Business performance in the first nine months of 2017

Dietmar von Blücher, CFO

2 November 2017
Key figures

**Profitability** (before taxes):
- €72.5m profit after 9 months
- Profit target 2017 firmly in sight: approximately €85m (equivalent to RoE of around 14%)

**Growth in the first nine months:**
- €87.6bn assets under management achieved:
  - growth of €11.9bn
- Rise in customer numbers of around 189k
- Continuous growth across the entire comdirect group

Strategy

**Highlights Q3 2017:**
- cominvest:
  - >€150m AuM as of 30 September
  - Awarded: Efma Silver Award
- Trading offensive started

**Focus Q4 2017:**
- Implementation of regulatory issues (e.g. MiFID II and EU GDPR)
- Consistent implementation of the strategy:
  - Establishment of cominvest
  - Strengthening of positioning in trading
- Innovation focus on voice control
Key figures
Sound pre-tax profit of €72.5m after nine months (pre-tax RoE: 16.3%)

Higher net commission income compensates the lower net interest income

2017 pre-tax profit target of approximately €85m firmly in sight (equivalent to pre-tax RoE of around 14%)
Pre-tax and after-tax profit

Sound pre-tax profit of €72.5m generated after nine months

9M 2016: €106.9m**

9M 2017: €72.5m

Q3 2016: 19.0
Q4 2016: 13.6
Q1 2017: 13.8
Q2 2017: 27.4
Q3 2017: 20.4
Q4 2016: 12.6
Q1 2017: 20.4
Q2 2017: 23.5
Q3 2017: 20.3

* Annualised
** Including non-recurring effect from VISA transaction of €41.1m

comdirect group, in €m
Pre-tax and after-tax profit

2017 pre-tax profit target of approximately €85m firmly in sight

RoE target 2017: around 14% before taxes, equivalent to pre-tax profit: approximately €85m

- Non-recurring effect from VISA transaction
- Pre-tax profit
- After-tax profit
- Pre-tax RoE*

*Annualised

comdirect group, in €m
After accounting for VISA effect: 9M result exceeds previous year's value
Higher net commission income compensates lower net interest income

**Earnings**

<table>
<thead>
<tr>
<th></th>
<th>9M 2016</th>
<th>9M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income after provisions for possible loan losses</td>
<td>298.0</td>
<td>277.3</td>
</tr>
<tr>
<td>Other income</td>
<td>91.8</td>
<td>72.7</td>
</tr>
<tr>
<td>Net commission income</td>
<td>159.9</td>
<td>181.8</td>
</tr>
</tbody>
</table>

-7.0% decrease

**Administrative expenses**

<table>
<thead>
<tr>
<th></th>
<th>9M 2016</th>
<th>9M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel expenses</td>
<td>191.1</td>
<td>204.8</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>10.3</td>
<td>12.8</td>
</tr>
<tr>
<td>Other administrative expenses</td>
<td>65.5</td>
<td>70.4</td>
</tr>
<tr>
<td>Other income</td>
<td>115.3</td>
<td>121.7</td>
</tr>
</tbody>
</table>

+7.2% increase

*Including non-recurring effect from VISA transaction of €41.1m*
Earnings in detail

Net interest income bottoms out

Net commission income

<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q4</th>
<th>Q1 2017</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2B</td>
<td>51.5</td>
<td>55.5</td>
<td>59.1</td>
<td>61.1</td>
<td>61.6</td>
</tr>
<tr>
<td>B2C</td>
<td>13.0</td>
<td>14.1</td>
<td>14.4</td>
<td>14.2</td>
<td>14.2</td>
</tr>
<tr>
<td>Executed orders B2C (in m)</td>
<td>38.5</td>
<td>41.5</td>
<td>44.8</td>
<td>46.9</td>
<td>47.5</td>
</tr>
</tbody>
</table>

Net interest income after provisions for possible loan losses

<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q4</th>
<th>Q1 2017</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>comdirect group</td>
<td>28.8</td>
<td>27.1</td>
<td>24.5</td>
<td>23.4</td>
<td>24.8</td>
</tr>
<tr>
<td>Avg. 3-month EURIBOR</td>
<td>-0.30%</td>
<td>-0.31%</td>
<td>-0.33%</td>
<td>-0.33%</td>
<td>-0.33%</td>
</tr>
</tbody>
</table>

- B2B
- B2C
- Executed orders B2C (in m)

comdirect group, in €m
Cost development due to regulatory issues and onvista integration

Costs in detail

Other administrative expenses

Personnel expenses

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of customers (in k)</td>
<td>3,048</td>
<td>3,305</td>
<td>3,048</td>
<td>3,305</td>
<td>3,048</td>
<td>3,305</td>
<td>3,048</td>
<td>3,305</td>
<td>3,048</td>
</tr>
<tr>
<td>Number of FTEs (at quarter-end)</td>
<td>1,181</td>
<td>1,297</td>
<td>1,181</td>
<td>1,297</td>
<td>1,181</td>
<td>1,297</td>
<td>1,181</td>
<td>1,297</td>
<td>1,181</td>
</tr>
</tbody>
</table>
Growth

