Base Prospectus
December 22, 2008

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 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. 08-297dated December 22, 2008. 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 is 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 Euronext Paris SA or its successor ("**Euronext Paris**") will be requested, displayed on the website (www.amf-france.org) of the AMF and on the Issuer's website (www.warrants.commerzbank.com) not later than on the date the notice of Euronext Paris announcing the admission of the relevant Warrants to the listing on 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 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 Euronext Paris, the Base Prospectus has been submitted to the registration procedure of the AMF.

Prior to the listing of Warrants on 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. Warrantholders 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 attenion 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 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 specifed 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 ot 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 registered in 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 business has been categorized into five segments: Private and Business Customers, *Mittelstandsbank*, Central & Eastern Europe, Corporates & Markets as well as Commercial Real Estate.

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: Martin Blessing, Frank Annuscheit, Markus Beumer, Wolfgang Hartmann, Dr. Achim Kassow, Michael Reuther, Dr. Stefan Schmittmann and Dr. Eric Strutz.

The auditors of the Bank for the 2006 and 2007 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 à la cotation sur 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 paiement, 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 classées en cinq secteurs : Clientèle de Particuliers et Professionnels, Banque de *Mittelstand*, Europe Centrale et Orientale, Entreprises & Marchés ainsi qu'Immobilier Commercial.

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 : Martin Blessing, Frank Annuscheit, Markus Beumer, Wolfgang Hartmann, Dr. Achim Kassow, Michael Reuther, Dr. Stefan Schmittmann et Dr. Eric Strutz.

Le commissaire aux comptes de l'Emetteur pour les exercices 2006 et 2007 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'Emetteu**r" ("***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, the trading profit is 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. In various business lines, overcapacity exists involving investors. In corporate banking and 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. 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 right to exist on their public duty to provide broad sections of the population with banking products and services. 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 abolishment of statutory guarantee and maintenance obligation in July 2005 the competitive advantage of public-law institutions diminished. 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 act this way. This could also make specific *Landesbanks* that are hurt by the subprime crisis focussing more to the traditional banking business - being even more aggressive there. Consolidation process and mergers within the three pillars of the German banking system (public sector banks, cooperative banks and private banks) could also convert these competitors into more efficient and aggressive players.

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.

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, credit spreads, currency and equity prices as well as respective implied parameters (volatilities, correlations). Fluctuations in these market parameters could affect the results of the Group's banking activities.

In the Group's financial investment portfolio, Euro-denominated fixed-income securities predominate. As a result, interest-rate fluctuations as well as credit spread changes in the Eurozone may have significant impact on the value of the financial investments portfolio. For example, a rise in the interest-rate level or a significant widening of credit spreads could substantially reduce the value of the fixed-income financial investments.

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 cause the revenues from the Group's banking activities to change when interest rates fluctuate. 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. 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 expenses of the Group arise outside the Eurozone. As a result, they are subject to 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 each subsidiary 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. 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 and market volatility, trading activity as a whole, interest-rate and credit spread levels or currency fluctuations. 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 funding 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 a 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 was 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

The SolvV (Solvabilitätsverordnung – Solvency Regulation) defines Operational risk as the risk linked to inadequate or failed internal or external processes or systems, human error, regulatory breaches, employee misconduct or external events such as fraud. These events can potentially result in financial loss as well as harm to the Issuer's reputation. This definition includes legal and regulatory risk, but excludes business risk and unquantifiable risks.

The Issuer's business inherently generates operational risks. Its business is dependent on processing a large number of complex transactions across numerous and diverse products, and is subject to a number of different legal and regulatory regimes. The Issuer attempts to keep operational risk at manageable levels by striving for a sound and well-controlled environment in light of the characteristics of its business, the markets and the regulatory environments in which it operates. While these control measures may mitigate operational risks, they may be ineffective and do not eliminate these risks.

The Issuer currently faces two main challenges in its external environment:
- A high markets volatility, which requires a special attention on settlement and control of commercial transactions.
- Growing risks in economic criminality, which emphasizes the importance of internal control systems, especially regarding fraud risks.

Operational risks also incorporate legal risks. These are legal risks of loss that arise mainly if

- the rights and claims of the bank cannot be enforced in court due to legal reasons;
- there is a risk that the bank may partly or wholly lose law suits instituted against the bank (passive law suits) with respect to the amount in dispute;
- there is a risk that the bank may partly or wholly lose passive or active law suits (i.e., law suits instituted by the bank) with respect to court and lawyer fees;
- the bank has to bear its own lawyer fees even in the case of winning its case as a result of an individual agreement or due to the specific jurisdiction.

The legal risks currently account for around 30% of operational risk of Commerzbank. The management of the Group's legal risks worldwide is entrusted to the legal department. The central function of legal is to recognize potential losses arising from legal risk at an early stage, to devise solutions for reducing, restricting or avoiding such risks and to make the necessary provisions. In this connection, legal department produces guidelines and standard contracts for the entire Group, which are implemented in close cooperation with business lines, branches and subsidiaries.

Operational risk also arises 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 number of problems, such as computer viruses, hackers, impairments of the key IT centers, as well as software or hardware errors. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the Issuer's customer relationship management, general ledger, deposit, servicing and/or loan organization systems. The Issuer cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have an adverse effect on the Issuer's financial condition and results of operations. 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. The integration of Eurohypo in 2006 also showed the necessity to have consistent systems and an harmonization process was completed within the Group. 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 these problems, they still can represent serious risks for the Group.

Strategic risk

Strategic risks comprise potential negative influences with respect to achieving the strategic aims of the Issuer resulting from changes with respect to the market and competititive environment, capital market requirements, regulation/politics as well as an insufficient implementation of the Group's strategy and inconsistency in the development of divisions and business areas.

These especially include changes in the macroeconomic and/or bank specific conditions in the core markets of the Group, i.e., mainly in Germany and Middle and Eastern Europe which may result in high fluctuations with temporary or permanent downturns and a change in the market position of the Group.

Currently, these risks are specifically and directly the effects of the financial market crisis on the trading-related business and the possibilities of securitisation of credit risks that can endanger certain parts of the business model of the Issuer. The need for further depreciation of the ABS portfolio with structured products can therefore not be excluded. The same applies to the Public Finance division so that the business model will have to be re-examined and, if necessary, realigned strategically. In the case of an ensuing further deterioration of the international real estate markets the commercial real estate financing through the affiliate Eurohypo can be affected, especially the financing activities in markets such as Spain, UK and USA.

A potential spread of the financial crisis to the real economy in the core markets Germany and Middle/Eastern Europe could indirectly lead to an increase in the non-payment of loans in the Private and Business Customers division and in the Corporate Banking sector for medium sized enterprises ("*Mittelstandsbank*") and endanger the envisaged growth strategy. An economic slowdown in the aforementioned core markets would make growth even more difficult. Further to this, the growth strategy in these two segments is threatened by the intensified competition in the Private and Business Customers division if commercial banks try to compensate decreasing profit in the Investment Banking sector in this division.

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 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 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 a negative trend for share prices develop, this could have a negative impact on the Issuer's net assets, financial position and earnings performance.

Risk associated with the acquisition of Dresdner Bank AG

Commerzbank agreed with Allianz SE (Allianz) upon the purchase of Dresdner Bank AG (Dresdner Bank) in September 2008. The transaction will occur in two steps. In the first step Commerzbank is expected to acquire around 60.2 % of the Dresdner Bank shares by the start of 2009 at the latest. In step two Dresdner Bank will be merged into Commerzbank. Several risks could arise out of this transaction which could have a negative impact of revenues or profit.

Execution risk: The transaction is subject to regulatory and antitrust approvals. Besides for the merger in step 2 an Extraordinary General Meeting is required for the beginning of 2009, where at least 75% of eligible voters have to agree formally. If the EGM does not agree or a release procedure for the implementation of the merger registration fails, Commerzbank plans to acquire Dresdner Bank shares of Allianz against cash. Therefore an execution risk is existent, which could lead to a delay of the transaction and follow-up costs.

Economic risk: Increased exposure of Commerzbank and Dresdner Bank relative to a weakening domestic and international macroeconomic environment. There might be pressure on revenues, funding and asset quality.

Financial and integration risk: Dresdner Bank´s takeover requires a complex integration process. Medium-term cost synergies might be overestimated or take longer than expected, downsizing, restructuring and customer overlaps could lead to higher than expected loss of revenue respectively depressed financial perfomance.

Portfolio risk: The transaction will initially increase the portfolio risk of Commerzbank as Dresdner Bank has larger risk portfolios, e.g. in the areas ABS/Conduits, Leverage Acquisition Finance and CDS, and the merger of the risk portfolios of both banks may entail cluster risks. An additional risk can arise if certain risk portfolios cannot be reduced in an economically reasonable manner over the anticipated time frame. Market risk of the enlarged bank will be higher considering size and scope of Dresdner Bank´s business, although Commerzbank intends to stop Dresdner´s proprietary trading activities. The substantial de-risking could lead to lower revenues.

Regulatory risk

The business activity of the 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 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 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 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.

Furthermore, possible consequences of the financial crisis still are changes in the regulatory framework which would put to the test selected business activities of Commerzbank and its competitors.

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 loosing 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 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 Warrantholders). 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 currrency 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);

"**Warrantholder**" 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 Warrantholder 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 Euronext Paris

With respect to Warrants listed on the Euronext Paris SA or its successor ("**Euronext Paris**"), the listing of such Warrants 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:

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

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

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

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

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:

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

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

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

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

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:

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

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 Warrantholder 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 Warrantholders 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 Warrantholders, 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 Warrantholders 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 Warrantholders 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 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.

(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 Warrantholders 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 Warrantholders 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 Warrantholders 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 Warrantholder 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 Warrantholders 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 Warrantholders 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 Warrantholders 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 Warrantholders 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 Warrantholder 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 Warrantholders 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 Warrantholders 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.*

11. 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 Warrantholders 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 Warrantholders 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 Warrantholder 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 Warrantholders 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 Warrantholders 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 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 Warrantholders 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 Warrantholders, 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 Warrantholders.

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

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 Corporates & Markets. 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 22, 2009 included.

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 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 Euronext Paris: prior to the listing of Warrants on 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 Euronext Paris.

Trading

With respect to Warrants listed on Euronext Paris, the listing of such Warrants is expected to cease as of close of business on the sixth stock exchange business day immediately preceding the relevant Expiration Date of such 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 on the Issuer's website (www.commerzbank.com) and 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 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*,

(ii) the information related to the Issuer (annual report 2007) as contained in pages 3 to 188 of the Supplement which has received visa No. 08-073 dated April 17, 2008 of the *Autorité des Marchés Financiers*,

(iii) the information related to the Issuer (recent developments) as contained in pages 2 and 3 of the Supplement which has received visa No. 08-182 dated September 10, 2008 of the *Autorité des Marchés Financiers*, and

(iv) the information related to the Issuer (recent developments) as contained in pages 2 to 4 of the Supplement which has received visa No. 08-257 dated November 20, 2008 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 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℠, 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.

Any amendment to the liquidity provider agreement will be the subject of a Supplement to the extent that such amendment has a material impact on the above description.

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 approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the Warrants or the accuracy or adequacy of the Base Prospectus, any supplement and/or any Final Terms. Any representation to the contrary is unlawful.

The Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**") or with any securities or regulatory authority of any state or jurisdiction in the United States 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. Any representation to the contrary is a criminal offense in the United States.

The Manager has represented and agreed that it and each of its affiliates and any person acting on its or any of its affiliates' behalf will (i) not offer or sell the Warrants (y) as part of their distribution at any time or (z) 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 (ii) send 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.

United Kingdom

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Financial Promotion Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

The Manager has represented and agreed, and each further manager (if any) appointed under any offering contemplated by this Base Prospectus will be required to represent and agree, 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 should not, if the Issuer were not an authorized person, 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.

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, and each further manager (if any) appointed under any offering contemplated by the Base Prospectus will be required to represent and agree, 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) if the Supplements and/or Final Terms in relation to the Warrants specify that an offer of those Warrants may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such 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, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

(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;

(d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the Manager for any such offer,

(e) at any time if the denomination per Warrant being offered amounts to at least €50,000; or

(f) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

Provided that no such offer of Warrants referred to in (b) to (f) above shall require the Issuer or the Manager or any further manager (if any) to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 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/EC of the European Parliament and Council dated November 3, 2003 and includes any relevant implementing measure in each Relevant Member State.

France

The Warrants have not been and will not be offered or sold, directly or indirectly, in France, except in accordance with Articles L. 411-1, L. 412-1 and L. 621-8 of the French Monetary and Financial Code (*Code Monétaire et Financier*), as amended. The issuance, sale or distribution of the Warrants does not require the submission of a prospectus to the approval of the *Autorité des marchés financiers*. Accordingly, any offer or sale in France will only be made to (i) a limited number of investors and/or qualified investors, in each case, acting for their own account, all as defined in, and in accordance with, articles L. 411-1, L. 411-2, D. 411-1 to D. 411-4 of the French Monetary and Financial Code (*Code Monétaire et Financier*), as amended and/or (ii) persons providing portfolio management services for the account of third parties. The Warrants so purchased may not be transferred, directly or indirectly, to the public in France other than in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Financial and Monetary Code, as amended.

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) a limited number of investors and/or qualified investors, in each case, acting for their own account, all as defined in, and in accordance with, articles L. 411-1, L. 411-2, D. 411-1 to D. 411-4 of the French Monetary and Financial Code and/or (b) persons providing portfolio management services for the account of third parties and (ii) it will only distribute and has only distributed any offering document related to the Warrants in France to persons falling within sub paragraphs (i) (a) and (b) above.

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 25 quai Panhard et Levassor 75013 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 25 quai Panhard et Levassor 75013 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 25 quai Panhard et Levassor 75013 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 22, 2008 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

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2. Address(es) of Warrantholder

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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.

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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.

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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: [_________]

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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.

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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.

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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 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 exercisable (except for exercise on the Maturity Date))	
[Radiation from Euronext Paris SA]	[The listing of any series of Warrants on 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 08-297 dated December 22, 2008 [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 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 exercisable (except for exercise on the Maturity Date)	
[Radiation from Euronext Paris SA]	[The listing of any series of Warrants on 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 08-297 dated December 22, 2008 [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 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 Curency 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 exercisable (except for exercise on the Maturity Date)	
[Radiation from Euronext Paris SA]	[The listing of any series of Warrants on 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 08-297 dated December 22, 2008 [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 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 exercisable (except for exercise on the Maturity Date)	
[Radiation from Euronext Paris SA]	[The listing of any series of Warrants on 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 08-297 dated December 22, 2008 [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 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 exercisable (except for exercise on the Maturity Date)	
[Radiation from Euronext Paris SA]	[The listing of any series of Warrants on 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 08-297 dated December 22, 2008 [and Supplement(s) which has(have) obtained from the Autorité des Marchés Financiers visa(s) number [__]-[___] dated [_____]]

Warning

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[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 business has been categorized into five segments: Private and Business Customers, *Mittelstandsbank*, Central & Eastern Europe, Corporates & Markets as well as Commercial Real Estate.

Private and Business Customers

This division encompasses all of the Bank's activities related to private and business customers. It therefore comprises Private and Business Customers, Private Banking, Retail Credit, Asset Management and comdirect bank AG.

Private and Business Customers

The product range for private customers 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 product range for business customers which include professionals, the self-employed and businessmen as well as the proprietors of small companies with an annual turnover of up to €2.5 million, has been entirely adapted to their needs and results in a combination of solutions for business financial issues and all-inclusive, individual advice in private financial matters.

Around one-third of the Commerzbank branches have been converted to the branch of the future model. 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.

Private Banking

In Private Banking, customers with liquid assets of at least €500,000 or customers, for which special solutions (for instance due to the complexity of their asset structure) are required, are served. Private Banking provides support in all aspects of wealth management. 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.

Retail Credit

Following the merger with Eurohypo AG, the Retail Credit department was created. Since the beginning of September 2007 distribution and processing have been completely reorganized with the aim to concentrate on the processing of loans and to optimize the quality of credit decisions as well as the time it takes to reach these decisions. Another focus is on the more intensive and active portfolio management.

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).

comdirect bank AG

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.

Mittelstandsbank

The Mittelstandsbank segment includes Corporate Banking and Financial Institutions as well as the Asia region. Corporate Banking focuses on small to medium-sized companies (SMEs) with a turnover of between €2.5 million and €250 million. Financial Institutions is responsible for the relations with German and foreign banks and financial institutions, central banks and national governments and to support corporate clients in their trading transactions and investments abroad.

Central & Eastern Europe

This segment has been newly created in the first quarter of 2008 and bundles the operations of all subsidiaries and regional branches in Central and Eastern Europe, previously included in the Mittelstandsbank segment.

Corporates & Markets

The Corporates & Markets segment includes the client-oriented activities as well as business relations with multinational companies and selected major clients. It also serves the regions of Western Europe, America and Africa. Corporates & Markets consists of six main business areas: Equity Derivatives, Fixed Income, Corporate Finance, Equities, Client Relationship Management and Research. In July 2008 the former segment Public Finance and Treasury has been incorporated into this segment. It comprises the public finance business of Eurohypo, Erste Europäische Pfandbrief- und Kommunalkreditbank in Luxemburg and Group Treasury.

Commercial Real Estate

Commercial Real Estate is responsible for all of Commerzbank's commercial real estate business. It comprises CRE Banking (essentially Eurohypo AG) and CRE Asset Management (Commerz Real AG, created from the merger of Commerz Leasing und Immobilien AG with the Commerz Grundbesitz Group).

CRE Banking

Eurohypo provides a large number of different services. In the area of financing commercial real estate, the range of products extends from traditional fixed-interest loans and structured financing all the way to real estate investment banking and capital market products.

The buy-and –manage concept is at the core of the business model. This is where Eurohypo, besides being a straightforward lender for real-estate customers, also serves as an intermediary between customers and capital markets.

CRE Asset Management

The range of services provided encompasses investment products with open-ended and closed-end funds, structured investments with a broad range of individually structured forms of financing, and equipment leasing.

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

Board of Managing Directors				
Segments				
Private and Business Customers	***Mittelstandsbank***	**Central and Eastern Europe**	**Corporates & Markets**	**Commercial Real Estate**
Operating Units				
• Asset Management • Private Banking • Private and Business Customers • Retail Credit ---------------------- comdirect bank AG	• Corporate Banking • Financial Institutions	Eastern European holding company -------------------- BRE Bank SA	Cash Equities Client Relationship Management Corporate Finance Equitiy Derivatives Fixed Income Research Public Finance Group Treasury	CRE Banking Germany (core) CRE Banking Germany (non-core) CRE Banking abroad CRE Asset Management

All staff and management functions are bundled into the Group Management division. Information Technology, Transaction Banking and Organization are provided by the Services division.

Major group companies and holdings

In Germany

comdirect bank AG, Quickborn
cominvest Asset Management GmbH, Frankfurt am Main
Commerz Real AG, Eschborn
Eurohypo AG, Eschborn
CBG Commerz Beteiligungsgesellschaft Holding mbH, Bad Homburg v.d.H.
CommerzFactoring GmbH, Mainz
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
Erste Europäische Pfandbrief- und Kommunalkreditbank AG, Luxembourg
Joint Stock Commercial Bank "Forum", Kiev

Administrative, Management and Supervisory Bodies

Board of Managing Directors

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

Martin Blessing, Frankfurt am Main, Chairman
Strategy and Controlling, Group Communications, Eastern European holding company, BRE Bank SA

Frank Annuscheit, Frankfurt am Main
Organization, Group Security, Information Technology, Transaction Banking

Markus Beumer, Frankfurt am Main
Corporate Banking, Financial Institutions

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, Global Intensive Care

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

Michael Reuther, Frankfurt am Main
Legal Services, Group Treasury, Public Finance, Cash Equities, Client Relationship Management, Corporate Finance, Equity Derivatives, Fixed Income, Research

Dr. Stefan Schmittmann, Frankfurt am Main
CRE Banking Germany (core), CRE Banking Germany (non-core), CRE Banking abroad, CRE Asset Management

Dr. Eric Strutz, Frankfurt am Main
Human Resources, Group Compliance, Group Finance, Internal Auditing

Supervisory Board

The Supervisory Board currently consists of the following members:

Klaus-Peter Müller, 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

Dr. Burckhard Bergmann, Former member of the Board of Managing Directors of E.ON AG, Consultant, Hattingen

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

Karin van Brummelen, Commerzbank AG, Düsseldorf

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, Entrepreneur, Luserve AG, Lucerne

Sonja Kasischke, Commerzbank AG, Brunswick

Prof. Dr.-Ing. Hans-Peter Keitel, Member of the Supervisory Board of HOCHTIEF AG, Essen

Alexandra Krieger, Hans-Böckler-Stiftung, Düsseldorf

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

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

Klaus Müller-Gebel, Lawyer, Bad Soden

Barbara Priester, Commerzbank AG, Frankfurt am Main

Dr. Markus Schenk, Member of the Board of Managing Directors of E.ON AG, Düsseldorf

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 2007 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 Annuscheit (comdirect bank AG), Mr Blessing (BRE Bank SA), Dr. Kassow (comdirect bank AG, BRE Bank SA), Mr Reuther (Erste Europäische Pfandbrief- und Kommunalkreditbank AG), Dr. Strutz (comdirect bank AG Mediobanca - Banca di Credito Finanziario S.p.A., Erste Europäische Pfandbrief- und Kommunalkreditbank AG) 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, 2006 and 2007 are incorporated by reference into, and form part of, this Base Prospectus (see chapter "**Incorporation of Documents by Reference**").

