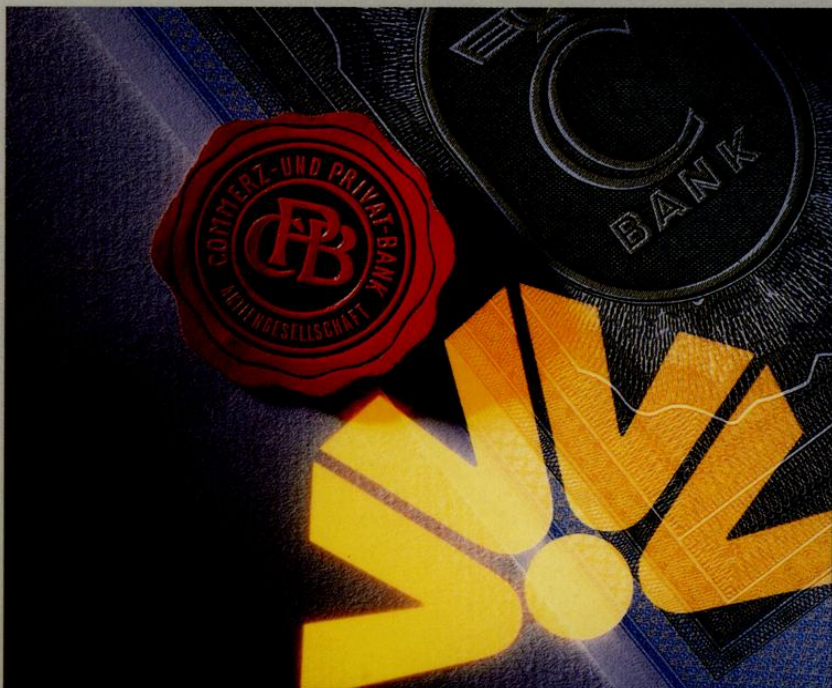


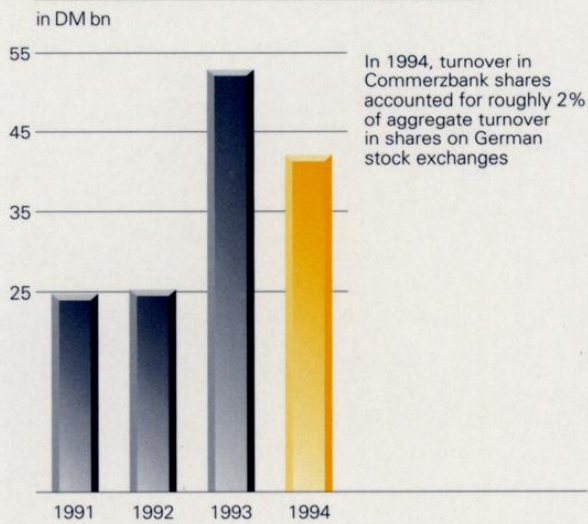
ANNUAL REPORT 1994



125 years

THE COMMERZBANK SHARE

Turnover in Commerzbank shares



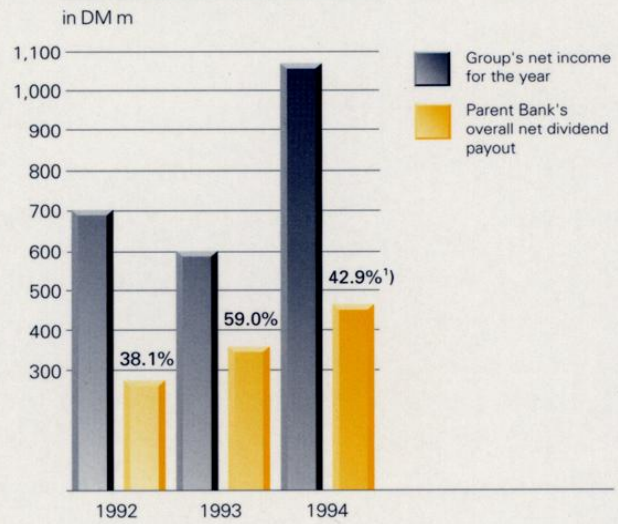
The Commerzbank share is one of Germany's most liquid. In 1994, it was the eleventh most-traded German stock. It is listed on all eight stock exchanges in Germany and on 14 others internationally. Since 1989, the Bank has had a sponsored ADR program in the United States.