€87.6bn assets under management achieved: growth of €11.9bn in the first nine months

Rise in customer numbers of around 189k after nine months: of which 38.6k in Q3

Continuous growth across the entire comdirect group
Customer growth

Pleasing customer growth: around 189k new customers in nine months

Customers

<table>
<thead>
<tr>
<th>Year</th>
<th>B2B</th>
<th>B2C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,824</td>
<td>1,001</td>
<td>2,825</td>
</tr>
<tr>
<td>2014</td>
<td>1,909</td>
<td>983</td>
<td>2,892</td>
</tr>
<tr>
<td>2015</td>
<td>2,011</td>
<td>988</td>
<td>2,989</td>
</tr>
<tr>
<td>2016</td>
<td>2,081</td>
<td>1,036</td>
<td>3,117</td>
</tr>
<tr>
<td>9M 2017</td>
<td>3,305</td>
<td>1,049</td>
<td>4,354</td>
</tr>
</tbody>
</table>

Custody accounts

<table>
<thead>
<tr>
<th>Year</th>
<th>B2B</th>
<th>B2C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,697</td>
<td>857</td>
<td>2,554</td>
</tr>
<tr>
<td>2014</td>
<td>1,717</td>
<td>838</td>
<td>2,555</td>
</tr>
<tr>
<td>2015</td>
<td>1,786</td>
<td>843</td>
<td>2,629</td>
</tr>
<tr>
<td>2016</td>
<td>1,867</td>
<td>860</td>
<td>2,727</td>
</tr>
<tr>
<td>9M 2017</td>
<td>2,045</td>
<td>1,173</td>
<td>3,218</td>
</tr>
</tbody>
</table>

Current accounts

<table>
<thead>
<tr>
<th>Year</th>
<th>B2B</th>
<th>B2C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,043</td>
<td>840</td>
<td>1,883</td>
</tr>
<tr>
<td>2014</td>
<td>1,159</td>
<td>879</td>
<td>2,038</td>
</tr>
<tr>
<td>2015</td>
<td>1,266</td>
<td>944</td>
<td>2,210</td>
</tr>
<tr>
<td>2016</td>
<td>1,356</td>
<td>1,007</td>
<td>2,363</td>
</tr>
<tr>
<td>9M 2017</td>
<td>1,416</td>
<td>1,173</td>
<td>2,589</td>
</tr>
</tbody>
</table>
Assets under management

Strong growth in AuM of around €12bn after nine months

**Assets under management**

**Portfolio volume**

**Deposit volume**

comdirect group, in €bn
Assets under management

- Growth mainly results from strong rise in portfolio volumes

Net fund inflows

- 9M 2017: €5.5bn

<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q4</th>
<th>Q1 2017</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit volume</td>
<td>0.6</td>
<td>2.2</td>
<td>1.3</td>
<td>1.0</td>
<td>1.4</td>
</tr>
<tr>
<td>Portfolio volume</td>
<td>0.4</td>
<td>1.3</td>
<td>0.5</td>
<td>1.3</td>
<td>0.6</td>
</tr>
</tbody>
</table>

**Delta Summary**

- Deposit volume: €5.5bn
- Net portfolio volume: €3.1bn
- Market value effects: €3.4bn
- Onvista as of 3 Apr: €3.0bn

**Note**: B2B and B2C incl. onvista bank since 3 April.
Strategy

Ongoing implementation of regulatory issues

cominvest with pleasing growth and awarded the Efma Accenture Innovation Silver Award

Trading offensive strengthens positioning in brokerage

comdirect is industry pioneer in voice control
## Ongoing implementation of regulatory issues

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Implementation by</th>
</tr>
</thead>
<tbody>
<tr>
<td>MiFID II (Markets in Financial Instruments Directive II) and MiFIR (Markets in Financial Instruments Regulation)</td>
<td>3 January 2018</td>
</tr>
<tr>
<td>EU General Data Protection Regulation (EU GDPR)</td>
<td>25 May 2018</td>
</tr>
</tbody>
</table>
Consistent strategy implementation continues

comdirect is the smart **financial centre**!

- with:
  - Multi-banking
  - Smart Pay
  - MoBox

comdirect is the top address for **saving**, **investing**...

- with:
  - Custody account manager
  - Bonus savings scheme

...and **trading** with securities!

