



> Half-year report 2008

Record deposits – excellent performance rewarded – ongoing growth

> Key figures of comdirect bank group

1 st half-year		2008	2007	Change in %
Customer figures as of 30.6.				
Total customers		1,213,718	888,056	36.7
Customers in the business line comdirect online		1,208,528	884,636	36.6
Customers in the business line comdirect offline		39,333	26,507	48.4
Business line comdirect online				
Placed orders		5,338,143	6,478,992	- 17.6
Executed orders		4,330,525	5,058,910	- 14.4
Average order activity per custody account (annualised)		13.2	16.6	- 20.5
Share of fund transactions in executed orders	in %	35.1	29.6	-
Order volume per executed order	in €	4,449	5,527	- 19.5
Total assets under custody as of 30.6.	in € million	21,720	19,560	11.0
of which: portfolio volume (excluding funds)	in € million	7,717	8,857	- 12.9
of which: funds volume	in € million	3,863	3,925	- 1.6
of which: deposit volume	in € million	10,140	6,778	49.6
Credit volume as of 30.6.	in € million	228	188	21.3
Number of custody accounts as of 30.6.		665,368	616,492	7.9
Number of securities savings plans as of 30.6.		151,917	140,591	8.1
Number of current accounts as of 30.6.		368,376	297,443	23.8
Number of Tagesgeld PLUS ("call money plus") accounts as of 30.6.		647,798	252,665	156.4
Business line comdirect offline				
Advisers as of 30.6.		206	195	5.6
Offices as of 30.6.		29	23	26.1
Commission income	in € thousand	11,205	10,627	5.4
Earnings ratios				
Net commission income	in € thousand	65,648	77,071	- 14.8
Net interest income before provisions	in € thousand	81,993	57,980	41.4
Administrative expenses	in € thousand	103,560	87,266	18.7
Pre-tax profit	in € thousand	40,248	47,398	- 15.1
Net profit	in € thousand	30,032	30,998	- 3.1
Earnings per share	in €	0.21	0.22	- 4.5
Balance sheet key figures as of 30.6.				
Balance sheet total	in € million	10,649	7,332	45.2
Equity	in € million	424	452	- 6.2
Equity ratio ¹⁾	in %	4.3	6.3	-
Regulatory indicators under Basel II²⁾ as of 30.6.				
Risk weighted assets ³⁾	in € million	560	n.a.	-
Eligible amount for operational risks	in € million	18	n.a.	-
Own funds ⁴⁾	in € million	382	n.a.	-
Own funds ratio ⁵⁾	in %	49.1	n.a.	-
Relative ratios				
Return on equity before tax (annualised) ⁶⁾	in %	17.0	17.5	-
Cost/income ratio	in %	71.8	64.5	-
Earnings per customer (annualised)	in €	259.8	318.2	- 18.4
Employees' figures as of 30.6.				
Employees		855	790	8.2
of which: in the business line comdirect online		798	758	5.3
of which: in the business line comdirect offline		57	32	78.1
Employees full-time basis		757.2	696.6	8.7

1) Equity ratio = Equity (excluding revaluation reserves) / balance sheet total

2) These figures are calculated on the basis of internal calculations; publication is voluntary and the figures are not reported to the Supervisory Authority based on national implementation conversion

3) Risk weighted assets in accordance with Section 10c of the German Banking Act (KWG) (intragroup receivables are zero weighted)

4) Own funds currently correspond to core capital at comdirect bank AG

5) Own funds ratio = own funds / (risk weighted assets + 12.5 x eligible amounts for operational risks)

6) Return on equity = pre-tax profit / average equity (excluding revaluation reserve) in the reporting period

> Foreword

Dear shareholders,

With the number of customers up by over 20% at 1.2 million, a deposit volume of more than €10bn for the first time and top marks for customer satisfaction, comdirect bank set new records in the first half of 2008. Our growth engine, comvalue, is powering ahead at full speed. The growth targets set for the end of 2009 are already in sight and in fact the target for custody accounts has already been achieved. Through targeted investment in our market and product offensive, we are continuing to maintain a fast pace – with the bank on track for growth. As an innovative direct bank with a full range of banking products and services that understands its customers like almost no other and consistently brings the right products to the market, we intend to inspire an ever greater number of modern bank customers.

The market environment offered both light and shade in the second quarter and comdirect bank has consistently exploited opportunities and systematically limited risk in the year to date. Thanks to favourable money market rates, we were able to offer particularly attractive terms for our call money, fixed-term and time deposit accounts. New customers currently receive up to 5.0% p.a. and they can earn up to as much as 7.0% through special campaigns (as of 15 July 2008). The fact that this is the right move at the right time is reflected in the rise in the deposit volume as well as the development in net interest income, which – also boosted by high money market interest rates – climbed 41.4% compared to the previous year to total €82.0m in the first half of 2008. In the face of growing uncertainty, investors held back considerably in the stock markets. Due to the decline in order figures compared to the first half of 2007, our net commission income was down by 14.8% to €65.6m. In times like these, the new earnings strength that comdirect has achieved through comvalue comes to the fore. Despite adverse conditions in the stock markets, comdirect increased its total income by 6.8% year-on-year.

Nonetheless, there was one simple reason why the reported pre-tax profit of €40.2m was lower than in the first six months of 2007: we are continuing to invest in growth, particularly in the current market. This can be seen in the €16m increase in administrative expenses compared with the previous year. With our shareholders in mind, our aim is not short-term profit optimisation but sustained value added. More than ever, this means gaining a large number of new customers and retaining their long-term loyalty through top products and services in brokerage, banking and advice.

We are well on the way. comdirect is held in high regard by demanding, modern investors as the top marks achieved in the latest customer satisfaction survey and the “Beste Bank 2008” award demonstrate. These good results are the



Michael Mandel
CEO of comdirect bank

incentive for us to become even better. I am confident that we will continue to positively surprise and inspire new customers with our frequent product launches and increasingly individualised approach.

Despite a mixed market environment and sustained investment in strong growth, we aim to achieve pre-tax profit of €70m for 2008. The bank's long-term prospects are important to us here. We are accelerating the comvalue programme and in addition, are looking in-depth at the bank's ongoing growth opportunities and strategy post-2009. Our profit target for 2008 reflects the confidence we have in our performance ability and the resilience of our business model.

