

Presentation to analysts

Frankfurt am Main, March 13th, 2003

Dr. Achim Kassow (CEO)

Dr. Andre Carls (CFO)





Agenda

- **2002: Successful turnaround**

- **Management statement**
- **Key figures**

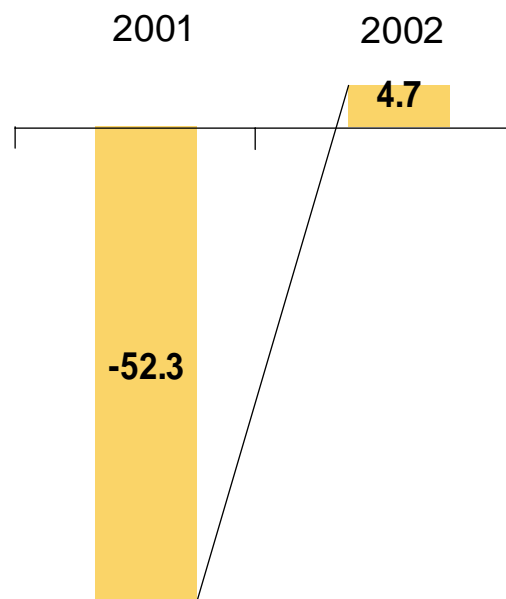
2003: New perspectives



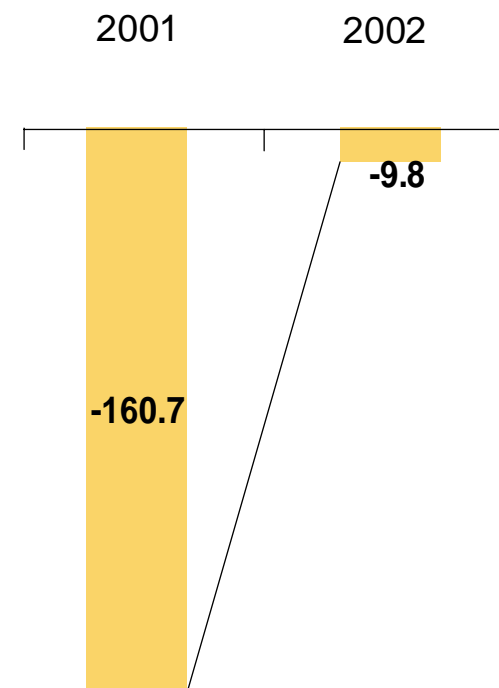
Improvement in results – operating profit achieved

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Profit from ordinary activities (€m)

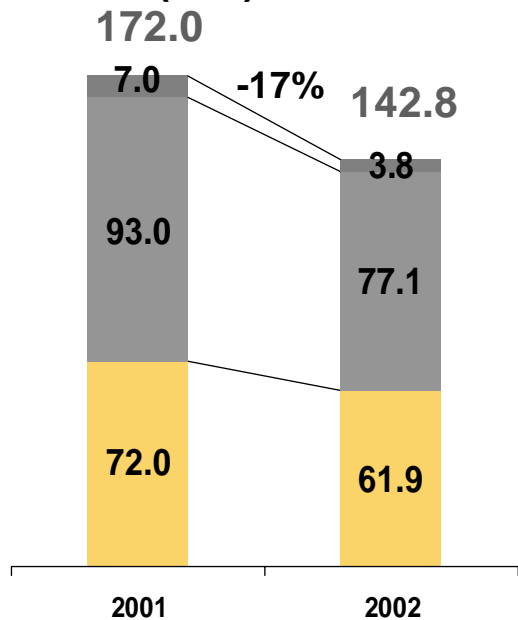


After-tax profit (€m)



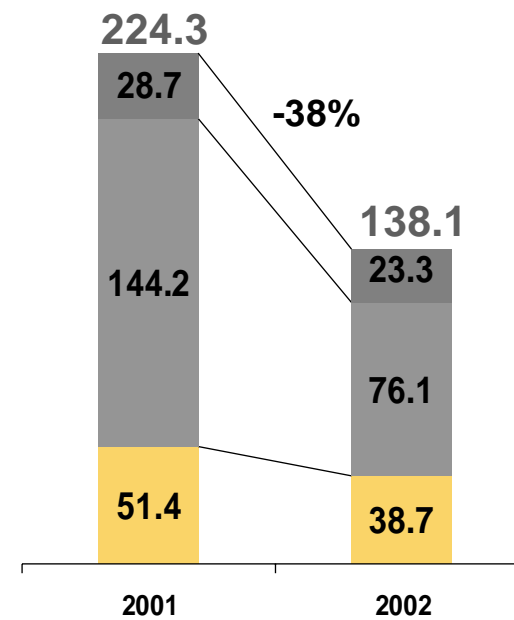


Income (€m)



- Other income
- Net commission income
- Net interest after provisions

Administrative expenses (€m)