Auditors

The auditors of the Bank for the 2006 and 2007 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, 2006 and 2007, giving each of them their unqualified auditor's report.

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

Trend Information

Save as disclosed herein (including the documents incorporated by reference) no material adverse changes in the prospects nor in the financial position have occurred.since the audited consolidated annual financial statements as of December 31, 2007 and the interim report as of September 30, 2008 (reviewed) were published

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, 2008

An English translation of the interim report of the Commerzbank group as of September 30, 2008, the original version of which is in German, appears on the following pages.

Interim Report as of September 30, 2008

Dear Shareholders,

The results achieved by Commerzbank in the third quarter of 2008 were influenced by two very different developments: While we continue to enjoy an encouraging situation in our core business, primarily with private customers and the *Mittelstand*, the financial crisis, which intensified considerably in September and October in particular, has left clear traces in the Bank's results. This is due above all to the insolvency of the US investment bank Lehman Brothers and defaults by large Icelandic borrowers.

In the Private and Business Customers segment we succeeded in acquiring a net total of 183,000 new customers in the third quarter alone – more than ever before in a single quarter. During the same period the deposits entrusted to us by these customers rose by €4.5bn, while deposits within the Group were up as much as €8.3bn. *Mittelstandsbank* also continued to be a stable value driver within the Bank as a whole. Against the backdrop of the financial market crisis, the Central and Eastern Europe segment also succeeded in producing an encouraging result. At the same time, for Corporates & Markets and the public finance business the impact of the turbulence on the financial markets affected not only the trading results but also the net investment income and provision for possible loan losses. Furthermore, the Commercial Real Estate segment was obliged to carry out further subprime write-downs.

This is why we are continuing with our efforts towards significant risk reduction – precisely in those areas particularly affected by the financial market crisis. The proof of the necessity of this step lies in the renewed intensification of the financial crisis in September and October. What is more, following on from the USA the economic outlook for the eurozone and Germany has worsened, with the economy looking set to remain stagnant over the coming year.

Contents

Against this backdrop we have decided to take advantage of the government programme aimed at stabilizing the financial market. Our aim in particular is to strengthen our capital base with a view to sustainably continuing to provide *Mittelstand* and private customers with loans in the current environment. The various government programmes for financial institutions launched in many European countries as well as the USA have resulted in a changed competitive situation that will in turn place higher capital requirements at least temporarily on banks.

The decision to participate in the financial market stabilization programme will not affect the purchase of Dresdner Bank in any way. This acquisition will make us the leading bank in Germany for private and corporate customers while also enabling us to create a basis for additional growth. The integration of Dresdner Bank is on schedule and the future management levels have been determined and the project organization developed.

It is precisely in view of the current dramatic changes affecting the banking sector that the acquisition comes at just the right time, and will help us reach an appropriate cost level once the financial crisis has been overcome. Alongside the cost synergies, Dresdner Bank will in particular help us to expand our stable customer business further. Once the economy in the eurozone and Germany, bolstered by government measures, starts to recover, the "New Commerzbank" should be one of the main beneficiaries. We are confident that the decisions we have made and the measures we have already initiated will enable us to emerge stronger from the financial crisis and put us in a good position to master the challenges ahead.

Commerzbank share severely impacted by the financial crisis in the first nine months

As of September 30, 2008 the Commerzbank share price stood at €10.40 – well below the value following the first half-year (€18.84). The financial crisis continued to intensify in the third quarter and reached a new peak following moves such as the partial nationalization of various banks throughout the world. The increasing turmoil on the interbank market helped to worsen further the liquidity situation of many banks, and the share prices of German banks suffered considerably. The DAX on the other hand, which is dominated by industrial enterprises, remained much steadier and succeeded in limiting its losses.

The Commerzbank share lost ground in two stages in September in particular. Against the backdrop of the intensified financial crisis, this was due initially to uncertainties concerning the transaction of the Dresdner Bank acquisition and doubts with regard to the short-term costs of the integration of Dresdner Bank. At the same time, however, there was overwhelming approval for the medium and long-term strategic benefits of the purchase of Dresdner Bank.

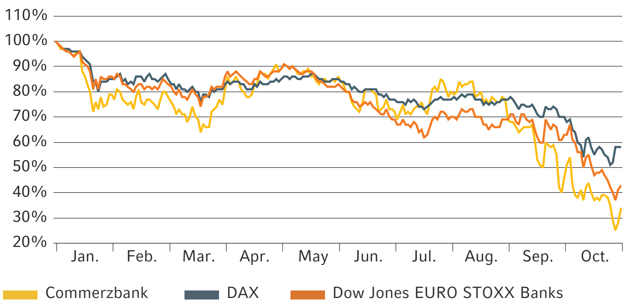
The announcement of a capital increase aimed at partially financing Dresdner Bank as part of the takeover transaction also put pressure on the Commerzbank share price temporarily. This capital increase was however very successfully carried out on September 8 by means of an accelerated book-building exercise. The issue was five times oversubscribed, with a total of 65.4 million new shares being placed with institutional investors. The issue price of €17 per share meant that a total amount of €1.11bn was realized, and the number of Commerzbank shares outstanding rose to 722.6 million.

Highlights of the Commerzbank share

	1.1.-30.9.2008	1.1.-30.9.2007
Shares outstanding as of 30.9. in million units	722.6	657.2
Xetra intraday prices in €		
High	26.53	38.20
Low	9.01	26.12
as of 30.9.	10.40	28.39
Daily turnover[1] in million units		
High	52.6	26.2
Low	2.2	2.2
Average	10.1	6.8
Earnings per share (EPS) in €	1.32	2.61
Book value per share[2] in € as of 30.9.	19.61	23.83
Market value / Book value as of 30.9.	0.53	1.19

[1] Total German Stock Exchanges; [2] excl. cash flow hedges and minority interests.

Commerzbank share vs. performance indices from 1.1. to 30.10.2008 | Daily figures, 28.12.2007 = 100



From the second half of September it was then the insolvency of the US bank Lehman Brothers in particular that had a severe impact on financial stocks in general and the Commerzbank share in particular.

Following the period under review the economic situation continued to deteriorate both nationally and internationally, putting the DAX under even greater pressure. In addition, the critical crisis on the stock and financial markets resulted in concerted efforts by major central banks and governments to support financial market players with massive rescue packages aimed at preventing the crisis from spreading to the broader economy. These stabilization efforts have been successful thus far and have led in the short term to a broad-based recovery on the stock market, among financial stocks in particular. While the Commerzbank share price was also able to benefit initially from this development, intensified fears of global recession added further pressure to the stock markets.

As was the case with other financial securities, the Commerzbank share experienced significant volatility in the third quarter of 2008, and this impact of the financial crisis was reinforced by the widespread macroeconomic uncertainty.

Trading in the Commerzbank share increased considerably in the first nine months of 2008, with the average daily turnover of 10.1 million shares 49 % higher than in the prior-year period. Record turnover levels were seen in September in particular, with a peak total of 52.6 million Commerzbank shares being traded on German stock exchanges on September 16 – 7.5 times as many as the average for the previous year. At the end of the third quarter of 2008, Commerzbank's market capitalization stood at €7.5bn.

More up-to-date news on Commerzbank and information on our share can be found at our Internet site www.ir.commerzbank.com.

Interim Management Report as of September 30, 2008

Business and economy

Overall economic situation

The global economy lost considerable momentum during the course of 2008, and recently deteriorated further due among other things to the continued intensification of the financial market crisis. Both the USA and the eurozone are on the brink of a recession, and in the emerging markets there are increasing signs of a downturn in the previously solid economic growth rate. Even Germany, which for some time displayed the best performance within the eurozone, is finding itself unable to escape this general downward trend. At the same time, however, inflation risks have been reduced somewhat, due primarily to the significant drop in the price of oil since the summer.

Developments on the financial markets continued to be shaped by the financial market crisis. Tensions on the money market increased yet again, corporate bond spreads rose considerably and share prices fell throughout the world. Government bonds benefited, and the severe economic decline and the receding risk of inflation significantly increased the likelihood of interest rate cuts by the ECB in the near future.

Commerzbank Group impacted by financial crisis

Due to the further escalation of the situation on the financial markets we suffered a loss in the third quarter. While the Private and Business Customers, *Mittelstandsbank* and Central and Eastern Europe segments continued to perform well, the Commercial Real Estate segment consciously reduced new business and was obliged to take further write-downs on structured products. However, Corporates & Markets and Public Finance and Treasury – amalgamated into the Corporates & Markets segment for the first time – had the greatest difficulty facing the financial crisis.

The most important strategic move in the third quarter was the decision to acquire Dresdner Bank AG. At the end of August we agreed together with Allianz SE that we would take over its share of Dresdner Bank in two stages. The transaction should be completed by the end of 2009 at the latest and financed primarily by means of a stock swap. An Extraordinary General Meeting for this purpose is planned for the beginning of 2009 when the merger of Dresdner Bank with Commerzbank will be presented for resolution. In order to partly finance the first stage of the acquisition Commerzbank already carried out a highly successful capital increase in the third quarter, despite the difficult market conditions. In addition, we will be selling our asset management company cominvest to Allianz. On completion of the transaction we will hold 100 % of the share capital of Dresdner Bank and will become Germany’s leading bank for private and corporate customers.

Up until the time of the acquisition of Dresdner Bank we will continue with our controlled expansion on both a national and an international level. In Hamburg Commerzbank has opened ten new branches, thereby considerably expanding its service and advisory offering for private and business customers in the city region. Commerzbank will soon become the first German bank to open a representative office in Libya, which will serve as a point of contact for local banks as well as international and German companies in Libya. Commerzbank also opened a further representative office in Turkmenistan in October, whose role will include strengthening ties with Turkmen government agencies and associations.

Income, financial and asset position

At the end of the third quarter the balance sheet and income statement present a mixed picture. On the one hand the Commerzbank Group still has a solid capital base and comfortable level of liquidity and is continuing to reduce its risk exposures. Following the financial crisis and the world wide trend to a recession, increasing demands are being made on capital adequacy and liquidity. We were also able to increase both the net interest income and net commission income over the previous quarter while lowering administrative expenses. On the other hand our income statement was weighed down by a negative trading profit and significant increase in risk provisioning.

Depressed income situation

The net interest income turned in an encouraging performance in the third quarter. Compared with the previous quarter it rose by 3.1% to €1.21bn. One segment benefiting from this success was Private and Business Customers, which maintained the high level of the previous quarter, along with the *Mittelstandsbank* and Central and Eastern Europe segments, which once again significantly surpassed their results from the second quarter. Compared with the first nine months of 2007, net interest income rose by a notable 11.9 % to €3.41bn.

We allocated €628m in the third quarter to provisions for possible loan losses, compared with €414m in the second quarter. Corporates & Markets, which includes the former segment of Public Finance and Treasury, was the main contributor to this substantial increase as it was particularly affected by the bankruptcy of Lehman Brothers and the moratorium for Icelandic banks. We also increased loan loss provisions in the Central and Eastern Europe segment in response to a downturn in the economic situation in some parts of the region and in the Commercial Real Estate segment, which has been impacted by weakness abroad.

Despite the recurrent worsening of conditions in the market environment the net commission income in the third quarter increased from the high level of the previous quarter of €717m to €720m. As a result two contradictory effects offset each other. Although securities transactions with private customers slowed down during the summer months due to seasonal factors and the deterioration in the market environment also had a negative impact, the Commercial Real Estate segment was able to collect higher net fees. Compared with the first nine months of last year, the net commission income decreased by 10.2 % to €2.17bn. It should however be noted that the 2007 figure still included the commission income of the international asset management units, which have since been sold, and that €100m of the total came from a positive extraordinary item in the *Mittelstandsbank* segment based on a decision by the German Federal Finance Court regarding a corporate customer product from 2000.

Due to the turmoil on the financial markets trading profit dropped in the third quarter. Following the excellent result in the previous quarter a loss of €297m is reported. The public finance business in particular was hit hard by the bankruptcy of Lehman Brothers and a dramatic widening of spreads. This widening trend led to a heavy cost on a so called "total return swap agreement" on US municipal bonds. In contrast customer-driven sales and trading activities were solid. Compared with the first nine months of the previous year the trading result declined sharply by 68.9 % to €251m.

Net investment income decreased quarter-on-quarter by €143m to €-229m. Income from the sale of ThyssenKrupp shares is counterbalanced by new impairments on our ABS book. We had to report further impairments amounting to €144m on our RMBSs and to €55m on our corporate CDOs. We also recorded impairments on bonds from Icelandic banks. Net investment income in the first three quarters of 2008 was €–341m, compared with €249m for the same period last year.

Compared with the second quarter, administrative expenses fell 9.9 % to €1.24bn, due mainly to reduced bonus provisions but also to lower overhead costs. In comparison with the first nine months of 2007, administrative expenses decreased slightly by 0.9 % to €3.93bn. Personnel expenses fell by 8.0 % to €2.16bn – also due to the aforementioned lower bonus provisions – while the number of employees since September 30, 2007, rose by 17.7 % from 36,448 to 42,893 – primarily as a result of including Bank Forum in the consolidated companies. In contrast, other expenses increased by 11.9 % to €1.55bn due to various growth initiatives.

Operating profit in third quarter under pressure

Operating profit in the third quarter was €–475m, compared with €484m in the previous quarter. Our total operating profit for the first nine months of 2008 was €444m, compared with €2,344m for the same period last year. After deducting the restructuring expenses already set aside in the first quarter for integrating Essen Hyp we are left with earnings before tax of €419m. Under IAS 12 we capitalized tax loss carry-forwards so that the tax item shows income of €508m (previous year: tax expense of €560m). This means that the consolidated surplus of €927m is considerably higher than the operating profit. €115m of the surplus is attributable to minority interests. The amount attributable to Commerzbank shareholders is €812m.

With an increased average of 663.5m shares, operating profit per share came to €0.67 and earnings per share to €1.22 (previous year: €3.57 and €2.61 respectively).

Balance sheet total down slightly – customer deposits up substantially

The Commerzbank Group's total assets have declined slightly since the end of 2007 by 3.4 % to €595.6bn. In light of the financial crisis we deliberately made a substantial reduction to our claims on banks by 18.9 % to €60.0bn in order to lower default risks. Claims on customers rose only slightly by 2.3 % to €295.9bn. The positive fair values attributable to derivative hedging instruments rose by 17.4 % to €7.4bn; assets held for trading decreased marginally by 0.8 % to €96.9bn. The Financial investments position fell by 8.1 % to €121.4bn mainly due to a reduction of 7.2 % in the item of Bonds, notes and other interest-rate related securities.

On the liabilities side the liabilities to banks rose slightly by 0.6 % to €125.9bn while customer deposits increased 8.3 % to €172.4bn. In particular sight deposits and time deposits for up to one year rose significantly. Securitized liabilities fell by 17.1 % to €170.5bn. In line with plans to scale back our public finance activities, the volume here, especially in public-sector *Pfandbriefe*, dropped off by 19.3 % to €89.2bn. The negative fair values attributable to derivative hedging instruments decreased by 5.8 % to €14.0bn, while liabilities from trading activities rose by 4.7 % to €73.6bn.

Demands on capital base are increasing

Compared with the figure reported at the end of 2007 the subordinated capital rose by 6.2 % to €11.7bn. While the subordinated liabilities rose by 10.1 % to €10.4bn, profit-sharing certificates were cut back by 16.0 % to €1.1bn. During the same period hybrid capital fell by 3.0 % to €3.3bn.

Equity declined by 5.4 % to €15.3bn. The subscribed capital rose by 9.9 % to €1,878m and the capital reserves by 16.2 % to €6,636m. The retained earnings declined due to changes in the Group's investments and shareholdings. However, the ongoing financial crisis is clearly reflected in the revaluation reserve, which fell from €903m at the end of 2007 to €–1,157m due to the mark-to-market valuation of our fixed-income portfolio; this valuation is also influenced by the reclassification further to the announcement of the IASB on October 13, 2008. Valuation from cash flow hedges rose from €34m to €86m. The reserve from currency translation improved from €–34m to €90m. The consolidated surplus in the first three quarters amounted to €812m which was however set off by the dividend paid of €657m.

Risk assets fell by 3.5 % to €229.1bn as a result of the transition to Basel II and our risk reduction strategy. In spite of the decline in equity the Tier 1 capital ratio rose to 7.6 %, and the own funds ratio rose to 11.3 %. Both ratios are within our target ranges of 7 % to 9 % for the core capital ratio and 10.5 % to 11.5 % for the own funds ratio.

Segment reporting

Due to the reorganization resulting from the integration of Dresdner Bank we have incorporated our former segment of Public Finance and Treasury into the Corporates & Markets segment. Since July 2008 we have had five operating segments and have adjusted the previous year's figures accordingly. Another notable factor is that the application of the Basel II regulations since the beginning of the year to capital commitments has led in some cases to significant shifts between the different segments.

Details on the composition of the segments and the principles of our segment reporting are set out on pages 112 and 113 of this report.

Private and Business Customers see record growth in new customers in third quarter

Despite the turbulence on the financial markets the Private and Business Customers segment posted a better result than for the same period last year. In light of its record growth of 183,000 net new customers in the third quarter we expect to achieve our objective of six million customers in this segment before the end of year, which would be one year ahead of schedule.

As a result of the dynamic trend in customer deposits, net interest income rose 6.5 % to €1,018m compared with the first nine months of last year. Loan loss provisions dropped 37.6 % to €123m; we expect this figure to remain stable until the end of the year. Due to weaker securities transactions resulting from the upheaval in the financial markets the net commission income compared with the first nine months of the previous year fell 4.6 % to €1,146m. Administrative expenses of €1,601m after the first three quarters of 2008 remained stable at the previous year's level despite the systematic implementation of our growth initiatives.

Operating profit for the first nine months of the year was €422m, or 26.3 % higher year-on-year. The operating return on equity rose to 36.1 % (previous year: 17.8 %), with committed equity decreasing by 37.6 % to €1,559m. The cost/income ratio improved slightly from the same period last year, from 75.2 % to 74.6 %.

Mittelstandsbank serves as stable value driver for the bank as a whole

We are very satisfied with the performance of the *Mittelstandsbank* segment. The net interest income rose in the first three quarters due to higher loan and deposit volumes compared with the same period last year, increasing by 15.2 % to €912m. Loan loss provisions of €31m after the first nine months of 2008 were at a low level, after provisions had even been released in 2007. Due to the difficult market environment and the deterioration in the economic situation we expect an even higher allocation to these provisions in the future. The net commission income of €439m was 14.8 % lower than last year, keeping in mind that the previous figure was boosted by extraordinary income of €100m. Despite investing in our "Stay on Top" growth programme, administrative expenses rose only slightly compared with the first nine months of the year by 3.9 % to €584m.

The operating profit decreased from the first nine months of 2007 by 5.0 % to €740m, and if we account for last year's one-time effect in net commission income, it actually increased 9.0 %. Equity committed rose by 22.0 % to €2,790m while operating return on equity decreased from 45.4 % to 35.4 %. The cost/income ratio rose only slightly from 42.5 % to 43.1 %.

Central and Eastern Europe implement successful business model

Given the backdrop of the current crisis on the financial markets, the Central and Eastern Europe segment turned in a satisfactory performance. All units in the region are well positioned. BRE Bank grew further in both retail and corporate customers. The roll-out of mBank in the Czech Republic and Slovakia met our general expectations. We were also satisfied with the business development of Bank Forum, and its integration is going according to plan.

BRE Bank's good result was a decisive driver for net interest income, which rose 70.2 % year-on-year to €480m. Due to the general market risks, loan loss provisions were increased in the third quarter, and compared with the first nine months of last year rose from €37m to €114m. Net commission income grew by 16.9 % to €152m. Administrative expenses increased because of the expansion of BRE Bank and the purchase of Bank Forum by 49.6 % to €395m.

Including the sale of an asset management unit of BRE Bank as well as of PTE Skarbiec, the operating result in the first nine months of 2008 rose to €285m (previous year: €214m). The operating return on equity fell from 34.4 % to 24.0 % due to the doubling of equity committed to €1,582m. The cost/income ratio of 49.7 % was slightly below last year's level of 51.3 %.

