Commerzbank with sound result in EBA stress test

• CET 1 ratio of 9.9% in the adverse scenario (2016: 7.4%) – stress effect decreases to 3.4 percentage points (2016: 4.7 percentage points) thanks to systematic reduction of risks

• Chief Risk Officer Chromik: “We have markedly improved our result in the stress test despite the even more challenging macroeconomic scenario. This is further proof of Commerzbank’s healthy risk profile and high resilience to stress.”

Commerzbank markedly improved its result in this year’s European Banking Authority (EBA) stress test. In the so-called adverse stress test scenario, Commerzbank’s Common Equity Tier 1 (CET 1) ratio stood at 9.9% in 2020, at the end of the stress test horizon. This is 2.5 percentage points above the previous test result in 2016. Overall, the adverse stress effect lowered the Bank’s CET 1 ratio of 13.3% (Basel III fully phased-in with application of the new IFRS 9 accounting rules at the turn of the year 2017/2018) by 3.4 percentage points. In 2016, the ratio had decreased by 4.7 percentage points under the adverse stress scenario.

“Our systematic reduction of risks over the last few years is paying off”, said Marcus Chromik, Chief Risk Officer of Commerzbank. “We have significantly improved our result in the stress test despite the even more challenging macroeconomic scenario. This is further proof of Commerzbank’s healthy risk profile and high resilience to stress.”

Since the EBA stress test in 2016, Commerzbank has undertaken a value-preserving reduction of its non-strategic portfolios and cut its Risk-weighted Assets (RWA) by roughly 29 billion euros. Its CET 1 ratio increased from 12.1% to 13.3% (considering the counter-effects of IFRS 9 at the turn of the year 2017/2018).

The 2018 stress test scenario was based on even more challenging macroeconomic conditions. Among other things, the test simulated an economic downturn of a cumulative –3.3% over the three-year period to 2020 for Germany (2016: –1.4%).

The stress test assumed a static balance sheet based on the IFRS 9 opening balance sheet for 2018, and therefore did not take account of any current or future business strategies or management initiatives. It is also not a forecast of Commerzbank’s profits. The results of the stress test feed into the Supervisory Review and Evaluation Process (SREP).

Further information on the EBA’s publication of 2 November 2018 can be found at https://www.commerzbank.de/en/hauptnavigation/aktionaere/aktuelles_2/stresstest2018.html.
Overview of stress test results
(CET 1 ratios Basel III fully phased-in)

<table>
<thead>
<tr>
<th>Year</th>
<th>Starting point</th>
<th>Baseline scenario</th>
<th>Adverse scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>13.3%</td>
<td>14.4%</td>
<td>9.9%</td>
</tr>
<tr>
<td>2016</td>
<td>12.0%</td>
<td>13.1%</td>
<td>7.4%</td>
</tr>
<tr>
<td>2014</td>
<td>9.0%</td>
<td>10.6%</td>
<td>6.9%</td>
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Press contact
Nils Happich  +49 69 136-80529
Erik Nebel    +49 69 136-44986
Maurice Farrouh +49 69 136-21947

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About Commerzbank
Commerzbank is a leading international commercial bank with branches and offices in almost 50 countries. In the two business segments Private and Small Business Customers and Corporate Clients, the Bank offers a comprehensive portfolio of financial services which is precisely aligned to its clients' needs. Commerzbank finances approximately 30% of Germany’s foreign trade and is the leading finance provider for corporate clients in Germany. Due to its in-depth sector know-how in the German economy, the Bank is a leading provider of capital market products. Its subsidiaries Comdirect in Germany and mBank in Poland are two of the world’s most innovative online banks. With approximately 1,000 branches, Commerzbank has one of the densest branch networks among German private banks. In total, Commerzbank serves more than 18 million private and small business customers, as well as more than 60,000 corporate clients, multinationals, financial service providers, and institutional clients. The Bank, which was founded in 1870, is represented at all the world’s major stock exchanges. In 2017, it generated gross revenues of €9.1 billion with approximately 49,300 employees.

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Disclaimer
This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts. In this release, these statements concern inter alia the expected future business of Commerzbank, efficiency gains and expected synergies, expected growth prospects and other opportunities for an increase in value of
Commerzbank as well as expected future financial results, restructuring costs and other financial developments and information. These forward-looking statements are based on the management’s current plans, expectations, estimates and projections. They are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from any future results and developments expressed or implied by such forward-looking statements. Such factors include the conditions in the financial markets in Germany, in Europe, in the USA and other regions from which Commerzbank derives a substantial portion of its revenues and in which Commerzbank holds a substantial portion of its assets, the development of asset prices and market volatility, especially due to the ongoing European debt crisis, potential defaults of borrowers or trading counterparties, the implementation of its strategic initiatives to improve its business model, the reliability of its risk management policies, procedures and methods, risks arising as a result of regulatory change and other risks. Forward-looking statements therefore speak only as of the date they are made. Commerzbank has no obligation to update or release any revisions to the forward-looking statements contained in this release to reflect events or circumstances after the date of this release.