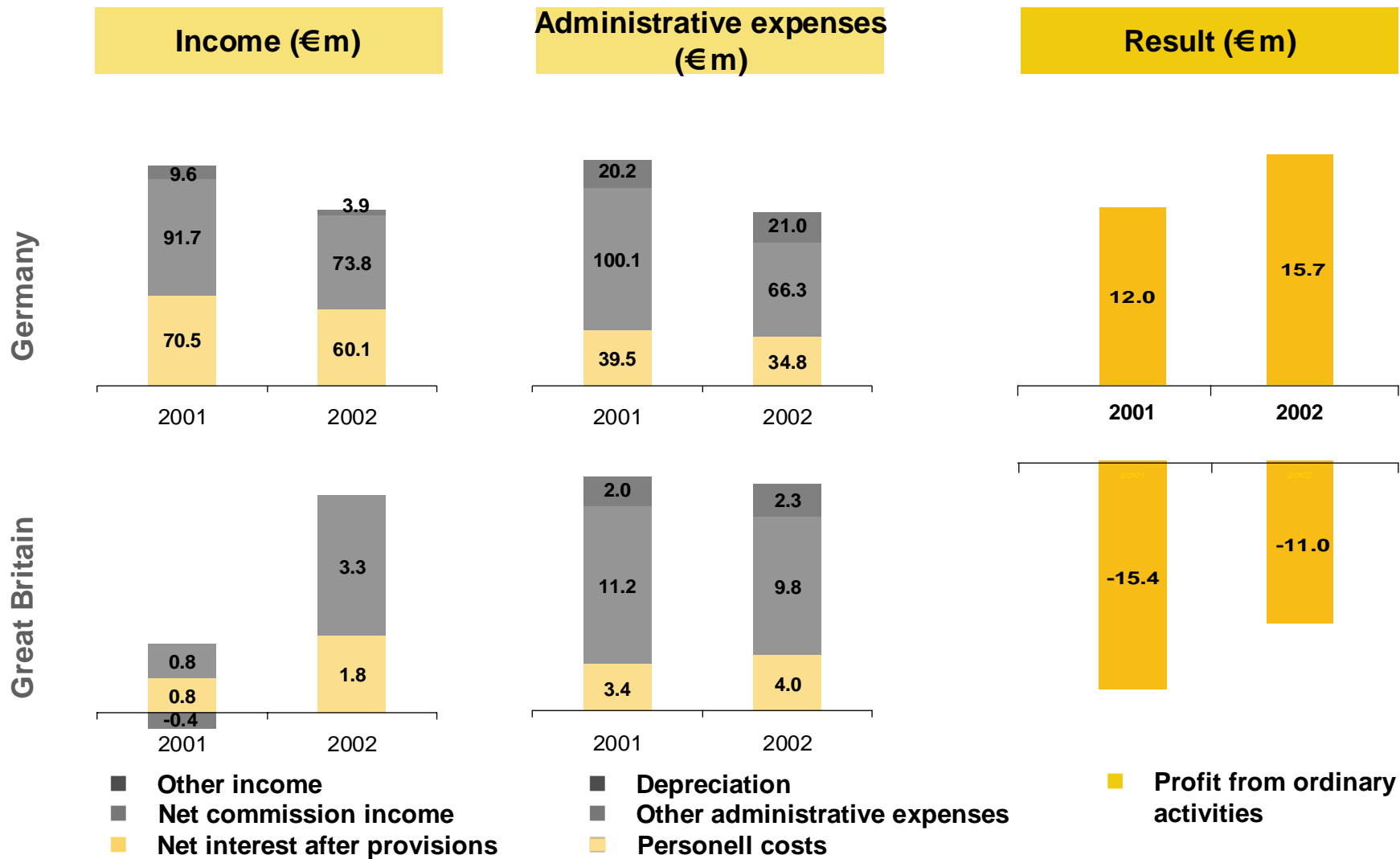
- Depreciation
- Other administrative expenses
- Personell costs

Cost-income ratio

2001	2002
129.1	96.2

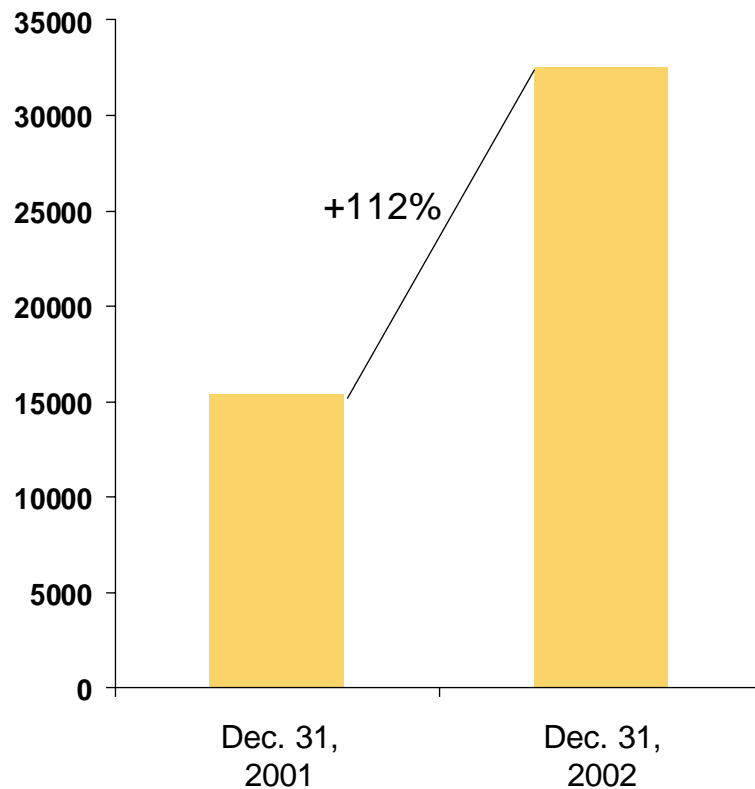


Result: Improvement in Germany and UK





Customer figures comdirect Ltd



- From 8th to 3rd place within a year
- Award from leading investment magazine

**Best Direct ISA
Provider 2002**

**Best Dealing Only
Stockbroker 2002**

- Cooperation partner of Lloyds
TSB Bank plc



com 1 2002

Reduce costs

- Total costs in Germany reduced from €160 m to €122 m
- Personnel cuts by a third (306 FTEs)
- Kiel location closed as of year end

Stabilise earnings

- Conditions adjusted to market level without significant negative client reaction
- Extension of the support tools (information and analysis) to ease re-entry/new entry
- Intensification of fund sales

Streamline structures

- Smaller Board and realignment of responsibilities
- Streamlining organisation from 19 to 13 divisions
- Reduction of executive staff by a third



Operating profit in the black

German business restructured

UK market share increased rapidly

comdirect SpA (Italy) closed

comdirect S.A. (France) sold

com!

