
> B2C business line

Business development in brokerage

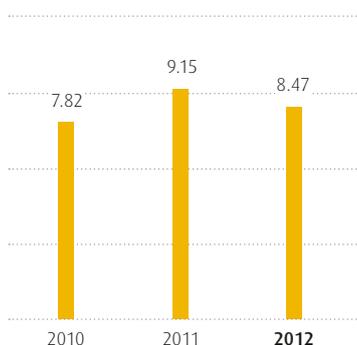
Securities trading

By comparison with the very active trading seen in 2011 – caused by greater market volatility as a result of the tsunami disaster in Japan and the euro debt crisis – the volume of orders declined again in the reporting year. However, the number of orders executed was considerably more stable than the market environment (see page 31) and compared with the previous year (9.15 million) fell by just 7.4% to 8.47 million. CFD trading played a major role in this development and accounted for approximately 18% of the total number of trades; in the previous year, this share only amounted to around 4% as the platform was only launched in September 2011.

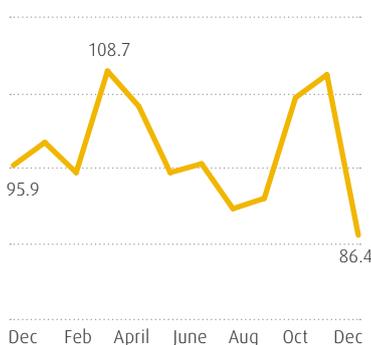
The comdirect Brokerage Index, which is calculated monthly on the basis of purchases and sales of securities by custody account customers, signalled pronounced selling pressure for bonds and funds throughout the whole of the year, while the picture for equities, certificates and warrants was varied. On the whole, selling predominated in the second half of the year and the Index generally remained significantly below 100 points.

LiveTrading, our platform for OTC trading, accounted for 46% (previous year: 40%) of trades. The introduction of limit and stop functions at the end of 2011, as well as attractive terms and conditions through a year-long flat-fee campaign with three cooperation partners, contributed to this strong level of activity.

Executed orders B2C
(in million)



Brokerage Index (December 2011 – December 2012)
(in points)



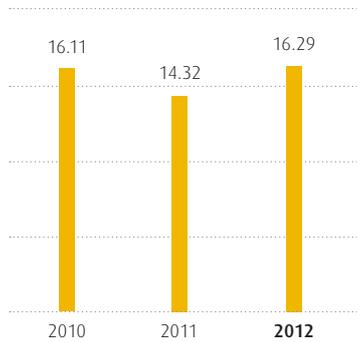
Securities turnover in the B2C business line (excluding CFDs) stood at €33.21bn (previous year: €46.47bn). This produces an average order volume of €4,759 (previous year: €5,308).

Portfolio volume

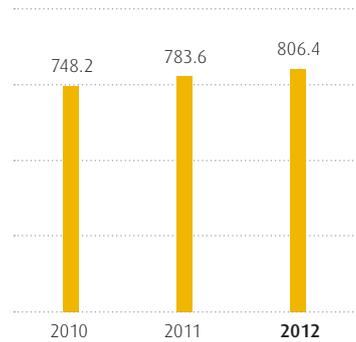
At the year-end, customer assets totalled €16.29bn, a rise of 13.7% on the volume at the end of 2011 (€14.32bn). This primarily reflected the sharp price rises in the equity markets. In addition, net investments by customers contributed around €0.85bn. Regular payments into securities savings plans, which are not taken into account in the comdirect Brokerage Index, played a part here. The transfer of investment fund units to comdirect custody accounts had a minor impact; we paid a bonus for these as part of the custody account transfer campaigns.

At the year-end, the portfolio volume was attributable to 806.4 thousand (previous year: 783.6 thousand) custody accounts.

Portfolio volume B2C as of 31.12.
(in € billion)



Custody accounts B2C as of 31.12.
(in thousand)



Business development in banking

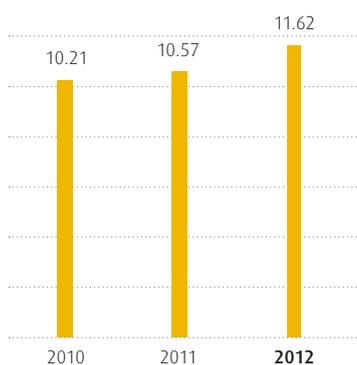
Deposit business

In its deposit business, comdirect bank sustained the growth achieved in the previous year. Our fee-free current account with satisfaction guarantee continues to be the engine of growth in our banking offering. Compared with the end of 2011 (774.5 thousand), the number of current accounts increased by 126.9 thousand to 901.4 thousand. Despite interest rate adjustments, the number of Tagesgeld PLUS accounts, which are usually opened in conjunction with the current account, was also up on the previous year at 1,344.9 thousand (end 2011: 1,235.8 thousand).

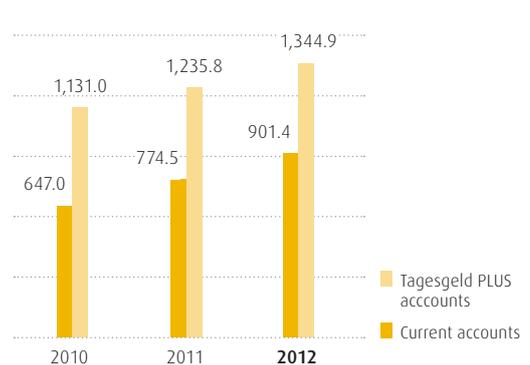
The sustained high demand is due among other things to the further improved features offered by the current account. These include the expansion of mobile banking as well as the new Visa card, which further enhances the convenience and security of payment transactions (see page 24).

