

Nine-month report as of 30 September 2004



Weak market. Reduced costs. Satisfactory results.

Key figures of comdirect bank group

Nine months		2004 ¹⁾	2003	Change in %
Customer figures as of 30.9.				
Total customers		632,456	629,653	0.4
Customers in the segment comdirect online		632,144	629,653	0.4
Customers in the segment comdirect offline		1,107	–	–
Business line comdirect online				
Placed orders		5,292,134	5,666,638	-6.6
Executed orders		4,624,268	4,695,588	-1.5
Average order activity per custody account (annualised)		11.3	10.6	6.6
Share of fund transactions in executed orders	in %	20.3	14.8	37.2
Order volume per executed order	in €	4,640	4,572	2.8
Total assets under custody as of 30.9.	in € million	9,622	9,302	3.4
of which: portfolio volume (excluding funds)	in € million	5,448	5,372	1.4
of which: funds volume	in € million	1,735	1,354	28.1
of which: deposit volume	in € million	2,439	2,576	-5.3
Credit volume as of 30.9.	in € million	175	542	-67.7
Number of custody accounts as of 30.9.		545,156	588,977	-7.4
Number of fund-based savings plans as of 30.9.		62,452	45,078	38.5
Number of current accounts as of 30.9.		84,175	66,204	27.1
Business line comdirect offline				
Advisers as of 30.9.		55	–	–
Offices as of 30.9.		8	–	–
Total revenues	in € thousand	1,884	–	–
Earnings ratios				
Net commission income	in € thousand	67,420 ²⁾	61,196	10.2
Net interest income before provisions	in € thousand	42,751 ²⁾	45,823	-6.7
Administrative expenses	in € thousand	77,914 ²⁾	81,001	-3.8
Profit from ordinary activities	in € thousand	42,438	31,885	33.1
Pre-tax profit	in € thousand	42,438	31,885	33.1
Net profit	in € thousand	28,633	19,353	48.0
Earnings per share	in €	0.20	0.14	42.9
Balance-sheet key figures as of 30.9.				
Balance-sheet total	in € million	3,077	3,444	-10.7
Equity	in € million	592	582	1.7
Equity ratio ³⁾	in %	19.2	16.9	13.6
Own funds ratio according to BIS	in %	71.0	74.7	-5.0
Relative ratios				
Return on equity (annualised)	in %	9.7	7.5	29.3
Cost/income ratio	in %	64.6 ²⁾	71.4	-9.5
Earnings per customer (annualised)	in €	253.3	234.3	8.1
Employees' figures as of 30.9.				
Employees		609	667	-8.7
of which: in the segment comdirect online		596	662	-10.0
of which: in the segment comdirect offline		13	5	160.0
Employees full-time basis		522.7	584.1	-10.5

1) Unless marked, all figures are excluding contributions from comdirect ltd

2) Contributions from comdirect ltd in the first quarter are taken into account

3) Equity ratio = (subscribed capital + reserves + consolidated profit)/balance-sheet total

In this table of key indicators the figures for the previous year include comdirect ltd. However, in the section describing the Online Investment and Direct Banking fields of competence on pages 6 - 8 comdirect ltd is excluded in order to facilitate a better comparison.

Contents

02 ■ Introduction

04 ■ The share

06 ■ Business performance

06 ■ Market development

06 ■ Number of customers

06 ■ Online Investment and Direct Banking fields of competence

08 ■ Financial Advisory field of competence

08 ■ Earnings situation

10 ■ Outlook

11 ■ Accounting standard and consolidated companies, the company's boards

12 ■ Nine-month statement of the comdirect bank group

12 ■ Income statement

13 ■ Balance sheet

14 ■ Segment reporting

15 ■ Quarter-on-quarter comparison

16 ■ Statement of changes in equity, cash flow statement

17 ■ Financial calendar, contacts

Introduction

Earnings power stable – as a result of consistent cost management we have achieved satisfactory profits despite the increasingly weak market. Our target pre-tax profit remains unchanged at €50m.

Dear shareholders,

comdirect bank is on the homeward run: despite the downturn in the markets, we have continued to make sound progress in the third quarter. With pre-tax profit for the first nine months of €42.4m, we are up more than 30% on the previous year and have already exceeded the total earnings for 2003. We are therefore well on the way to meeting our target pre-tax profit, which we revised upwards to €50m in spring this year. The number of customers rose again in the third quarter and at 632,456 exceeds the figure for the beginning of the year by more than 7% excluding comdirect Ltd. Trading activities declined during the quarter, however, overall orders are still around 5% above the first nine months of 2003.

2004 has been a year of contradictions. In the first quarter, we were still reaping the benefit of the upturn in the markets, but the third quarter was dominated by a weak trading environment. Nevertheless, we achieved pre-tax profit of €9.4m in the third quarter, primarily as a result of improvements in process efficiency. Over the last two years we have worked consistently on this. In view of the summer lull and the weak markets, we reduced our marketing activities compared to the previous quarter. As a result, our earnings power remains stable. This is even more true if we take into account that comdirect has again invested significantly in the expansion of its three fields of competence in the current year.

These investments are aimed at creating even greater earnings stability for comdirect bank irrespective of the mood in the markets. We are striving to systematically build an earnings base that is independent of securities trading. This is also one of the principles behind our one-to-one bank approach. We are the partner for modern investors, able to meet their needs from professional trading activities to daily payment transactions and personal financial advisory services.