**Turnaround
achieved**



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Key figures of comdirect Group

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	2001	2002
Profit from ordinary activities (€ m)	- 52.3	4.7
After-tax profit (€ m)	-160.7	-9.8
Earnings per share (€)	-1.14	-0.07
RoE (%) (pre taxes and extraordinaries)	-7.9	0.8
Cost-income ratio (%)	129.1	96.2
Equity (€ m)	578	564
Balance sheet total (€ m)	2,974	2,589
Equity ratio (%)	19.4	21.8
Number of employees	1,291	922
Total customers (000), of which:	649	622
Direct brokerage customers (000)	615	595
Executed orders (m)	6.6	5.7
Portfolio volume (€ m)	6,699	5,057
of which: funds volume (€ m)	1,093	1,066
Deposit (€ m)	2,302	1,948



Statement of earnings comdirect Group according to IAS

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€m	2001	2002	Delta
Net interest income	74.1	63.9	-14%
Provisions	2.1	2.0	-2%
Net interest income after provisions	72.0	61.9	-14%
Net commission income	93.0	77.1	-17%
Other result*	7.0	3.8	-45%
Total income	172.0	142.8	-17%
Personnel costs	51.4	38.7	-25%
Other administrative expenses	144.2	76.1	-47%
Depreciation	28.7	23.3	-19%
Administrative expenses	224.3	138.1	-38%
Profit/loss from ordinary activities	-52.3	4.7	--
Extraordinary result	-98.3	-23,3	--
Taxes on income	10.1	-8,8	--
Net profit/loss	-160.7	-9.8	--

*other operating result + trading/investment result



Balance sheet comdirect Group according to IAS

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€m	Assets		Liabilities		
	2001	2002	2001	2002	
Cash reserve	72	5	0	15	Liabilities to banks
Claims on banks	1,684	1,294	2,289	1,949	Liabilities to customers
Claims on customers	264	175	51	21	Provisions
Provisions	-5	-6	11	0	Tax liabilities
Trading assets	2	0	28	24	Other liabilities
Financial investments	861	1,058	17	17	Subordinated capital
Intangible assets	22	14	578	564	Equity
Fixed assets	46	28			
Tax assets	10	12			
Other assets	18	9			
Total assets	2,974	2,589	2,974	2,589	Total liabilities and equity

Sound relation between origin and deployment of funds as healthy basis for future business development

