

Quarterly Report III / 2002

Conference Call Presentation

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Quickborn

www.comdirect.de



Agenda



Key Facts



Figures



Outlook



Third quarter 2002 at a glance

- **Persisting weakness of international capital markets**
 - Decline in portfolio volume (17 %) to € 4.8bn
- **Improvement of operating results compared with 2nd quarter**
 - €1.8mn profit from ordinary activities
 - Vigorous implementation of cost-cutting programme and stabilization of income
- **€32mn restructuring expenses fully booked**
- **Cooperation with Lloyds TSB**
 - comdirect Ltd, no. 4 broker in UK, provides exclusive brokerage services for Lloyds' customers



com one programme: first measures already executed



Cost-cutting

- Scaling-down marketing activities
- Staff reduction plan negotiated and implementation started
- Re-prioritization IT projects
- Ongoing management of general expenses (i.e. renegotiation of service provider contracts)



Stabilization of income

- New pricing implemented September 1, 2002
- Alignment of interest rates to market level



New organization

- Streamlined organization with clear responsibilities in place
- Concentration of all comdirect activities at Quickborn



Agenda



Key Facts



Figures



Outlook



Income statement of the comdirect bank group (I)

in € thousand	2001	2002	change	
	Q1 - Q3	Q1 - Q3	in € thousand	in %
Interest income	99,007	75,523	- 23,484	- 23.7
Interest expenses	48,232	27,071	- 21,161	- 43.9
Net interest income before provisions	50,775	48,452	- 2,323	- 4.6
Provisions for possible loan losses	- 2,792	- 463	2,329	+ 83.4
Net interest income after provisions	47,983	47,989	6	0.0
Commission income	72,742	60,177	- 12,565	- 17.3
Commission expenses	2,084	1,267	- 817	- 39.2
Net commission income	70,658	58,910	- 11,748	- 16.6
Trading profit / loss	982	- 285	- 1,267	-
Result from financial investments	- 9,502	1,156	10,658	-
Administrative expenses	176,153	105,571	- 70,582	- 40.1
Other operating result	6,782	2,147	- 4,635	- 68.3
Profit from ordinary activities	- 59,250	4,346	63,596	-
Extraordinary result and restructuring expenses	0	- 31,967	- 31,967	-
Pre-tax profit / loss	- 59,250	- 27,621	31,629	+ 53.4
Taxes on income	- 12,594	- 7,658	4,936	+ 39.2
After-tax profit / loss	- 46,656	- 19,963	26,693	+ 57.2
Profit / loss attributable to minority interests	269	0	- 269	-
Consolidated profit / loss	- 46,387	- 19,963	26,424	+ 57.0



Income statement of the comdirect bank group (II)

in € thousand	2002	2002	change	
	Q2	Q3	in € thousand	in %
Interest income	25,592	24,821	- 771	- 3.0
Interest expenses	8,916	9,698	782	- 8.8
Net interest income before provisions	16,676	15,123	- 1,553	- 9.3
Provisions for possible loan losses	- 37	- 296	- 259	- 700.0
Net interest income after provisions	16,639	14,827	- 1,812	- 10.9
Commission income	17,964	19,621	1,657	+ 9.2
Commission expenses	62	557	495	+ 798.4
Net commission income	17,902	19,064	1,162	+ 6.5
Trading profit / loss	- 116	0	116	-
Result from financial investments	530	308	- 222	- 41.9
Administrative expenses	33,459	33,201	- 258	- 0.8
Other operating result	742	812	70	+ 9.4
Profit from ordinary activities	2,238	1,810	- 428	- 19.1
Extraordinary result and restructuring expenses	0	- 31,967	- 31,967	-
Pre-tax profit / loss	2,238	- 30,157	- 32,395	-
Taxes on income	134	- 9,910	- 10,044	-
After-tax profit / loss	2,104	- 20,247	- 22,351	-
Profit / loss attributable to minority interests	0	0	0	-
Consolidated profit / loss	2,104	- 20,247	- 22,351	-



Key figures of comdirect bank group (I)

		2000 Q1 - Q3	2001 Q1 - Q3	2002 Q1 - Q3
Net commission income	in €mn	150.8	70.7	58.9
Net interest income after provisions	in €mn	41.9	48.0	48.0
Administrative expenses	in €mn	167.0	176.2	105.6
Profit / loss from ordinary activities	in €mn	25.6	- 59.3	4.3
Pre-tax profit / loss	in €mn	25.6	- 59.3	- 27.6
Earnings per share	in €	0.09	- 0.33	- 0.14
Total assets (as of September 30, 2002)	in €mn	3,064.9	3,048.2	2,665.0
Equity (as of September 30, 2002)	in €mn	748.0	697.0	552.1