Corporates & Markets hit hard by financial crisis

We are not satisfied with the performance of the expanded Corporates & Markets segment, which along with the previous Corporates & Markets segment now also includes the public finance business and Treasury. In the third quarter the bankruptcy of US bank Lehman Brothers, the moratorium for Icelandic banks and the sometimes very drastic widening of spreads for a huge range of securities – which led to substantial losses from a total return swap agreement on US municipal bonds – took a heavy toll.

These negative factors are also reflected in the loan loss provisions especially in the Corporates New York Division primarily as a result of the bankruptcy of Lehman Brothers and the additional write-downs needed on structured products – part of which are included in the loan loss provisions. The provisions of €481m after the first nine months of 2008 was about five times the figure for the same period last year. The net interest income fell by 25.8 % to €264m, and the net commission income rose moderately by 2.4 % to €126m. The trading profit dropped by around two-thirds to €217m, compared with €689m for the first three quarters of 2007. The customer-driven business with both fixed-income products and equity derivatives continued to perform well while the impact of the Lehman Brothers bankruptcy and the previously cited widening of spreads had a very negative effect.

Following high impairments on bonds from Icelandic banks and further write-downs on the ABS securities in the third quarter, the result from financial investments after the first nine months of the year was €–298m compared with €7m for the same period last year. Administrative expenses fell as a result of lower bonus provisions by 3.7 % to €802m. The operating result of €–934m was €1,203m lower than for the first three quarters of 2007. Equity committed was 2.7 % lower at €3,358m, resulting in an operating return on equity of –37.1 % (previous year: 10.4 %). The cost/income ratio rose from 69.5 % to 229.8 %.

Commercial Real Estate also affected by financial crisis

The Commercial Real Estate segment had a difficult third quarter as it had to make further write-downs on subprime RMBSs in the amount of €144m. The core business remains stable in spite of the fact that we consciously reduced new business in the first nine months of 2008 by 56 % compared with the same period last year.

The net interest income was only slightly higher at €643m, and loan loss provisions rose primarily as a result of a valuation allowance made in the second quarter on a single exposure, from €104m to €440m. The net commission income rose by 12.1 % to €324m, and administrative expenses decreased by 3.4 % to €395m. Having posted a negative operating profit after the first half of the year, after three quarters it is now €–221m compared with €401m a year ago. The related operating return on equity is –8,4 %, with equity committed lower by €761m. The cost/income ratio increased from 44.7 % to 64.3%.

Key figures of the Commerzbank Group

After the first nine months of 2008 the Commerzbank Group has an operating return on equity of 4.0 %, compared with 23.2 % for the same period last year. The return on equity on the consolidated surplus attributable to Commerzbank shareholders fell from 18.4 % to 8.0 %. The cost/income ratio rose from 59.0 % to 70.3 %.

Forecast

The following comments should always be read in conjunction with the Business and Economy section of this interim report as well as the Outlook section of the 2007 annual report.

Future economic situation

The USA is set to fall into a sharp recession, with any recovery unlikely before the second half of 2009 at the earliest. The economic outlook for the eurozone and Germany is also deteriorating, and the economy is expected to stagnate during 2009 as a whole. Any extensive revival in the economy is anticipated towards the end of next year at the earliest, once the interest rate cuts by the ECB that are expected over the coming months start to take effect and foreign demand gradually recovers.

Future situation of the financial industry

The sectoral and competitive environment in which Commerzbank AG is operating remains under extreme pressure. According to a Bloomberg analysis (dated September 26, 2008) losses suffered by banks worldwide as a result of the subprime crisis amount to USD 557bn. This figure represents an increase from USD 181bn at the end of 2007. In order to offset the resultant weakening of capital, banks have been obliged to carry out capital increases totalling USD 389bn.

The financial crisis intensified further following the bankruptcy of Lehman Brothers, with the interbank market drying up and short-term refinancing becoming temporarily unavailable to many credit institutions. The financial crisis escalated from a risk crisis to a liquidity crisis that left many banks throughout the world dependent on government assistance. State guarantees and liquidity assistance are currently the order of the day, with huge aid and rescue packages for banks worldwide being compiled. Many governments have also provided guarantees for bank deposits, with the German Federal Government having announced a general guarantee for private bank deposits.

Overall the financial crisis has intensified dramatically in certain areas. Liquidity risks might however quickly disappear as soon as market confidence is restored. What is important is that all players – banks, central banks and governments as well as institutional investors – pull together during the crisis situation. This will be the only way to prevent a domino effect in the financial crisis.

Earnings outlook for the Commerzbank Group

Likely changes in significant items in the income statement

As a result of rising deposit volumes in particular we expect to see an increase in net interest income in 2008. Given the current environment, provisions for possible loan losses for the year as a whole will be about double the level of approximately €700m forecast in the 2007 annual report. Net commission income in 2007 was influenced by a positive one-off effect in *Mittelstandbank*. Added to this in 2007 was the commission income from the international asset management units, which have since been sold. Due in particular to the continued turbulence on the financial markets, we therefore anticipate lower net commission income than in the previous year. The biggest uncertainty lies by its very nature in the forecast for the trading result. Owing to the extremely high degree of volatility on the financial markets, a well-founded forecast is currently impossible. From the current perspective, administrative expenses could be slightly lower than the previous year despite our growth programmes, given the increasing significance of cost management in the current environment. As in the previous year, the tax rate in 2008 will be influenced by a series of extraordinary items. We expect to see a considerably lower tax rate, due in particular to loss carry-forwards activated this year.

Financial outlook for the Commerzbank Group

Financing plans

Following a temporary stabilization in funding cost levels for unsecured financial market issues in July and August, levels rose again in September. For the remainder of 2008 we expect to see a difficult market environment with funding costs increasing further. Despite the wide range of possibilities open to Commerzbank for funding, the capital market for the issuing of *Pfandbriefe* and unsecured bonds is currently available only to a limited extent.

In the third quarter, the 2008 funding plan for the Group was reduced to a requirement of less than €20bn. This is a result of both higher customer deposits and adjustments to new business planning, in the public finance business in particular. We continue to expect the large majority to be covered by *Pfandbriefe*.

The funding plan for mortgage *Pfandbriefe* was implemented during the third quarter. In addition to regular issues in the domestic market, the second jumbo *Pfandbrief* of this year is of particular note. With the successful issue of a €1bn five-year jumbo *Pfandbrief*, Eurohypo was able to take out long-term refinancing against the mortgage cover pool.

Issue profile as of September 30, 2008

Planned investments

In the Private and Business Customers segment we have continued to invest as planned in our successful growth programmes during the course of the year. This includes our new market presence and the ongoing development of the branch office network by means of the "Branch of the Future" project. In the first three quarters we succeeded in acquiring a net total of 450,000 customers in this manner. With the opening of ten new branches in Hamburg on October 1, we expanded our service and advisory offering for private customers within the city area and aim to considerably increase our market share here by means of an innovative distribution model and regional marketing measures. After nine months the signs also continue to point to growth with our direct bank subsidiary comdirect. The comvalue target of 1.3 million customers for 2009 is already in sight, a year ahead of schedule. Continuing along this path, it remains a stated aim to carry on growing for the rest of the year.

In *Mittelstandsbank* the focus is on both the acquisition of new domestic customers and the continued expansion of the financial engineering business. In addition, IT investments are being carried out, primarily as a response to new regulatory requirements.

In the Central and Eastern Europe segment we will continue with our successful growth programme as appropriate given the market environment. The expansion by BRE Bank of the online subsidiary mBank into the Czech Republic and Slovakia will continue. A net total of almost 170,000 customers were acquired in the first three quarters of 2008, and we expect to see consistent growth on the basis of stable monthly customer acquisitions. Following the acquisition of Bank Forum in the Ukraine, the retail and corporate customer segments are being expanded further.

The biggest single investment in the former Public Finance and Treasury segment, which is now part of Corporates & Markets, was the introduction of the front office system, already in use at Group Treasury, to Eurohypo's Treasury in April 2008. This will ensure standardized management of the whole Group's interest rate position. In addition, we are investing in the restructuring of our public finance business model.

The integration of Dresdner Bank, which is currently under preparation, is likely to represent one of the main focal points of investment in 2009.

Liquidity outlook

Again in the third quarter of 2008 and at the beginning of the fourth quarter the market environment was extremely volatile, due above all to the insolvency of Lehman Brothers and the support measures for various large European banks. While volatility in almost all market products is at a new annual high, it has started to ease off slightly since the announcement of state support programmes for the financial industry. The Euribor-Eonia spread reached record levels at the beginning of October 2008, but again declined somewhat following the announcement of government support programmes.

The market for time deposits in the interbank market effectively came to a standstill due to the financial market turbulence, with the redistribution mechanism in the money market functioning only partly due to the existing uncertainties. So far, the extensive support measures implemented by central banks have only resulted in an improvement in short-term yields. The expansion of the collateral framework for central bank operations by the ECB on October 15, 2008 put liquidity provision on a broader and more secure basis, which will considerably improve the banks' liquidity situation.

Despite the continued market upheaval we expect Commerzbank to remain in a relatively comfortable liquidity position – against the backdrop of further increases in customer deposits and adjustments to new business planning among other factors. Our detailed liquidity management is based on an internal liquidity risk management model. Key liquidity according to the standardized approach under the Liquidity Regulation – known until the end of 2007 as Principle II – was, as in 2007, constantly maintained at a comfortable level throughout the first three quarters of 2008. Our target corridor for Commerzbank's key liquidity is between 1.08 and 1.15. The actual figure in the third quarter of 2008 was 1.14.

General statement on the outlook for the Group

Due to the ongoing severe market turbulence and the extremely volatile general environment in which we are operating, it is currently impossible for us to issue well-founded forecasts for the 2008 results. The result for 2009 will be influenced in particular by the integration of Dresdner Bank, which is likely to be carried out in a continued difficult environment.

Given the current dramatic changes in the banking sector in particular, the integration of Dresdner Bank comes at just the right time, and will help us reach an appropriate cost level once the financial crisis is over. Alongside the cost synergies, Dresdner Bank will in particular help us to expand our stable customer business further. However, if the government measures, above all the effects of the interest rate cuts by the ECB, contribute to a recovery in the both the eurozone and the German economy in 2010 – with Germany potentially set to grow more strongly than the eurozone on the basis of current economic forecasts – the "New Commerzbank" should especially be one of the main beneficiaries.

Report on post-balance sheet date events

Against the backdrop of the renewed intensification of the financial crisis in September and October as well as the worsening economic outlook we have decided to take advantage of the government programme aimed at stabilizing the financial market. Our aim in particular is to strengthen our capital base with a view to continuing to sustainably provide *Mittelstand* and private customers with loans in the current environment. The various government programmes for financial institutions launched in many European countries as well as the USA have resulted in a changed competition situation that will in turn place higher capital requirements at least temporarily on banks.

Risk Report

1. Risk-oriented overall bank management

1.1 Risk management organization

The financial market crisis once again demonstrated that the professional limitation and management of banking risks are critical factors in our business success. The prerequisites for the successful management of risks are identification of all significant risks and risk drivers for the Group, independent measurement and assessment of these risks against the background of changing macroeconomic and portfolio-specific conditions, and risk / return-oriented management of risks on the basis of these results and assessments as part of a forward-looking risk strategy for the Commerzbank Group and its segments.

Risk is defined by Commerzbank as the risk of potential losses or profits foregone, a risk that can be triggered by internal or external factors. Risk management distinguishes between quantifiable risks – those for which a value can normally be given in annual financial statements or in commitment of capital – and unquantifiable risks such as reputational and compliance risks.

For a more detailed explanation of the way risk management is organized at Commerzbank, please see our 2007 Annual Report. There have been no significant changes in organizational and reporting structures since the last management report; preparations for the organizational structure of the New Commerzbank are underway.

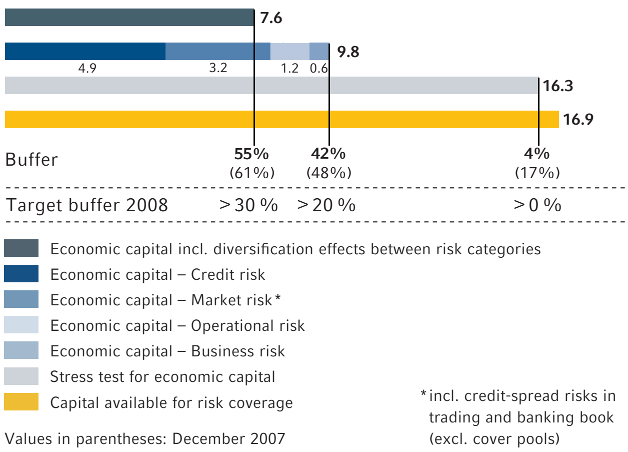
1.2 Risk-taking capability

Risk-taking capability is monitored by comparing the Commerzbank Group's aggregate bank-wide risk (measured as economic capital at a confidence level of 99.95 % and a holding period of one year) with the capital available to cover risk (primarily equity components). The goal of this comparison is to establish which potential unexpected losses can be covered from the Bank's own funds without serious negative business consequences, and to understand and manage the dependencies of individual risk drivers.

In the base case, the available capital for risk coverage must be at least 20 % higher than the economic capital (without taking account of the diversification effects between risk categories). As part of the Bank's overall risk strategy, the capital buffer requirement is broken down into specific sub-targets for individual portfolios. By making this strategy an essential part of business operations, any management measures that may be required can be implemented at an early stage. All buffer targets at Group level were met throughout the reporting period.

In addition, by way of a dynamic approach, various risk-specific and multi-risk stress and scenario analyses are performed. In particular, negative economic and market developments are identified along with their impact on the relevant risk drivers and parameters, and the consequences for Commerzbank's portfolios are analyzed and action plans determined. The aim of this analysis is to guarantee Commerzbank's risk-taking capability even in cases of stress. In other words, consumption of economic capital must never exceed the available capital for risk coverage, even in a stress situation; this was the case at all times. In addition, the restriction of risk appetite based on the medium-term (over five years) profitability of the segments plays a key role in determining the operational risk parameters, especially the EL and VaR limits (see also the 2007 Annual Report).

Risk-taking capability for the Commerzbank Group
in € bn as per September 2008



2. Risk management

2.1 Default risks

Our management process is based on two parameters: unexpected loss (UL) and expected loss (EL = PD * EaD * LGD). While the analyses of risk-taking capability (stress on equity) and risk appetite (stress on the income statement) based on unexpected loss (= economic capital consumption) determine strategic orientation and also serve to limit bulk risks, operational implementation of risk management

EaD, EL and risk density (EL / EaD) by segment (including the trading book, exluding the default portfolio):

	Exposure at Default in € bn		Risk Density in bp		Expected Loss in € m		EL Limit in € m	
	30.9.2008	31.12.2007	30.9.2008	31.12.2007	30.9.2008	31.12.2007	30.9.2008	31.12.2007
Private and Business Customers	63	62	37	40	235	246	247	241
Mittelstandsbank	88	80	29	30	255	241	261	241
Central and Eastern Europe	28	19	67	61	189	117	167	127
Corporates & Markets*	268	301	6	6	150	191	175	201
Commercial Real Estate	89	86	30	28	272	239	280	260
Others and Consolidation	6	10	5	13	3	13	10	10
Group	**542**	**558**	**20**	**19**	**1,103**	**1,047**	**1,140**	**1,080**

2007 figures adjusted to current structure; see also segment report in the notes to the financial statements. * Including Public Finance and Treasury.

is based on expected loss limits. Exposure at default (EaD) consumption and the rating migration are closely monitored. These limits are easy to implement in day-to-day operations, and EL is also the key parameter for systematic risk / return-adjusted pricing.

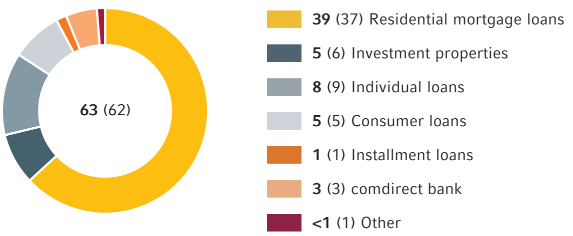
In general, the current difficult market conditions translated into negative rating migrations for existing portfolios and a resulting increase in PD ratings, which we countered by increasing our collateral (with the objective of a lower LGD) and reducing our exposure. In spite of a decline in EaD, EL rose by 5 % in the course of this year. The increase in EL is mainly due to the integration in 2008 of Bank Forum, which has a higher risk density than is usual for this economic region. The EL limit breach in Central and Eastern Europe is caused by the strong volume momentum in this segment. On the course of the medium term planning 2009 - 2011 for CEE portfolio- and risk dynamics as well as a limit increase are scrutinized.

After the finalization of the merger of Essen Hyp, its assets, which were previously all assigned to the Public Finance and Treasury segment, were allocated to the segments Private and Business Customers, Commercial Real Estate and Corporates & Markets, and the Public Finance and Treasury segment was allocated completely to the Corporates & Markets segment. The accompanying shift in EL was accounted for by reallocating the limits (Private and Business Customers (€+6m), Commercial Real Estate (€+20m), Corporates & Markets (€-26m). However, the Group's 2008 EL limit of €1,140m was not adjusted and this target was met throughout the reporting period.

2.1.1 Private and Business Customers segment

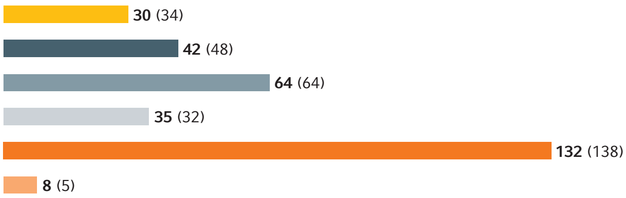
The €4bn increase in EAD in the third quarter resulted from the first-time inclusion of the portfolio components of the former Hypothekenbank in Essen (HBE) that were restated to the Private and Business Customers segment (previously Public Finance and Treasury). This more than compensated for the portfolio reduction experienced by the Private and Business Customers segment in the first half of the year. Our continued strict risk / return-oriented focus on value-creating new business based on the AIRB capital commitment, will result in another slight reduction in the portfolio in the fourth quarter.

Exposure at Default
in € bn as per September 2008



Values in parentheses: December 2007

Risk density
in bp as per September 2008



Private and Business Customers 37 (40) bp

The EL limit of €247m was observed throughout the reporting period. The risk density of the overall portfolio improved substantially in the third quarter thanks to the impact of the business policy described above as well as the inclusion of the HBE portfolio, which is heavily weighted toward loans secured by first mortgages.

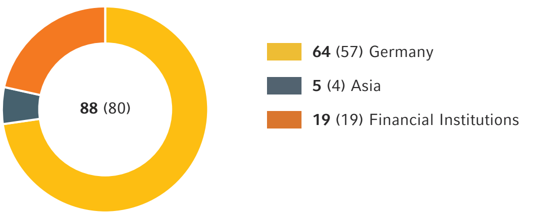
2.1.2 *Mittelstandsbank* segment

With a substantial increase in EaD of around 9 % during the course of the year and at the same time a slight decrease in risk density, the performance of the segment continues to be positive. The Corporates Germany core market was a determining factor in this positive trend with an increase in EaD of approximately €7bn to approximately €64bn and a 3bp lower risk density.

However, given the prospect of a strong slowdown in economic activity in Germany, we are expecting in 2009 a considerable number of negative rating migrations in our Corporates Germany core portfolio in the wake of credit downgrades for borrowers and a rising risk density as the result of increasing restructurings and insolvencies. It is predictable that a larger share of the credit margin will be used up by risk costs, which will intensify the pressure on the gross margin. We wish to mitigate the increase in economic risk as far as possible by applying risk-limiting measures to our new and existing business (incl. increasing our collateral), while at the same time refraining from reducing our willingness to grant loans to our core target group. However, our expectations as regards the timely provision of information on business performance and budget figures regarding expected cash flow and dynamic debt trends (net debt to EBITDA) by our customers have risen. We will attach even more importance to well-founded budgets in our ratings. More volatile markets are forcing us to intensify our forward-looking sector risk management approach, which we see also as an important factor in the integration of Dresdner Bank. Our rating systems are constantly being further developed in a forward-looking manner while taking into account experience from the crisis on the financial markets. Only those who can give the Bank a reliable idea of their future business and income potential can rely on us in difficult times to help them find solutions for optimizing their financial situation.

In this area we wish to provide even more competent advice, and in future we will organize our credit activities along sector lines rather than regions in a bid to support the regional advisors even more competently. To ensure proximity to the customers, we will continue to apply the regional principle to our client care approach.