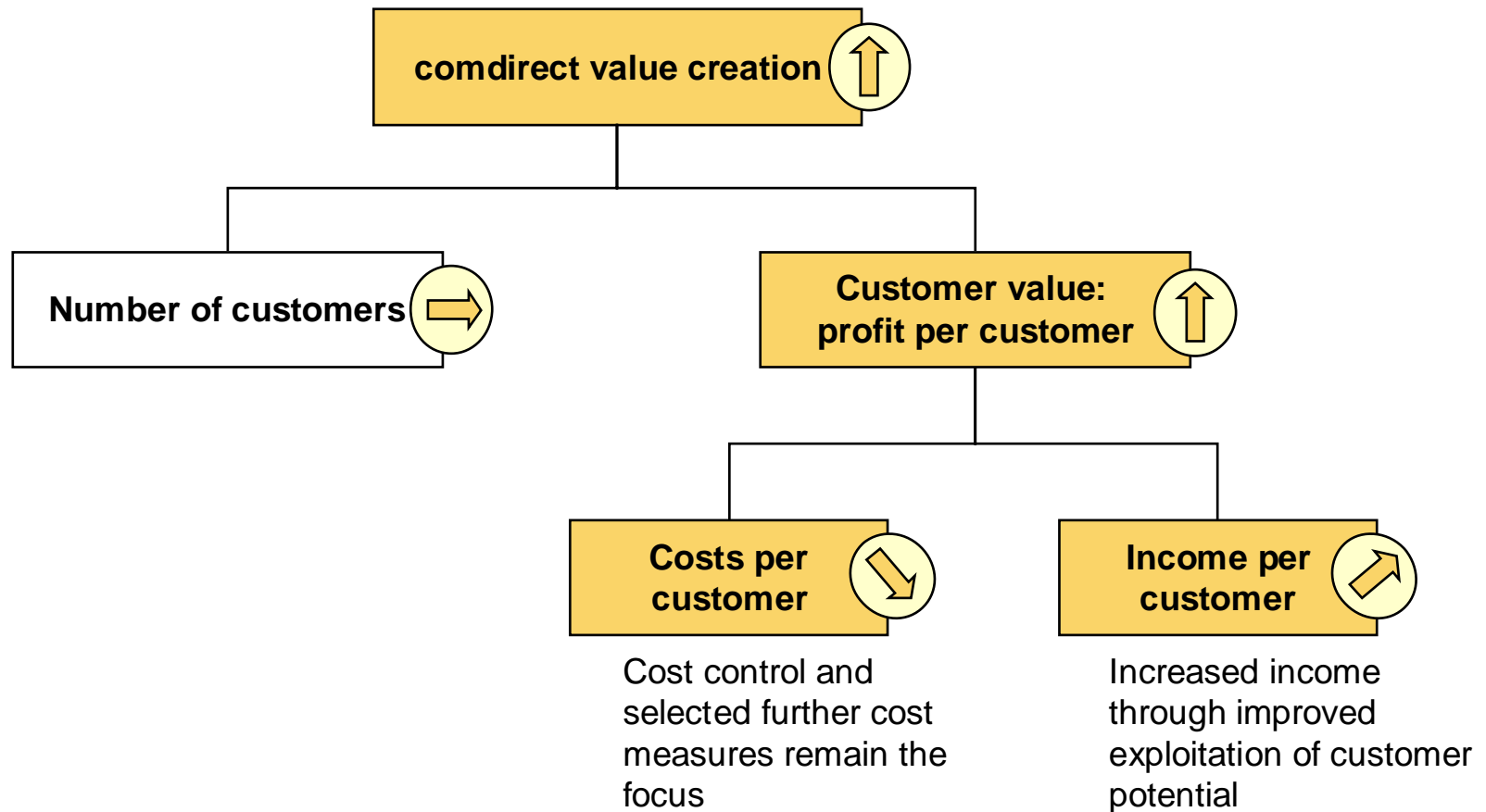


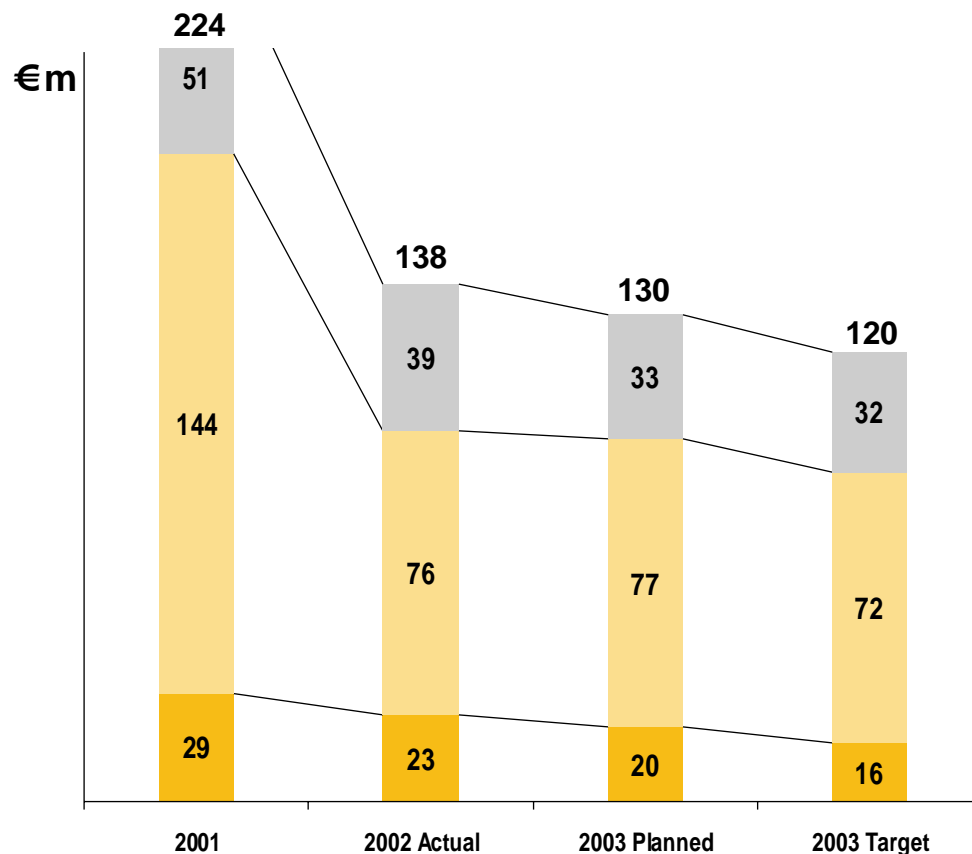
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- Key figures


■ **2003: New perspectives**





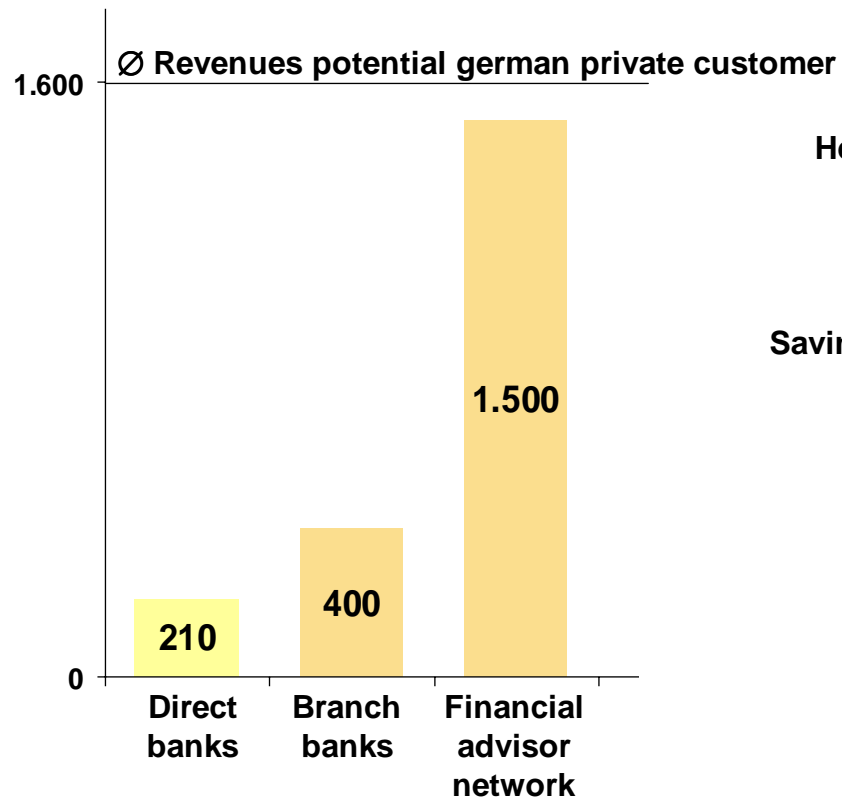
- Personnel costs
- Other administrative expenses
- Depreciation

Focus 2003

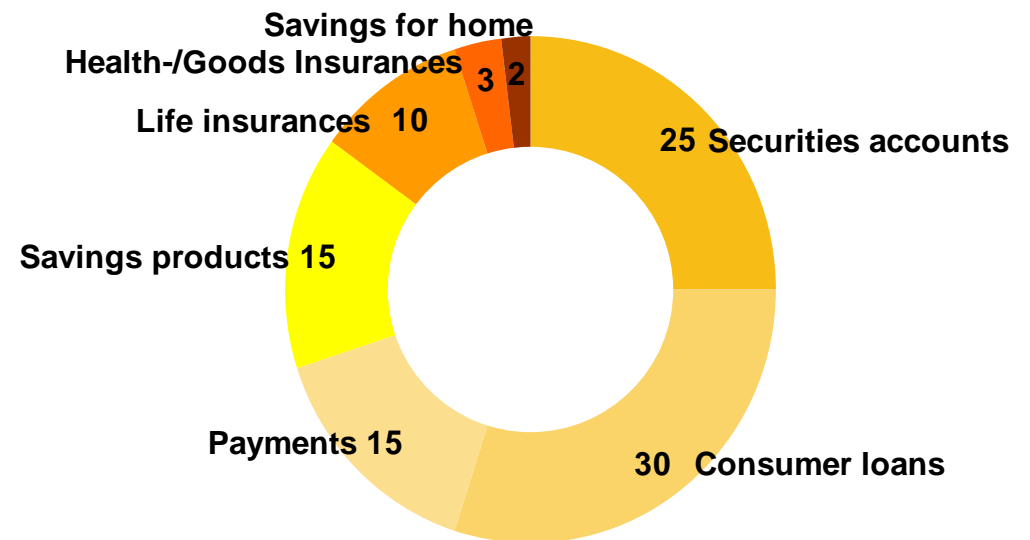
- A sense for continuous cost management to be established among the employees: Spirit matters!
 - “Operative Excellence” as a programme
 - 20 project teams
- 
- Cost target for 2004 will be more than reached already in 2003



