

/ commerzbank | A MAJOR INTEGRATED BANK

COMMERZBANK 





**Commerzbank's head-office building
in Frankfurt am Main**

Since 1997, the new tower is where around 2,500 Commerzbank employees work.

For Commerzbank, this building is a symbol of innovation, transparency and a successful course in the third millennium. It also underscores Commerzbank's efforts to enhance its position as a leading major bank.

With the tower, too, the bank has created a distinctive feature of Frankfurt as a financial centre.

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| **commerzbank – a major integrated bank** |

Since taking over Eurohypo, Europe's largest institution specializing in financing real-estate and public-sector projects, on March 31, 2006, Commerzbank has been Germany's second-largest bank and one of the leading banks in Europe. It sees itself as an efficient provider of financial services above all for private customers and small to medium-sized companies (*Mittelstand*). At the same time, it serves numerous major corporates and institutions in Europe as well as multinationals worldwide. Its declared aim is to expand its market share in each of these core target groups and to be the best bank for German *Mittelstand* firms in particular.

Commerzbank is unreservedly committed to its home market, Germany, where it maintains a nationwide network of some 800 branches. In corporate business, Western, Central and Eastern Europe also count as core markets. In the US and in Asia, the bank is active in the leading business centres. All told, it is represented with outlets of its own in more than 40 countries.

High priority is given to easy access, especially through the virtual branch www.commerzbanking.de. Here and in online banking through comdirect bank, Commerzbank has above-average market shares.

The bank provides *Mittelstand* firms, larger corporates and multinationals with access to all its internet-based corporate applications through www.companyworld.de.

Commerzbank is directly represented in the key international business and financial centres through subsidiaries, branches and representative offices. In addition, Commerzbank has a network of more than 6,000 correspondent banks worldwide.

The bank's share capital is widely dispersed among roughly 320,000 shareholders; more than 50% of its capital is held by non-resident investors. Its largest shareholder is the Italian-based insurance group Generali, with 8.6%.

Founded 136 years ago

Commerzbank was founded as Commerz- und Disconto-Bank in Hamburg in 1870. In 1958, the reorganized Commerzbank AG established its legal seat in Düsseldorf. During the early seventies, it moved its head office to Frankfurt am Main, also transferring its legal seat there in 1990.

Broad range of financial services

Commerzbank's activities are focused on the customer. Its operating business is organized in three divisions, which achieve mutual synergy effects:

- Retail Banking and Asset Management
- Corporate and Investment Banking
- Commercial Real Estate, Public Finance and Treasury.

Retail Banking and Asset Management

The Retail Banking and Asset Management division consists of the segments Private and Business Customers and Asset Management. About 5 million Commerzbank retail customers benefit from a nationwide branch network and a broad range of products.

The services offered are focused on investing, with an officially certified selection of funds, as well as home loans and old-age provision. These are complemented by account management, including payments, and the Eurocard and Visa credit cards, permitting Commerzbank customers to use a full range of banking services which meet the demands of modern, sophisticated private customers.

| highlights of commerzbank group |

	1.1.–30.9.2006	1.1.–30.9.2005
Income statement		
Operating profit (€ m)	1,996	1,251
Operating profit per share (€)	3.04	2.11
Pre-tax profit (€ m)	1,782	1,251
Net profit (€ m)	1,242	832
Earnings per share (€)	1.89	1.40
Operating return on equity ¹⁾ (%)	21.6	16.4
Cost/income ratio in operating business (%)	57.7	64.9
Return on equity of consolidated surplus ¹⁾ (%)	14.5	12.1
	30.9.2006	31.12.2005
Balance sheet		
Balance-sheet total (€ bn)	609.7	444.9
Risk-weighted assets according to BIS (€ bn)	227.8	149.7
Equity (€ bn) as shown in balance sheet	14.6	13.7
Own funds (€ bn) as shown in balance sheet	29.0	21.8
BIS capital ratios		
Core capital ratio, excluding market-risk position (%)	6.8	8.3
Core capital ratio, including market-risk position (%)	6.7	8.1
Own funds ratio (%)	11.0	12.5
	30.9.2006	30.9.2005
Commerzbank share		
Number of shares issued (million units)	657.2	599.1
Share price (€, 1.1.–30.9.) high	33.96	23.00
low	24.66	15.17
Book value per share ²⁾ (€)	20.86	19.97
Market capitalization (€ bn)	17.4	13.6
Staff		
Germany	27,916	25,584
Abroad	8,207	7,646
Total	36,123 ³⁾	33,230
Short/long-term rating		
Moody's Investors Service, New York	P-1/A2	P-1/A2
Standard & Poor's, New York	A-2/A-	A-2/A-
Fitch Ratings, London	F1/A	F2/A-