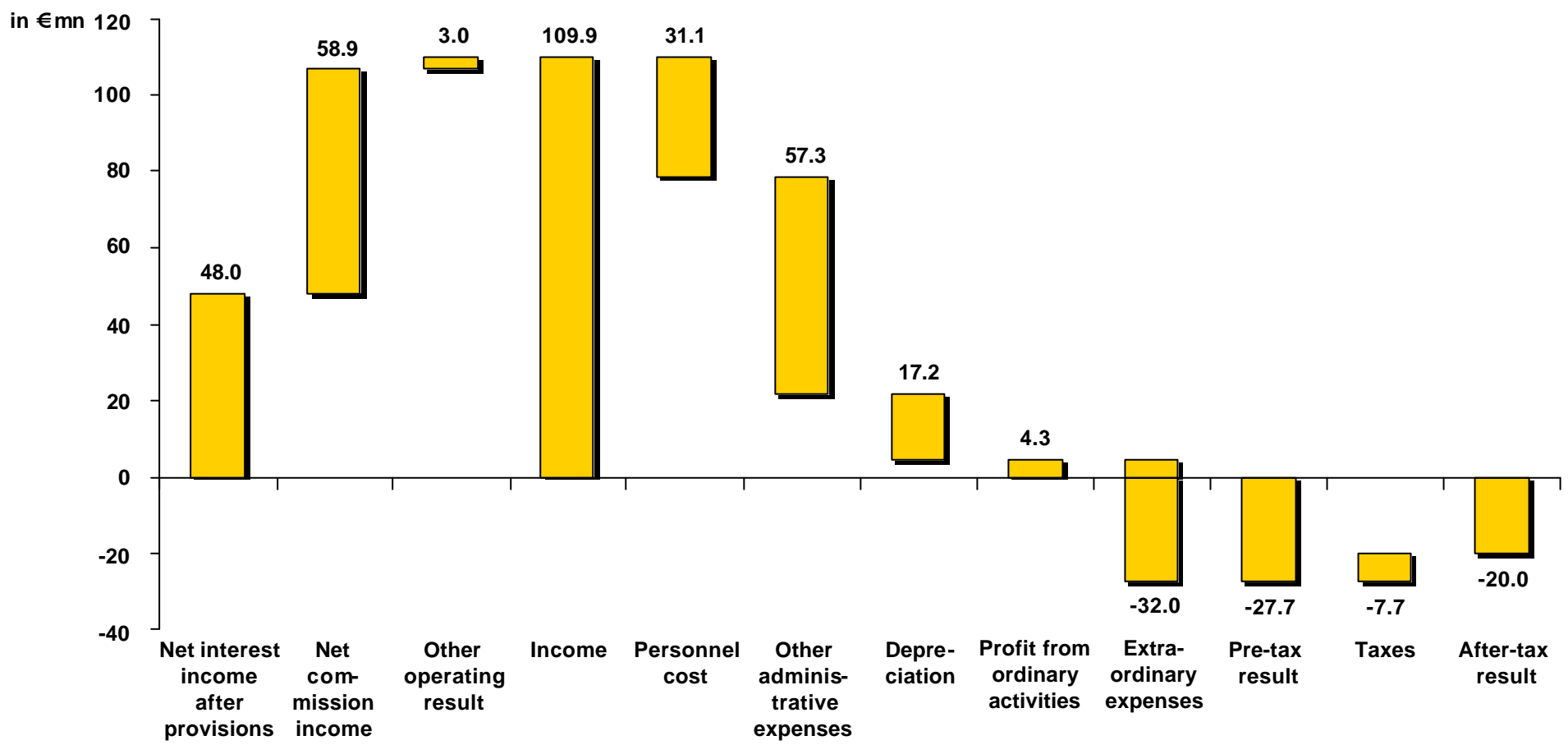


Key figures of comdirect bank group (II)

average		2001 Q3	2001 Q4	2002 Q1	2002 Q2	2002 Q3
Securities turnover per order executed	in €	2,970	3,309	3,494	3,180	3,506
Net commission income per brokerage account (end of period)	in €	29.99	36.35	35.59	29.81	31.89
Net commission income per order executed	in €	14.48	13.38	15.19	14.76	12.09
Number of orders placed per brokerage account (end of period)		2.6	3.6	3.2	2.3	3.0
Number of orders executed per brokerage account (end of period)		2.1	2.7	2.3	2.0	2.6
Assets under custody per brokerage account (end of period)	in €	12,229	14,631	15,001	13,031	11,438

