

Base Prospectus
December 17, 2007

Commerzbank Aktiengesellschaft

(a stock corporation incorporated in the Federal Republic of Germany)

BASE PROSPECTUS IN RESPECT OF WARRANTS

**Warrants in respect of which application for listing
on the Eurolist of Euronext Paris SA will be made**

Maximum amount:
€30,000,000,000 (issue price)

Warning

The attention of potential purchasers is drawn to the specificities of the Warrants and, inter alia, to the fact that, due to their optional nature, Warrants may be subject to considerable fluctuations in value, which may result in total loss of their value.

VISA OF THE AUTORITE DES MARCHES FINANCIERS

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code Monétaire et Financier* and with the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers* (the "**AMF**"), in particular Articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the *visa* No. 07-481 dated 17 December 2007. This Base Prospectus was prepared by the issuer and its signatories assume responsibility for its content. The *visa*, in accordance with the provisions of Article L. 621-8-1-I of the French *Code Monétaire et Financier*, was granted after the AMF has verified "whether the document is complete and comprehensible and whether the information it contains is coherent". The *visa* does not imply that the AMF has approved the appropriateness of the transaction or that it has verified the accounting and financial data set out in it.

This *visa* is granted subject to publication of Final Terms prepared in accordance with Article 212-32 of the General Regulations of the AMF, specifying the terms of the Warrants issued.

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INTRODUCTION

This base prospectus (the "**Base Prospectus**") is a base prospectus in the meaning of the directive 2003/71/CE of the European Parliament and Council of November 4, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (the "**Prospectus Directive**").

Under the terms of this Base Prospectus, Commerzbank Aktiengesellschaft (the "**Issuer**", the "**Bank**" or "**Commerzbank**", and together with its consolidated subsidiaries "**Commerzbank Group**" or the "**Group**") may issue warrants (the "**Warrants**") relating to shares, indices, currency exchange rates, futures contracts or commodities, within a maximum global amount (as calculated on the basis of issue prices) of EUR 30,000,000,000 (it being specified that such amount may be increased, any such increase to be subject to a Supplement as defined below).

Warrants referring to the Base Prospectus will be issued on the terms and conditions set out herein and (as the case may be) in any Supplements (as defined below) and on such specific terms as will be set out in the final terms related thereto (the "**Final Terms**"). The Final Terms, established under the responsibility of the Issuer, will be, in respect of Warrants for which admission to listing on the Eurolist of Euronext Paris SA or its successor ("**Euronext Paris**") will be requested, displayed on the website (www.amf-france.org) of the AMF not later than on the date the notice of Euronext Paris announcing the admission of the relevant Warrants to the listing on the Eurolist of Euronext Paris is published.

Five forms of Final Terms are set out hereafter, concerning Warrants relating to shares, indices, currency exchange rates, futures contracts and commodities, respectively. The Final Terms will specify with respect to the Warrants to which they relate, inter alia, the specific designation of the Warrants, the number and type of the Warrants, the date of issue of the Warrants, the issue price, the strike price, the underlying asset (share, index, currency exchange rate, futures contract or commodity) to which the Warrants relate, the exercise period or exercise date and certain other terms.

Application may be made for Warrants issued under the Base Prospectus and (as the case may be) any Supplements to be listed on the Eurolist of Euronext Paris. Application may be made to list Warrants on such other stock exchange(s) as the Issuer may agree. The Issuer may also issue unlisted Warrants.

For the purpose of the offer to the public of Warrants in France and/or the listing of Warrants on the Eurolist of Euronext Paris, the Base Prospectus has been submitted to the registration procedure of the AMF.

Prior to the listing of Warrants on the Eurolist of Euronext Paris, the Issuer shall, as the case may be, prepare supplements to the Base Prospectus (the "**Supplements**"), to be submitted to the registration procedure of the AMF, should new elements, material in the context of the Warrants, change or supplement elements contained in the Base Prospectus, such material new elements including the updating of the financial information concerning the Issuer as well as material changes in any of the parameters of the Base Prospectus.

Prospective purchasers should read the Base Prospectus in conjunction with any Supplements and with the Final Terms relating to the relevant Warrants. Warrant holders are deemed to have knowledge of all the provisions of the Base Prospectus, of any Supplements and of the Final Terms relating to the relevant Warrants.

The Warrants are issued in dematerialised form. No physical title will be issued in respect of the Warrants.

The purchase, transfer and exercise of the Warrants may only be effected by registration in accordance with the rules of Euroclear Bank ("**Euroclear**") in the case of Warrants held through Euroclear, the rules of Clearstream Banking, société anonyme ("**Clearstream**") in the case of Warrants held through Clearstream or Euroclear France's *Règlement Général* in the case of Warrants held through Euroclear France ("**Euroclear France**") (in the latter case through the relevant Warrant Account Holder).

To the best knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in the Base Prospectus, in any Supplement and/or in any Final Terms is true and accurate in all material respects and there are no other material facts the omission of which would, in the context of the listing of the Warrants on the Paris Stock Exchange, make any information contained or incorporated by reference in the Base Prospectus, in any Supplement and/or in any Final Terms misleading in any material respect.

In connection with the issue and sale of the Warrants, no person is authorised to give any information or make any representation, other than those contained or incorporated by reference in the Base Prospectus, in any Supplement and/or in the Final Terms relating to the relevant Warrants, and the Issuer does not accept responsibility for any information or representation not contained or incorporated by reference in the Base Prospectus, in any Supplement and/or in the Final Terms relating to the relevant Warrants. Neither the delivery of the Base Prospectus, of any Supplement or of any Final Terms nor any sale of Warrants shall, in any circumstances, create any implication that any information or representation contained or incorporated by reference in the Base Prospectus, in any Supplement and/or in the Final Terms relating to the relevant Warrants is correct at any time subsequent to the date of the Base Prospectus, of any Supplement and/or of the Final Terms relating to the relevant Warrants, as the case may be.

The distribution of the Base Prospectus, of any Supplement and/or of any Final Terms and the offer or sale of the Warrants in certain jurisdictions may be restricted by law. Persons into whose possession the Base Prospectus, any Supplement and/or any Final Terms come are required by the Issuer to inform themselves about, and to observe any such restrictions. The Base Prospectus, any Supplement and/or any Final Terms do not constitute an offer or an invitation by (or on behalf of) the Issuer to subscribe or purchase any Warrants, and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Warrants or the distribution of the Base Prospectus, of any Supplement and/or of any Final Terms in any jurisdiction where action for that purpose is required. For a further description of certain restrictions of offerings and sales of the Warrants and distribution of the Base Prospectus, of any Supplement and/or of any Final Terms, see "**Subscription and Sale**" herein.

SUMMARY

Warning

The attention of investors is drawn to the fact that:

- (a) the following summary should be read as an introduction to this Base Prospectus;
- (b) any decision to invest in the Warrants should be based on consideration of the Base Prospectus (as well as any Supplement and the relevant Final Terms) as a whole by the investor;
- (c) where a claim relating to the information contained or incorporated by reference in the Base Prospectus, in any Supplement or in the relevant Final Terms is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Union, have to bear the costs of translating the Base Prospectus, any Supplement and/or the relevant Final Terms before the legal proceedings are initiated; and
- (d) civil liability attaches to Commerzbank Aktiengesellschaft in connection with the presentation of this summary including any translation thereof, and to the persons who have applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus.

Summary of the information on the securities and the risks connected therewith

Under the terms of this Base Prospectus, Commerzbank Aktiengesellschaft (the "**Issuer**") may issue warrants (the "**Warrants**") relating to shares, indices, currency exchange rates futures contracts and commodities, during a 12-month period and within a maximum global amount (as calculated on the basis of issue prices) of EUR 30,000,000,000 (subject to increase in connection with a supplement to the Base Prospectus).

Warrants referring to the Base Prospectus will be issued on the terms and conditions set out herein and (as the case may be) in any supplement to the Base Prospectus and on such specific terms as will be set out in the final terms related thereto (the "**Final Terms**").

Application may be made for Warrants issued under the Base Prospectus to be listed on the Eurolist of the Euronext Paris SA or its successor. Application may be made to list Warrants on such other stock exchange(s) as the Issuer may agree. The Issuer may also issue unlisted Warrants.

A "Set" of Warrants gives to its holder (a "**Warrantholder**") the right to receive, in case of exercise, a cash amount called the "Settlement Amount", expressed in or converted into Euro, as the case may be, and calculated in accordance with the terms and conditions of the Warrants (the "**Conditions**") described in chapter "**Terms and Conditions of the Warrants**" of the Base Prospectus (as amended, as the case may be, by any supplement to the Base Prospectus).

A "Set" of Warrants is equal to a number of Warrants specified in the Final Terms (or to one Warrant in the case of Warrants on currency exchange rates).

With respect to Warrants relating to shares, the "Settlement Amount", for an exercised "Set" of Warrants, is equal to:

- (i) in the case of call Warrants, the excess (if any) of the relevant "Settlement Price" over the relevant "Strike Price", multiplied by the relevant "Quantity" of shares to which such "Set" of Warrants relates (as specified in the Final Terms, subject to any adjustment);
- (ii) in the case of put Warrants, the excess (if any) of the relevant "Strike Price" over the relevant "Settlement Price", multiplied by the relevant "Quantity" of shares to which such "Set" of Warrants relates (as specified in the Final Terms, subject to any adjustment).

With respect to Warrants relating to indices, futures contracts and commodities, the "Settlement Amount", for an exercised "Set" of Warrants, is equal to:

- (i) in the case of call Warrants, the excess (if any) of the relevant "Settlement Price" over the relevant "Strike Price";
- (ii) in the case of put Warrants, the excess (if any) of the relevant "Strike Price" over the relevant "Settlement Price".

With respect to Warrants relating to currency exchange rates: the "Settlement Amount", for an exercised Warrant, is equal to:

- (i) in the case of call Warrants, the excess (if any) of the relevant "Settlement Price" over the relevant "Strike Price", multiplied by the "Parity" of the relevant Warrants (as specified in the Final Terms);
- (ii) in the case of put Warrants, the excess (if any) of the relevant "Strike Price" over the relevant "Settlement Price", multiplied by the "Parity" of the relevant Warrants (as specified in the Final Terms).

The "Strike Price" is specified in the relevant Final Terms (subject to adjustment in accordance with the Conditions).

The "Settlement Price" is calculated, in accordance with the Conditions, as being equal, with respect to Warrants relating to shares or indices, to the closing price of the relevant share or index on the relevant "Valuation Date", with respect to Warrants relating to currency exchange rates, to the official currency exchange rate published by the European Central Bank on the relevant "Valuation Date" and, with respect to Warrants relating to futures contracts and commodities, to the quotation (as specified in the Final Terms) of the relevant futures contract or commodity on the relevant "Valuation Date" (in all cases subject to the specific provisions of the Conditions).

The "Valuation Date", which must be a "Trading Day", is normally the "Exercise Date" of the relevant Warrants (or the next following "Business Day" with respect to Warrants on the Nikkei 225 Index or on a share listed on the Tokyo Stock Exchange or the Hong-Kong Stock Exchange), subject to the provisions of the Conditions. The "Exercise Date" is determined in accordance with the Conditions and the expressions "Trading Day" and "Business Day" are themselves defined in the Conditions.

The Final Terms specify whether the Warrants are "American" style, in which case they are exercisable during the period specified in the Final Terms, or if they are "European" style, in which case they are exercisable only on their maturity date. If specified in the Final Terms, the Warrants are automatically exercised on their maturity date if there is a positive "Settlement Amount".

The reason of the issue of the Warrants is making profit.

Warrants involve a high degree of risk and investors must be prepared to sustain a total loss of the purchase price of their Warrants. Details of the risks connected with the purchase of Warrants are outlined in chapter "**Risk Factors Relating to Warrants**".

Summary of the Information on the Issuer and the Risks Connected with the Issuer

Commerzbank Aktiengesellschaft is a stock corporation under German law. The Issuer's registered office is located in Frankfurt am Main and its head office is at Kaiserplatz, 60261 Frankfurt am Main, Federal Republic of Germany (telephone: +49 (0)69 136-20). The Issuer is entered into the commercial register of the lower regional court (*Amtsgericht*) of Frankfurt am Main under the number HRB 32 000.

Commerzbank is a major German private-sector bank. Its products and services for retail and corporate customers extend to all aspects of banking. The Issuer is also active in specialised fields – partly covered by its subsidiaries – such as mortgage banking and real-estate business, leasing and asset management. Its services are concentrated on managing customers' accounts and handling payments transactions, loan, savings and investments plans, and also on securities transactions. Additional financial services are offered within the framework of the Issuer's bancassurance strategy of cooperating with leading companies in finance-related sectors, including home loan savings schemes and insurance products. The Commerzbank Group's operating activities are bundled into three

divisions: Private and Business Customers, Corporate and Investment Banking as well as Real Estate, Public Finance and Treasury.

Commerzbank's business activities are mainly concentrated on the German market. In private banking considered core markets are furthermore Austria, Luxembourg, Singapore and Switzerland and in corporate business, Europe, the USA and Asia.

The Board of Managing Directors of the Issuer currently consists of the following members: Klaus-Peter Müller, Martin Blessing, Wolfgang Hartmann, Dr. Achim Kassow, Bernd Knobloch, Michael Reuther, Dr. Eric Strutz and Nicholas Teller.

The auditors of the Bank for the 2005 and 2006 financial years were PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft.

Additional information regarding the Issuer, including financial information, is available under "**Presentation of the Issuer**" in this Base Prospectus as well as in the documents incorporated by reference in this Base Prospectus (see "**Incorporation of Documents by Reference**" herein).

The Issuer is subject to various market and sector specific risks as well as to company specific risks which – if they materialised – could have a considerable impact on the Issuer's net assets, financial position and earnings performance, and consequently on the Issuer's ability to fulfill its obligations under the Warrants. Details of the risks connected with the Issuer are outlined in "**Risk Factors Relating to the Issuer**" below.

RESUME EN FRANÇAIS (SUMMARY IN FRENCH)

Avertissement

L'attention des investisseurs est attirée sur le fait que:

- (a) le résumé ci-après doit être lu comme une introduction au présent Prospectus de Base ;
- (b) toute décision d'investir dans les Bons d'Option doit être fondée sur un examen exhaustif du Prospectus de Base (ainsi que de tout Supplément et des Conditions Définitives applicables) par l'investisseur;
- (c) lorsqu'une action concernant l'information contenue ou incorporée par référence dans le Prospectus de Base, dans tout Supplément ou dans les Conditions Définitives applicables est intentée devant un tribunal, l'investisseur plaignant peut, selon la législation nationale des États membres de l'Union Européenne, avoir à supporter les frais de traduction du Prospectus de Base, de tout Supplément et/ou des Conditions Définitives applicables avant le début de la procédure judiciaire, et
- (d) une responsabilité civile est attribuée à Commerzbank Aktiengesellschaft dans le cadre de la présentation du présent résumé, y compris sa traduction, et aux personnes qui en ont demandé la notification, mais uniquement si le contenu du résumé est trompeur, inexact ou contradictoire par rapport aux autres parties du présent Prospectus de Base.

Résumé des informations relatives aux titres et aux risques y afférents

Dans le cadre du présent Prospectus de Base, Commerzbank Aktiengesellschaft (l'"**Emetteur**") pourra émettre des bons d'options (les "**Bons d'Option**") relatifs à des actions, indices, taux de change, contrats à terme et matières premières, pendant une durée de douze mois et dans la limite d'un montant global maximum (calculé sur la base des prix d'émission) de EUR 30.000.000.000 (sous réserve d'augmentation dans le cadre d'un supplément au Prospectus de Base).

Les Bons d'Option se référant au Prospectus de Base auront les modalités prévues au Prospectus de Base et (le cas échéant) dans tous suppléments au Prospectus de Base et les modalités spécifiques qui seront prévues dans les conditions définitives y afférentes (les "**Conditions Définitives**").

L'admission sur l'Eurolist d'Euronext Paris SA ou son successeur des Bons d'Option émis dans le cadre du Prospectus de Base pourra être demandée. Des Bons d'Option pourront faire l'objet de demandes d'admission sur d'autres bourses de valeurs si l'Emetteur le souhaite. L'Emetteur pourra également émettre des Bons d'Option non cotés.

Un "Lot" de Bons d'Option (*Set of Warrants*) donne à son titulaire (le "**Titulaire**") le droit, en cas d'exercice, de recevoir un montant en espèces, dénommé le "Différentiel" (*Settlement Amount*), exprimé ou converti en euros, selon le cas et calculé conformément aux modalités des Bons d'Option (les "**Modalités**") figurant au chapitre "**Modalités des Bons d'Option**" ("**Terms and Conditions of the Warrants**") du Prospectus de Base (telles que modifiées, le cas échéant, par tout supplément au Prospectus de Base).

Un "Lot" de Bons d'Option (*Set of Warrants*) correspond à un nombre de Bons d'Option indiqué dans les Conditions Définitives (ou à un Bon d'Option s'agissant des Bons d'Option sur taux de change).

S'agissant des Bons d'Option sur actions, le "Différentiel" (*Settlement Amount*), pour un "Lot" de Bons d'Option (*Set of Warrants*) exercé, est égal :

- (i) dans le cas de Bons d'Option d'achat (*Call Warrants*), à la différence (si elle est positive) entre le "Prix de Règlement" (*Settlement Price*) applicable et le "Prix d'Exercice" (*Exercise Price*) applicable, multipliée par la "Quantité" (*Quantity*) d'actions auxquelles ce "Lot" de Bons d'Option (*Set of Warrants*) se rapporte (telle qu'indiquée dans les Conditions Définitives, sous réserve d'ajustement) ;

- (ii) dans le cas de Bons d'Option de vente (*Put Warrants*), à la différence (si elle est positive) entre le "Prix d'Exercice" (*Exercise Price*) applicable et le "Prix de Règlement" (*Settlement Price*) applicable, multipliée par la "Quantité" (*Quantity*) d'actions auxquelles ce "Lot" de Bons d'Option (*Set of Warrants*) se rapporte (telle qu'indiquée dans les Conditions Définitives, sous réserve d'ajustement).

S'agissant de Bons d'Option sur indices, sur contrats à terme et sur matières premières, le "Différentiel" (*Settlement Amount*), pour un "Lot" de Bons d'Option (*Set of Warrants*) exercé est égal :

- (i) dans le cas de Bons d'Option d'achat (*Call Warrants*), à la différence (si elle est positive) entre le "Prix de Règlement" (*Settlement Price*) applicable et le "Prix d'Exercice" (*Exercise Price*) applicable ;
- (ii) dans le cas de Bons d'Option de vente (*Put Warrants*), à la différence (si elle est positive) entre le "Prix d'Exercice" (*Exercise Price*) applicable et le "Prix de Règlement" (*Settlement Price*) applicable.

S'agissant de Bons d'Option sur taux de change, le "Différentiel" (*Settlement Amount*), pour un Bon d'Option exercé, est égal :

- (i) dans le cas de Bons d'Option d'achat (*Call Warrants*), à la différence (si elle est positive) entre le "Prix de Règlement" (*Settlement Price*) applicable et le "Prix d'Exercice" (*Exercise Price*) applicable, multipliée par la "Parité" (*Parity*) des Bons d'Option concernés (telle qu'indiquée dans les Conditions Définitives) ;
- (ii) dans le cas de Bons d'Option de Vente (*Put Warrants*), à la différence (si elle est positive) entre le "Prix d'Exercice" (*Exercise Price*) applicable et le "Prix de Règlement" (*Settlement Price*) applicable, multipliée par la "Parité" (*Parity*) des Bons d'Option concernés (telle qu'indiquée dans les Conditions Définitives).

Le "Prix d'Exercice" (*Exercise Price*) des Bons d'Option est indiqué dans les Conditions Définitives applicables (sous réserve d'ajustements dans les conditions prévues par les Modalités)

Le "Prix de Règlement" (*Settlement Price*) est calculé, conformément aux Modalités, comme étant égal, s'agissant des Bons d'Option sur actions ou sur indices, au cours de clôture de l'action ou de l'indice concerné à la "Date d'Evaluation" (*Valuation Date*) concernée, s'agissant des Bons d'Option sur taux de change, au taux de change officiel publié par la Banque Centrale Européenne à la "Date d'Evaluation" (*Valuation Date*) concernée et, s'agissant des Bons d'Option sur contrats à terme et sur matières premières, au cours (tel qu'indiqué dans les Conditions Définitives) du contrat à terme concerné ou de la matière première concernée sur le marché de cotation concerné à la "Date d'Evaluation" (*Valuation Date*) concernée (dans tous les cas sous réserve des dispositions des Modalités).

La "Date d'Evaluation" (*Valuation Date*), qui doit être un "Jour de Négociation" (*Trading Day*), est normalement la "Date d'Exercice" (*Exercise Date*) des Bons d'Options concernés (ou le "Jour Ouvré" (*Business Day*) suivant s'agissant des Bons d'Option sur indice Nikkei 225 ou sur une action dont la bourse de cotation est la bourse de Tokyo ou celle de Hong-Kong), sous réserve des dispositions des Modalités. La "Date d'Exercice" (*Exercise Date*) est déterminée conformément aux Modalités et les termes "Jour de Négociation" (*Trading Day*) et "Jour Ouvré" (*Business Day*) sont eux-mêmes définis dans les Modalités.

Les Conditions Définitives précisent si les Bons d'Option sont de type "Américains", auquel cas ils sont exerçables pendant la période indiquée dans les Conditions Définitives, ou s'ils sont de type "Européens", auquel cas ils ne sont exerçables qu'à leur date de maturité. Si cela est précisé dans les Conditions Définitives, les Bons d'Option seront exercés automatiquement à leur date de maturité si le "Différentiel" (*Settlement Amount*) est positif.

L'émission des Bons d'Option est motivée par la réalisation d'un bénéfice.

Les Bons d'Option induisent des risques importants et les investisseurs doivent être préparés à subir une perte totale du prix d'achat de leurs Bons d'Option. Le détail des risques liés à l'Emetteur figure

dans le chapitre ci-dessous relatif aux facteurs de risques liés aux Bons d'Option (chapitre "**Risk Factors Relating to Warrants**").

Résumé des informations relatives à l'Emetteur et aux risques liés à l'Emetteur

Commerzbank Aktiengesellschaft est une société par actions de droit allemand. Le siège social de l'Emetteur est situé à Francfort-sur-le-Main et son principal établissement est situé à Kaiserplatz, 60261 Francfort-sur-le-Main, République Fédérale d'Allemagne (téléphone: +49 (0)69 136-20). L'Emetteur est inscrite au registre de commerce de la cour régionale inférieure (*Amtsgericht*) de Francfort-sur-le-Main sous le numéro HRB 32 000.

Commerzbank est l'une des principales banques allemandes du secteur privé. Ses produits et services auprès de la clientèle de particuliers et d'entreprises couvrent toutes les activités bancaires. L'Emetteur est également actif dans des secteurs spécialisés - pour partie assurés par ses filiales – tels que les crédits hypothécaires, l'immobilier, le crédit-bail et la gestion d'actifs. Ses services couvrent la gestion des comptes clients, le traitement des paiements, les crédits, la collecte d'épargne ainsi que les opérations sur titres. D'autres services financiers sont offerts dans le cadre de la stratégie de bancassurance de l'Emetteur visant à la coopération avec des entreprises de premier plan du secteur des services financiers, incluant les plans d'épargne logement et les produits d'assurance. Les activités opérationnelles du Groupe Commerzbank sont regroupées dans trois divisions : Clientèle de Particuliers et Professionnels, Banque d'Investissements et Entreprises ainsi que Immobilier, Finances Publiques et Trésorerie.

Les activités de Commerzbank sont essentiellement concentrées sur le marché allemand. Sont de plus considérés comme les principaux marchés, s'agissant des activités liées aux particuliers, l'Autriche, le Luxembourg, Singapour et la Suisse et, s'agissant des activités liées aux entreprises, l'Europe, les Etats-Unis et l'Asie.

Le directoire de l'Emetteur est actuellement composé des membres suivants : Klaus-Peter Müller, Martin Blessing, Wolfgang Hartmann, Dr. Achim Kassow, Bernd Knobloch, Michael Reuther, Dr. Eric Strutz et Nicholas Teller.

Le commissaire aux comptes de l'Emetteur pour les exercices 2005 et 2006 était PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft.

Des informations additionnelles concernant l'Emetteur, notamment financières, figurent au chapitre "**Présentation de l'Emetteur**" ("**Presentation of the Issuer**") du présent Prospectus de Base, ainsi que dans les documents incorporés par référence au présent Prospectus de Base (se reporter au chapitre "**Incorporation de documents par référence**" ("**Incorporation of Documents by Reference**").

L'Emetteur est soumis à des divers risques spécifiques à son marché et son secteur d'activité ainsi qu'à des risques spécifiques le concernant, qui – s'ils venaient à se matérialiser – pourraient avoir un impact considérable sur l'actif net, la situation financière et les revenus de l'Emetteur et, par conséquent, sur la capacité de l'Emetteur à respecter ses obligations au titre des Bons d'Options. Le détail des risques liés à l'Emetteur figure au chapitre "**Facteurs de risques concernant l'Emetteur**" ("**Risk Factors Relating to the Issuer**").

RISK FACTORS - GENERAL

The following list of risk factors lays no claim to completeness or to being a detailed description of all the risks associated with an investment in the Warrants. Nor does the order of presentation indicate either the scale of the possible economic effects, should they be realized, or the probability that the risks described will be realized. An investment in the Warrants may be subject to additional risk factors or risk factors other than those described in this Base Prospectus.

Before investing in the Warrants, potential investors are advised to read the entire Base Prospectus, any Supplement and the relevant Final Terms and to get in touch with their personal advisers (including their tax consultant and regular bank).

These risk factors do not replace the advice from the investor's regular bank which may be necessary in individual cases. A decision to invest should not be made solely on the basis of these risk factors, as the information contained herein cannot replace advice and information geared to the requirements, goals, experience and situation of the investor.

Potential investors intending to purchase the Warrants should only purchase the Warrants if they are able to sustain the loss of the purchase price and of the transaction costs in connection with the purchase of the Warrants.

RISK FACTORS RELATING TO THE ISSUER

Economic setting

Demand for the products and services offered by the Issuer is mainly dependent upon economic performance as a whole. In the area of Corporate and Investment Banking, for example, sluggish economic activity has a direct impact on companies' demand for credit and causes lending to decline and average creditworthiness to deteriorate. As there is also a greater likelihood of companies becoming insolvent and consequently defaulting on their loans in a shaky economic environment, higher provisioning is necessary. Moreover, a poorer corporate profit outlook leads to lower evaluations of companies and as a result to less interest in both mergers and acquisitions and such capital-market transactions as IPOs, capital increases and takeovers; accordingly, the revenues from advising clients and placing their shares decline when economic activity is sluggish. Furthermore, proprietary trading and the trading profit are also dependent upon the capital-market situation and the expectations of market participants. In the Private and Business Customers division, lower company evaluations prompt investors to turn to forms of investment entailing less risk (such as money-market funds rather than other fund products), the sale of which may generate only weaker commissions.

The Issuer's business activities are primarily focused on European markets, and here for the most part on the German market. It is therefore dependent to a particularly high degree on an economic rebound in the European economic and monetary union, and most of all in Germany. Should the overall economic conditions deteriorate further or should the incentives and reforms necessary to boost the German and the European economies fail to materialize, this could have a serious negative impact on the Issuer's net assets, financial position and earnings performance.

Intensive competition

Germany's banking sector is characterized by intensive competition. Overcapacity exists in some cases in business involving private investors. In corporate business, especially in the field investment banking, German banks compete with a number of foreign institutions, which have substantially expanded their presence in the German market over the past few years. The intensive competition makes it not always possible to achieve adequate margins in individual business areas, or transactions in one area have to offset weak-margin or zero-margin transactions in others. In addition, due to intensive competition, lending terms and conditions do not always reflect the credit risk properly.

