear interest at a fixed rate per annum equal to 4.00 per cent which will be payable annually in arrear on an actual/actual ICMA (following unadjusted) basis; and
- (e) only be delivered in exchange for a minimum consideration of Existing Notes per Exchange Instruction such that for such number of full Existing Notes per Exchange Instruction the aggregate principal amount of which multiplied by the Exchange Price is at least equal to EUR 100,000 (the "**Minimum Offer Amount**").

At or around 3:00 p.m. (CET) (the "**Pricing Time**") on the date expected to be 14 March 2017 (the "**Pricing Date**") the Bank will determine

- (i) the Existing Notes Interpolated Mid-Swap Rate and the Exchange Price (expressed as a percentage) at which the Bank will accept for exchange Existing Notes, if any, in accordance with market convention which, Exchange Price is intended to reflect a yield to maturity of the Existing Notes on the Settlement Date equal to the sum of (x) the Exchange Spread and (y) the Existing Notes Interpolated Mid-Swap Rate (the "**Exchange Price**");
- (ii) the New Notes Interpolated Mid-Swap Rate and the final issue price of the New Notes (the "**New Notes Issue Price**"); and
- (iii) the exchange ratio (rounded to six decimal places, with 0.0000005 rounded upwards) which will be equal to (x) the Exchange Price divided by (y) the New Notes Issue Price (the "**Exchange Ratio**").

As soon as reasonably practicable after the Pricing Time on the Pricing Date the Bank will announce

- (i) the Interpolated Mid-Swap Rates, the Exchange Price, the New Notes Issue Price and the Exchange Ratio; and
- (ii) whether it will accept valid offers of Existing Notes for exchange pursuant to the Exchange Offer and, if so accepted, the final aggregate principal amount of the Existing Notes accepted for exchange and the aggregate principal amount of the New Notes to be issued.

The Exchange Offer will expire at 12:00 p.m. (noon) (CET) on 14 March 2017 (the "**Expiration Deadline**"), unless the period for the Exchange Offer is extended, re-opened or terminated.

On the Settlement Date, which is expected to be 17 March 2017, the Bank will issue New Notes on the basis of the Exchange Ratio, i.e. on the Settlement Date the Bank will issue to each Noteholder in respect of each Exchange Instruction in exchange for the aggregate principal amount of Existing Notes validly offered and accepted for exchange under such Exchange Instruction such aggregate principal amount of New Notes as is equal to the aggregate principal amount of Existing Notes validly offered and accepted for exchange under such Exchange Instruction multiplied by the Exchange Ratio and rounded down to the nearest integral multiple of EUR 1,000 (the "**Relevant New Notes Aggregate Principal Amount per Exchange Instruction**"). If, as a result of the application of the Exchange Ratio, a Noteholder would be entitled to receive an aggregate principal amount of New Notes that is not an integral multiple of EUR 1,000, the Bank will pay, or procure that there is paid, in cash to that Noteholder on the Settlement Date an amount equal to (i) the fractional portion of such aggregate principal amount that is not such an integral multiple, multiplied by (ii) the New Notes Issue Price (rounded to the nearest EUR 0.01, with half a cent being rounded upwards) (the "**Cash Rounding Amount**").

In addition, the Bank will pay to each Noteholder in respect of each Exchange Instruction in cash any Accrued Interest Balance per Exchange Instruction on the Settlement Date.

The Exchange Offer is being made on the terms and subject to the conditions set out in the Memorandum, copies of which may be obtained free of charge from Lucid Issuer Services Limited (the "**Exchange Agent**").

The Bank is conducting the Exchange Offer to efficiently manage its Tier 2 capital in light of prevailing market conditions.

Noteholders are advised to check with the bank, securities broker or other intermediary through which they hold Existing Notes whether such intermediary would require to receive instructions to participate in the Exchange Offer before the deadlines specified above. The deadlines set by each Clearing System for the submission of Exchange Instructions will also be earlier than the relevant deadlines above.

INDICATIVE TIMETABLE

Event	Date and time (all times are CET)
<i>Commencement of the Exchange Offer</i>	7 March 2017
Exchange Offer announced and Memorandum available from the Exchange Agent	
<i>Expiration Deadline</i>	At 12:00 p.m. (noon) on 14 March 2017
Deadline for receipt by the Exchange Agent of any Exchange Instruction in order to participate in the Exchange Offer	
<i>Pricing Time and Pricing Date</i>	At or around 3:00 p.m. on the date expected to be 14 March 2017
Determination of the Interpolated Mid-Swap Rates, the Exchange Price, the New Notes Issue Price and the Exchange Ratio	
<i>Results Announcement</i>	As soon as reasonably practicable after the Pricing Time on the Pricing Date.
Announcement of	
(i) the Interpolated Mid-Swap Rates, the Exchange Price, the New Notes Issue Price and the Exchange Ratio; and	
(ii) the final aggregate principal amount of the Existing Notes accepted for exchange, if any, and the aggregate principal amount of the New Notes to be issued.	
<i>Settlement Date</i>	Expected to be 17 March 2017
Settlement of the Exchange Offer in respect of Existing Notes validly offered for exchange and accepted for exchange pursuant to each Exchange Instruction, including	
(i) delivery of the Relevant New Notes Aggregate Principal Amount per Exchange Instruction;	
(ii) payment of the Accrued Interest Balance per Exchange Instruction, if any; and	
(iii) payment of the relevant Cash Rounding Amount, if any.	