Revenues per Customer (€)



Revenues components by products (%)





Customer requirements



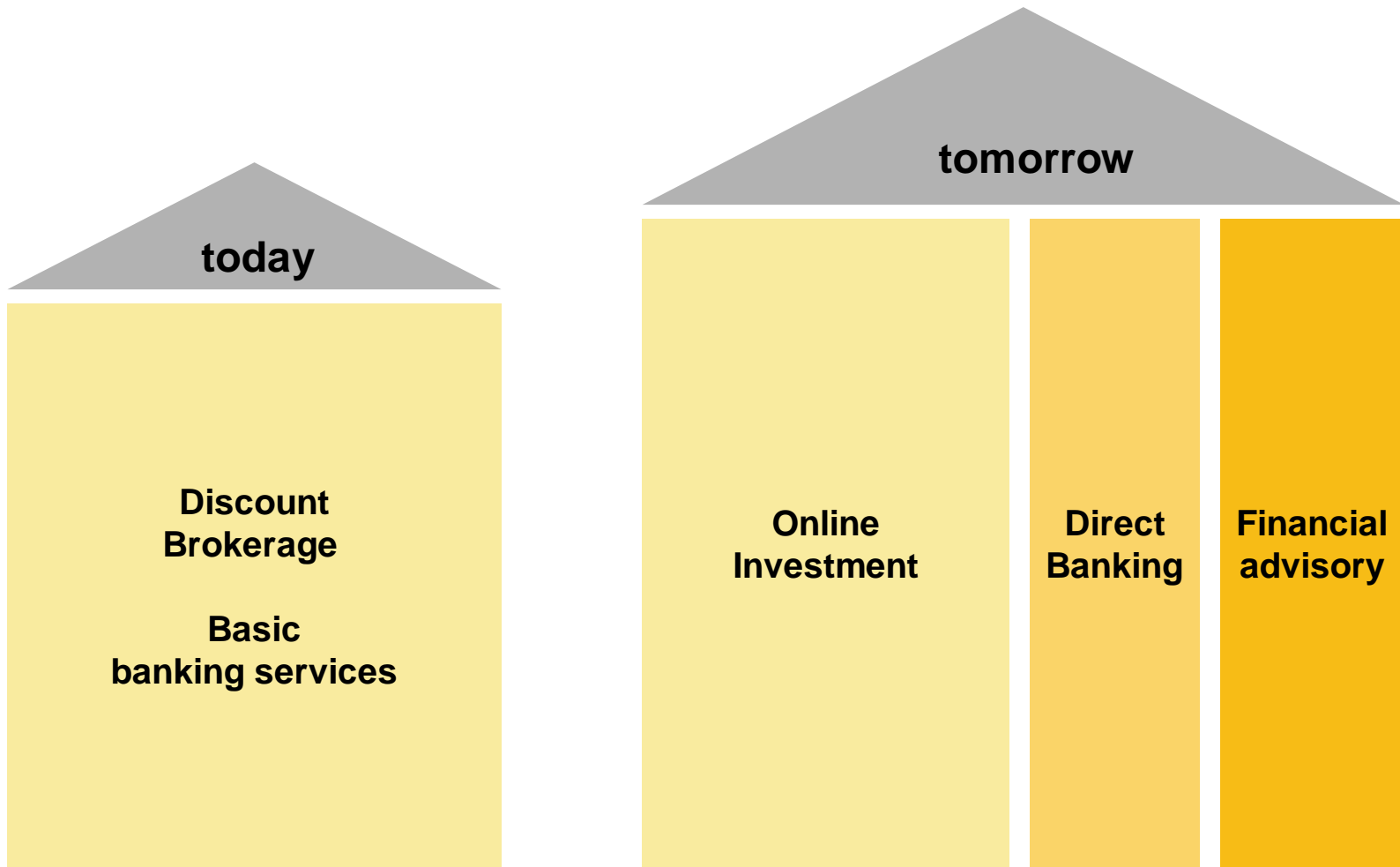
- Every second customer wants short-term investments at comdirect (savings products)