1) annualized; 2) without measurement of cash flow hedges and minority interests; 3) including Eurohypo (2,376)

At www.commerzbanking.de, a virtual branch is available, offering practically the entire range of a traditional branch office online.

Commerzbank's subsidiary comdirect bank AG, a full-service bank for private customers, concentrates mainly on securities business. comdirect bank is Germany's number one online broker.

In private banking, Commerzbank has a decentralized structure: 37 outlets represent the largest nationwide presence and consequently the greatest density of advisory services for affluent private clients in Germany. With practically 22,000 clients and assets under management of more than €22bn, Commerzbank is one of Germany's three leading institutions in private banking. Four offices in Switzerland, Luxembourg and Singapore round off the international services which it provides.

Under its bancassurance strategy, Commerzbank offers customers modern banking, insurance and fund products. In order to respond even better to the growing demand for products to provide for the future, Commerzbank has overhauled its business model for advising customers in the bancassurance and provision areas. Every account manager at every branch is now able to give customers direct and individual advice on this topic. They are supported in their efforts by new software, a streamlined product palette and an exten-

sive coaching programme. For complex issues, they can turn to the specialists at the bank's Commerz Partner subsidiary.

The COMINVEST Group concentrates on actively managed securities-based funds for retail and institutional investors, focusing on Germany, and through its ebase subsidiary on servicing and managing custody accounts.

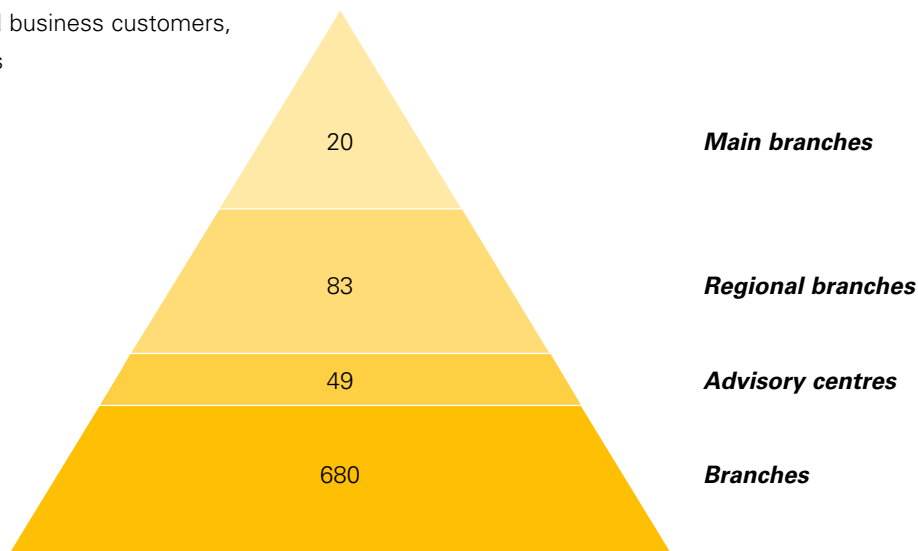
Corporate and Investment Banking

In its two segments *Mittelstand* and Corporates & Markets, the Corporate and Investment Banking division looks after business relations with small, medium-sized and large corporate customers worldwide, also assuming responsibility for customer-based market activities.