The most important foreign stock exchange is London, where 17.1m shares were traded last year. This corresponds to 14.2% of the turnover on Germany's bourses.

Listings of Commerzbank share on stock exchanges abroad

Austria	Vienna
Belgium	Antwerp, Brussels
France	Paris
Italy	Milan
Japan	Tokyo
Luxembourg	Luxembourg
Netherlands	Amsterdam
Spain	Barcelona, Madrid
Switzerland	Basle, Geneva, Zurich
United Kingdom	London

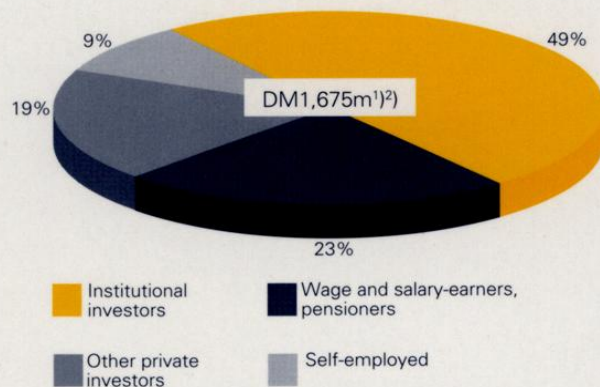
Appropriation of profits



1) payout ratio

The proposal to the AGM foresees an overall net dividend distribution by the Parent Bank in respect of the 1994 business year of DM452.1m, which includes payment of an additional dividend to commemorate the Bank's 125th anniversary. This means an increase of 30.7% on last year's distribution of DM345.8m. At the same time, Commerzbank's net income makes it possible to strengthen the Group's reserves by DM600m.

Commerzbank's 190,000 shareholders



1) subscribed capital, percentage shares in capital;

2) roughly 42% of capital is held by non-residents and just over 2% by the Bank's staff and pensioners.

Key figures of Commerzbank Group

at year-end	1992	1993	1994
Balance-sheet total	DM232,732m	DM285,378m	DM342,057m
Total lending	DM166,334m	DM181,320m	DM220,412m
Liable funds	DM13,436m	DM16,037m	DM18,812m
Branches	998	1,006	1,027
Customers	3,537,400	3,439,800	3,533,800
Staff ¹⁾	28,722	28,241	28,706

1) calculated on a full-time basis.

On December 31, 1994, the Commerzbank Group's core capital ratio as defined by the German

Banking Act – KWG was 5.3% and its overall capital ratio 9.2%.

Earnings figures of Commerzbank Group

	1992	1993	1994
Net interest and dividend income	DM4,333m	DM4,849m	DM5,099m
Net commission income	DM1,613m	DM1,960m	DM1,827m
Income	DM5,946m	DM6,809m	DM6,926m
Personnel expenses	DM2,616m	DM2,957m	DM2,974m
Other operating expenses ¹⁾	DM1,760m	DM1,867m	DM1,906m
Partial operating result	DM1,570m	DM1,985m	DM2,046m
Net income from financial transactions	DM263m	DM550m	DM105m
Provision for possible loan losses	DM2,080m	DM1,770m	DM1,655m
Operating result	DM911m	DM1,134m	DM692m
Gross pre-tax profit	DM1,241m	DM1,194m	DM1,709m
Taxes	DM554m	DM608m	DM654m
Net income for the year	DM687m	DM586m	DM1,055m
Return on equity ²⁾	5.8% ³⁾	7.6%	11.2%

1) including write-downs on and value adjustments to intangible assets and fixed assets;

2) including minority interests;

3) adjusted for the Berliner Commerzbank tax-exempt merger profit.

