

# | **commerzbank** – **figures, facts, targets** |

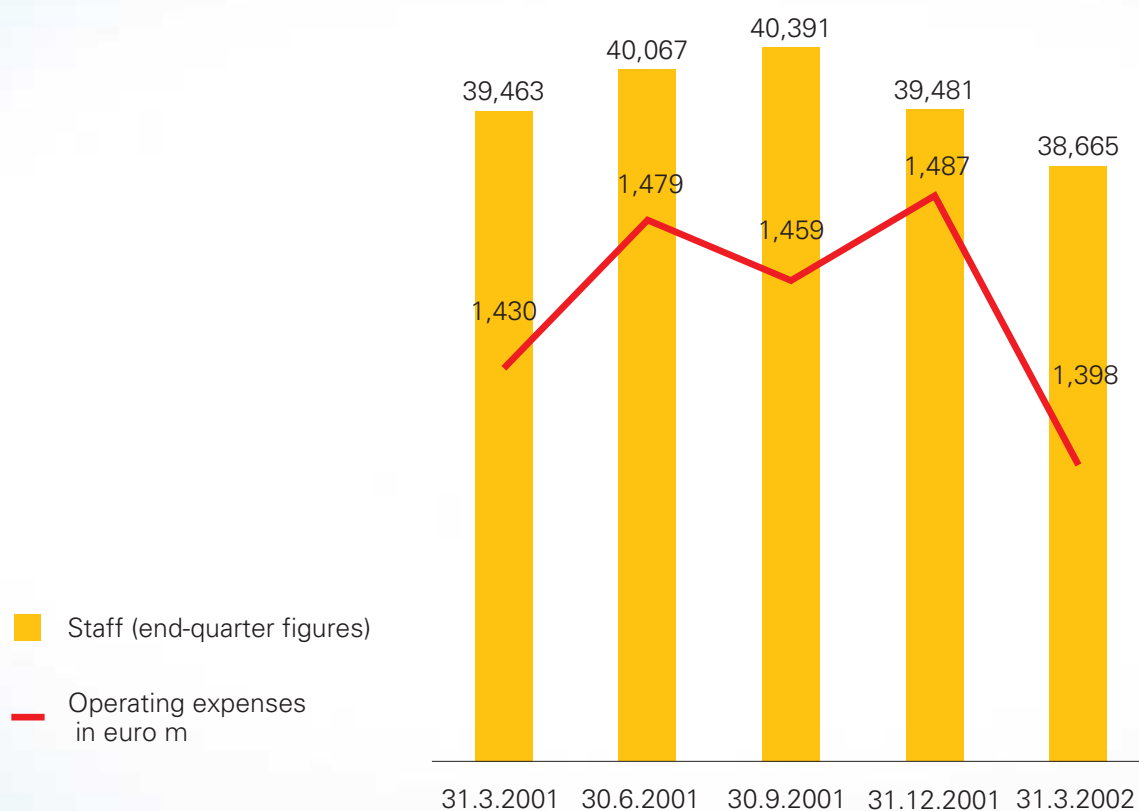
INVESTOR RELATIONS

COMMERZBANK 

1<sup>ST</sup> QUARTER 2002

## Staff and operating expenses

Commerzbank Group



## **| Commerzbank – figures, facts, targets |**

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All figures – if not stated otherwise – according to IAS

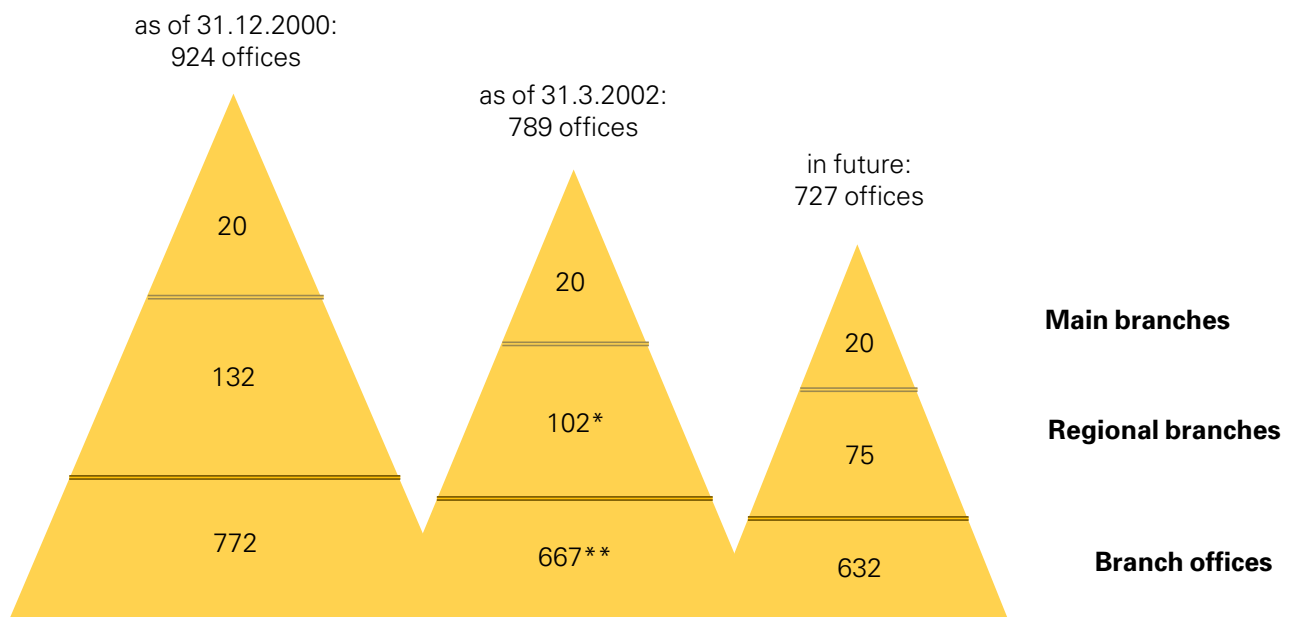
## Commerzbank's six basic strategic goals

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- to consolidate the Bank's position as a European integrated financial institution
- to achieve a stronger position in selected investment-banking products
- to realize broader and more intensive cooperation with Generali
- to become market leader in e-commerce banking
- to develop the Bank's international business beyond Europe's borders
- to allocate equity capital to reflect the growth potential of business areas

## Branch structure of Commerzbank AG

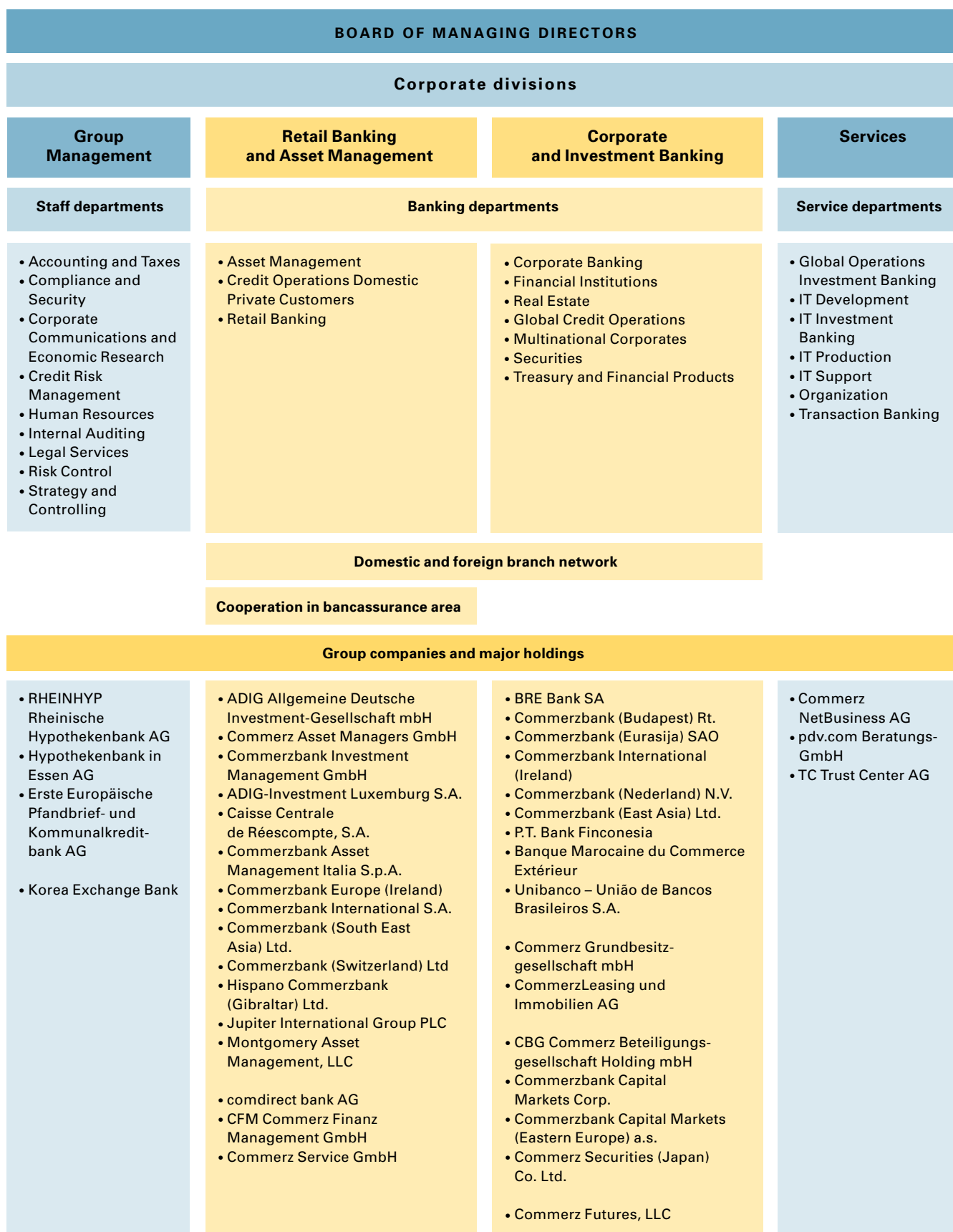
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\*) of which: 90 regional distribution units for corporate customer business

