

Investor-Relations- Info

Commerzbank with good first-quarter figures

In the first quarter of the year, the Commerzbank Group maintained the encouraging trend for business and earnings. The result before provision for possible risks reached DM1.26bn, thus exceeding the high level of the first quarter of 1997 by 5.2%. This tendency continued in April.

No significant new need to make value adjustments to the loan portfolio arose in the first few months. The bank expects provisioning for the year as a whole to be lower. If, quite tentatively, a net provision of about DM300m were made for the first three months, the bank's pre-tax result would have expanded by roughly 17%. After taxes, this would correspond to net earnings per share of DM1.25 for the first quarter.

With strong expansion again -- reflected in a 6.1% increase in group business volume to DM552bn between end-1997 and end-March -- net interest income, rising 10.6% to DM1.63bn, represented the main earnings item. Net commission income advanced by 9.2% to DM783m, and the trading profit by 2.2% to DM235m. At DM234m, the bank's financial investments produced a result that corresponded exactly to the comparable year-ago figure. All in all, the bank's earnings improved by a further 8.6% to DM2.88bn, while its operating expenses amounted to DM1.62bn (+ 11.7%).

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Profit and loss account of the Commerzbank Group in the first quarter of 1998 according to International Accounting Standards (IAS)

	1998	1997	Change in %
Net interest income (before provisioning)	1,625	1,469	10.6
Net commission income	783	717	9.2
Trading result	235	230	2.2
Result from financial investments	234	234	0.0
Operating expenses	1,619	1,449	11.7
Other items	4	-6	---
Result arising from normal business activity	1,262	1,195	5.6
Extraordinary result	0	5	---
Result before provisioning	1,262	1,200	5.2

Estimate presented in AGM speech

	1998	1997	Change in %
Result before provisioning	1,262	1,200	5.2
Provisioning	300	376	-20.2
Result after provisioning	962	824	16.7