Commerzbank competes not only with other private-sector banks but also with cooperative banks and public-law banks (savings banks and Landesbanks). Whereas private-sector banks have an obligation to their shareholders to increase value and to make a profit, the public-law institutions base their

raison d'être on their public duty to provide broad sections of the population with banking products and services at a fair price. On account of this commitment to the public good, the desire to make a profit is not the prime goal of the public-law institutions. However, due to the elimination of institutional liability and guarantor liability in July 2005 the competitive advantage of public-law institutions ceases to exist and it is expected that they will be more and more exposed to fierce competition. Still, in some cases they do not offer their products and services at market prices or at prices which reflect the risks involved; private-sector banks could not do this.

Should the Issuer not be able to offer its products and services on competitive terms and conditions, thereby achieving margins which at least cover the costs and risks related to its business activities, this could have a serious negative impact on the Issuer's net assets, financial position and earnings performance.

Credit risk

Commerzbank is exposed to *credit risk*, i.e. the risk of losses or lost profits as a result of the default or deterioration in the creditworthiness of counterparties and also the resulting negative changes in the market value of financial products. Apart from the traditional risk, credit risk also covers country risk and issuer risk, as well as counterparty and settlement risk arising from trading transactions.

This can arise, for instance, through customers' lack of liquidity or insolvency, which may be due either to the economic downturn, mistakes made in the corporate management of the relevant customers or competitive reasons. Such credit risks exist in every transaction which a bank conducts with a customer, including the purchase of securities (risk of price losses due to the unexpected deterioration in the creditworthiness of an issuer (= issuer risk)) or, for instance, the hedging of credit risk by means of credit derivatives (= counterparty risk). A credit risk exists to an especially high degree, however, in connection with the granting of credits, since, if this risk is realized, not only is the compensation for the activity lost, but also and above all the loans which have been made available. The Issuer believes that adequate provision has been made for all of the Group's recognized potentially or acutely endangered credit commitments. It cannot be ruled out, however, that Commerzbank will have to make further provision for possible loan losses or realize further loan losses, possibly as a consequence of the persistently weak economic situation, the continuing deterioration in the financial situation of borrowers from Commerzbank, the increase in corporate and private insolvencies (particularly in Germany), the decline in the value of collateral, the impossibility in some cases of realizing collateral values or a change in the provisioning and risk-management requirements. This could have a serious negative impact on the Group's net assets, financial position and earnings performance.

Market risk

Market risk covers the potential negative change in value of the Bank's positions as a result of changes in market prices – for example, interest rates, currency and equity prices, or parameters which influence prices (volatilities, correlations).

Fluctuations in current interest rates (including changes in the relative levels of short- and long-term interest rates) could affect the results of the Group's banking activities. Changes in the level of both the short- and the long-term interest rates always affect the level of gains and losses on securities held in the Commerzbank Group's financial investments portfolio and the point of time at which these gains and losses were realized. In the Group's financial investments portfolio, the Euro-denominated fixed-income securities have a great weight. As a result, interest-rate fluctuations in the eurozone have a marked impact on the value of the financial investments portfolio. A rise in the interest-rate level could substantially reduce the value of the fixed-income financial investments, and unforeseen interest-rate fluctuations could have a very adverse effect on the value of the bond and interest-rate derivative portfolios held by the Group.

The Group's management of interest-rate risk also influences the treasury result. The relationship of assets to liabilities as well as any imbalance stemming from this relationship causes the revenues from the Group's banking activities to change with different correlations when interest rates fluctuate. Significant for the Group are above all changes in the interest-rate level for different maturity brackets and currencies in which the Group holds interest-sensitive positions. An imbalance between interest-bearing assets and interest-bearing liabilities with regard to maturities can have a considerable adverse effect on the financial position and earnings performance of Commerzbank's banking

business in the relevant month or quarter. Should the Group be unable to balance mismatches between interest-bearing assets and liabilities, the consequences of a narrowing of the interest margin and interest income might be a considerable adverse impact on the Group's earnings performance.

Some of the revenues and some of the expenses of the Group arise outside the eurozone. As a result, it is subject to a currency risk. As the Bank's consolidated financial statements are drawn up in Euros, foreign-currency transactions and the non-Euro positions of the individual financial statements of the subsidiary, which are consolidated in the Group's financial statements, are translated into Euros at the exchange rates valid at the end of the respective period. The Group's results are subject, therefore, to the effects of the Euro's fluctuations against other currencies, e.g. the US dollar. If, due to currency fluctuations, the revenues denominated in a currency other than the Euro prove to be lower on translation, while expenses denominated in a currency other than the Euro prove to be higher on translation, this might have an adverse impact on the Group's financial position and earnings performance.

The trading profit of the Group may be volatile and is dependent on numerous factors which lie beyond the Group's control, such as the general market environment, trading activity as a whole, the interest-rate level, currency fluctuations and general market volatility. No guarantee exists, therefore, that the level of the trading profit achieved in the 2006 financial year can be maintained or even improved upon. A substantial decline in the trading profit of the Group or an increase in trading losses may adversely affect the Group's ability to operate profitably.

Liquidity risk

Commerzbank is exposed to *liquidity risk*, i.e. the risk that the Bank is unable to meet its current and future payment commitments, or is unable to meet them on time (solvency or refinancing risk). In addition, the risk exists for Commerzbank that inadequate market liquidity (market-liquidity risk) will prevent the Bank from selling trading positions at short notice or hedging them, or that it can only dispose of them at a lower price. Liquidity risk can arise in various forms. It may happen that on a given day the Bank is unable to meet its payment commitments and then has to procure liquidity at short notice in the market on expensive conditions. There is also the danger that deposits are withdrawn prematurely or lending commitments are taken up unexpectedly.

Lowering of the Group's ratings

The rating agencies Standard & Poor's, Moody's and Fitch Ratings use ratings to assess whether a potential borrower will be able in future to meet its credit commitments as agreed. A major element in the rating for this purpose is an appraisal of the company's net assets, financial position and earnings performance. A bank's rating is an important comparative element in its competition with other banks. In particular, it also has a significant influence on the individual ratings of the most important subsidiaries. A downgrading or the mere possibility of a downgrading of the rating of the Bank or one of its subsidiaries might have adverse effects on the relationship with customers and on the sales of the products and services of the company in question. In this way, new business could suffer, the company's competitiveness in the market might be reduced, and its funding costs would increase substantially. A downgrading of the rating would also have adverse effects on the costs to the Group of raising equity and borrowed funds and might lead to new liabilities arising or to existing liabilities being called that are dependent upon a given rating being maintained. It could also happen that, after a downgrading, Commerzbank would have to provide additional collateral for derivatives in connection with rating-based collateral agreements. If the rating of the Issuer or one of its major subsidiaries were to fall to within reach of the non-investment grade category, the operating business of the subsidiary in question, and consequently the funding costs of all Group companies, would suffer considerably. In turn this would have an adverse effect on the Group's ability to be active in certain business areas.

Operational risk

Operational risk is an independent type of risk due to the ever greater complexity of banking activities and also, above all, due to the much more widespread use of sophisticated technologies in banking over the past few years. Large-scale institutional banking business, such as that conducted by the Group, is becoming ever more dependent upon highly developed information technology (IT) systems. IT systems are subject to a series of problems, such as computer viruses, hackers, impairments of the key IT centres, as well as software or hardware errors. Harmonization of the IT systems of the banking and financial subsidiaries of the Group in order to create a single IT architecture represents a special

challenge. In addition, IT systems regularly need to be updated in order to meet the changing business and regulatory requirements. In particular, compliance with the Basel II rules will make further large demands on the functioning of the Group's IT systems. It may not prove possible to implement on time the upgrades needed in connection with the introduction of the Basel II rules and they may not function as required. Even if the Group adopts measures to protect itself against them, the abovementioned problems can still represent serious risks for the Group.

Strategic risk

After completing its restructuring measures, which were primarily geared to cutting costs and stabilising revenues in Investment Banking, the Group set itself the following fundamental strategic goals early in 2004: increasing operational profitability, sharpening its business profile and further improving capital and risk management. The Bank has made it clear that attaining these goals is essential in order for it to achieve a sustained improvement in both its earnings performance and future growth. A series of factors, including a market decline and market fluctuations, changes in the Group's market position and changed market conditions in the core markets of the Group, i.e. above all in Germany and Western Europe, or unfavourable macroeconomic conditions in these markets, might make it impossible for the Group to achieve some or all of the goals which it has set itself. Should the Group be unable to implement completely its published strategic plans, or if the costs of achieving these goals exceed the Group's expectations, the future earnings performance of the Group and also the future share price of Commerzbank and its competitiveness might suffer considerably.

Risk from equity holdings in other companies

Commerzbank has various equity holdings in listed and non-listed companies. The efficient steering of a portfolio of listed and non-listed companies calls for high funding costs, which might not be fully compensated for by the dividends that can be realized through the equity holdings.

For the most part, Commerzbank also holds only minority stakes in large listed companies in Germany and abroad. This equity holding structure makes it impossible to procure immediately and efficiently adequate information in order to counteract in good time possibly negative equity holdings. It cannot be ruled out that either stock-market developments in the respective home countries of the listed equity holdings or developments specific to individual companies will create the need for further valuation allowances in the equity holdings portfolio in future or that Commerzbank will be unable to dispose of its equity holdings on or off the stock exchange at acceptable prices above the current book value. Should another negative trend for share prices develop, this could have a serious negative impact on the Issuer's net assets, financial position and earnings performance.

Regulatory risk

The business activity of the Commerzbank Group is regulated and supervised by the central banks and supervisory authorities of the countries in which it operates. In each of these countries, the Commerzbank Group has to have a banking licence or at least has to notify the national supervisory authority. Changes may take place in the system of banking supervision of the various countries and changes in the supervisory requirements in one country may impose additional obligations on the companies of the Commerzbank Group. Furthermore, compliance with changes in the supervisory regulations may lead to a considerable increase in operating expenses, which might have an adverse effect on the financial position and earnings performance of the Commerzbank Group. In addition, regulatory authorities could make determinations regarding the Bank or its subsidiaries that could adversely affect their ability to be active in certain business areas.

RISK FACTORS RELATING TO WARRANTS

Attention of prospective purchasers of Warrants is drawn to the fact that:

The Warrants involve a high degree of risk, which may include, among others, interest rate, foreign exchange, equity market, time value and political risks. Due to their nature, Warrants may be subject to considerable fluctuations in value, which may, under certain circumstances, result in a total loss of the purchase price of the Warrants. Prospective purchasers should be aware that the value of the Warrants may decline and be prepared to sustain a total loss of their investment. This risk reflects the nature of a Warrant as an asset which, other factors held constant, tends to decline in value over time and which may become worthless when it expires.

Prospective purchasers of Warrants should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Warrants and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Warrants in light of their particular financial circumstances, the information set forth in the Base Prospectus and in any Supplement and the information set forth in the Final Terms regarding the relevant Warrants and the underlying asset of the Warrants.

The risk of the loss of some or all of the purchase price of a Warrant upon expiration means that, in order to recover and realise a return upon his or her investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the underlying asset of the Warrants. Assuming all other factors are held constant, the more a Warrant is "out-of-the-money" and the shorter its remaining term to expiration, the greater the risk that purchasers of such Warrant will lose all or part of their investment. With respect to European Style Warrants, the only means through which a holder can realise value from the Warrant prior to the Expiration Date is to sell it at its then market price in an available secondary market.

Fluctuations in the value of the underlying asset of the Warrants will affect the value of the Warrants. Purchasers of Warrants risk losing their entire investment if the underlying asset does not move in the anticipated direction.

Warrants are unsecured obligations

The Warrants are direct, general, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank at all times equally with the Issuer's other direct, general, unconditional, unsecured and unsubordinated obligations present and future (save for certain exceptions provided by law). The Issuer may issue several series of warrants relating to various securities, indices, currencies, commodities or other assets. At any given time, the number of outstanding warrants may be substantial. Warrants provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying asset. In general, certain of the risks associated with the Warrants are similar to those generally applicable to other options or warrants of private corporate issuers.

Certain factors affecting the value and trading price of Warrants

The Settlement Amount at any time prior to expiration is typically expected to be less than the trading price of the corresponding Set of Warrants at that time. The difference between the trading price of the Set of Warrants and the Settlement Amount reflect, among other things, the "time value" of the Warrants. The "time value" of the Warrants will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the underlying asset.

Before exercising or selling Warrants, Warrantholders should carefully consider, among other things, (a) the trading price of the Warrants, (b) the value or level and volatility of the underlying asset, (c) the time remaining to expiration, (d) the probable range of Settlement Amount, (e) any change(s) in interest rates and dividend yields if applicable, (f) any change(s) in currency exchange rates, if applicable (g) the depth of the market or liquidity of the underlying asset and (h) any related transaction costs and expenses.

Minimum exercise amount

Except in case of automatic exercise of the Warrants on the Expiration Date (if the Final Terms for the relevant Warrants provide for such automatic exercise), a Warrantholder must tender a minimum number (or a whole multiple of that number) of Warrants specified in the Final Terms at any one time in order to exercise (the "**Minimum Exercise Number**"). Thus, Warrantholders with fewer Warrants than the Minimum Exercise Number will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Warrants incur the risk that there may be differences between the trading price of a Set of such Warrants and the Settlement Amount.

Certain considerations regarding hedging

Prospective purchasers intending to purchase Warrants to hedge against the market risk associated with investing in the underlying asset of the Warrants (and/or, with respect to an Index or Futures Contract, the underlying assets of that Index or Futures Contract) should recognise the complexities of utilising Warrants in this manner. For example, the value of the Warrants may not exactly correlate with the value of the underlying asset. Due to fluctuating supply and demand for the Warrants, there is no assurance that their value will correlate with movements of the underlying asset. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of the Warrants.

Effect of credit rating reduction

The value of the Warrants is expected to be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings accorded to the Issuer's outstanding securities by rating agencies. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer, by one of these rating agencies could result in a reduction in the trading value of the Warrants.

Time lag after exercise

In the case of any exercise of Warrants, there will be a time lag between the time a Warrantholder gives instructions to exercise and the time of determination of the Settlement Amount. Any such delay between the time of exercise and the determination of the Settlement Amount is specified in the Base Prospectus and/or in any Supplement. Moreover, such delay could be significantly longer, particularly in the case of the occurrence of a Market Disruption Even or of impossibility to determine the value of the underlying asset. The Settlement Amount may change significantly during any such period, and due to market fluctuations, the Settlement Amount of the exercised Warrants can decrease to zero.

Certain additional risk factors associated with currency exchange rates

An investment in Warrants may involve risk exposure to fluctuations in exchange rates of the relevant currency(ies) in which the Warrants, the Strike Price and/or the Settlement Price are denominated. Moreover, Warrantholders who intend to convert gains or losses resulting from the exercise or sale of the Warrants into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency. Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency, regardless of other market forces.

Adjustments

In relation to the terms and conditions of the Warrants, events relating to the underlying asset may bring about adjustments to such terms and conditions which may vary from those made by the organized derivatives markets.

Possible illiquidity of the Warrants in the secondary market

It is not possible to predict the price at which Warrants will trade in the secondary market or whether such market will be liquid or illiquid. Also, to the extent Warrants of a particular series are exercised, the number of Warrants of such series outstanding will decrease, resulting in a diminished liquidity for

the remaining Warrants of such issue. A decrease in the liquidity of a series of Warrants may cause, in turn, an increase in the volatility associated with the price of such Warrants.

The Issuer may, but is not obliged to, at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation by the Issuer. The Issuer may, but is not obliged to, be a market-maker for a series of Warrants. However, even if the Issuer is a market-maker for a series of Warrants, the secondary market for such Warrants may be limited. However, the Warrants listed on the Eurolist of Euronext Paris shall be subject to a liquidity provider agreement entered into between the Issuer and Euronext Paris.

Potential conflicts of interest

The Issuer and its affiliates may also engage in trading activities (including hedging activities) related to the underlying assets of the Warrants (and, with respect to Indices and Futures Contracts, the underlying assets of these Indices and Futures Contracts) and other instruments or derivative products related, directly or indirectly, to the underlying assets for their proprietary accounts or for other accounts under their management. The Issuer and its affiliates may also issue other derivative instruments in respect of the underlying assets of the Warrants (and, with respect to Indices and Futures Contracts, the underlying assets of these Indices and Futures Contracts). The Issuer and its affiliates may also act as underwriter in connection with future offerings of shares or other securities related to Warrants or may act as financial adviser to certain companies or in a commercial capacity for the companies the shares of which are directly or indirectly the underlying asset of Warrants. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Warrants.

No assumption of responsibility

Any indication that a Clearance Institution or a Warrant Account Holder "shall" do, or similar expression or phrase indicating that they are obliged to or will carry out any role or obligation described in the Base Prospectus and/or the Final Terms, as the case may be, is given without any assumption by the Issuer or the Warrant Agent, of responsibility or liability for the performance of such Clearance Institution or Warrant Account Holder.

TERMS AND CONDITIONS OF THE WARRANTS

The following terms and conditions (as amended and/or supplemented from time to time pursuant to any Supplement, the "**Conditions**") are similar for all Warrants issued under the Base Prospectus by the Issuer and shall be read in conjunction with the Final Terms related to the issue of the relevant Warrants.

The Final Terms related to the relevant Warrants will set out the specific terms of the relevant Warrants.

Words and expressions defined in the Conditions shall have the same meanings where used in the Final Terms unless the context otherwise requires or unless otherwise stated.

The Warrantholders are deemed to have notice of the Base Prospectus, any Supplement and the relevant Final Terms.

1. DEFINITIONS

"American Style Warrant" means a Warrant which is exercisable during an Exercise Period that starts on any given date (other than the Expiration Date) and ends on the Maturity Date;

"Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which banks are open for ordinary commercial business in Luxembourg, Brussels, Frankfurt and Paris, on which Euroclear or Clearstream Banking (depending on the clearing system through which the relevant Warrant(s) is or are held) and Euroclear France (in the case of Warrants held through Euroclear France) are open for business and on which the Trans-European Automated Gross Settlement Express Transfer System (TARGET) is operating;

"Call Warrants" means the type of the Warrants which, in respect of one Set of Warrants, entitle to the payment of the Settlement Amount (if any) as determined in accordance with paragraph (a)(i), (b)(i) or (c)(i), as the case may be, of the definition of "Settlement Amount" in this Condition 1;

"CHF" or **"Swiss Franc"** means the lawful currency for the time being of Switzerland;

"Clearance Institution" means Euroclear Bank ("**Euroclear**"), Clearstream Banking, société anonyme ("**Clearstream**") or Euroclear France ("**Euroclear France**"), as the case may be;

"Commodity" means, with respect to Warrants relating to a Commodity, the commodity (including any precious metal) to which the Warrants relate, as specified in the Final Terms under the heading "*Underlying Commodity*". Information relating to the relevant Commodity are available on the website of the relevant Quotation Market and on financial information providers such as Fininfo, Bloomberg or Reuters;

"Company" means, with respect to Warrants relating to a Share, the issuer of the underlying Share as specified in the Final Terms under the heading "*Underlying Share*";

"Conversion Rate" means (where applicable) the rate for conversion of any amount into the Settlement Amount, determined as follows: the Conversion Rate of any currency "A" (in which the Strike Price of the relevant Warrants is denominated) into Euro shall be the "EUR/A" official interbank exchange rate determined by the European Central Bank on the relevant Valuation Date (for information purposes, such official exchange rate is currently published on the Reuters screen page ECB 37); provided that if such official exchange rate ceases to be published or is not published on the relevant Valuation Date, the Conversion Rate in respect of such Valuation Date shall be the arithmetic mean (rounded if necessary to the nearest 0.0001 "A" (0.00005 "A" and above being rounded upwards)) determined by the Issuer of the EUR/A spot offered exchange rates quotations as of 2:15 p.m. (Frankfurt-am-Main time) on the relevant Valuation Date by three first ranking banks in Frankfurt-am-Main (except Commerzbank AG) selected by the Issuer;

"Currency Exchange Rate" means, with respect to Warrants relating to a Currency Exchange Rate, the currency exchange rate to which the Warrants relate, as specified in the Final Terms under the heading "*Underlying Currency Exchange Rate*", it being specified that:

- (i) the Currency Exchange Rate "EUR/A" means the official interbank exchange rate of the currency "A" in Euro determined by the European Central Bank on the relevant Valuation Date (for information purposes, such official exchange rate is currently published on the Reuters screen page ECB 37); provided that if such official exchange rate ceases to be published or is not published on the relevant Valuation Date, the Currency Exchange Rate "EUR/A" in respect of such Valuation Date shall be the arithmetic mean (rounded if necessary to the nearest 0.0001 "A" (0.00005 "A" and above being rounded upwards)) determined by the Issuer of the "EUR/A" spot offered exchange rates quotations as of 2:15 p.m. (Frankfurt time) on the relevant Valuation Date by three first ranking banks in Frankfurt (except Commerzbank AG) selected by the Issuer;
- (ii) the Currency Exchange Rate "B/C" (where currency "B" is a currency other than Euro) means the exchange rate of the currency "C" in the currency "B" determined as the ratio (rounded if necessary to the nearest 0.0001 "C" (0.00005 "C" and above being rounded upwards)) of (i) the currency "C" equivalent of 1 EUR calculated by applying the "EUR/C" official interbank exchange rate over (ii) the currency "B" equivalent of 1 EUR calculated by applying the "EUR/B" official interbank exchange rate, as such "EUR/C" and "EUR/B" official interbank exchange rates are determined, by the European Central Bank on the relevant Valuation Date (for information purposes, such official exchange rates are currently published on the Reuters screen page ECB 37); provided that if such official exchange rates cease to be published or are not published on the relevant Valuation Date, the Currency Exchange Rate "B/C" in respect of such Valuation Date shall be the arithmetic mean (rounded if necessary to the nearest 0.0001 "C" (0.00005 "C" and above being rounded upwards)) determined by the Issuer of the "B/C" spot offered exchange rates quotations as of 2:15 p.m. (Frankfurt time) on the relevant Valuation Date by three first ranking banks in Frankfurt (except Commerzbank AG) selected by the Issuer;

"DKK" or "Danish Krona" means the lawful currency for the time being of the Kingdom of Denmark;

"Effective Date" means, with respect to Warrants relating to a Share and for the purpose of Condition 8, (a) in the event of a merger or de-merger as referred to in Condition 8(c) or 8(d), the date on which such merger or de-merger becomes effective, (b) in the event of a successful cash or paper take-over bid as referred to in Condition 8(e), the date on which the result of such event is published by the relevant authority, and (c) in the event of any adjustment referred to in Condition 8(b) the first date on which the Shares of the relevant Company are quoted on the Exchange (i) ex-the relevant right relating to the relevant event or (ii) where no such right is separately listed, after the relevant event becomes effective;

"EUR", "Euro" or "€" means the single European currency introduced on January 1, 1999, at the third stage of the Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended;

"European Style Warrant" means a Warrant which is exercisable only on the Expiration Date;

"Exchange" means, with respect to Warrants related to a Share, the stock exchange or market on which the relevant Share is quoted as specified in the Final Terms under the heading *"Exchange"*;

"Exercise Date" means

- (a) the Business Day on which all the conditions referred to in paragraphs (A) and (B) of Condition 5(a)(i) have been met, all subject to and in accordance with the provisions of Condition 5;
- (b) in the event Warrants are automatically exercised on the Expiration Date pursuant to the provisions of Conditions 2(a)(i) or 2(a)(ii), the Expiration Date;

"Exercise Notice" means an exercise notice in the form specified in the Base Prospectus;

"Exercise Period" means, in the case of American Style Warrants, the period specified in the Final Terms under the heading *"Exercise Period"* (both dates corresponding to the first day and the last day of such period being inclusive);

"Expiration Date" means the date specified in the Final Terms under the heading *"Expiration Date"* or if such day is not a Business Day, the next following day which is a Business Day;

"Futures Contract" means, with respect to Warrants relating to a Futures Contract, the futures contract to which the Warrants relate, as specified in the Final Terms under the heading "*Underlying Futures Contract*". Information relating to the relevant Futures Contract are available on the website of the relevant Quotation Market and on financial information providers such as Fininfo, Bloomberg or Reuters;

"GBP", "Sterling" or "£" means the lawful currency for the time being of the United Kingdom;

"HKD" or "Hong Kong Dollar" means the lawful currency for the time being of Hong Kong;

"Index" means, with respect to Warrants relating to an Index, the index to which the Warrants relate, as specified in the Final Terms under the heading "*Underlying Index*". Information relating to the relevant Index are available on the website of the relevant Index Sponsor and on financial information providers such as Fininfo, Bloomberg or Reuters;

"Index Sponsor" means, with respect to Warrants relating to an Index, the entity or person which calculates the relevant Index, as specified in the Final Terms under the heading "*Index Sponsor*";

"Index Third Party Sponsor" has the meaning specified in Condition 9(a);

"Issuer" means Commerzbank Aktiengesellschaft;

"JPY" or "Japanese Yen" means the lawful currency for the time being of Japan;

"Market Disruption Event" means:

- (a) with respect to Warrants relating to a Share: the suspension or material limitation of trading (i) on the relevant Exchange of the relevant Share or (ii) of options or futures contracts relating to the relevant Share, if any, traded on the relevant Related Exchange. For the purpose of this definition, (A) a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Exchange and (B) a material limitation of trading resulting from a fluctuation of prices which exceeds levels permitted by the relevant authority will constitute a Market Disruption Event;
- (b) with respect to Warrants relating to an Index: the suspension or material limitation of trading (i) in a material number of the stocks comprising the component stocks of the relevant Index or a limitation on prices for a material number of such stock or (ii) in options or futures contracts relating to the relevant Index, if any, traded on the relevant Related Exchange (except if the Issuer determines that such suspension or limitation shall not constitute a Market Disruption Event provided that such determination shall not materially and adversely affect the interest of the Warrantheolders). For the purpose of this definition, (A) a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant stock exchange(s) and/or Related Exchange and (B) a material limitation of trading resulting from a fluctuation of prices which exceeds levels permitted by the relevant stock exchange(s) and/or Related Exchange will constitute a Market Disruption Event;
- (c) with respect to Warrants relating to a Futures Contract or Commodity: the suspension or material limitation of trading of the relevant Futures Contract or Commodity, as the case may be, or any other event which would lead to the suspension or material limitation of trading of the relevant Futures Contract or Commodity, as the case may be;

"Parity" means, in respect of one Warrant relating to a Currency Exchange Rate, the number specified in the Final Terms under the heading "*Parity*";

"Put Warrants" means the type of the Warrants which, in respect of one Set of Warrants, entitle to the payment of the Settlement Amount (if any) as determined in accordance with paragraph (a)(ii), (b)(ii) or (c)(ii), as the case may be, of the definition of "Settlement Amount" in this Condition 1;

"Quantity" means, with respect to Warrants relating to a Share, the number of Shares to which a Set of Warrants relates, as specified in the Final Terms under the heading "*Quantity*", subject to any adjustment pursuant to Condition 8;

"Quotation Market" means:

- (a) with respect to Warrants relating to a Futures Contract, the market authority or entity as specified in the Final Terms under the heading "*Quotation Market*", which gives the quotation of the Futures Contract; or
- (b) with respect to Warrants relating to a Commodity, the market authority or entity as specified in the Final Terms under the heading "*Quotation Market*", which gives the quotation of the Commodity;

"Related Exchange" means, with respect to Warrants relating to a Share or an Index, the futures and options exchanges on which futures and/or options, as the case may be, on the relevant Share or Index are traded as specified in the Final Terms under the heading "*Related Market*" or its successor or any other futures and options exchanges on which futures and/or options, as the case may be, on the relevant Share or Index are traded as further notified in accordance with the provisions of Condition 15;

"SEK" or "Swedish Krona" means the lawful currency for the time being of the Kingdom of Sweden;

"Set of Warrants" means:

- (a) with respect to Warrants relating to Shares, Indices, Futures Contracts or Commodities, the number of Warrants as specified in the Final Terms under the heading "*Set of Warrants*", or
- (b) with respect to Warrants relating to Currency Exchange Rates, one Warrant;

"Settlement Amount" means:

- (a) with respect to Warrants relating to Shares: in respect of an exercised Set of Warrants, an amount in the Settlement Currency (calculated, as the case may be, by applying the applicable Conversion Rate) equal to:
 - (i) in the case of Call Warrants, the excess (if any) of the relevant Settlement Price over the relevant Strike Price, multiplied by the relevant Quantity;
 - (ii) in the case of Put Warrants, the excess (if any) of the relevant Strike Price over the relevant Settlement Price, multiplied by the relevant Quantity;
- (b) with respect to Warrants relating to Indices, Futures Contracts or Commodities: in respect of an exercised Set of Warrants, an amount in the Settlement Currency (calculated, as the case may be, by applying the applicable Conversion Rate) equal to:
 - (i) in the case of Call Warrants, the excess (if any) of the relevant Settlement Price over the relevant Strike Price;
 - (ii) in the case of Put Warrants, the excess (if any) of the relevant Strike Price over the relevant Settlement Price;
- (c) with respect to Warrants relating to Currency Exchange Rates: in respect of an exercised Warrant, an amount in the Settlement Currency (calculated by applying the applicable Conversion Rate) equal to:
 - (i) in the case of Call Warrants, the excess (if any) of the relevant Settlement Price over the relevant Strike Price, multiplied by the relevant Parity;
 - (ii) in the case of Put Warrants, the excess (if any) of the relevant Strike Price over the relevant Settlement Price, multiplied by the relevant Parity.