Sincerely yours,

Michael Mandel
CEO

> Interim management report as of 30 June 2008

> Value-driven strategy

comdirect bank pursues a strategy of income-oriented and risk-aware growth in its three fields of competence of brokerage, banking and advice. The bank's focus is on products and services which generate earnings that are largely independent of stock market volatility and the resulting number of orders in brokerage.

Key growth components are gaining new customers, increasing customer loyalty and activity levels and total assets under custody at comdirect bank as well as continually improving customer satisfaction. To achieve these goals, comdirect bank is investing in a market and product offensive under the comvalue growth programme scheduled for completion by the end of 2009. The market offensive centres on our anchor products, the Tagesgeld PLUS ("call money plus") account and the fee-free current account. Through the product offensive, we are extending the bank's products and services to meet customers' needs, integrating the fields of competence and offering customers incentives to pool banking business at comdirect. We are consequently consolidating comdirect bank's position as a direct bank offering a full range of banking products and services to a growing number of demanding modern bank customers.

> Management and control

On 9 May 2008, Martin Zielke, Group Manager of the central division Group Finance at Commerzbank AG, was elected to the Supervisory Board at the annual general meeting to serve the remaining term of office of Dr. Eric Strutz, member of the Board of Managing Directors of Commerzbank AG, who is standing down.

> Market environment

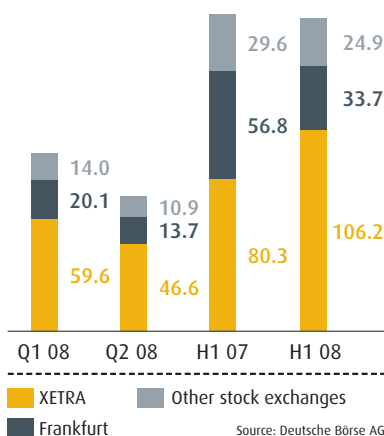
So far this year the Germany economy has proved reasonably robust in the face of recession tendencies in the USA and pressure from the strong euro as well as the sharp rise in commodity prices. The rise in Germany's gross domestic product in the first quarter to 1.5% was considerably higher than Europe in general (EU 27: 0.8%). However, forecasts indicate that it has fallen again slightly in the second quarter. Growth was driven by considerable investment activity and exports, while the upswing in consumption again failed

to materialise. Although private households saw a rise in their disposable incomes as a result of a further decline in unemployment rates, there was a considerable increase in the cost of living. Estimates by Deutsche Bundesbank put the savings ratio for private households in the first half of 2008 at approximately 11% and therefore around the same level as the previous year (10.8%).

After a turbulent first quarter, the situation in the international financial markets calmed somewhat. The US central bank followed the drastic interest rate cuts of the first quarter with a further reduction in the key lending rate of 0.25 percentage points to 2.0%. The European Central Bank (ECB) did not follow this step again and initially left the key lending rate in the eurozone unchanged at 4.0%. However, with the latest inflation rate of 4.0% in the eurozone and significant expansion of the money supply, the ECB raised the rate in line with consensus expectations by 25 basis points to 4.25% at the beginning of July. The ECB thus signalled that curbing inflation currently takes priority over supporting the economy.

As a result of the very distinct aversion to risk currently displayed by investors, many types of securities remained under pressure. Credit spreads between corporate and government bonds came down only marginally from the record levels in the first three months of the year. Share prices in the global equity markets have not yet fully recovered from the sharp falls of the first quarter. With considerably less fluctuation in the second quarter, the DAX was down compared to the first three months by 1.8% at 6,418 points, while the Dow Jones lost 7.4%.

Number of orders on German stock exchanges (in million)



The situation in the money market remained tight and risk and liquidity premiums for unsecured money market interest rates increased significantly. As of 30 June 2008, three-month EURIBOR was 95 basis points above the ECB key lending rate at 4.95%, although this did already factor in the hike in the key lending rate which took place at the start of July.

For comdirect bank, the environment in banking therefore remains favourable; when investing customer deposits the bank benefits from the high interest rates in the money market and is able to offer its customers attractive terms and conditions. On the other hand, sustained high risk and liquidity premiums led to lower valuation of individual securities in the Treasury portfolio in the second quarter.

The lower level of volatility in the stock markets compared to the first quarter impacted adversely on brokerage. The number of orders in the German spot market fell quarter-on-quarter by 24.0% to 71.2 million, down 12.8% on the same period in the previous year (81.7 million orders). The trading volume dropped by 20.7% year-on-year to €1,407bn.

Retail investment funds recorded a total net funds inflow of €18.0bn in the first five months of the year, with notable growth in equity funds in April and May indicating a trend reversal here compared to previous months. Funds of funds also recorded considerable growth. These are increasingly attracting the attention of investors, in part because of the future introduction of the final withholding tax.

> Market offensive

comdirect bank's market offensive in the second quarter was dominated by attractive interest rate offers. The Tagesgeld PLUS account offering new customers 4.75% p.a. for six months was advertised intensively on TV, the internet and in the print media. The sales cooperation with Tchibo, launched at the end of the first quarter with an initial special offer of a Tagesgeld PLUS account paying interest of 5.55% p.a., continued in the second quarter with a fixed-rate offer. Investments between €500 and €6,000 can earn 6% p.a. for a period of six months. In addition to the interest rate offers, comdirect's fee-free current account which pays one euro a month was heavily advertised.

We also tackled the issue of the final withholding tax. comdirect's "Fonds zum GegenSteuern" fund range, which if acquired before the end of 2008 also secures tax-free price gains in the future, featured prominently on the bank's website.

With the aim of gaining an even better understanding of customers' wishes and translating these into the corresponding offers and services, comdirect again conducted a customer motives study in 2008, this time in conjunction with the renowned Trendbüro research agency in Hamburg.

> Product offensive

The product offensive covers all the bank's fields of competence. In brokerage, the selection of funds in comdirect's "FondsDiamanten" offering is updated on a rotational basis. As part of our "fund of the month" offering, products from top investment companies were again available with a discount of up to 90% on the front-end load. We ran six no-fee campaigns in the second quarter enabling customers to trade in attractive structured products at no charge. For the first time under this initiative, ETFs were also available via XETRA.

In banking, comdirect raised the interest rates on its fixed-term and time deposit accounts with effect from 5 May 2008 in light of changes in rates in the money market. New and existing customers benefit from rates of up to 4.30% p.a. The Tagesgeld PLUS account was also made even more attractive and as of 1 April 2008, the permanently high interest rate of currently 3.8% p.a. applied to investments up to €100,000 (in each case as of 30 June 2008). Previously, investments over €30,000 earned a lower interest rate. In mid-July 2008, comdirect again upped the rates on its deposit accounts shortly after the ECB raised the key lending rate (see Outlook).