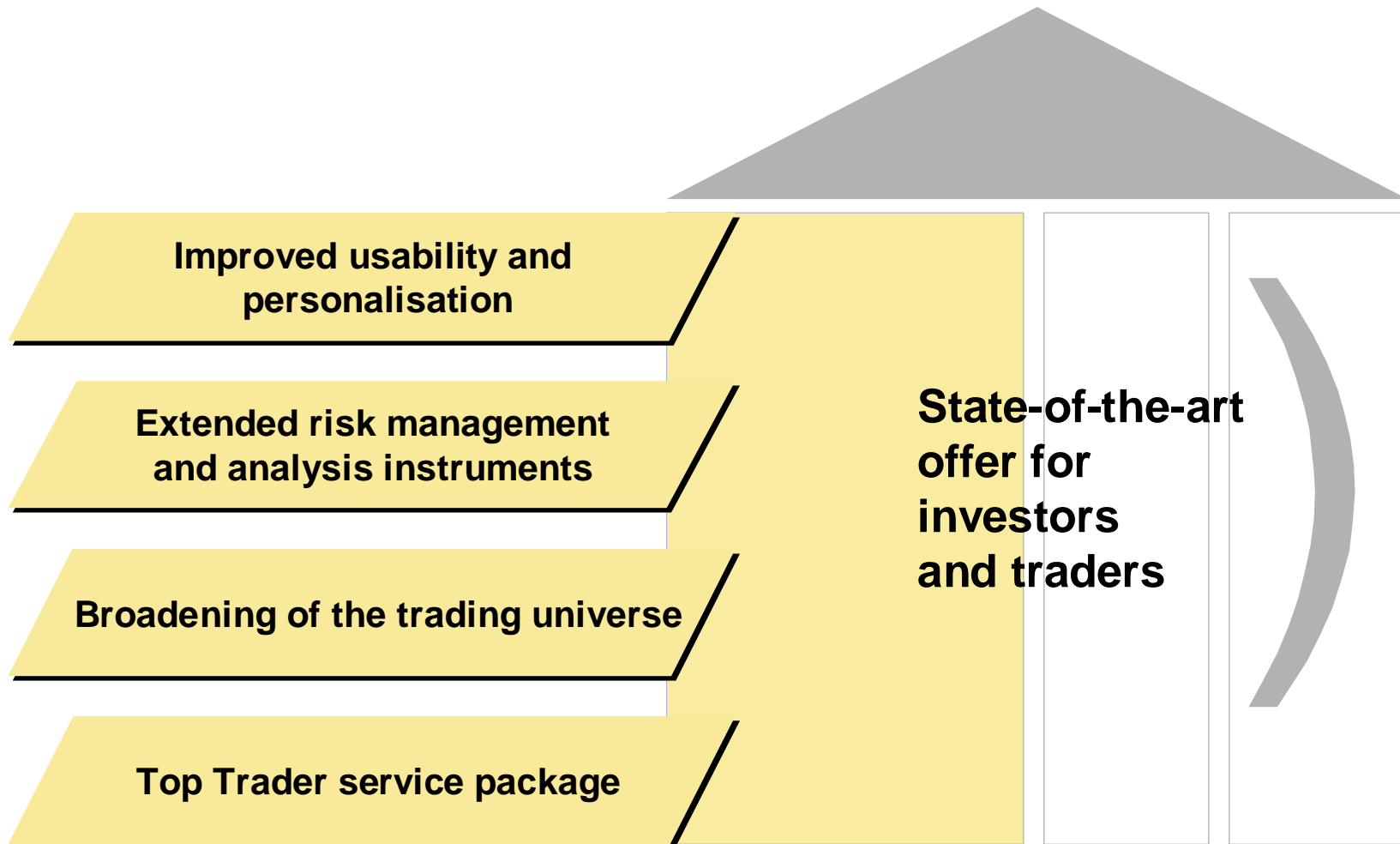


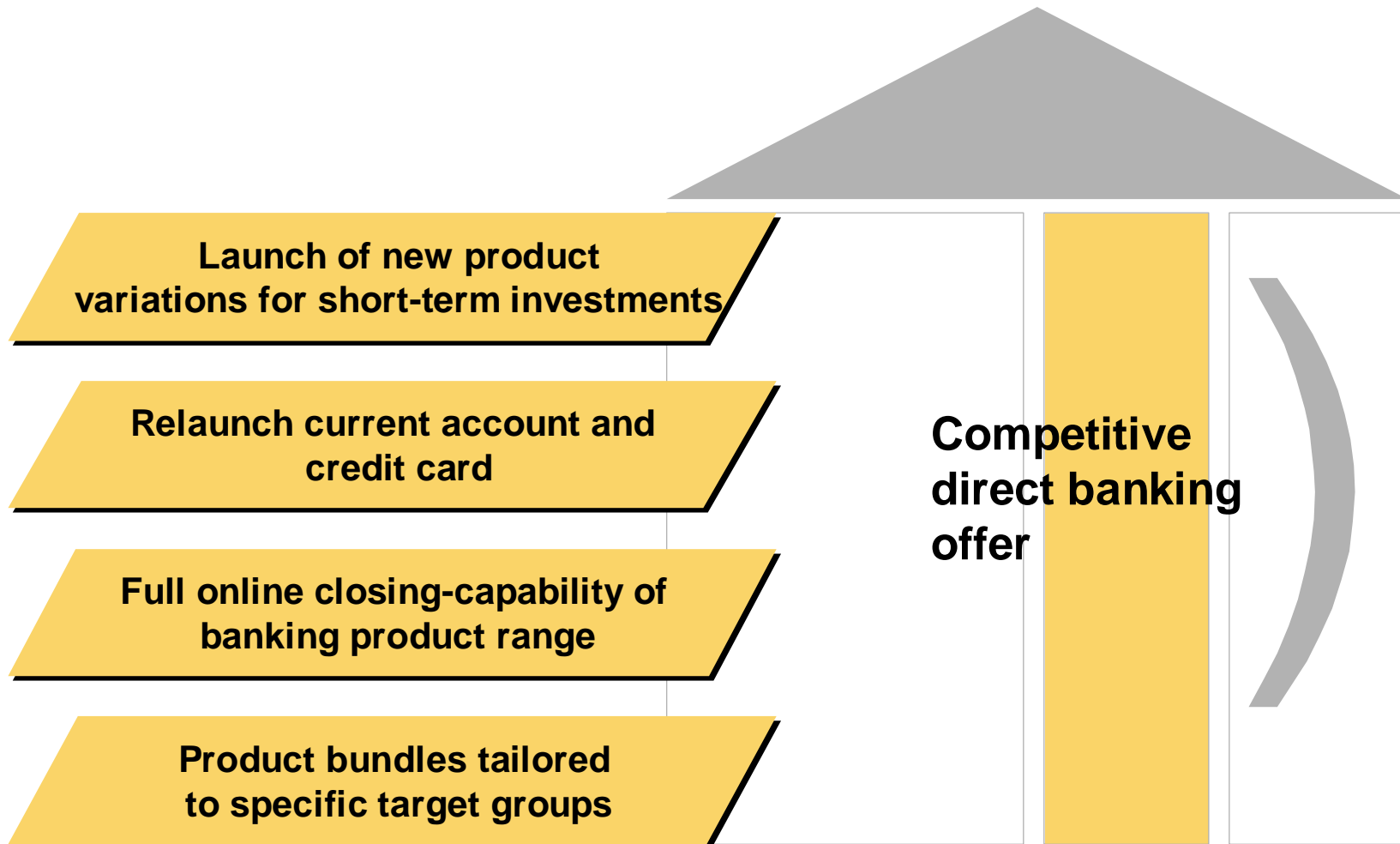
- Every third customer would like liquidity management at comdirect (current account, credit card)