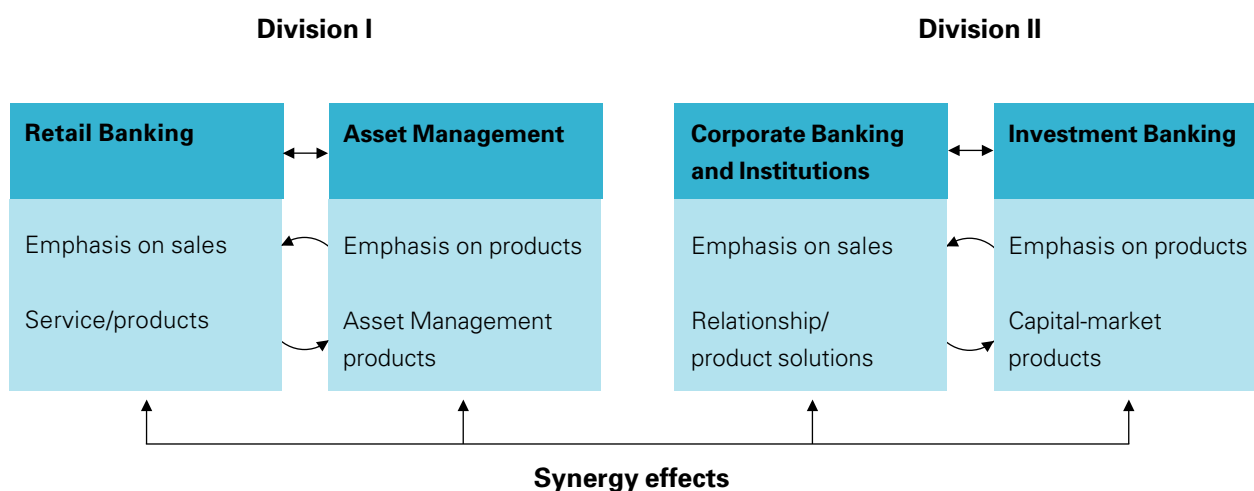
\*\*\*) of which: 71 local sales offices for corporate customer business

## Structure of Commerzbank Group



as of January 2002

## Two double pillars comprising sales and production



## Results of the Parent Bank and of the major subsidiaries

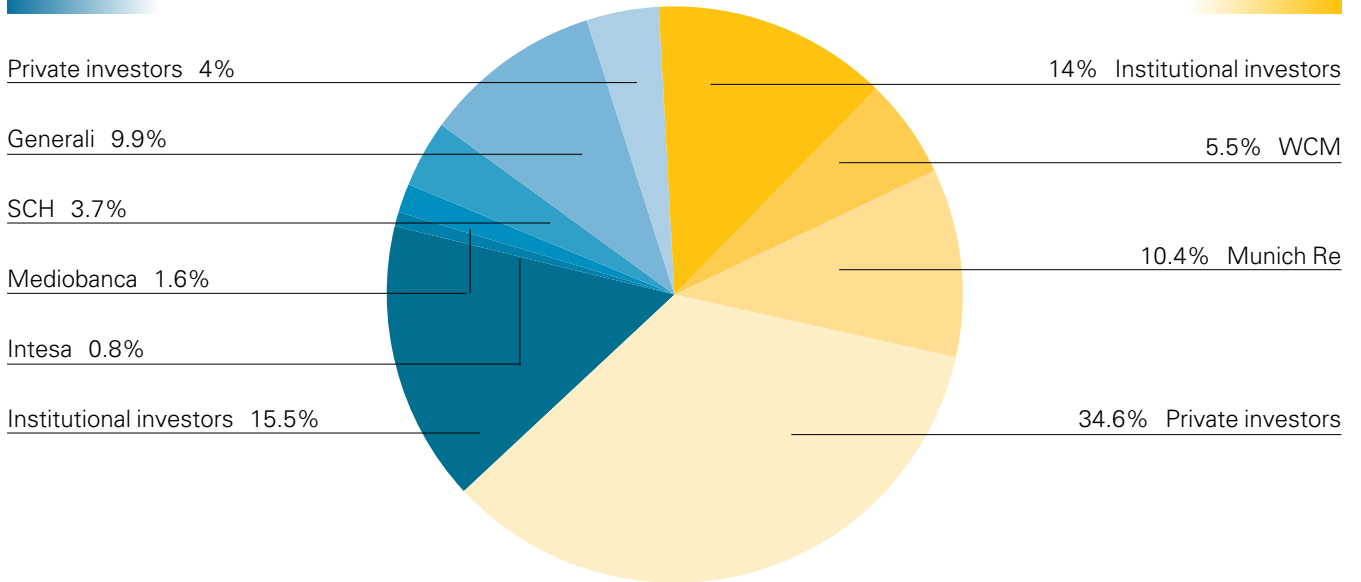
in € m	Balance-sheet total		Pre-tax profit	
	31.12.2001	31.12.2000	31.12.2001	31.12.2000
Commerzbank AG	315,268	296,159	976	1,644
comdirect bank*	2,969	2,875	-151	26
Commerz Grundbesitz-Investmentgesellschaft mbH	40	22	-	10
CommerzLeasing und Immobilien AG*	1,236	1,337	47	38
Hypothesenbank in Essen AG	71,436	58,808	145	108
RHEINHYP AG	81,162	72,580	305	162
Caisse Centrale de Réescompte, S.A.	5,800	4,351	18	21
ADIG Allgemeine Deutsche Investment-GmbH	246	240	35	51
ADIG Investment Luxembourg S.A.	205	198	25	50
Commerzbank Europe (Ireland) Unltd.	6,359	5,986	36	29
Commerzbank International S.A.	14,037	12,457	140	81
Commerzbank (Switzerland) Ltd	620	741	21	30
Jupiter International Group PLC*	487	469	30	13
BRE Bank SA	7,053	4,211	111	120

Figures in the consolidated results based on IAS. Individual company results differ in some cases, due to presentation based on German Commercial Code (HGB), or other national code; \*) sub-group