Exposure at Default
in € bn as per September 2008



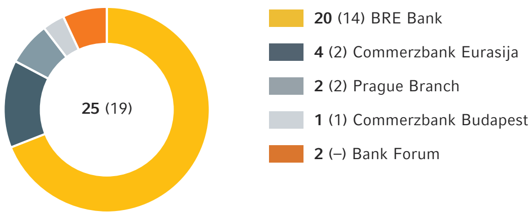
Risk density
in bp as per September 2008

Mittelstandsbank 29 (30) bp | Values in parentheses: December 2007

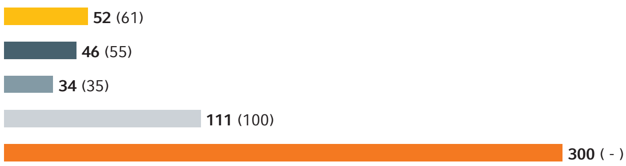
2.1.3 Central and Eastern Europe segment

BRE Bank, the third largest universal bank in Poland, plays a key role in Commerzbank's Eastern European activities, which have been combined since early 2008. As far as funding is concerned, BRE Bank has a balanced asset-liability structure with a growing mortgage business and granular deposits. If corporate loans are included, the quality of the portfolio – boosted by an economic environment that is still favourable – has improved to an average risk density of 52bp. The establishment of the Commerzbank risk culture,

Exposure at Default
in € bn as per September 2008



Risk density
in bp as per September 2008



Central and Eastern Europe 67 (61) bp | Values in parentheses: December 2007 risk processes and risk systems at BRE Bank will be rounded out by AIRB certification, which is scheduled for 2009.

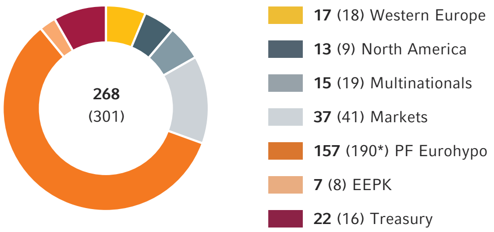
Generally speaking we are using the Commerzbank standards as a springboard towards platform concepts and a uniform risk culture, currently also as regards the integration of our latest Eastern European investment, Bank Forum in the Ukraine. Through our modern risk management systems and processes we hope to permanently reduce Bank Forum's risk density, for which a implementation concept is currently being developed. The high starting value for the risk density of 300bp is based on the previous charges against this institution and is at market level.

The risk oriented expansion of our market share in the Central and Eastern Europe (CEE) segment continues to be one of our main goals. Although the CEE segment currently accounts for only about 5 % of Commerzbank Group's exposure at default (EaD), Central and Eastern Europe already accounts for 17 % of our expected loss (EL) as a result of a higher risk density due to market conditions. The current EL volumes are acceptable and can even increase, provided that the income grows faster than the EL, which has been the case to date.

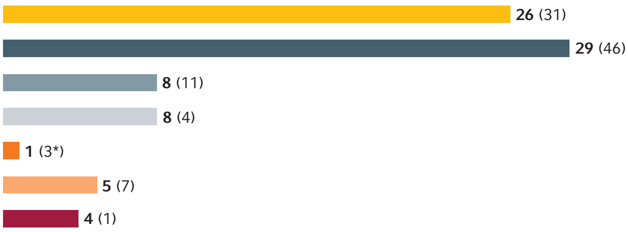
The dynamic growth in the region creates special challenges when it comes to early recognition of risks, while the market-induced high proportion of foreign currency loans in Retail and Corporates gives rise to foreign currency risks which we are monitoring closely and including in our risk strategy. The volatility of the US dollar is affecting our corporate customers in Russia and the Ukraine in particular, so that we are expecting rating drifts where there are no hedges (e.g. exports in USD). Other customers will benefit from falling commodity and energy prices.

In the current financial market crisis, the CEE banks' funding practices are suffering from the outflow of the assets of industrial nations. We therefore welcome the IMF's willingness to lend support and the liquidity lines it is providing to Hungary and the Ukraine. Other countries are sure to follow.

Exposure at Default
in € bn as per September 2008



Risk density
in bp as per September 2008



Corporates & Markets 6 (6) bp

*as of December 2007 incl. Essen Hyp | Values in parentheses: December 2007

2.1.4 Corporates & Markets segment (incl. Public Finance and Treasury)

This quarter, the Corporates & Markets segment also includes for the first time the public finance books of Eurohypo and EEPK. As a result, this segment now accounts for almost 50 % of the Bank's total EaD. With the merger of former Essen Hyp into Eurohypo and the resulting merger of the books, the previous Essen Hyp portfolio was divided between the segments Commercial Real Estate, Private and Business Customers and Corporates & Markets.

As part of the strategic reorganization of Public Finance, we are pushing integration into the Corporates & Markets segment and are also planning to implement an earnings-relieving programme to reduce our portfolio volume to €100bn over the next three years. New business has been strongly reduced in the current financial market environment. The objective is to reduce the potential of negative changes in the value of the revaluation reserve.

As of September 2008, the EaD of the original Corporates & Markets portfolio was lower again than in December 2007. The quarter-on-quarter increase of €3bn (€79bn in June 2008) was mainly caused by currency effects (in particular the strengthening of the USD). Although the risk density for the individual sub-segments improved once again, we expect the risk density to increase soon in view of the ongoing financial market crisis and the economic slowdown.

Following defaults by financial market players from the US and Iceland and the need for further write-downs on ABS products (subprime and corporate CDOs), the provision for possible loan losses on the North America portfolio has increased significantly as of the reporting date. We also had to digest very negative effects on profit by the available-for-sale and held-for-trading categories in the third quarter (cf. the chapters on "Intensive care" and "Financial institutions").

2.1.5 Commercial Real Estate segment (CRE)

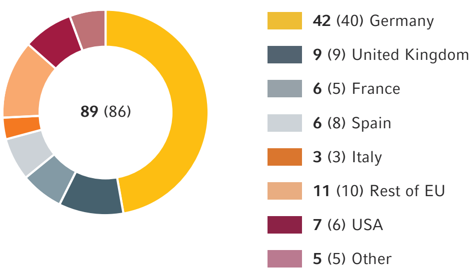
With the merger of Essen Hyp into Eurohypo and the resulting merger of the books, the EaD rose to €89bn. As part of our strategy we are looking for good new business selected according to risk / return principles. Seen overall, the volume of new commitments in commercial real estate financing was selectively reduced in the first nine months of 2008 to €13.1bn, whereas in the comparable period – 2007 – it was still at a level of €29.9bn.

As the result of the withdrawal of many competitors from the CRE business, there are now very attractive business opportunities in our core portfolios, even in a climate of much tighter lending standards, and this means that the margins have also widened significantly, even with low loan-to-value ratios. We are hardly financing any developments at the moment. As a result, the risk / return profile for our strongly reduced new business portfolio is much better than a year ago. Both for new business and in portfolio management, we are systematically applying the “look-through” approach for each transaction, regardless of product type, region, asset class or level of the targeted syndication volume. The volume in our syndication pipeline has shrunk in the past nine months by €1bn. Final hold increases were made where this was justified by the risk / return viewpoint. We do not expect any improvement in the exit liquidity situation on the securitization markets in the near future, and we also believe that the syndication market will remain relatively illiquid in 2009.

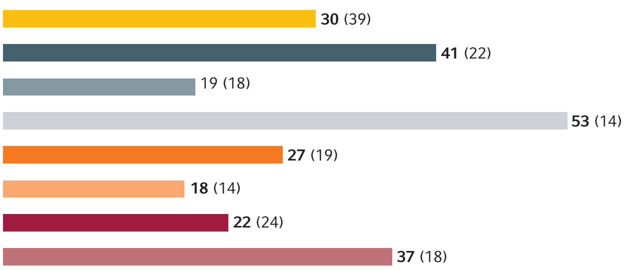
In view of market conditions, the investment grade component is trending downwards, but 90 % of the performing portfolio is still made up of investment grade holdings. In spite of the visible weakening of the markets this also applies to the regional markets under focus here, i.e. the US (98 %) and the UK (91 %). The increase in the share of sub-standard loans in the portfolio – which we are consistently nursing as part of our intensive care management approach – is reflected in the reduction in the investment grade holdings in our Spain portfolio (75 %), even after €2bn has already been moved to the default portfolio.

The realized losses in market value in the three hot spot markets, the UK, US and Spain, are the main drivers of the strong increase in risk density, and market values are also beginning to slip in Italy and France. Given the current economic trends and the severe cooling of the investment market, there is also more doubt about the future of the real estate market in Germany. We are countering these developments with much stricter lending standards, both for new business and for external renewals. In this way we can account for the expected additional losses in market value on the commercial real estate markets. The economic slowdown is likely to burden the real estate markets with a rise in risk density, although this is still mostly confined to the foreign portfolios. We are consistently trying to find a workout solution for the commitments that were identified as

Exposure at Default (EaD) – Regions
in € bn as per September 2008

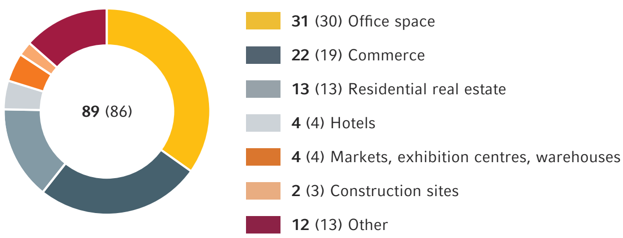


Risk density
in bp as per September 2008

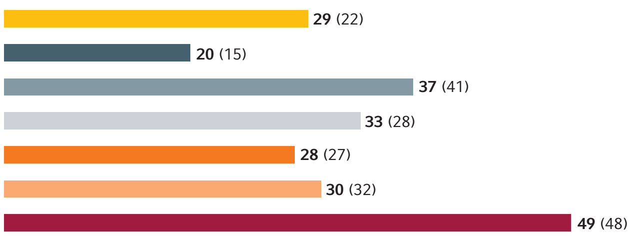


Commercial Real Estate 30 (28) bp | Values in parentheses: December 2007

Exposure at Default (EaD) – Property types
in € bn as per September 2008



Risk density
in bp as per September 2008

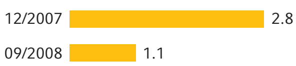


Commercial Real Estate 30 (28) bp | Values in parentheses: December 2007 sub-standard and problem loans during our extensive portfolio reviews. In Spain we had to accept write-downs on a bulk risk as well as other commitments; as financial covenants (ICR) are very difficult to enforce in disputes regarding loans secured by a property charge in the current market environment and as borrowers are by now highly leveraged, commitments in this jurisdiction are difficult to restructure.

Syndications are hardly possible any more in the current weaker market environment. Scenario analyses lead us to expect risk densities to continue to increase in 2009. We are focusing primarily on portfolio management, which harbors the potential for proactive risk management and margin improvements in conjunction with the renewal business and timely covenant testing (LTV and ICR). In the Anglo-Saxon countries and in Germany we are giving ourselves the chance to intervene at any early stage with strict loan agreement standards. As a result, risk-mitigating restructuring successes were achieved for various commitments where the cash flow of the borrower unit allowed.

Syndication Pipeline CRE
in € bn

CMBS Pipeline CRE
in € bn

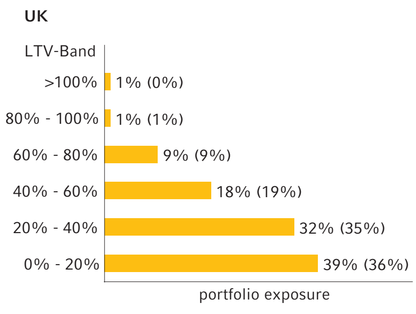


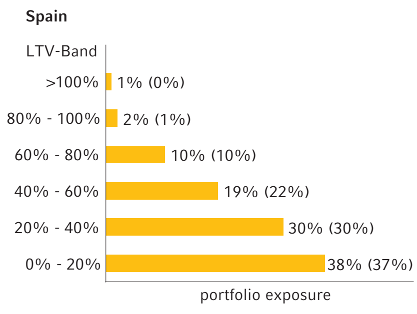
Our property financing transactions also have very solid interest coverage ratios (ICRs), even in hot spots such as the UK, Spain and the US. The covenant limits are strictly monitored on a case-by-case basis. Covenant breaks simulated by stress tests have shown the soundness of our credit portfolios. However, we expect that the favorable LTV structure shown below will worsen in view of the falling real estate market, but we react quickly when loans with a tight ICR or LTV attract our attention.

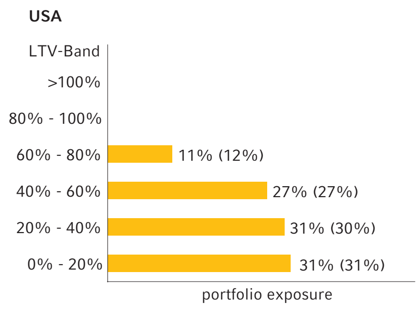
The loans in our portfolio that are secured by a property charge or mortgage are still characterized by solid LTVs, but further losses in market value will lead to an increase in the loan-to-value ratios on our existing portfolio. Follow-ups on LTVs also arise from the contractual agreement to renew external taxes. In the hot spot markets, the LTVs on weaker commitments are reviewed and assessed internally at least every six months, based on which a decision on the next steps is taken. In the US, the LTVs in the secured lending business are still within a range of 65 % to 75 %. In the UK and Spain as well as in our core business in Germany our LTVs also still range between 65 % and 75 %. With new loans we exceed this range only in isolated cases involving top-quality properties, long-term secured cash flows, loans secured by additional collateral or recourse to sponsors with a good credit rating. In the emerging markets, LTVs are generally between 60 % and 70 %. In these markets we only finance top-class properties in excellent locations.

The tables shown below include all performing loans with the exception of corporate loans in the CRE segment – the unsecured loans (i.e. without mortgages) that are extended on large real estate portfolios (e.g. REITS, funds, etc.) against financial covenants or pledged shares. These are included in the performing portfolio and still total €4.6bn (December: 2007: €7bn). The United States currently accounts for €2.5bn (primarily REITS), while the UK accounts for €0.6bn and Spain for €0.3bn. All corporate loans have now been classified as exceptions to policy, and the portfolio is being reduced slowly.

Loan to Value – UK / Spain / USA
(stratified representation)



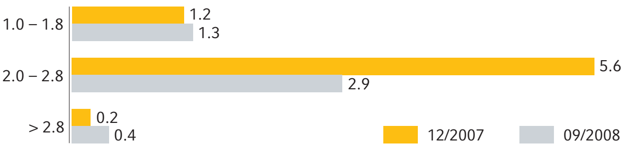




LTVs based on market values; excl. margin lines and corporate loans; additional security not taken into account

Values in parentheses: June 2008

Rating structure of corporate loans CRE (performing loans only)
in € bn



With the worsening of the financial market crisis and the recessionary growth prospects for the world's large economies, the real estate markets have deteriorated even more sharply. The trend of rising returns is strengthened in the current capital market environment by emergency sales and weakening user markets. As a result, many of the markets can be expected to suffer losses in market value of up to 15 % in the next twelve months (Sweden –15 %, Spain, the UK and the US –10 % each) – this in spite of the fact that enormous losses in value have already been realized in the past twelve months (UK –25 %, Spain –15 %). We must therefore anticipate further adverse changes in LTV and ICR and also covenant breaks in the three critical markets, and for this reason we will continue with our very selective and conservative risk strategy for the foreseeable future. In spite of the quality of the properties in our portfolio and the risk reducing measures that have already been implemented we expect the number of sub-standard and problem loans to increase further, particularly abroad. However, we believe that our many years of experience in finding workout solutions gives us a competitive edge in coping with the impact of the financial market crisis on the real estate markets.

2.1.6 Intensive care / charges against earnings

2.1.6.1 Loans and receivables / provision for possible losses

The Group's provision for possible loan losses was again dominated by the effects of the financial market and real estate crisis in the third quarter. Triggered by the bankruptcy of the US investment bank Lehman Brothers, financial market turbulence has reached new heights since September. This was followed in the US and Europe by defaults and the restructuring of regulated banks. After we already had to accept a special charge in the CRE segment in the second quarter as a direct result of the real estate crisis, the third quarter saw substantial additional charges triggered by defaults by financial players in the US and Iceland. There was also a need to make additional provision for possible loan losses on the ABS portfolio. These extraordinary items were outside our original planning assumptions and led to a sharp increase in the provision for possible loan losses in the third quarter, particularly in the Corporates & Markets segment.

The one-time items comprised the following components as of September 2008: ABS portfolio €83m, Spanish CRE commitments €297m, financial institutions €397m, and first-time consolidation of Bank Forum €11m. We are happy to note the Private and Business Customers and *Mittelstandsbank* segments have to date not been burdened by special charges, and net risk provisioning in these segments is still stable and in line with our expectations. The *Mittelstandsbank* segment will only start feeling the impact of the crisis from 2009. In the other segments, the financial market and real estate crisis is directly responsible for the overrun of the original 2008 budget. Defaults by US and

Provision for possible loan losses by segment | in € m

	Q 1 2007	Q 2 2007	Q 3 2007	Q 4 2007	Full year 2007	Q 1 2008	Q 2 2008	Q 3 2008	Q 1- Q 3 2008	one-time items 2008
Private and Business Customers	73	66	58	43	**240**	40	40	43	123	0
Mittelstandsbank	19	9	–48	–48	**–68**	11	8	12	31	0
Central and Eastern Europe	11	16	10	19	**56**	17	26	71	114	25
Corporates & Markets	18	17	61	35	**131**	57	42	382	481	408
Commercial Real Estate	39	39	26	11	**115**	50	298	92	440	297
Others and Consolidation	0	4	0	1	**5**	0	0	28	28	28
Group	**160**	**151**	**107**	**61**	**479**	**175**	**414**	**628**	**1 217**	
One-time items 2008*						34	327	396	757	
Group excl. one-time items						**141**	**87**	**232**	**460**	

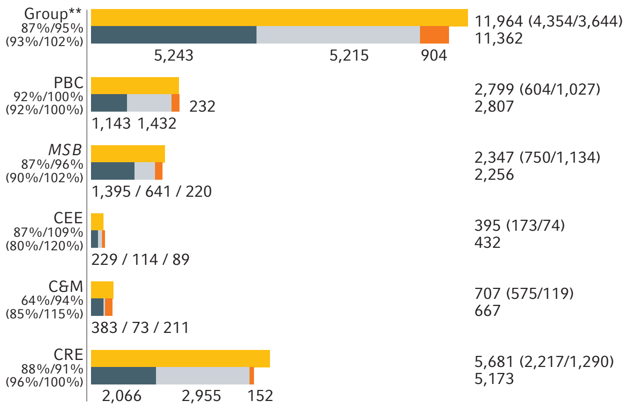
*ABS portfolio, Spanish CRE commitments, financial institutions, first-time consolidation of Bank Forum

Icelandic financial players burdened the Corporates & Markets and Central and Eastern Europe segments by around €370m in the third quarter alone. We have fixed the recovery rates for these banks at 12 % to 20 %. Write-downs on our corporate CDOs in New York triggered by the worsening of the financial crisis also weighed heavier than expected on the Corporates & Markets segment with a need for provisions of approximately €30m in addition to impairments at the end of the third quarter.

Our Intensive Care team, which was set up at the beginning of 2008, is countering this crisis with active management measures. Specialist teams were successfully deployed for the critical markets of our foreign CRE area. Problematic financial customers are handled by cross-unit task forces under the auspices of the Intensive Care unit. Given the difficult and volatile markets, additional charges related to event risks in the fourth quarter cannot currently be excluded.

In spite of the difficult conditions, the default portfolio was reduced by around €700m in the third quarter. The large increase in the Corporates & Markets segment, which was almost entirely caused by defaults by financial institutions, could be more than compensated at Group level. The portfolios of the Private and Business Customers and *Mittelstandsbank* segments also fell back heavily. Part of the reduction derives from the write-downs planned for the fourth quarter, for which a fixed trigger has been set up in the system in September. As there are clear signs that the

Performance of default portfolio | in € m | excl. / incl. GLLP
September 2008 (December 2007) | additions / disposals vs. December 2007*



*adjusted by Essen Hyp migration; **including Others and Consolidation

Default volume | Total loan loss provisions | Collaterals | Total GLLP

financial crisis will have a serious impact on the real economy, we are expecting the inflow from the corporate area to rise in the fourth quarter. However, we are assuming that the default volumes will be reduced further before the end of the year, provided that there are no further bulk risks.