In advice, we adjusted our advice approach and investment range in line with the future tax framework conditions. comdirect private finance's final withholding tax check enables investors to find the best individual solution. Comprehensive training was given to prepare advisers for the changes to the legal framework in good time.

Through the continually improved quality of its products, advice and services, comdirect bank meets most of the needs of demanding, modern investors as the results of the latest customer satisfaction survey highlight. More than three quarters of the customers surveyed online are completely or very happy with comdirect bank. At the same time, customer loyalty reached its highest level.

The "Beste Bank 2008" and "Beste Direktbank 2008" accolades, awarded to the bank in Germany's biggest banking test conducted by financial magazine *€uro*, are further evidence of the quality of our full range of banking products

and services. The test looked at the product offering and terms and conditions as well as advice and service quality.

> Customers

The total number of customers in the second quarter of 2008 rose by 140,871, or 13.1%, to 1,213,718. The record growth, nearly double the increase recorded in the first quarter, is largely attributable to the highly successful interest rate offerings for new customers. Compared to the end of 2007, the number of customers increased by 21.3% and in percentage terms the increase was almost equal to the expansion for the whole of 2007. As of 30 June of the current year, 1,208,528 customers were active in brokerage and banking (online business line), 13.2% more than at the end of March 2008. The offline business line (advice field of competence) also continued its growth course and here the number of customers rose in the second quarter of 2008 by 9.6% to 39,333. Of this number, 86.8% also used the online offering.

A large proportion of the rise in customer numbers was accounted for by the Tagesgeld PLUS account. The number of accounts increased within three months by 149,353, or 30.0%, to 647,798. The target set for the end of 2009 of 650,000 accounts has therefore almost been met. Only 20 months after the launch of Tagesgeld PLUS, 53.4% of comdirect customers (end 2007: 40.0%) use this flexible short-term financial investment which offers attractive interest rates. Despite fierce competition, the number of current accounts grew by 3.8% to 368,376.

With regard to custody accounts, comdirect benefited from cross-selling effects in relation to Tagesgeld PLUS customers as well as the success of the custody account transfer campaign. The number of accounts increased quarter-on-quarter by 1.5% to 665,368. The number of securities savings plans rose only marginally in the same period.

In mid-2008, around 42% of customers used at least two of the bank's products (end 2007: 44%). Despite the high number of new customers, product penetration therefore remained high.

As a result of strong growth in the number of customers using call money and fixed-term deposit accounts, there was a considerable increase in total assets under custody (deposits and securities) at comdirect bank. These rose by €2.12bn compared to 31 March 2008 to stand at €21.72bn and were consequently significantly higher than at the 2007 year-end (€20.37bn).

> Business performance in brokerage

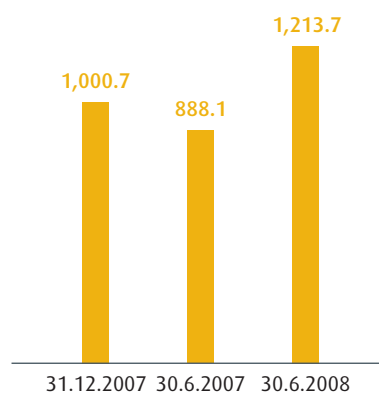
Slower trading activity in the securities markets also led to declining order figures at comdirect bank. In the second quarter of 2008, 1.90 million orders were carried out, down from 2.43 million in the first three months. At 4.33 million, the number of trades for the first half of the year was 14.4% below the previous year's figure of 5.06 million orders. Based on the securities turnover of €19.3bn (previous year: €28.0bn), the order volume per executed order was €4,449 (previous year: €5,527). The decline was essentially caused by lower share prices on average. Another reason was the higher proportion of savings plan trades which generally have a lower volume.

The portfolio volume (excluding funds) increased quarter-on-quarter by €0.10bn to €7.72bn as a result of net fund inflows, but therefore remained below the figure recorded at the end of 2007 (€8.67bn). The funds volume was up by 9.8% in the second quarter to €3.86bn (end 2007: €4.02bn).

> Business performance in banking

Thanks to the success of Tagesgeld PLUS and the growing volume in fixed-term and time deposit accounts, customer deposits rose sharply in the second quarter and surpassed the €10bn mark for the first time. At €10.14bn, the deposit volume was up 31.9% on the 2007 year-end (€7.69bn). 46.7% of customer assets were therefore attributable to deposits (end 2007: 37.7%).

Customers of comdirect bank
(in thousand)



Brokerage business for building finance also developed well in the second quarter. Many customers used our platform to obtain advice from comdirect bank specialists and to secure building finance at attractive terms and conditions.

As comdirect bank solely functions as an intermediary in the field of building finance, the new product range has no impact on the volume of loans granted to private individuals. As of 30 June 2008, this stood at €228.2m (end 2007: €216.5m). Almost 90% was attributable to loans to purchase securities.

> Business performance in advice

comdirect private finance achieved commission income of €11.2m in the first half of 2008, a rise of 5.4% compared to the previous year's figure of €10.6m. As in 2007, income in the second quarter was down on the first three months for seasonal reasons.

63.7% of commission income was attributable to products for private old age provisioning, especially Riester and Rürup products as well as private pension insurance. 34.2% was generated through the placement of investments in closed-end funds, other financial investments such as investment funds as well as bank products.

comdirect private finance opened its second office in Frankfurt/Main in April 2008, bringing the total number nationwide to 29. As of 30 June 2008, 39,333 customers were serviced by 206 advisers.

The advisers prepared intensively for the extended disclosure obligations relating to life assurance, disability insur-

ance and accident insurance policies which came into force on 1 July 2008. These obligations include providing information on the costs factored into the premium calculation, determination of profit participation and information on surrender values.