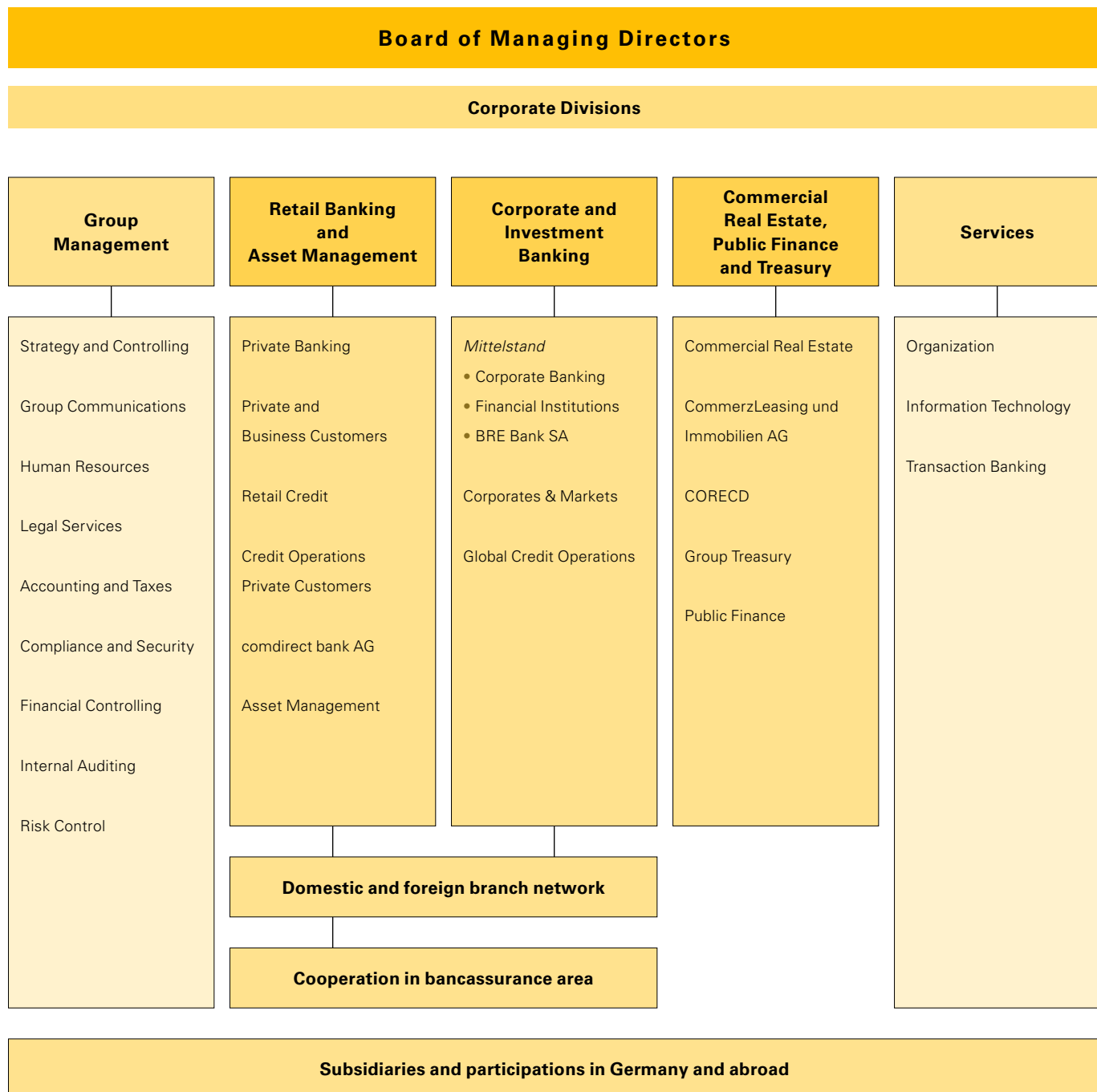
Commerzbank is the only major bank in Germany to have a separate operational segment devoted to *Mittelstand* business. At 166 of its branches, just over 50,000 small to medium-sized companies with an annual turnover of €2.5m and more are looked after. Throughout Germany, support for roughly 650 larger corporates is concentrated on five specialized larger corporates centres.

