

Press Release

31 January 2025

Commerzbank increases net result to €2.7 bn in 2024 – Dividend expected to be €0.65 per share

- Revenues up 6% to €11.1 bn driven by strong customer business: net commission income up 7% to €3.6 bn – net interest income still at high level of €8.3 bn
- Bank approves additional share buyback of up to €400 m
- CEO Bettina Orlopp: “We have exceeded our capital return promise to our shareholders.”

Commerzbank reached a net result of €2.68 bn in the past financial year. This is an increase of about 20% compared to the previous year’s result (2023: €2.22 bn) and, at the same time, marks a record profit for the Bank. Revenues rose by 6% to €11.11 bn (2023: €10.46 bn), thanks to strong customer business. It was driven by the stronger than forecast growth in net commission income by 7% to €3.64 bn (2023: €3.39 bn). Net interest income remained at a high level of €8.33 bn (2023: €8.37 bn). In the fourth quarter, the Bank also benefited from FX valuation effects of the US dollar on AT1 bonds. Despite the challenging economic environment, the credit portfolio proved robust: the risk result in the 2024 financial year was minus €743 m (2023: minus €618 m). The cost-income ratio further improved to 59% (2023: 61%), remaining below the original target of 60%. The return on equity (RoTE) increased to 9.2% (2023: 7.7%), significantly exceeding the target of at least 8%.

Based on the strong results, the Bank plans to propose a dividend of €0.65 per share (previous year: €0.35) to the Annual General Meeting. In addition, Commerzbank’s Board of Managing Directors has approved the implementation of another share buyback with a volume of up to €400 m. The necessary approvals from the German Financial Agency and the European Central Bank have been obtained. The share buyback will start after the reporting for the 2024 financial year and is expected to be completed by the Annual General Meeting in mid-May 2025. This is the second tranche of the third share buyback programme, being part of the capital return for 2024 alongside the dividend payment. The first tranche with a volume of around €600 m was completed in January 2025.

In total, the Bank provides a capital return around €1.73 bn to its shareholders for the 2024 financial year. This corresponds to a payout ratio of 71% of the net result after deduction of AT 1 coupons. For the years 2022 to 2024, the capital return amounts to €3.1 bn – more than originally announced. The CET 1 ratio after the capital return is 15.1%.

“We have exceeded our capital return promise to our shareholders,” said Commerzbank CEO Bettina Orlopp. “By consistently managing costs and focussing on growth initiatives, we were able to significantly increase the net result for the past financial year. Thanks to increasing profitability and new growth initiatives, we will further enhance capital return in the coming years. Commerzbank is and remains an attractive investment.”

Further details on the 2024 financial year and the upgraded strategy will be presented by the Board of Managing Directors on 13 February 2025 in Frankfurt.

The figures for the year 2024 presented in this press release are **preliminary and unaudited**.

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About Commerzbank

Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 25,500 corporate client groups. In addition, it supports private and small-business customers in Germany with more than €400 billion assets under management. The Bank's two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services. Commerzbank transacts approximately 30% of Germany's foreign trade and is present internationally in more than 40 countries in the corporate clients' business. The Bank focusses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports clients with a business relationship to Germany, Austria, or Switzerland and companies operating in selected future-oriented industries. In the Private and Small-Business Customers segment, the Bank is at the side of its customers with its brands Commerzbank and comdirect: online and mobile, in the advisory centre, and personally in its branches. Its Polish subsidiary mBank S.A. is an innovative digital bank that serves approximately 5.7 million private and corporate customers, predominantly in Poland, as well as in the Czech Republic and Slovakia.

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, amongst others, 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.

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