We have improved our performance in all three pillars of our business during the third quarter. In Online Investment, our trading front-end software, ProTrader, is now available to a higher number of active traders, and a basic version of the TraderMatrix information system which can be used free of charge was launched in July. In Direct Banking we have again gained new customers with our fourth comdirect special fixed-term deposit campaign. Now 84,175 customers have a current account, 21.8% more than at the end of 2003. In Financial Advisory, we have exceeded our targets for 2004 with the opening of two new offices in Berlin. We now have 55 advisers and eight offices in six major urban areas.





Dr. Achim Kassow, CEO of comdirect bank

Our new pricing model which came into effect at the beginning of October 2004 takes account of the individual needs of the modern investor and is more transparent. At the same time it offers incentives for investors to pool their banking activities with us. Customers holding a current account or savings plan do not pay custody account charges for example. Active traders can benefit from discounts and free limits. With the abolition of the partial execution fees for all customers we have set a new benchmark in the industry. We anticipate that the level of acceptance already evident for our new pricing model will have a positive impact on our order figures in the medium to long-term.

We are not expecting any significant upturn in the markets during the remainder of the financial year. Against this background, we will pursue our consistent cost-conscious approach, especially where marketing is concerned, without jeopardising our strategic further development. We will also continue to focus on adding value to existing customer relationships by rigorously implementing our three-pillar strategy, thereby further improving the structure of our earnings.

For the year as a whole, we anticipate positive overall development in the value drivers at comdirect bank. Our expectations include significant growth in certificates, savings plans, fixed-term deposit and current accounts. In Financial Advisory, we intend to service 1,700 customers as planned by the end of the year.

Our pre-tax profit target of €50m remains in place. We expect trading activities to stabilise at the level of the third quarter at least. As in financial year 2003, we intend to propose a distribution of the net profit in full. From today's standpoint, this will lead to a tangible rise in the dividend.

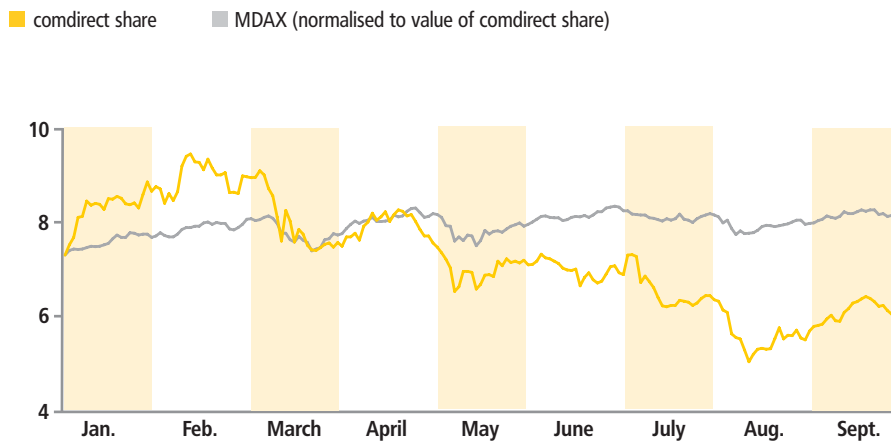
Sincerely yours,

Dr. Achim Kassow
CEO

The share

Weak markets depress share price – in a climate of falling prices and declining orders on German exchanges, the comdirect share was unable to escape the negative trend.

Development of share price of comdirect share 30.12.2003 to 30.9.2004 (in €)



Downturn in capital market

Price mark-downs and largely lacklustre trading were the order of the day on the German stock markets in the third quarter. The DAX dropped again below that psychologically critical level of 4,000 points, and was down 3.94% to 3,892.90 points. Even the mid caps lost ground. The MDAX closed the quarter at 5,014.36 points, a fall of 1.89% since 30 June. By comparison, the price of technology stocks collapsed with the TecDAX dropping 14.10% to 496.09 points in the third quarter. There was little movement in financial services providers: the Prime Financial Services Price Index closed the quarter at 301.95 points, up from 297.08 as of 30 June.

comdirect share price recovers

The comdirect share was unable to escape the trend in the stock markets in the third quarter. On the one hand, the price followed the general downturn and on the other, weaker trading impacted adversely on the performance of the key value drivers in Online Investment. At €5.04, the share dropped to its lowest price in the year on 12 August, but was able to recover in the weeks that followed. With a closing price on XETRA of €6.17

Shareholders' structure of comdirect bank AG

- 58.65% Commerzbank AG*
- 21.35% T-Online International AG
- 20.00% Free Float



*indirectly

Data and key figures on comdirect share

German securities code no.	542 800
ISIN code	DE0005428007
Stock-exchange code	COM
	Reuters: CDBG.DE
	Bloomberg: COM GR
Stock-exchange segment	MDAX
Number of shares issued	140,507,750
	no-par-value shares

Key figures – 9 months 2004

Average daily turnover		
in units	XETRA	94,307
	Frankfurt	27,531
	Other exchanges	8,720
		<u>130,558</u>

Opening quotation XETRA (2.1.2004)	€7.35
Highest price XETRA (11.2.2004)	€9.50
Lowest price XETRA (12.8.2004)	€5.04
Closing quotation XETRA (30.9.2004)	€6.17
Market cap (30.9.2004)	€866.9m

on 30 September, the comdirect share is down 13.1% on the price at the end of the previous quarter.

Investor Relations: new monthly indicators

In the third quarter, comdirect set a new benchmark for up-to-date and transparent communication. In line with international standards and in a pioneering move for Germany, comdirect has been publishing key indicators for its operating business on a monthly basis since August. On the fifth working day after the end of the month, the company announces customer and order figures, the number of custody and current accounts as well as portfolios and deposit volumes. The figures are published on the comdirect website.