2.1.6.2 Available-for-sale and trading book / impairments

Defaults by financial institutions have an adverse effect not only on the provisions for possible losses on loans and receivables, but our available-for-sale assets also accounted for significant impairments in the third quarter (including ABS holdings, €381m). The trading profit, again including the ABS holdings, was charged by a proportional share of defaults of around €187m. Details on the ABS and Financial Institutions special portfolios are provided in chapter 2.4.

in € m		2007	1st half 2008	Q 3 2008	1st to 3rd quarter
AfS	ABS portfolios	636	398	218	616
	Financial Institutions	0	0	163	163
HfT	ABS portfolios	48	17	26	43
	Financial Institutions	0	0	165	165
Total	ABS portfolios	684	415	244	659
	Financial Institutions	0	0	328	328
	Total	**684**	**415**	**572**	**987**

2.1.7 Country risk

When calculating country risk, Commerzbank measures both transfer risks and the region-specific event risks determined by politics and economics that affect a country's individual economic assets. Country risk management includes all the decisions, measures and processes that draw upon the information provided by risk quantification, and are intended to influence country portfolio structure in order to achieve business and return-on-investment targets.

Volumes in Europe remained stable during the course of the year thanks to the improvement in the ratings of some countries (e.g. the Czech Republic), which meant that they dropped out of country risk management; our exposure in Central and Eastern Europe actually showed impressive growth (see 2.1.3).

Exposure to Emerging Markets countries (country rating ≥ 2.0) by region:

	Exposure at Default in € bn		Risk density in bp		Expected Loss in € m	
	30.9.2008	**31.12.2007**	**30.9.2008**	**31.12.2007**	**30.9.2008**	**31.12.2007**
Europe (including Turkey)	20.6	20.2	38	31	78	63
Asia (including Middle East)	4.6	3.8	25	41	12	16
Africa	2.3	2.1	14	22	3	5
Central and South America	1.8	1.8	30	50	5	9
Emerging Markets total	**29.3**	**27.9**	**34**	**33**	**98**	**93**

Because of the financial crisis and the global economic downswing, the risk situation is worsening in many emerging markets. The industrial nations are withdrawing liquidity and the demand for exports is falling sharply, and economic growth can be expected to slow down even further in 2009. The IMF has already put together bail-out packages for Hungary and the Ukraine, and other countries have submitted requests for help. Iceland is a good example of a developed country which has been pushed to the brink of insolvency by its extended international banking activities.

The countries that are particularly vulnerable to contagion by the financial market crisis include those with high foreign trade deficits, high short-term debt and low currency reserves. Countries that export minerals and agricultural commodities are confronted by falling export earnings. As a result, the emerging market countries are now growing at a much slower pace than expected just a few months ago. Commerzbank reacted to these developments by reducing the country limits and subjecting its portfolios to a critical review.

2.2 Market and funding risk

2.2.1 Market risks

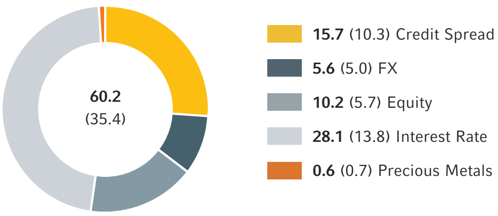
Market price risk (market risk) includes the risk of losses due to changes in market prices (interest rates, spreads, exchange rates, share prices, etc.) or in parameters that affect prices such as volatility and correlations. We also monitor market liquidity risk, which measures the time it takes to close or hedge risk positions to the extent desired.

Value-at-risk (VaR) shows the potential losses that will not be exceeded with a 99 % degree of probability for a holding period of 10 days. The table shows market risk by segment (trading book risks and currency risks for the banking book) as measured by the internal model certified by BaFin, the German Federal Financial Supervisory Authority. In addition, the 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 sensitivity limits).

Market risk in the trading book by segment

Value at Risk (99 %, 10 days)	Group excl. investments	
in € m	**1.1.–30.9.2008**	**Full year 2007**
Minimum	26.9	21.5
Median	41.0	33.2
Maximum	72.4	69.6
End of period	**60.2**	**35.6**

Market risk in accordance with the internal model
in € m

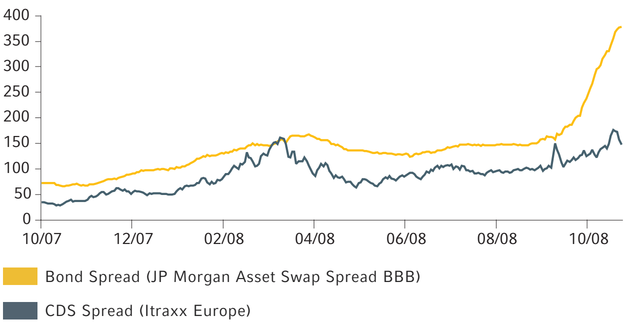


Values in parentheses: June 2008

In the third quarter, the risk in the trading books increased sharply, mainly as a result of the tremendous increase in volatility following the bankruptcy of Lehman Brothers. This led to historic highs in volatility for equities and bonds (credit spreads), which is reflected in the volatility increase of Commerzbank's risk-relevant parameters, resulting in higher risk values for the value-at-risk calculation.

The situation on the bond and credit derivatives markets is also characterized by high illiquidity, very wide bid-offer spreads and strong distortions between the derivatives and

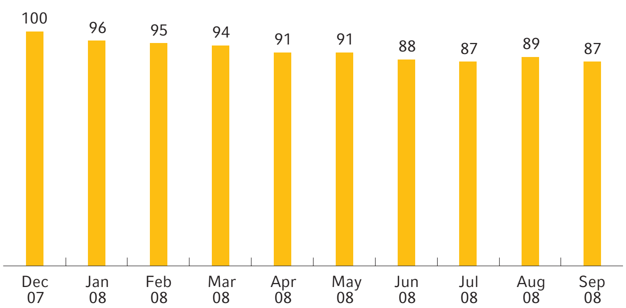
Spreads (Eurozone)



spot markets. As a result, mark-to-market valuation methods would distort the actual value of the assets, so that mark-to-model approaches result in a better assessment.

On the income side, early hedging of existing positions meant that trading in equity derivatives brought good results even in a falling market. Credit Trading, however, suffered losses, particularly in September, due to the widening of the credit spreads and the reduction in the basis spreads (difference between bond spreads and credit derivative spreads), while gains on CDS hedges could not make up for the losses on the basic positions (bonds). Seen overall, the credit derivative volume was actively reduced in the past few months, but, due to the lack of market liquidity, this cannot now be continued at the same pace.

Credit spread sensitivities
in %, December 2007=100%



The above chart shows the consistent reduction in credit spread sensitivities in the past few months. However, the market risks in the banking book, which are generally based on credit spreads and interest rates, have increased further. This is due to the fact that the reduction in exposure in terms of volume and maturities was overcompensated by the increase in volatility.

In the investment portfolio, the reduction in holdings and other hedging transactions in the third quarter led to a significant reduction in risk.

Generally speaking, a proactive approach to risk analysis and the active management of risks allowed us to limit the losses on certain trading portfolios and to generate substantial trading income in the third quarter, as measured against the current market environment. However, market conditions have worsened sustainably since the stock market crash in October. Due to the lack of market liquidity for interest-bearing instruments, we applied a mark-to-model valuation approach for the affected sub-portfolios for which we have not identified any default risks. For these portfolios to the nominal amount of around €45bn we assume that the loans will be repaid on maturity.

The year 2009 is likely to be shaped by persistent high volatility fanned by global fears of a recession. In this difficult market environment, priority will be given to the consistent reduction of exposure in public finance and credit trading and the limiting of risk for all portfolios.

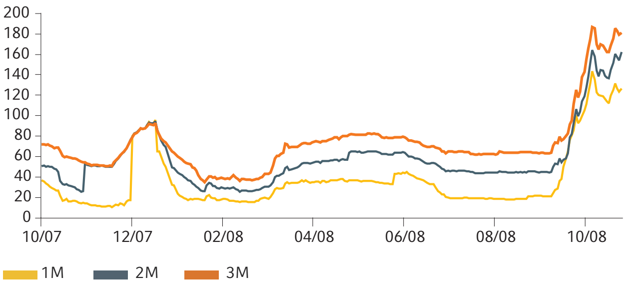
2.2.2 Funding risks

Funding risk refers to the risk that Commerzbank will be unable to meet its current and future payment obligations as and when they fall due (liquidity risk).

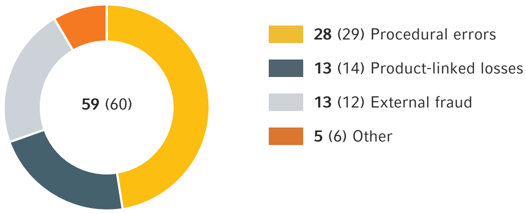
With the internally developed liquidity risk measurement approach, the available net liquidity (ANL) for the next twelve months is calculated on the basis of contractual and economic cash flows and compared with disposable assets. The results are then used to produce forecasts for trends in liquidity at different aggregation levels such as currencies, products or business units. The model is supplemented by comprehensive stress analyses. In the base scenario, where the parameters are adjusted to current market conditions, the Commerzbank Group did not exceed its limit in the reporting period.

The situation on the money and capital markets as well as the equity repo markets have worsened considerably from onset of subprime crisis to the current systemic financial crisis following on the bankruptcy of Lehman Brothers. Time deposits are hardly traded on the interbank market, the market for issues has come to a standstill, the Eonia-Euribor spreads have widened sharply, and much smaller volumes are traded on the equity repo markets. However, the coordinated approval of a rescue package by the European governments has led to the first tentative signs of a recovery.

Eonia-Euribor spreads



Expected Loss – by loss event
in € m



Values in parentheses: December 2007

The stress scenarios used by Commerzbank to manage liquidity were adjusted to the current market situation. To ensure that the Commerzbank Group has sufficient liquidity, Treasury in collaboration with the central liquidity management team is carrying out stress analyses and simulations and is submitting flexible and timely proposals for actions and measures to secure the short, medium and long-term liquidity situation. The inflow of customer funds, ongoing liquidity-affecting asset reduction, and efforts to use assets more efficiently as collateral delivered to the ECB in order to manage the liquidity situation are already compensating for the lack of funding via long-term time deposits on the interbank market.

Commerzbank's liquidity risk model has been approved as suitable and ready for certification during the Phase I review by the German Central Bank on the instructions of BaFin. We were advised of the final certification and thus the freedom to take advantage of the disclosure provision in the Liquidity Regulation at the end of Phase II of the review, which focused on Eurohypo. The time schedule for the certification of the model is currently being agreed with BaFin and the German Central Bank against the backdrop of the integration of Dresdner Bank.

2.3 Operational risks

Operational risk is defined in accordance with the Solvency Regulation as the risk of loss resulting from the inadequacy or failure of internal processes, systems and people or from external events. This definition includes litigation risks, but it does not cover reputational risks or strategic risks.

The Group suffered OpRisk losses (not including litigation risks) of €40m in 2008 to September (2007 financial year: €61m). The provisions for ongoing litigation were reduced by €21m thanks to the successful finalization of several disputes (2007 financial year: new provisions of €74m), so that the effective charges currently amount to €19m net, which is far below the expected loss. We have successfully finalized the review of our trading systems to ensure that we do not suffer losses on mistakes made by traders.

2.4 Special portfolios with special risk content

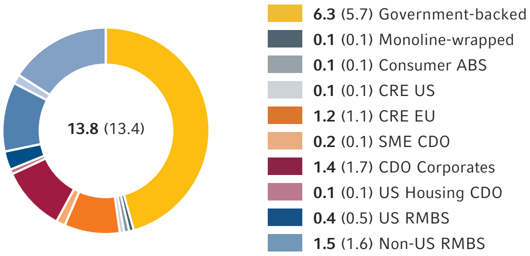
2.4.1 Secondary market ABS portfolios (incl. subprime)

2.4.1.1 Investor positions

The volume of ABS credit risks in the banking book based on market values totalled €11.6bn as of September 30, 2008 (June 30, 2008: €11.3bn), with an additional €2.2bn in the trading book (June 30, 2008: €1.9bn), subject to a daily mark-to-market valuation. The increase in volume in the third quarter was caused exclusively by the strengthening of the US dollar, without which the decrease would have been around €200m. All assets have been fully consolidated in the balance sheet of Commerzbank Group for many years and are subject to ongoing risk monitoring. The following table shows strains on profit:

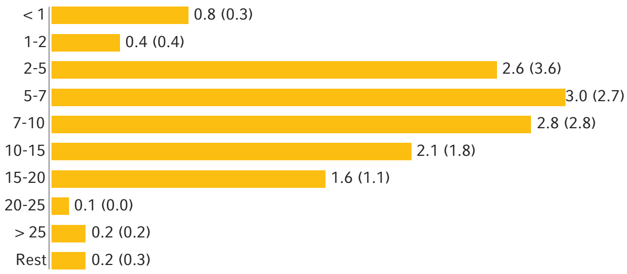
in € m	2007	Q 1 2008	Q 2 2008	Q 3 2008	1.1.-30.9. 2008
Impairments AfS / trading book	695	244	171	244	659
Loan loss provisions	82	34	19	30	83
Total	**777**	**278**	**190**	**274**	**742**

Breakdown of underlying by product
Market values in € bn



Values in parentheses: March 2008

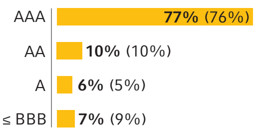
Portfolio by maturity
in years, in € bn



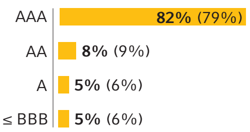
Values in parentheses: June 2008

Of the market value of €13.8bn, only €0.4bn (=3 %) relates to the US subprime sector at the end of September 2008. Excluding subprime (see below), write-downs of €36m in the second quarter were followed in the third quarter of 2008 by more write-downs of €93m. Another €30m (second quarter: €19m) was booked as provision for potential loan losses. The impairments on ABS portfolios totalling €93m were allocated to corporate CDOs (third quarter: €55m, second quarter: €18m) and to losses from trading positions (third quarter: €26m, second quarter: €11m). The increase in losses in the third quarter is mainly due to the collapse of the markets in September 2008.

Rating structure of banking book | market values

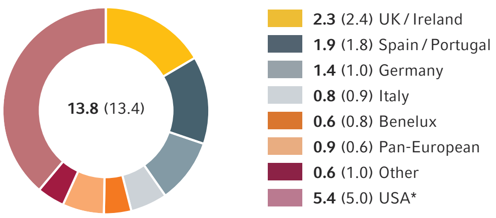


Rating structure of trading book | market values



Values in parentheses: March 2008

Breakdown of underlying by region
Market values in € bn

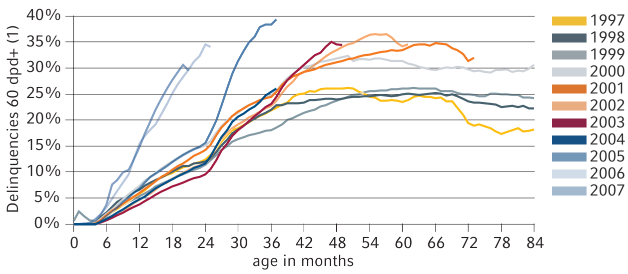


* predominantly government-backed | Values in parentheses: March 2008

Detailed overview of subprime portfolio (incl. Alt-A positions)

In the past few months, delinquencies for the 2005, 2006 and 2007 vintages continued to worsen. Based on the fact that the delinquencies for these vintages are rising on a cumulated basis by more than 40 % per portfolio and the severities are now more than 60 % due to market price erosion, the total default rate for most portfolios must be estimated at 24 % or more. Due to continued market price erosion in the real estate sector, the default rate will rise further. For all practical purposes this must be seen as a total default on capital for all RMBS tranches in rating classes lower than or equalling AA and a total default on the capital for mezzanine CDOs (i.e. also including the AAA tranches). For these positions the market values will probably be defined solely by interest payments.

Delinquencies
60 days past due, foreclosure, real estate owned (REO)



Source: until 2004 Merrill Lynch, since 2005 Barclays

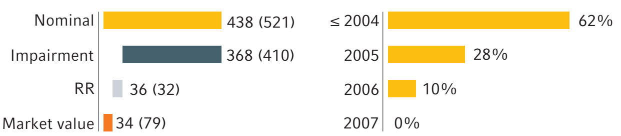
The total volume of subprime underlying assets in the Commerzbank Group based on nominal values stood at €1.5bn as of September 30, 2008 (thereof subprime €1.2bn, Alt-A €0.2bn, after €1.3bn as of June 30; change due to exchange rate differences), of which approximately one-third is still held in the form of collateralized debt obligations (CDO) at the New York branch, and about two-thirds are held as residential mortgage-backed securities (RMBSs) by Eurohypo and CB Europe. After the major part of the CDO portfolio was written off in 2007, the RMBS tranches of Eurohypo are now also seriously affected: impairments of €144m were recognized in the third quarter. If economic parameters remain negative, we must expect further write-downs in the fourth fourth quarter.

- Subprime CDO portfolio

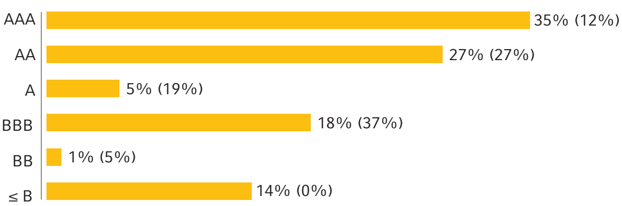
The valuation of the CDO portfolio and the defaults in the portfolio are driven primarily by the development of the underlying RMBSs. However, since CDOs are actually securitizations of securitizations and therefore have increased leverage, the portfolio is deteriorating – especially as regards the junior tranches. The portfolio has now been written down to €34m; impairments of €10m were added in the third quarter of 2008.

Changes in market values
Values in parentheses: December 2007

Vintages
Basis market values



Rating structure
Basis market values, underlying RMBS



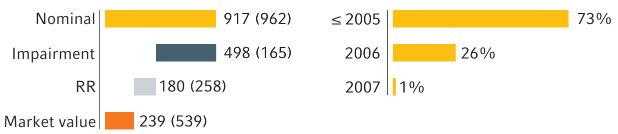
Values in parentheses: December 2007

- Subprime RMBS portfolio

The development and valuation of the RMBS portfolio is a function of both premature repayments (unscheduled repayments) and the default trends of the underlying loans. Even though the increase in defaults has slowed down slightly, the loss amount continues to rise due to falling home prices. In addition, unscheduled repayments have continuously decreased in the last few months and have now been below historical levels for some time, also a result of the sustained deterioration in home prices. As in the second quarter, both developments together resulted in an increase in the loss expectation for mortgage-backed securities held by Commerzbank in the third quarter of 2008. Following an impairment of €119m in the second quarter of 2008, additional impairments totalling €144m were charged against earnings in the third quarter, which brings the market value depreciation for 2008 to remarkable €300m. Because of continuing market volatility and steadily worsening fundamental data for the underlying subprime loans, we are expecting additional impairments in the fourth quarter, so that the situation in the second half should be very similar to the first six months.

Changes in market values
Values in parentheses: December 2007

Vintages
Basis market values



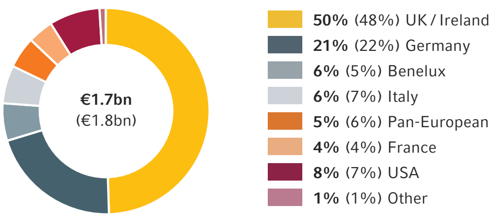
Rating structure
Basis market values

Values in parentheses: December 2007

- Commercial mortgage-backed securities (CMBSs)

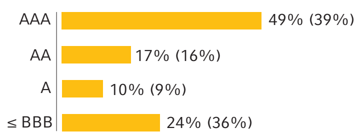
The CMBS portfolio of the Commerzbank Group had a market value of €1.74bn as of September 30 (thereof still €0.4bn trading book). Since June 30 it has grown by €45m, which can be attributed primarily to opportunistic purchases in Germany, the UK and Italy by Eurohypo and the exposure reduction in the US. Fortunately, no write-downs had to be made in 2008 to date on this portfolio.

Breakdown by region

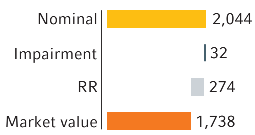


Values in parentheses: March 2008

Rating structure
Basis market values



Changes in market values



Values in parentheses: March 2008

2.4.1.2 ABS positions structured by Commerzbank

- Originator positions

In the last few years, Commerzbank and Eurohypo have securitized receivables totalling around €23bn (current volume: €17bn), largely for reasons of capital management. Just under nominal €7.7bn still remains on our own books as of the end of September 2008. The first loss pieces of the transactions have a risk weighting of 1.250 % and are directly deducted from equity (half each from Tier I and Tier II).

			Commerzbank volume		
Securitization pool in € m	Maturity	**Total volume**	Senior	Mezzanine	First loss piece
Corporates	2013-2027	6,803	5,943	59	112
CMBS	2010-2084	9,513	1,383	83	42
RMBS	2048	494	1	21	0
MezzCap	2036	180	1	7	9
Total		**16,990**	**7,337**	**171**	**163**

- Sponsor positions

Commerzbank has made liquidity lines available for its own conduits (Kaiserplatz, Aspire, MidCABS and Avalong) totalling €1.2bn; a total of €0.3bn had been drawn on these lines as of the reporting date. In addition, Commerzbank has purchased commercial paper totalling €824m in connection with the Kaiserplatz programme. Liquidity lines for conduits of other banks total €0.2bn, but had not been drawn on as of the reporting date.