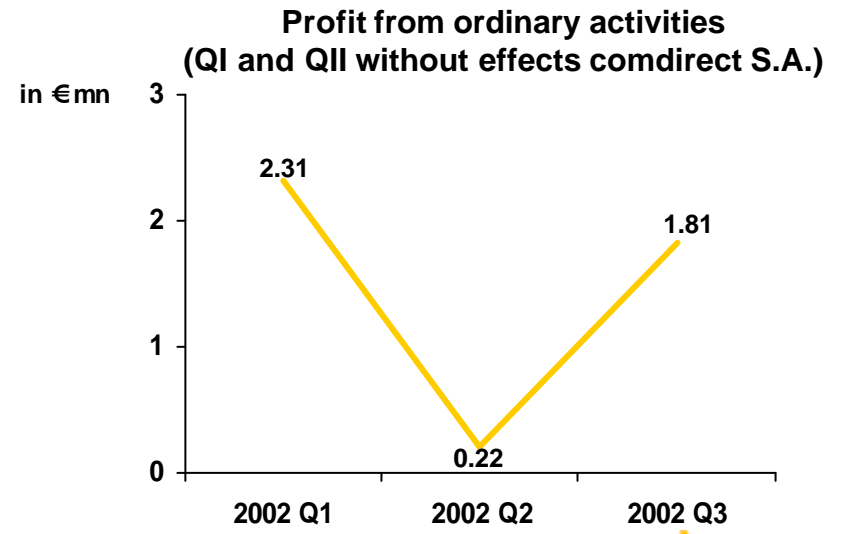
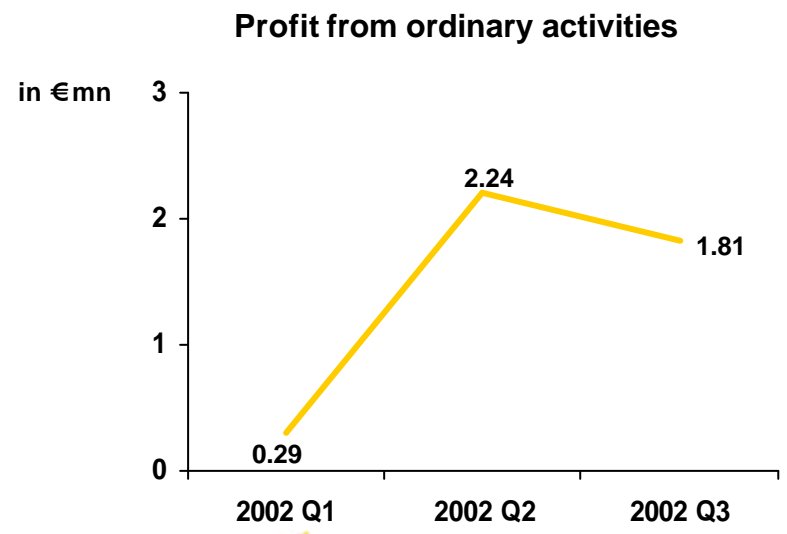
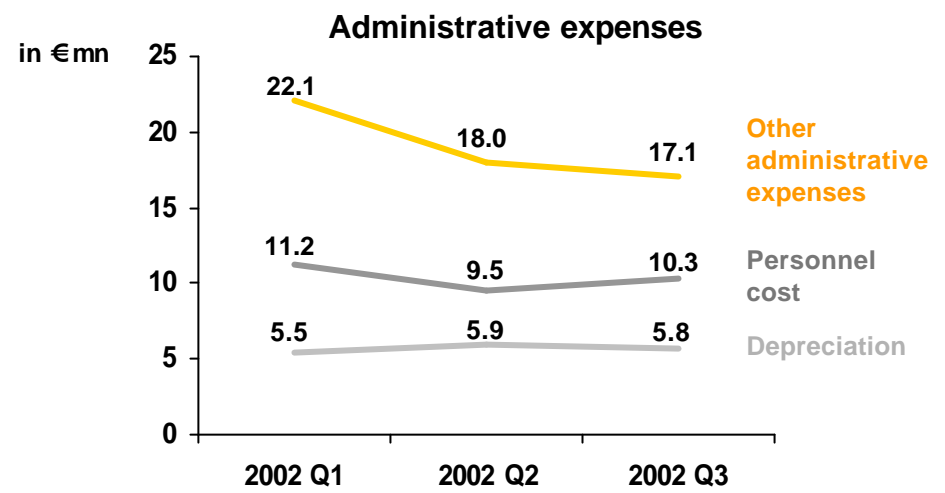
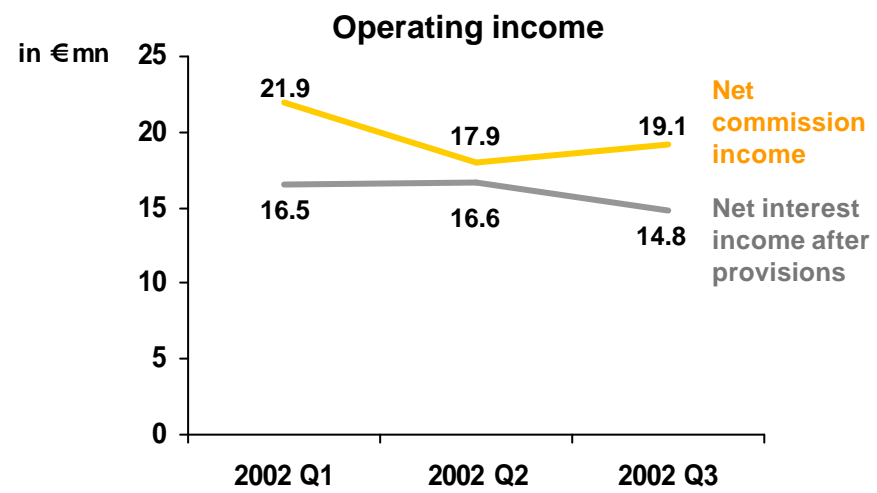