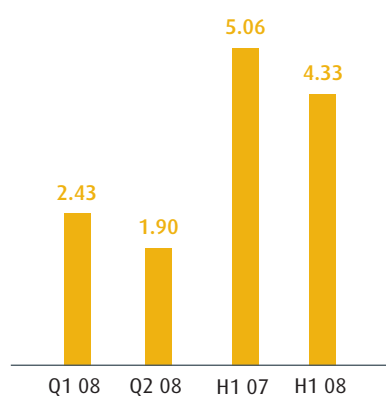
> Earnings situation

In the first six months of 2008, comdirect bank achieved pre-tax profit of €40.2m. The fall of 15.1% compared to the previous year is primarily attributable to the additional costs for the comvalue growth programme which resulted in a €16.3m increase in administrative expenses compared to the previous year. Moreover, market conditions led to a decline in net commission income and a negative trading result and result from financial investments. However, this development was countered by a significant rise in net interest income and consequently income rose by 6.8% overall compared to the same period in the previous year. The cost/income ratio stood at 71.8% (previous year: 64.5%). The annualised return on equity was down slightly from 17.5% in 2007 to 17.0%. Despite the lower pre-tax profit, net profit for the period totalling €30.0m was almost on a par with the previous year (€31.0m) due to the reduced tax rate. This produces earnings per share for the half year of €0.21, one cent lower than in the previous year (€0.22).

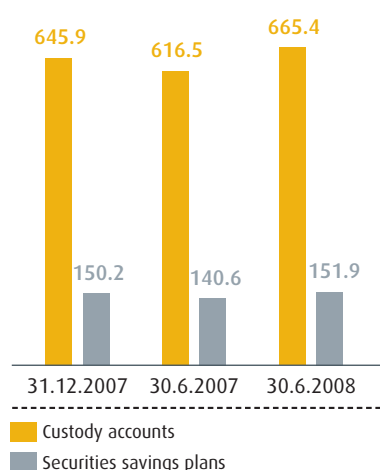
Net interest income

Net interest income before provisions totalled €82.0m in the first half of 2008, a rise of 41.4% compared to the previous year. This considerable upswing reflects comdirect bank's increasing independence of developments in the stock markets.

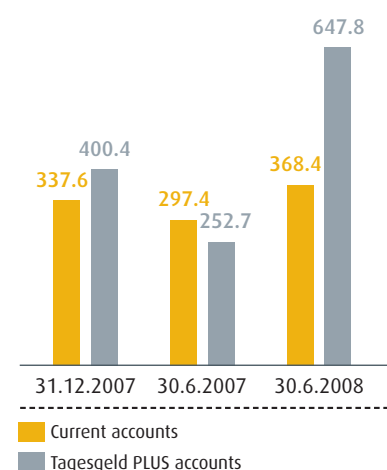
Executed orders
(in million)



Development of selected products -
brokerage (in thousand)



Development of selected products -
banking (in thousand)



This higher net interest income stems both from strong growth in the deposit volume as well as the favourable interest rate environment for lenders. Interest income stood at €212.7m while interest expenses amounted to €130.8m. The rise in interest expenses in the second quarter resulted from the increased volume as well as higher interest rates paid on deposits.

Provisions for possible loan losses remained low at €0.4m. After provisions, net interest income totalled €81.6m, 42.5% more than in the first half of 2007.

Net commission income

Net commission income in the first six months of 2008 was unable to keep pace with the exceptional figure of the previous year (€77.1m) because of weak securities trading in the second quarter. However, at €65.6m it was still at a satisfactory level. Most of the net commission income stems from securities trading, while comdirect private finance contributed €4.6m (previous year: €4.2m) to the figure.

Further earnings components

The **trading result** was negative due to the increase in market interest rates in the second quarter. For the first six months of the year, the figure stood at €-3.0m (previous year: €-0.6m). The trading result reflects the fair value measurement of interest rate derivatives which the bank uses outside hedge accounting to manage interest rates. comdirect bank uses interest rate swaps and, since the second quarter of 2008, forward rate agreements. As of 30 June 2008, the nominal volume of interest rate derivatives totalled €800m (end 2007: €600m).

At €-0.03m, the **result from hedge accounting**, which shows the measurement results under hedge accounting,

was largely around the same level as the previous year (€0.09m).

The **result from financial investments** of €-6.5m (previous year: €-2.1m) reflects the adjustment of the Treasury portfolio to the current market conditions. Again in the second quarter, as part of its conservative Treasury strategy comdirect bank sold individual securities that were underperforming in light of the current trend in market interest rates and credit spreads. In addition, the result also includes valuation corrections resulting from the fair value measurement of fund units.

Other operating income improved from €3.0m in the first half of 2007 to €6.1m. Alongside write-backs of provisions and accruals, this includes income from passing on costs to advisers in the comdirect private finance offices as well as income from administrative services carried out by comdirect bank AG for Commerz Service Gesellschaft für Kundenbetreuung mbH.

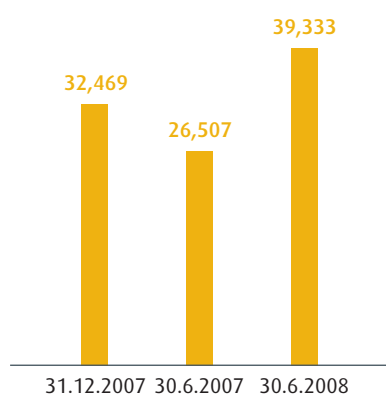
Administrative expenses

The increase in administrative expenses of 18.7% to €103.6m (previous year: €87.3m) in the first half of 2008 is primarily due to the market and product offensive under comvalue, which resulted in a sharp rise in other administrative expenses from €63.5m to €77.4m. Due to the higher number of employees, personnel expenses increased to €20.7m (previous year: €19.1m). At €5.5m, depreciation was up slightly on the previous year (€4.6m).

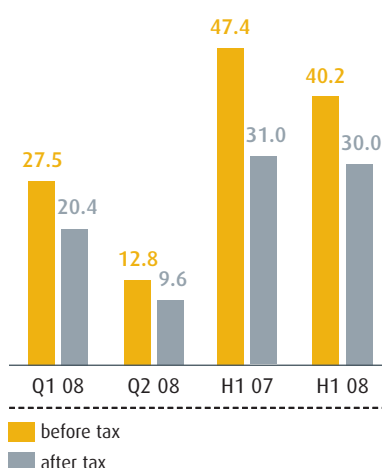
Results in the business lines

comdirect bank achieved pre-tax profit of €39.9m (previous year: €46.8m) in its online business line (brokerage and banking). After €0.6m in the previous year, the

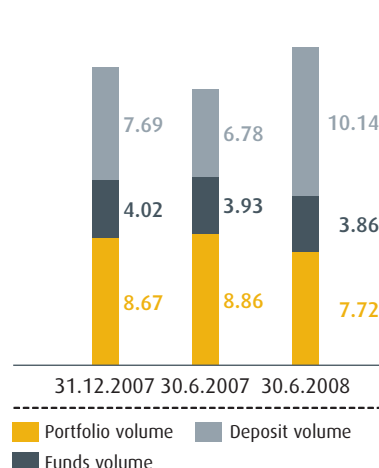
Customers of comdirect private finance



Consolidated profit before and after tax (in € million)



Volume of total assets under custody (in € billion)



half-year result in the offline business line (advice) stood at €0.4m. Higher earnings resulting from the growth in business volume were countered by increased expenses, which stem in part from the implementation of new legal requirements.