## Commerzbank's 361,000 shareholders

### Abroad

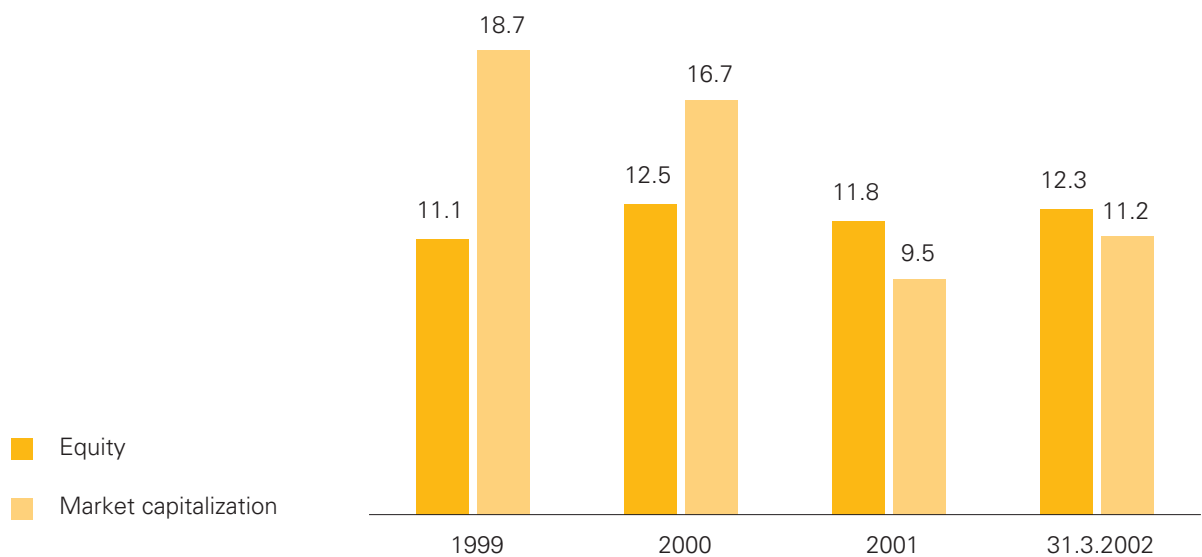
### Germany



as of 31.3.2002

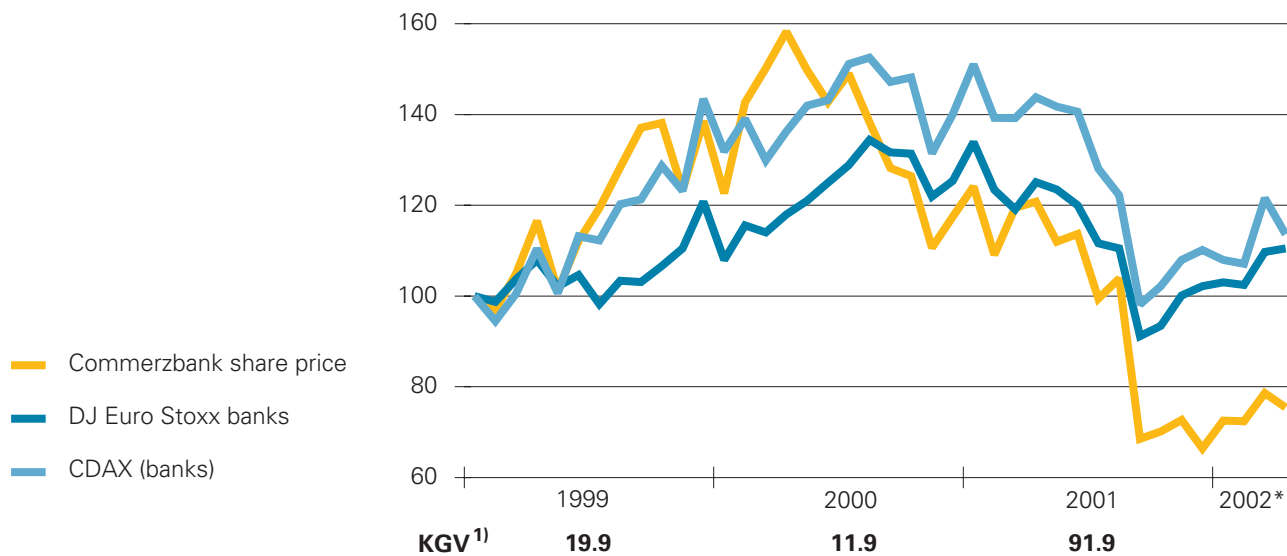
## Equity and market capitalization

Commerzbank Group, in € bn



## Performance of the Commerzbank share

Month-end figures, January 1999 = 100

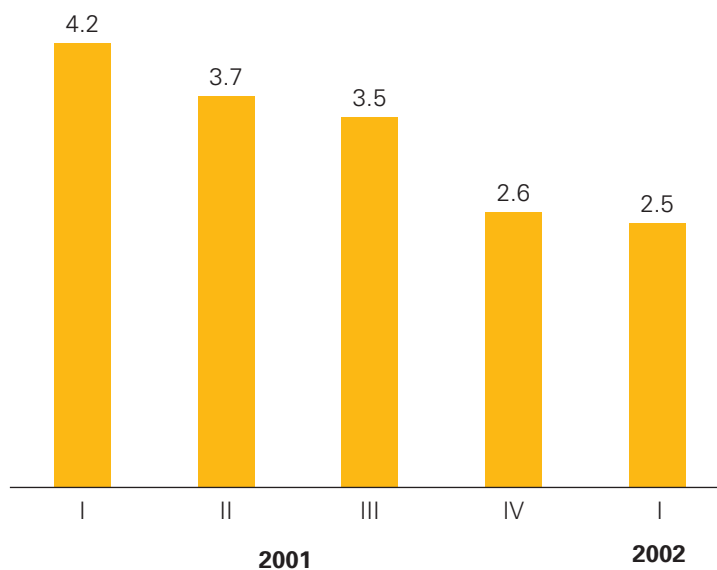


\*) until April 26, 2002

1) at year-end (calculated on the basis of net income per share)

## Trading volume of the Commerzbank share

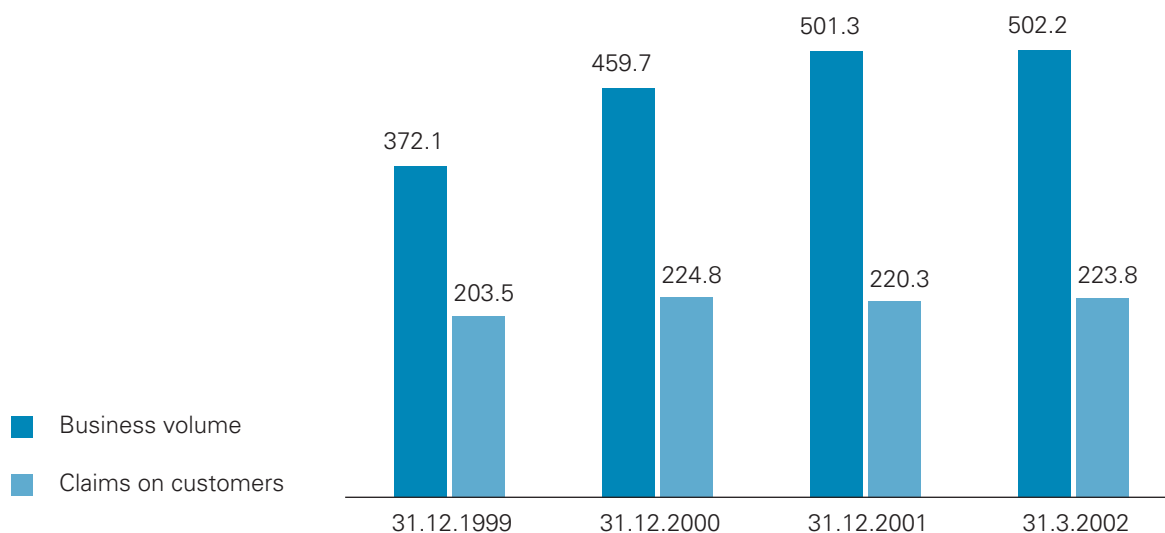
in € bn



On 30.4.2002, the Commerzbank share had an index weighting of 1.57% in the DAX index and 1.52% in the DJ Euro Stoxx Banks.

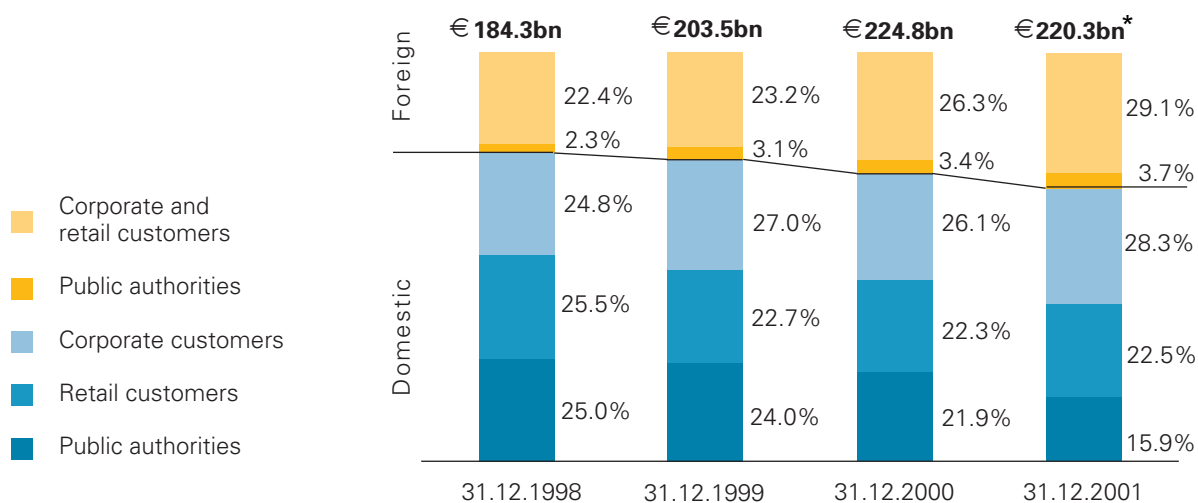
## Business volume and claims on customers