We are continuing to ensure the highest level of transparency for our quarterly reporting and publish our results using a wide variety of media. As before, in addition to the audio recording of the conference call and associated slide presentation, this nine-month report can be accessed for viewing or downloading from www.comdirect.de/ir.

Stock option programme

In the third quarter, 1,500 subscription rights were exercised under the comdirect stock option programme. The number of shares outstanding has therefore increased to 140,507,750.

Business performance

Satisfactory results despite adverse conditions – in a weak market, comdirect achieved clear profits, increasing the nine-month results by 33%. The growth trend in Direct Banking and Financial Advisory continued.

Market development

Performance on the German stock markets was weak in the third quarter of 2004. By comparison with the second quarter, which itself had been difficult, the number of trades fell by 9.8% to 35.7 million; just as for securities turnover, this was the lowest quarterly level in the last five years. Volatility in the markets has also clearly reduced compared with the first half of the year. It is only thanks to the extraordinarily buoyant trading in the first quarter that the nine-month figures for stock-exchange orders and trading volumes are approaching those of the previous year.

The recovery in the primary market hoped for by the financial sector failed to materialise. Only one company took the daring step of floating on the Frankfurt stock exchange in the third quarter. Other planned IPOs were either cancelled or postponed to a later date.

The framework parameters for deposit business changed only slightly during the year to date. Compared to the 2003 year-end, demand deposits for German private individuals were marginally up in July 2004, while there was a slight downturn in fixed-term deposits and the volume of savings deposits remained virtually constant.

Low interest rates in the euro-zone continued to limit the level of interest income that could be achieved. In Financial Advisory, the Retirement Income Act, which will abolish in part the tax privilege for endowment policies from 2005 onwards, will continue to drive growth until the end of 2004. The resultant boost in the corresponding policy business will support the establishment of our subsidiary.

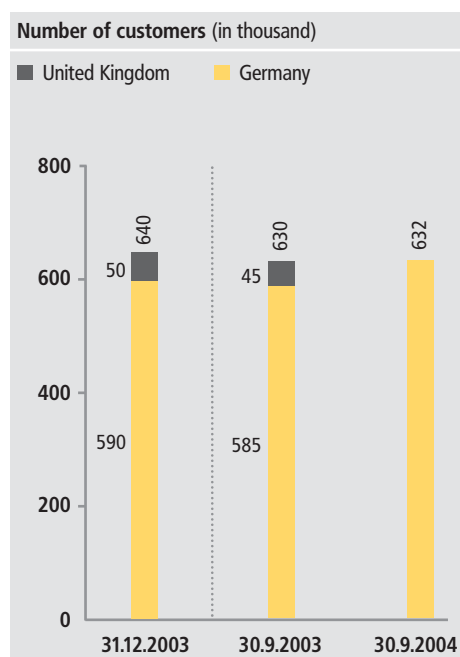
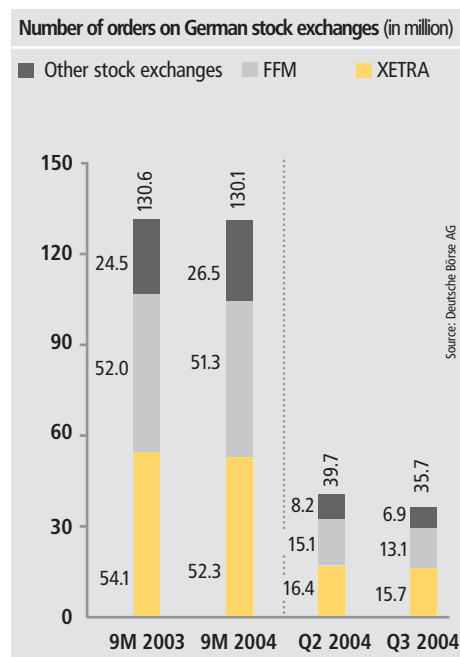
Number of customers

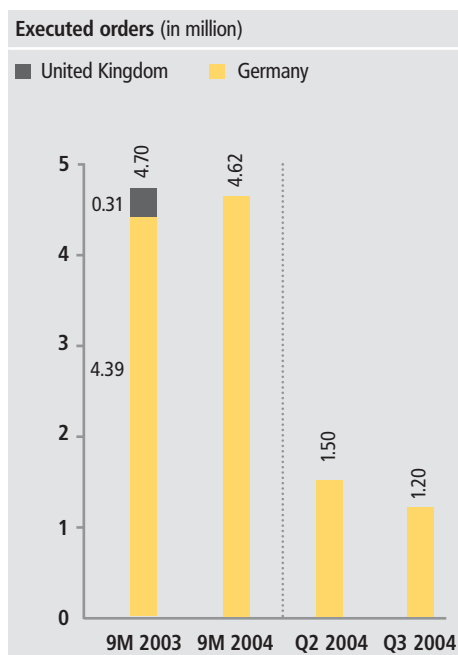
There was a moderate rise in the number of customers in the third quarter to 632,456. As a result, the customer base in Germany increased by 7.1%, or 41,933, in the first nine months of 2004. New customers were gained primarily by the attractive comdirect special fixed-term deposit products as well as through the acquisition of current and custody accounts.