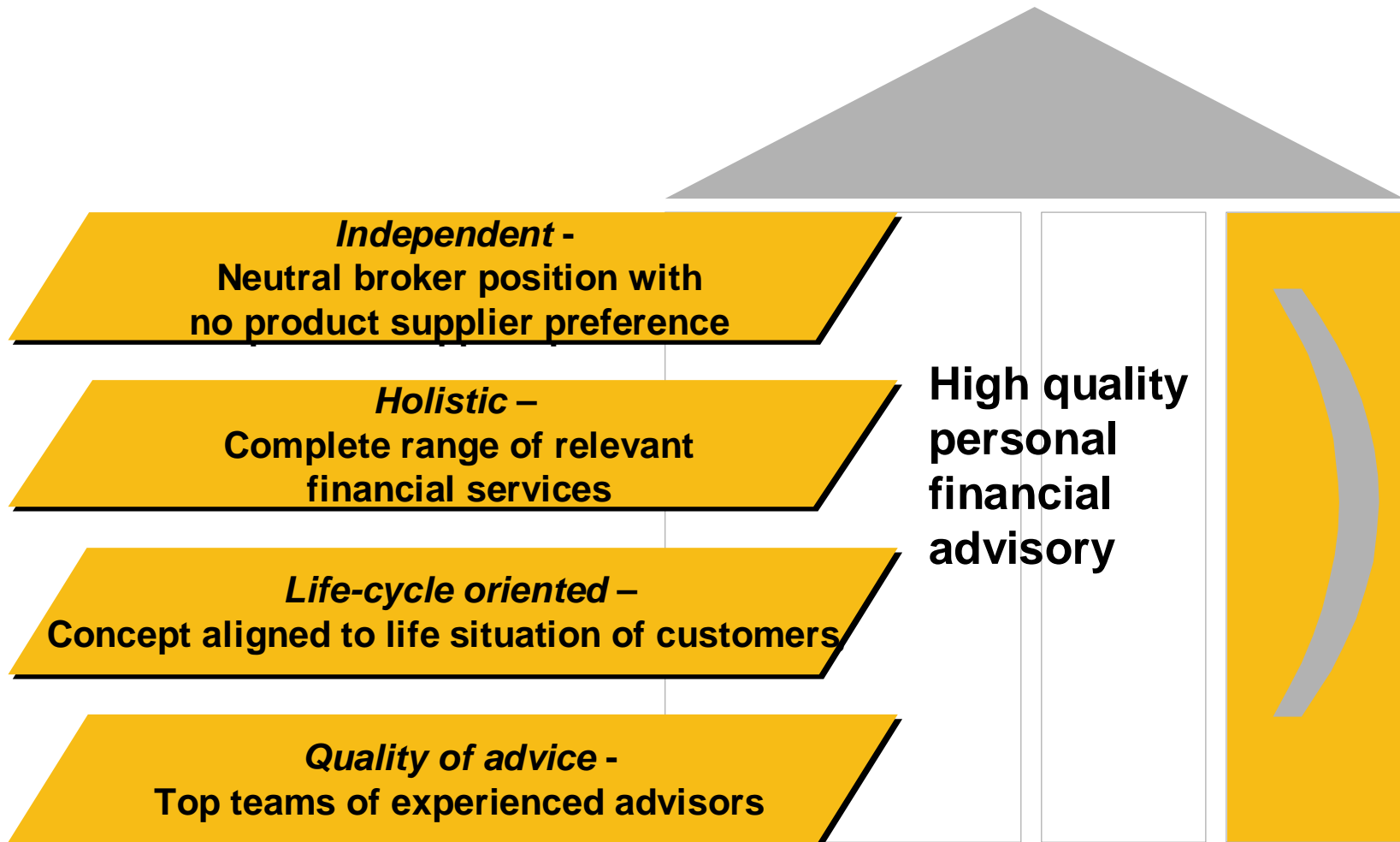


- Almost half of the customers is looking for personal financial advisory











Implementation

- 180 top advisors in 2006 as milestone target, servicing some 17,000 customers
- Focus on conurbations
- Pilot in Q4 2003
- Market launch 2004