Branch structure of Commerzbank AG in Germany

Private and business customers,
832 outlets



| structure of commerzbank group |



Highly-qualified corporate relationship managers provide access to the many services offered by Commerzbank. Today, transaction management involves much more than handling payments. Information, cash and liquidity management are just as much a part of it as foreign documentary L/C business and foreign-exchange transactions.

Commerzbank is also a market leader in electronic banking. Digital signatures as well as certificates for internet-based applications are available. In addition, Commerzbank offers payment systems for the virtual world and treasury management systems.

Commerzbank's investment-banking activities are concentrated in the Corporates & Markets segment and in addition to Corporate Finance, Markets and Sales, include the services provided by Relationship Management for multinationals and selected larger corporates. The bundling of these areas under a single roof ensures that our clients receive optimal all-round support. A key factor in our success is our great experience in structuring and trading in innovative products as well as in offering specially tailored products and services to the individual client segments (corporates, institutionals and retail).

Commercial Real Estate, Public Finance and Treasury

Through the acquisition of Eurohypo, Commerzbank has become Germany's number one in the financing of private and commercial real estate. The broader customer base, the better range of products and great cross-selling potential all strengthen the Group's position.

Network of outlets abroad

Commerzbank's international activities are geared to institutional clients and companies. In some locations – above all in Luxembourg and Switzerland – international private-banking facilities also exist for wealthy private customers.

The bank is involved in the financing of 16% of Germany's external trade and has, therefore, a much higher-than-average market share. It has a direct presence in more than 40 countries.

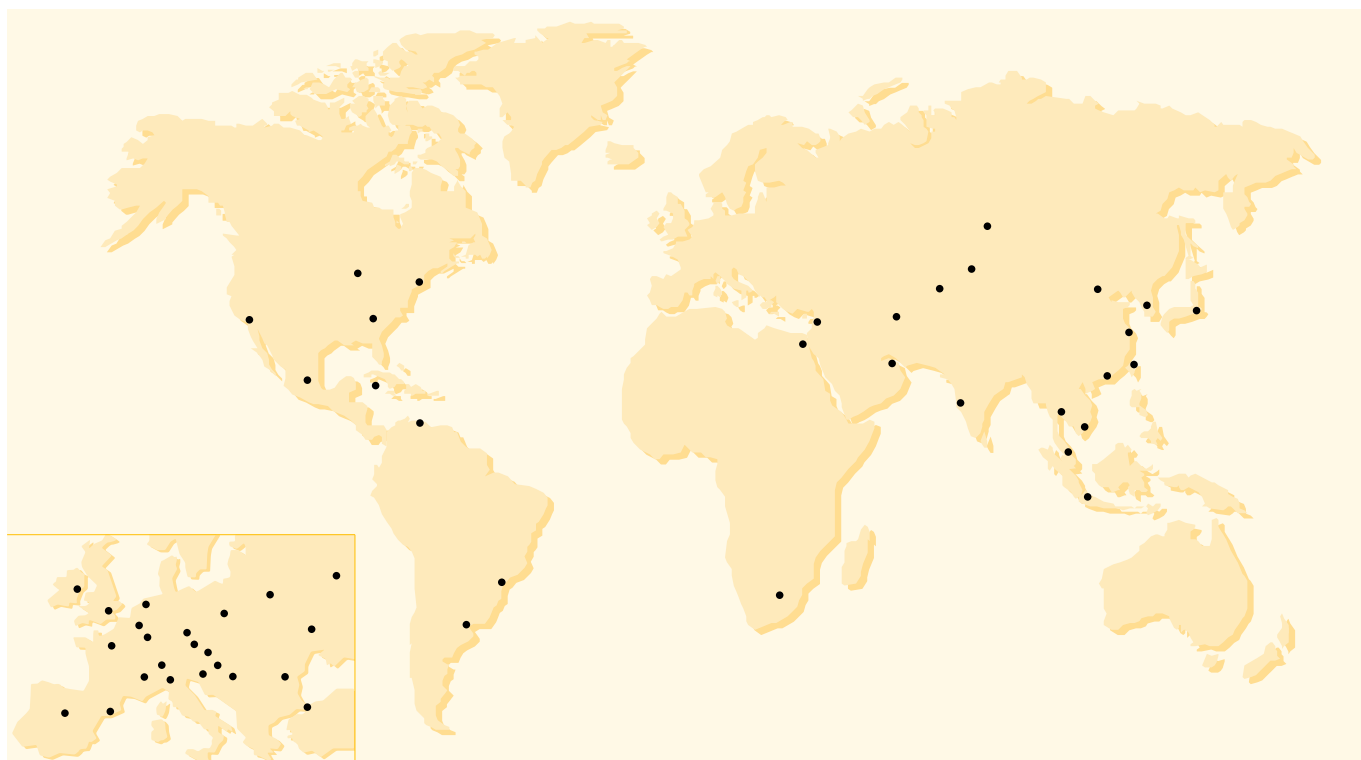
In the nineties, the bank primarily expanded its presence in Central and Eastern Europe. In order to complement its operational outlets in Moscow, Bratislava, Budapest, Prague and Brno, it maintains representative offices in Almaty, Belgrade, Bucharest, Kiev, Minsk, Moscow, Novosibirsk, Tashkent and Zagreb. In Poland, it is active through BRE Bank, in which it holds a stake of around 72%. In South-East Europe, Commerzbank has strengthened its position through participation in local ProCredit banks. In addition to contributing expertise and experience, Commerzbank, as the commercial partner of these institutions, also handles international payments and foreign commercial business.