Commerzbank Group, in € bn



## Claims on customers

Commerzbank Group

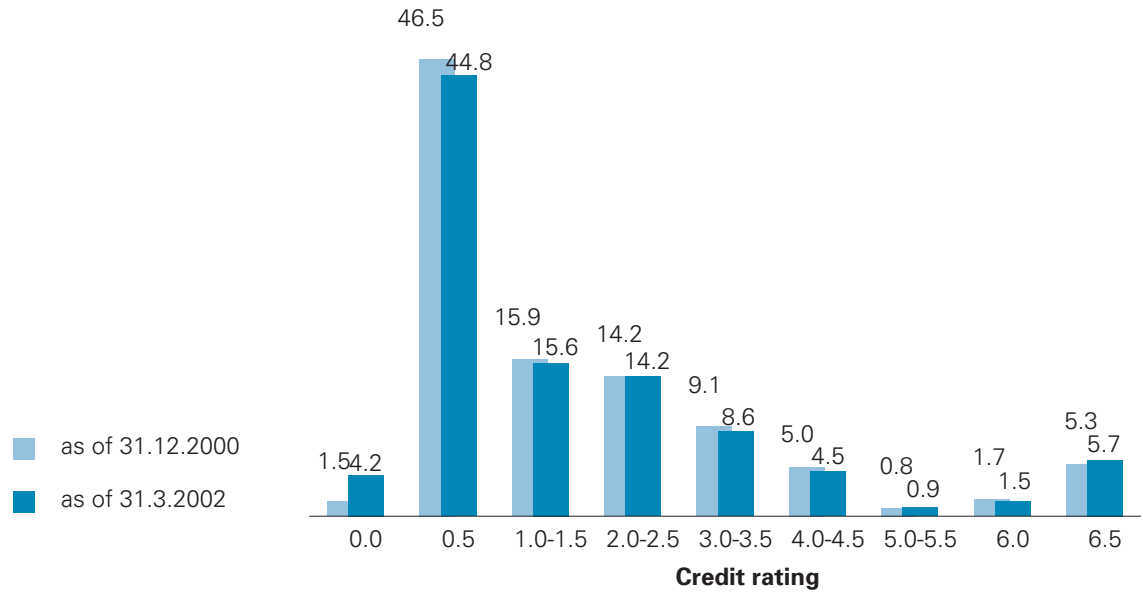


\*) 0.5% effects of measuring hedged items



## Retail Banking (Germany): Rating of agreed credit lines\*

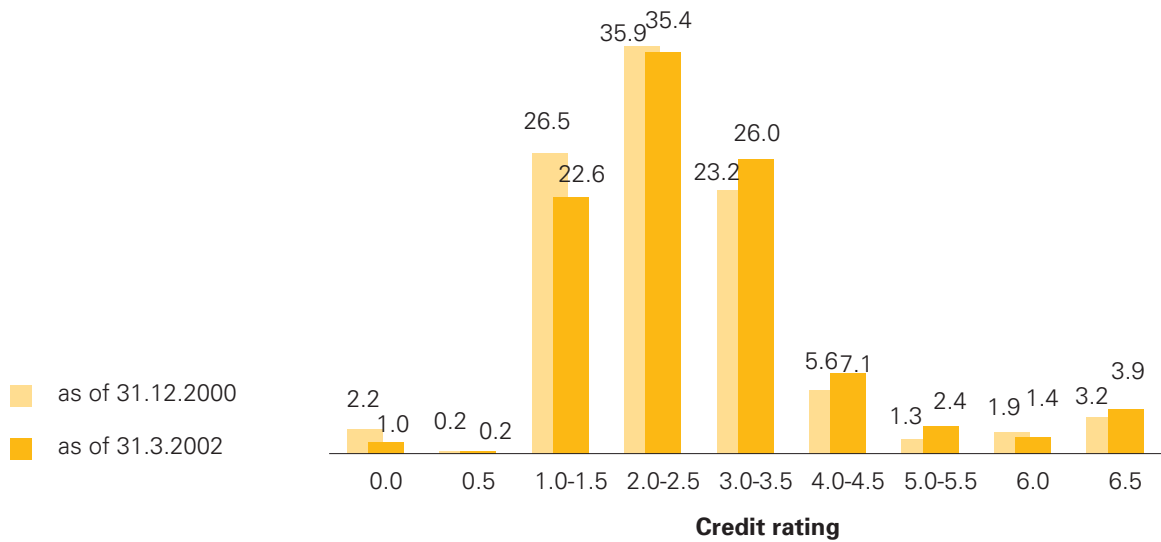
in %



\*) before securities pledged

## Corporate Banking (Germany): Rating of agreed credit lines\*

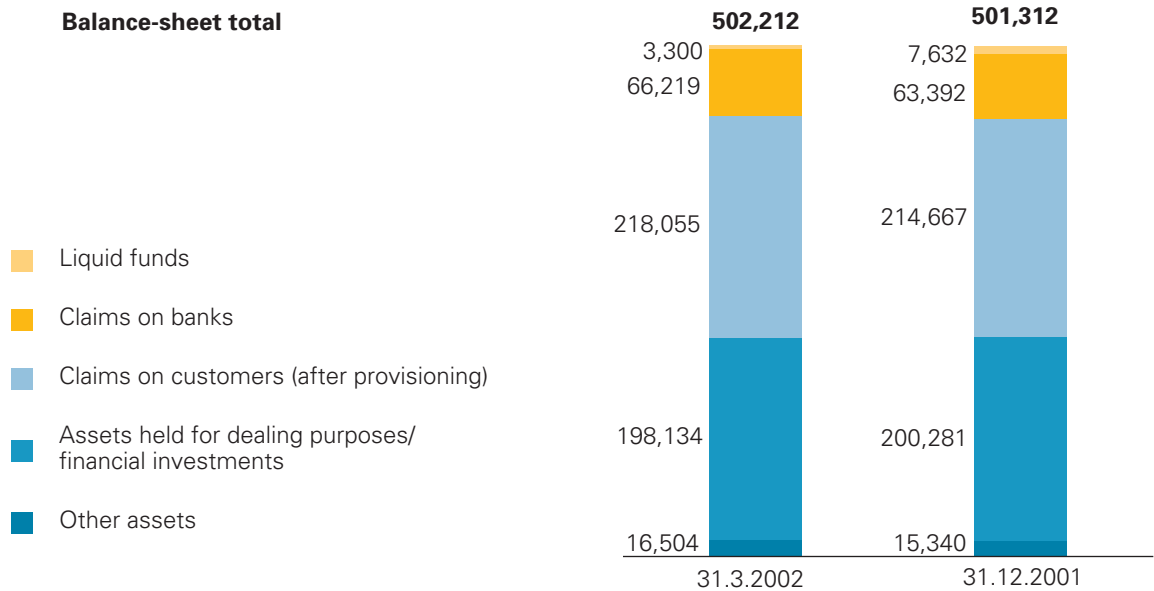
in %



\*) before securities pledged

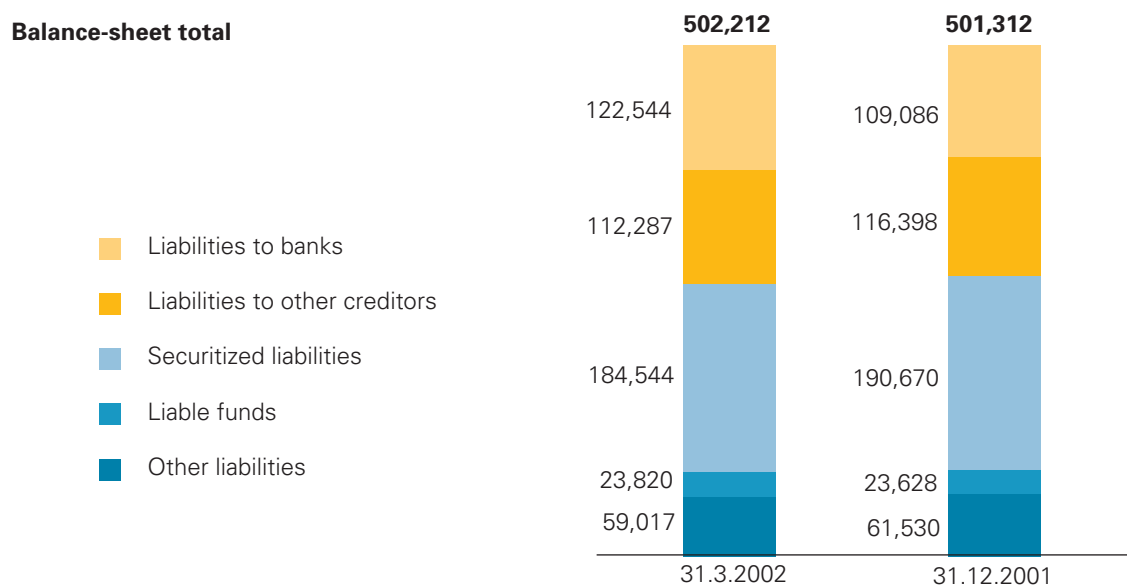
## Breakdown of assets

Commerzbank Group, in € m



## Breakdown of liabilities and shareholders' equity

Commerzbank Group, in € m



## Commerzbank's shareholdings in the non-financial sector

(5% of capital and above) as of 1.4.2002

<b>Aino AG</b> Pfullendorf/Baden <b>29.3%</b> <b>4*</b>	<b>Buderus AG</b> Wetzlar <b>10.5%</b> <b>175*</b>	<b>Heidelberger Druckmaschinen AG</b> Heidelberg <b>9.9%</b> <sup>1)</sup> <b>419*</b>	<b>Holsten-Brauerei AG</b> Hamburg <b>7.2%</b> <sup>2)</sup> <b>18*</b>
<b>Linde AG</b> Wiesbaden <b>10.0%</b> <b>629*</b>	<b>MAN AG</b> Munich <b>6.5%</b> <sup>2)</sup> <b>269*</b>	<b>Neschen AG</b> Bückeburg <b>6.8%</b> <b>2*</b>	<b>Sachsenring Automobiltechnik AG</b> Zwickau <b>9.99%</b> <sup>2)</sup> <b>3*</b>