Business case

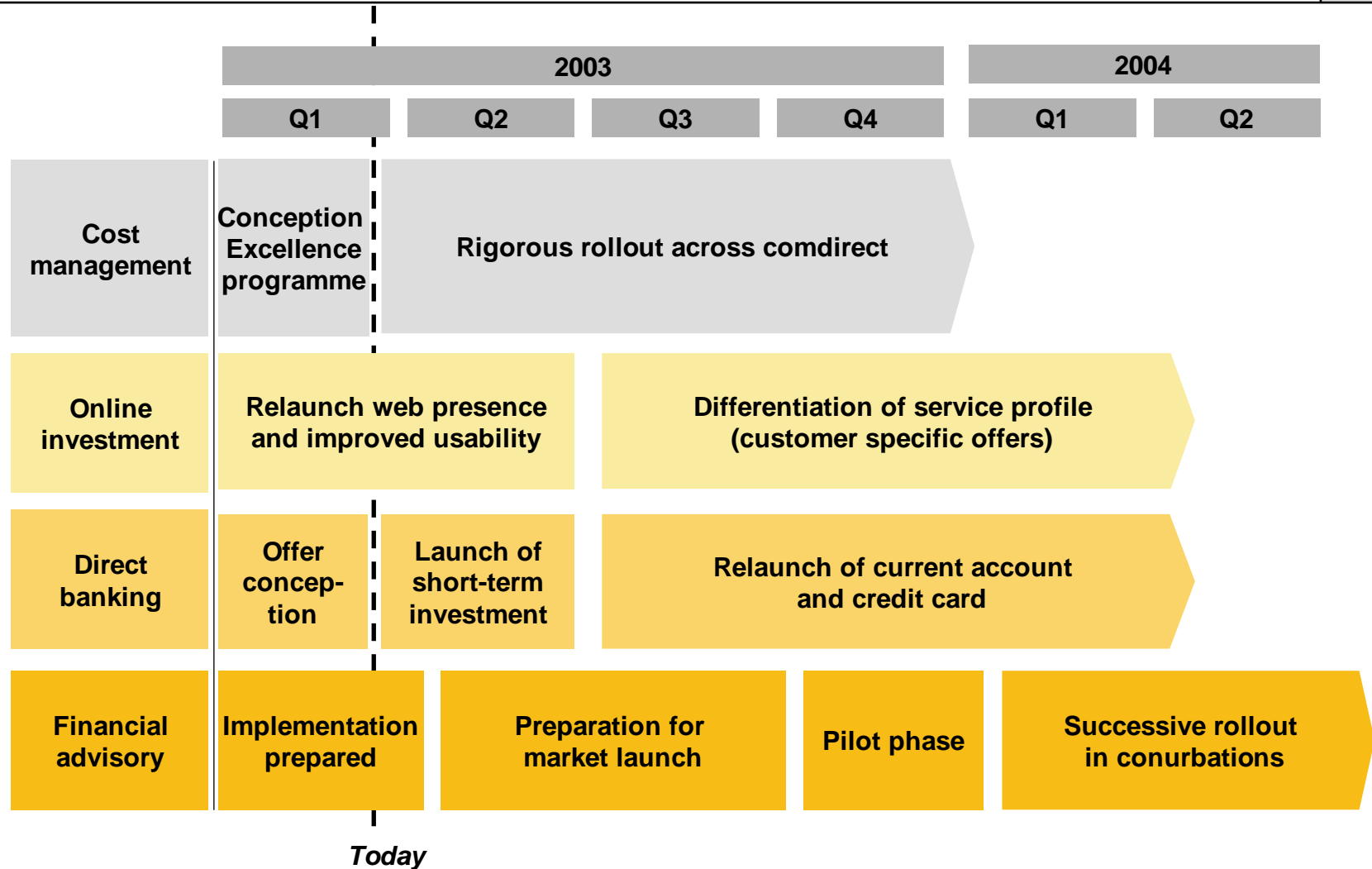
- Break-even in 2006
- Start-up losses of €5 m p.a. for three years
- Pay back of cumulated start-up losses in five years after launch

(Profitable after three years



Implementation started

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**Continuation of
strict cost management**

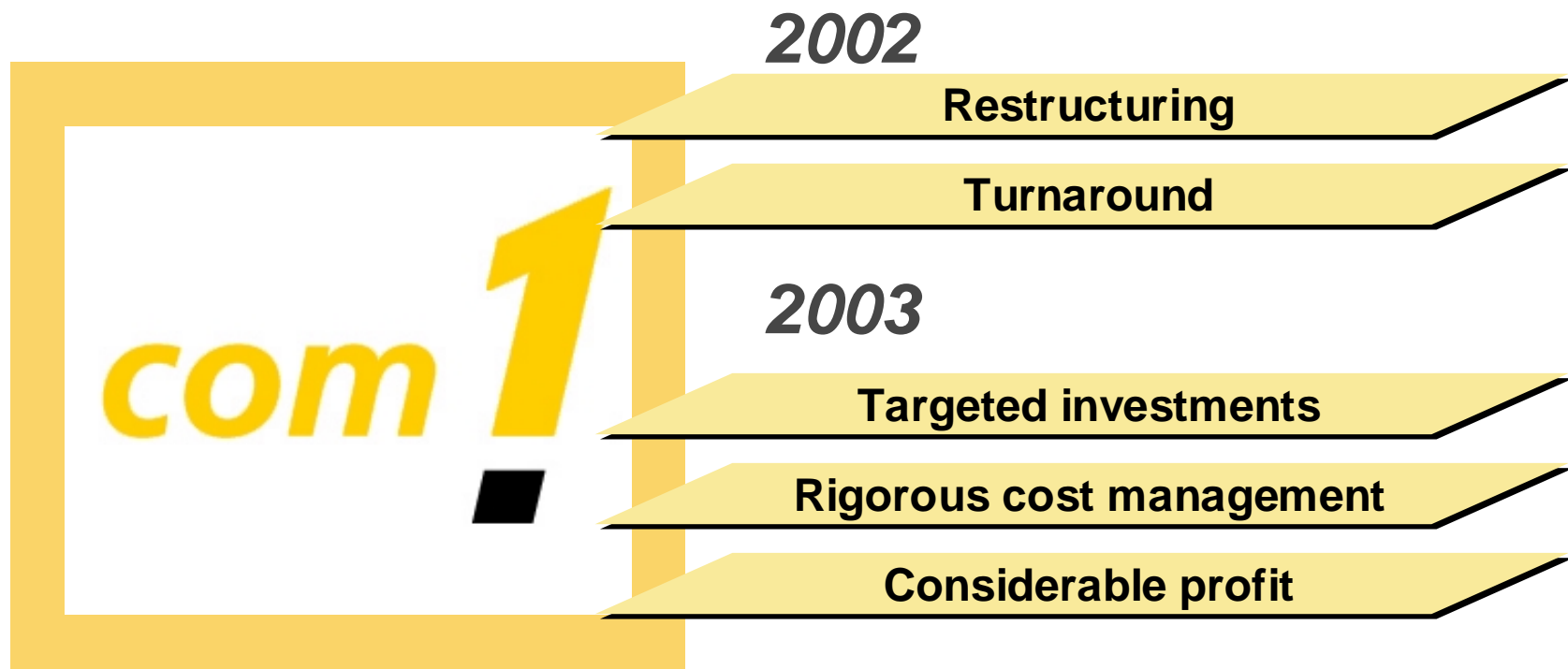
**Online investment:
remains best-in-class**

Direct banking: competitive offer

**Financial advisory: develop-
ment of high profile consultant teams**

com!

**comdirect to
become the
one-to-one
bank for the
modern
investor**





com 1 *comdirect's programme
for the future*