Online Investment and Direct Banking fields of competence

Order figures and order volumes

Given the fall in prices and reduced volatility, many of our customers held back from any securities trades in the third quarter. The number of orders executed dropped by €0.30m, or 19.7%, to €1.20m by comparison with the second quarter; for the year as a whole this reduces the average order activity per custody account from 12.5 as of 30 June to now 11.3. However, at 4.62m the number of orders for the first nine months is up 5.4% on the same period in the previous year (4.39m orders). As before, this is due to the record figures





achieved in the first quarter. The execution rate of 87.4% is significantly higher than in 2003 (83.6%). The primary driver here is strong growth in OTC securities trading, where every order placed is executed. 36.5% (previous year 38.2%) of securities turnover of €21.5bn (previous year €19.9bn) was attributable to stocks, 56.1% (previous year 47.8%) to certificates and warrants and a further 5.2% (previous year 4.8%) to funds. In the third quarter, two no-fee campaigns allowed comdirect customers to buy and sell selected certificates and warrants free of charge.

Custody accounts and portfolio volume

As of 30 September 2004 we maintained 545,156 custody accounts for our customers. In Germany the number of custody accounts rose by more than 3,200, or 0.6%, in the first nine months of 2004. Through targeted cross-selling activities we achieved this slight growth despite the unfavourable market conditions where according to the Deutsches Aktieninstitut, the number of people holding shares and fund units fell by 570,000 to 10.6m in the first half of 2004. Around one in every five new customers gained through special interest rate campaigns has in the meantime opened a comdirect custody account. At €5.45bn, the portfolio volume excluding funds is also significantly up on the figure for the 2003 year-end (€5.35bn). The fall in the third quarter was exclusively price-related and we still achieved net inflows despite the weak market environment.

The funds volume stabilised in the third quarter at €1.73bn, which equates to a rise of 19.7% for the first nine months. Much of this growth is attributable to savings plans, which our customers are increasingly using for long-term asset accumulation.

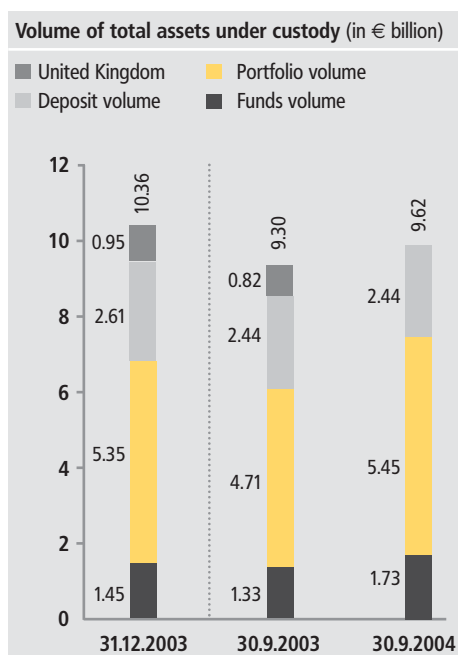
Deposit volumes and current accounts

At €2.44bn, deposit volume changed only slightly in the third quarter (30 June 2004: €2.43bn) and was therefore down 6.6% on the record level achieved at the end of 2003 (€2.61bn). This development was partly due to shifts in investments away from deposits and into securities as well as to the fact that the funds inflows from the comdirect special campaigns were somewhat lower than the funds outflows at the end of the ZinsPLUS campaign 2004. The new time deposits offered by comdirect in the third quarter were well received by the market. These allow sums starting from only €500 to be invested currently at an interest rate of 2.1% (6 months) to 3.3% (60 months) (as at 19 October 2004).

A further 5,098 customers were attracted by the benefits of our high performance current account in the third quarter. As of 30 September 2004, 84,175 customers had current accounts with comdirect, 21.8% more than at the end of 2003 (69,085).

Innovation and product development

In the third quarter, we further enhanced our services in the Online Investment field of competence in particular, tailoring our offering even more to the individual requirements of our customers. The basic version of our TraderMatrix price information system can now be used free of charge. This new service went online at the end of July. It contains all real-time prices for equities and derivatives traded on the Stuttgart stock exchange. We have also extended the additional price information available under the attractively priced



subscription version to include currencies, US indices and the Eurex and CME (Chicago Mercantile Exchange) futures markets.

ProTrader, our professional front-end trading software featuring fast page downloads and flexible session time options, has also been available free of charge for all active traders executing at least 125 orders per half-year via comdirect, since the end of July. By extending the user base we are creating additional incentives for pooling trading activities at comdirect.

In the Direct Banking field of competence, our fourth comdirect special fixed-term deposit offer attracted 6,200 customers in the third quarter. An interest rate of 4.25% and fund units worth €30 were offered to customers also opening a custody account.

New pricing model

Our new pricing model which applies from the beginning of the fourth quarter is much more closely geared to the individual requirements of customers than the previous model. Accordingly, the more active the customer and the more trading and banking activities he pools at comdirect, the more favourable the terms and conditions. Our pricing model therefore promotes our strategy of adding value to existing customer relationships and supports the further development of comdirect bank as a one-to-one bank for the modern investor. The first cross-selling successes from our new pricing policy were evident even before the policy came into effect. Since the announcement of the new model, our customers have increasingly been taking out fund-based savings plans, thereby ensuring that their custody accounts will bear no charges after October 2004.

Financial Advisory field of competence

comdirect private finance continued its growth trend in the third quarter. The target for the end of 2004 of having seven offices in place had already been exceeded by 30 September 2004. With the opening of two offices in Berlin, we now have eight teams of advisers in six major urban areas. It is only one year since the Financial Advisory division was launched and it is already well positioned to benefit in the fourth quarter from the anticipated boost in demand for life insurance and other pension products. The number of advisers rose from 42 to 55, and the number of customers doubled from 578 to 1,107.