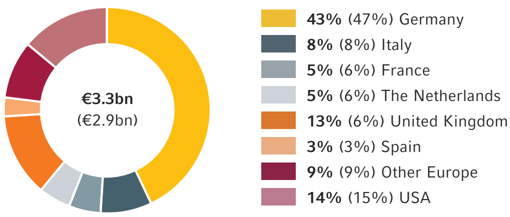
Own conduits in € m	liquidity line	thereof drawn lines
Kaiserplatz	572 (571)	42 (24)
KP Avalon	266 (267)	266 (267)
MidCABS	223 (221)	33 (15)
Aspire	84 (82)	0 (18)
Sub-Holding-Wide...	48 (48)	0 (0)
Total	**1,193 (1,190)**	**340 (324)**

Values in parentheses: June 2008

2.4.2 Leveraged acquisition finance

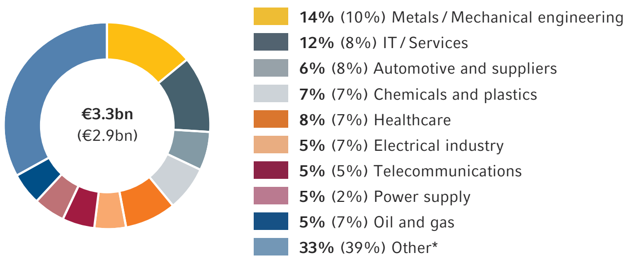
The Commerzbank LBO portfolio stood at €3.3bn as of September 2008 (including €0.3bn assets for the CLO warehouse – the programme was discontinued at the end of September 2008) – thereof €2.9bn funded commitments (December 2007: €2.9bn, including €2.4bn "funded commitments") and has a regional focus on Europe (86 %). In the first three quarters of 2008 this well-structured portfolio (average lot size about €30m) did not take any impairments. Our maximum portfolio limit of 1 % of the Commerzbank Group's EaD has proved successful in the current environment. Given the market environment, proactive LBO portfolio management via the secondary market is currently and probably for the foreseeable future only possible to a very limited extent, if at all.

Breakdown by region



Values in parentheses: December 2007

Breakdown by sector



Values in parentheses: December 2007

* 18 other sectors with shares of < 4%

2.4.3 Financial Institutions

The effects of the financial market crisis temporarily came to a head in the third quarter of 2008. Where defaults were previously limited to regional institutions and niche providers, the crisis took on a new and, for most market players, unexpected dimension with the nationalization of Fannie Mae, Freddie Mac and AIG, the failures of Lehman Brothers, IndyMac and Washington Mutual, and the moratorium for the three internationally active Icelandic banks (Glitnir, Kaupthing, Landsbanki). In Europe, various rescue packages were created, e.g. the large-scale nationalization and break-up of Fortis. In the meantime, governments in the US, UK and France have taken strategic holdings in the large banks in order to strengthen their equity bases and to avoid a credit crunch.

As part of our anticipatory risk management approach we examined our Financial Institutions portfolio for asset classes in danger of default as far back as 2007. The task force in charge investigated banks with a conspicuous risk profile in the following areas: (i) subprime / ABS, (ii) real estate exposure in overheated markets, (iii) refinancing by way of wholesale funding, and (iv) mismatch of maturities. We then adjusted our credit risk strategies to the new situation and implemented additional risk-minimizing and risk-eliminating measures.

Our countermeasures enabled us to substantially reduce the risks in the FI portfolio whenever market liquidity allowed. Our Financial Institutions portfolio has been reduced by €60bn since the beginning of 2007, and in the above categories in danger of default, exposure was reduced by €5bn.

However, our plans to continue to reduce critical risk assets have been severely hampered by the illiquidity of the global capital markets since the third quarter of 2007. We have nevertheless implemented risk-minimizing measures in the portfolios which we have identified as critical. In this difficult situation, the following risk-mitigating measures have helped to improve our risk profile:

- Strengthening of collateral agreements with daily margining,
- Maturities reductions,
- Stricter documentation,
- Risk-adequate pricing,
- (Portfolio) hedges.

In spite of the early identification and reduction of critical portfolio components, we were unable to avoid being hurt by the failures of Lehman Brothers and Washington Mutual and the division of Icelandic banks into “good and bad banks”. The early implementation of countermeasures meant that we successfully managed to halve our Iceland portfolio since 2006, but the risks could not be eliminated entirely when markets became more difficult. In the case of Lehman Brothers we were encouraged by the US Treasury Department’s rescue of Bear Stearns and shared the market’s mistaken belief for too long that Lehman was “too big to fail”.

Another burden which we did not expect to be quite so heavy was the severe market turbulence experienced during the re-hedging process and realization of collateral on the positions affected by Lehman’s failure. During our subsequent analysis of the situation and the “lessons learned” we redefined the risk parameters for risk concentrations and risk correlations that apply to our main trading partners.

To avoid the destabilization of the German market and a massive impact on the *Pfandbrief* market, we became actively involved in the rescue of Hypo Real Estate at a very early stage.

As of September 30, 2008, the EaD for the Financial Institutions portfolio was €140bn with a risk density of 7bp. The risk bearers include banks, investment banks, insurance companies and hedge funds:

	Exposure at Default in € bn	Expected Loss in € m
Banks	112	67
NBFI	27	32
Insurances	1	< 1
Total	**140**	**99**

Breakdown by rating class as of September 30, 2008:

PD Rating	Exposure at Default in € bn	Expected Loss in € m	CVaR in € m
1.0 - 1.8	103	5	70
2.0 - 2.8	27	19	141
3.0 - 3.8	7	27	171
4.0 - 4.8	2	18	106
> 4.8	2	30	43
Total	**140**	**99**	**531**

The portfolio is mainly dominated by investments by our mortgage subsidiaries in bonds from issuers with a good credit rating, counterparty risks arising from trading transactions, and predominantly mortage-backed commercial real estate financing with funds managed by banks. Collateral agreements are used for proactive risk management purposes in derivative business, and the portfolio's level of coverage by these instruments is continuously increased as part of our active exposure management approach.

Breakdown by region as of September 30, 2008:

	Exposure at Default in € bn	Expected Loss in € m	CVaR in € m
Africa	2	4	17
Asia / Oceania	10	18	59
Germany	46	13	115
North America	11	6	38
Eastern Europe	7	27	90
Scandinavia	3	1	5
Central and South America	1	4	19
Western Europe	60	26	188
Total	**140**	**99**	**531**

A large component of this business consists of OECD countries with good ratings. The emerging market regions share is mainly the result from processing foreign trade of German SMEs.

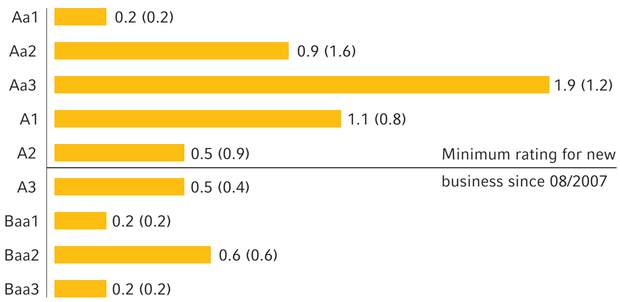
The current bank rating system is being reviewed in the light of the lessons learned from the financial market crisis and will be redefined to enable an even more accurate selection of risk.

2.4.4 North American municipal bonds

Public Finance has securities investments in the banking book guaranteed by monoline insurers for approximately €6.2bn (December 2007: €6.2bn). The following chart shows that the underlying ratings are predominantly in the A range or better.

We have carefully analyzed the underlying assets, and in the case of the municipal bonds we still do not see any need for impairment as the credit quality is good.

Exposure based on underlying rating
in € bn

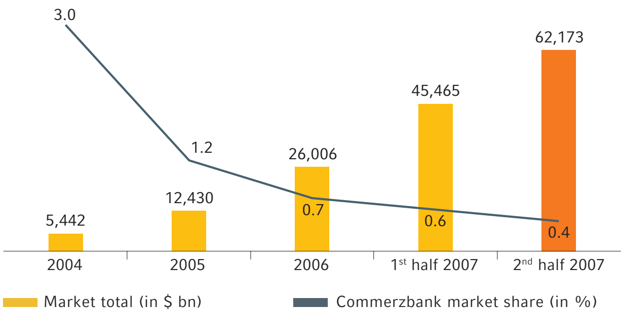


Values in parentheses: December 2007

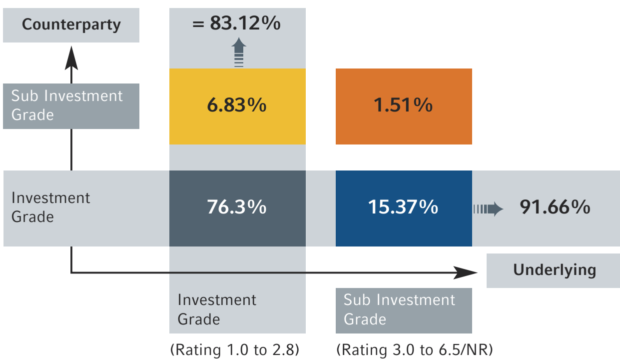
2.4.5 CDS portfolio

The nominal volume traded on the CDS markets rose to more than USD 62,000bn during the financial market crisis. As the nominal volumes of CDS transactions by our Bank were kept at a constant level amounting to €160bn during the past few years, our market share fell from around 3 % in 2004 to less than 0.5 % at the end of 2007, which underlines our conservative approach to these markets.

CDS markets



Counterparty and underlying credit quality



The graph shows our CDS long positions as a combination of counterparty and underlying risk. The greatest risk arises when both risks fall in the sub-investment grade area. Here our share is still only 1.5 %, but rating migrations mean that the portfolio is likely to worsen. We will, however, take suitable countermeasures.

2.5 Other risks

In terms of all other quantifiable and non-quantifiable risks, there were no significant changes in the first nine months of the year compared with the position reported in detail in the 2007 Annual Report.

3. Main developments in risk management and outlook

3.1 Restructuring of the risk function / risk integration project

The New Commerzbank attaches great importance to a resilient business model and strong risk management procedures. We follow a consistent de-risking strategy and will strengthen the risk management process of the New Commerzbank during the restructuring phase. The risk function of the New Commerzbank will in future (implementation from the beginning of 2009) be spread across nine areas, of which five will carry out this function for the CRO segment and accept responsibility for all quantifiable risks in this segment.

Of the four Corporate Center risk functions, one will handle credit risks, while another will take charge of the market and operational risks of the Commerzbank Group; these two teams will ensure that the Group applies uniform methods and controlling procedures. Another Corporate Center function will be responsible for intensive care management and workouts for all segments. Risk Operations will oversee all the Group's risk functions. It will implement a uniform risk strategy, carry out macroeconomic risk research, ensure uniform target group-focused use of language in all internal and external risk reports, make proposals for more efficient and cost-effective processes, monitor the budgets, take charge of cross-segment staff training and qualification, and coordinate all these measures with the banking supervisory authority.

All nine risk functions will be headed by the CRO and the Risk Management Board, who will be responsible for timely reporting, cost-efficient and proactive risk controlling and management, a uniform risk culture and compliance with all regulatory provisions.

By merging all methods, models, competencies and the risk strategies for the homogenous sub-portfolios of the New Commerzbank (core, non-core, policy, exception to policy, out of policy), we are well on our way to preparing the integration process.

We are aware of the fact that the integration of Dresdner Bank in the New Commerzbank presents an enormous challenge to the risk management functions, and this applies in particular to Dresdner Bank's much larger portfolios for ABS / conduits, leverage acquisition finance and CDS. However, we are well equipped to master these challenges with strength and are confident that we will be able to downsize these portfolios in a way that will have little impact on our results.

Also for us there are a lot of "lessons learned" from the financial market crisis. We will comment on this in our Annual Report 2008.

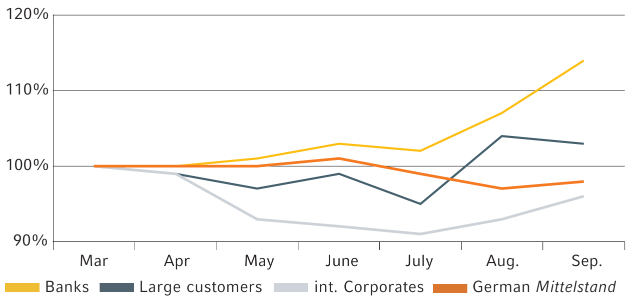
3.2 Regulatory capital management under Basel II / the challenge of procyclicity

In a bid to improve transparency and move closer to internal and regulatory risk management principles, the supervisory reforms (Basel II) led to a more differentiated and risk-sensitive definition of the regulatory capital requirement. This sensible development has the unpleasant side-effect that capital requirement as reported to the public becomes more volatile and procyclical. The resulting communication challenges already caused much controversy during the consultation phase.

Depending on the dependence on the international financial markets and in tandem with the cooling of the economy, the financial market turbulence affects different regions and client groups at different times.

The following graph shows the increase in RWAs already experienced by banks and the subsequent increase suffered by large and international customers. We expect that the

Volume adjusted RWA development since March (index)



capital commitment requirements will increase in the coming quarters for the German SME customer group too, which is currently still stable.

Based on these simulations, we tightened the risk quality requirements for new business at an early stage and are currently working on improving the collateral for the existing portfolio.

In spite of the difficult conditions, Commerzbank's capital base meets all regulatory requirements in full as of the reporting date. This remains true even when the stress scenarios agreed with the regulator during the certification process are applied. The economic climate, however, remains harsh.

3.3 Financial Institutions / ABS

Banks: The bank rescue packages and a firm commitment by the governments and central banks of the industrialized nations to support the financial system will lead to an easing of the situation in the developed markets in the fourth quarter. We therefore do not expect further defaults by large market players important to the stability of the system, but further defaults and restructuring is likely with smaller financial institutions. The impact of the financial market crisis and the looming recession on the income and capital situation of financial institutions as well as the questions surrounding business models that have been in place for a long time encourage us to continue steadily with our policy of reducing risk in accordance with risk / return principles.

The risk of defaults by banks in the emerging markets is rising. While countries rich in commodities such as Russia were able to accumulate sufficient foreign currency reserves in the boom period and are willing to use these funds to prop up their banking systems, we believe that the situation is critical for banks in countries that do not have this option and are burdened by high budget and current account deficits. This is confirmed by the current crisis in the Ukraine.

For the past few months we have already proactively been reducing our risks in selected emerging markets, and we will continue with this strategy. Generally speaking, our business in the emerging markets focuses on low-risk commercial bank-to-bank transactions to promote the import / export activities of our corporate customers.

Non-bank financial institutions: Our small insurance portfolio, which favours the developed markets, and large insurance companies are also likely to benefit from the positive effects of the support given to the financial markets in the industrialized countries. Given a serious dip in profits smaller insurance companies could also be quickly deprived of their business foundations.

Looking at the overall market, we believe that the hedge fund industry and the banks financing this industry are facing much potential danger. Here it must be assumed that weak performance, restricted access to liquidity and a large number of redemption requests from investors will force several funds into liquidation in the coming months. These funds are also hampered by increased margin calls and falling equity markets. Growing pressure to realize collateral under collateral agreements will continue to weigh on the equity markets. The selling pressure on the markets can cause a downward spiral. Short-selling increases volatility further and should be reduced more strictly. Our hedge fund portfolio is small, widely diversified and focused on fund of funds, and we do not expect any exceptional charges in this area.

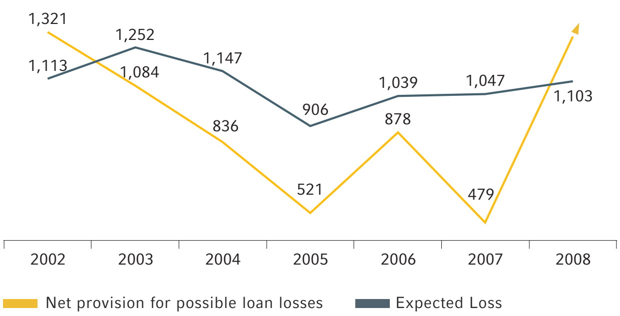
ABS: We do not expect any significant impairments on the subprime ABS portfolio in 2009.

3.4 Charges against earnings

Although the economic prospects remain dull, we still assume that in the third quarter of this year we have reached the peak with charges against earnings of €1,200m (loan loss provisions of €628m, impairments of €572m). This is due to the fact that this figure includes €371m for Lehman Brothers, €260m for three Icelandic banks and €274m for secondary market ABS (thereof, due to subprime €154m). Altogether €905m, respectively ¾ of all charges against earnings are attributed to these one-time items. In the future, we see remarkably lower negative effects due to Financial Institutions and ABS.

The real economy is already showing signs of the negative impact of the financial market crisis. We believe that this will become much more pronounced in 2009 and that more industrial sectors will be infected. This will mainly affect our SME portfolio, but the CRE and Corporates & Markets segments will also still be burdened by the ripple effects of the

Cyclical development of the provision for possible loan losses



current crisis next year. Our provision for possible loan losses will therefore remain high. The required provision for losses on Eastern European loans in 2009 will be pushed higher by a rising GLLP requirement driven by growth as well as corporate bankruptcies, which is often triggered by weak financing structures, and will use up an increasing share of the expected loss. In the Private and Business Customers segment we expect a moderate increase in the provision for loan losses, as the current crisis will only have an indirect and delayed impact and meanwhile we use very effective scoring models. Seen overall we expect the provision for possible loan losses to be on the same level or higher than the expected loss for the next three years.

However, we assume that the charges for AFS and trading book impairments could be much lower in 2009 than the extreme charges in the current year. If the total charge of around €2.8bn in 2008 is extrapolated to the future, the burden on earnings should be substantially smaller in 2009/10, albeit with serious structural shifts. At the same time, risk-oriented and higher margins will improve interest income. On a stand-alone basis, we expect Commerzbank's result to be much better in 2009 than in 2008.

3.5 Liquidity/market risks/operational risks

Liquidity: We expect conditions on the money and capital markets to remain difficult in the next weeks until the end of the year and in the first quarter of 2009 until the Financial Markets Stabilization Act takes effect and calms the situation.

Market risks: Due to fears of a global recession, volatility is likely to remain high in the fourth quarter of 2008 and in 2009. In such a scenario trading income is unlikely to improve, and there will not be any positive effect on the revaluation reserve. In the current difficult market environment, priority must be given to the consistent reduction of exposure in public finance and credit trading.

Operational risks: Our expectation is that total charges against earnings in 2008 and 2009 from operational risks, including litigation risks, will remain below the 2007 level of €133m.

3.6 Portfolios in risk focus / outlook

Conclusion: The risk management challenges will remain severe in the next few years. Our successes in risk management will to a large extent determine the success of the New Commerzbank. The integration project is on the right path, and we believe that the New Commerzbank is well positioned to successfully master the forthcoming challenges posed by the real economy.

Portfolio	by year-end 2008	by year-end 2009
ABS (incl. subprime)	Subprime substantially impaired, further charges on corporate CDOs possible	Low risk exposure – no significant charges expected
Financial Institutions	No further defaults by major players, possible failures in Emerging Markets	Support programmes of sovereign states and central banks will have positive effect
Corporates	Signs of weakness recognizable with respect to smaller corporates	Increasing insolvencies due to economic downturn
Central and Eastern Europe	Banks are suffering as a result of the outflow of funds	Economic downturn as a result of the financial crisis
Commercial Real Estate (non-German)	No improvement in the hot spot markets USA, UK and Spain	Further losses in market values amongst others in France and Italy

- Risk provisioning in 2009 just above the level of the Expected Loss (€1.1bn)
- Lower charges from AfS- and Trading book-impairments

Overall decrease in negative effects on profits in the years 2009 and 2010.

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, 2008, 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, 2007 (see page 145 ff. of our 2007 annual report).

In its press release of October 13, 2008, the IASB issued an amendment for the reclassification of financial instruments. In accordance with the amendment, securities in the Public Finance portfolio for which there is no active market are to be reclassified from the IAS 39 Available for Sale (AfS) category to the IAS 39 Loans and Receivables (LaR) category. The fair value of the reclassified securities as of the reclassification date of September 30, 2008, is €44 bn. This value will be recognized as the new carrying amount of the securities holdings. The revaluation reserve for the reclassified securities after deferred taxes have been taken into account is €-751m as of September 30, 2008, compared with €-410m on December 31, 2007. Due to the inactive markets, the fair value of this sub-portfolio was calculated using a cash flow based valuation model. In the discounting of the cash flow, spreads including expected losses and a risk component, taking into account the market changes that have taken place, were used. The nominal volume of this sub-portfolio is €45bn and it primarily contains securities issued by public sector borrowers (including European and North American local authorities) and financial institutions. The transactions have average effective yields of between 1.1 % and 16.9 % and we expect a funds inflow therefrom in the amount of €65bn.The trading book (investment banking business) is not affected by this measure.