The Settlement Amount will be rounded to the nearest 0.01 (0.005 being rounded upwards) provided that if the clearing systems through which the Warrants are then cleared and settled do not accept settlement in the Settlement Currency using such decimals, the Settlement Amount will be rounded to the nearest figure accepted by such clearing systems;

"Settlement Currency" means Euro;

"Settlement Date" means, in respect of any exercised Set of Warrants, the fifth Business Day following the Valuation Date;

"Settlement Price" means:

- (a) with respect to Warrants relating to a Share: an amount equal to the closing price of the relevant Share on the relevant Exchange on the relevant Valuation Date;
- (b) with respect to Warrants relating to an Index: an amount equal to one unit of the currency in which the Strike Price of such Warrants is denominated multiplied by the closing quotation of the Index on the relevant Valuation Date, as such quotation is calculated by the Index Sponsor (or, as the case may be, by the Index Third Party Sponsor);
- (c) with respect to Warrants relating to a Currency Exchange Rate "A/B", an amount denominated in the currency "A" (in which the Strike Price is denominated) equal to the equivalent in the currency "B" of one unit of the currency "A" on the relevant Valuation Date, calculated by applying the Currency Exchange Rate "A/B" on that Valuation Date;
- (d) with respect to Warrants relating to a Futures Contract: an amount equal to the quotation, as specified in the Final Terms, of the relevant Futures Contract on the relevant Quotation Market on the relevant Valuation Date;
- (e) with respect to Warrants relating to a Commodity: an amount equal to the quotation, as specified in the Final Terms, of the relevant Commodity on the relevant Quotation Market on the relevant Valuation Date;

"Share" means, with respect to Warrants related to a Share, the share or security to which such Warrants relate as specified in the Final Terms under the heading "*Underlying Share*". Information relating to the relevant Share are available on the website of the relevant Company and on financial information providers such as Fininfo, Bloomberg or Reuters;

"Strike Price" means:

- (a) with respect to Warrants relating to a Share and in respect of one Share, the price specified in the Final Terms under the heading "*Strike Price*", subject to any adjustment pursuant to Condition 8;
- (b) with respect to Warrants relating to an Index, a Futures Contract or a Commodity and in respect of one Set of Warrants, the price specified in the Final Terms under the heading "*Strike Price*";
- (c) with respect to Warrants relating to a Currency Exchange Rate and in respect of one Warrant, the price specified in the Final Terms under the heading "*Strike Price*";

"Taxes and Duties" means, any applicable stamp duty and/or taxes and duties due by reason of the exercise of the Warrants;

"Third Party Market" has, with respect to Warrants relating to Futures Contracts, the meaning specified in Condition 10(a) or, with respect to Warrants relating to Commodities, the meaning specified in Condition 11(a) ;

"Trading Day" means:

- (a) with respect to Warrants relating to a Share, a Business Day on which the relevant Exchange is operating, on which the relevant Share is quoted on the relevant Exchange and on which futures or options, as the case may be, on such Share may be traded on the relevant Related Exchange,

provided that if on such day there is a Market Disruption Event, such day shall not be considered as a Trading Day;

- (b) with respect to Warrants relating to an Index, a Business Day on which the relevant Index is calculated by the relevant Index Sponsor or Index Third Party Sponsor, provided that if on such day there is a Market Disruption Event, such day shall not be considered as a Trading Day;
- (c) with respect to Warrants relating to a Currency Exchange Rate, a Business Day on which the relevant Currency Exchange Rate may be ascertained;
- (d) with respect to Warrants relating to a Futures Contract, a Business Day on which the relevant Futures Contract is traded and quoted on the relevant Quotation Market or Third Party Market, provided that if on such day there is a Market Disruption Event, such day shall not be considered as a Trading Day;
- (e) with respect to Warrants relating to a Commodity, a Business Day on which the relevant Commodity is traded and quoted on the relevant Quotation Market or Third Party Market, provided that if on such day there is a Market Disruption Event, such day shall not be considered as a Trading Day;

"USD", "US\$" or "US Dollar" means the lawful currency for the time being of the United States of America;

"Valuation Date" means, in respect of any exercised Set of Warrants:

- (a) the Exercise Date of such Set of Warrants (or, in respect of Warrants relating to the Nikkei Index or to a Share the Exchange of which is the Tokyo Stock Exchange or the Hong Kong Stock Exchange, the Business Day following the Exercise Date of such Set of Warrants), and
- (b) for Sets of Warrants exercised on the relevant Expiration Date, the Expiration Date,

provided that if such date is not a Trading Day, it shall be postponed to the next following Trading Day, subject to Condition 6(c);

"Warrant Account Holder" means a financial intermediary entitled to hold accounts with Euroclear, Clearstream or Euroclear France on behalf of its customers;

"Warrant Agency Agreement" means the warrant agency agreement entered into by the Issuer and the Warrant Agent in relation to each issue of Warrants;

"Warrant Agent" means BNP Paribas Securities Services (or any person appointed to replace it in accordance with Condition 12);

"Warrant holder" means a person holding warrants through a Warrant Account Holder or, in the case of a Warrant Account Holder acting for its own account, such Warrant Account Holder.

2. TYPE, FORM, TITLE AND TRANSFER, TRADING

(a) Type

The Warrants relate, as specified in the relevant Final Terms, to an underlying Share, an underlying Index or an underlying Currency Exchange Rate.

The Final Terms will specify whether the Warrants are American Style Warrants or European Style Warrants, as described as follows:

- (i) American Style Warrants are exercisable on any Business Day during the Exercise Period in accordance with Conditions 4 and 5 and as the case may be, if specified in the Final Terms, are automatically exercised on the Expiration Date, with no need for the Warrant holder to deliver an Exercise Notice or to take any other formality, provided that there is a positive Settlement Amount payable in respect of any Set of Warrants;

- (ii) European Style Warrants are only exercisable on the Expiration Date in accordance with Conditions 4 and 5 and, if specified in the Final Terms, are automatically exercised on the Expiration Date, with no need for the Warrantholder to deliver an Exercise Notice or to take any other action, provided that there is a positive Settlement Amount payable in respect of any Set of Warrants.

The Final Terms will also specify whether the Warrants are Call Warrant or Put Warrants.

(b) Issue Price

The Warrants will be issued in euro at a price specified in the Final Terms under the heading "*Issue Price*". The issue price will be determined in accordance with the general method set out in chapter "**General Method Used for the Pricing of the Warrants**" of the Base Prospectus.

(c) Form

The Warrants are issued in bearer dematerialised form. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French Monetary and Financial Code) will be issued in respect of the Warrants. Title to the Warrants will be evidenced in accordance with article L. 211-4 of the French Monetary and Financial Code by book entries (*dématérialisation*).

(d) Title and transfer of Warrants

Transfer of Warrants may only be effected through the Clearance Institution in or through which the relevant Warrants are held and are to be held and/or through the relevant Warrant Account Holders.

Title to the Warrants will be evidenced by registration in the books of the relevant Clearance Institution and/or of the relevant Warrant Account Holder.

(e) Trading of Warrants listed on the Eurolist of Euronext Paris

Warrants listed on the Eurolist of Euronext Paris SA or its successor ("**Euronext Paris**") shall be traded in the minimum number (or in an integral multiple thereof) specified in the Final Terms under the heading "*Minimum number of Warrants for trading on Euronext Paris SA*".

The listing of the Warrants on the Eurolist of Euronext Paris is expected to cease as of close of business on the sixth business day of Euronext Paris immediately preceding the Expiration Date.

3. STATUS OF WARRANTS

The Warrants are direct, general, unconditional, unsecured and unsubordinated obligations of the Issuer and shall rank at all times *pari passu* and without preference among themselves. The payment obligations of the Issuer under the Warrants shall (save for certain exceptions provided by law) rank equally with all its other present and future unsecured and unsubordinated obligations.

In particular, (a) with respect Warrants relating to Shares, the Warrants will not be secured by the Shares to which such Warrants relate and the Issuer shall not have any responsibility for the maintenance of the listing of the relevant Shares on the relevant Exchange or on any other stock exchange or for the availability of the quotations for the relevant Shares published by the relevant Exchange and (b) with respect Warrants relating to Indices, Currency Exchange Rates, Futures Contracts and Commodities, the Issuer shall not have any responsibility for the maintenance of the calculation and publication of the relevant Index, Currency Exchange Rate, Futures Contract or Commodity or for the availability of the calculation of the Index, Currency Exchange Rate, Futures Contract or Commodity or its publication.

4. EXERCISE RIGHTS

One exercised Set of Warrants entitles to the payment of the Settlement Amount only, if any.

If specified in the Final Terms, the Warrants will be exercised automatically on the Expiration Date.

Each Warrantholder and each Warrant Account Holder is deemed to be aware of the Conditions and the Final Terms and shall comply therewith and perform the functions necessary to permit the exercise of the Warrants as provided therein.

5. EXERCISE PROCEDURE

(a) Exercise Notice and transfer of Warrants to the Warrant Agent

Save in the case of automatic exercise of the Warrants on the Expiration Date in accordance with Conditions 2(a)(i) or 2(a)(ii) (if specified in the Final Terms), the Warrantholder shall, in order to validly exercise its Warrants:

(A) have delivered:

- (i) in the case of Warrants held through Euroclear or Clearstream: by tested telex or any other mean acceptable to Euroclear or Clearstream, as the case may be, through a Warrant Account Holder to Euroclear or Clearstream, as the case may be, a duly completed Exercise Notice with, as a further condition to exercise, a copy to the Warrant Agent, or
- (ii) in the case of Warrants held through Euroclear France: by tested telex or any other mean acceptable to Euroclear France, to the Warrant Account Holder through which the Warrantholder holds his Warrants, a duly completed Exercise Notice with, as a further condition to exercise, a copy to the Warrant Agent, and

(B) have transferred, through the Warrant Account Holder through which the Warrantholder holds his Warrants, the Warrants being exercised (as specified in the Exercise Notice) to the account of the Warrant Agent with the relevant Clearance Institution (Euroclear, Clearstream or Euroclear France, as the case may be),

in each case not later than 10:00 a.m. (Brussels time in the case of Euroclear, Luxembourg time in the case of Clearstream or Paris time in the case of Euroclear France, as the case may be) on the relevant Exercise Date.

If all the conditions referred to in paragraphs (A) and (B) above have not been met on a Business Day not later than 10:00 a.m. (Brussels, Luxembourg or Paris time, as the case may be), then the exercise of the relevant Warrants shall be delayed until all such conditions shall have been met (but not beyond the Expiration Date). However, if all the conditions referred to in paragraphs (A) and (B) above have not been met after the expiry of a fifteen (15)-Business Day period following the completion of the first of such conditions, the Issuer shall have the right to consider the exercise of the relevant Warrants to be null and void (and, in the event that the condition referred to in paragraph (B) above has been met, the Warrant Agent shall retransfer, through the relevant Clearance Institution(s), the relevant Warrants to the relevant Warrant Account Holder, at the risks of the relevant Warrantholder)

Any Exercise Notice received by the relevant Clearance Institution (in the case of Warrants held through Euroclear or Clearstream) or the relevant Warrant Account Holder (in the case of Warrants held through Euroclear France) and the Warrant Agent and which is not duly completed, shall be deemed to be null and void.

Save in the case the Final Terms specify that the Warrants will be exercised automatically on the Expiration Date, any Warrant which has not been exercised and with respect to which the conditions referred to in paragraphs (A) and (B) above have not been fully met on or before 10:00 a.m. (Brussels, Luxembourg or Paris time, as the case may be) on the Expiration Date shall become void.

(b) Information of the Issuer

Upon receipt of a copy of an Exercise Notice in accordance with Condition 5(a), the Warrant Agent shall by 11:00 a.m. (Brussels, Luxembourg or Paris time, as the case may be) on the relevant Exercise Date, send a copy of such Exercise Notice to the Issuer and confirm to the Issuer that it has made the verification referred to in Condition 5(c).

(c) Verification

Upon receipt of an Exercise Notice, the Warrant Agent shall verify that the Warrants specified in such Exercise Notice have been credited to its accounts in accordance with paragraph (B) of Condition 5(a) not later than 10:00 a.m. (Brussels, Luxembourg or Paris time, as the case may be) on the relevant Exercise Date.

(d) Determinations

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be done by Euroclear, Clearstream or the relevant Warrant Account Holder, as the case may be, in consultation with the Warrant Agent, and shall be conclusive and binding on the Issuer, the Warrant Agent, and the relevant Warrantholder. Any Exercise Notice so determined to be incomplete or not in proper form shall be null and void. If such Exercise Notice is subsequently corrected to the satisfaction of Euroclear, Clearstream or, the relevant Warrant Account Holder, as the case may be, it shall be deemed to be a new Exercise Notice submitted at the time such correction is delivered to Euroclear, Clearstream or the relevant Warrant Account Holder.

(e) Effect of delivery of an Exercise Notice

Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by the relevant Warrantholder to exercise the Warrants in accordance with the Conditions.

After the delivery of an Exercise Notice, the Warrantholder may not otherwise transfer the exercised Warrants. If, notwithstanding the foregoing, the Warrantholder does so transfer or attempts to transfer such exercised Warrants, the Warrantholder will be liable to the Issuer for any losses, costs and expenses suffered or incurred by the Issuer including those suffered or incurred as a consequence of it having terminated any related hedging arrangements in reliance on the relevant Exercise Notice and subsequently (i) entering into replacement hedging arrangements in respect of such Warrants or (ii) paying any amount on the subsequent exercise of such Warrants without having entered into any replacement hedging arrangements.

6. SETTLEMENT

(a) Notification of the Settlement Amount

The Issuer shall, by the Business Day next following the Valuation Date, confirm to the Warrant Agent the Settlement Amount, if any, in respect of a Set of Warrants being exercised.

The Warrant Agent shall promptly confirm the same to Euroclear or Clearstream, as the case may be (in the case of Warrants held through Euroclear or Clearstream) or to the relevant Warrant Account Holder (in the case of Warrants held through Euroclear France).

(b) Cash settlement on the Settlement Date

On the Settlement Date, the Issuer shall, subject to the Warrants being exercised having been transferred and to the payment of the related Taxes and Duties, if any, having been received, transfer (or cause to be transferred) the aggregate Settlement Amount corresponding to the exercised Sets of Warrants to the cash account with Euroclear or Clearstream (in the case of Warrants held through Euroclear or Clearstream) or with the relevant Warrant Account Holder (in the case of Warrants held through Euroclear France) specified in the relevant Exercise Notice for value on the Settlement Date.

(c) Absence of Trading Day

If there is no Trading Day in the ten-day period following the date which would have been the relevant Valuation Date (i.e. the date which would have been the Valuation Date if it had been a Trading Day) in respect of any exercised Set of Warrants, the Settlement Price shall be determined on the basis of the fair market value of the underlying Share, Index, Currency Exchange Rate, Futures Contract or Commodity, such fair market value to be determined by the Issuer (after consultation with an independent expert designated by it) at the expiration date of such ten-day period which shall be considered as the Valuation Date for such Set of Warrants, and the Issuer shall pay the corresponding

Settlement Amount (if any) to the Warrantholder on the fourth Business Day following the expiration of such ten-day period to such cash account specified in the Exercise Notice.

(d) Specific Provisions applicable in case of automatic exercise

The following provisions will apply to Warrants which are automatically exercised on the Expiration Date pursuant to the provisions of Conditions 2(a)(i) or 2(a)(ii) and if a Settlement Amount is due in respect of a Set of Warrants so exercised.

The Issuer shall, by the Business Day next following the Valuation Date (subject to Condition 6(c)), confirm to the Warrant Agent the Settlement Amount, if any, due in respect of each Set of Warrant and the Warrant Agent shall promptly notify the same to Euroclear, Clearstream and Euroclear France.

By the second Business Day following the Valuation Date, (a) each Clearance Institution shall notify to the Warrant Agent the aggregate number of Warrants which are held through such Clearance Institution and the details of the account with such Clearance Institution for the payment of the Settlement Amount in respect of each Set of Warrants and (b) promptly after receipt of any such notification, the Warrant Agent shall notify the same to the Issuer.

On the Settlement Date, the Issuer shall transfer (or cause to be transferred) the aggregate Settlement Amount in respect of the exercised Sets of Warrants to the relevant accounts with the relevant Clearance Institutions and shall instruct (or cause to be instructed) such Clearance Institutions to credit the same to the cash accounts of the relevant Warrants Account Holders. Payments made by the Issuer will be made subject to any applicable Taxes and Duties and to any applicable laws or regulations. The Issuer shall not be liable for the crediting by the relevant Clearance Institutions of such amounts to such accounts.

(e) Dividends

The provisions of this Condition 6(e) are applicable only to Warrants relating to Shares.

In the case of any exercised Set of Warrants, in the event that the relevant Company has declared a dividend in respect of its Shares and the first date on which such Shares are quoted ex-dividend on the Exchange falls after the relevant Exercise Date but on or prior to the relevant Valuation Date (except where the Valuation Date is the Exercise Date), then the Settlement Amount shall be, in respect of such Set of Warrants exercised, an amount in the Settlement Currency (calculated, as the case may be, by applying the relevant Conversion Rate) equal to:

- (i) in the case of Call Warrants: the excess, if any, of (A) the sum of (1) the Settlement Price and (2) a cash amount equal to such dividends attributable to one Share less the amount equal to the value of any related tax credit(s), over (B) the Strike Price, multiplied by the Quantity;
- (ii) in the case of Put Warrants: the excess, if any of (A) the Strike Price over (B) the sum of (1) the Settlement Price and (2) a cash amount equal to such dividends attributable to one Share less the amount equal to the value of any related tax credit(s), multiplied by the Quantity.

(f) No liability

The Issuer shall not be liable for the failure of any third party to credit in cash or in shares the Warrantholder's account.

7. MINIMUM NUMBER OF WARRANTS EXERCISABLE

The minimum number of Warrants exercisable by any Warrantholder on any Exercise Date (other than in case of automatic exercise on the Expiration Date) will be the minimum number (the "**Minimum Exercise Number**") specified in the Final Terms under the heading "*Minimum number of Warrants exercisable (other than for automatic exercise on the Maturity Date)*" or any integral multiple of the Minimum Exercise Number. Any Exercise Notice which purports to exercise Warrants in an amount less than the relevant Minimum Exercise Number shall be void and of no effect. The Minimum Exercise Number is not applicable with respect to the automatic exercise on the Maturity Date (if the Final Terms for relevant Warrants provide for such automatic exercise).

8. ADJUSTMENTS OF THE TERMS AND CONDITIONS OF WARRANTS RELATING TO SHARES

The provisions of this Condition 8 are applicable only to Warrants relating to Shares.

(a) General Provisions

Upon the occurrence of certain events affecting the value of the Shares of the relevant Company or the share capital of the relevant Company, the Issuer shall have the option:

- (i) to decide to end its obligations under the Warrants and pay the fair market value of the Warrants determined by the Issuer after consultation with an independent expert designated by it, or
- (ii) to continue its obligations in respect of the Warrants provided that the Issuer shall make such adjustments as it shall deem necessary in order that the rights of the Warrantholders under outstanding Warrants are preserved by, at its choice, either:
 - (A) making such adjustments as shall be decided by the relevant Related Exchange authority in respect of the relevant event, to take effect as soon as possible after such event; or
 - (B) making such adjustments as it shall deem necessary in order that the rights of the Warrantholders under any outstanding Warrants are preserved by using the methods described below in this Condition 8,

provided however that if the Issuer determines, upon the opinion of an independent expert selected by it, that the adjustments decided by the relevant authority mentioned above in Condition 8(a)(ii)(A) and/or the adjustments made by using the methods described in Condition 8(b) are technically difficult to implement or inappropriate, it shall make such other adjustments as it shall, upon the opinion of such independent expert, consider necessary in order that the rights of the Warrantholders under any outstanding Warrants are preserved.

With regards to the Shares of a non-French Company, the methods described in Condition 8(b) may be modified in order to comply with local practices and/or legislation, after consultation with an independent expert designated by the Issuer.

In case of adjustment of the Quantity and the Strike Price, the new Quantity will be rounded to the nearest 0.0001 (0.00005 being rounded upwards) and the new Strike Price will be rounded to the nearest 0.01 (0.005 being rounded upwards).

(b) Certain share capital transactions and distributions

Upon occurrence of the events referred to in hereafter and if Condition 8(a)(ii)(B) above applies, the Issuer shall make the following adjustments to the Quantity of Shares to which each Set of Warrants relates and to the Strike Price (to take effect as soon as possible after the relevant event), such adjustments to be made only in respect of Warrants that remain unexercised or, if exercised, in respect of which the Effective Date in relation to such event is after the Exercise Date but on or prior to the relevant Valuation Date:

- (i) in the case of a share capital increase resulting from the incorporation of reserves, profits or premium carried out by a free allotment of Shares, Share split or regrouping of Shares,
 - (A) the new Quantity ("**Q1**") will be calculated using the following formula:

$$Q1 = Q \times \frac{\text{Number of Shares after the event}}{\text{Number of Shares before the event}}$$

where "**Q**" is the Quantity before adjustment; and

- (B) the new Strike Price ("**S1**") will be calculated using the following formula:

$$S1 = S \times \frac{\text{Number of Shares before the event}}{\text{Number of Shares after the event}}$$

where "S" is the Strike Price before adjustment;

- (ii) in the case of (A) distribution of reserves in cash or quoted shares of the portfolio held by the relevant Company, (B) amortisation of capital, (C) issue with quoted preferential subscription rights for shareholders, quoted priority rights, quoted allotment rights or (D) free allotment (other than the free allotment of Shares as referred to in Condition 8(b)(i)) of quoted securities to the shareholders:

- (1) the new Quantity Q1 will be calculated using the following formula:

$$Q1 = Q \times \frac{\text{Share Price}}{\text{Share Price} - D}$$

where "Q" is the Quantity before adjustment; and

- (2) the new Strike Price S1 will be calculated using the following formula:

$$S1 = S \times \frac{\text{Share Price} - D}{\text{Share Price}}$$

where "S" is the Strike Price before adjustment.

In the formulae referred to in sub-paragraphs (1) and (2) above:

"Share Price" means:

- (x) in the case of distribution of shares or other quoted securities or cash, the price quoted for one Share on the Exchange on the last Trading Day preceding the day on which the relevant distribution is made;
- (y) in all other cases, the last price quoted for one Share on the Exchange on the last Trading Day preceding the day on which the relevant distribution is made or the relevant right is detached;

where **"Trading Day"** means a day on which the Share or the right is quoted.

"D" means the value of the distribution or the right equal to:

- (x) in the case of distribution of quoted shares of the portfolio or free allotment of any other quoted securities, the value of the shares or other securities distributed or allotted for one Share calculated on the basis of the first quoted price of such shares or other securities after the relevant distribution or allotment.

If the distributed or allotted shares or securities are not quoted within the 20 Business Days following the date on which the Share Price is ascertained, D will be determined by the Issuer, after consultation with an independent expert designated by it, not later than 20 Business Days following the expiration of the 20-Business-Day period mentioned herein and discounted (if necessary) using the Discounting Method;

- (y) in the case of sub-paragraph (ii)(C) above, the value of the relevant right attributed for one Share calculated on the basis of the first quoted price for the relevant right, detached from the Share.

If the relevant right is not quoted within the 20 Business Days following the date on which the Share Price is ascertained, D will be determined by the Issuer, after consultation with an independent expert designated by it, not later than 20 Business Days following the expiration of the 20-Business-Day period mentioned herein and discounted (if necessary) according to the Discounting Method;

- (z) in the case of cash distribution as mentioned in sub-paragraph (ii)(A) above or amortisation of capital as mentioned in sub-paragraph (ii)(B) above, the sum paid out in cash, discounted (if necessary) according to the Discounting Method, related to one Share.

In respect of paragraphs (x) and (y) above, the exercise of the Warrants is suspended between the date on which the Share Price is ascertained and the date on which D is determined;

"**Discounting Method**" means the division of the value to discount by:

$$\left[1 + \left(\text{ibor Rate} * \text{Period} / 360 \right) \right]$$

where:

"**ibor Rate**" means the Interbank Offered Rate (as defined below) for a maturity corresponding to the number of complete months closest to the number of decimal months equal to the Period, such as calculated and published by the local inter-bank association on the date on which the Share Price is ascertained,

"**Period**" means the actual number of days elapsed between the date on which the Share price is ascertained (included) and the official payment date for the quoted right or of the quoted shares or securities or the cash (excluded);

"**Interbank Offered Rate**" means:

- (1) with respect to Warrants with a Strike Price denominated in Euro: the Euribor rate for a maturity corresponding to the number of complete months closest to the Period, such as calculated and broadcast by the Banking Federation of the European Union and appearing (for information purposes) on Telerate page 248, or any other substitute page, at 11:00 a.m. (Paris time) on the date on which the Share Price is ascertained;
 - (2) with respect to Warrants with a Strike Price denominated in CHF, DKK, GBP, JPY or USD: the LIBOR rate of that currency for a maturity corresponding to the number of complete months closest to the Period, such as calculated by the British Bankers Association (BBA) and appearing (for information purposes) on Telerate page 3750, or any other substitute page, at 11:00 a.m. (London time) on the date on which the Share Price is ascertained;
 - (3) with respect to Warrants with a Strike Price denominated in SEK: the SEK STIBOR (Stockholm interbank offered rate) for a maturity corresponding to the number of complete months closest to the Period, such as displayed (for information purposes) on Reuters page SIDE, or any other substitute page, at 11:00 a.m. (Stockholm time) on the date on which the Share Price is ascertained;
 - (4) with respect to Warrants with a Strike Price denominated in HKD: the HKD HIBOR (Hong Kong interbank offered rate) for a maturity corresponding to the number of complete months closest to the Period, such as calculated by the British Bankers Association (BBA) and appearing (for information purposes) on Reuters page HIBOR=, or any other substitute page, at 11:00 a.m. (Hong Kong time) on the date on which the Share Price is ascertained;
- (iii) There will be no adjustment in the case of (A) distribution of ordinary dividend in shares or in cash, (B) exercise of rights attached to equity warrants or securities giving immediate or future right to a part of the share capital of the relevant Company, (C) issue without preferential subscription rights of shareholders, priority rights, allotment rights, of equity warrants or securities which either give an immediate right or a future right to the delivery of a part of the share capital of the relevant Company, (D) increase in the nominal value of the relevant Shares by incorporation of reserves, profits or premiums, (E) decrease in the nominal value of the relevant Shares other than in the case of a share split, (F) distribution of unquoted portfolio shares or any other unquoted securities, or (G) issue with unquoted preferential rights for shareholders, unquoted priority right, unquoted right of allotment or free allotment of unquoted securities or rights giving immediate or future right to a part of capital of the relevant Company.