Key data for the Commerzbank share

	1992	1993	1994
Partial operating result per share	DM59.90	DM68.90	DM61.10
Operating result per share	DM34.80	DM39.40	DM20.70
Net income per share	DM15.90 ⁴⁾	DM20.40	DM31.50
Dividend paid per DM50 Commerzbank share ¹⁾	DM10.00	DM12.00	DM12.00 + DM1.50
Tax credit in addition to cash dividend	DM5.63	DM5.14	DM5.79
Book value at year-end ²⁾	DM274.70	DM287.20	DM314.50
Share price at year-end ³⁾	DM244.00	DM386.00	DM326.50 ⁵⁾
Market capitalization at year-end	DM6.4bn	DM11.1bn	DM10.9bn ⁵⁾
Number of shares issued ²⁾ at year-end	26,204,845	28,812,622	33,492,227

1) 1994: proposal to the AGM;

2) calculated on the basis of DM50 nominal share;

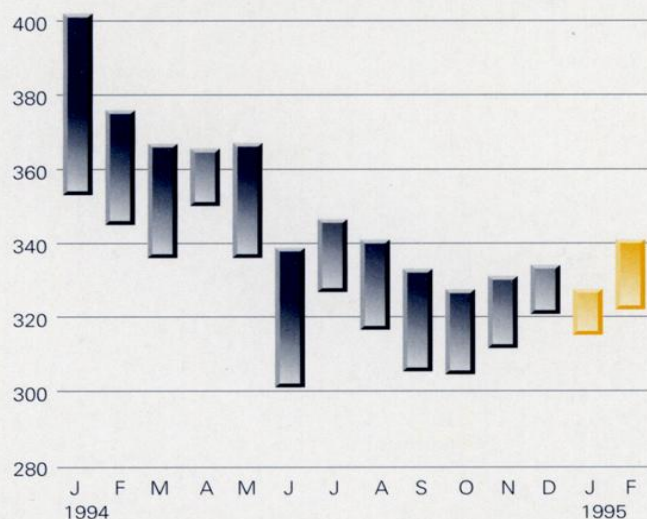
3) spot quotation on Frankfurt Stock Exchange;

4) adjusted for the Berliner Commerzbank tax-exempt merger profit;

5) end-February 1995: DM338.00 and DM11.3bn, respectively.

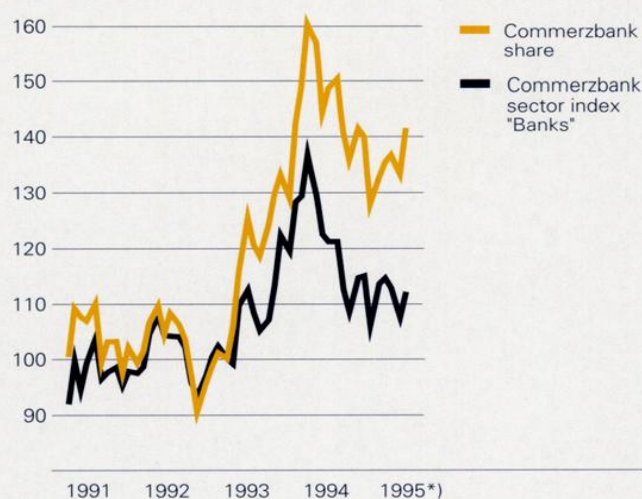
Performance of the Commerzbank share

monthly highs and lows, in DM;
Frankfurt Stock Exchange mid-session spot quotations



Performance relative to sector index

Month-end figures, December 1992 = 100
*) January and February



Warrants on Commerzbank shares

German securities code nr.	Subscription ratio	Option price per share ¹⁾	End of option period	Conditional capital increase	
				at issue	at end-1994
803 280	2:1	DM273	Oktober 2, 1995	DM75,000,000	DM74,891,750
803 335	2:1	DM260	December 10, 1996	DM50,000,000	DM49,999,000
803 367	2:1	DM300	December 15, 1997	DM80,000,000	DM79,750,550
803 626	2:1	DM340	December 12, 1999	DM75,000,000	DM75,000,000

1) of DM50 nominal.