Consolidated companies

On February 1, 2008 we sold our subsidiary Caisse Centrale de Réescompte which is based in Paris.

On March 6, 2008 the purchase of 60 % plus one share in Bank Forum was completed leading to its full consolidation. The company has assets of €1.85bn and liabilities of €1.65bn. The purchase price amounted to €438m and was fully paid up in cash. For the shares purchased we have within the framework of purchase price allocation booked the difference (€346m) between acquisition cost and the pro-rata equity capital so far as possible to balance-sheet assets and other individually identifiable values (client relationships, brand name; €24m). The remaining amount (€322m) was treated as goodwill.

In addition, the following subsidiaries, funds and special-purpose entities were consolidated for the first time in 2008:

- Commerz Systems GmbH (formerly: SOLTRX Solutions for Financial Business GmbH), Frankfurt am Main
- cominvest ABS-Cofonds, Frankfurt am Main
- cominvest Premium Plus FCP, Frankfurt am Main
- cominvest ABS Opportunity S.A., Luxembourg
- Semper Finance 2006-1 Ltd., St. Helier / Jersey

These companies have assets of €0.8bn and liabilities of €0.5bn. The purchase costs amounted to €198m in total. A differential amount did not arise in each case.

The company

- Commerzbank Auslandsbanken Holding Nova GmbH, Frankfurt am Main

was demerged in April 2008 by our subsidiary Commerzbank Auslandsbanken Holding AG and has from that point in time also been fully consolidated.

The subsidiary PTE Skarbiec-Emerytura SA, Warsaw, was merged into the associated company Aegon PTE SA, Warsaw and is not consolidated any more since that time. The associated company is also earmarked for sale.

Within the framework of the acquisition of Dresdner Bank further to the contract signed on August 31, 2008, we agreed on the transfer of the companies cominvest Asset Management GmbH, Frankfurt, cominvest Asset Management S.A., Luxemburg, Münchner Kapitalanlage Aktiengesellschaft, München, and MK LUXINVEST S.A, Luxemburg to Allianz Group. Until the final transfer of the shares we will treat the assets and liabilities of the companies in accordance with IFRS 5. The disclosure occurs under Other assets and Other liabilities.

The following subsidaries and special-purpose entities are in the process of liquidation or have been sold and are therefore not consolidated any more.

Liquidation
- Times Square Funding Financials LLC, New York
- Kaiserplatz Purchaser No. 14, St. Helier / Jersey
- Commerz Securities (Japan) Company Ltd., Hong Kong / Tokyo
- ATBRECOM Ltd., London
- Gracechurch Ltd., London
- Commerz Equity Investments Ltd., London

Sale
- Hajobanta GmbH & Co. Asia Opportunity I KG, Düsseldorf
- Atisha Verwaltungsgesellschaft mbH & Co. Objekt Paris KG, Düsseldorf
- Atisha Verwaltungsgesellschaft mbH, Düsseldorf
- Abantum Beteiligungsgesellschaft mbH & Co. Objekt Euro Alsace Paris KG, Düsseldorf
- SCI EURO ALSACE PARIS, Paris

Consolidated income statement

in € m	Notes	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Net interest income	(1)	3,411	3,047	11.9
Provision for possible loan losses	(2)	–1,217	–418	.
Net interest income after provisioning		2,194	2,629	–16.5
Net commission income	(3)	2,169	2,415	–10.2
Trading profit	(4)	251	806	–68.9
Net investment income	(5)	–341	249	.
Other result	(6)	103	212	–51.4
Operating expenses	(7)	3,932	3,967	–0.9
Operating profit		**444**	**2,344**	**–81.1**
Restructuring expenses	(8)	25	–	.
Pre-tax profit		**419**	**2,344**	**–82.1**
Taxes on income	(9)	–508	560	.
Consolidated surplus		**927**	**1,784**	**–48.0**
attributable to minority interests		115	68	69.1
attributable to Commerzbank shareholders		812	1,716	–52.7

Earnings per share	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Operating profit (€ m)	444	2,344	–81.1
Consolidated surplus attributable to Commerzbank shareholders (€ m)	812	1,716	–52.7
Average number of ordinary shares issued (units)	663,452,241	656,593,546	1.0
Operating profit per share (€)	0.67	3.57	–81.2
Basic earnings per share (€)	1.22	2.61	–53.3

The basic earnings per share, calculated in accordance with IAS 33, are based on the consolidated surplus attributable to Commerzbank shareholders.

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)

in € m	2008			2007			
	3rd quarter	2nd quarter	1st quarter	4th quarter	3rd quarter	2nd quarter	1st quarter
Net interest income	1,213	1,176	1,022	973	999	1,003	1,045
Provision for possible loan losses	–628	–414	–175	–61	–107	–151	–160
Net interest income after provisioning	585	762	847	912	892	852	885
Net commission income	720	717	732	735	810	758	847
Trading profit	–297	375	173	73	124	381	301
Net investment income	–229	–86	–26	–123	–238	262	225
Other result	–17	89	31	–29	56	146	10
Operating expenses	1,237	1,373	1,322	1,399	1,283	1,324	1,360
Operating profit	**–475**	**484**	**435**	**169**	**361**	**1,075**	**908**
Restructuring expenses	–	–	25	8	–	–	–
Pre-tax profit	**–475**	**484**	**410**	**161**	**361**	**1,075**	**908**
Taxes on income	–202	–386	80	20	10	283	267
Consolidated surplus	**–273**	**870**	**330**	**141**	**351**	**792**	**641**
attributable to minority interests	12	53	50	–60	12	24	32
attributable to Commerzbank shareholders	–285	817	280	201	339	768	609

Consolidated balance sheet

Assets | in € m	Notes	**30.9.2008**	**31.12.2007**	Change in %
Cash reserve		4,212	5,157	–18.3
Claims on banks	(11, 13)	60,026	74,058	–18.9
Claims on customers	(12, 13)	295,925	289,409	2.3
Provision for possible loan losses	(14)	–5,867	–5,955	–1.5
Positive fair values attributable to derivative hedging instruments		7,407	8,970	–17.4
Assets held for trading purposes	(15)	96,860	97,599	–0.8
Financial investments	(16)	121,441	132,192	–8.1
Intangible assets	(17)	1,608	1,265	27.1
Fixed assets	(18)	1,285	1,293	–0.6
Tax assets		6,994	6,439	8.6
Other assets	(19)	5,684	6,047	–6.0
Total		**595,575**	**616,474**	**–3.4**

Liabilities and equity | in € m	Notes	**30.9.2008**	**31.12.2007**	Change in %
Liabilities to banks	(20)	125,920	125,120	0.6
Liabilities to customers	(21)	172,359	159,187	8.3
Securitized liabilities	(22)	170,470	205,649	–17.1
Negative fair values attributable to derivative hedging instruments		13,958	14,823	–5.8
Liabilities from trading activities	(23)	73,564	70,293	4.7
Provisions	(24)	2,247	2,919	–23.0
Tax liabilities		4,318	4,945	–12.7
Other liabilities	(25)	2,443	2,946	–17.1
Subordinated capital	(26)	11,729	11,046	6.2
Hybrid capital	(27)	3,310	3,414	–3.0
Equity of Commerzbank Group		15,257	16,132	–5.4
Subscribed capital		1,878	1,708	10.0
Capital reserve		6,636	5,709	16.2
Retained earnings		5,902	6,158	–4.2
Revaluation reserve		–1,157	903	.
Valuation of cash flow hedges		86	34	.
Reserve from currency translation		90	–34	.
2007 consolidated profit[1]		–	657	.
Consolidated surplus 1.1.–30.9.2008[2]		812	–	.
Total before minority interests		14,247	15,135	–5.9
Minority interests		1,010	997	1.3
Total		**595,575**	**616,474**	**–3.4**

[1] after allocation to retained earnings; [2] insofar as attributable to Commerzbank shareholders

Statement of changes in equity

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

in € m	Subscribed 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 1.1.2007	**1,705**	**5,676**	**5,139**	**1,746**	**–381**	**–143**	**493**	**14,235**	**1,023**	**15,258**
Consolidated surplus							1,917	1,917	8	1,925
Allocation to retained earnings			1,260				–1,260	–		–
Changes in revaluation reserve				–829				–829	–201	–1,030
Changes arising from cash flow hedges					415			415	118	533
Changes in currency reserve						17		17	7	24
Comprehensive income 2007	**–**	**–**	**1,260**	**–829**	**415**	**17**	**657**	**1,520**	**–68**	**1,452**
Capital increases								–	24	24
Issue of shares to employees								–		–
Profits / losses in previous year								–	–191	–191
Allocation to retained earnings (minority interests)								–	98	98
Dividend							–493	–493		–493
Changes in holdings in affiliated and other companies			–206					–206		–206
Changes in companies included in consolidation and other changes*	3	33	–35	–14		92		79	111	190
Equity as of 31.12.2007	**1,708**	**5,709**	**6,158**	**903**	**34**	**–34**	**657**	**15,135**	**997**	**16,132**
Consolidated surplus							812	812	115	927
Allocation to retained earnings								–		–
Changes in revaluation reserve				–2,056				–2,056	–120	–2,176
Changes arising from cash flow hedges					52			52	–	52
Changes in currency reserve						95		95	30	125
Comprehensive income for three quarters 2008	**–**	**–**	**–**	**–2,056**	**52**	**95**	**812**	**–1,097**	**25**	**–1,072**
Capital increases	170	924						1,094		1,094
Profits / losses in previous year								–	–8	–8
Allocation to retained earnings (minority interests)								–	52	52
Dividend							–657	–657		–657
Changes in holdings in affiliated and other companies			–223					–223		–223
Changes in companies included in consolidation and other changes*	–	3	–33	–4		29		–5	–56	–61
Equity as of 30.9.2008	**1,878**	**6,636**	**5,902**	**–1,157**	**86**	**90**	**812**	**14,247**	**1,010**	**15,257**

* including change in treasury shares

Commerzbank Aktiengesellschaft distributed a dividend totalling €657m on its ordinary shares in May 2008.

NB: statement of changes in equity from 1.1. to 30.9.2007

in € m	Sub-scribed capital	Capital reserve	Retained earnings	Revalu-ation reserve	Valuation of cash flow hedges	Reserve from currency translation	Consoli-dated profit	Total before minority interests	Minority interests	Equity
Equity as of 1.1.2007	**1,705**	**5,676**	**5,139**	**1,746**	**–381**	**–143**	**493**	**14,235**	**1,023**	**15,258**
Consolidated surplus							1,716	1,716	68	1,784
Allocation to retained earnings								–		–
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 three quarters 2007	**–**	**–**	**–**	**–256**	**339**	**–4**	**1,716**	**1,795**	**–2**	**1,793**
Capital increases								–	24	24
Issue of shares to employees								–		–
Profits / losses in previous year								–	–178	–178
Allocation to retained earnings (minority interests)								–	84	84
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**	**5,097**	**1,484**	**–42**	**–59**	**1,716**	**15,601**	**980**	**16,581**

* including change in treasury shares

Cash flow statement (short version)

in € m	2008	2007
Cash and cash equivalents as of 1.1.	**5,157**	**5,967**
Net cash provided by operating activities	–11,769	–1,262
Net cash used by investing activities	9,805	–250
Net cash provided by financing activities	1,019	–1,180
Total cash flow	**–945**	**–2,692**
Effects of exchange-rate changes	0	–4
Cash and cash equivalents as of 30.9.	**4,212**	**3,271**

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

in € m	**1.1.–30.9.2008**	**1.1.–30.9.2007**	Change in %
Interest income from lending and money-market transactions and also from financial investments securities portfolio*	16,027	15,859	1.1
Gains from the sale of loans and receivables	–	112	.
Dividends from securities	86	65	32.3
Current result on investments, investments in associated companies and holdings in subsidiaries	102	77	32.5
Current income from leasing and comparable assets	181	156	16.0
Interest income	*16,396*	*16,269*	*0.8*
of which: *Interest income from applying the fair value option*	*110*	*127*	*–13.4*
Interest paid on subordinated and hybrid capital and also on securitized and other liabilities	12,840	13,080	–1.8
Losses from the sale of loans and receivables	1	–	.
Current expenses from leasing and comparable assets	144	142	1.4
Interest expenses	*12,985*	*13,222*	*–1.8*
of which: *Interest expenses from applying the fair value option*	*50*	*17*	*.*
Total	**3,411**	**3,047**	**11.9**

* Herein €27m are included in the current business year from prepayment penalty fees.

(2) Provision for possible loan losses

in € m	**1.1.–30.9.2008**	**1.1.–30.9.2007**	Change in %
Allocation to provisions	–2,000	–636	.
Reversals of provisions	940	320	.
Balance of direct write-downs, write-ups and amounts received on written-down claims	–157	–102	53.9
Total	**–1,217**	**–418**	**.**

(3) Net commission income

in € m	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Securities transactions	707	852	–17.0
Asset management	322	513	–37.2
Payment transactions and foreign commercial business	396	355	11.5
Real-estate lending business	257	209	23.0
Guarantees	148	127	16.5
Income from syndicated business	94	94	0.0
Trust transactions at third-party risk	2	5	–60.0
Other net commission income	243	260	–6.5
Total	**2,169**	**2,415**	**–10.2**

Net commission income includes €474m (previous year: €424m) of commissions paid. Additionally €35m (previous year: €27m) result from transactions in financial instruments that are not valued at current market value with effect on net income. The reduction in the item Asset management is mainly explained by the deconsolidation of Jupiter International Group, which occurred in June 2007, and Caisse Centrale de Réescompte in the first quarter of the current financial year.

(4) Trading profit

in € m	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Net result on trading	909	787	15.5
Net result on the valuation of derivative financial instruments	–505	32	.
Net result on hedge accounting	–10	–21	–52.4
Net result from applying the fair value option	–143	8	.
Total	**251**	**806**	**–68.9**

(5) Net investment income

in € m	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Net result from interest-bearing business	**–588**	**–193**	**.**
in the available-for-sale category	33	144	–77.1
Gains on disposals (rebooking from the revaluation reserve)[1]	78	262	–70.2
Losses on disposals (rebooking from the revaluation reserve)[1]	–45	–118	–61.9
in the loans and receivables category	–50	–1	.
Gains on disposals	102	4	.
Losses on disposals	–152	–5	.
Net valuation result[2]	–571	–336	69.9
Net result from equity instruments	**247**	**442**	**–44.1**
in the available-for-sale category	191	157	21.7
Gains on disposal (rebooking from the revaluation reserve)[1]	234	159	47.2
Losses on disposals (rebooking from the revaluation reserve)[1]	–43	–2	.
in the available-for-sale category, valued at cost of acquisition	259	309	–16.2
Net valuation result	–203	–24	.
Net result on disposals and valuation of holdings in associated companies	–	–	.
Total	**–341**	**249**	**.**

[1] This includes a net amount of €-75m of rebookings from the revaluation reserve which relate to the financial year 2008.
[2] Herein are included portfolio valuation allowances of €31m on investments in the loans and receivables category.

The analysis of our subprime-related CDO and RMBS portfolios has resulted in a valuation loss of €387m before tax for the first nine months of the financial year 2008, which is reported under the result from interest-bearing business. For information on the valuation methodology we refer to our Annual Report dated December 31, 2007 (page 153 f.).

(6) Other result

in € m	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Other income	306	389	–21.3
Other expenses	203	177	14.7
Total	**103**	**212**	**–51.4**

(7) Operating expenses

in € m	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Personnel expenses	2,160	2,348	–8.0
Other expenses	1,547	1,382	11.9
Current depreciation on fixed assets and other intangible assets	225	237	–5.1
Total	**3,932**	**3,967**	**–0.9**

(8) Restructuring expenses

in € m	1.1.–30.9.2008	1.1.–30.9.2007	Change in %
Expenses for restructuring measures introduced	25	–	.
Total	**25**	**–**	**.**

The restructuring expenses in the amount of €25m are due to the integration of Hypothekenbank in Essen into Eurohypo AG. The most important cost factors are in relation to the IT and personnel areas.

(9) Taxes on income

As of September 30, 2008 taxes on income amounted to €–508m. This total is made up primarily of actual tax expense of €127m and tax revenue from the capitalization of deferred tax assets on tax loss carry-forwards (€500m) realized in the second quarter of 2008.

(10) 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 IFRS rules.

With effect from the third quarter 2008, Commerzbank is newly organizing its structure. Further to this "Public Finance and Treasury" will not continue to operate as a separate segment. In the segment reporting, public finance business will be allocated to the segment "Corporates & Markets".

The figures of the previous year were adjusted according to the new reporting.

In our segment reporting, we report on six segments:

- "Private and Business Customers" segment includes branch business with private individuals, professional and business people, private banking, the activities of comdirect bank, the retail banking of Eurohypo and the Asset Management department (cominvest).

- *"Mittelstandsbank"* presents the results of corporate banking in Germany, the Asia region and the Financial Institutions department.

- "Central and Eastern Europe" segment comprises the operations of our subsidiaries and branches in the region of Central and Eastern Europe.

- "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. The public finance business included in the segment consists of Erste Europäische Pfandbrief- und Kommunalkreditbank in Luxemburg, Eurohypo's public finance business and the Group Treasury department.

- "Commercial Real Estate" segment presents the results of Commerz Real and Eurohypo's commercial real-estate activities.

- "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 (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.–30.9.2008 in € m	**Private and Business Customers**	***Mittelstandsbank***	**Central and Eastern Europe**	**Corporates & Markets**	**Commercial Real Estate**	**Others and Consolidation**	**Total**
Net interest income	1,018	912	480	264	643	94	3,411
Provision for possible loan losses	–123	–31	–114	–481	–440	–28	–1,217
Net interest income after provisioning	895	881	366	–217	203	66	2,194
Net commission income	1,146	439	152	126	324	–18	2,169
Trading profit	–3	–2	99	217	1	–61	251
Net investment income	–13	–5	61	–298	–346	260	–341
Other result	–2	11	2	40	–8	60	103
Revenue	*2,023*	*1,324*	*680*	*–132*	*174*	*307*	*4,376*
Operating expenses	1,601	584	395	802	395	155	3,932
Operating profit	**422**	**740**	**285**	**–934**	**–221**	**152**	**444**
Restructuring expenses	–	–	–	25	–	–	25
Pre-tax profit	**422**	**740**	**285**	**–959**	**–221**	**152**	**419**
Average equity tied up	**1,559**	**2,790**	**1,582**	**3,358**	**3,504**	**1,856**	**14,649**
Operating return on equity* (%)	**36.1**	**35.4**	**24.0**	**–37.1**	**–8.4**	**.**	**4.0**
Cost / income ratio in operating business (%)	**74.6**	**43.1**	**49.7**	**229.8**	**64.3**	**.**	**70.3**
Return on equity of pre-tax profit* (%)	**36.1**	**35.4**	**24.0**	**–38.1**	**–8.4**	**.**	**3.8**
Staff (average no.)	11,961	4,380	8,885	2,385	1,603	9,234	38,448

* annualized

1.1.–30.9.2007 in € m	**Private and Business Customers**	***Mittel-standsbank***	**Central and Eastern Europe**	**Corporates & Markets**	**Commercial Real Estate**	**Others and Con-solidation**	**Total**
Net interest income	956	792	282	356	642	19	3,047
Provision for possible loan losses	–197	20	–37	–96	–104	–4	–418
Net interest income after provisioning	759	812	245	260	538	15	2,629
Net commission income	1,201	515	130	123	289	157	2,415
Trading profit	3	1	73	689	36	4	806
Net investment income	1	4	24	7	–126	339	249
Other result	–19	9	6	23	73	120	212
Revenue	*1,945*	*1,341*	*478*	*1,102*	*810*	*635*	*6,311*
Operating expenses	1,611	562	264	833	409	288	3,967
Operating profit	**334**	**779**	**214**	**269**	**401**	**347**	**2,344**
Restructuring expenses	–	–	–	–	–	–	–
Pre-tax profit	**334**	**779**	**214**	**269**	**401**	**347**	**2,344**
Average equity tied up	**2,498**	**2,287**	**829**	**3,450**	**4,265**	**119**	**13,448**
Operating return on equity* (%)	**17.8**	**45.4**	**34.4**	**10.4**	**12.5**	**.**	**23.2**
Cost / income ratio in operating business (%)	**75.2**	**42.5**	**51.3**	**69.5**	**44.7**	**.**	**59.0**
Return on equity of pre-tax profit* (%)	**17.8**	**45.4**	**34.4**	**10.4**	**12.5**	**.**	**23.2**
Staff (average no.)	11,699	4,170	5,310	2,193	1,613	9,650	34,635

* annualized

Notes to the balance sheet

(11) Claims on banks

in € m	30.9.2008	31.12.2007	Change in %
due on demand	14,421	23,311	–38.1
other claims	45,605	50,747	–10.1
with a remaining lifetime of			
less than three months	15,219	17,733	–14.2
more than three months, but less than one year	13,458	11,437	17.7
more than one year, but less than five years	10,758	13,609	–20.9
more than five years	6,170	7,968	–22.6
Total	**60,026**	**74,058**	**–18.9**
of which: reverse repos and cash collaterals	18,012	20,875	–13.7
of which relate to the category:			
Loans and receivables	60,026	74,058	–18.9
Available-for-sale financial assets	–	–	.
Applying the fair value option	–	–	.