(c) Merger

In the event of a merger (*fusion*) of the Company into or with any other company (other than a merger in which such Company is the surviving company), the Issuer shall apply, only in respect of Warrants that remain unexercised or, if exercised, in respect of which the Effective Date in relation to such merger is after the Exercise Date but on or prior to the relevant Valuation Date, one of the following methods:

- (i) either to use in substitution for the Shares of the relevant Company, as a new underlying asset of the relevant Warrants, the shares of the company resulting from or surviving such merger. After such merger, the Warrants shall relate to the shares of the company resulting from, or surviving such merger and, upon such adjustment, the provisions hereof shall apply to such shares. This substitution will be made by applying to the Shares the exchange parity used in the process of the aforementioned merger and shall take effect on the next Business Day following the Effective Date;
- (ii) or pay to each Warrantholder in respect of each Set of Warrants held by it, an amount in the Settlement Currency (calculated, as the case may be, at the Conversion Rate) corresponding to the fair market value of such Set of Warrants determined by the Issuer after consultation with an independent expert designated by it on the basis of the closing price of the Shares to which such Set of Warrants relates on the last Trading Day before the Effective Date, such payment to be made within five Business Days following the Effective Date.

(d) De-merger

In the event of a de-merger of the relevant Company, the Issuer shall apply, only in respect of Warrants that remain unexercised or, if exercised, in respect of which the Effective Date in relation to such de-merger is after the Exercise Date but on or prior to the relevant Valuation Date, one of the following methods:

- (i) either to use, in substitution for the Shares of the relevant Company as a new underlying asset of the Warrants, the shares of each of the companies resulting from such de-merger. This substitution will be made by applying to the relevant Shares the exchange parity used in the process of the de-merger. After such de-merger, the Warrants shall relate to a basket of shares of the companies resulting from such de-merger and, upon such adjustment, the provisions hereof shall apply to the shares of such companies. This substitution shall take effect on the Business Day following the Effective Date;
- (ii) or, in the case where several shares have been exchanged for the relevant Shares, to use in substitution for such Shares, one or more of such shares but not all of them (the "**Retained Share(s)**"). In such case, the value of the non-retained share(s) (the "**Non-Retained Share(s)**") shall be expressed as a number or fraction of a number of the Retained Share(s) which shall be calculated on the basis of the official closing quotations of both the Non-Retained Share(s) and of the Retained Share(s) taken if possible, simultaneously, on the Effective Date if such day is a Trading Day or on the next following Trading Day. For the purpose of this paragraph, "**Trading Day**" means a Business Day on which both the Retained Share(s) and the Non-Retained Share(s) are quoted. In addition, the substitution will be made by applying to the Shares the exchange parity used in the process of de-merger. This substitution shall take effect on the Business Day following the Effective Date;
- (iii) or to pay to each Warrantholder in respect of each Set of Warrants held by it, an amount in the Settlement Currency (calculated, as the case may be, at the Conversion Rate) corresponding to the fair market value of such Set of Warrants determined by the Issuer after consultation with an independent expert designated by it on the basis of the closing price of the Shares to which such Set of Warrants relates on the last Trading Day before the Effective Date, such payment to be made within five Business Days following the Effective Date.

(e) Cash / paper take-over bid

In the event of a successful cash or paper take-over bid made on the Shares of the relevant Company, the Issuer shall apply, only in respect of Warrants that remain unexercised or, if exercised, in respect

of which the Effective Date in relation to such cash or paper take-over bid is after the Exercise Date but on or prior to the relevant Valuation Date, one of the following methods:

- (i) either to keep the relevant Shares as the underlying asset of the Warrants;
- (ii) or to use, in substitution for the relevant Shares as a new underlying asset of the Warrants, the securities which have been exchanged or offered for these Shares in connection with such take-over bid. Such substitution, if any, shall be made at the close of business on the first Business Day following the Effective Date, by reference to the exchange parity applicable to such take-over bid;
- (iii) or in the case where several securities have been exchanged for the relevant Shares, to use in substitution for such Shares, one or more of such securities but not all of them (the "**Retained Security(ies)**"). In such case, the value of the non-retained security(ies) (the "**Non-Retained Security(ies)**") shall be expressed as a number or fraction of a number of the Retained Security(ies) which shall be calculated on the basis of the official closing quotations of both the Non-Retained Security(ies) and the Retained Security(ies) taken, if possible, simultaneously, on the first Trading Day following the Effective Date. For the purpose of this paragraph, "**Trading Day**" means a Business Day on which both the Retained Security(ies) and the Non-Retained Security(ies) are quoted. In addition, the substitution will be made by applying the exchange parity used in the process of the take-over bid. Such substitution shall take effect on the Business Day following the Effective Date.

Should the security(ies) exchanged for the relevant Shares include unlisted security(ies), then the Issuer shall determine (after consultation with an independent expert designated by it) the fair market value for such unlisted security(ies) based on the market conditions on the first Business Day following the Effective Date. Such fair market value shall be expressed as a number or a fraction of a number of the Retained Security(ies) as if such unlisted security(ies) were Non-Retained Security(ies) as provided in subparagraph (iii) above.

Should, in addition to one or more security(ies), a cash amount be exchanged for the relevant Shares, such cash amount shall be expressed as a number or a fraction of a number of the Retained Security(ies) as if it were a Non-Retained Security as provided in subparagraph (iii) above;

- (iv) or to pay to each Warranthead in respect of each Set of Warrants of the relevant issue held by it, an amount in the Settlement Currency (calculated, as the case may be, at the Conversion Rate) corresponding to the fair market value of such Set of Warrants determined by the Issuer after consultation with an independent expert designated by it on the basis of the closing price of the Shares to which such Set of Warrants relates which are deliverable to the take-over bid, such payment to be made within five Business Days following the publication of the notice referred to in Condition 8(k).

(f) Specific provisions

In the case of any exercised Set of Warrants in respect of which the Issuer is required to make adjustments in accordance with Conditions 8(b), 8(c), 8(d) or 8(e) and when the Effective Date falls after the relevant Exercise Date but on or prior to the relevant Valuation Date, the payment to the relevant Warrantheads of the amount resulting from the relevant adjustment, i.e. (depending upon the adjustment made in accordance with Conditions 8(b), 8(c), 8(d) or 8(e), as the case may be):

- (i) the relevant Settlement Amount, if any, resulting from the adjustment, and/or
- (ii) the fair market value as referred to in Conditions 8(c)(ii), 8(d)(iii) and 8(e)(iv) or a cash amount equal to any right or securities resulting from any adjustment made pursuant to Condition 8(b)(ii) (the "**Cash Amount**");

shall be made on the latest of (A) the Settlement Date, (B) five Business Days after the Effective Date and (C) in the case where the Issuer has elected to pay the fair market value the fifth Business Day following the giving of the relevant notice to the relevant Warrantheads, provided however that, if the Issuer is unable to determine the fair market value or the Cash Amount, as the case may be, the Issuer may postpone the payment of the relevant Settlement Amount resulting from an adjustment pursuant to this Condition, until such time as the Issuer is able to make such payment.

(g) Other events

In the case of events, other than those described in Condition 8(b), 8(c), 8(d) and 8(e) which have an effect equivalent to that of such events, the rules described in such Conditions shall apply *mutatis mutandis*.

(h) Change of listing compartment or stock exchange

In the case of change of listing compartment or stock exchange of the relevant Shares, the Issuer shall, at its sole option (which shall be notified as soon as possible in accordance with Condition 15):

- (i) continue to honour its obligations in respect of the Warrants in accordance with the Conditions; or
- (ii) terminate its obligations under the Warrants and pay the fair market value of the Warrants as determined by the Issuer after consultation with an independent expert designated by it. Such payment will be made as soon as possible in such manner as shall be notified to the Warrantheolders in accordance with Condition 15.

(i) Delisting

In the case of a delisting of the Share (due to other reasons than following an event referred to in Condition 8(c), 8(d), 8(e), 8(h) or 8(j)), the Issuer shall terminate its obligations under the Warrants and pay the fair market value of the Warrants as determined by the Issuer after consultation with an independent expert designated by it. Such payment will be made as soon as possible in such manner as shall be notified to the Warrantheolders in accordance with Condition 15.

(j) Dissolution or insolvency of the Company

If an order is made or a resolution passed for the dissolution, amicable liquidation, judicial receivership or liquidation of the relevant Company (or any similar procedure in any relevant jurisdiction), the Issuer shall have the right to terminate its obligations under any outstanding Warrant relating to the Shares of the relevant Company. If the Issuer so terminates its obligations under such Warrants, the Issuer shall pay as soon as possible to each Warrantheolder in respect of each Set of Warrants held by it an amount in the Settlement Currency determined by the Issuer (after consultation with an independent expert designated by the Issuer), representing the fair market value of such Set of Warrants immediately prior to such termination.

(k) Notices of adjustment

The Issuer shall give as soon as possible notice of any adjustment, determinations and opinions of the independent expert to the Warrant Agent and notice thereof shall be given by the Warrant Agent to the Warrantheolders in accordance with Condition 15.

9. ADJUSTMENTS OF THE TERMS AND CONDITIONS OF WARRANTS RELATING TO INDICES

The provisions of this Condition 9 are applicable only to Warrants relating to Indices.

(a) Third party calculates Index

In the event that the Index is not calculated by the Index Sponsor but is calculated and published by another person (the "**Index Third Party Sponsor**") which has been designated by the Index Sponsor or any other competent market authority, the Settlement Price will be calculated by reference to the level of the Index as calculated by the Index Third Party Sponsor.

The same provisions will apply in the event that the Index Third Party Sponsor ceases calculation of the Index but is replaced by another Index Third Party Sponsor designated under the same conditions.

The name of the Index Third Party Sponsor and the conditions of broadcasting and publication of the Index so calculated by the Index Third Party Sponsor will be notified to the Warrantheolders in accordance with Condition 15 within the five Business Day period following the date of designation of the Index Third Party Sponsor.

(b) Modification of calculation or replacement of the Index

In the event that the Index Sponsor or the Index Third Party Sponsor substantially modifies the method of calculating the Index, or in the event that the Index Sponsor, the Index Third Party Sponsor, if any, or any competent market authority replaces the Index by a new index to be substituted to the Index, such substitute index to be used *inter alia* as a new underlying asset for futures contracts or for optional contracts linked to indices traded on the Related Exchange, the Issuer may:

- (i) either replace (subject to a favourable opinion of an independent expert designated by the Issuer) the Index by the Index so modified or by the substitute index (as the case may be) multiplied, if need be, by a linking coefficient allowing to ensure continuity in the evolution of the underlying asset of the Warrants; the modified Index or the substitute index (as the case may be), the opinion of the independent expert and if need be, the linking coefficient will be notified to the Warrantheolders in accordance with Condition 15 within the five Business Day period following the date of modification or substitution of the Index; or,
- (ii) apply the provisions of Condition 9(c).

(c) Cessation of calculation of the Index

If the Index Sponsor or the Index Third Party Sponsor should cease permanently calculation of the Index and should not provide for a substitute index, the Issuer shall terminate its obligations under the Warrants and pay to each Warrantheolder in respect of each Set of Warrants held by it an amount in the Settlement Currency representing the fair market value of such Set of Warrants.

The fair market value of each Set of Warrants will be determined as soon as possible by the Issuer which shall obtain a favourable opinion of an independent expert designated by it.

The fair market value of each Set of Warrants so determined and the opinion of an independent expert will be notified to the Warrantheolders in accordance with Condition 15 within the five-Business Day period following the date of such determination.

The amount representing the fair market value of each Set of Warrants will be paid to the Warrantheolders within the seven-Business Day period following the date of its determination.

(d) Other Events

In the case of events, other than those described in Conditions 9(a), 9(b) and 9(c), which have an effect equivalent to that of such events, the rules described in such Conditions shall apply *mutatis mutandis*.

10 ADJUSTMENTS OF THE TERMS AND CONDITIONS OF WARRANTS RELATING TO FUTURES CONTRACTS

The provisions of this Condition 10 are applicable only to Warrants relating to Futures Contracts.

(a) Futures Contract quoted by third party

In the event that the Futures Contract is not traded and quoted on the Quotation Market but is traded and quoted on another quotation market (the "**Third Party Market**") which has been designated by the Quotation Market or any other competent market authority, the Settlement Price will be calculated by reference to the quotation of the Futures Contract on the Third Party Market.

The same provisions will apply in the event that the Futures Contract is not traded and quoted on the Third Party Market if the latter is replaced by another Third Party Market designated under the same conditions.

The name of the Third Party Market and the conditions of quotation, broadcasting and publication of the Futures Contract on the Third Party Market will be notified to the Warrantheolders in accordance with Condition 15 within the five Business Day period following the date of designation of the Third Party Market.

(b) Modification of the conditions of the Futures Contract or replacement of the Futures Contract

In the event that the Quotation Market or the Third Party Market substantially modifies the conditions of the Futures Contract, or in the event that the Quotation Market, the Third Party Market or any competent market authority replaces the Futures Contract by a new futures contract to be substituted to the Futures Contract, the Issuer may:

- (i) either replace (subject to a favourable opinion of an independent expert designated by the Issuer) the Futures Contract by the Futures Contract so modified or by the substitute futures contract (as the case may be) applying, if need be, a linking coefficient allowing to ensure continuity in the evolution of the underlying asset of the Warrants; the modified Futures Contract or the substitute futures contract (as the case may be), the opinion of the independent expert and if need be, the linking coefficient will be notified to the Warranholders in accordance with Condition 15 within the five Business Day period following the date of modification or substitution of the Futures Contract; or,
- (ii) apply the provisions of Condition 10(c).

(c) Cessation of quotation of the Futures Contract

If the Futures Contract should cease permanently to be quoted on the Quotation Market or on the Third Party Market and the Quotation Market or the Third Party Market should not provide for a substitute futures contract, the Issuer shall terminate its obligations under the Warrants and pay to each Warranholder in respect of each Set of Warrants held by it an amount in the Settlement Currency representing the fair market value of such Set of Warrants.

The fair market value of each Set of Warrants will be determined as soon as possible by the Issuer which shall obtain a favourable opinion of an independent expert designated by it.

The fair market value of each Set of Warrants so determined and the opinion of an independent expert will be notified to the Warranholders in accordance with Condition 15 within the five-Business Day period following the date of such determination.

The amount representing the fair market value of each Set of Warrants will be paid to the Warranholders within the seven-Business Day period following the date of its determination.

(d) Other Events

In the case of events, other than those described in Conditions 10(a), 10(b) and 10(c), which have an effect equivalent to that of such events, the rules described in such Conditions shall apply *mutatis mutandis*.

10 ADJUSTMENTS OF THE TERMS AND CONDITIONS OF WARRANTS RELATING TO COMMODITIES

The provisions of this Condition 11 are applicable only to Warrants relating to Commodities.

(a) Commodity quoted by third party

In the event that the Commodity is not traded and quoted on the Quotation Market but is traded and quoted on another quotation market (the "**Third Party Market**") which has been designated by the Quotation Market or any other competent market authority, the Settlement Price will be calculated by reference to the quotation of the Commodity on the Third Party Market.

The same provisions will apply in the event that the Commodity is not traded and quoted on the Third Party Market if the latter is replaced by another Third Party Market designated under the same conditions.

The name of the Third Party Market and the conditions of quotation, broadcasting and publication of the Commodity on the Third Party Market will be notified to the Warranholders in accordance with

Condition 15 within the five Business Day period following the date of designation of the Third Party Market.

(b) Modification of the conditions of the Commodity

In the event that the Quotation Market or the Third Party Market substantially modifies the conditions of quotation of the Commodity, the Issuer may:

- (i) either use (subject to a favourable opinion of an independent expert designated by the Issuer) the new conditions of quotation of the Commodity applying, if need be, a linking coefficient allowing to ensure continuity in the evolution of the underlying asset of the Warrants; the modified Commodity, the opinion of the independent expert and if need be, the linking coefficient will be notified to the Warranholders in accordance with Condition 15 within the five Business Day period following the date of modification of the conditions of quotation of the Commodity; or,
- (ii) apply the provisions of Condition 11(c).

(c) Cessation of quotation of the Commodity

If the Commodity should cease permanently to be quoted on the Quotation Market or on the Third Party Market, the Issuer shall terminate its obligations under the Warrants and pay to each Warranholder in respect of each Set of Warrants held by it an amount in the Settlement Currency representing the fair market value of such Set of Warrants.

The fair market value of each Set of Warrants will be determined as soon as possible by the Issuer which shall obtain a favourable opinion of an independent expert designated by it.

The fair market value of each Set of Warrants so determined and the opinion of an independent expert will be notified to the Warranholders in accordance with Condition 15 within the five-Business Day period following the date of such determination.

The amount representing the fair market value of each Set of Warrants will be paid to the Warranholders within the seven-Business Day period following the date of its determination.

(d) Other Events

In the case of events, other than those described in Conditions 11(a), 11(b) and 11(c), which have an effect equivalent to that of such events, the rules described in such Conditions shall apply *mutatis mutandis*.

12. THE WARRANT AGENT

The specified office of the Warrant Agent will be specified in the Final Terms.

The Issuer reserves the right at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent or additional Warrant Agent(s) provided that, so long as the Warrants are listed on the Eurolist of Euronext Paris, it shall at all times maintain a Warrant Agent in Paris or in the neighbouring *départements*. Notice of any such and of any change in the specified office of the Warrant Agent will be given to the Warranholders in accordance with Condition 15.

In acting under the Warrant Agency Agreement, the Warrant Agent is acting solely as agent of the Issuer and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warranholders, and any determinations and calculations by the Warrant Agent shall, save in the case of manifest error, be final and binding on the Issuer and the Warranholders.

The Warrant Agency Agreement may be amended by the parties thereto without the consent of the Warranholders if, in the reasonable opinion of such parties, the amendment will not adversely affect the interests of the Warranholders. All decisions of the Warrant Agent pursuant to the Conditions will be final and binding on the Warranholders.

13. TAXES AND DUTIES

Any Warrantholder exercising a Warrant shall be liable for and shall pay all applicable Taxes and Duties, if any, payable in connection with the exercise of such Warrant. The Issuer is not liable for, or otherwise obliged to bear the cost of any tax, duty, withholding or any other payment which may arise as a result of the ownership, transfer or exercise of any Warrant.

14. ILLEGALITY OR IMPOSSIBILITY

The Issuer shall have the right to terminate its obligations under the Warrants if it shall have determined that the performance of such obligations shall have become unlawful or impossible or impracticable in whole or in part, in particular, but not limited to, as a result of compliance with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power. If the Issuer so terminates its obligations under the Warrants, the Issuer shall pay to each Warrantholder in respect of each Set of Warrants held by it an amount in the Settlement Currency determined by the Issuer (after consultation with an independent expert designated by the Issuer), representing the fair market value of such Set of Warrants immediately prior to such termination. Payment will be made as soon as possible in such manner as shall be notified to the Warrantholders in accordance with Condition 15.

15. NOTICES

All notices to the Warrantholders will be deemed to have been duly given if published on the website www.warrants.commerzbank.com or on any other website of the Issuer which would replace it. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication.

16. MODIFICATION

The Issuer may modify the Conditions without the consent of the Warrantholders for the purpose of curing any ambiguity or correcting or supplementing any provision herein in any manner which the Issuer may deem advisable or necessary provided that such modification shall not prejudice the interests of the Warrantholders. Any such modification shall be subject to a Supplement.

In addition, the Issuer may modify the Final Terms without the consent of the Warrantholders for the purpose of curing any ambiguity or correcting any obvious errors or supplementing any provision included in the Final Terms in any manner which the Issuer may deem advisable or necessary provided that such modification shall not prejudice the interests of the Warrantholders. Any such modification shall be notified in accordance with Condition 15.

17. PURCHASES BY THE ISSUER

The Issuer may at any time purchase Warrants at any price in the open-market or by tender or private treaty. Any warrants so purchased may be held or resold or cancelled by the Issuer.

18. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Warrantholders to create and issue further warrants having the same terms and conditions as the Warrants and that the terms of such warrants shall provide for their assimilation with such Warrants so as to form a single series with such warrants.

19. NO ASSUMPTION OF RESPONSIBILITY

Any indication herein that the Clearance Institutions "shall" do, or similar expressions or phrase indicating that they are obliged to or will carry out any role or obligation in connection with the Conditions, is given without any assumption by the Issuer or the Warrant Agent, of responsibility or liability for the performance of the Clearance Institutions.

20. GOVERNING LAW AND JURISDICTION

The Warrants and the Conditions shall be governed by, and construed in accordance with, French law.

Any dispute arising out of, or in connection with, the Warrants or the Conditions shall be submitted to the jurisdiction of the competent courts in Paris, France.

For the purpose of any legal action or proceedings arising out of, or in connection with, the Warrants or the Conditions, the Issuer elects domicile at the office of its Paris Branch (currently located 3, place de l'Opéra, 75002 Paris, France), where all writs or other notifications relating to such proceedings or legal actions may be served or delivered.

OTHER PROVISIONS CONCERNING THE WARRANTS

Authorisations

Each issue of the Warrants will be authorised by a resolution of the Management Committee of Commerzbank Aktiengesellschaft, department Global Securities. The Issuer will have obtained all necessary consents, approvals and authorisations in the Federal Republic of Germany in connection with the issue of the Warrants.

Term

The Issue may issue Warrants under the Base Prospectus during the 12-month period following the date of the visa granted by the *Autorité des Marchés Financiers* in respect of the Base Prospectus, i.e. until December 17, 2008 included, provided however that Warrants may be issued after that date under the Base Prospectus if such Warrants are to be assimilated (*assimilables*) to Warrants issued prior to that date under the Base Prospectus.

Global amount

The maximum global amount of the Warrants which may be issued under the Base Prospectus (as calculated on the basis of issue prices) is EUR 30,000,000,000. Such amount may be increased, it being specified that any such increase shall be subject to a Supplement.

Listing

Application may be made for Warrants issued under the Base Prospectus to be listed on the Eurolist of Euronext Paris. Application may be made to list Warrants on such other stock exchange(s) as the Issuer may agree. The Issuer may also issue unlisted Warrants.

The following procedures will apply to Warrants listed on the Eurolist of Euronext Paris:

- (a) prior to the listing of Warrants on the Eurolist of Euronext Paris, the Final Terms setting forth the terms of the Warrants will be established in accordance with article 212-32 of the *Règlement Général* of the *Autorité des Marchés Financiers* and will be displayed on the website (www.amf-france.org) of the *Autorité des Marchés Financiers* and on the Issuer's website (www.warrants.commerzbank.com) not later than on the date the notice of the Paris Stock Exchange announcing the admission of such Warrants to the listing on the Eurolist of Euronext Paris;
- (b) the legal notice concerning the listing of the relevant Warrants on the Eurolist of Euronext Paris will be published in the *Bulletin des Annonces Légales Obligatoires (BALO)*.

Trading

Warrants listed on the Eurolist of Euronext Paris shall be traded with on the Eurolist of Euronext Paris only in the minimum amounts of Warrants (and integral multiples thereof) specified in the relevant Final Terms under the heading "*Minimum number of Warrants for trading on Euronext Paris SA*".

The listing of any series of Warrants on the Eurolist of Euronext Paris is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date of these Warrants.

Codes

The ISIN code for each series of Warrants will be specified in the Final Terms under the heading "*ISIN Code*".

Availability of documents

Copies of the Articles of Association of the Issuer and of the Warrant Agency Agreement, will be available for inspection during usual business hours on any day (except Saturdays, Sundays, and legal holidays) at the specified office of the Warrant Agent. Copies of the most recent annual reports for the last two fiscal years and of the most recent interim report of the Issuer will also be available at the specified office of the Warrant Agent.

INCORPORATION OF DOCUMENTS BY REFERENCE

The following information is incorporated by reference in this Base Prospectus:

- (i) the information related to the Issuer (annual report 2005) as contained in pages 3 to 138 of the Supplement which has received visa No. 06-163 dated May 30, 2006 of the *Autorité des Marchés Financiers*, and
- (ii) the information related to the Issuer (annual report 2006) as contained in pages 3 to 187 of the Supplement which has received visa No. 07-145 dated May 14, 2007 of the *Autorité des Marchés Financiers*.

GENERAL METHOD USED FOR THE PRICING OF THE WARRANTS

The Warrants are priced using a binomial model (Cox Ross Rubinstein). Consequently, the price of the Warrants depends on the following factors: the ratio between the level of the underlying and the exercise price, the maturity date, the value of the underlying, interest rates, estimated dividends and the level of volatility.

The characteristics of each Warrant determine the relative influence of each of the above mentioned factors, *ceteris paribus*.

However, the theoretical influence of the above mentioned factors is as follows:

(a) for Call Warrants :

- (i) the higher the exercise price is, compared to the value of the underlying, the more out of the money the Call Warrant will be and therefore the cheaper its theoretical price will be;
- (ii) the theoretical value of a Call Warrant will decrease as time until maturity goes by;
- (iii) an increase of the value of the underlying will cause an increase of the theoretical value of the Call Warrant;
- (iv) an increase of interest rates will cause an increase of the theoretical value of the Call Warrant;
- (v) an increase of estimated dividends will cause a decrease of the theoretical value of the Call Warrant;
- (vi) an increase of the estimated volatility will cause an increase of the theoretical value of the Call Warrant;

(b) for Put Warrants:

- (i) the lower the the exercise price is, compared to the value of the underlying, the more out of the money the Put Warrant will be and therefore the cheaper its theoretical price will be;
- (ii) the theoretical value of a Put Warrant will decrease as time until maturity goes by;
- (iii) an decrease of the value of the underlying will cause an increase of the theoretical value of the Put Warrant;
- (iv) an increase of interest rates will cause an decrease of the theoretical value of the Put Warrant;
- (v) an increase of estimated dividends will cause an increase of the theoretical value of the Put Warrant;
- (vi) an increase of the estimated volatility will cause an increase of the theoretical value of the Put Warrant.

LIQUIDITY PROVIDER AGREEMENT

Warrants listed on the Eurolist of Euronext Paris SA are subject to a liquidity provider agreement entered into between Euronext Paris SA and Commerzbank AG as liquidity provider (the "**Liquidity Provider**").

Pursuant to this agreement, the commitments of the Liquidity Provider in terms of quantity or minimum amount and bid and offer spread are as follows:

Underlying	Quantity or minimum amount	Spread (in Euro or in % of the offer price)
CAC 40 [®] , Dow Jones Industrial Average SM , Nasdaq-100 [®] and Nikkei 225 Indices	Min (50,000 Warrants ; €10,000)	Max (€0.03 ; 3%)
Shares	Min (50,000 Warrants ; €10,000)	Max (€ 0.07 ; 5%)
Currency Exchange Rates	Min (50,000 Warrants ; €10,000)	Max (€ 0.15 ; 5%)
Futures Contracts	Min (50,000 Warrants ; €10,000)	Max (€ 0.15 ; 5%)
Commodities	Min (50,000 Warrants ; €10,000)	Max (€ 0.15 ; 5%)

The rights and obligations of the Liquidity Provider are suspended, upon simple request of its part, if the following events occur:

- if the underlying asset is not traded or if the underlying index is not available. The rights and obligations of the Liquidity Provider will be suspended so long as the underlying asset is not traded or the underlying index is not available;
- the aggregate sell or buy position of the Liquidity Provider exceeds the maximum position specified in the liquidity provider agreement. The suspension of the rights and obligations of the Liquidity Provider may not exceed one month;
- when the price of the Warrant is offered at a level that is lower than the maximum spread committed by the Liquidity Provider;
- during the settlement period of the futures contracts relating to the relevant index if that index is the underlying of the Warrant; or
- in the event of a disruption of the trading systems of the Liquidity Provider, except as a result of a gross negligence or wilful misconduct of the Liquidity Provider.