Another survey, carried out this time in Hamburg, confirms that more than 80% of clients are happy or very happy with the advisory meeting. Respondents emphasised the high quality of advisory competence, the customised solutions offered and the extensive, comprehensive explanations regarding asset accumulation and provisioning products, especially compared to other financial services providers.

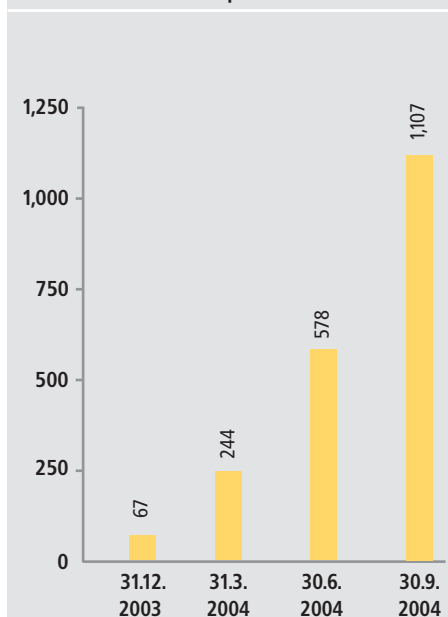
Earnings situation

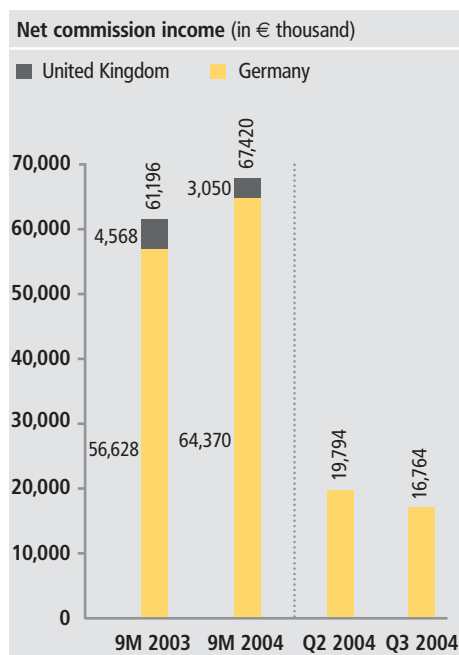
In the first nine months of 2004, we achieved consolidated profit of €42.4m, up 33.1% on the previous year (€31.9m). At €9.4m, however, the third quarter is down on the comparable figure for 2003 (€16.8m). Nevertheless, in terms of the movement in the market,

Key changes of the new pricing model

- The tiered model has been replaced by a linear order commission curve. Flat rate price levels have been abolished. Particularly active traders also benefit from frequent trader discounts and free limits.
- The previous volume-related custody account fee no longer applies to most of our customers. Customers who also have a current account or savings plan are exempt from custody account fees as are customers who execute a minimum of two trades per quarter.
- We have abolished the previous charges applying to same-day XETRA partial executions for all customers.

Customers of comdirect private finance AG





this is still a satisfactory result, as it shows that thanks to its strict cost management, comdirect has a sound earnings base even when conditions in the market are difficult. For example, the pre-tax profit achieved in the third quarter exceeds that of the first quarter of 2003 (excluding comdirect ltd), which reported a similar level of orders, by 39.7%.

On an annual basis, earnings per customer rose by €234.3 to €253.2 compared with the previous nine-month period. The cost/income ratio improved to 64.6% (previous year 71.4%). The figure for the third quarter was 71.2%.

Net commission income and net interest income

Net commission income rose by 10.2% to €67.4m (of which comdirect ltd €3.1m) compared to the nine-month figure for the previous year of €61.2m (of which comdirect ltd €4.6m). In Germany, we achieved an increase of 13.7%, which represents a higher growth rate than for orders (5.4%). This was mainly attributable to higher income from funds business. comdirect private finance generated a contribution of €0.7m.

By contrast, at €42.8m (of which €1.2m comdirect ltd) net interest income before provisions was down 6.7% on the previous year (€45.8m, of which €2.1m comdirect ltd). The main reasons for this development are the deconsolidation effect following the sale of our UK subsidiary and the additional interest expense arising from the fixed-term deposit campaign as part of the comdirect special offer. Low interest rates also continued to limit potential earnings in deposit business.

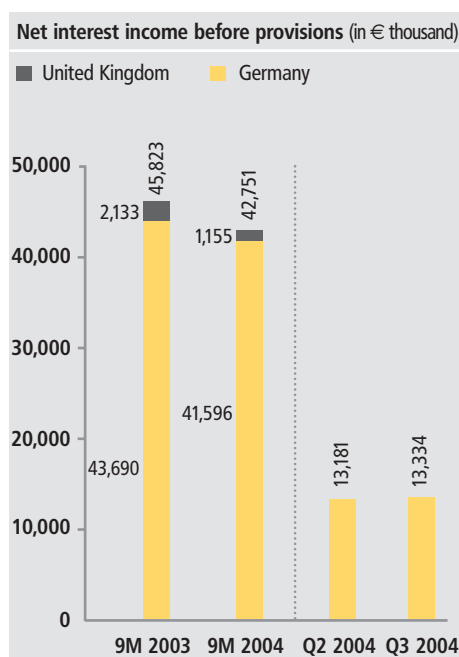
Result from investments and securities portfolio

Price gains were made on the sale of fixed-income securities in the third quarter, thanks to the interest rate environment which had seen a temporary downward trend. The quarterly result from the investments and securities portfolio stands at €1.6m. The figure for the period from January to September is €5.5m (previous year €3.5m). This includes the earnings contribution from the sale of comdirect ltd of €2.4m.