In North America, Commerzbank's branches in New York, Atlanta, Chicago and Los Angeles handle commercial-banking business.

In Latin America, North Africa and the Near and Middle East, Commerzbank primarily maintains representative offices.

Asian activities are bundled in the form of Commerzbank Asia-Pacific in Singapore.





Foreign branches

Amsterdam
 Atlanta (agency)
 Barcelona
 Bratislava
 Brno (office)
 Brussels
 Chicago
 Grand Cayman
 Hong Kong
 Johannesburg
 London
 Los Angeles
 Madrid
 Milan
 New York
 Paris
 Prague
 Shanghai
 Singapore
 Tokyo

Representative offices

Almaty
 Bahrain
 Bangkok
 Beijing
 Beirut
 Belgrade
 Brussels
 Buenos Aires
 Bucharest
 Caracas
 Ho Chi Minh City
 Istanbul
 Jakarta
 Cairo
 Kiev
 Mexico City
 Minsk
 Moscow
 Mumbai
 Novosibirsk
 São Paulo
 Seoul
 Taipei
 Tashkent
 Tehran
 Zagreb

Major foreign holdings

BRE Bank SA, Warsaw
 Caisse Centrale de Réescmpte, S.A., Paris
 COMINVEST Asset Management S.A., Luxembourg
 Commerzbank Capital Markets Corporation, New York
 Commerzbank (Eurasija) SAO, Moscow
 Commerzbank Europe (Ireland), Dublin
 Commerzbank International S.A., Luxembourg
 Commerzbank (South East Asia) Ltd., Singapore
 Commerzbank (Switzerland) Ltd, Zurich/Geneva
 Commerzbank Zrt., Budapest
 Commerz (East Asia) Ltd., Hong Kong
 Erste Europäische Pfandbrief- und Kommunal-
 kreditbank AG, Luxembourg
 Jupiter International Group plc, London
 P. T. Bank Finconesia, Jakarta

| boards of commerzbank ag |

Supervisory Board

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Deputy Chairman

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Bernd Knobloch
(since April 1, 2006)

Klaus M. Patig

Michael Reuther
(since October 1, 2006)

Dr. Eric Strutz

Nicholas Teller

*) elected by the bank's employees



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