



**COMMERZBANK**



**Restatement according to IFRS 8 to reflect the realignment of the Group's segmental structure and capital steering approach as of January 1, 2016**

Appendix

## Refined management focus going forward – changes in structure and management accounts to be reflected from Q1 2016 onwards

Full focus in non-core on more challenging portfolios – others to be transferred to Core Bank

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- › Transfer of NCA assets with low credit risk, manageable P&L volatility, central bank / cover pool eligibility to Core Bank
- › Remaining more complex assets of ~€19bn (<4% of group total assets) will be managed in “Asset & Capital Recovery Unit” (ACR)
- › ACR is effectively ring-fenced – even under severe stress equity allocated will be sufficient to cover losses

Reshaping Others & Consolidation (O&C) – high management involvement of business segments

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- › Increase management efforts by allocating higher degree of expenses and treasury revenues to business segments
- › Undisputable group items such as expenses to comply with company law remain in O&C
- › Positive bottom line impact on O&C gradually kicking in until 2019 - however volatility from treasury remains

Regulatory capital is key – segments to earn on CET1 Basel 3 fully phased-in capital

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- › Clear steering approach based on regulatory capital – capital employment and returns of Core Bank divisions calculated on 11% of Basel 3 RWA
- › IFRS capital to cover goodwill, intangibles and regulatory capital deductions will be disclosed in O&C
- › Moreover capital in excess of 11% is allocated to O&C

## NCA - Restatement effects

FY 2015 - in € m	NCA as reported	PC effect	MSB effect	CM effect	O&C effect	ACR effect
Total Revenues	258	+22	+139	+23	-1	+76
Provision for loan losses	-366	-12	+5	-	+2	-361
Operating expenses	293	+11	+48	-	+54	+180
<b>Operating profit</b>	<b>-401</b>	<b>-</b>	<b>+96</b>	<b>+23</b>	<b>-53</b>	<b>-465</b>
RWA fully phased in (end of period) - Public Finance	20,348	-	-	-	+9,902	+10,446
RWA fully phased in (end of period) - CRE	8,826	+358	+2,837	-	-	+5,631
RWA fully phased in (end of period) - Ship Finance	7,296	-	+1,612	-	-	+5,684
<b>RWA fully phased in (end of period)</b>	<b>36,470</b>	<b>+358</b>	<b>+4,449</b>	<b>-</b>	<b>+9,902</b>	<b>+21,761</b>
EaD (end of period) - Public Finance	44,234	-	-	-	+34,981	+9,253
EaD (end of period) - CRE	10,335	+1,644	+5,561	-	-	+3,130
EaD (end of period) - Ship Finance	8,426	-	+2,301	-	-	+6,125
<b>EaD (end of period)</b>	<b>62,995</b>	<b>+1,644</b>	<b>+7,862</b>	<b>-</b>	<b>+34,981</b>	<b>+18,508</b>

Note: Numbers may not add up due to rounding

## O&C - Restatement effects due to reshaping

FY 2015 - in € m	O&C as reported	PC effect	MSB effect	CEE effect	CM effect	O&C effect	ACR effect
Total Revenues	120	+40	+52	-3	+22	-122	+11
Provision for loan losses	-63	-	-	-	-	-	-
Operating expenses	516	+84	+84	+9	+73	-250	-
<b>Operating profit</b>	<b>-459</b>	<b>-44</b>	<b>-31</b>	<b>-13</b>	<b>-51</b>	<b>+128</b>	<b>+11</b>
<b>RWA fully phased in (end of period)</b>	<b>20,660</b>	-	-	-	-	-	-

Note: Numbers may not add up due to rounding