Administrative expenses

In addition to higher net commission income, comdirect's ability to quickly and flexibly adapt costs to the weaker market was a key factor behind the improved nine-month results. In the third quarter, administrative expenses came in 6.0%, or €1.5m, lower than in the second quarter. In relation to the nine-month period, administrative expenses reduced from €81.0m in 2003 (of which €10.2m comdirect ltd) to €77.9m (of which €4.1m comdirect ltd). In Germany costs increased slightly from €70.8m to €73.8m as a result of company growth.

Personnel costs (excluding comdirect ltd) amounted to €19.9m (previous year €19.8m). As of 30 September 2004, comdirect bank employed a staff complement of 609 employees, eight more than in the previous year. During the third quarter of 2004, we increased the number of employees by 12 full-time positions, primarily in customer services and IT.



In the third quarter, we reduced other administrative expenses by around €2.2m, or 13.5%, by comparison with the previous quarter. As well as lower costs resulting from lower volume, our conservative approach to new customer acquisitions contributed to this result. With regard to the first nine months of the year, other administrative expenses (excluding comdirect ltd) stood at €45.4m (previous year €40.7m). Depreciation on office furniture and equipment and intangible assets (excluding comdirect ltd) fell by 17.6% to €8.5m (previous year €10.3m). Again this is attributable to our focused investment programme in previous years.

Result in the segments

The comdirect online business line achieved profit from ordinary activities of €44.5m, up 39.4% on the previous year. (€31.9m). The comdirect offline business line reported total revenue of €1,884 thousand (of which €1,158 thousand in the third quarter), producing a negative result of €-2.0m which was better than scheduled.

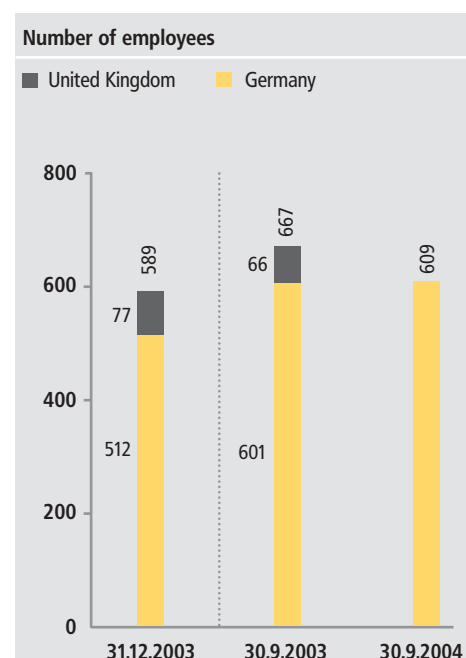
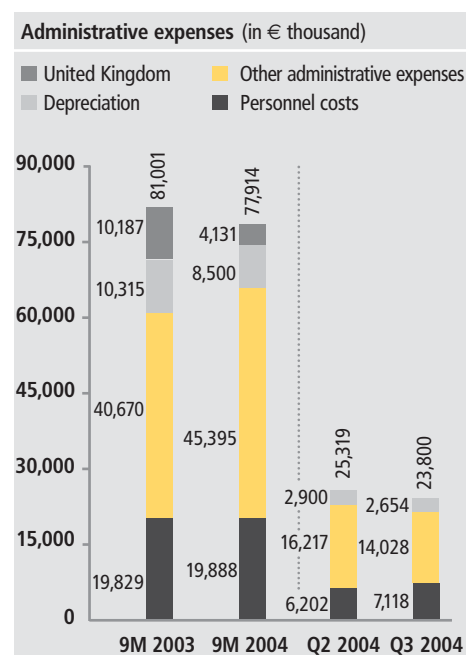
Outlook

comdirect bank's strategy aims to achieve long-term growth in earnings. We are creating the basis for this with our sustained investment in the expansion of our business model. Despite the associated expenses, we have significantly improved results in financial year 2004 to date. Our sights remain firmly on a target pre-tax profit of €50m. We therefore assume that, in the fourth quarter, trading activities will stabilise at the level of the third quarter at least.

The focus in the fourth quarter has remained on improving the structure of our earnings power through flexible cost management and increased earnings from non-securities business. In view of the ongoing weakness in the markets, we will continue our cost-conscious and cautious approach to marketing and will concentrate on adding value to existing customer relationships in all three fields of competence.

The new pricing model which offers large incentives for cross-selling will support this strategy. We are convinced that this will impact positively on the demand for savings plans and current accounts. We also expect further growth in certificates trading. In Financial Advisory our aim remains to service 1,700 customers by the year-end; at the end of the first nine months of the year, we are well on our way to achieving this aim.

As in the previous year, we intend to allow our shareholders to participate directly in comdirect bank's success and will be again recommending that the net profit for the year be distributed in full. From today's standpoint this would lead to a tangible increase in the dividend.



Accounting standard and consolidated companies

The report of comdirect bank as of 30 September 2004 conforms to the rules of the International Financial Reporting Standards (IFRS) and the rules of the International Accounting Standards (IAS).

The same accounting, measurement and calculation methods were applied as for the 2003 annual consolidated financial statements of comdirect bank.

Following the deconsolidation of comdirect ltd as of 31 March 2004, the individual items on the group income statement still include figures for the UK subsidiary from the first quarter. These items have no impact on the group result for the current financial year. The profit/loss contribution of comdirect ltd from the first quarter was netted out as part of the sales proceeds in the second quarter.