Despite a difficult interest rate environment for financial investment products, the deposit volume was up 9.9% on the end of 2011 (€10.57bn) at €11.62bn thanks to the increased number of current accounts and Tagesgeld PLUS accounts. Around 58% of the rise in the deposit volume (previous year: around 60%) was attributable to Tagesgeld PLUS. At the same time, the annual average volume of deposits in the current accounts increased.

Deposit volume B2C as of 31.12.
(in € billion)



Number of current accounts and Tagesgeld PLUS accounts as of 31.12. (in thousand)



Medium to long-term deposits in time deposit accounts were less popular with investors because of the interest rate development. The deposit volume in fixed-term deposit accounts (maturity 1–3 months) also decreased by 17% during the reporting period. In contrast, the volume in currency investment accounts continued to rise, with investments in Swiss francs, Norwegian krone and US dollars dominating. However, despite strong growth, the volume in currency investment accounts is of minor importance overall.

At the year-end, 91.4% (previous year: 90.4%) of liabilities to customers were attributable to deposits due on demand. The reinvestment of customer funds is adjusted in line with the economic holding period of the deposits (see page 49).

Lending business

The volume of utilisation of loans against securities and draws on credit lines by our private customers declined to €173m as compared with year-end 2011 (€189m).

Over the course of the year, the volume of loans against securities fell by 17.6%, although collateral values and utilisation increased again in the fourth quarter.

The volume of draws on credit lines was up 5.6% on the previous year. In addition, the credit volume on the Visa cards had an impact here: transaction amounts are no longer debited daily but on a weekly basis, which means that comdirect is granting its customers a short-term, interest-free credit.

comdirect acts as an intermediary for building finance and consumer loans. Both offerings therefore had no impact on the bank's lending volume.

Business development in advice

Historically low interest rates and the ongoing trend towards investments in real assets continued to ensure the same strong demand for our Baufinanzierung PLUS building finance advice service in the reporting year. On average, the Building Finance Sentiment Index was up on the previous year's levels. At €443m, the volume of building finance placed remained close to the previous year's level (€465m).

The online live advice service launched in 2011 continued to be well received by customers, especially in combination with the video-telephony service trialled in the reporting year. In addition to the telephone advice service, the face-to-face local advisory services provided in the building finance offices in Berlin, Frankfurt/Main, Hamburg and Munich contributed significantly to this success. The online live advice service was also successfully used in the offices.

The number of financing partners remained stable at more than 250 during the reporting year and guarantees a high level of regional coverage.

At the end of the year, our Anlageberatung PLUS investment advice service was being used by around 2,160 customers (end 2011: around 1,800 customers). Assets under advice totalled €157m.

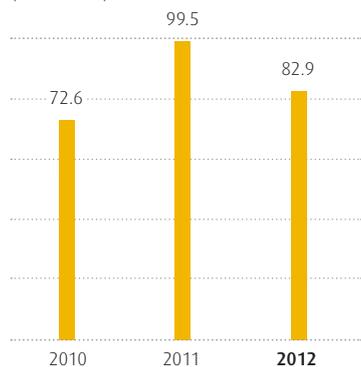
Earnings situation in the B2C business line

With pre-tax profit of €82.9m, the B2C business line did not match the record level of the previous year (€99.5m). This was mainly because of the market-related decline in net commission income. The cost/income ratio of the segment increased from 66.2% to 69.5%.

The earnings components related to the comdirect group's deposit business – net interest income, trading result, result from financial investments and the result from hedge accounting – stem almost completely from the B2C business line. For further details, please see the explanation of these items at comdirect group level (see page 37).

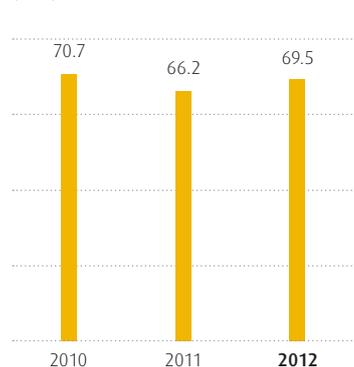
Pre-tax profit B2C

(in € million)



Cost/income ratio B2C

(in %)



At €120.3m, net commission income was down 14.9% on the previous year's figure (€141.4m), reflecting the downturn in the number of orders in particular. The disproportionately sharp decrease in commission from securities business compared with trades is mainly due to the higher share attributable to CFD trades, where earnings per trade are lower than on other orders.

The other operating result amounted to €10.7m (previous year: €13.8m). The previous year's figure included the interest income of €9.2m on the tax refund referred to above. A further €4.9m was posted in connection with this issue in 2012. Moreover, the figure includes extraordinary income from the termination of the service agreement with Commerz Direktservice GmbH.

At €198.7m, administrative expenses were essentially unchanged on the previous year (€197.5m). As was the case at group level, higher personnel and other administrative expenses were countered by lower depreciation.