



Corporate Finance: Autumn in 2018 could become very turbulent.

It is very likely that we can expect substantial changes in the big bank sector. For this conclusion, we start from the following scenario, which is already becoming clearly apparent today.

- Commerzbank will be merged with Deutsche Bank.

Commerzbank is already implementing preparatory steps.

Payment transactions are being outsourced.
Customers are being classified into two segments (premium and retail).

- Deutsche Bank has already classified most customers into the premium and retail segments (previously Bank 24 concept) and implemented preparatory steps by renaming them into DB Privat- und Firmenkundenbank AG (private and corporate customers). Postbank is already run as a branch of DB Privat- und Firmenkundenbank AG. The remaining retail segments will be split off and sold to the associated companies of the American investor Cerberus. Cerberus holds about 5 % of Commerzbank und is the second largest shareholder. Cerberus by now holds about 3 % of Deutsche Bank. Morgan Stanley as presumed trustee holds further shares.

Deutsche Bank has already appointed Cerberus as consultant.

As far as the retail segment is concerned, digital processes, automatic credit decisions and online consultations have been prepared.

- As associated company of Cerberus, BAWAG will contribute its know-how and competence in the area of digitization.

Deutsche Bank, Postbank and Commerzbank will provide the mass business.

To cover the license requirements in Germany, BAWAG has already purchased Südwestbank.

- At present, Südwestbank separates from the customers of the mid-sized sector requiring individual support and dismisses its staff at a large scale.

On the basis of this information, all customers of Commerzbank, Deutsche Bank and Postbank should take the precautionary short-term measure to acquire an adequate level of liquidity. Use all available credit approvals.

If you have any further questions or wishes, please contact me.

Best regards



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Editor in charge: Gabriele Romeike-Fänger

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