> Financial situation and assets

As before, comdirect bank's financial situation and assets are characterised by a comfortable level of equity and sufficient liquidity available at all times.

The consolidated balance sheet total increased as a result of renewed strong growth in the deposit volume in the first six months of 2008 from €8.23bn to €10.65bn. As of 30 June 2008, 95.3% of the balance sheet total was attributable to liabilities to customers (end 2007: 93.5%).

As a large proportion of Tagesgeld PLUS deposits are invested short term in the money market, claims on banks rose by 47.7% to €7.10bn (end 2007: €4.81bn). In contrast, there was only a moderate increase in financial investments from €2.95bn to €3.23bn.

As of 30 June 2008, the equity of the comdirect bank group totalled €424.1m (end 2007: €478.2m). On the one hand, the decline is due to the appropriation of the consolidated profit for 2007: in line with the resolution of the annual general meeting on 9 May 2008, comdirect bank's distributable profit of €57.9m was paid out in full. On the other hand, the fall reflects the impact of movement in the revaluation reserve in which changes in the market value of securities

are recognised in equity. As of 30 June 2008, the revaluation reserve stood at €-34.2m (end 2007: €-7.9m). The movement resulted from changes in the market value of positions in the Treasury portfolio, caused by the widening of credit spreads and changes in the yield curve in the second quarter. The equity ratio dropped from 5.9% at the end of 2007 to 4.3%.

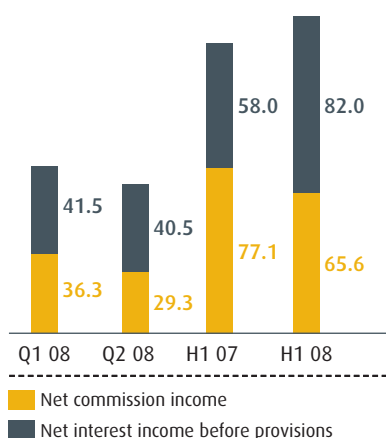
No subscription rights were exercised under the expiring stock option programme in the first six months of 2008. As of 30 June 2008, of a total of 3,104,580 subscription rights, 1,668,382 had lapsed and 715,383 were still available to be exercised.

The cash reserve, which as of the reporting date at the end of 2007 had been increased to €198.4m, partly to meet higher minimum reserve requirements as a result of growth in deposits, was reduced to €23.0m as of 30 June 2008. Consequently, the cash flow from operating activities of €-112.9m (previous year: €156.4m) was negative. The cash flow from investment activities of €-4.6m (previous year: €-3.4m) reflects the higher level of investment, including for the expansion of the bank's IT architecture. The cash flow from financing activities of €-57.9m (previous year: €-194.9m) is attributable to payment of the dividend in May 2008.

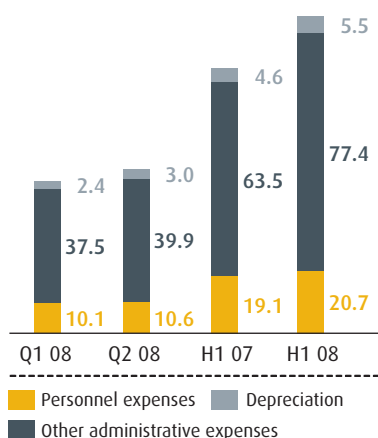
> Employees

The number of employees increased in the first half of the year in line with growth by 31 to 855. Of these, 798 were active in the online business line and 57 in the offline business line.

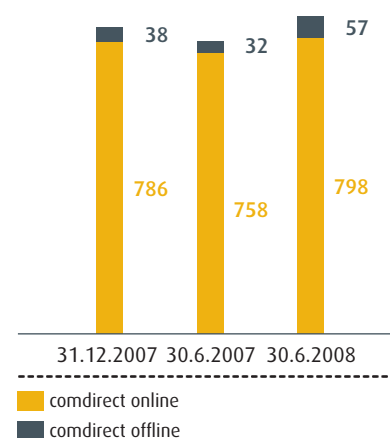
Net commission income and net interest income (in € million)



Administrative expenses (in € million)



Number of employees at comdirect bank as of reporting date



> Risk and opportunities report

There has been no material change in the risk position of comdirect bank and its opportunities from the presentation in the 2007 consolidated financial statements.

> Outlook

With record growth in the first half of 2008, comdirect is likely to reach most of its outstanding targets under comvalue considerably earlier than the end of 2009. Consequently, the Board of Managing Directors is already looking closely at the growth and earnings prospects for comdirect bank beyond comvalue. The good market position in the three fields of competence and the expansion of the product and services spectrum provide a solid foundation for sustainable income-oriented growth.

With pre-tax profit of €40.2m in the first six months, comdirect bank aims to achieve €70m for the current year as a whole. The forecast higher earnings, especially from net interest income, will be countered by an anticipated increase in administrative expenses resulting from the propelled implementation of comvalue.

The target profit figure is based on the assumption that the economic parameters for banking will remain largely favourable despite growing levels of competition. We therefore expect the terms and conditions in the money and credit markets to enable us to generate lucrative interest margins again in the second half of the year.

In brokerage, it remains difficult to forecast future movements in prices, volatilities, trading activity and volumes. We expect our funds business to benefit from positive stimuli in the run-up to the introduction of the final withholding tax at the start of 2009. The tax incentive to optimise custody accounts and the resultant need for advice in this regard should also improve the economic parameters for comdirect private finance.