(12) Claims on customers

in € m	30.9.2008	31.12.2007	Change in %
with indefinite remaining lifetime	20,856	21,058	–1.0
other claims	275,069	268,351	2.5
with a remaining lifetime of			
less than three months	49,231	47,377	3.9
more than three months, but less than one year	30,052	28,060	7.1
more than one year, but less than five years	97,578	93,516	4.3
more than five years	98,208	99,398	–1.2
Total	**295,925**	**289,409**	**2.3**
of which: reverse repos and cash collaterals	9,319	8,523	9.3
of which relate to the category:			
Loans and receivables	290,635	286,740	1.4
Available-for-sale financial assets	–	–	.
Applying the fair value option	5,290	2,669	98.2

(13) Total lending

in € m	30.9.2008	31.12.2007	Change in %
Loans to banks	30,702	33,770	–9.1
Loans to customers	288,415	282,792	2.0
Total	**319,117**	**316,562**	**0.8**

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

(14) Provision for possible loan losses

Development of provisioning | in € m	30.9.2008	31.12.2007	Change in %
As of 1.1.	**6,407**	**7,918**	**–19.1**
Allocations	2,000	636	.
Deductions	2,186	1,731	26.3
Utilized	1,246	1,411	–11.7
Reversals	940	320	.
Changes in companies included in consolidation	48	–4	.
Exchange-rate changes / transfers	–21	11	.
As of 30.9.	**6,248**	**6,830**	**–8.5**

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 €1,217m (previous year: €418m); see Note 2.

Level of provisioning | in € m	30.9.2008	31.12.2007	Change in %
Specific valuation allowances	5,136	5,182	–0.9
Portfolio valuation allowances	731	773	–5.4
Provision to cover balance-sheet items	**5,867**	**5,955**	**–1.5**
Provisions in lending business (specific risks)	207	252	–17.9
Provisions in lending business (portfolio risks)	174	200	–13.0
Provision to cover off-balance-sheet items	**381**	**452**	**–15.7**
Total	**6,248**	**6,407**	**–2.5**

As of this year we are allocating valuation allowances for smaller exposures acutely vulnerable to default, to specific rather than portfolio valuation allowances. As a result we have adjusted the previous year's figures and reallocated €43m from portfolio to specific valuation allowances.

For claims on banks, provisions for possible loan losses as of September 30, 2008, amount to €200m and for claims on customers to €5,667m.

(15) Assets held for trading purposes

in € m	30.9.2008	31.12.2007	Change in %
Bonds, notes and other interest-rate-related securities	18,590	21,118	–12.0
Shares and other equity-related securities	8,952	10,265	–12.8
Promissory notes held for trading purposes	1,451	1,144	26.8
Loans and positive market values of lending commitments	1,760	1,023	72.0
Positive fair values attributable to derivative financial instruments	66,107	64,049	3.2
Total	**96,860**	**97,599**	**–0.8**

(16) Financial investments

in € m	30.9.2008	31.12.2007	Change in %
Bonds, notes and other interest-rate-related securities	118,019	127,109	–7.2
Shares and other equity-related securities	1,833	2,757	–33.5
Investments	1,151	1,876	–38.6
Investments in associated companies	288	308	–6.5
Holdings in subsidiaries	150	142	5.6
Total	**121,441**	**132,192**	**–8.1**
of which: at equity participations in associated companies	288	308	–6.5
of which relate to the category:			
Loans and receivables	45,717	–	.
Available-for-sale financial assets	73,897	131,060	–43.6
of which: valued at amortized cost	494	578	–14.5
Applying the fair value option	1,539	824	86.8

* reduced by portfolio valuation allowances of €31m

(17) Intangible assets

in € m	30.9.2008	31.12.2007	Change in %
Goodwill	1,245	894	39.3
Other intangible assets	363	371	–2.2
Total	**1,608**	**1,265**	**27.1**

(18) Fixed assets

in € m	30.9.2008	31.12.2007	Change in %
Land and buildings	827	799	3.5
Office furniture and equipment	458	494	–7.3
Total	**1,285**	**1,293**	**–0.6**

(19) Other assets

in € m	30.9.2008	31.12.2007	Change in %
Collection items	344	958	–64.1
Precious metals	1,139	991	14.9
Leased equipment	329	291	13.1
Assets held for sale	1,352	2,346	–42.4
Assets held as financial investments	224	266	–15.8
Sundry assets, including deferred items	2,296	1,195	92.1
Total	**5,684**	**6,047**	**–6.0**

(20) Liabilities to banks

in € m	30.9.2008	31.12.2007	Change in %
due on demand	36,272	25,813	40.5
with remaining lifetime of	89,648	99,307	–9.7
less than three months	51,763	68,059	–23.9
more than three months, but less than one year	12,720	6,902	84.3
more than one year, but less than five years	11,367	10,031	13.3
more than five years	13,798	14,315	–3.6
Total	**125,920**	**125,120**	**0.6**
of which: repos and cash collaterals	29,602	39,547	–25.1
of which relate to the category:			
Liabilities measured at amortized cost	125,910	125,110	0.6
Applying the fair value option	10	10	0.0

(21) Liabilities to customers

in € m	30.9.2008	31.12.2007	Change in %
Savings deposits	9,451	10,327	–8.5
with agreed period of notice of			
three months	8,702	9,639	–9.7
more than three months	749	688	8.9
Other liabilities to customers	162,908	148,860	9.4
due on demand	60,786	55,273	10.0
with agreed remaining lifetime of	102,122	93,587	9.1
less than three months	46,442	45,724	1.6
more than three months, but less than one year	18,318	8,710	.
more than one year, but less than five years	12,791	14,036	–8.9
more than five years	24,571	25,117	–2.2
Total	**172,359**	**159,187**	**8.3**
of which: repos and cash collaterals	10,736	7,215	48.8
of which relate to the category:			
Liabilities measured at amortized cost	172,050	159,003	8.2
Applying the fair value option	309	184	67.9

(22) Securitized liabilities

in € m	30.9.2008	31.12.2007	Change in %
Bonds and notes issued	162,190	191,882	–15.5
of which: mortgage *Pfandbriefe*	33,030	31,926	3.5
public-sector *Pfandbriefe*	89,185	110,457	–19.3
Money-market instruments issued	8,184	13,621	–39.9
Own acceptances and promissory notes outstanding	96	146	–34.2
Total	**170,470**	**205,649**	**–17.1**
of which relate to the category:			
Liabilities measured at amortized cost	168,846	204,555	–17.5
Applying the fair value option	1,624	1,094	48.4

Remaining lifetimes of securitized liabilities | in € m	30.9.2008	31.12.2007	Change in %
due on demand	500	134	.
with agreed remaining lifetime of	169,970	205,515	–17.3
less than three months	20,110	25,184	–20.1
more than three months, but less than one year	33,600	39,536	–15.0
more than one year, but less than five years	87,866	107,013	–17.9
more than five years	28,394	33,782	–15.9
Total	**170,470**	**205,649**	**–17.1**

(23) Liabilities from trading activities

in € m	30.9.2008	31.12.2007	Change in %
Currency-related transactions	8,554	5,602	52.7
Interest-rate-related transactions	49,026	50,674	–3.3
Delivery commitments arising from short sales of securities and negative market values of lending commitments	5,439	4,742	14.7
Sundry transactions	10,545	9,275	13.7
Total	**73,564**	**70,293**	**4.7**

(24) Provisions

in € m	30.9.2008	31.12.2007	Change in %
Provisions for pensions and similar commitments	224	538	–58.4
Other provisions	2,023	2,381	–15.0
Total	**2,247**	**2,919**	**–23.0**

In April 2008 Eurohypo outsourced the plan assets for its pension obligations with a total volume of €274m into a Contractual Trust Arrangement (CTA). At the same time the amount necessary for financing the pension obligations was transferred to a legally independent trustee Commerzbank Pension-Trust e.V. (CPT).

The trust assets held by CPT qualify as plan assets within the terms of IAS 19.7. Further to IAS 19.54 the transferred assets are to be netted with the pension provisions which results in a corresponding reduction of the pension provisions of the Group.

(25) Other liabilities

Other liabilities of €2,443m (31.12.2007: €2,946m) include obligations arising from still outstanding invoices, deductions from salaries to be passed on and deferred liabilities. In addition, liabilities in an amount of €550m were included in this position, which stand in relation to assets yet to be disposed of.

(26) Subordinated capital

in € m	30.9.2008	31.12.2007	Change in %
Subordinated liabilities	10,432	9,478	10.1
Profit-sharing rights outstanding	1,126	1,341	–16.0
Deferred interest, including discounts	213	244	–12.7
Valuation effects	–42	–17	.
Total	**11,729**	**11,046**	**6.2**
of which relate to the category:			
Liabilities measured at amortized cost	11,729	11,046	6.2
Applying the fair value option	–	–	.

(27) Hybrid capital

in € m	30.9.2008	31.12.2007	Change in %
Hybrid capital	3,211	3,281	–2.1
Deferred interest, including discounts	86	117	–26.5
Valuation effects	13	16	–18.8
Total	**3,310**	**3,414**	**–3.0**
of which relate to the category:			
Liabilities measured at amortized cost	3,310	3,414	–3.0
Applying the fair value option	–	–	.

Other notes

(28) Risk-weighted assets and capital ratios

in € m	30.9.2008	31.12.2007	Change in %
Core capital	17,433	16,333	6.7
Supplementary capital	8,468	9,139	–7.3
Tier III capital	98	102	–3.9
Eligible own funds	**25,999**	**25,574**	**1.7**

as of 30.9.2008 | according to Basel II		**Capital charges in %**		**Total**
in € m	**< 20**	**from 20 up to under 100**	**100 and more**	
Commercial business	9,465	91,477	106,040	206,982
Derivative business	2,093	2,928	3,883	8,904
Risk-weighted assets, total	**11,558**	**94,405**	**109,923**	**215,886**
Risk-weighted market-risk position multiplied by 12.5				3,834
Risk-weighted market-risk position for operational risk multiplied by 12.5				9,370
Total items to be risk-weighted				229,090
Eligible own funds				25,999
Core capital ratio				7.6
Own funds ratio				11.3

as of 31.12.2007 | according to BIS		**Capital charges in %**		**Total**
in € m	**< 20**	**from 20 up to under 100**	**100 and more**	
Commercial business	19,202	43,018	165,181	227,401
Derivative business	4,617	2,558	–*	7,175
Risk-weighted assets, total	**23,819**	**45,576**	**165,181**	**234,576**
Risk-weighted market-risk position multiplied by 12.5				2,850
Risk-weighted market-risk position for operational risk multiplied by 12.5				–
Total items to be risk-weighted				237,426
Eligible own funds				25,574
Core capital ratio				6.9
Own funds ratio				10.8

* Further to § 13 in conjunction with § 4 Principle I the maximal risk weighting is 50 %.

(29) Contingent liabilities and irrevocable lending commitments

in € m	30.9.2008	31.12.2007	Change in %
Contingent liabilities	34,038	29,459	15.5
from rediscounted bills of exchange credited to borrowers	4	8	–50.0
from guarantees and indemnity agreements	33,586	29,129	15.3
Other commitments	448	322	39.1
Irrevocable lending commitments	55,083	51,558	6.8

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

(30) Derivative transactions

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

30.9.2008	Nominal amount, by remaining lifetime				Fair values	
in € m	less than one year	more than one year, but under five years	more than five years	Total	positive	negative
Foreign currency-based forward transactions	361,975	141,342	57,154	560,471	9,175	8,966
Interest-based forward transactions	1,813,096	2,128,462	2,132,033	6,073,591	55,694	62,521
Other forward transactions	132,784	173,331	26,878	332,993	8,645	10,596
Total	**2,307,855**	**2,443,135**	**2,216,065**	**6,967,055**	**73,514**	**82,083**
of which: traded on a stock exchange	*137,948*	*47,623*	*4,525*			

31.12.2007	Nominal amount, by remaining lifetime				Fair values	
in € m	less than one year	more than one year, but under five years	more than five years	Total	positive	negative
Foreign currency-based forward transactions	350,152	127,106	60,858	538,116	7,492	6,607
Interest-based forward transactions	1,655,697	1,998,162	2,136,528	5,790,387	58,297	64,433
Other forward transactions	160,120	200,552	29,104	389,776	7,230	9,334
Total	**2,165,969**	**2,325,820**	**2,226,490**	**6,718,279**	**73,019**	**80,374**
of which: traded on a stock exchange	*167,145*	*57,577*	*4,739*			

(31) 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 217 f. of our 2007 annual report.

Portfolio | in € m	30.9.2008	31.12.2007
Commerzbank Group	**60.2**	**35.6**
Corporates & Markets	45.4	28.4
Treasury	25.7	15.3

(32) Fair value of financial instruments

	Fair value		Book value		Difference	
in € bn	30.9.2008	31.12.2007	30.9.2008	31.12.2007	30.9.2008	31.12.2007
Assets						
Cash reserve	4.2	5.2	4.2	5.2	–	–
Claims on banks	59.9	74.0	60.0	74.1	–0.1	–0.1
Claims on customers	294.4	287.2	295.9	289.4	–1.5	–2.2
Hedging instruments	7.4	9.0	7.4	9.0	–	–
Assets held for trading purposes	96.9	97.6	96.9	97.6	–	–
Financial investments	121.4	132.2	121.4	132.2	0.0	0.0
Liabilities						
Liabilities to banks	125.6	124.9	125.9	125.1	–0.3	–0.2
Liabilities to customers	171.5	158.3	172.4	159.2	–0.9	–0.9
Securitized liabilities	169.4	205.0	170.5	205.6	–1.1	–0.6
Hedging instruments	14.0	14.8	14.0	14.8	–	–
Liabilities from trading activities	73.6	70.3	73.6	70.3	–	–
Subordinated and hybrid capital	14.7	14.2	15.0	14.5	–0.3	–0.3

In net terms, the difference between the book value and fair value amounted for all items to €1.0bn as of September 30, 2008 (31.12.2007: €–0.3bn).

(33) Treasury shares

	Number of shares* in units	Accounting par value in €1,000	Percentage of share capital
Portfolio on 30.9.2008	249,284	648	0.03
Largest total acquired during the financial year	6,788,785	17,651	0.94
Total shares pledged by customers as collateral on 30.9.2008	4,629,997	12,038	0.64
Shares acquired during the financial year	99,952,396	259,876	–
Shares disposed of during the financial year	99,940,503	259,845	–

* accounting par value per share: €2.60

Frankfurt am Main, November 2, 2008
The Board of Managing Directors

Martin Blessing

Frank Annuscheit

Markus Beumer

Wolfgang Hartmann

Achim Kassow

Michael Reuther

Stefan Schmittmann

Eric Strutz

Boards of Commerzbank Aktiengesellschaft

Supervisory Board

Dr. h.c. Martin Kohlhaussen
Chairman (until May 15, 2008)

Klaus-Peter Müller
Chairman (since May 16, 2008)

Uwe Tschäge *
Deputy Chairman

Hans-Hermann Altenschmidt *

Dott. Sergio Balbinot

Dr.-Ing. Burckhard Bergmann
(since May 16, 2008)

Herbert Bludau-Hoffmann *

Karin van Brummelen *
(since May 16, 2008)

Astrid Evers *

Uwe Foullong *

Daniel Hampel *

Dr.-Ing. Otto Happel

Sonja Kasischke *

Prof. Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
(since May 16, 2008)

Alexandra Krieger *
(since May 16, 2008)

Friedrich Lürßen

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

Klaus Müller-Gebel

Barbara Priester *
(since May 16, 2008)

Dr. Marcus Schenck
(since May 16, 2008)

Dr.-Ing. E.h. Heinrich Weiss

Dr. Walter Seipp
Honorary Chairman

The following members left the Supervisory Board on May 15, 2008, when their period of office ended:

Dr. h.c. Martin Kohlhaussen
Chairman

Dr. jur. Heiner Hasford

Wolfgang Kirsch

Werner Malkhoff

Dr. Sabine Reiner

Prof. Dr. Jürgen F. Strube

Dr. Klaus Sturany

* elected by the Bank's employees

Board of Managing Directors

Klaus-Peter Müller
Chairman (until May 15, 2008)

Martin Blessing
Chairman (since May 16, 2008)

Frank Annuscheit

Markus Beumer

Wolfgang Hartmann

Dr. Achim Kassow

Bernd Knobloch
(until September 30, 2008)

Michael Reuther

Dr. Stefan Schmittmann
(as of November 1, 2008)

Dr. Eric Strutz

Nicholas Teller
(until May 31, 2008)

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, 2008, which are components of the quarterly financial statement according to Art. 37x, (3), 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 2, 2008

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Lothar Schreiber	Clemens Koch
Wirtschaftsprüfer	Wirtschaftsprüfer

Group companies and major holdings

Germany
comdirect bank AG, Quickborn
cominvest Asset Management GmbH, Frankfurt am Main
Commerz Real AG, Eschborn
Eurohypo AG, Eschborn
CBG Commerz Beteiligungsgesellschaft Holding mbH, Bad Homburg v.d.H.
CommerzFactoring GmbH, Mainz
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
Commerzbank Zrt., Budapest
Erste Europäische Pfandbrief- und Kommunalkreditbank AG, Luxembourg
Joint Stock Commercial Bank "Forum", Kiev

Foreign branches
Amsterdam, Atlanta (agency), Barcelona, Bratislava, Brno (office), Brussels, Chicago, Dubai, Hong Kong, Hradec Králové (office), Johannesburg, Košice (office), London, Los Angeles, Luxembourg, Madrid, Milan, New York, Ostrava (office), Paris, Plzeň (office), Prague, Shanghai, Singapore, Tokyo

Representative offices
Addis Ababa, Almaty, Ashgabat, Baku, Bangkok, Beijing, Beirut, Belgrade, Brussels, Bucharest, Buenos Aires, Cairo, Caracas, Ho Chi Minh City, Istanbul, Jakarta, Kiev, Lagos, Minsk, Moscow, Mumbai, Novosibirsk, Panama City, 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.

RECENT DEVELOPMENTS

Commerzbank accelerates full takeover of Dresdner Bank

On November 27, 2008, the Board of Managing Directors of Commerzbank reached an agreement with Allianz SE ("**Allianz**") to take over the remaining 40% stake in Dresdner Bank Aktiengesellschaft ("**Dresdner Bank**") in January 2009 already. Thus Commerzbank will achieve 100% of Dresdner Bank a lot earlier than originally assumed. Commerzbank will pay EUR 1.4 billion in cash for the remaining 40% stake. In addition Commerzbank pays EUR 250 million to compensate Allianz for foregoing the contingent deferred consideration ("risk umbrella") that was agreed in August 2008. As at that time announced Allianz further receives just under EUR 1.6 billion in cash, 163.5 million shares in Commerzbank and cominvest valued at EUR 700 million.

The remaining stake in Dresdner Bank was originally meant to be taken over in the second half of 2009. Already in August this year Commerzbank announced the acquisition of 60% in Dresdner Bank. Based on the assumed merger exchange ratio, Allianz was supposed to receive 151.5 million Commerzbank shares for the remaining 40% stake. These shares will not be issued any more. Nor will the merger-EGM which was planned for early 2009 have to take place. The takeover is still to be approved by the appropriate antitrust and regulatory bodies.

At its meeting on November 27, 2008, the Supervisory Board of Dresdner Bank has appointed three members of the Commerzbank Board of Managing Directors on to Dresdner Bank's board, with effect from the purchase. Frank Annuscheit will become Chief Operating Officer ("COO") and take responsibility for Banking Services, while Wolfgang Hartmann will take charge of Risk Management. Michael Reuther will head Dresdner Bank's Investment Banking unit. These three new Dresdner Bank board members will continue in their respective roles on the Commerzbank Board of Managing Directors.

PERSONS WHO ASSUME RESPONSIBILITY FOR THE BASE PROSPECTUS
in relation to Warrants which will be listed on 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	Michael REICHLE 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