Convertible profit-sharing certificates

German securities code nr.	Conversion right	Conversion period	Conditional capital increase	
			at issue	at end-1994
803250	One share ¹⁾ for each DM200 nominal of profit-sharing certificates and additional payment of DM45	From June 15 to December 15 of each business year up to and including 1998	DM125,000,000	DM100,216,500

1) of DM50 nominal.

Important dates in 1995

125th anniversary of Commerzbank	February 1995
Presentation of 1994 results	March 30, 1995 in Frankfurt
DVFA presentation	April 7, 1995 in Frankfurt
Annual General Meeting	May 17, 1995 in Hamburg
Interim Report as of June 30, 1995	end-July/early August 1995
Interim Report as of September 30, 1995	end-October/early November 1995

Should you have any questions with regard to the Commerzbank share, please contact:
Commerzbank Investor Relations, 60261 Frankfurt am Main (Telefax: (69) 13 62-94 92).

ANNUAL REPORT 1994

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● Headquarters

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Frankfurt am Main
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BUSINESS PROGRESS

Business progress of Commerzbank Group 1968-1994*

	Business volume	Total lending	Customers' deposits	Taxes paid	Allocation to reserves from profit	Equity capital	Supplementary capital	Staff ¹⁾	Offices
	DM bn	DM bn	DM bn	DM m	DM m	DM m	DM m		
1968	16.7	10.6	12.9	64.9	31.5	676	—	14,689	691
1973	40.0	26.4	21.7	76.7	18.0	1,284	—	18,187	826
1978	88.6	57.6	39.2	247.3	99.5	2,370	—	20,982	875
1982	111.1	81.7	44.2	169.7	85.7	2,770	—	21,393	877
1984	125.0	90.3	51.9	275.4	152.3	3,143	—	22,801	882
1985	139.6	94.4	54.8	321.6	175.0	3,435	425	24,154	882
1986	150.7	102.7	59.2	330.6	156.9	4,483	425	25,653	881
1987	163.9	109.0	65.6	328.5	175.6	4,653	425	26,640	882
1988	182.4	120.6	73.9	376.3	235.0	5,222	425	27,320	888
1989	193.8	126.5	85.0	493.7	281.0	5,867	705	27,631	897
1990	217.9	146.5	98.7	482.5	219.8	6,371	1,205	27,275	956
1991	229.0	157.9	111.8	541.0	234.9	6,689	1,704	28,226	973
1992	235.4	166.3	120.4	554.2	408.7	7,197	6,239	28,722	998
1993	287.8	181.3	133.3	607.9	281.5	8,273	7,764	28,241	1,006
1994	344.5	220.4	134.6	654.3	600.0	10,534	8,278	28,706	1,027

Business progress of Parent Bank 1952-1994*

	Business volume	Total lending	Customers' deposits	Annual dividend	Total amount of dividend paid	Staff ²⁾	Branches
	DM bn	DM bn	DM bn	DM per share	DM m		
1952	2.3	1.3	1.6			4,812	108
1955	4.2	3.0	3.0	5.00	8.1	7,160	149
1960	7.0	4.5	5.8	8.00	28.8	9,465	266
1965	10.6	6.9	8.9	8.00	36.0	11,402	436
1970	20.2	13.8	14.7	8.50	59.5	15,441	719
1975	38.8	22.3	25.1	9.00	95.5	17,328	782
1980	66.9	45.5	36.5			19,023	805
1984	74.8	48.8	73.8	6.00	101.2	20,016	794
1985	84.8	50.3	50.6	8.00	142.0	21,204	793
1986	93.2	55.1	53.9	9.00	186.8	22,539	792
1987	103.1	58.4	60.1	9.00	187.2	23,324	793
1988	117.1	67.9	68.7	9.00	203.5	23,793	795
1989	127.2	72.6	77.4	9.00	225.5	24,067	802
1990	147.3	84.2	87.5	10.00	257.3	24,362	849
1991	155.1	96.5	100.1	10.00	258.2	25,044	859
1992	176.5	111.5	108.2	10.00	262.0	27,017	946
1993	202.7	113.0	117.9	12.00	345.8	26,251	947
1994	241.2	129.6	114.6	12.00 + 1.50	452.1	26,641	964

*) as from 1992 following new accounting principles;

1) as from 1990 based on new definition and calculated as full-time staff;

2) calculated as full-time staff; as from 1990, based on new definition.