Given the current interest rate environment, comdirect bank is particularly well placed at the moment to gain new customers through its attractive interest rate offers. We therefore intend to continue the market offensive with a focus on these products and maintain a high level of advertising. Our successful sales partnerships should be continued in the second half of the year as these enable the bank to access a broader range of customers. We will actively provide our customers with information on the final withholding tax.

comdirect bank is also continuing its product offensive and further extending its offering in all fields of competence. In brokerage, we launched "Börsenticker", our widget stock market ticker at the beginning of July. Plans are in place for a further series of attractive no-fee campaigns in LiveTrading. Further fund categories will be added to our "Fonds zum GegenSteuern" fund range with a discount of 75% on the front end load. Overall, we anticipate a rise in funds business with the corresponding increase in net fund inflows.

In banking, on 15 July 2008, comdirect again upped the rates on its deposit accounts shortly after the ECB raised the key lending rate. The comdirect Tagesgeld PLUS account now pays interest at 4.0% p.a., for new customers of as much as 5.0%. Rates of up to 4.6% p.a. are available on fixed-term and time deposit accounts. In future, the product offensive will continue to focus particularly on the issue of online convenience, i.e. the provision of innovative online tools to automate the comdirect offering and make it as easy as possible to use. Soon it will be possible to cancel direct debits online. In addition, the frequently applied money transfer function will be made even easier to use. Overall we anticipate further strong growth in the deposit volume through which we intend to maintain a high level of net interest income.

In advice, we aim to open further offices by the end of the year, increasing the total number to more than 30. Our adjusted advice approach in light of the final withholding tax should lead to a notable increase in business in the second half of the year. This issue will also feature in the planned third n-tv custody account check campaign provisionally scheduled for September 2008.

comdirect bank expects the sharp rise in customers to continue across all three fields of competence with sustained high levels of use for its products and services. The bank's in-depth understanding of its customers' needs and the speedy translation of this knowledge into intelligent product solutions remains crucial to its success in the future. We are consequently consolidating comdirect bank's position as the first choice direct bank for a growing number of modern investors and creating attractive value added prospects for our shareholders.

> The share

> Adverse market environment – attractive dividend – active Investor Relations

The performance of comdirect's shares was rather volatile in the second quarter of 2008. After rising considerably to €9.62 in the run-up to the annual general meeting, these gains were then reversed, including as a result of the dividend payment. In June, the price slipped further amidst adverse conditions in the capital market. As of 30 June 2008, comdirect shares stood at €7.25, down 9.9% on the closing price at the end of the first quarter (€8.05). Taking into account the dividend markdown, the decline amounts to only 4.8%. Consequently, comdirect bank shares considerably outperformed other financial stocks. The Prime Financial Services Performance Index lost 23.9% in the second quarter and the SDAX dropped by 5.5%.

The focus of comdirect bank's active Investor Relations work was the annual general meeting held in Hamburg on 9 May 2008 and attended by around 600 shareholders. With 83.0% of the share capital present, all items on the agenda were

passed with majorities of over 98% – including the motion to distribute a dividend of €0.41 per share (previous year: €1.40 including special dividend of €1.00).

The Board of Managing Directors presented the company results and corporate strategy at roadshows in Edinburgh, Frankfurt, London and Paris and also held numerous individual meetings with investors and analysts. Our quarterly report was published just 22 days after the reporting date. An on-demand version of the conference call on the quarterly figures together with the presentation is available on our website.

comdirect bank AG's 2007 annual report won the Bronze Award at this year's Vision Awards held by the League of American Communications Professionals LLC (LACP) and was described as "superb" by the jury. comdirect's annual report was also considered the best among all the German banks. In total, over 3,000 company reports from 20 countries and a wide range of sectors were entered in the competition.

Data and key figures of the share

German securities code no.	542 800
ISIN code	DE0005428007
Stock exchange code	COM
	Reuters: CDBG.DE
	Bloomberg: COM GR
Stock exchange segment	SDAX
Number of shares issued	141,220,815 no-par-value shares
Designated sponsor	Commerzbank AG
Shareholder structure	79.59% Commerzbank AG ¹⁾ 20.41% Free float

Key figures H1 2008

Average daily turnover in units	XETRA	113,302
	Frankfurt	10,051
	Other stock exchanges	3,866
		<u>127,219</u>

Opening quotation XETRA (2.1.2008)	€8.46
Highest price XETRA (2.5.2008) ²⁾	€9.62
Lowest price XETRA (23.1.2008) ²⁾	€6.95
Closing quotation XETRA (30.6.2008)	€7.25
Market capitalisation (31.3.2008)	€1,023.9m
Earnings per share	€0.21

1) Indirectly

2) Daily closing quotation

Development of comdirect share price 28.12.2007 to 30.6.2008 (in €)



> Income statement

Income statement of comdirect bank group according to IAS/IFRS

€ thousand	1.1. to 30.6.		1.4. to 30.6.	
	2008	2007	2008	2007
Interest income	212,745	119,519	115,305	64,919
Interest expenses	130,752	61,539	74,842	35,506
Net interest income before provisions	81,993	57,980	40,463	29,413
Provisions for possible loan losses	- 395	- 726	- 279	- 231
Net interest income after provisions	81,598	57,254	40,184	29,182
Commission income	79,291	93,436	35,136	45,276
Commission expenses	13,643	16,365	5,812	7,278
Net commission income	65,648	77,071	29,324	37,998
Result from hedge accounting	- 32	87	77	24
Trading result	- 3,046	- 635	- 4,049	- 400
Result from financial investments	- 6,483	- 2,117	- 3,349	- 1,820
Administrative expenses	103,560	87,266	53,520	44,884
Personnel expenses	20,731	19,134	10,631	10,163
Other administrative expenses	77,379	63,543	39,855	32,337
Marketing expenses	42,131	32,423	22,493	17,655
Communication expenses	2,701	2,483	1,278	1,309
Consulting expenses	6,283	5,826	3,413	2,151
Expenses for external services	13,261	11,105	6,666	6,153
Sundry administrative expenses	13,003	11,706	6,005	5,069
Depreciation of office furniture and equipment and intangible assets	5,450	4,589	3,034	2,384
Other operating result	6,123	3,004	4,090	1,435
Pre-tax profit	40,248	47,398	12,757	21,535
Taxes on income	10,216	16,400	3,132	7,374
Net profit	30,032	30,998	9,625	14,161