Segment reporting by business lines is shown on page 14. The requirement for segment reporting by geographical markets does not apply.

As part of our stock option programme set up in line with the resolution of the annual general meeting on 11 May 2000, we issued a total of 2,408,810 subscription rights to employees of comdirect bank as of 30 September 2004.

As of the reporting date, of these 732,090 subscription rights have expired and 7,750 have been exercised. New no-par-value bearer shares in comdirect bank AG were issued equal to the number of subscription rights exercised.

The company's boards

Supervisory Board

Martin Blessing

Chairman of the Supervisory Board

Klaus Müller-Gebel

Deputy Chairman of the Supervisory Board

Rainer Beaujean

Angelika Kierstein

Mitja Sack

Dr. Eric Strutz

Board of Managing Directors

Dr. Achim Kassow

CEO

Dr. Andre Carls

Income statement

Income statement of comdirect bank group according to IFRS/IAS*

		1.1. to 30.9.		1.7. to 30.9.	
€ thousand		2004	2003	2004	2003
Interest income		65,554	59,303	20,874	18,883
Interest expenses		22,803	13,480	7,540	4,071
Net interest income before provisions		42,751	45,823	13,334	14,812
Provision for possible loan losses		-199	-617	-184	0
Net interest income after provisions		42,552	45,206	13,150	14,812
Commission income		77,687	71,013	19,511	28,085
Commission expenses		10,267	9,817	2,747	3,817
Net commission income		67,420	61,196	16,764	24,268
Income/loss from investments and securities portfolio		5,540	3,491	1,634	492
Administrative expenses		77,914	81,001	23,800	24,689
Personnel costs		21,176	22,843	7,118	6,808
Other administrative expenses		47,743	46,227	14,028	13,667
Marketing costs		12,517	8,131	3,252	2,661
Communication costs		1,934	3,333	469	778
Consulting costs		5,764	4,890	1,504	880
External services		15,651	13,072	4,976	3,820
Sundry operating expenses		11,877	16,801	3,827	5,528
Depreciation on office furniture and equipment and intangible assets		8,995	11,931	2,654	4,214
Other operating result		4,840	2,993	1,689	1,938
Profit from ordinary activities		42,438	31,885	9,437	16,821
Pre-tax profit		42,438	31,885	9,437	16,821
Taxes on income		13,805	12,532	3,413	6,093
After-tax profit		28,633	19,353	6,024	10,728
Net profit		28,633	19,353	6,024	10,728
Earnings per share					
Net profit	€ thousand	28,633	19,353	6,024	10,728
Average number of ordinary shares	Shares	140,505,908	140,500,200	140,504,350	140,500,600
Basic earnings per share	€	0.20	0.14	0.04	0.08
Diluted earnings per share					
Net profit	€ thousand	28,633	19,353	6,024	10,728
Adjustment to the number of ordinary shares issued due to outstanding option rights	Shares	468,801	336,169	468,801	336,169
Weighted average shares outstanding (diluted)	Shares	140,974,709	140,836,369	140,973,151	140,836,769
Diluted earnings per share	€	0.20	0.14	0.04	0.08

* unaudited

Balance sheet

Balance sheet of comdirect bank group according to IFRS/IAS*

Assets		
€ thousand	as of 30.9.2004	as of 31.12.2003
Cash reserve	32,939	1,749
Claims on banks	1,595,882	1,310,434
Claims on customers	175,086	183,773
Provision for possible loan losses	-4,805	-5,766
Investments and securities portfolio	1,248,398	1,893,862
Intangible assets	9,729	11,905
Fixed assets	14,552	20,860
Other assets	4,934	9,313
Total assets	3,076,715	3,426,130

Liabilities and equity		
€ thousand	as of 30.9.2004	as of 31.12.2003
Liabilities to banks	0	0
Liabilities to customers	2,448,067	2,774,791
Provisions	15,767	18,556
Tax liabilities	7,888	7,370
Other liabilities	12,958	24,509
Subordinated capital	0	16,617
Equity	592,035	584,287
Subscribed capital	140,508	140,503
Capital reserve	367,261	367,240
Retained earnings		
Other revenue reserves	55,914	55,359
Revaluation reserve	-281	-1,296
Consolidated profit 2003	0	22,481
Consolidated profit 1.1. to 30.9.2004	28,633	–
Total liabilities and equity	3,076,715	3,426,130

* unaudited

Segment reporting

Segment reporting by business lines*

1.1. to 30.9.2004				
€ thousand	comdirect online	comdirect offline	Group management/ consolidation/ others	comdirect bank group total
Net interest income before provisions	42,755	-4	0	42,751
Provision for possible loan losses	-199	0	0	-199
Net interest income after provisions	42,556	-4	0	42,552
Net commission income	66,779	676	-35	67,420
Income/loss from investments and securities portfolio	5,540	0	0	5,540
Administrative expenses	75,841	2,976	-903	77,914
Other operating result	5,427	281	-868	4,840
Profit/loss from ordinary activities	44,461	-2,023	0	42,438
Pre-tax profit/loss	44,461	-2,023	0	42,438
Taxes on income	13,174	631	0	13,805
After-tax profit/loss	31,287	-2,654	0	28,633
Net profit/loss	31,287	-2,654	0	28,633
Acquisition costs of segment assets	3,475	112		3,587
Depreciation on segment assets	8,850	145		8,995
Cost/income ratio	62.9%	312.3%		64.6%
Segment income	152,756	2,172	-921	154,007
Segment expenses	108,295	4,195	-921	111,569
Segment assets	3,048,420	121	-1,041	3,047,500
Segment debt	2,448,067	1,041	-1,041	2,448,067

Allocation to the segments is based on the business lines of the comdirect bank group. Determination of the business lines was carried out in compliance with IAS 14 and its principles of materiality. A comparative presentation of the primary reporting for the same period in the previous year is not available, since comdirect private finance AG did not begin operations until 1 October, 2003.