● Supervisory Board

Honorary Chairman

Paul Lichtenberg
Königstein
deceased, January 27, 1995

Dr. Walter Seipp
Frankfurt am Main
Chairman

Hans-Georg Jurkat
Cologne
Commerzbank AG
Deputy Chairman

Reinhold Borchert
Cologne
Commerzbank AG

Erhard Bouillon
Bad Soden
Chairman of the Supervisory Board
Hoechst AG

Uwe Foullong
Düsseldorf
National Executive Committee
Banking Section
Commercial, Banking and
Insurance Workers' Union (HBV)
since July 7, 1994

Dr. Carl H. Hahn
Wolfsburg
Member of the Supervisory Board
Volkswagen AG

Dr.-Ing. Otto Happel
Bochum
Chairman of the Supervisory Board
GEA AG
since February 2, 1995:
Chairman of the Executive Board
GEA AG
*[acting as interim member
according to Section 105 (2) of the
German Stock Corporation Act-AktG]*

Gerald Herrmann
Hamburg
Banks, Savings Banks and
Insurances Section
Sub-section: Banks
National Executive Committee of
Salaried Employees' Union (DAG)

Detlef Kayser
Berlin
Commerzbank AG

Dieter Klinger
Hamburg
Commerzbank AG

Dr. Hans-Jürgen Knauer
Mülheim an der Ruhr
Chairman of the Board of
Managing Directors
Stinnes AG,
Member of the Board of
Managing Directors
VEBA AG

Peter Kretschmer
Hamburg
Commerzbank AG

Dr. Heinz Kriwet
Düsseldorf
Chairman of the Board of
Managing Directors
Thyssen AG
vorm. August Thyssen-Hütte

Horst Sauer
Frankfurt am Main
Commerzbank AG

Wolfgang Schmelz
Frankfurt am Main
Commerzbank AG

Dr. Raban Frhr. v. Spiegel
Oberursel

Dr. Rolf Stoffel
Frankfurt am Main
Commerzbank AG

Hermann Josef Strenger
Leverkusen
Chairman of the Supervisory Board
Bayer AG

Hans-Georg Stritter
Düsseldorf
until June 30, 1994

Heinrich Weiss
Hilchenbach and Düsseldorf
Chairman of the Board of
Managing Directors
SMS AG

Wolfgang Ziemann
Essen
Member of the Board of
Managing Directors
RWE AG

● Central Advisory Board

Kurt Alberts

Essen
until June 30, 1994

José Maria Amusatégui

Madrid
Presidente y Consejero Delegado
Banco Central Hispanoamericano S. A.

Dr.-Ing. Burckhard Bergmann

Essen
Member of the Board of
Managing Directors
Ruhrgas AG

Manfred Broska

Wiesbaden
Chairman of the Board
of Managing Directors
DBV Holding AG,
General Manager
"Winterthur"
Schweizerische Versicherungs-
Gesellschaft

Hans-Dieter Clevén

CH-Baar/Zug
Deputy Chairman of
the Executive Board
Metro Holding AG

Dr. Michael E. Crüsemann

Hamburg
Deputy Member of the Board
of Managing Directors
Otto Versand
since March 1, 1994

Peter J. B. Duncan

Hamburg
Chairman of the Board of
Managing Directors
Deutsche Shell AG

Rainer Grohe

Munich
Member of the Board of
Managing Directors
VIAG AG

Bernd Hebbing

Essen
Deputy Chairman of the
Board of Managing Directors
Karstadt AG
since July 1, 1994