Earnings per share

		1.1. to 30.6.		1.4. to 30.6.	
		2008	2007	2008	2007
Undiluted earnings per share					
Net profit	€ thousand	30,032	30,998	9,625	14,161
Average number of ordinary shares	Shares	141,220,815	141,080,434	141,220,815	141,080,434
Undiluted earnings per share	€	0.21	0.22	0.07	0.10
Diluted earnings per share					
Net profit	€ thousand	30,032	30,998	9,625	14,161
Adjustment to the number of ordinary shares issued due to outstanding option rights	Shares	241,204	322,902	241,204	322,902
Weighted average shares outstanding (diluted)	Shares	141,462,019	141,403,336	141,462,019	141,403,336
Diluted earnings per share	€	0.21	0.22	0.07	0.10

> Balance sheet

Balance sheet of comdirect bank group according to IAS/IFRS

Assets

€ thousand	as of 30.6.2008	as of 31.12.2007
Cash reserve	22,982	198,412
Claims on banks	7,104,681	4,810,441
Claims on customers	228,194	216,492
Provisions for possible loan losses	- 4,633	- 4,622
Positive fair values from derivative hedging instruments	1,440	1,847
Trading assets	6,043	13,036
Financial investments	3,230,241	2,945,567
Intangible assets	17,805	18,869
Fixed assets	15,668	15,474
Current income tax assets	2,126	3,304
Deferred income tax assets	15,075	5,145
Other assets	9,588	8,846
Total assets	10,649,210	8,232,811

Liabilities and equity

€ thousand	as of 30.6.2008	as of 31.12.2007
Liabilities to customers	10,153,348	7,693,922
Negative fair values from derivative hedging instruments	883	730
Trading liabilities	1,950	0
Provisions	16,702	18,219
Current tax liabilities	11,654	5,958
Other liabilities	40,559	35,793
Equity	424,114	478,189
Subscribed capital	141,221	141,221
Capital reserve	230,196	230,196
Retained earnings	56,815	56,815
Revaluation reserve	- 34,150	- 7,944
Consolidated profit 2007	0	57,901
Consolidated profit as of 1.1. to 30.6.2008	30,032	-
Total liabilities and equity	10,649,210	8,232,811

> Statement of changes in equity

Changes in group equity for the reporting period break down as follows:

€ thousand	2008	2007
Equity as of 1.1.	478,189	620,296
Changes in the financial year		
a) Subscribed capital	0	385
b) Capital reserve	0	1,895
c) Retained earnings	0	0
d) Revaluation reserve	- 26,206	- 4,397
e) Dividend payment comdirect bank AG	- 57,901	- 197,154
e) Consolidated profit as of 1.1. to 30.6.	30,032	30,998
Equity as of 30.6.	424,114	452,023

> Cash flow statement

Changes in the cash flow statement for the reporting period break down as follows:

€ thousand	2008	2007
Cash and cash equivalents as of 1.1.	198,412	82,932
Cash flow from operating activities	- 112,949	156,396
Cash flow from investment activities	- 4,580	- 3,435
Cash flow from financing activities	- 57,901	- 194,874
Cash and cash equivalents as of 30.6.	22,982	41,019

Cash and cash equivalents correspond to the balance sheet item cash reserve and include cash on hand and balances held at central banks.

> Notes

Income statement of comdirect bank group according to IAS/IFRS on a quarterly comparison

€ thousand	2007				2008	
	Q1	Q2	Q3	Q4	Q1	Q2
Interest income	54,600	64,919	80,010	88,215	97,440	115,305
Interest expenses	26,033	35,506	47,322	51,719	55,910	74,842
Net interest income before provisions	28,567	29,413	32,688	36,496	41,530	40,463
Provisions for possible loan losses	- 495	- 231	- 149	- 1,072	- 116	- 279
Net interest income after provisions	28,072	29,182	32,539	35,424	41,414	40,184
Commission income	48,160	45,276	45,727	46,432	44,155	35,136
Commission expenses	9,087	7,278	7,297	9,209	7,831	5,812
Net commission income	39,073	37,998	38,430	37,223	36,324	29,324
Result from hedge accounting	63	24	- 126	95	- 109	77
Trading result	- 235	- 400	693	- 577	1,003	- 4,049
Result from financial investments	- 297	- 1,820	- 1,853	- 5,654	- 3,134	- 3,349
Administrative expenses	42,382	44,884	47,827	52,344	50,040	53,520
Personnel expenses	8,971	10,163	10,561	9,982	10,100	10,631
Other administrative expenses	31,206	32,337	34,730	39,353	37,524	39,855
Marketing expenses	14,768	17,655	17,543	24,302	19,638	22,493
Communication expenses	1,174	1,309	1,096	1,698	1,423	1,278
Consulting expenses	3,675	2,151	3,839	3,089	2,870	3,413
Expenses for external services	4,952	6,153	7,165	4,359	6,595	6,666
Sundry administrative expenses	6,637	5,069	5,087	5,905	6,998	6,005
Depreciation of office furniture and equipment and intangible assets	2,205	2,384	2,536	3,009	2,416	3,034
Other operating result	1,569	1,435	1,513	5,546	2,033	4,090
Pre-tax profit	25,863	21,535	23,369	19,713	27,491	12,757
Taxes on income	9,026	7,374	9,340	7,043	7,084	3,132
Net profit	16,837	14,161	14,029	12,670	20,407	9,625

Segment reporting by business line

€ thousand	1.1. to 30.6.2008			
	comdirect online	comdirect offline	Group management/ consolidation/ others	comdirect bank group total
Net interest income before provisions	81,963	30	0	81,993
Provisions for possible loan losses	- 395	0	0	- 395
Net interest income after provisions	81,568	30	0	81,598
Net commission income	61,746	4,592	- 690	65,648
Result from hedge accounting	- 32	0	0	- 32
Trading result	- 3,046	0	0	- 3,046
Result from financial investments	- 6,483	0	0	- 6,483
Administrative expenses	98,973	6,268	- 1,681	103,560
Other operating result	5,105	2,009	- 991	6,123
Pre-tax profit	39,885	363	0	40,248
Segment investments	4,424	156	-	4,580
Segment depreciation	5,263	187	-	5,450
Other non-cash expenses	23,008	934	-	23,942
Cost/income ratio	71.1%	94.5%	-	71.8%
Segment income	288,203	13,550	- 1,714	300,039
of which external income	287,212	12,827	-	300,039
of which inter-segmental income	991	723	- 1,714	0
Segment expenses	248,318	13,187	- 1,714	259,791
Segment assets	10,588,546	2,556	58,108	10,649,210
Segment debt	10,158,335	0	66,761	10,225,096

Allocation to the segments is based on the business lines of the comdirect bank group. Determination of the business lines was carried out in compliance with IAS 14 and its principle of materiality.