* unaudited

Quarter-on-quarter comparison

Income statement of comdirect bank group according to IFRS/IAS on a quarterly comparison*

	Q1	Q2	Q3	Q4	Q1	Q2	Q3
€ thousand	2003	2003	2003	2003	2004	2004	2004
Interest income	20,854	19,566	18,883	25,586	23,964	20,716	20,874
Interest expenses	5,484	3,925	4,071	14,202	7,728	7,535	7,540
Net interest income before provisions	15,370	15,641	14,812	11,384	16,236	13,181	13,334
Provision for possible loan losses	-370	-247	0	652	45	-60	-184
Net interest income after provisions	15,000	15,394	14,812	12,036	16,281	13,121	13,150
Commission income	18,720	24,208	28,085	25,673	35,558	22,618	19,511
Commission expenses	2,793	3,207	3,817	3,762	4,696	2,824	2,747
Net commission income	15,927	21,001	24,268	21,911	30,862	19,794	16,764
Income/loss from investments and securities portfolio	775	2,224	492	1,269	1,515	2,391	1,634
Administrative expenses	27,961	28,351	24,689	31,493	28,795	25,319	23,800
Personnel costs	8,101	7,934	6,808	8,830	7,856	6,202	7,118
Other administrative expenses	16,126	16,434	13,667	18,070	17,498	16,217	14,028
Marketing costs	3,031	2,439	2,661	4,233	4,027	5,238	3,252
Communication costs	1,697	858	778	709	783	682	469
Consulting costs	2,038	1,972	880	4,506	2,521	1,739	1,504
External services	4,832	4,420	3,820	4,870	5,578	5,097	4,976
Sundry operating expenses	4,528	6,745	5,528	3,752	4,589	3,461	3,827
Depreciation on office furniture and equipment and intangible assets	3,734	3,983	4,214	4,593	3,441	2,900	2,654
Other operating result	957	98	1,938	3,494	1,110	2,041	1,689
Profit from ordinary activities	4,698	10,366	16,821	7,217	20,973	12,028	9,437
Pre-tax profit	4,698	10,366	16,821	7,217	20,973	12,028	9,437
Taxes on income	2,275	4,164	6,093	3,209	7,431	2,961	3,413
After-tax profit	2,423	6,202	10,728	4,008	13,542	9,067	6,024
Net profit	2,423	6,202	10,728	4,008	13,542	9,067	6,024

* unaudited

Statement of changes in equity

The changes in the group's equity were as follows in the period under review:

€ thousand	2004	2003
Equity as of 1.1.	584,287	563,708
Changes in the financial year		
a) Subscribed capital	5	2
b) Capital reserve	21	10
c) Retained earnings	555	-1,055
Differences arising from currency translation and other changes	555	-1,055
d) Revaluation reserve	1,015	-305
e) Dividend payout comdirect bank AG	-22,481	–
f) Consolidated profit 1.1. to 30.9.	28,633	19,353
Equity as of 30.9.	592,035	581,713

Cash flow statement

€ thousand	2004	2003
Cash and cash equivalents as of 1.1.	1,749	5,181
Cash flow from operating activities	70,232	49,956
Cash flow from investing activities	-527	-4,657
Cash flow from financing activities	-39,070	12
Effects of changes in exchange rates	555	-1,055
Cash and cash equivalents as of 30.9.	32,939	49,437

Cash and cash equivalents correspond to the balance-sheet item cash reserve and include cash on hand and balances held at central banks.

Apart from the net profit/loss, changes in assets and liabilities from operating activities after correction for cash items – e.g. depreciation – cash flow from operating activities also includes interest and dividends paid and received as well as taxes on income paid.

Financial calendar 2004/2005

22 November 2004	Deutsches Eigenkapitalforum, Frankfurt/Main
17 January 2005	CAI Cheuvreux German Corporate Conference, Kronberg/Ts.
14 February 2005	Press/Analysts' conference in Frankfurt/Main
15 March 2005	Annual report 2004
22 April 2005	Quarterly report 2005
4 May 2005	Annual general meeting
1 June 2005	Deutsche Bank German Corporate Conference, Frankfurt/Main
21 July 2005	Half-year report 2005
21 October 2005	Nine-month report 2005

Contacts

Investor Relations

Daniel Fard-Yazdani, CEFA

Phone +49 (0) 41 06/704-19 66

Fax +49 (0) 41 06/704-19 69

e-Mail investorrelations@comdirect.de

Ullrike Hamer

Phone +49 (0) 41 06/704-19 60

Fax +49 (0) 41 06/704-19 69

e-Mail investorrelations@comdirect.de

You can download our annual and interim reports in German or in English at our website www.comdirect.de, under "Über uns/Investor Relations/Publications". The 2003 annual report is also found here in an online version.

Press Relations

Stephan Maaß

Phone +49 (0) 41 06/704-13 15

Fax +49 (0) 41 06/704-34 02

e-Mail presse@comdirect.de

You can find our published press releases in German or in English at our website www.comdirect.de, under "Über uns/Presse".

comdirect bank AG

Pascallehre 15

D-25451 Quickborn

www.comdirect.de

Concept and layout

ergo Unternehmenskommunikation, Cologne/Frankfurt am Main