The rights and obligations of the Liquidity Provider will be suspended upon request of its part but subject to prior approval d'Euronext Paris SA, in the event an information is displayed that results in a change that is recognised by the parties not to be a normal change in the price of the Warrant.

SUBSCRIPTION AND SALE

The Warrants will be subscribed by Commerzbank International S.A. (the "**Manager**") which, subject to the satisfaction of certain conditions, will subscribe and pay for all the Warrants at the issue price specified in the Final Terms.

General

No action has been or will be taken by the Issuer or the Manager that would permit a public offering of the Warrants or possession or distribution of any offering material in relation to the Warrants in any jurisdiction where action for that purpose is required. No offers or sales of any Warrants, or distribution of any offering material relating to the Warrants, may be made in or from any jurisdiction, or to any person, except in circumstances which will result in compliance with any applicable laws and regulations applicable in such jurisdiction or to such person and will not impose any obligations on the Issuer or the Manager.

United States and U.S. Persons

General restrictions:

The Base Prospectus, any Supplement and/or any Final Terms do not constitute an offer to subscribe for and/or purchase, or a solicitation of an offer to subscribe for and/or purchase securities in the United States.

The Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**") and may not be offered or sold within the "United States" or to, or for the account or benefit of, U.S. Persons (each as defined by Regulation S under the Securities Act) except in transactions exempt from the registration requirements of the Securities Act.

The Manager has agreed that it and each of its affiliates and any person acting on its or any of its affiliates' behalf will not offer or sell the Warrants (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the date when the Manager shall certify that the distribution has been completed, within the United States or to, or for the account or benefit of, U.S. Persons and it will have sent to each dealer, distributor or person receiving a selling concession or other remuneration with respect thereto to which it sells Warrants during such 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Warrants in the United States or to, or for the account or benefit of, U.S. Persons and informing such distributor or person receiving a selling concession or other remuneration with respect thereto that prior to the expiration of the distribution compliance period, it must send a confirmation or other notice to each purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to a distributor.

Each holder of the Warrants shall be deemed to represent that it has been informed that such Warrants have not been registered under the Securities Act and that if, prior to the expiration of the 40-day distribution compliance period, such holder decides to offer, sell or pledge or otherwise transfer the Warrants, it will only do so in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S.

Additional restrictions with respect to Warrants relating to Currency Exchange Rates, Futures Contract and Commodities:

Trading in the Warrants has not been approved by the United States Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act (the "**Commodity Exchange Act**"). Therefore, no such Warrants, or interests therein, may at any time be offered, sold, resold, traded or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons. In addition, pursuant to United States regulations, no U.S. person may at any time directly or indirectly own a position in such Warrants.

Definitions of terms

The definition of the term "**U.S. Person**" under Regulation S includes any natural person who is a resident of the United States, any corporation, partnership or other entity created in or organised under the laws of the United States, any estate of which any executor or administrator is a U.S. person, any trust of which any trustee is a U.S. person, any agency or branch of a foreign entity located in the United States, any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person, any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States, and certain partnerships and corporations organised or incorporated under the laws of any foreign jurisdiction if formed by a U.S. person principally for the purpose of investing in unregistered securities. The definition of the term "United States" under Regulation S includes the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

United Kingdom

The Manager has represented and agreed that:

- (1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Warrants in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Warrants in, from or otherwise involving the United Kingdom.

Japan

The Warrants have not been and will not be registered under the Securities and Exchange Law of Japan (the "**Securities and Exchange Law**") and the Warrants will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

France

Each of the Manager and the Issuer has represented and agreed that, in connection with their initial distribution, (i) it has only offered or sold and will only offer or sell, directly or indirectly, any Warrants in France, to a limited number of investors and/or qualified investors in accordance with articles L. 411-1, L. 411-2, D. 411-1 et D. 411-2 of the French Monetary and Financial Code (*Code Monétaire et Financier*) and (ii) it will only distribute and has only distributed any offering document related to the Warrants in France to a limited number of investors and/or qualified investors as defined above.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Manager has represented and agreed, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Warrants to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Warrants to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Warrants which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of the foregoing, the expression an “offer to the public” means the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe the Warrants, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/CE of the European Parliament and Council dated November 3, 2003 and includes any relevant implementing measure in each Relevant Member State.

LEGAL/TAXATION

Potential purchasers who have any doubts or concerns regarding their tax and/or legal position on purchase, ownership, transfer or exercise of any Warrant should consult their own appropriate, independent, professionally qualified tax and/or legal advisers.

All amounts payable under the Warrants will be paid without deduction or withholding for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of the Federal Republic of Germany or any taxing authority therein. In the case that the Issuer will be compelled by law or other regulation to deduct or withhold such taxes, duties or governmental charges the Issuer will not pay any additional amounts to compensate the Warrantholder for such deduction or withholding

FORM OF EXERCISE NOTICE

Terms defined in the Terms and Conditions of the Warrants (the "**Conditions**") have the same meaning herein.

When completed the Exercise Notice should be delivered not later than 10:00 a.m. Brussels, Luxembourg and Paris time, as the case may be, on the Exercise Date to, as the case may be:

(a) in case of Warrants held through Euroclear or Clearstream

To: The relevant Clearance Institution

Copy to: BNP Paribas Securities Services
3, rue d'Antin
75002 Paris
(France)
Telex: 210041 parb
Attention: GCT – Service aux Emetteurs

(b) in case of Warrants held through Euroclear France

To: The relevant Warrant Account Holder

Copy to: BNP Paribas Securities Services
3, rue d'Antin
75002 Paris
(France)
Telex: 210041 parb
Attention: GCT – Service aux Emetteurs

Failure to properly complete the Exercise Notice in accordance with Condition 5 will result in this Exercise Notice being treated as null and void as set out in the Conditions. In addition, the Warrants specified in this Exercise Notice shall have been transferred, through the Warrant Account Holder through which the Warrantholder holds his Warrants, to the account of the Warrant Agent with the relevant Clearance Institution (Euroclear, Clearstream or Euroclear France, as the case may be), not later than 10:00 a.m. (Brussels time in the case of Euroclear, Luxembourg time in the case of Clearstream or Paris time in the case of Euroclear France, as the case may be) on the relevant Exercise Date.

One Exercise Notice must be completed for each Series.

.....

EXERCICE NOTICE FOR WARRANTS

From: [Name of the Warrantholder]

To: [Name of Clearance Institution or Warrant Account Holder]

Copy to: BNP Paribas Securities Services
3, rue d'Antin
75002 Paris
(France)
Telex: 210041 parb
Attention: GCT – Service aux Emetteurs

Ref.: Commerzbank AG / Warrants relating to [] (the "**Warrants**")

The Conditions of the Warrants are set out in the Base Prospectus dated December 17, 2007 and in the Final Terms dated [] and terms defined in the Conditions of the Warrants shall have the same meaning herein (unless the context otherwise requires).

PLEASE USE BLOCK CAPITALS

1. Name(s) of Warrantholder

2. Address(es) of Warrantholder

3. Exercise of Warrants

The undersigned, being the holder of the Warrants referred to below forming part of the above issue of Warrants, hereby exercises such Warrants in accordance with the Conditions.

4. Number and Series of Warrants

The number and Series of the exercised Warrants is as follows:

Identification of Warrants exercised: Series [] (*) Warrants relating to [] (*)

ISIN code or Common code (*): []

Number of Warrants exercised (*): [] Warrants

Note: The number of Warrants exercised must be the minimum number specified in the Conditions or an integral multiple thereof; if not, this Exercise Notice will be void.

5. Settlement

a) Account to be debited with the Warrants

* in case of Euroclear/Clearstream:

My/Our (*) account with Euroclear/Clearstream to be debited with the number of Warrants exercised is as follows: []

* in case of Euroclear France:

My/Our (*) "*intermédiaire financier habilité*" ("**Warrant Account Holder**") is: []

My/Our (*) account with the Warrant Account Holder to be debited with the number of Warrants exercised is as follows: []

b) Account for payment of any amount

* In case of Euroclear/Clearstream:

My/Our (*) cash account with Euroclear/Clearstream to be credited with payment by the Issuer of the Settlement Amount for each exercised Set of Warrants, subject to the deduction of any Taxes and Duties, if any, is as follows: []

* In case of Euroclear France:

(*) Delete / complete as appropriate

My/Our (*) cash account with the Warrant Account Holder to be credited with payment by the Issuer of exercised Warrants is as follows: [_____]

6. Taxation

I/we (*) undertake to pay any applicable Taxes and Duties due, by reason of the exercise of the Warrants by, or by reason of the transfer (if any) of the Shares to or to the order of, I/we and give authority to the relevant Warrant Account Holder, Euroclear or Clearstream, as the case may be, to deduct an amount in respect thereof from any amount due to me/us or to debit, at any time on or after the Settlement Date, the following account [_____] with Euroclear/Clearstream /the Warrant Account Holder (through Euroclear France) with an amount or amounts in respect thereof and to pay such Taxes and Duties to the extent of such amount or amounts.

7. This notice certifies that neither the person exercising the Warrants referred to in this notice, nor any person on whose behalf the Warrants are being exercised, is a U.S. person (which term includes a resident of the United States, a corporation, partnership or other entity created in or organised under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source) or a person within the United States (which term includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America).

I/We (*) understand that this notice is required in connection with certain securities and commodities legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, I/we (*) irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings.

8. Signature

Signed by:

9. Dated

(*) Delete / complete as appropriate

FORM OF FINAL TERMS – WARRANTS RELATING TO SHARES

The Final Terms relating to each listing of Warrants relating to Shares will be in the following form and will contain such of the information contained in the following form of Final Terms as is applicable in respect of such Warrants:

FINAL TERMS DATED [____]

Warrants relating to Shares [to be listed on the Eurolist of Euronext Paris SA]

Type of Warrants: [American/European]

Euronext Segmentation : Leveraged Products – Plain Vanilla Warrants

[Automatic exercise on the Expiration Date]/[No automatic exercise]

ISSUER : COMMERZBANK AKTIENGESELLSCHAFT	Issue date : [____] ([____])
	Underwriting : Commerzbank International SA

Series	Type of Warrants	Number of Warrants issued	Underlying Share	Exchange	Set of Warrants	Quantity

Series	Issue price in EUR	Strike Price	Exercise Period/Exercise Date	Maturity Date	Related Market	ISIN Code

Settlement Currency	EUR
Assimilation provisions	

Minimum number of Warrants for trading on Euronext Paris SA	
Minimum number of Warrants exercisable (except for exercise on the Maturity Date))	
[Radiation from the Eurolist of Euronext Paris SA]	[The listing of any series of Warrants on the Eurolist of Euronext Paris SA is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date.]
Warrant Agent	
Investors contact	
Reference to the Base Prospectus and to the Supplements	Base Prospectus which has obtained from the Autorité des Marchés Financiers visa number 07-481 dated December 17, 2007 [and Supplement(s) which has(have) obtained from the Autorité des Marchés Financiers visa(s) number []-[] dated []]

Warning

Prospective purchasers should read these Final Terms in conjunction with the Base Prospectus referred to above [and with any Supplements referred to above].

The attention of potential purchasers is drawn to the specificities of the Warrants and, inter alia, to the fact that, due to their optional nature, Warrants may be subject to considerable fluctuations in value, which may result in total loss of their value.

[In addition, the attention of potential purchasers is drawn to the fact that the Warrants will NOT be automatically exercised on the Expiration Date]

FORM OF FINAL TERMS – WARRANTS RELATING TO INDICES

The Final Terms relating to each listing of Warrants relating to Indices will be in the following form and will contain such of the information contained in the following form of Final Terms as is applicable in respect of such Warrants:

FINAL TERMS DATED [____]

Warrants relating to Indices [to be listed on the Eurolist of Euronext Paris SA]

Type of Warrants: [American/European]

Euronext Segmentation : Leveraged Products – Plain Vanilla Warrants

[Automatic exercise on the Expiration Date]/[No automatic exercise]

ISSUER : COMMERZBANK AKTIENGESELLSCHAFT	Issue date : [____] ([____])
	Underwriting : Commerzbank International SA

Series	Type of Warrants	Number of Warrants issued	Underlying Index	Index Sponsor	Set of Warrants

Series	Issue price in EUR	Strike Price	Exercise Period/Exercise Date	Maturity Date	Related Market	ISIN Code

Settlement Currency	EUR
Assimilation provisions	

Minimum number of Warrants for trading on Euronext Paris SA	
Minimum number of Warrants exercisable (except for exercise on the Maturity Date)	
[Radiation from the Eurolist of Euronext Paris SA]	[The listing of any series of Warrants on the Eurolist of Euronext Paris SA is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date.]
Warrant Agent	
Investors contact	
Reference to the Base Prospectus and to the Supplements	Base Prospectus which has obtained from the Autorité des Marchés Financiers visa number 07-481 dated December 17, 2007 [and Supplement(s) which has(have) obtained from the Autorité des Marchés Financiers visa(s) number []-[] dated []]

Warning

Prospective purchasers should read these Final Terms in conjunction with the Base Prospectus referred to above [and with any Supplements referred to above].

The attention of potential purchasers is drawn to the specificities of the Warrants and, inter alia, to the fact that, due to their optional nature, Warrants may be subject to considerable fluctuations in value, which may result in total loss of their value.

[In addition, the attention of potential purchasers is drawn to the fact that the Warrants will NOT be automatically exercised on the Expiration Date]

Notices relating to the underlying indices

FORM OF FINAL TERMS – WARRANTS RELATING TO CURRENCY EXCHANGE RATES

The Final Terms relating to each listing of Warrants relating to Currency Exchange Rates will be in the following form and will contain such of the information contained in the following form of Final Terms as is applicable in respect of such Warrants:

FINAL TERMS DATED [_____]

Warrants relating to Currency Exchange Rates [to be listed on the Eurolist of Euronext Paris SA]

Type of Warrants: [American/European]

Euronext Segmentation : Leveraged Products – Plain Vanilla Warrants

[Automatic exercise on the Expiration Date]/[No automatic exercise]

ISSUER : COMMERZBANK AKTIENGESELLSCHAFT	Issue date : [_____] ([_____])
	Underwriting : Commerzbank International SA

Series	Type of Warrants	Number of Warrants issued	Underlying Currency Exchange Rate	Parity	Issue price in EUR

Series	Strike Price	Exercise Period/Exercise Date	Maturity Date	ISIN Code

Settlement Currency	EUR
Assimilation provisions	

Minimum number of Warrants for trading on Euronext Paris SA	
Minimum number of Warrants exercisable (except for exercise on the Maturity Date)	
[Radiation from the Eurolist of Euronext Paris SA]	[The listing of any series of Warrants on the Eurolist of Euronext Paris SA is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date.]
Warrant Agent	
Investors contact	
Reference to the Base Prospectus and to the Supplements	Base Prospectus which has obtained from the Autorité des Marchés Financiers visa number 07-481 dated December 17, 2007 [and Supplement(s) which has(have) obtained from the Autorité des Marchés Financiers visa(s) number []-[] dated []]

Warning

Prospective purchasers should read these Final Terms in conjunction with the Base Prospectus referred to above [and with any Supplements referred to above].

The attention of potential purchasers is drawn to the specificities of the Warrants and, inter alia, to the fact that, due to their optional nature, Warrants may be subject to considerable fluctuations in value, which may result in total loss of their value.

[In addition, the attention of potential purchasers is drawn to the fact that the Warrants will NOT be automatically exercised on the Expiration Date]

FORM OF FINAL TERMS – WARRANTS RELATING TO FUTURES CONTRACTS

The Final Terms relating to each listing of Warrants relating to Futures Contracts will be in the following form and will contain such of the information contained in the following form of Final Terms as is applicable in respect of such Warrants:

FINAL TERMS DATED [____]

Warrants relating to Futures Contracts [to be listed on the Eurolist of Euronext Paris SA]

Type of Warrants: [American/European]

Euronext Segmentation : Leveraged Products – Plain Vanilla Warrants

[Automatic exercise on the Expiration Date]/[No automatic exercise]

ISSUER : COMMERZBANK AKTIENGESELLSCHAFT	Issue date : [____] ([____])
	Underwriting: Commerzbank International SA

Series	Type of Warrants	Number of Warrants issued	Underlying Futures Contract	Quotation Market	Set of Warrants

Series	Issue price in EUR	Strike Price	Exercise Period/Exercise Date	Maturity Date	Determination of the Settlement Price	Code ISIN (ISIN Code)

Settlement Currency	EUR
Assimilation provisions	

Minimum number of Warrants for trading on Euronext Paris SA	
Minimum number of Warrants exercisable (except for exercise on the Maturity Date)	
[Radiation from the Eurolist of Euronext Paris SA]	[The listing of any series of Warrants on the Eurolist of Euronext Paris SA is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date.]
Warrant Agent	
Investors contact	
Reference to the Base Prospectus and to the Supplements	Base Prospectus which has obtained from the Autorité des Marchés Financiers visa number 07-481 dated December 17, 2007 [and Supplement(s) which has(have) obtained from the Autorité des Marchés Financiers visa(s) number []-[] dated []]

Warning

Prospective purchasers should read these Final Terms in conjunction with the Base Prospectus referred to above [and with any Supplements referred to above].

The attention of potential purchasers is drawn to the specificities of the Warrants and, inter alia, to the fact that, due to their optional nature, Warrants may be subject to considerable fluctuations in value, which may result in total loss of their value.

[In addition, the attention of potential purchasers is drawn to the fact that the Warrants will NOT be automatically exercised on the Expiration Date]

FORM OF FINAL TERMS – WARRANTS RELATING TO COMMODITIES

The Final Terms relating to each listing of Warrants relating to Commodities will be in the following form and will contain such of the information contained in the following form of Final Terms as is applicable in respect of such Warrants:

FINAL TERMS DATED [____]

Warrants relating to Commodities [to be listed on the Eurolist of Euronext Paris SA]

Type of Warrants: [American/European]

Euronext Segmentation : Leveraged Products – Plain Vanilla Warrants

[Automatic exercise on the Expiration Date]/[No automatic exercise]

ISSUER : COMMERZBANK AKTIENGESELLSCHAFT	Issue date : [____] ([____])
	Underwriting : Commerzbank International SA

Series	Type of Warrants	Number of Warrants issued	Underlying Commodity	Quotation Market	Set of Warrants

Series	Issue price in EUR	Strike Price	Exercise Period/Exercise Date	Maturity Date	Determination of the Settlement Price	ISIN Code

Settlement Currency	EUR
Assimilation provisions	

Minimum number of Warrants for trading on Euronext Paris SA	
Minimum number of Warrants exercisable (except for exercise on the Maturity Date)	
[Radiation from the Eurolist of Euronext Paris SA]	[The listing of any series of Warrants on the Eurolist of Euronext Paris SA is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date.]
Warrant Agent	
Investors contact	
Reference to the Base Prospectus and to the Supplements	Base Prospectus which has obtained from the Autorité des Marchés Financiers visa number 07-481 dated December 17, 2007 [and Supplement(s) which has(have) obtained from the Autorité des Marchés Financiers visa(s) number []-[] dated []]

Warning

Prospective purchasers should read these Final Terms in conjunction with the Base Prospectus referred to above [and with any Supplements referred to above].

The attention of potential purchasers is drawn to the specificities of the Warrants and, inter alia, to the fact that, due to their optional nature, Warrants may be subject to considerable fluctuations in value, which may result in total loss of their value.

[In addition, the attention of potential purchasers is drawn to the fact that the Warrants will NOT be automatically exercised on the Expiration Date]

PRESENTATION OF THE ISSUER

History and Development

Commerzbank Aktiengesellschaft is a stock corporation under German law and was established as Commerz- und Disconto-Bank in Hamburg in 1870. The Bank owes its present form to the re-merger of the post-war successor institutions of 1952 on July 1, 1958. The Bank's registered office is located in Frankfurt am Main and its head office is at Kaiserplatz, 60261 Frankfurt am Main, Federal Republic of Germany (telephone: +49 (0) 69 136-20). The Bank is registered in the commercial register of the lower regional court (*Amtsgericht*) of Frankfurt am Main under the number HRB 32 000.

Business Overview

Principal Activities

Commerzbank is a major German private-sector bank. Its products and services for retail and corporate customers extend to all aspects of banking. The Bank is also active in specialised fields – partly covered by its subsidiaries – such as mortgage banking and real-estate business, leasing and asset management. Its services are concentrated on managing customers' accounts and handling payments transactions, loan, savings and investments plans, and also on securities transactions. Additional financial services are offered within the framework of the Bank's bancassurance strategy of cooperating with leading companies in finance-related sectors, including home loan savings schemes and insurance products. The Commerzbank Group's operating activities are bundled into three divisions: Private and Business Customers, Corporate and Investment Banking as well as Commercial Real Estate, Public Finance and Treasury.

Private and Business Customers

The Private and Business Customers division comprises both traditional retail operations and support for business customers, the individual service provided for wealthy private clients and portfolio management. The division is made up of the Private and Business Customers, Private Banking and Retail Credit departments as well as comdirect bank AG and the Group's asset management activities.

Private and Business Customers Department

Commerzbank has roughly 5 million private customers in Germany, who are served through a network of almost 800 branches and an extensive online range of services. The product range covers the complete palette of retail business, including payments, investment and securities business as well as home and consumer loans. In combination with the insurance products of the Bank's partner Volksfürsorge from the AMB Generali group, Commerzbank also offers specially tailored solutions for private provision for old age.

The branch of the future project is a systematic continuation of the strengthening of the branch network. Branches of this type are customer-oriented and focus on consulting and distribution. Apart from the use of modern self-service machines, administrative functions are being standardised, streamlined and centralised.

On the internet, a virtual branch is available, offering practically the entire range of a traditional branch office, including the handling of payments and securities transactions.

The subsidiary comdirect bank AG offers private customers reasonably priced services in banking and above all in securities business. Its subsidiary comdirect private finance AG provides additional financial advisory services on more complex topics such as provision for old age and wealth formation.

Business customers include professionals, the self-employed and businessmen as well as the proprietors of small companies with annual turnover of up to € 2.5 million. Commerzbank's business customer relationship managers are stationed at over 600 locations in Germany. The product range has been entirely adapted to the specific needs of business customers – a combination of solutions for business financial issues and all-inclusive, individual advice in private financial matters.

Private Banking Department

In Private Banking, support in all aspects of wealth management is provided. The private banking services range from individual portfolio and securities management via financial investment and property management to the management of foundations, legacies and wealth. In addition to such traditional forms of investment as equities and bonds, investment funds and certificates, there is a focus on offering alternative investments such as hedge funds, guarantee products and asset-backed securities.

With its currently 37 locations, Commerzbank offers a nationwide density in private banking services in Germany. Internationally, five centres of competence up to now in Zurich, Geneva, Luxembourg, Vienna and Singapore round off the Bank's services for wealth private clients directly in leading financial centres and offshore markets.

Retail Credit Department

Following the takeover of Eurohypo AG, the Retail Credit department was created with the goal of optimizing the interaction of the areas of acquisition, processing and portfolio management. Most of the administrative activities that relate to loans and the processing capacities needed for them are grouped together here.

Asset Management

Asset Management mainly comprises the cominvest group, private asset management, Münchner Kapitalanlage Aktiengesellschaft, MK Luxinvest S.A. and the European Bank for Fund Services GmbH (ebase).

Corporate and Investment Banking

The two segments of the Corporate and Investment Banking division – *Mittelstand*, and Corporates & Markets – maintain business relationships with small, medium-sized and large corporate customers worldwide and are responsible for the Bank's customer-based market activities.

Mittelstand

The *Mittelstand* segment looks after small to medium-sized companies (SMEs) with a turnover of between € 2.5 million and € 250 million at more than 120 locations. Furthermore, larger German Corporates are served through specialised larger corporates centres in the five locations Hamburg, Düsseldorf, Frankfurt, Stuttgart and Munich.

In addition to German corporate business, Financial Institutions banking department as well as Central and Eastern European including the activities of the Polish subsidiary BRE Bank SA and Asian regions are bundled in this segment.

The customer base of the *Mittelstand* segment has been expanded over the past few years, thanks to an initiative launched to attract new customers. In addition, the *Mittelstand* segment has produced several important product initiatives. Cooperation with the Bank's investment-banking unit has been made more intensive, leading to stronger sales of structured finance and capital-market products to SME clients. In the interest, currency and liquidity management area, the main drivers are money-market and derivatives, while in the area of trade finance and transaction services payments business is the main source of revenue.

Corporates & Markets

The Corporates & Markets business line is divided up into the sections Markets, Sales, Corporate Finance, Research and Client Relationship Management, on the Markets side, and into Multinational Companies, London, Western Europe and South Africa, USA and Asia, on the Corporates side.

By far the largest business line in Markets, with considerable growth over the past few years, is equity derivatives. Retail investors are the most important customer group for these products, followed by institutional investors. Corporate customers are still the smallest customer group, but sales of hedge products to them are expected to become increasingly important.

Foreign exchange, is strongly linked to the Bank's corporate customer base. Over the past few years, however, some diversification of the customer base has been achieved, with sales of FX and gold/silver warrants giving Commerzbank a prominent place with German retail customers. The focus is now also on improving the structured products that are offered in order to achieve an even stronger position with corporate clients and substantially increase institutional business.

The inclusion on the Western European branches and Commerzbank's corporate banking activities in the US and South Africa in the Corporates & Markets segment has created a regionally more diverse portfolio, which essentially means that more large corporate customers have been added to a portfolio previously dominated by multinationals.