The comdirect online segment comprises the brokerage and banking fields of competence. The comdirect offline segment comprises the advice field of competence.

The transfer prices between the segments are calculated on a cost basis.

Segment reporting by business line

€ thousand	1.1. to 30.6.2007			
	comdirect online	comdirect offline	Group management/ consolidation/ others	comdirect bank group total
Net interest income before provisions	57,965	15	0	57,980
Provisions for possible loan losses	- 726	0	0	- 726
Net interest income after provisions	57,239	15	0	57,254
Net commission income	73,450	4,247	- 626	77,071
Result from hedge accounting	87	0	0	87
Trading result	- 635	0	0	- 635
Result from financial investments	- 2,117	0	0	- 2,117
Administrative expenses	83,498	5,043	-1,275	87,266
Other operating result	2,289	1,364	- 649	3,004
Pre-tax profit	46,815	583	0	47,398
Segment investments	3,405	24	-	3,429
Segment depreciation	4,410	179	-	4,589
Other non-cash expenses	19,128	1,041	-	20,169
Cost/income ratio	63.7%	89.6%	-	64.5%
Segment income	207,053	12,124	- 1,293	217,884
of which external income	206,404	11,480	-	217,884
of which inter-segmental income	649	644	- 1,293	0
Segment expenses	160,238	11,541	- 1,293	170,486
Segment assets	7,277,145	1,800	52,773	7,331,718
Segment debt	6,817,917	70	61,708	6,879,695

Allocation to the segments is based on the business lines of the comdirect bank group. Determination of the business lines was carried out in compliance with IAS 14 and its principle of materiality.

The comdirect online segment comprises the brokerage and banking fields of competence. The comdirect offline segment comprises the advice field of competence.

The transfer prices between the segments are calculated on a cost basis.

> Accounting standard and other information

The interim report of comdirect bank as of 30 June 2008 was prepared on the basis of the principles of the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), which were approved and published by the International Accounting Standards Board (IASB), and interpreted by the Standing Interpretations Committee (SIC) and International Financial Reporting Interpretation Committee (IFRIC). We also based the preparation of the report on the draft version of GAS 16 (Interim Reporting).

The same measurement and calculation methods were applied as for the consolidated financial statements of comdirect bank as of 31 December 2007.

The present interim financial statements and the interim management report are neither audited in accordance with Section 317 of the German Commercial Code (HGB) nor are they subject to review by an auditor.

Stock options

As part of the stock option programme approved by the annual general meeting on 11 May 2000, we issued a total of 3,104,580 subscription rights to employees and members of the Board of Managing Directors of comdirect bank as of 30 June 2008. As of the reporting date, 1,668,382 of these subscription rights had expired and 715,383 subscription rights were still available to be exercised.

Related party disclosures

The parent company of comdirect bank AG is Commerzbank Inlandsbanken Holding GmbH. The ultimate parent company is Commerzbank AG.

comdirect bank AG uses services provided by Commerzbank AG through a general agreement effective as of 1 January 1999 and updated on 6 August 2007, as well as services agreed separately on this basis.

On 12 November 2003, an agreement for the supply of services was concluded between Commerz Service Gesellschaft für Kundenbetreuung mbH, a wholly-owned subsidiary of Commerzbank AG, and comdirect bank AG. The two companies support each other in the areas of customer service and technical support.

As part of its money and capital market transactions, comdirect bank consigns investment activities to Commerzbank AG and its affiliated companies.

In the financial year there were financial relations with related natural persons (members of the Board of Managing Directors and Supervisory Board and members of their immediate family) including in the form of comdirect bank product use as part of the normal product and service offering. All products and services were provided at normal third party terms and conditions and are of secondary importance in the company. The related parties did not accrue any unjustified advantage from their position with comdirect bank, nor did comdirect bank suffer any financial losses.

For further details, please refer to note (28) in our 2007 annual report.

Changes in the Supervisory Board

The Supervisory Board changed with effect from 9 May 2008. The annual general meeting elected Martin Zielke to the Supervisory Board and at the same time, Dr. Eric Strutz left the Supervisory Board.

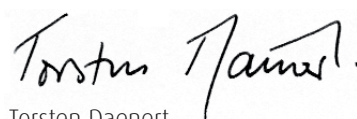
Declaration by the legal representatives

To the best of our knowledge, and in accordance with the applicable accounting regulations for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

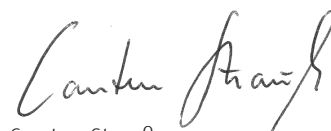
Quickborn, in July 2008



Michael Mandel



Torsten Daenert



Carsten Strauß

> Financial calendar 2008

13 February	Press/Analysts' conference in Frankfurt/Main
14 March	Annual report 2007
22 April	Quarterly report 2008
9 May	Annual general meeting in Hamburg
22 July	Half-year report 2008
23 October	Nine-month report 2008

> Financial calendar 2009

17 February	Press/Analysts' conference in Frankfurt/Main
20 March	Annual report 2008
24 April	Quarterly report 2009
6 May	Annual general meeting in Hamburg
23 July	Half-year report 2009
22 October	Nine-month report 2009

> Contacts

Investor Relations

Thore Ludwig
Phone +49 (0) 41 06/704-19 66
Fax +49 (0) 41 06/704-19 69
e-mail investorrelations@comdirect.de

Tobias Vossberg
Phone +49 (0) 41 06/704-19 80
Fax +49 (0) 41 06/704-19 69
e-mail investorrelations@comdirect.de

comdirect bank AG
Pascallehre 15
D-25451 Quickborn
www.comdirect.de

Concept, layout and translation

ergo Unternehmenskommunikation,
Cologne/Frankfurt a. M./Berlin

Press Relations

Johannes Friedemann
Phone +49 (0) 41 06/704-13 40
Fax +49 (0) 41 06/704-34 02
e-mail presse@comdirect.de

Tim Seifert
Phone +49 (0) 41 06/704-11 92
Fax +49 (0) 41 06/704-34 02
e-mail presse@comdirect.de

You can download our annual and interim reports in German or in English from our website at www.comdirect.de/ir, under "Publications". Our order service also offers the option of inclusion in the distribution list, which means that the reports will be sent to you on publication. An online version of the 2003–2007 annual reports is also available here in German and English.

You can download our published press releases in German or in English on our website at www.comdirect.de/pr.

The English translation of the half-year report is provided for convenience only. The German original is definitive.