Hans-Olaf Henkel

Berlin
Chairman of the Supervisory Board
IBM Deutschland GmbH

Dr. Friedrich Hennemann

Bremen
Chairman of the Board of
Managing Directors
Bremer Vulkan Verbund AG

Dr. Heinz Horn

Essen
until December 31, 1994

Dr.-Ing. Hans-Peter Keitel

Essen
Chairman of the Board of
Managing Directors
HOCHTIEF Aktiengesellschaft
vorm. Gebr. Helfmann,
Member of the Board of
Managing Directors
RWE AG

Dr. Wolfgang Laaf

Wetzlar
until December 31, 1994

Dr. Gerhard Liener

Stuttgart
Member of the Board of
Managing Directors
Daimler Benz AG

Friedrich Lürssen

Bremen
Management Spokesman
Fr. Lürssen Werft (GmbH & Co.)

Dr. Siegfried Luther

Gütersloh
Member of the Board of
Managing Directors
Bertelsmann AG

Dr. Jörg Mittelsten Scheid

Wuppertal
General Partner
Vorwerk + Co.

Rudolf August Oetker

Bielefeld

Dr. Hans-Ulrich Plaul

Wetzlar
Chairman of the Board of
Managing Directors
Buderus AG
since January 1, 1995

Dr. Jürgen Strube

Ludwigshafen
Chairman of the Board of
Managing Directors
BASF Aktiengesellschaft

Dr. Giuseppe Vita

Berlin
Chairman of the Board of
Managing Directors
Schering AG

Wilhelm Werhahn

Neuss
Entrepreneur



From left: Peter Gloystein, Erich Coenen, Klaus Müller-Gebel, Dietrich-Kurt Frowein, Jürgen Terrahe, Martin Kohlhaussen, Jürgen Reimnitz, Kurt Hochheuser, Axel Frhr. v. Ruedorffer, Klaus-Peter Müller and Jürgen Lemmer

● Board of Managing Directors

Martin Kohlhaussen
Frankfurt am Main
Chairman

Erich Coenen
Frankfurt am Main

Dietrich-Kurt Frowein
Frankfurt am Main

Peter Gloystein
Düsseldorf

Kurt Hochheuser
Düsseldorf

Jürgen Lemmer
Frankfurt am Main

Klaus-Peter Müller
Frankfurt am Main

Klaus Müller-Gebel
Frankfurt am Main/Hamburg

Jürgen Reimnitz
Frankfurt am Main

Axel Frhr. v. Ruedorffer
Frankfurt am Main

Jürgen Terrahe
Frankfurt am Main

● Executive Vice Presidents and Chief Legal Adviser*

Jürgen Carlson
Rudolf Duttweiler
Wolfgang Hartmann
Heinz-Josef Hockmann
Wolfgang Hönig
Alfred Knör

Peter Kroll
Ulrich Ramm
Gottfried-Wilhelm von Waldthausen
Peter M. Weigert
Heinz-Ludwig Wiedelmann
Manfred Wilsdorf
Jochen Appell, Chief Legal Adviser

*) As of March 1, 1995;
based in Frankfurt am Main

● **To our shareholders**

This year, Commerzbank is celebrating its 125th anniversary. A tertiary-sector company can only assert itself in the market for such a span of time if it responds flexibly and in an innovative manner to the needs of its customers and the interests of its shareholders. For this reason, our jubilee gives us cause not only to look back; it is above all an incentive for us to keep on pursuing systematically our own independent path.

Commerzbank has a good starting position as it enters its anniversary year. We have made more rapid progress than expected with the implementation of our strategic goals. We have managed not merely to secure but also to reinforce our position as one of Germany's "Big Three" private-sector banks. Here our focus remains primarily on qualitative growth rather than on a higher business volume. In our efforts to provide the broadest possible range of financial services, we have tapped further potential through our cooperation with the Winterthur insurance group. Making strategic moves, we have strengthened Commerzbank's position in Europe. Our commitment is especially strong in Eastern Europe, where Commerzbank is to the fore among Western banks. The healthy earnings performance of our international units as a whole proves that our long-term earnings-oriented approach is bearing fruit.