Commercial Real Estate, Public Finance and Treasury

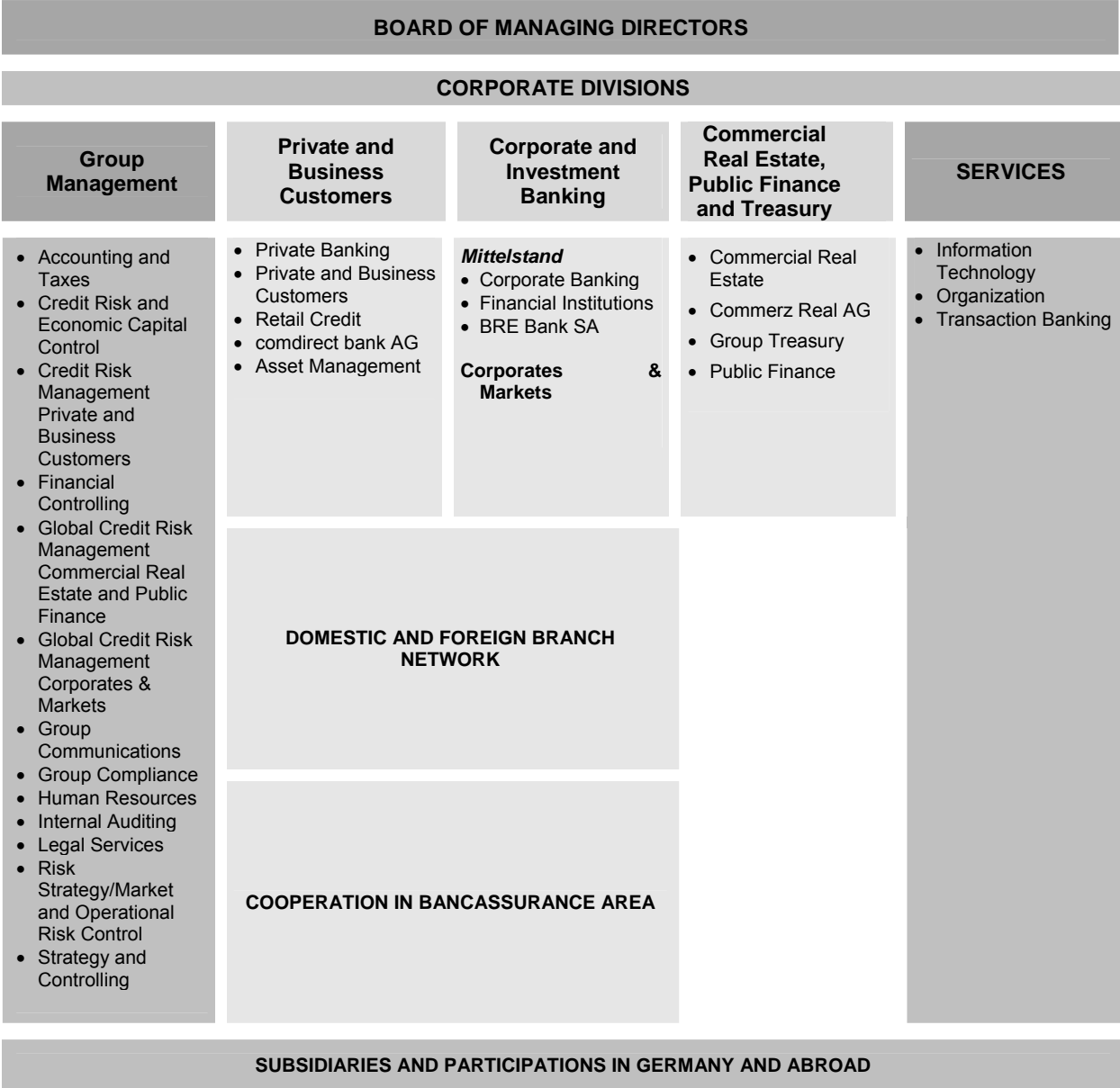
This division was newly established in May 2006 in the course of Eurohypo AG's integration into the Commerzbank Group. In of the Commercial Real Estate department the Group's commercial real estate activities as well as the business activities of Commerz Real AG are bundled. Public Finance comprises the public finance activities of Eurohypo AG as well as the business activities of Hypothekenbank in Essen AG and Erste Europäische Kommunalkreditbank AG in Luxembourg. Furthermore, Group Treasury forms part of this division.

Principal Markets

Commerzbank's business activities are mainly concentrated on the German market, where as an integrated provider of financial services, it maintains a nationwide branch network for offering advice and selling products to all its groups of customers. In Private Banking, considered core markets are furthermore Austria, Luxembourg, Singapore and Switzerland and in corporate business Europe (the United Kingdom, France, Spain, Italy, the Netherlands, Belgium, Luxembourg, Hungary, the Czech Republic, Poland, and Russia) as well as USA and Asia (China, Dubai, Japan and Singapore).

ORGANISATIONAL STRUCTURE

Structure of the Commerzbank Group



Major group companies and holdings

In Germany

comdirect bank AG, Quickborn
cominvest Asset Management GmbH, Frankfurt am Main
Commerz Real AG, Düsseldorf/Wiesbaden
Eurohypo AG, Eschborn
Hypothesenbank in Essen AG, Essen
CBG Commerz Beteiligungsgesellschaft Holding mbH, Bad Homburg v.d.H.
Commerz Business Consulting GmbH, Frankfurt am Main
Deutsche Schiffsbank AG, Bremen/Hamburg

Abroad

BRE Bank SA, Warsaw
Caisse Centrale de Réescompte, S.A., Paris
cominvest Asset Management S.A., Luxembourg
Commerzbank Capital Markets Corporation, New York
Commerzbank (Eurasija) SAO, Moscow
Commerzbank Europe (Ireland), Dublin
Commerzbank International S.A., Luxembourg
Commerzbank (South East Asia) Ltd., Singapore
Commerzbank (Switzerland) Ltd, Zurich/Geneva
Commerzbank Zrt., Budapest
Commerz (East Asia) Ltd., Hong Kong
Erste Europäische Pfandbrief- und Kommunalkreditbank AG, Luxembourg

Administrative, Management and Supervisory Bodies

Board of Managing Directors

The Board of Managing Directors currently consists of the following members:

Klaus-Peter Müller, Frankfurt am Main, Chairman
Strategy and Controlling, Group Communications

Martin Blessing, Frankfurt am Main
Corporate Banking, Financial Institutions, BRE Bank SA, Information Technology, Transaction Banking

Wolfgang Hartmann, Frankfurt am Main
Credit Risk and Economic Capital Control, Risk Strategy/Market and Operational Risk Control, Credit Risk Management Private and Business Customers, Global Credit Risk Management Corporates & Markets, Global Credit Risk Management Commercial Real Estate and Public Finance

Dr. Achim Kassow, Frankfurt am Main
Private Banking, Private and Business Customers, Retail Credit, comdirect bank AG, German Asset Management

Bernd Knobloch, Frankfurt am Main
Commercial Real Estate, Commerz Real AG

Michael Reuther, Frankfurt am Main
Legal Services, Group Treasury, Public Finance

Dr. Eric Strutz, Frankfurt am Main
Human Resources, Accounting and Taxes, Financial Controlling, Group Compliance, Internal Auditing, Organisation

Nicholas Teller, Frankfurt am Main
Corporates & Markets, Western Europe, America, Africa

Supervisory Board

The Supervisory Board currently consists of the following members:

Dr. h.c. Martin Kohlhaussen, Chairman, Frankfurt am Main

Uwe Tschäge, Deputy Chairman, Commerzbank AG, Düsseldorf

Hans-Hermann Altenschmidt, Commerzbank AG, Essen

Dott. Sergio Balbinot, Managing Director of Assicurazioni Generali S.p.A., Trieste

Herbert Bludau-Hoffmann, Dipl.-Volkswirt, ver.di Financial Services, Essen

Astrid Evers, Commerzbank AG, Hamburg

Uwe Foullong, Member of the ver.di National Executive Committee, Berlin

Daniel Hampel, Commerzbank AG, Berlin

Dr.-Ing. Otto Happel, Manager of Luserve AG, Lucerne

Dr. jur. Heiner Hasford, Member of the Board of Managing Directors of Münchener Rückversicherungs-Gesellschaft AG (retired), Munich

Sonja Kasischke, Commerzbank AG, Brunswick

Wolfgang Kirsch, Commerzbank AG, Frankfurt am Main

Friedrich Lürssen, Chief Executive Officer of Fr. Lürssen Werft GmbH & Co. KG, Bremen

Werner Malkhoff, Commerzbank AG, Frankfurt am Main

Prof. h.c. (CHN) Dr. rer. oec. Ulrich Middelman, Deputy Chairman of the Board of Managing Directors of ThyssenKrupp AG, Düsseldorf

Klaus Müller-Gebel, Lawyer, Frankfurt am Main

Dr. Sabine Reiner, Trade Union Specialist, Economic Policy of ver.di National Administration, Berlin

Prof. Dr. Jürgen F. Strube, Chairman of the Supervisory Board of BASF Aktiengesellschaft, Ludwigshafen

Dr. Klaus Sturany, Member of the Board of Managing Directors of RWE Aktiengesellschaft (retired), Essen

Dr.-Ing. E.h. Heinrich Weiss, Chairman of the Board of Management of SMS GmbH, Düsseldorf

The members of the Board of Managing Directors and of the Supervisory Board can be reached at the business address of the Issuer.

Potential Conflicts of Interest

In the 2006 financial year, members of the Board of Managing Directors and members of the Supervisory Board were involved in no conflicts of interest as defined in sections 4.3 and 5.5, respectively, of the German Corporate Governance Code.

Potential conflicts of interest could occur with the following members of the Board of Managing Directors and of the Supervisory Board due to their membership in supervisory boards of Commerzbank's subsidiaries:

Mr Blessing (BRE Bank SA), Mr Hartmann (Hypothesenbank in Essen AG), Dr. Kassow (comdirect bank AG, BRE Bank SA), Mr Reuther (Hypothesenbank in Essen AG, Erste Europäische Pfandbrief- und Kommunalkreditbank AG), Dr. Strutz (comdirect bank AG, Hypothesenbank in Essen AG, Mediobanca - Banca di Credito Finanziario S.p.A., Erste Europäische Pfandbrief- und Kommunalkreditbank AG), Mr Teller (BRE Bank SA) and Mr Müller-Gebel (comdirect bank AG).

Currently, there are no signs of such conflicts of interest.

Historical Financial Information

The audited consolidated annual financial statements of Commerzbank for the financial years ended December 31, 2005 and 2006 are incorporated by reference into, and form part of, this Base Prospectus (see chapter "**Incorporation of dDocuments by Reference**").

Auditors

The auditors of the Bank for the 2005 and 2006 financial years were PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Olof-Palme-Strasse 35, 60439 Frankfurt am Main, Federal Republic of Germany, who audited the consolidated annual financial statements of Commerzbank Aktiengesellschaft for the financial years ended December 31, 2005 and 2006, giving each of them their unqualified auditor's report.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft is a member of the Chamber of Chartered Accountants (*Wirtschaftsprüferkammer*).

Trend Information

Since the audited consolidated annual financial statements as of December 31, 2006 and the interim report as of September 30, 2007 were published no material adverse changes in the prospects nor in the financial position have occurred.

Legal and Arbitration Proceedings

During the previous twelve months, there were no governmental, legal or arbitration proceedings, nor is the Bank aware of any such proceedings pending or threatened, which may have or have had in the recent past significant effects on the Bank's and/or the Group's financial position or profitability.

INTERIM REPORT AS OF SEPTEMBER 30, 2007

An English translation of the interim report of the Commerzbank group as of September 30, 2007, the original version of which is in German, appears on the following pages.

The information contained in the interim report of the Commerzbank group as of September 30, 2007 is an information prepared under the sole responsibility of the Issuer and the financial statements included in that interim report have not been audited by the auditors of the Issuer.



interim report as of september 30, 2007

Dear Shareholders

In the third quarter of 2007, the banking sector was overshadowed by the US subprime crisis. Our own bank did not escape unscathed, and strongly falling market valuations have forced us to report impairments on our subprime portfolio. Furthermore, our trading income in particular has been hit by the unsettled financial markets. Nevertheless, strong earnings in our client-oriented segments Private and Business Customers and *Mittelstandsbank* have allowed us to hold on to our income targets for the Commerzbank Group.

Commerzbank share remains stable despite difficult market environment

After nine months, the Commerzbank share price is at virtually the same level as at the beginning of the year. The share price started the year with significant gains, and clearly outperformed the DAX as well as comparable European banking shares represented by the DowJones EuroStoxx Banks Index. The positive share price performance was underpinned in particular by Commerzbank's strong business performance, which early on already resulted in an increase in the targets for the year as a whole.

The share price reached its highest level so far during the second quarter. Since May, however, the impact of the subprime crisis in the United States has significantly weakened the environment for financials. German banks were also affected by this development.

Performance of the Commerzbank share for the first nine months 2007

Daily figures, 29.12.2006 = 100



Highlights of the Commerzbank share

	1.1.-30.9.2007	1.1.-30.9.2006
Earnings per share (€)	2.61	1.90
Share price high (€)	38.20	33.96
Share price low (€)	26.12	24.66
Average daily trading volume (million units)	6.63	4.75
	30.9.2007	30.9.2006
Number of shares (million units)	657.2	657.2
Closing price (€)	28.39	26.55
Market capitalization (€ bn)	18.7	17.4

Since then the share price has steadily lost the ground it had gained, especially during the period from mid-June to the start of August. By then, the problems in the US subprime market had become the dominant issue. Against this background, the announcement of positive results again in the second quarter met with little attention, but managed to stabilize the performance of Commerzbank shares, which experienced lively trading in the months of August and September.

Since the publication of our last interim report, the share price has generally tracked the performance of the DowJones EuroStoxx Banks Index. In contrast, the DAX index, which is dominated for the most part by non-banking shares, had divorced itself at the end of July from the downward trend driven by the subprime problems, and had started to gain ground by the end of September.

Our Investors' Day was held on September 20 and met with a positive response. The event was attended by about 100 investors and analysts, and once again offered an in-depth view of the bank's strategies and business performance. In general, the positive reaction helped to stabilize the share price.

We provide our shareholders with comprehensive information. You can find data on Commerzbank's shares as well as current news, publications and presentations on Commerzbank at our Internet site www.ir.commerzbank.com.

interim management report as of september 30, 2007

BUSINESS AND ECONOMY

Despite somewhat weaker growth in the United States and turbulence on international financial markets, the global economy remains on an upward trend, from which the German economy continued to benefit. However, the first months of 2007 were not quite able to reproduce the high growth rates of 2006. At the start of the year, this was primarily attributable to significant tax increases, but now the ECB's higher interest rates and somewhat weaker demand from abroad are having more and more effect.

In the third quarter, performance on financial markets was strongly impacted by the crisis in the US mortgage market. Uncertainty over the scale of the problems and concerns about possible negative consequences for the broader economy saw interest rates and share prices tumble significantly in the interim. In some market segments, trading temporarily came almost to a complete halt. By the end of September, however, equity indices had risen again, almost to their highs for the year, and yields on government bonds had recovered. But money markets remained plagued by the tensions that had been triggered during the crisis, with the result that short-term financing continued to be more expensive than it was before the crisis.

We at Commerzbank can be satisfied with the performance in 2007, despite the difficult market situation outlined above. Our strategy of concentrating on client-oriented segments has paid dividends, especially in Private Customers and the *Mittelstandsbank*. In addition, we have continued along the path of controlled expansion and reinforced our presence in highly promising markets abroad. In September we were awarded the license for a branch in Dubai. This will be the 21st branch of Commerzbank AG abroad, and reflects our aim of gaining exposure to the rapidly expanding economic potential of the region while also using the branch to offer service locally to German and Arabic clients alike. The branch will provide a wide range of banking services for companies

and institutional investors, including in particular structured investment products, derivatives, trade finance and transaction banking, asset management via cominvest and real-estate financing via Eurohypo.

In September we also announced that we would acquire 60% plus one share in Forum Bank of Ukraine, thereby significantly strengthening our position in Central and Eastern Europe. Forum Bank has more than 3,000 employees, and concentrates primarily on services to its 12,000 corporate clients. With our support, the bank will expand its retail banking operations in the years ahead.

At the start of October, our new representative office in the Ethiopian capital Addis Ababa opened for business. The main task of the office will be to maintain close contacts with the National Bank of Ethiopia, local banks and other institutions.

In the area of asset management, our strategy of increased focus has been successfully implemented. In October we reached an agreement with UBS over the sale of our French subsidiary, Caisse Centrale de Réescompte (CCR). The transaction is expected to be finalized in the first quarter of 2008, following approval from the supervisory authorities. After the sale of the UK-based Jupiter International Group in June and the pending sale of Commerz International Capital Management (Japan), we will fully concentrate our asset management operations in our domestic subsidiary cominvest Asset Management in future.

The annual general meeting of Eurohypo was held on August 29, 2007. The meeting approved the squeeze-out of minority shareholders for the benefit of the principal shareholder, Commerzbank Inlandsbanken Holding GmbH. The annual general meeting also approved the control and profit transfer agreement. This was recorded in the commercial register and entered into effect on September 4, 2007. This agreement will allow us to reduce fiscal complexity within the Commerzbank Group and to achieve tax benefits.



EARNINGS PERFORMANCE, FINANCIAL AND ASSET POSITION

When examining the income statement of the Commerzbank Group, it should be noted that Eurohypo has been fully consolidated only since April 2006. In the first quarter of 2006 it was still reported at equity. This means that for the first three months of 2006 the contribution to income due to our investment was shown under net interest income.

Although the income statement for the third quarter of 2007 clearly reflects the impact of the subprime crisis, income after provisioning did rise modestly in comparison to the same period last year. The operating profit improved by over 7% compared to the third quarter of 2006 and by over 17% in the nine-month comparison.

Net interest income at stable levels – provisioning is down

Net interest income came to €999m in the third quarter, compared with €1,003m in the previous quarter. We were able to expand volumes and margins in domestic corporate banking, BRE Bank and in the Commercial Real Estate segment, thereby improving income in comparison to the previous quarters. Net interest income remained stable in retail banking. However, we were forced to report negative net interest income in the Public Finance and Treasury segment due to the development of interest rates. In total for the first nine months of 2007, we are able to report net interest income of €3.05bn, compared to €2.94bn for the same period last year.

We are happy to report a further reduction in provisions for possible loan losses. After setting aside provisions of €160m in the first quarter and €151m in the second quarter, we have allocated an amount of €107m for the period July to September. Although the need for provisions in the USA has risen due to the subprime crisis, it has fallen in all other areas. We were even able to make net releases of provisions in the *Mittelstandsbank* segment. In the year to date, we have made provisions totaling €418m for possible loan losses. Even when not taking into account the one-off amount of €293m in retail business in 2006, loan loss provisions declined.

Net commission income doing well – trading profit weaker

In the third quarter of 2007, we have posted net commission income of €810m. Of this amount, €100m was due to an extraordinary item in the *Mittelstandsbank* segment. A ruling by the German Federal Finance Court means that we can now recognize income from what was termed the reserve management programme, a product for corporate clients dating back to 2000. The remaining amount of €710m represents income from current operations; for the first time, this amount no longer includes income from our former subsidiary Jupiter International Group. The figure for the previous year was €718m, and included a €63m contribution from Jupiter. In total, commission income for the first nine months of this year amounted to €2.41bn compared to €2.17bn for the same period last year. Among the significant contributing factors to this growth were securities trading on behalf of our clients and the real estate business.

Seasonal factors and the fallout from the financial crisis were the main reasons for the noticeable decline in trading profit. It amounted to €124m in the third quarter, compared with €381m in the previous quarter and €168m in the third quarter of 2006. The Corporates & Markets segment was particularly impacted, especially the credit trading unit, while trading profit from derivative products and interest rate and currency trading remained strong. The valuation of derivatives and the application of the fair value option made a negative contribution. For the first nine months of 2007, however, we are still able to report a trading profit of €806m, compared to €825m in the same period for the previous year.

Net result on investments and securities portfolio dented by financial crisis

This position reflects the write-downs on our subprime exposure. Since the end of June, the market as a whole has deteriorated significantly. For this reason, we reassessed our exposure in great detail, and have adopted a transparent valuation process with regular intervals. The portfolio was subjected to an in-depth credit analysis focusing on the probability of defaults and appropriately valued taking into con-

sideration the information currently available. In the third quarter we made value adjustments of €291m on our subprime securities portfolio. This was spread over the Corporates & Markets (€163m) and Commercial Real Estate (€128m) segments and fully accounts for market developments up to the end of September.

In the first half of 2007, we were able to report investment earnings of €487m, due in large part to the sale of Jupiter International Group. Following the valuation adjustment mentioned above, the result for the third quarter is a negative €238m, leaving €249m for the first nine months. In the comparative period for 2006, the amount was €720m.

Cost control continues to be successful

In the third quarter, administrative expenses amounted to €1.28bn, or 3.1% less than in the previous quarter. This decline was primarily a result of the deconsolidation of Jupiter International Group, along with lower bonus provisions in some business segments. In the first nine months, administrative expenses totaled €3.97bn, or 4.1% higher than in the same period in 2006. On a pro-forma basis, i.e. taking Eurohypo fully into account in the comparison, there was a marginal increase of 0.7%. Personnel expenses rose to €2.35bn. The modest increase in the number of employees to 36,448 over the last twelve months was solely the result of additional staff abroad, mainly due to the expansion of BRE Bank. Investments in our efficiency initiatives resulted in higher other expenditure, which increased to €1.38bn. Depreciation on fixed assets of €237m remained at the level of last year.

Operating profit 17.4% higher than last year

We generated an operating profit of €361m in the third quarter, compared with €337m in the third quarter of 2006. For the first nine months of 2007, we are showing an operating profit of €2.34bn, an increase of 17.4% on the same period for the previous year. After deduction of tax of €560m and profit and loss of €68m attributable to minority interests, the consolidated surplus is €1.72bn. This is 37.8% higher than for the same period of the previous year. Based

on an average of 656.6 million issued ordinary shares, earnings per share came to €2.61, compared to €1.90 for the previous year on the basis of an average of 656.3 million shares.

Total assets and equity capital

Over the course of 2007, total assets of the Commerzbank Group have risen by 2.9% or €17.9bn to €626.3bn. While our interbank lending and claims on customers remained virtually unchanged, assets held for trading rose by €15bn to €100.6bn, especially due to higher positive fair values attributable to derivative financial instruments. Liabilities to banks and customers increased strongly by €9.1bn and €16.4bn respectively. Securitized liabilities meanwhile declined by €17.9bn. Liabilities from trading activities increased by €7.9bn.

Equity capital rose by 8.7% compared to the end of 2006 to €16.65bn. Subscribed capital, capital reserves and retained earnings remained virtually unchanged. The revaluation reserve was reduced by 15%, to €1.48bn as a result of the market situation. This decline was more than offset by the strongly improved results from cash flow hedges (–€42m compared to –€381m) and the €84m reduction in the reserve from currency translation. The consolidated surplus contributed an amount of €1.7bn for the period from January to September while €493m for 2006 were paid as dividends in May.

Risk-weighted assets rose sharply by €21.8bn to €253.3bn. For this reason, the core capital ratio fell slightly from 6.7% to 6.6%, despite higher equity capital. The own funds ratio fell from 11.1% to 10.2%.

Segment reporting

The composition of the segments and the segment reporting principles are explained in detail on pages 22 and 23 of this report. Performance in the various segments varied significantly during the first nine months of the year:



Private and Business Customers

This segment, which also includes the German Asset Management business area since the start of the year, has generated further improvements in earnings quality. Net interest income remained at the level reported in the first two quarters, totaling €956m for the first nine months. Provisions for possible loan losses were reduced each quarter; overall we have set aside €197m in provisions for the period from January to September. Net commission income was especially pleasing. This increased again in the third quarter, growing in comparison to the previous year by almost 10% to €1.2bn. We have retained a firm grip on costs. The modest increase to €1.6bn for the first nine months is primarily the result of higher bonus provisions due to good business performance and our growth programmes. Investments in branches and comdirect bank are bearing fruit. In the year to date, Commerzbank has acquired a net total of 231,000 new private and business customers.

Operating profit for the first nine months totaled €334m. On a comparable basis, that is to say without the special risk provision of the third quarter of 2006, it increased by 23.7% compared to the previous year. The operating return on equity was 17.8% and the cost/income ratio improved slightly to 75.2%.

Mittelstandsbank

The *Mittelstandsbank* segment continued its undiminished success. Margins remained stable while credit and deposit business volumes were increased. This saw net interest income rise quarter on quarter to total €1,074m for the first nine months, 15.4% more than in the comparative period in 2006. Due to the continuing favorable economic environment, we reduced the provision for possible loan losses once again. We were even able to make net releases of provisions in the third quarter. For the first nine months, we are reporting provisions of only €17m compared to €174m in the same period for 2006. Net commission income of €645m also made a pleasingly strong contribution to earnings. Adjusted for the extraordinary item of €100m mentioned above, commission income was still almost 12% higher than in the

first nine months of 2006. This reflects the success of our improved cross-selling efforts. Our ongoing tight cost management kept cost increases to a minimal 2.9%.

We achieved an operating profit of €993m, compared with €502m in the a previous year. With slightly more average equity tied up, the operating return on equity rose to 42.5% from 22.3%. The cost/income ratio improved from an already strong 54.3% last year to 45.0%.

Corporates & Markets

The performance of the Corporates & Markets segment in the third quarter of 2007 was impacted by the subprime crisis. However, core operations remained strong. While interest income for the first nine months rose by 6.2% over the same period last year to total €275m, we were forced to make significantly higher provisions for possible loan losses – but solely for the New York subsidiary, which has only been part of this segment since mid-2006. For the first nine months of 2006, this position reported a positive balance, but a negative amount of €80m was recorded in the course of this year. Despite a drop in income from syndications, net commission income rose by 4.4% to €142m in the year to date. Trading profit reflected the difficult market environment; in the third quarter it was €150m compared to €327m in the previous quarter. For the first nine months of 2007, we have achieved a modest rise of 1.3% to €766m. The net result from the investments and securities portfolio of –€140m includes €163m of write-downs on CDOs linked to the subprime crisis.

The operating profit fell from €520m in the first nine months of 2006 to €227m. On the basis of lower average equity tied up, the operating return on equity was 13.4% compared to 28.1% for the previous year. The cost/income ratio rose from 58.3% to 71.1%.

Commercial Real Estate

The Commercial Real Estate segment includes the commercial real-estate operations of Eurohypo and Commerz Real AG (formed through the merger of CommerzLeasing und Immobilien and Commerz Grundbesitzgesellschaft). Operating business continued to perform positively. This is shown more clearly through a pro-forma comparison with the results for 2006 than by looking at the reported figures. Net interest income has risen modestly in the year to date, remaining stable at €642m after €643m last year. Loan loss provisions were lowered from €137m to €104m. Net commission income increased by a pleasing 29% to €289m. Unfortunately, this segment was also affected by the subprime crisis. The net result on investments and securities portfolio was hit by an impairment charge of €128m on the subprime portfolio of Eurohypo in New York. Administrative costs rose only slightly to €810m for the period from January to September.

We report an operating profit of €401m. On a pro-forma basis, this represents a modest decline of 1.7%. The operating return on equity was 12.5%, while the cost/income ratio was 44.7%.

Public Finance and Treasury

This segment comprises Hypothekenbank in Essen, Erste Europäische Pfandbrief- und Kommunalkreditbank, the public-sector lending business of Eurohypo and the Group Treasury. Essen Hyp in particular was impacted by the difficult market environment following the subprime crisis. It is worth noting in this regard that Essen Hyp itself is not exposed in this sector. Income in the third quarter was also weighed down by lower gains on sales of borrower note loans at Essen Hyp and less repayment penalties at Eurohypo. In our Treasury, however, we noticed a turn for the better. For the first nine months of 2007, income of €120m was generated with administrative costs of €78m.

Operating profit was €42m compared to €247m on a pro-forma basis for the previous year. The operating return on equity was 4.7%, and the cost/income ratio was 57.4%.

Others and Consolidation

Since the start of the year, we have also included international asset-management activities into this segment. Performance was driven in particular by the deconsolidation of Jupiter International Group in June. Net interest income was €19m compared with €3m last year. Commission income fell from €254m to €157m. The net result on investments and securities portfolio was €339m. This position reflects the proceeds from the sale of various stakes, especially Germanischer Lloyd, Deutsche Börse and Jupiter International. Administrative costs fell from €390m last year to €288m this year. We report an operating profit of €347m compared with €471m last year.

The Commerzbank Group posted an operating return on equity of 23.1% for the first nine months of 2007, or 18.4% calculated on the basis of the consolidated surplus. The cost/income ratio remained at the pleasingly low level of 59.0%.

FORECAST

Despite financial market turbulence, the global upturn will continue in the months ahead. Nonetheless, the crisis in the real-estate market, which is also unsettling the financial markets, is likely to continue to put the brakes on the US economy. In Germany growth will probably tend to weaken and approach the medium-term trend level of about 1½%. Given the less favorable economic prospects in the euro zone, the ECB will leave interest unchanged for the immediate future. Further interest rate cuts are likely from the Federal Reserve, so we expect bond yields to fall slightly.

The Commerzbank Group as a whole remains well on track in operational terms. In the individual segments we anticipate the following results for 2007:

- In the Private and Business Customers segment we anticipate an operating profit of more than €375m. This represents significant growth in comparison over the previous year, even if the 2006 results are adjusted for the special risk provision of €293m.



- Seen from today's perspective, the *Mittelstands-bank* will achieve operating profit of over €1.2bn, representing strong growth compared to the results in 2006.
- In Corporates & Markets we anticipate the fourth quarter will be positive again. The operating profit will be below the previous year but will remain at a satisfactory level, given the roughly €210m impairments on the subprime portfolio in total.
- Despite impairments on the subprime portfolio, we expect operating profit in the Commercial Real Estate segment to match the level from last year.
- For Public Finance and Treasury, the fourth quarter should offer a modest recovery. However, this segment will continue to be impacted by interest rate developments and the weaker markets.