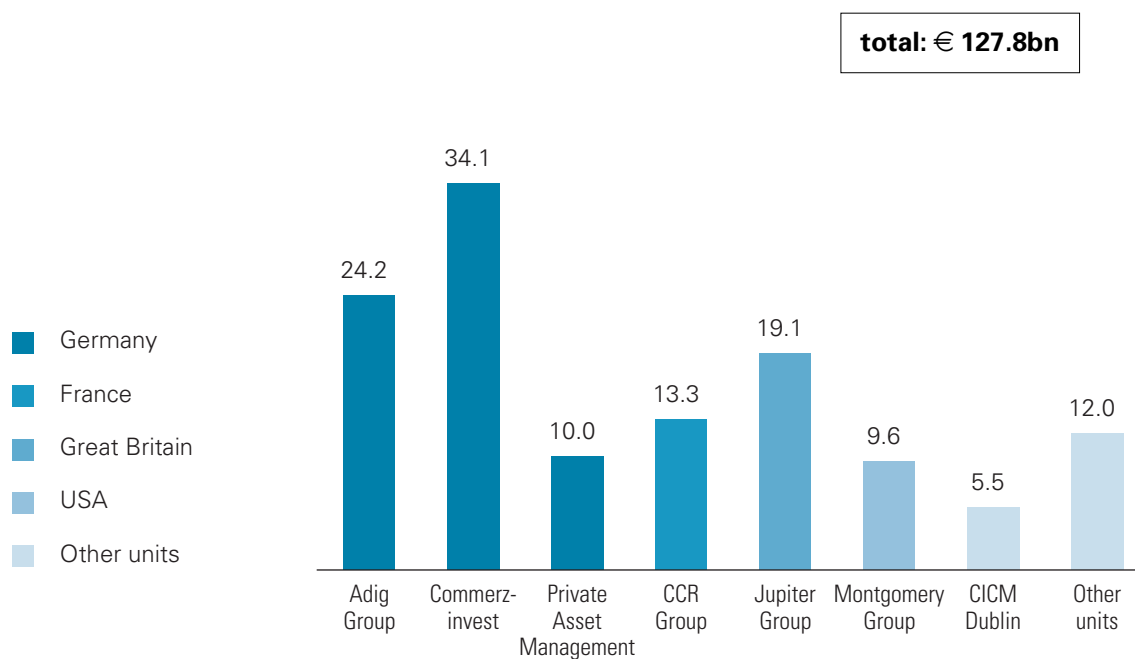
1) held indirectly and directly

2) held indirectly

\*) market price of Commerzbank's holding on 1.4.2002 in € m

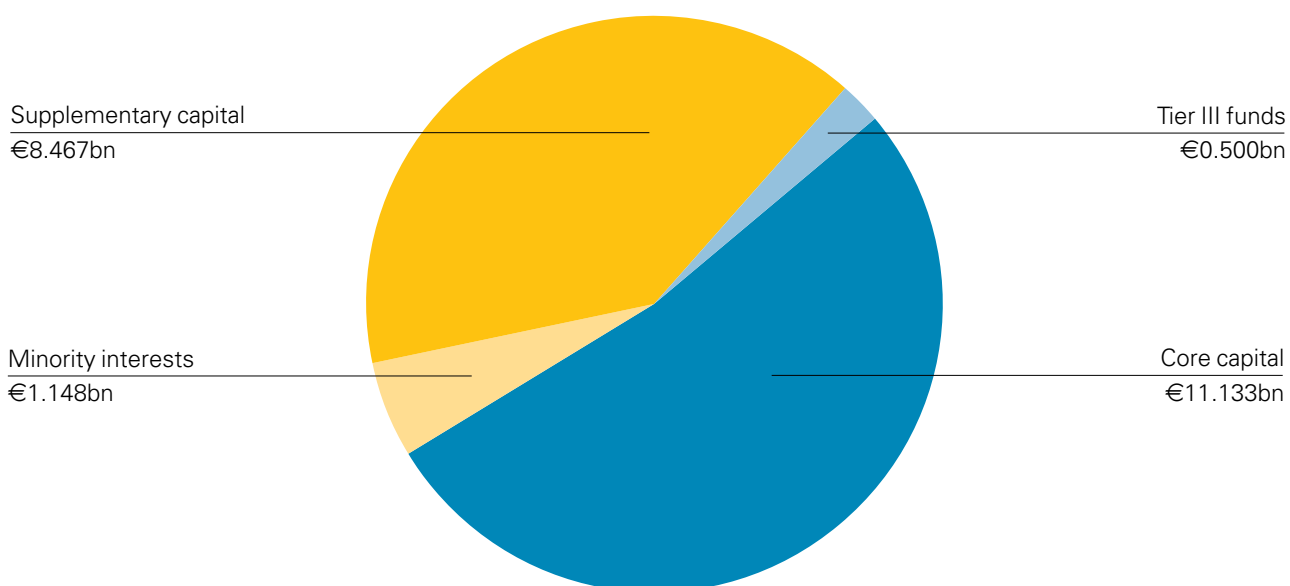
## Assets under management

in € bn, as of 31.3.2002



## Commerzbank Group's equity (BIS)

as of 31.3.2002



## Risk-weighted assets and capital ratios (as defined by BIS)

Commerzbank Group, in € m

	31.12.2001	31.3.2002
Risk-weighted assets	195,443	196,719
Capital charge for market risks	8,163	8,750
<b>Items to be risk-weighted</b>	<b>203,606</b>	<b>205,469</b>
<b>Elements of equity for supervision purposes</b>		
Core capital	12,187	12,281
Eligible own funds	20,898	21,248
<b>Capital ratios for supervision purposes in %</b>		
Core capital ratio*	6.2	6.2
Equity capital ratio	10.3	10.3

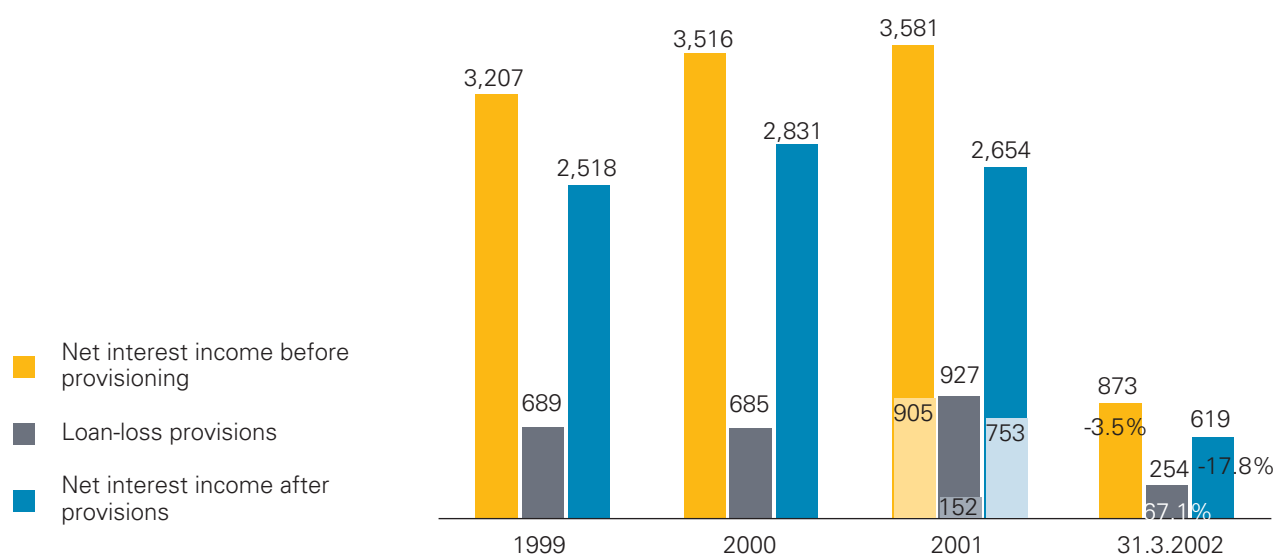
\*) excluding market risks

## Major items from Commerzbank Group's income statement

	1.1.-31.3.2001	1.1.-31.3.2002	Change	
	in € m	in € m	in € m	in %
Net interest after provisions	753	619	-134	-17.8
Net commission income	613	575	-38	-6.2
Trading profit	312	313	1	0.3
Net result on investments and securities portfolio	129	92	-37	-28.7
Other operating result	-56	-16	40	-71.4
Operating expenses	1,430	1,398	-32	-2.2
<b>Pre-tax profit</b>	<b>323</b>	<b>153</b>	<b>-170</b>	<b>-52.6</b>
Taxes on income	120	52	-68	-56.7
<b>After-tax profit</b>	<b>203</b>	<b>101</b>	<b>-102</b>	<b>-50.2</b>
Minority interest	-27	-29	-2	7.4
<b>Net profit</b>	<b>176</b>	<b>72</b>	<b>-104</b>	<b>-59.1</b>