The above dates and times are subject, where applicable, to the right of the Bank to extend, re-open, amend, and/or terminate the Exchange Offer.

Noteholders are advised to read carefully the Memorandum, as applicable, for full details of, and information on, the procedures for participating in the Exchange Offer.

Subject to applicable law and as provided in the Memorandum, the Bank may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Exchange Offer at any time.

Requests for information in relation to the terms of the Exchange Offer should be directed to:

THE DEALER MANAGERS

Commerzbank AG

Mainzer Landstrasse 153
DLZ-Geb. 2, Händlerhaus
60327 Frankfurt am Main
Federal Republic of Germany
Telephone: +49 69 136 59920
Attention: Liability Management Group
Email: liability.management@commerzbank.com

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ
United Kingdom
Telephone: +44 20 7996 5420
Attention: Liability Management Group
Email: DG.LM_EMEA@baml.com

UBS Limited

5 Broadgate
London EC2M 2QS
United Kingdom
Telephone: +44 20 7568 2133
Attention: Liability Management Group
Email: ol-liabilitymanagement-eu@ubs.com

Requests for information in relation to the procedures for tendering Existing Notes in, and for any documents or materials relating to, the Exchange Offer should be directed to:

THE EXCHANGE AGENT

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom
Attention: Paul Kamminga
For information by telephone: +44 20 7704 0880
Email: commerzbank@lucid-is.com

DISCLAIMER

This announcement must be read in conjunction with the Memorandum. This announcement and the Memorandum contain important information which must be read carefully before any decision is made with respect to the Exchange Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax, and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Notes in the Exchange Offer. None of the Bank, the Dealer Managers, the Exchange Agent, or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether Noteholders should tender Existing Notes and/or accept the New Notes in the Exchange Offer.

OFFER RESTRICTIONS

No offer or invitation to acquire or exchange any securities is being made pursuant to this announcement. Nothing in this announcement or the Memorandum constitutes an invitation to participate in the Exchange Offer in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such an invitation under applicable securities laws. Offers to Exchange Existing Notes or pursuant to the Exchange Offer will not be accepted from Noteholders in any jurisdiction where such invitation or offer to exchange is unlawful.

The distribution of this announcement and the Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Memorandum come are required by each of the Bank, the Dealer Managers and the Exchange Agent to inform themselves about, and to observe, any such restrictions.

United States

The Exchange Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the Securities Act (each a "**U.S. Person**")). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this Memorandum and any other documents or materials relating to the Exchange Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including without limitation, by custodians, nominees or trustees) in or into the United States or to a U.S. Person and the Existing Notes cannot be Offered for Exchange by any such use, means, instrumentality or facility or from or within or by any person located or resident in the United States or by any U.S. Person. Any purported Offer to Exchange Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported Offer to Exchange made by a person located in the United States, a U.S. Person, by any person acting for the account or benefit of a U.S. Person, or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. Person will be invalid and will not be accepted.

Each of this announcement and the Memorandum is not an offer of securities for sale in the United States or to U.S. Persons. The Existing Notes and the New Notes may not be offered or sold in the United States absent registration under, or an exemption from the registration requirements of, the Securities Act. None of the Existing Notes and the New Notes have been, or will be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of U.S. persons. The purpose of this Memorandum is limited to the Exchange Offer, and this Memorandum may not be sent or given to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each Noteholder of Existing Notes participating in the Exchange Offer will represent that it is not a U.S. Person and it is not located in the United States and that it is not participating in the Exchange Offer from within the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Exchange Offer from the United States. For the purposes of this and the above paragraph, "**United States**" means United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

United Kingdom

This announcement and the Memorandum have been issued by the Bank which is regulated by the Bank of England's Prudential Regulation Authority ("**PRA**") and the Financial Conduct Authority ("**FCA**") and is being distributed only to existing holders of the Existing Notes, those holders being investment professionals/persons having professional experience in matters relating to investments and high net worth companies/undertakings each within the meaning of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or other persons to whom it can lawfully be communicated under that order. It is not addressed to or directed at any other person, including any retail clients within the meaning of the FCA rules and such other persons should not act or rely on it. Recipients of this announcement and the Memorandum should note that the Bank is acting on its own account in relation to the Exchange Offer and will not be responsible to any other person for providing the protections afforded to clients of the Bank or for providing advice in relation to the Offer.

Other

The Exchange Offer is subject to further offer and distribution restrictions in, amongst other countries, Italy, Belgium and France, as more fully set out in the Memorandum. The distribution of this announcement and the Memorandum in those jurisdictions is restricted by the laws of such jurisdictions.