Despite subprime effects but also thanks to a good result from our management of investments, our current projections indicate that for the Group as a whole we will achieve a return on equity based on the consolidated surplus of more than 15%. We intend to share this increase in earnings with our shareholders in the form of higher dividends.

In 2008, we will maintain our strategy of concentrating on client-based operations and controlled growth. Provided the markets do not deteriorate any more, we are confident that we can further increase the return on equity next year.

RISK REPORT

I. Risk-based overall Bank management

1) Principles and organization of risk management

The Commerzbank Group's value-based and risk/return-oriented overall Bank management involves taking on identified risks and managing them professionally. Accordingly, the core tasks for Commerzbank risk management consist of identifying all the major risks within the Group and – as far as possible – precisely measuring these risks and managing the resulting risk positions.

Commerzbank defines risk as the danger of possible losses or profits foregone, which may be triggered by internal or external factors. Risk management always distinguishes between quantifiable – i.e. measurable – and unquantifiable categories of risk.

For a more detailed explanation of the way risk management is organized at Commerzbank, please see our 2006 annual report. There have been no significant changes in organizational and reporting structures since the last management report.

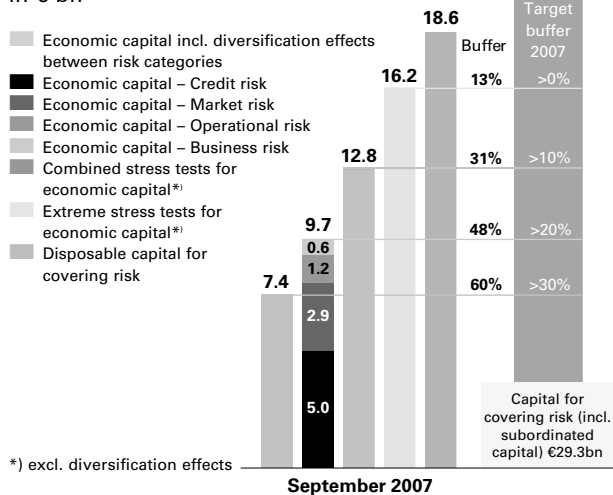
2) Risk-taking capability

Calculation of the risk-taking capability based on economic capital is the second important pillar of overall Bank management, alongside integrated risk/return-oriented management based on expected loss and risk appetite.

For this, the aggregate risk figure for the Bank as a whole (measured as economic capital) is set against the total capital available for covering risk. The objective of this comparison is to establish whether the Bank is in a position to anticipate potential unexpected losses without serious negative effects on its business activity and to cover them from its own funds.

Risk-taking capability for the Commerzbank Group

in € bn



In accordance with Group guidelines, the capital available for covering risk must be 20% higher than the economic capital excluding diversification effects. Within the Bank's overall risk strategy, the risk buffer requirement has been translated into specific targets for individual portfolios. The Bank maintained all of the buffers set in the reporting period at all times.

II. Risk management

1) Default risks

Definition

The risk of losses or profits foregone due to defaults by counterparties and also the change in this risk. Apart from this traditional risk, default risk also

covers country risk and issuer risk as well as counterparty risk and settlement risk arising from trading activities.

Provision development

Risk provisions in the third quarter totaled €107m, which was €44m lower than in the previous quarter. There was also a significant reduction from the third quarter of 2006, primarily the result of the one-off charge in Retail taken in the Q3 last year. We anticipate that Group risk provisions in 2007 will be below €550m.

Modeling and quantifying credit risk

All credit risks are aggregated at the portfolio level with the aid of the internal credit-risk model, with the input parameters and risk factors closely linked to the parameters for Basel II. From the distribution of loss we calculate both the expected loss (EL) and the unexpected loss (UL).

Whilst UL is used to measure risk concentrations and in managing cluster risks, we have established EL as a central variable in guiding the Bank's processes. EL is used in the Bank's operational management of risk. In addition, the EL positioning for the individual business lines is ascertained within the strategic planning process. The regular monitoring of EL is embedded in a limits system.

The expected loss at Group level has risen by 5% over the comparative nine-month period, in line with segmental business trends. The decline in the Private and Business Customers segment from the planned

Provision for possible loan losses

Segments	1 st quarter 2006	2 nd quarter 2006	3 rd quarter 2006*	2006 as a whole (pro forma)	1 st quarter 2007	2 nd quarter 2007	3 rd quarter 2007	Difference 3 rd quarter vs. 2 nd quarter
Private and Business Customers	71	72	381	599	73	66	58	-8
Mittelstand	80	81	13	128	30	25	-38	-63
Corporates & Markets	11	9	-27	-11	13	10	57	47
Commercial Real Estate	41	55	41	186	39	39	26	-13
Public Finance and Treasury	8	8	7	28	5	7	4	-3
Others and Consolidation	0	0	0	0	0	4	0	-4
Group	211	225	415	930	160	151	107	-44

*) Increase in risk provisions in the third quarter 2006 resulting from the one-off in retail business amounting to €293 m.



Expected loss by segment

	30.9.2007	31.12.2006 ^{*)}	Change
	€ m	€ m	in %
Private and Business Customers	260	294	-12
<i>Mittelstand</i>	323	287	13
Corporates & Markets	162	109	49
Commercial Real Estate	265	277	-4
Public Finance and Treasury	68	55	24
Others and Consolidation	15	17	-12
Group	1,093	1,039	5

*) EL as of 31.12.2006 was adjusted to the current segment structure.

introduction of additional selective scoring systems stands in contrast with the higher level in the *Mittelstand* segment, which is the result of increased volumes in the target groups German *Mittelstand* (SMEs) and Central/Eastern Europe (especially BRE). The rise in the C&M segment is due to base date effects and to revaluations in the context of current market instability.

Country risks

Country-risk management covers all the decisions, measures and processes which are intended to influence portfolio structure in order to achieve management goals. The country risk credit committee discusses Group strategy decisions in conjunction with the Group-wide planning and control of country risks, and sets segment-specific country limits. Globalization is increasingly bringing opportunities for all areas of business which, through targeted risk/return-oriented business expansion in the emerging

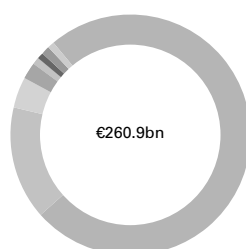
markets, can be utilized to a greater extent than has previously been the case. Overall, 86% of exposure abroad is in the rating range 1.0 to 1.8, and 11% is in the range 2.0 to 2.8, whilst only 3% of the exposure has a rating of 3.0 or worse.

2) Market-price risks

Definition

Market-price risks encompass the risks of losses from changes in market prices (interest rates, spreads, exchange rates, share prices, etc) or parameters influencing prices, such as volatility and correlations. This definition comprehends also risks from equity investments in the banking book and equity event risks (modeling equity risk beyond VaR, e.g. to cover the insolvency of an issuer). We also keep an eye on market liquidity risk, which covers cases where it is not possible for the Bank to liquidate or hedge risky positions in a timely manner and to the desired extent as a result of insufficient liquidity in the market.

Regions of foreign exposure as of 30.9.2007



Modeling and quantifying market risks

The value-at-risk shows the potential losses which will not be exceeded with a 99% degree of probability for a holding period of 10 days. In the table on the following page, market risk is broken down into business lines in accordance with the internal model (trading book risks and currency risks for the banking book).

Changes in market-price risks

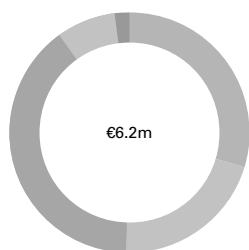
Value-at-risk (99%, 10 days)

€ m	Corporates & Markets		Treasury		Group	
	1.1.-30.9.2007	2006	1.1.-30.9.2007	2006	1.1.-30.9.2007	2006
Minimum	16.0	15.2	5.2	9.4	21.5	21.0
Median	24.6	27.2	8.6	12.3	33.2	31.3
Maximum	37.4	38.6	54.8	25.8	69.6	44.3
End of period	24.2	22.6	7.7	12.2	26.2	30.0

Market risk in accordance with the internal model as of 30.9.2007

(99%, 10 days)

- 30% Credit-spread risk
- 20% Interest-rate risk
- 40% Equity risk
- 8% FX risk
- 2% Precious metal risk



In addition, credit spread, equity investment and interest-rate risks in the banking book, which are reflected in the revaluation reserve, are also subject to internal monitoring and limits (including a sensitivity limit).

3) Operational risks

Definition

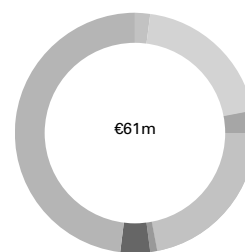
We define operational risk as the risk of losses through inadequate or defective systems and processes, human or technical failures or external events such as system breakdowns or fire damage. In line with the definition of the Solvency Regulation, this also includes legal risk, i.e. risks stemming from inadequate contractual agreements or changes in the legal framework.

In the first three quarters of 2007, actual losses (individual cases above €5,000) amounted to €31m, while overall provisions in the same period were reduced by around €5m. Expected loss (EL) and unexpected

loss (UL) from operational risks amounted to around €61m and €1,233m respectively. Further development of the Advanced Measurement Approach for fully taking into account all components of the Solvency Regulation led to increases versus the December 2006 figures (EL €50m, UL €1,044m). The EL/UL ratio of 1:20 highlights the importance of avoiding major risks in the prevention of losses. We are gradually optimizing the use of insurance policies against losses to limit UL as part of the OpRisk concept.

Expected loss from operational risks as of 30.9.2007

- 2% Internal fraud
- 20% External fraud
- 3% Employment practice and job security
- 22% Customers, products and business practices
- 1% Material damages
- 4% Interruptions to business and systems crashes
- 48% Execution, delivery and process management



4) Other types of risk

In terms of all other quantifiable and non-quantifiable risks, there were no significant changes in the third quarter of 2007 as against the position reported in detail in the 2006 annual report.



III. Main developments in 2007

Basel II

Commerzbank has applied for approval to be an AIRB bank. This impacts both the AIRB approach for the loan book and the AMA approach to reporting operational risks. Scrutiny by the regulator for the purpose of certification in this regard is still ongoing. Current extrapolations confirm the positive capital saving effect expected for the Group as a whole.

Internal model for calculating liquidity risks

Regulatory liquidity requirements under Principle II were met at all times in the first three quarters, with values of between 1.12 and 1.25. Commerzbank uses the long-established Available Net Liquidity concept for internal liquidity management. In the reporting period, this was expanded with additional scenarios to simulate stress situations. The reliability of the concept has been demonstrated during the current liquidity crisis, ensuring that the bank had access to sufficient liquidity at all time and even placing it in a position to make liquidity available to the financial markets.

Commerzbank will apply for the method to be approved as its internal liquidity risk model. After initial consultations with the supervisory authority in the second quarter of 2007, a workshop has been scheduled for the fourth quarter to address specific issues in the approval process.

Retail lending

Implementation of the combined retail-lending platform conceived in 2006 in the course of the Eurohypo integration, and the establishment of a highly effective operational credit function focusing systematically on risk optimization, were executed according to plan in September 2007 with the migration of the loan portfolio to the new platform. Together with further

improved, powerful scoring systems, these new business processes and organizational structures will create the conditions for enhancing return on equity in the retail-lending market through efficient credit processing, swift, risk-based decision-making and active portfolio management, and for playing a successful, leading role in the competitive market for private and business customers in Germany.

Intensive Care

In 2007, a project was launched with the objective of combining Group-wide intensive care skills into a single unit. The unit's tasks will include inter alia the definition of Group-wide standards for a professional and efficient workout procedure, the harmonization of write-down policies, the introduction of a cash-value oriented management system and the positioning of the new unit as a virtual profit center. The planning phase will be completed by the end of the year.

Subprime crisis

Commerzbank is exposed to the US subprime market with a CDO/RMBS volume in the amount of €1.2bn through its units in New York and London; in addition CB Europe holds €54m subprime underlyings as part of AAA bonds in a total volume of €0.2bn.

In the third quarter, the environment has deteriorated dramatically, as illustrated for example by the decline in the ABX HE 2006-2 indices (which show the price performance of RMBS securitizations by ratings). The index for the BBB tranche on March 31, 2007 was 79.00, but by September 30, 2007 it had fallen to only 39.33.

For this reason, the risk function undertook a complete revaluation of the portfolio as per September 30, 2007 (please see the note on accounting principles). This analysis resulted in a charge against earnings in the amount of €291m before tax, which was fully booked in the third quarter.

**DECLARATION OF COMPLIANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)
– ACCOUNTING PRINCIPLES AND CONSOLIDATED COMPANIES –**

Accounting principles

Our interim financial statements as of September 30, 2007, were prepared in accordance with Art. 315a (1) of the German Commercial Code (HGB) and Regulation (EC) No. 1606/2002 (IAS Regulation) of the European Parliament and of the Council of July 19, 2002, together with other regulations for adopting certain international accounting standards on the basis of the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS), approved and published by the International Accounting Standards Board (IASB). This report takes particular account of the requirements of IAS 34 relating to interim financial reporting.

In preparing this interim report, we have in principle employed the same accounting policies as in our consolidated financial statements as of December 31, 2006 (see page 112ff. of our 2006 annual report).

Sales margins from foreign exchange transactions were previously reported in the income statement under net result on trading. From 2007 financial year onward, these will be reported under net commission income, as is now the international norm. We have adjusted the previous years' figures accordingly. In respect of the first nine months of 2006, the reclassification amounts to €49m.

Adjustment to the provision for possible loan losses in accordance with IAS 8

As of December 31, 2006, we effected a backdated increase in the provision for possible loan losses in accordance with IAS 8.42. Details may be found in Note 2 to the consolidated financial statements as of December 31, 2006. This adjustment also affects the results for the first three quarters and the statement of changes in equity of 2006, which we have adjusted in this report to make comparisons easier.

Valuation of the subprime portfolio

The CDO and RMBS portfolios affected are allocated to the IAS 39 category "Available for Sale" in the Investments and Securities Portfolio. As far as no active market is available for these financial instruments, we have, in accordance with IAS 39, resorted to a valuation process and calculated the fair value from available market-price indices. The question of whether or not a RMBS is impaired has been addressed in a tranche-by-tranche individual valuation process (bottom-up analysis) using trustee reports and additional available information. The expected losses projected by this process have been applied to the securities underlying the CDOs on the basis of the rating and year of issue. Where assets are impaired, the difference in value between the amortized cost and the current fair value has been reported as a value impairment expense in the income statement. The analysis has led to impairment charges against earnings for CDO and RMBS portfolios based on subprime assets of €291m before tax in the third quarter of 2007.

Consolidated companies

On August 28, 2007 we concluded a contract for the sale of our subsidiary Commerz International Capital Management (Japan) Ltd, Tokyo. We also signed an agreement on October 23, 2007 for the sale of our subsidiary Caisse Centrale de Réescompte, S.A., Paris, (CCR). In compliance with IFRS 5, we are reporting these companies' assets and liabilities under Other Assets and Other Liabilities until the final transfer of the shares is completed, which in the case of CCR is planned for early 2008. The individual amounts can be found in the relevant notes.

The subsidiaries Skarbiec Asset Management Holding SA, Warsaw, BRE Agent Transferowy Sp. z o.o., Warsaw, and SKARBIEC Towarzystwo Funduszy Inwestycyjnych SA, Warsaw, as well as the special-purpose entity Comas Strategy Fund Limited, Grand Cayman, were deconsolidated in January 2007.



The subsidiaries Commerz Grundbesitz Beteiligungsgesellschaft mbH & Co.KG, Frankfurt am Main, and KENSTONE GmbH, Eschborn, were consolidated into the Group as of January 1, 2007.

Commerzbank (Schweiz) AG Private Banking, Vienna, was consolidated at the end of May 2007.

We sold our subsidiaries Commerz Asset Management (UK) plc, London, and Jupiter International Group plc, London, and deconsolidated the companies on June 19, 2007. The sale generated non-recurring income of €243m in the category investments and securities portfolio (available for sale) as well as €94m in other income.

The subsidiaries ComTS Mitte GmbH, ComTS Nord GmbH and ComTS West GmbH, as well as the special-purpose entity Semper Finance 2007-1 GmbH, all based in Frankfurt am Main, were consolidated into the Group on June 30, 2007.

P.T. Bank Finconesia, Jakarta was divested on August 1, 2007 and has no longer been consolidated since that date.

The following newly established special purpose entities have been included in the interim report for the first time: CB Mezzanine Ltd Partnership, Frankfurt am Main; CoSMO Finance 2007-1 Ltd, Dublin; Glastonbury 2007-1 plc, Dublin; Kaiserplatz Purchaser No. 08 Ltd, St. Helier (Jersey); Kaiserplatz Purchaser No. 18 Ltd., St. Helier (Jersey); and KP Avalon Ltd, Dublin.

The following special funds were divested and deconsolidated: DBI Fund HIE 1, Frankfurt am Main; DBI Fund HIE 3, Frankfurt am Main; DEVIF Fund No. 606, Frankfurt am Main; and Grugafonds, Munich.

The special purpose entities Kaiserplatz Purchaser Nos. 02, 03, 04 and 09, each domiciled in St. Helier (Jersey) were closed as planned upon maturity and are therefore no longer consolidated.

consolidated income statement

	Notes	1.1.–30.9.2007 € m	1.1.–30.9.2006 € m	Change in %
Net interest income	(1)	3,047	2,941	3.6
Provision for possible loan losses	(2)	-418	-799	-47.7
Net interest income after provisioning		2,629	2,142	22.7
Net commission income	(3)	2,415	2,129	13.4
Trading profit	(4)	806	825	-2.3
Net result on investments and securities portfolio (available for sale)	(5)	249	720	-65.4
Other result	(6)	212	-10	.
Operating expenses	(7)	3,967	3,809	4.1
Operating profit		2,344	1,997	17.4
Restructuring expenses		-	214	.
Pre-tax profit		2,344	1,783	31.5
Taxes on income	(8)	560	413	35.6
After-tax profit		1,784	1,370	30.2
Profit/loss attributable to minority interests		-68	-125	-45.6
Consolidated surplus		1,716	1,245	37.8

Earnings per share	1.1.–30.9.2007	1.1.–30.9.2006	Change in %
Operating profit (€ m)	2,344	1,997	17.4
Consolidated surplus (€ m)	1,716	1,245	37.8
Average number of ordinary shares issued (units)	656,593,546	656,267,572	0.0
Operating profit per share (€)	3.57	3.04	17.4
Basic earnings per share (€)	2.61	1.90	37.4

The basic earnings per share, calculated in accordance with IAS 33, are based on the consolidated surplus. Minority interests are not taken into consideration.

In the financial year as in the previous year, no conversion or option rights were outstanding. The diluted earnings per share, therefore, correspond to the basic earnings per share.


CONSOLIDATED INCOME STATEMENT (QUARTER-ON-QUARTER COMPARISON)

€ m	3 rd quarter	2 nd quarter	1 st quarter	4 th quarter	3 rd quarter	2 nd quarter	1 st quarter
	2007	2006					
Net interest income	999	1,003	1,045	975	1,050	1,060	831
Provision for possible loan losses	-107	-151	-160	-79	-415	-225	-159
Net interest income after provisioning	892	852	885	896	635	835	672
Net commission income	810	758	847	798	718	677	734
Trading profit	124	381	301	286	168	337	320
Net result on investments and securities portfolio (available for sale)	-238	262	225	50	91	184	445
Other result	56	146	10	-4	17	-6	-21
Operating expenses	1,283	1,324	1,360	1,395	1,292	1,327	1,190
Operating profit	361	1,075	908	631	337	700	960
Restructuring expenses	-	-	-	39	-	214	-
Pre-tax profit	361	1,075	908	592	337	486	960
Taxes on income	10	283	267	174	84	146	183
After-tax profit	351	792	641	418	253	340	777
Profit/loss attributable to minority interests	-12	-24	-32	-66	-36	-55	-34
Consolidated surplus	339	768	609	352	217	285	743

consolidated balance sheet

Assets		30.9.2007	31.12.2006	Change
	Notes	€ m	€ m	in %
Cash reserve		3,271	5,967	-45.2
Claims on banks	(10, 12)	75,364	75,271	0.1
Claims on customers	(11, 12)	295,453	294,471	0.3
Provision for possible loan losses	(13)	-6,296	-7,371	-14.6
Positive fair values attributable to derivative hedging instruments		8,571	6,979	22.8
Assets held for trading purposes	(14)	100,572	85,527	17.6
Investments and securities portfolio	(15)	135,991	135,291	0.5
Intangible assets	(16)	1,304	1,680	-22.4
Fixed assets	(17)	1,319	1,388	-5.0
Tax assets		5,545	5,918	-6.3
Other assets	(18)	5,166	3,218	60.5
Total		626,260	608,339	2.9

Liabilities and equity		30.9.2007	31.12.2006	Change
	Notes	€ m	€ m	in %
Liabilities to banks	(19)	134,930	125,825	7.2
Liabilities to customers	(20)	157,574	141,214	11.6
Securitized liabilities	(21)	210,902	228,753	-7.8
Negative fair values attributable to derivative hedging instruments		14,143	14,119	0.2
Liabilities from trading activities	(22)	67,171	59,248	13.4
Provisions	(23)	3,006	3,346	-10.2
Tax liabilities		4,185	4,127	1.4
Other liabilities	(24)	3,613	1,582	.
Subordinated capital	(25)	10,654	11,274	-5.5
Hybrid capital	(26)	3,448	3,540	-2.6
Equity of Commerzbank Group		16,634	15,311	8.6
Subscribed capital		1,706	1,705	0.1
Capital reserve		5,699	5,676	0.4
Retained earnings		5,124	5,166	-0.8
Revaluation reserve		1,484	1,746	-15.0
Valuation of cash flow hedges		-42	-381	-89.0
Reserve from currency translation		-59	-143	-58.7
2006 consolidated profit *)		-	493	.
Consolidated surplus 1.1.–30.9.2007		1,716	-	.
Total before minority interests		15,628	14,262	9.6
Minority interests		1,006	1,049	-4.1
Total		626,260	608,339	2.9

*) after allocation to retained earnings



statement of changes in equity

The changes in the Commerzbank Group's equity were as follows during the first nine months:

€ m	Sub- scribed capital	Capital reserve	Retained earnings	Revalu- ation reserve	Valuation of cash flow hedges	Reserve from currency trans- lation	Consoli- dated profit	Total before minority interests	Minority interests	Equity
Equity as of 1.1.2006	1,705	5,686	4,033	1,995	-1,069	-107	328	12,571	947	13,518
Consolidated profit							493	493		493
Allocation to retained earnings			1,104					1,104		1,104
Profits/losses								-	191	191
Changes in revaluation reserve				-112				-112	-156	-268
Changes arising from cash flow hedges					682			682	91	773
Changes in currency reserve						-36		-36		-36
Comprehensive income 2006	-	-	1,104	-112	682	-36	493	2,131	126	2,257
Capital increases								-	25	25
Issue of shares to employees	1	8						9		9
Profits/losses in previous year								-	-106	-106
Allocation to retained earnings (minority interests)								-	32	32
Dividend							-328	-328		-328
Changes in companies included in consolidation and other changes*)	-1	-18	29	-137	6			-121	25	-96
Equity as of 31.12.2006	1,705	5,676	5,166	1,746	-381	-143	493	14,262	1,049	15,311
Consolidated profit							1,716	1,716		1,716
Allocation to retained earnings								-		-
Profits/losses								-	68	68
Changes in revaluation reserve				-256				-256	-135	-391
Changes arising from cash flow hedges					339			339	63	402
Changes in currency reserve						-4		-4	2	-2
Comprehensive income for the first nine months 2007	-	-	-	-256	339	-4	1,716	1,795	-2	1,793
Capital increases								-	24	24
Profits/losses in previous year								-	-184	-184
Allocation to retained earnings (minority interests)								-	90	90
Dividend							-493	-493		-493
Changes in companies included in consolidation and other changes*)	1	23	-42	-6		88		64	29	93
Equity as of 30.9.2007	1,706	5,699	5,124	1,484	-42	-59	1,716	15,628	1,006	16,634

*) including change in treasury shares

NB: statement of changes in equity from 1.1. to 30.9.2006

€ m	Sub-scribed capital	Capital reserve	Retained earnings	Revaluation reserve	Valuation of cash flow hedges	Reserve from currency translation	Consolidated profit	Total before minority interests	Minority interests	Equity
Equity as of 1.1.2006	1,705	5,686	4,033	1,995	-1,069	-107	328	12,571	947	13,518
Consolidated profit							1,245	1,245		1,245
Allocation to retained earnings								-		-
Profits/losses								-	125	125
Changes in revaluation reserve				-363				-363	-123	-486
Changes arising from cash flow hedges					494			494	65	559
Changes in currency reserve						-24		-24		-24
Comprehensive income for the first nine months 2006	-	-	-	-363	494	-24	1,245	1,352	67	1,419
Capital increases								-	25	25
Issue of shares to employees	1	8						9		9
Profits/losses in previous year								-	-106	-106
Allocation to retained earnings (minority interests)								-	33	33
Dividend							-328	-328		-328
Changes in companies included in consolidation and other changes*)	1	6	-11	-164	-2			-170	40	-130
Equity as of 30.9.2006	1,707	5,700	4,022	1,468	-577	-131	1,245	13,434	1,006	14,440

*) including change in treasury shares

cash flow statement

€ m	2007	2006
Cash and cash equivalents as of 1.1.	5,967	8,628
Net cash provided by operating activities	-1,262	34,512
Net cash used by investing activities	-250	-44,709
Net cash provided by financing activities	-1,180	5,953
Total cash flow	-2,692	-4,244
Effects of exchange-rate changes	-4	-2
Cash and cash equivalents as of 30.9.	3,271	4,382

The chart shows the cash flow within the Commerzbank Group. Cash and cash equivalents are represented by the cash reserve item, which is made up of cash on hand, balances with central banks, as well as debt issued by public-sector borrowers and bills of exchange discountable at central banks.



NOTES TO THE INCOME STATEMENT

(1) Net interest income

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Interest income from lending and money-market transactions and also from available-for-sale securities portfolio	15,971	13,095	22.0
Dividends from securities	65	137	-52.6
Current result on investments, investments in associated companies and holdings in subsidiaries	77	147	-47.6
Current income from leasing and comparable assets	156	166	-6.0
<i>Interest income</i>	<i>16,269</i>	<i>13,545</i>	<i>20.1</i>
Interest paid on subordinated and hybrid capital and also on securitized and other liabilities	13,080	10,467	25.0
Current expenses from leasing and comparable assets	142	137	3.6
<i>Interest expenses</i>	<i>13,222</i>	<i>10,604</i>	<i>24.7</i>
Total	3,047	2,941	3.6

The interest margin, based on the average risk-weighted assets in the on-balance-sheet business according to BIS, was 2.09% (previous year period: 2.36%).

(2) Provision for possible loan losses

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Allocation to provisions	-636	-1,060	-40.0
Reversals of provisions	320	315	1.6
Balance of direct write-downs and amounts received on written-down claims	-102	-54	88.9
Total	-418	-799	-47.7

(3) Net commission income

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Securities transactions	852	744	14.5
Asset management	513	548	-6.4
Payment transactions and foreign commercial business	355	365	-2.7
Real-estate business	209	154	35.7
Guarantees	127	125	1.6
Income from syndicated business	94	87	8.0
Other net commission income	265	106	.
Total	2,415	2,129	13.4

Net commission income includes €424m (previous year: €391m) of commissions paid.