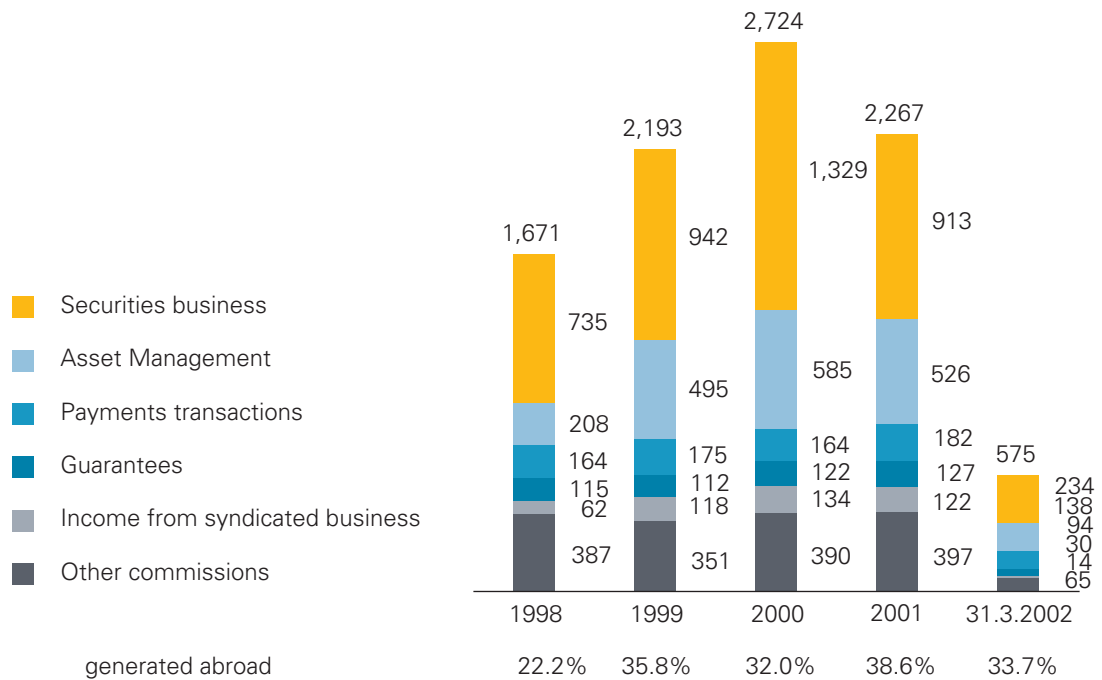
## Net interest income

Commerzbank Group, in € m



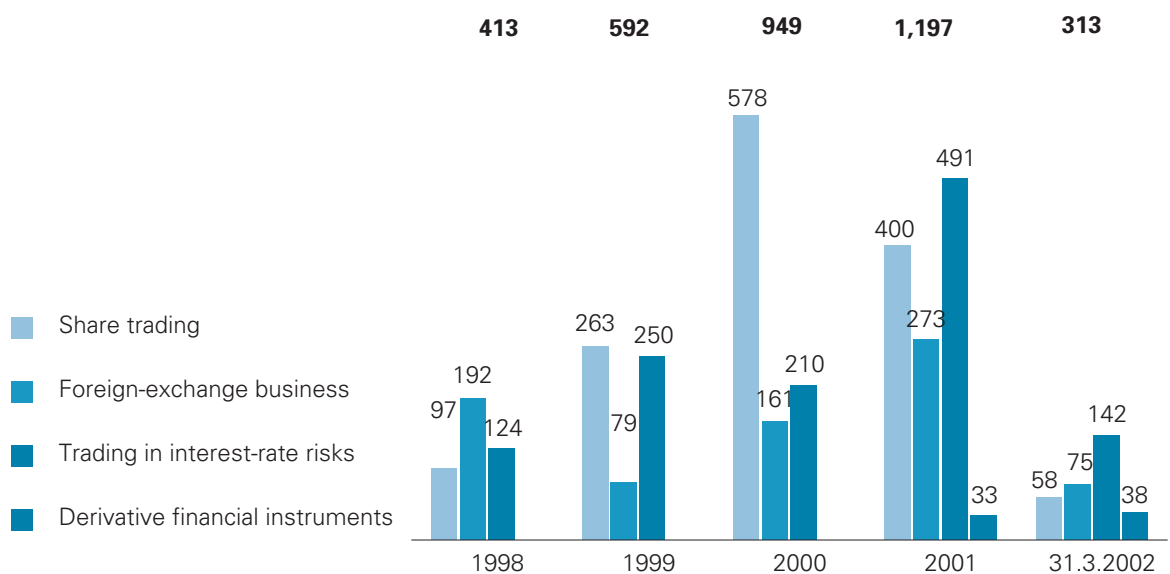
## Breakdown of net commission income

Commerzbank Group, in € m



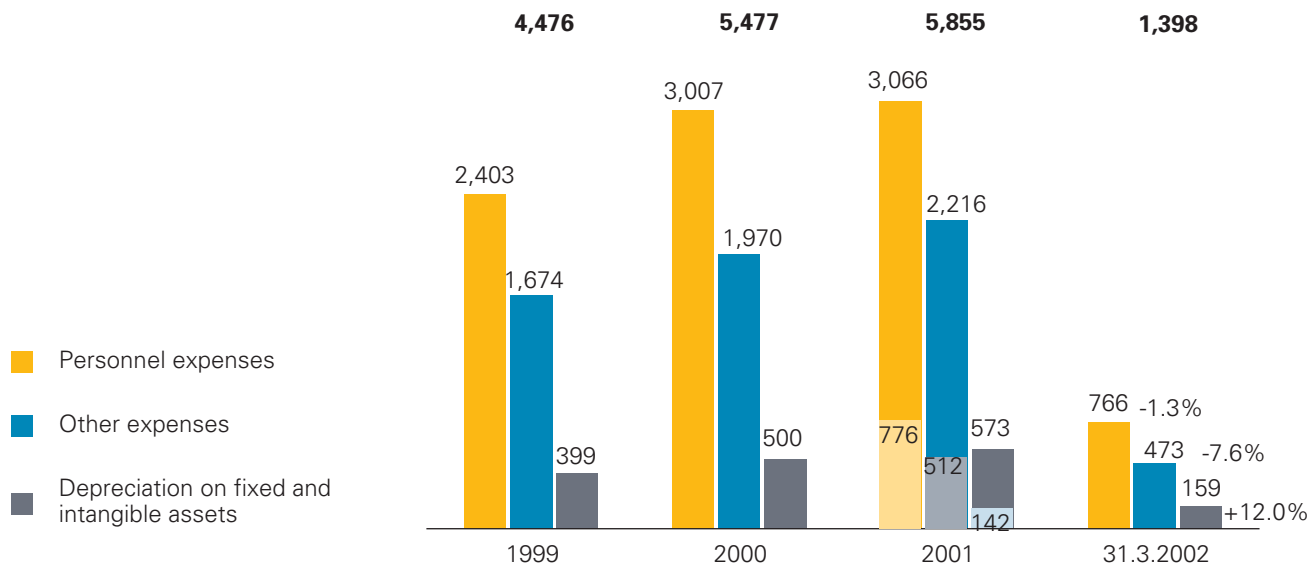
## Trading profit

Commerzbank Group, in € m



## Operating expenditure

Commerzbank Group, in € m



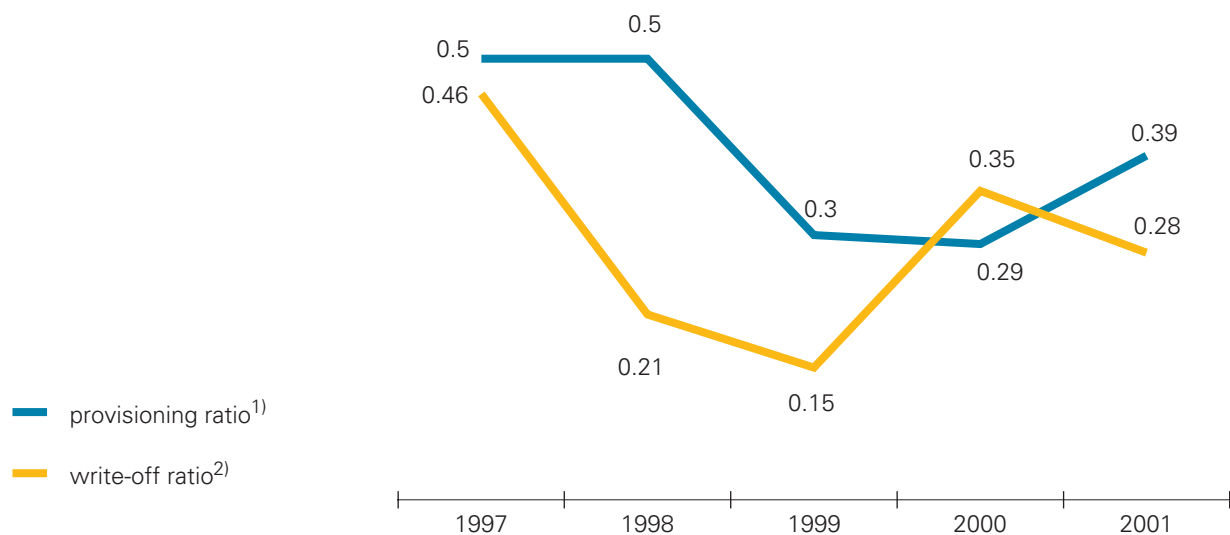
## Development of provisioning

Commerzbank Group, in € m

	2001	2002
<b>As of January 1</b>	<b>5,658</b>	<b>5,946</b>
Allocations	265	346
Deductions	189	187
utilized	79	99
written back	110	88
Changes in foreign-exchange rates	13	12
<b>As of March 31</b>	<b>5,747</b>	<b>6,117</b>

## Commerzbank Group's provision for possible loan losses

Value adjustments and loan losses (excl. country risks) 1997-2001



1) Net provision for risks as a ratio of average commercial loan portfolio, with value adjustments deducted;

