

Press release

For business editors 15 July 2022

Commerzbank expects revenue burden in Poland

- Negative one-off effect of €210m to €290m expected at mBank in third quarter due to legislation on "credit holidays" for private mortgages
- . Operating result of Commerzbank to be impacted by corresponding amount
- Bettina Orlopp: "Thanks to the continued good development of our operating business, we still expect a net result of more than €1 billion for the financial year. This is under the condition that there will be no further significant deterioration in the economic environment, for example due to further shortages in the gas supply."

Commerzbank still expects a net result of more than €1 billion for the financial year 2022 despite an expected revenue burden at its Polish subsidiary mBank. This outlook is under the condition that there will be no further significant deterioration in the economic environment and that no material additional provisions for the Swiss Franc loan portfolio at mBank will be necessary.

mBank had previously announced that, in the third quarter of 2022, it expects to book negative revenues in the range of PLN 1.0 to PLN 1.4 billion (currently approximately €210 million to €290 million) as a result of possible deferrals of interest and repayment of private real estate financing ("credit holidays") introduced by new legislation. Commerzbank's third quarter operating result is expected to be burdened by a corresponding amount, which will be booked as negative revenues predominantly in "Other net income from financial instruments".

The new legislation in Poland allows private borrowers to skip monthly payments for current mortgages loans up to eight times by the end of 2023. mBank expects that 60% to 80% of currently assumed eligible borrowers will make use of this option. Commerzbank will consider legal action against this unusual measure, which is granted to all borrowers regardless of their financial position.

The "credit holidays" are part of the measures taken by the Polish Government to respond to the consequences of high inflation and rising interest rates. The Polish National Bank had recently raised the key interest rate to 6.50%. In the second quarter, Commerzbank already expects additional compulsory contributions of around €83 million at mBank for the Institutional Protection Scheme.

"mBank is one of Europe's most modern banks and a growth engine for our Group. Unfortunately, the new legislation in Poland causes considerable one-off burdens. However, thanks to the continued good development of our operating business, we still expect a net result of more than



Page 2

€1 billion for the financial year. This is under the condition that there will be no further significant deterioration in the economic environment, for example due to further shortages in the gas supply," said Bettina Orlopp, Chief Financial Officer of Commerzbank.

Press contact

Erik Nebel +49 69 136-44986

About Commerzbank

Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 28,000 corporate client groups and around 11 million private and small-business customers in Germany. The Bank's two Business Segments − Private and Small-Business Customers and Corporate Clients − offer a comprehensive portfolio of financial services. Commerzbank transacts approximately 30 per cent of Germany's foreign trade and is present internationally in almost 40 countries in the corporate clients' business. The Bank focusses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports clients with German connectivity and companies operating in selected future-oriented industries. Following the integration of Comdirect, private and small-business customers benefit from the services offered by one of Germany's most advanced online banks combined with personal advisory support on site. Its Polish subsidiary mBank S.A. is an innovative digital bank that serves approximately 5.6 million private and corporate customers, predominantly in Poland, but also in the Czech Republic and Slovakia. In 2021, Commerzbank generated gross revenues of some €8.5 billion with around 46,500 employees.

Disclaimer

This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts. In this release, these statements concern inter alia the expected future business of Commerzbank, efficiency gains and expected synergies, expected growth prospects and other opportunities for an increase in value of Commerzbank as well as expected future financial results, restructuring costs and other financial developments and information. These forward-looking statements are based on the management's current plans, expectations, estimates and projections. They are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from any future results and developments expressed or implied by such forward-looking statements. Such factors include the conditions in the financial markets in Germany, in Europe, in the USA and other regions from which Commerzbank derives a substantial portion of its revenues and in which Commerzbank holds a substantial portion of its assets, the development of asset prices and market volatility, especially due to the ongoing European debt crisis, potential defaults of borrowers or trading counterparties, the implementation of its strategic initiatives to improve its business model, the reliability of its risk management policies, procedures and methods, risks arising as a result of regulatory change and other risks. Forward-looking statements therefore speak only as of the date they are made. Commerzbank has no obligation to update or release any revisions to the forward-looking statements contained in this release to reflect events or circumstances after the date of this release.



Page 3