(4) Trading profit

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Net result on trading	787	896	-12.2
Net result on the valuation of derivative financial instruments	32	-103	.
Net result on hedge accounting	-21	11	.
Net result from applying the fair value option	8	21	-61.9
Total	806	825	-2.3

(5) Net result on investments and securities portfolio (available for sale)

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Net result on interest-rate-bearing transactions	-97	87	.
Net result on equity instruments	346	633	-45.3
Total	249	720	-65.4

(6) Other result

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Other income	389	231	68.4
Other expenses	177	241	-26.6
Total	212	-10	.

(7) Operating expenses

	1.1.-30.9.2007	1.1.-30.9.2006	Change
	€ m	€ m	in %
Personnel expenses	2,348	2,316	1.4
Other expenses	1,382	1,257	9.9
Current depreciation on fixed assets and other intangible assets	237	236	0.4
Total	3,967	3,809	4.1



(8) Taxes on income

At September 30, 2007 the Group tax rate, i.e. the anticipated average tax rate on the basis of anticipated pre-tax profit, was 23.9% for the year under review. We applied this rate to calculate tax liability for the first nine months of 2007 totalling €560m.

As a result of the Bundesrat's approval of Business Tax Reform 2008 on July 6, 2007, corporate tax rates will be lowered as of January 1, 2008. Thus, Commerzbank AG's capitalized deferred tax assets and liabilities will in future be compared to lower corporate tax rates. Since the Group currently has a capitalized deferred tax surplus, a revaluation with the lower corporate tax rates results in a non-recurring tax liability of €148m in the third quarter of 2007.

In September, the profit-and-loss-transfer and control agreement between Commerzbank Inlandsbanken Holding GmbH – a wholly owned subsidiary of Commerzbank AG – and Eurohypo AG was entered in the commercial register, thus meeting the requirements for a tax entity. The forecast earnings for Eurohypo AG can now be utilized within the group tax entity and offset against the tax loss carryforwards of Commerzbank AG. Updating the medium-term planning to include Eurohypo AG led to recognition of deferred taxes on the loss carryforwards of Commerzbank AG within the domestic tax unit, resulting in a one-off tax credit of €260m.

(9) Segment reporting

Segment reporting reflects the results of the operational business lines within the Commerzbank Group. It is based on our internal management information, which is compiled every month in accordance with IAS rules.

In our segment reporting, we report on six segments:

- "Private and Business Customers" includes branch business with private individuals, professional and business people, private banking, the activities of comdirect bank, the retail banking of Eurohypo and the German Asset Management department (cominvest).
- "*Mittelstand*" presents the results of corporate banking in Germany, the Central and Eastern European region and Asia, as well as the Financial Institutions department.
- "Corporates & Markets" comprises equity and bond-trading activities, trading in derivative instruments, interest-rate and currency management, as well as corporate finance. In addition, this segment is responsible for business involving multinational companies. It also looks after the branches and subsidiaries in Western Europe, America and Africa.
- "Commercial Real Estate" presents the results of Commerz Real and Eurohypo's commercial real-estate activities.
- "Public Finance and Treasury" consists of Hypothekbank in Essen and Erste Europäische Pfandbrief- und Kommunalkreditbank in Luxemburg, Eurohypo's public finance business and the Group Treasury department.
- "Others and Consolidation" registers the income and expenses which do not fall within the area of responsibility of the operational business lines. Also included here are the income and expenses required to reconcile the internal accounting control variables used in the segment reporting of the operational business lines to the relevant external accounting data.

In addition, this segment covers equity participations which are not assigned to the operational business lines as well as the international asset management activities (Jupiter International Group, Caisse Centrale de Réescompte, Commerzbank Europe (Ireland) and CAM Asia Pacific).

The result generated by each individual segment is measured in terms of the operating profit and the pre-tax profit, as well as the return on equity and the cost/income ratio. Through the presentation of pre-tax profits, minority interests are included in both the result and the average equity tied up. All the revenue for which a segment is responsible is thus reflected in the pre-tax profit.

The return on equity is calculated from the ratio between the operating profit (operating or pre-tax) and the average amount of equity that is tied up. It shows the return on the equity that is invested in a given segment. The cost/income ratio in operating business reflects the cost efficiency of the various segments. It represents the quotient formed by operating expenses and income before provisioning.

Income and expenses are shown such that they reflect the originating unit and appear at market prices, with the market interest rate applied in the case of interest-rate instruments. Net interest income reflects the actual funding costs of the equity participations, which are assigned to the respective segments according to their specific business orientation. The investment yield achieved by the Group on its equity is assigned to the net interest income of the various segments such that it reflects the average amount of equity that is tied up. The interest rate corresponds to that of a risk-free investment in the long-term capital market. The average amount of equity tied up is worked out using the BIS system, based on the established average amount of risk-weighted assets and the capital charges for market risk positions (risk-weighted asset equivalents). At Group level, investors' capital is shown, which is used to calculate the return on equity. The capital backing for risk-weighted assets which we assume for segment reporting purposes is 6%.



Direct and indirect expenditure form the operating expenses which are shown in the operating profit. They consist of personnel costs, other expenses and depreciation of fixed assets and other intangible assets. Restructuring expenses appear below the operating

profit in the pre-tax profit. Operating expenses are assigned to the individual segments on the basis of the causation principle. The indirect expenses arising in connection with internal services are charged to the beneficiary or credited to the segment performing the service.

1.1.–30.9.2007	Private and Business Customers	Mittelstand	Corporates & Markets	Commercial Real Estate	Public Finance and Treasury	Others and Consolidation	Total
€ m							
Net interest income	956	1,074	275	642	81	19	3,047
Provision for possible loan losses	-197	-17	-80	-104	-16	-4	-418
Net interest income after provisioning	759	1,057	195	538	65	15	2,629
Net commission income	1,201	645	142	289	-19	157	2,415
Trading profit	3	74	766	36	-77	4	806
Net result on investments and securities portfolio	1	28	-140	-126	147	339	249
Other result	-19	15	19	73	4	120	212
<i>Revenue</i>	<i>1,945</i>	<i>1,819</i>	<i>982</i>	<i>810</i>	<i>120</i>	<i>635</i>	<i>6,311</i>
Operating expenses	1,611	826	755	409	78	288	3,967
Operating profit	334	993	227	401	42	347	2,344
Restructuring expenses	-	-	-	-	-	-	-
Pre-tax profit	334	993	227	401	42	347	2,344
Average equity tied up	2,498	3,116	2,262	4,265	1,188	172	13,501
Operating return on equity*¹ (%)	17.8	42.5	13.4	12.5	4.7	.	23.1
Cost/income ratio in operating business (%)	75.2	45.0	71.1	44.7	57.4	.	59.0
Return on equity of pre-tax profit*¹ (%)	17.8	42.5	13.4	12.5	4.7	.	23.1
Staff (average no.)	11,699	9,480	1,768	1,613	425	9,650	34,635

*) annualized

1.1.–30.9.2006	Private and Business Customers	Mittelstand	Corporates & Markets	Commercial Real Estate	Public Finance and Treasury	Others and Consolidation	Total
€ m							
Net interest income	952	931	259	481	315	3	2,941
Provision for possible loan losses	-509	-174	7	-100	-23	-	-799
Net interest income after provisioning	443	757	266	381	292	3	2,142
Net commission income	1,094	487	136	182	-24	254	2,129
Trading profit	3	60	756	12	-42	36	825
Net result on investments and securities portfolio	-	5	30	6	42	637	720
Other result	-17	-4	49	31	-	-69	-10
<i>Revenue</i>	<i>1,523</i>	<i>1,305</i>	<i>1,237</i>	<i>612</i>	<i>268</i>	<i>861</i>	<i>5,806</i>
Operating expenses	1,546	803	717	294	59	390	3,809
Operating profit	-23	502	520	318	209	471	1,997
Restructuring expenses	96	-	3	13	6	96	214
Pre-tax profit	-119	502	517	305	203	375	1,783
Average equity tied up	2,463	2,999	2,465	2,844	1,031	403	12,205
Operating return on equity*¹ (%)	-1.2	22.3	28.1	14.9	27.0	.	21.8
Cost/income ratio in operating business (%)	76.1	54.3	58.3	41.3	20.3	.	57.7
Return on equity of pre-tax profit*¹ (%)	-6.4	22.3	28.0	14.3	26.3	.	19.5
Staff (average no.)	11,615	9,085	1,741	1,409	281	9,530	33,661

*) annualized



NOTES TO THE BALANCE SHEET

(10) Claims on banks

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
due on demand	16,887	16,186	4.3
other claims	58,477	59,085	-1.0
with a remaining lifetime of			
less than three months	21,801	27,070	-19.5
more than three months, but less than one year	14,812	8,525	73.7
more than one year, but less than five years	13,516	15,061	-10.3
more than five years	8,348	8,429	-1.0
Total	75,364	75,271	0.1
of which: reverse repos and cash collaterals	22,097	32,944	-32.9

(11) Claims on customers

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
with indefinite remaining lifetime	21,154	19,881	6.4
other claims	274,299	274,590	-0.1
with a remaining lifetime of			
less than three months	52,259	44,723	16.9
more than three months, but less than one year	27,525	30,658	-10.2
more than one year, but less than five years	95,217	99,635	-4.4
more than five years	99,298	99,574	-0.3
Total	295,453	294,471	0.3
of which: reverse repos and cash collaterals	10,291	9,967	3.3

(12) Total lending

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Loans to banks	33,623	29,808	12.8
Loans to customers	287,562	286,664	0.3
Total	321,185	316,472	1.5

We distinguish loans from claims on banks and customers such that only those claims are shown as loans for which special loan agreements have been concluded with the borrowers. Therefore, interbank money-market

transactions and repo transactions, for example, are not shown as loans. Acceptance credits are also included in loans to customers.

(13) Provision for possible loan losses

Development of provisioning	2007	2006	Change
	€ m	€ m	in %
As of 1.1.	7,918	5,650	40.1
Allocations	636	1,060	-40.0
Deductions	1,731	769	.
Utilized	1,411	454	.
Reversals	320	315	1.6
Changes in companies included in consolidation	-4	2,415	.
Exchange-rate changes/transfers	11	-12	.
As of 30.9.	6,830	8,344	-18.1

With direct write-downs and income received on previously written-down claims taken into account, the allocations and reversals reflected in the income statement gave rise to a provision of €418m (previous year: €799m); see Note 2.

Level of provisioning	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Specific valuation allowances	5,607	6,710	-16.4
Portfolio valuation allowances	689	661	4.2
Provision to cover balance-sheet items	6,296	7,371	-14.6
Provisions in lending business (specific risks)	334	356	-6.2
Provisions in lending business (portfolio risks)	200	191	4.7
Total	6,830	7,918	-13.7

(14) Assets held for trading purposes

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Bonds, notes and other interest-rate-related securities	21,663	23,551	-8.0
Shares and other equity-related securities	15,448	7,787	98.4
Promissory notes held for trading purposes	2,041	1,800	13.4
Positive fair values attributable to derivative financial instruments	61,420	52,389	17.2
Total	100,572	85,527	17.6

**(15) Investments and securities portfolio (available-for-sale)**

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Bonds, notes and other interest-rate-related securities	130,572	130,603	0.0
Shares and other equity-related securities	2,955	2,407	22.8
Investments	2,025	1,850	9.5
Investments in associated companies	301	298	1.0
Holdings in subsidiaries	138	133	3.8
Total	135,991	135,291	0.5

(16) Intangible assets

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Goodwill	950	1,287	-26.2
Other intangible assets	354	393	-9.9
Total	1,304	1,680	-22.4

(17) Fixed assets

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Land and buildings	824	836	-1.4
Office furniture and equipment	495	552	-10.3
Total	1,319	1,388	-5.0

(18) Other assets

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Collection items	381	758	-49.7
Precious metals	746	1,013	-26.4
Leased equipment	288	259	11.2
Assets held for sale	2,324	160	.
Assets held as financial investments	286	289	-1.0
Sundry assets, including deferred items	1,141	739	54.4
Total	5,166	3,218	60.5

(19) Liabilities to banks

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
due on demand	32,821	14,195	.
with remaining lifetime of	102,109	111,630	-8.5
less than three months	65,050	73,027	-10.9
more than three months, but less than one year	12,306	12,564	-2.1
more than one year, but less than five years	10,318	10,861	-5.0
more than five years	14,435	15,178	-4.9
Total	134,930	125,825	7.2
of which: repos and cash collaterals	37,094	40,503	-8.4

(20) Liabilities to customers

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Savings deposits	10,112	10,933	-7.5
with agreed period of notice of			
three months	9,433	10,181	-7.3
more than three months	679	752	-9.7
Other liabilities to customers	147,462	130,281	13.2
due on demand	61,696	49,145	25.5
with agreed remaining lifetime of	85,766	81,136	5.7
less than three months	39,789	34,973	13.8
more than three months, but less than one year	6,419	5,105	25.7
more than one year, but less than five years	14,154	14,860	-4.8
more than five years	25,404	26,198	-3.0
Total	157,574	141,214	11.6
of which: repos and cash collaterals	11,488	10,783	6.5

(21) Securitized liabilities

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Bonds and notes issued	194,051	209,778	-7.5
of which: mortgage <i>Pfandbriefe</i>	30,584	33,251	-8.0
public-sector <i>Pfandbriefe</i>	112,437	124,913	-10.0
Money-market instruments issued	16,838	18,966	-11.2
Own acceptances and promissory notes outstanding	13	9	44.4
Total	210,902	228,753	-7.8



Remaining lifetimes of securitized liabilities	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
due on demand	5	61	-91.8
with agreed remaining lifetime of	210,897	228,692	-7.8
less than three months	20,517	25,358	-19.1
more than three months, but less than one year	46,963	47,067	-0.2
more than one year, but less than five years	110,069	120,773	-8.9
more than five years	33,348	35,494	-6.0
Total	210,902	228,753	-7.8

(22) Liabilities from trading activities

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Currency-related transactions	5,134	3,921	30.9
Interest-rate-related transactions	47,463	43,515	9.1
Delivery commitments arising from short sales of securities	3,968	3,937	0.8
Sundry transactions	10,606	7,875	34.7
Total	67,171	59,248	13.4

(23) Provisions

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Provisions for pensions and similar commitments	579	612	-5.4
Other provisions	2,427	2,734	-11.2
Total	3,006	3,346	-10.2

(24) Other liabilities

Other liabilities of €3,613m include obligations arising from still outstanding invoices, deductions from salaries to be passed on and deferred liabilities. In addition, liabilities in an amount of €1,889m were included in this position, which stand in relation to assets yet to be disposed of.

(25) Subordinated capital

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Subordinated liabilities	9,112	9,240	-1.4
Profit-sharing rights outstanding	1,343	1,616	-16.9
Deferred interest, including discounts	216	233	-7.3
Valuation effects	-17	185	.
Total	10,654	11,274	-5.5

(26) Hybrid capital

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Hybrid capital	3,342	3,389	-1.4
Deferred interest, including discounts	89	132	-32.6
Valuation effects	17	19	-10.5
Total	3,448	3,540	-2.6

OTHER NOTES

(27) Risk-weighted assets and capital ratios as defined by the Basel capital accord (BIS)

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Core capital	16,756	15,497	8.1
Supplementary capital	9,033	10,224	-11.6
Liabe equity capital	25,789	25,721	0.3
Tier III capital	101	77	31.2
Eligible own funds	25,890	25,798	0.4



as of 30.9.2007	Capital charges in %						Total
	100	50	25	20	10	4	
€ m							
Balance-sheet business	171,554	18,201	–	19,402	–	–	209,157
Traditional off-balance-sheet business	5,134	27,247	93	1,136	522	78	34,210
Derivatives business in investment portfolio	–	2,325	–	4,591	–	–	6,916
Risk-weighted assets, total	176,688	47,773	93	25,129	522	78	250,283
Risk-weighted market-risk position multiplied by 12.5							2,975
Total items to be risk-weighted							253,258
Eligible own funds							25,890
Core capital ratio (excluding market-risk position)							6.7
Core capital ratio (including market-risk position)							6.6
Own funds ratio (including market-risk position)							10.2

as of 31.12.2006	Capital charges in %						Total
	100	50	25	20	10	4	
€ m							
Balance-sheet business	154,690	19,031	–	16,561	–	–	190,282
Traditional off-balance-sheet business	4,294	25,570	133	742	444	71	31,254
Derivatives business in investment portfolio	–	2,117	–	3,953	–	–	6,070
Risk-weighted assets, total	158,984	46,718	133	21,256	444	71	227,606
Risk-weighted market-risk position multiplied by 12.5							3,875
Total items to be risk-weighted							231,481
Eligible own funds							25,798
Core capital ratio (excluding market-risk position)							6.8
Core capital ratio (including market-risk position)							6.7
Own funds ratio (including market-risk position)							11.1

(28) Contingent liabilities and irrevocable lending commitments

	30.9.2007	31.12.2006	Change
	€ m	€ m	in %
Contingent liabilities	30,559	29,453	3.8
from rediscounted bills of exchange credited to borrowers	5	4	25.0
from guarantees and indemnity agreements	30,027	29,110	3.2
Other commitments	527	339	55.5
Irrevocable lending commitments	56,219	49,080	14.5

Provisioning for contingent liabilities and irrevocable lending commitments has been deducted from the respective items.

(29) Derivative transactions

Derivative transactions (investment and trading books) involved the following nominal amounts and fair values:

30.9.2007	Nominal amount, by remaining lifetime				Fair values	
	less than one year	more than one year, but under five years	more than five years	Total	positive	negative
€ m						
Foreign currency-based forward transactions	353,959	126,924	63,852	544,735	6,832	6,029
Interest-based forward transactions	1,763,364	1,992,221	1,914,102	5,669,687	55,688	60,758
Other forward transactions	170,067	228,476	33,603	432,146	7,471	10,559
Total	2,287,390	2,347,621	2,011,557	6,646,568	69,991	77,346
<i>of which:</i>						
<i>traded on a stock exchange</i>	<i>16,081</i>	<i>80,496</i>	<i>9,243</i>			

31.12.2006	Nominal amount, by remaining lifetime				Fair values	
	less than one year	more than one year, but under five years	more than five years	Total	positive	negative
€ m						
Foreign currency-based forward transactions	214,788	116,547	73,929	405,264	4,419	4,567
Interest-based forward transactions	1,859,543	1,866,404	1,685,628	5,411,575	48,238	56,973
Other forward transactions	148,458	192,217	21,917	362,592	6,711	7,890
Total	2,222,789	2,175,168	1,781,474	6,179,431	59,368	69,430
<i>of which:</i>						
<i>traded on a stock exchange</i>	<i>142,984</i>	<i>62,513</i>	<i>7,748</i>			

(30) Market risk arising from trading activities

The market risk arising from trading activities shows the values-at-risk in accordance with Principle I (99% confidence interval, 10-day holding period) of the Commerzbank Group and also of its individual business lines, calculated using Commerzbank's internal market-risk model.

For calculating and managing market risk, historical simulation is used as the value-at-risk model. For a detailed description of our methods, please consult the notes on pages 179 f. of our 2006 annual report.

Portfolio	30.9.2007	31.12.2006
	€ m	€ m
Commerzbank Group	26.2	30.0
Corporates & Markets	24.2	22.6
Treasury	7.7	12.2

**(31) Fair value of financial instruments**

€ bn	Fair value		Book value		Difference	
	30.9.2007	31.12.2006	30.9.2007	31.12.2006	30.9.2007	31.12.2006
Assets						
Cash reserve	3.3	6.0	3.3	6.0	–	–
Claims on banks	75.2	75.2	75.4	75.3	–0.2	–0.1
Claims on customers	293.1	294.0	295.5	294.5	–2.4	–0.5
Hedging instruments	8.6	7.0	8.6	7.0	–	–
Assets held for trading purposes	100.6	85.5	100.6	85.5	–	–
Investments and securities portfolio	136.0	135.3	136.0	135.3	–	–
Liabilities						
Liabilities to banks	134.7	125.7	134.9	125.8	–0.2	–0.1
Liabilities to customers	156.7	140.9	157.6	141.2	–0.9	–0.3
Securitized liabilities	210.5	228.8	210.9	228.8	–0.4	0.0
Hedging instruments	14.1	14.1	14.1	14.1	–	–
Liabilities from trading activities	67.2	59.2	67.2	59.2	–	–
Subordinated and hybrid capital	13.9	14.8	14.1	14.8	–0.2	0.0

In net terms, the difference between the book value and fair value amounted for all items to €–0.9bn as of September 30, 2007 (31.12.2006: €–0.2bn).

(32) Treasury shares

	Number of shares* ¹ in units	Accounting par value in €1,000	Percentage of share capital
Portfolio on 30.9.2007	760,859	1,978	0.12
Largest total acquired during the financial year	4,950,540	12,871	0.75
Total shares pledged by customers as collateral on 30.9.2007	3,033,660	7,888	0.46
Shares acquired during the financial year	119,330,512	310,259	–
Shares disposed of during the financial year	120,152,379	312,396	–

*) accounting par value per share: €2.60

Frankfurt am Main, November 6, 2007
The Board of Managing Directors



Klaus-Peter Müller



Martin Blessing



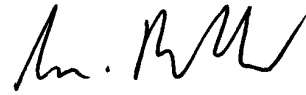
Wolfgang Hartmann



Achim Kassow



Bernd Knobloch



Michael Reuther



Eric Strutz



Nicholas Teller



BOARDS OF COMMERZBANK AKTIENGESELLSCHAFT

Supervisory Board

Dr. h.c. Martin Kohlhaussen
Chairman

Uwe Tschäge*)
Deputy Chairman

Hans-Hermann Altenschmidt*)

Dott. Sergio Balbinot

Herbert Bludau-Hoffmann*)

Astrid Evers*)

Uwe Foullong*)

Daniel Hampel*)

Dr.-Ing. Otto Happel

Dr. jur. Heiner Hasford

Sonja Kasischke*)

Wolfgang Kirsch*)

Friedrich Lürssen
(since May 16, 2007)

Werner Malkhoff*)

Prof. h.c. (CHN) Dr. rer. oec.
Ulrich Middelman

Klaus Müller-Gebel

Dr. Sabine Reiner*)

Dr. Erhard Schipporeit
(until January 31, 2007)

Prof. Dr. Jürgen F. Strube

Dr. Klaus Sturany

Dr.-Ing. E.h. Heinrich Weiss

Board of Managing Directors

Klaus-Peter Müller
Chairman

Martin Blessing

Wolfgang Hartmann

Dr. Achim Kassow

Bernd Knobloch

Klaus M. Patig
(until January 31, 2007)

Michael Reuther

Dr. Eric Strutz

Nicholas Teller

Honorary Chairman of the Supervisory Board

Dr. Walter Seipp

*) elected by the Bank's employees

REPORT OF THE AUDIT REVIEW

**To Commerzbank Aktiengesellschaft,
Frankfurt am Main**

We have reviewed the abridged version of the Group’s interim financial statements – comprising the abridged balance sheet, the abridged income statement, the abridged cash flow statement, the abridged statement of changes in equity and selected Notes – as well as the Group interim report for Commerzbank Aktiengesellschaft, Frankfurt am Main, for the period from January 1 to September 30, 2007, which are components of the quarterly financial statement according to Art. 37x of the German Securities Trading Act. The compilation of the abridged Group interim financial statements in accordance with the IFRS governing interim reporting as applicable in the EU, and the Group interim report in accordance with the applicable provisions of the German Securities Trading Act, are the responsibility of the Group’s management. Our responsibility is to express an opinion on these abridged Group interim financial statements and the Group interim report based on our review.

We conducted our review of the abridged Group interim financial statements and the Group interim report in accordance with German generally accepted standards for the review of financial statements as promulgated by the Institut der Wirtschaftsprüfer or IDW (Institute of Public Auditors in Germany). Those standards require that we plan and perform the review to obtain reasonable assurance that the abridged Group interim financial statements are free of material misstatement as required by the IFRS

governing interim reporting as applicable in the EU, and that the Group interim report is free of material misstatement as required by the provisions of the German Securities Trading Act concerning Group interim reports. An audit review is limited primarily to interviews with Group employees and to analytical assessments, and thus does not offer the level of security afforded by a full audit. Since we were not instructed to perform a full audit, we cannot issue an audit certificate.

Our review revealed nothing to suggest that the abridged Group interim financial statements were not prepared in accordance with the IFRS governing interim reporting as applicable in the EU, or that the Group interim report were not prepared in accordance with the provisions of the German Securities Trading Act concerning Group interim reports.

Frankfurt am Main, November 6, 2007

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Schreiber	Koch
(Wirtschaftsprüfer)	(Wirtschaftsprüfer)
(German public auditor)	(German public auditor)



Commerzbank AG

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e-mail: ir@commerzbank.com

Legal domicile of the bank: Frankfurt am Main (HRB 32000)
Nationwide network of branches in Germany

Major group companies and holdings

In Germany

comdirect bank AG, Quickborn
cominvest Asset Management GmbH,
Frankfurt am Main
Commerz Real AG,
Düsseldorf/Wiesbaden
Eurohypo AG, Eschborn
Hypothekenbank in Essen AG, Essen
CBG Commerz Beteiligungsgesellschaft Holding mbH,
Bad Homburg v.d.H.
Commerz Business Consulting GmbH,
Frankfurt am Main
Deutsche Schiffsbank AG, Bremen/Hamburg

Abroad

BRE Bank SA, Warsaw
cominvest Asset Management S.A., Luxembourg
Commerzbank Capital Markets Corporation, New York
Commerzbank (Eurasija) SAO, Moscow
Commerzbank Europe (Ireland), Dublin
Commerzbank International S.A., Luxembourg
Commerzbank (South East Asia) Ltd., Singapore
Commerzbank (Switzerland) Ltd, Zurich/Geneva
Commerzbank Zrt., Budapest
Commerz (East Asia) Ltd., Hong Kong
Erste Europäische Pfandbrief- und
Kommunalkreditbank AG, Luxembourg

Foreign branches

Amsterdam · Atlanta (agency) · Barcelona · Bratislava ·
Brno (office) · Brussels · Chicago · Dubai · Grand Cayman ·
Hong Kong · Johannesburg · London · Los Angeles ·
Madrid · Milan · New York · Ostrava (office) · Paris ·
Prague · Shanghai · Singapore · Tokyo

Representative offices

Addis Ababa · Almaty · Bahrain · Bangkok · Beijing · Beirut ·
Belgrade · Brussels · Bucharest · Buenos Aires · Cairo ·
Caracas · Ho Chi Minh City · Istanbul · Jakarta · Kiev ·
Mexico City · Minsk · Moscow · Mumbai · Novosibirsk ·
São Paulo · Seoul · Taipei · Tashkent · Tehran · Zagreb

| disclaimer | RESERVATION REGARDING FORWARD-LOOKING STATEMENTS

This interim report contains forward-looking statements on Commerzbank's business and earnings performance, which are based upon our current plans, estimates, forecasts and expectations. The statements entail risks and uncertainties, as there are a variety of factors which influence our business and to a great extent lie beyond our sphere of influence. Above all, these include the economic situation, the state of the financial markets worldwide and possible loan losses. Actual results and developments may, therefore, diverge considerably from our current assumptions, which, for this reason, are valid only at the time of publication. We undertake no obligation to revise our forward-looking statements in the light of either new information or unexpected events.

**PERSONS WHO ASSUME RESPONSIBILITY FOR THE BASE PROSPECTUS
in relation to Warrants which will be listed on the Eurolist of Euronext Paris SA**

To the best of our knowledge, after having taken all care to ensure that such is the case, we declare that the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

1 – On behalf of the Issuer

Dr Klaus KÜNZEL
Senior Counsel, Central Legal Department
Authorised Signature

Lilo FROMM
Associate Director, Central Legal Department
Authorised Signature

COMMERZBANK AKTIENGESELLSCHAFT

2 – On behalf of the Paris Listing Agent

Thibaud RENOULT
Head of Public Distribution France, Belgium
and Netherlands
Authorised Signature

Thomas FONSEGRIVE
Head of Marketing Warrants
Authorised Signature

**COMMERZBANK AG,
Succursale de Paris**