2) Write-offs as a percentage of average commercial loan portfolio

## Overall provision for risks

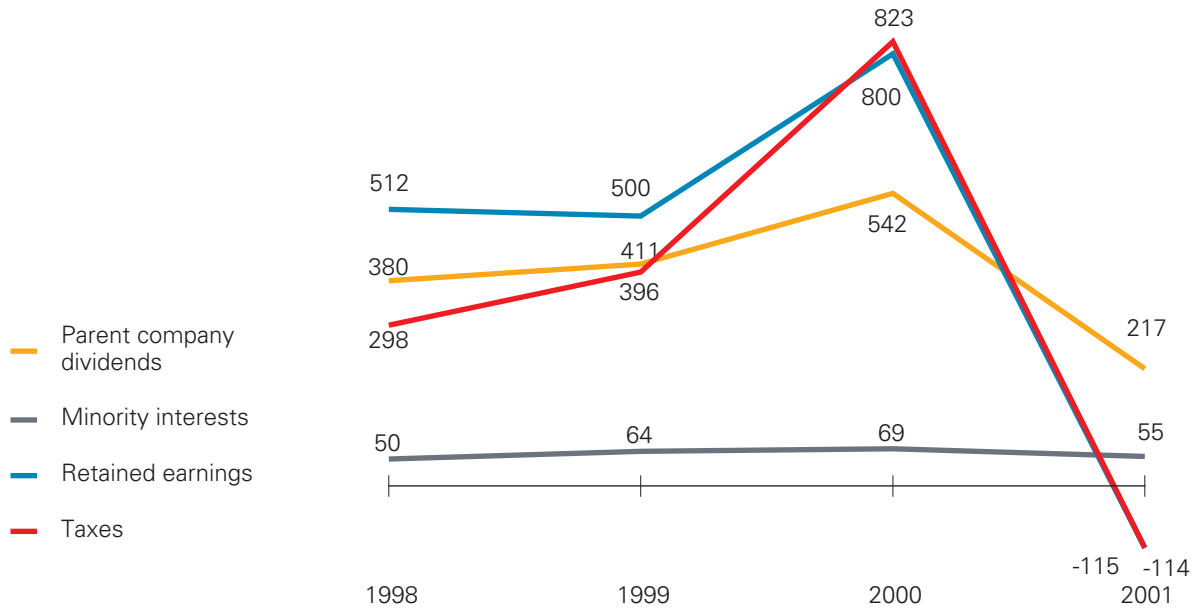
Commerzbank Group, in € m

	31.12.2001	31.3.2002
Individual value adjustments	5,104	5,218
Country value adjustments	134	132
General value adjustments	410	418
<b>Provisioning for balance-sheet items</b>	<b>5,648</b>	<b>5,768</b>
provisions in lending business	298	349
<b>Total</b>	<b>5,946</b>	<b>6,117</b>



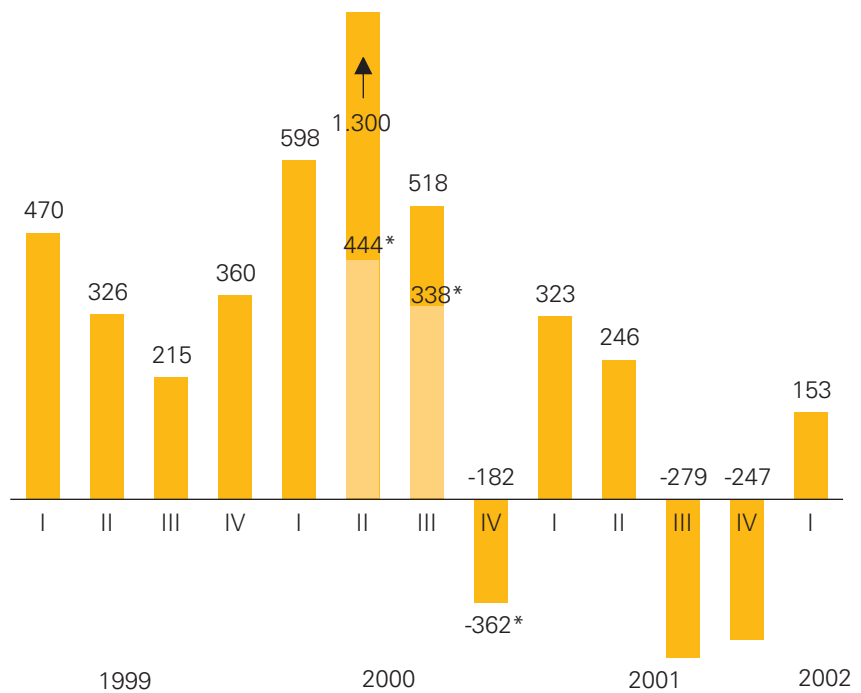
## Appropriation of Commerzbank Group's profit

in € m



## Pre-tax quarterly profit

Commerzbank Group, in € m



\*) excluding IPO of comdirect bank AG

## Geographical breakdown of Commerzbank Group's pre-tax profit

1.1.-31.3.2002, in € m

	Germany	Europe (excl. D)	America	Asia	Africa	Consolidation	Total
Net interest income after provisioning	389	113	87	27	3	0	619
Net commission income	381	121	45	27	1	0	575
Net result on hedge accounting	-30	-2	0	0	0	0	-32
Trading profit	217	91	0	3	2	0	313
Net result on investments and securities portfolio	81	8	2	1	0	0	92
Other operating result	12	-9	-2	-1	0	-16	-16
Operating expenses	1,044	243	86	40	1	-16	1,398
<b>Profit from ordinary activities 2002*</b>	<b>6</b>	<b>79</b>	<b>46</b>	<b>17</b>	<b>5</b>	<b>0</b>	<b>153</b>
<b>Profit from ordinary activities 2001*</b>	<b>171</b>	<b>120</b>	<b>24</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>323</b>

\*) 1st quarter

## Geographical breakdown of key data

Commerzbank Group, December 31, 2001, in € m

	Germany	Europe (excl. D)	America	Asia	Africa	Consolidation	Total
Pre-tax profit	-241	237	109	-75	13	-	43
Net income	148	-72	174	-157	9	-	102
Risk-weighted assets <sup>1)</sup>	133,048	39,959	16,560	5,197	679	-	195,443
Balance-sheet total	382,684	107,845	49,515	16,329	772	-55,833	501,312
Staff	31,498	6,226	925	772	60	-	39,481

1) excl. market risks

## Breakdown of results, by banking departments

Commerzbank Group, 1.1.-31.3.2002, in € m

	Retail Banking	Asset Manage- ment	Corp- orate Banking and Insti- tutions	Secu- rities	Treasury and Financial Products	Mort- gage Banking	Others/ Consoli- dation	Total
Net interest income	284	2	497	10	83	167	-170	873
Provisions for possible loan losses	-33	0	-203	0	0	-18	0	-254
Net interest income after provisioning	251	2	294	10	83	149	-170	619
Net commission income	250	115	191	46	-13	-12	-2	575
Net result on hedge accounting	0	0	0	0	13	-45	0	-32
Trading profit	0	3	50	132	70	28	30	313
Net result on investments and securities portfolio	0	3	0	1	0	71	17	92
Other operating result	1	-25	27	2	0	2	-23	-16
Operating expenses	485	135	350	219	78	38	93	1,398
<b>Profit from ordinary activities</b>	<b>17</b>	<b>-37</b>	<b>212</b>	<b>-28</b>	<b>75</b>	<b>155</b>	<b>-241</b>	<b>153</b>
Taxes on income	7	-5	72	-10	27	61	-100	52
<b>After-tax profit</b>	<b>10</b>	<b>-32</b>	<b>140</b>	<b>-18</b>	<b>48</b>	<b>94</b>	<b>-141</b>	<b>101</b>
Profit/loss attributable to minority interest	1	-6	-11	0	0	-13	0	-29
<b>Net profit</b>	<b>11</b>	<b>-38</b>	<b>129</b>	<b>-18</b>	<b>48</b>	<b>81</b>	<b>-141</b>	<b>72</b>
Profit contribution from business passed on	2	54	16	10	10	0	-92	0
<b>Result based on internal accounting</b>	<b>13</b>	<b>16</b>	<b>145</b>	<b>-8</b>	<b>58</b>	<b>81</b>	<b>-233</b>	<b>72</b>

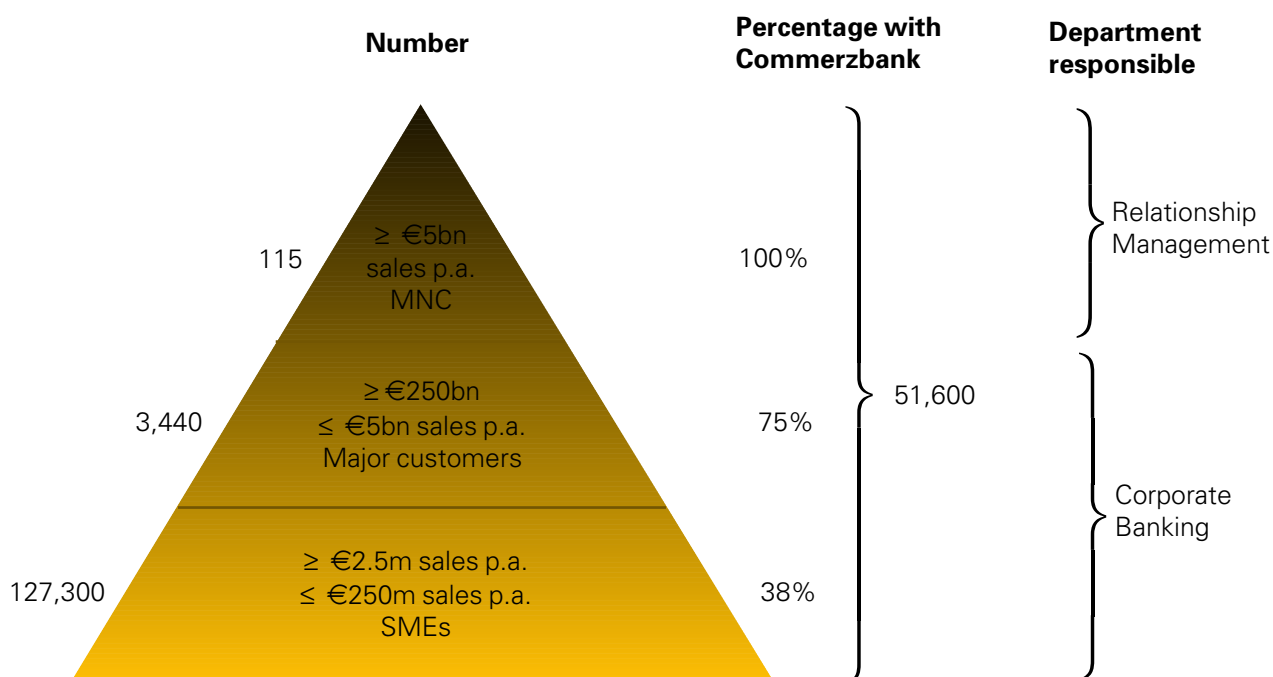
## Key figures by banking departments

Commerzbank Group, 1.1.-31.3.2002, in € m

	Retail Banking	Asset Manage- ment	Corp- porate Banking and Insti- tutions	Secu- rities	Treasury and Financial Products	Mort- gage Banking	Others/ Consoli- dation	Total
Average equity tied up	1,454	524	5,332	1,092	525	1,602	847	11,376
Return on equity <sup>1)</sup>	3.6%	12.2%	10.9%	-2.9%	44.2%	20.2%	.	2.5%
Cost/income ratio	90.7%	137.8%	45.8%	114.7%	51.0%	18.0%	.	77.5%
Staff (average)	13,051	2,238	9,747	1,304	278	1,006	9,923	37,547