- with:
  - trading app
  - Growth acquisition onvista

Focus of H2 2017

- Voice control
- cominvest

Beginning of trading offensive
cominvest wins more awards and records constant growth

Launch of proprietary digital asset management service in May 2017

30 September 2017: >€150m AuM

Awarded:

• n-tv: 1st place for robo-advisor half-service and self-service

• International Efma Accenture Innovation Silver Award
Expanding market shares and increasing earnings through

- Enhancement of product and service features
- Strengthening positioning in trading
- Activation of existing customers and acquisition of new customers
**First measures of the trading offensive implemented in Q3**

**New Look & Feel on the website**

- Expansion of market expert statements and service channels, e.g. WhatsApp: prototyp Trading News in f&f-phase

**Restructuring of security loans enables more flexible use**

- Establishment of the complete digital depot change service including electronic signature

**För alles, was Sie vorhaben: der comdirect Wertpapierkredit**

- Jetzt online beantragen
comdirect is an industry pioneer in voice control

As the first bank in Germany:

• Since May 2017: comdirect Skill for Amazon Alexa

• From November 2017: visual graphics for
  • Amazon Echo Show and
  • comdirect assistant app für Google

• Call-up of real time quotes and news, creating favourites on devices
Summary: Consistent implementation of the strategy is paying off in terms of growth and results

9M 2017

Sound result in 9M 2017:
€72.5m pre-tax profit,
16.3% pre-tax RoE

Growth course continued:
Growth of €11.9bn on currently €87.6bn assets under management

Strategy beginning to gradually pay off

Outlook

Sustainable profitable business model:
Profit targets 2017 still in sight:
pre-tax profit of around €85m (pre-tax RoE: around 14%)

Implementation of regulatory issues

Establishment of cominvest and trading offensive paying off for the brokerage business

Voice control enhances comdirect’s position as a smart financial companion
# Income statement according to IFRS

<table>
<thead>
<tr>
<th></th>
<th>9M 2016</th>
<th>9M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest income</strong></td>
<td>104,489</td>
<td>84,380</td>
</tr>
<tr>
<td><strong>Interest expense</strong></td>
<td>13,185</td>
<td>13,548</td>
</tr>
<tr>
<td><strong>Net interest income before provisions for possible loan losses</strong></td>
<td>91,304</td>
<td>70,832</td>
</tr>
<tr>
<td><strong>Provisions for possible loan losses</strong></td>
<td>477</td>
<td>1,843</td>
</tr>
<tr>
<td><strong>Net interest income after provisions for possible loan losses</strong></td>
<td>91,781</td>
<td>72,675</td>
</tr>
<tr>
<td><strong>Commission income</strong></td>
<td>269,039</td>
<td>330,370</td>
</tr>
<tr>
<td><strong>Commission expenses</strong></td>
<td>109,136</td>
<td>148,593</td>
</tr>
<tr>
<td><strong>Net commission income</strong></td>
<td>159,903</td>
<td>181,777</td>
</tr>
<tr>
<td><strong>Trading result and result from hedge accounting</strong></td>
<td>-41</td>
<td>-627</td>
</tr>
<tr>
<td><strong>Result from financial investments</strong></td>
<td>42,475</td>
<td>15,515</td>
</tr>
<tr>
<td><strong>Administrative expenses</strong></td>
<td>191,101</td>
<td>204,842</td>
</tr>
<tr>
<td>- <strong>Personnel expenses</strong></td>
<td>65,529</td>
<td>70,392</td>
</tr>
<tr>
<td>- <strong>Other administrative expenses</strong></td>
<td>115,252</td>
<td>121,674</td>
</tr>
<tr>
<td>- <strong>Depreciation and amortisation</strong></td>
<td>10,320</td>
<td>12,776</td>
</tr>
<tr>
<td><strong>Other operating result</strong></td>
<td>3,890</td>
<td>7,955</td>
</tr>
<tr>
<td><strong>Pre-tax profit</strong></td>
<td>106,907</td>
<td>72,453</td>
</tr>
<tr>
<td><strong>Taxes on income</strong></td>
<td>27,003</td>
<td>16,265</td>
</tr>
<tr>
<td><strong>Consolidated net profit</strong></td>
<td>79,904</td>
<td>56,188</td>
</tr>
</tbody>
</table>

Comdirect group, in €k
Consolidated statement of financial position according to IFRS

**Assets**

- Other assets
- Cash reserves
- Financial investments
- Claims on customers
- Claims on banks

**Liabilities and equity**

- Other liabilities
- Provisions
- Liabilities to customers
- Equity

<table>
<thead>
<tr>
<th>Year</th>
<th>Other assets</th>
<th>Cash reserves</th>
<th>Financial investments</th>
<th>Claims on customers</th>
<th>Claims on banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>19,273</td>
<td>2,138</td>
<td>3,268</td>
<td>375</td>
<td></td>
</tr>
<tr>
<td>9M 2017</td>
<td>22,275</td>
<td>97</td>
<td>2,500</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Other liabilities</th>
<th>Provisions</th>
<th>Liabilities to customers</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>19,273</td>
<td>628</td>
<td>631</td>
<td>21,539</td>
</tr>
<tr>
<td>9M 2017</td>
<td>22,275</td>
<td>31</td>
<td>73</td>
<td></td>
</tr>
</tbody>
</table>
2018 financial calendar

30 January
Press/Analysts’ conference, Frankfurt/Main

28 March
2017 annual report

26 April
Quarterly statement

4 May
Annual general meeting, Hamburg

1 August
Half-year report

31 October
Nine-month statement
Investor relations

If you would like more information or answers to questions, please feel free to contact us:

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