Results influenced by restructuring expenses





Improvement of results in Q3 due to stabilized income and reduced administrative expenses





Agenda



Key Facts



Figures



Outlook



Outlook 4th quarter 2002

- **Difficult market environment persists**
 - Earnings remain volatile
- **Slightly rise in cost base**
 - Higher marketing expenses
 - IT projects settled
 - Moderate increase in provisions for possible loan losses
- **com one targets will be realized according to plan**
 - 2/3 of staff-reduction programme in Germany will be completed
 - Kiel call center will be closed down
 - IT efficiency programme will be installed
- **Positive result from ordinary activities expected**



comdirect's perspectives

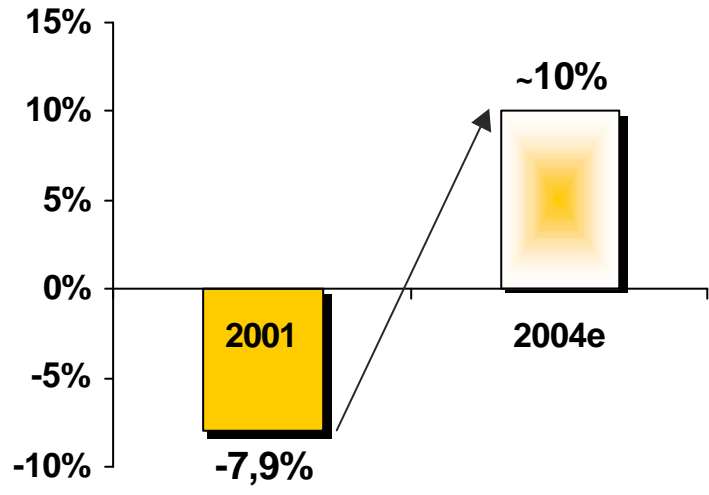
- Focus on customer value rather than customer growth
- Concentrating on profitability and stability
- Strict earnings-orientation of business model
- Clear market positioning



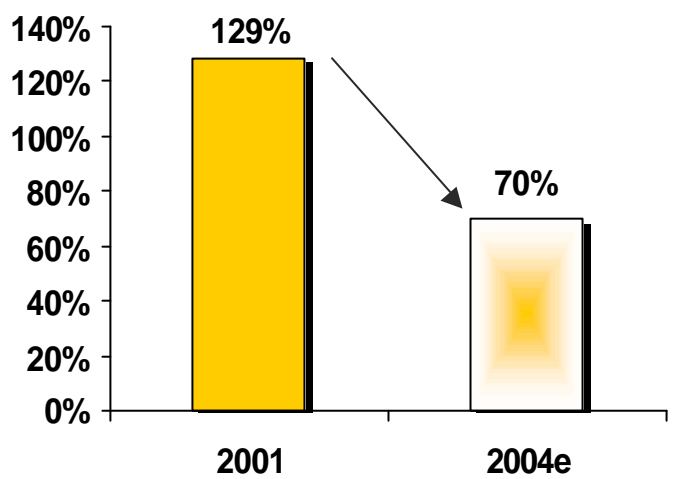


Leading position of comdirect will be further strengthened by "com one" programme

Return on Equity



Cost / Income Ratio





Contact details

If you need more information or material on comdirect please do not hesitate to contact us.

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