1) annualized

## Corporate banking in Germany

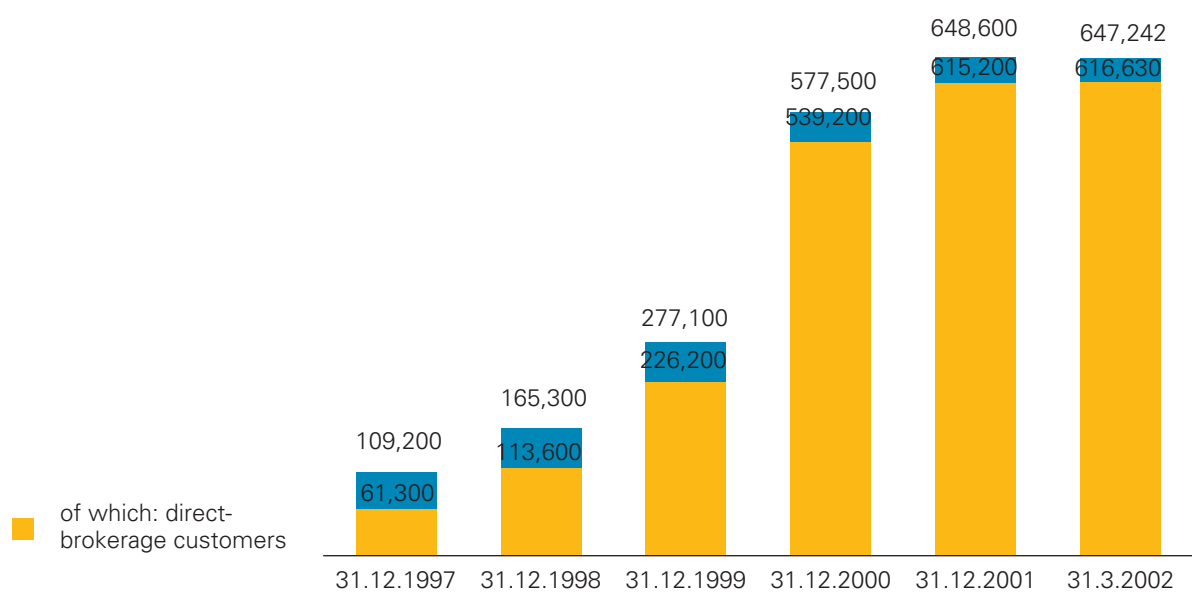


## Commerzbank AG: Private client business

at year-end	1998	1999	2000	2001
Private clients	3,490,700	3,596,700	3,754,600	3,925,800 **
Number of custody accounts	1,070,300	1,165,100	1,397,200	1,312,000
Market value of all custody accounts* (in € bn)	355	410	466	375

\*) incl. German and foreign banks and investment companies; \*\*) incl. TUI Card customers

## Expansion of customer base at comdirect bank



## Five-point-program to raise efficiency

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- Cost-cutting offensive
- Earnings boost through CB 21
- Loan-portfolio check
- Price offensive
- Changes in structure and personnel

## A focused strategy: "CB 21" – Commerzbank in the 21st century

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- **Our goals:**
  1. Market-oriented approach in all banking departments
  2. Permanent rise in profitability to provide the basis for an increase in shareholder value
- **Our approach:**
  1. Concentration on core competencies, i.e. what we do best
  2. Exploring business potential through close contact with customers and integration
  3. Achieving critical mass in all market segments
  4. Investment in new technologies to meet customer demand around the clock, with high quality and at reasonable cost

## CB 21: Retail Banking and Asset Management

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- **Data-based marketing as key ingredient for success**
  - The fully-integrated and closed marketing and distribution system already established in retail banking has been successfully applied to private banking as well
  
- **Further plans with Generali group: a new dimension of bancassurance**
  - Sharing of customer bases in Germany
  - Additional cooperation abroad
  
- **Asset management remains a core activity**
  - Extension of our strong domestic position to targeted European countries
  
- **Private banking – a growth area**
  - Expansion of our palette of products and services, with a focus on securities investments and real estate in Germany and abroad

## CB 21: Corporate and Investment Banking

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- **Consolidation of our market position in Germany**
  - The competitive advantage of long-term customer relationships in corporate banking enhances business potential in investment banking
  
- **Securities business successfully positioned**
  - Operative presence established in key financial centres, starting with equities
  - Integration of fixed income and M&A
  - Corporate finance and forex-activities now being integrated into this global platform
  
- **Linkage of corporate and investment banking**
  - In line with our intention to become Germany's leading bank for SME's, we are simultaneously extending the distribution of investment banking and asset management products in our branches
  
- **Business with multinationals worldwide**
  - Multinationals are served by relationship managers with global sector know-how

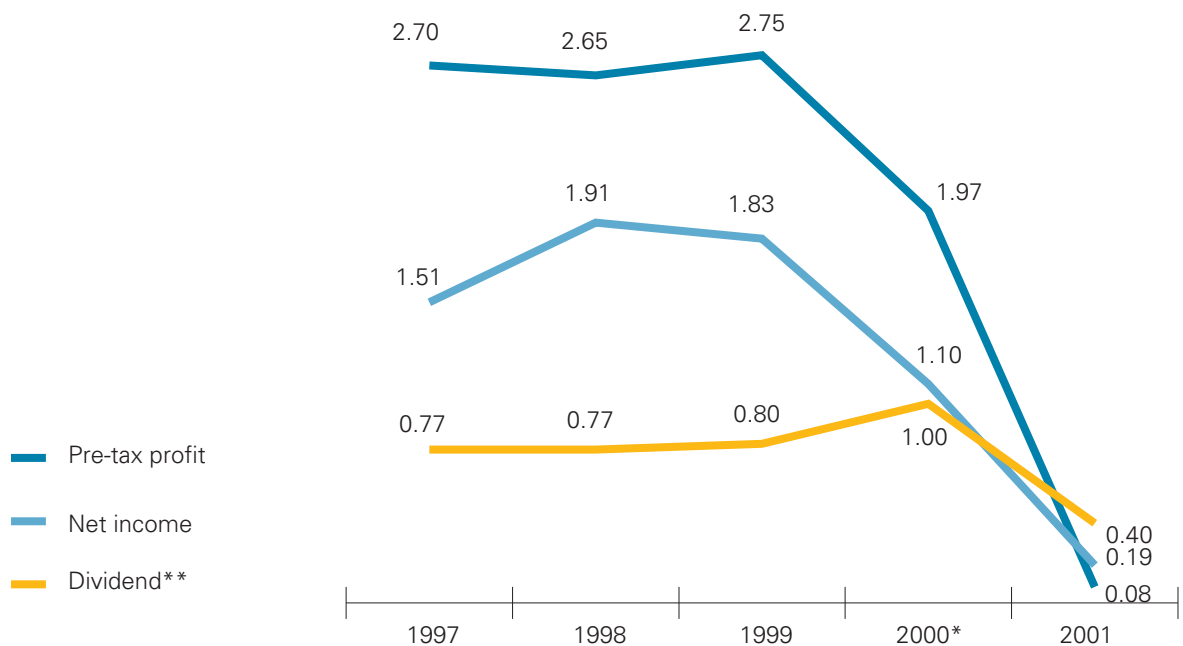
## Commerzbank Group's cost-cutting offensive

### Significant reductions in personnel and other operating costs

- **The following measures are being realized:**
  - €110m cut in IT project volume
  - €100m cut in communications budget
  - €150m cut in consulting and other non-personnel costs
  - Shedding of 3,400 jobs by 2003
  - 1,700 currently unfilled positions to be cancelled
  
- **Operating expenses are to be reduced to their 2000 level next year (€5.5bn).**

### Key figures per Commerzbank share

in €



\*) excluding comdirect IPO/dividend including €0.20 bonus; \*\*) excluding tax credit



## Basic Commerzbank data

year-end figures

<b>Commerzbank Group</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Branches	1,052	1,064	1,080	981
Customers	4.21 m	5.20 m	5.70 m	6.00 m
Employees	32,593	34,870	39,044	39,481
of whom: in Germany	28,719	30,557	31,716	31,899
abroad	3,874	4,313	7,328	7,582

### **Parent Bank**

Branches	959	960	945	816
of which: in Germany	938	939	924	796
abroad	21	21	21	20
Employees	28,083	29,190	29,611	30,021
of whom: in Germany	26,189	27,068	27,225	27,469
abroad	1,894	2,122	2,386	2,552
Shares (in millions)*	496.1	513.6	541.8	541.8

1) dividend-bearing shares