We also look upon 1994's only just satisfactory result as an interim stage on the way to boosting the Commerzbank Group's profitability. The figures underline how necessary it was to reorganize the Bank. Our restructuring has enabled us to use the start of the economic upswing selectively to raise our share of German lending business, maintaining our strict standards as regards risk quality. Competition in banking will surely become tougher in the years ahead. In the future, too, Commerzbank will participate actively in this competition, playing an innovative role, as it did by introducing money-market funds and in the area of direct banking. The benefits will be felt by customers and shareholders alike.

Last year's operating result is 39.0% lower than in 1993. However, this sharp nominal decline was accompanied by an internal strengthening of the Bank that was much greater than normal. The same holds true for the marked increase in net income, which was influenced by the high proceeds from the disposal of DBV and Karstadt shares. The two figures are therefore of only limited relevance in judging Commerzbank's 1994 results. More significant in this respect is the 3.1% rise in the partial operating result, which largely reflects the development of our operative banking business.

In addition to an unchanged dividend of DM12, we propose payment of an extra dividend of DM1.50 per DM50 share. The more generous allocation to reserves of DM600m from net income will help strengthen our capital base as business volume expands. We feel sure that in the years ahead, too, we shall be able, despite the expansion of risk-bearing assets, to meet the core capital requirements to a substantial extent by forming reserves. But this does not rule out the possibility of considering a capital increase against cash as well if the potential for lucrative business activity proves greater than expected. In order to have sufficient flexibility to seize such opportunities, we are requesting that at this year's Annual General Meeting you authorize us to increase Commerzbank's share capital by up to DM160m. This authorized capital increase primarily differs from the DM400m resolved last year in that the new shares may be issued without subscription rights and at a price which is not substantially lower than the market price for Commerzbank shares. By waiving subscription rights, we are able to realize opportunities more quickly than in the past. This will benefit both the existing and the new shareholders of the Bank; at all events, existing shareholders will suffer no disadvantages if their subscription rights are excluded. Actually, this modification introduces a practice which has long proved successful internationally.



Martin Kohlhaussen, Chairman of the Board of Managing Directors (left), and Walter Seipp, Chairman of the Supervisory Board

Our 1995 AGM is being held on May 17 in Hamburg, the city where Commerzbank was founded in 1870. We should be very pleased to welcome you personally there. Should you be unable to attend, we urge you to have your shares represented by proxy. The 1996 AGM is to take place in Frankfurt on May 24; at this early point in time, we cordially invite you to participate.

March 1995

Chairman of the Board
of Managing Directors

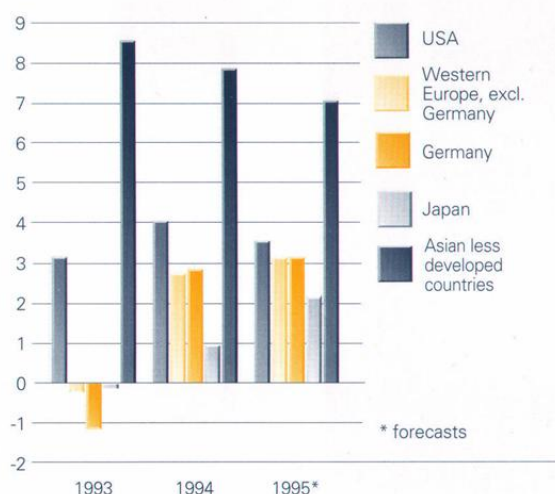
Chairman of the
Supervisory Board

Commerzbank: Management report and Group management report

In 1994, economic growth in the industrial countries proved to be stronger than expected. Central banks in North America and the UK were prompted to raise interest rates in order to keep inflation under control. By contrast, the pace of the cyclical recovery in Continental Europe tended to be rather weak; the Japanese economy had the greatest difficulty to shake off recession.

International economic growth

GDP, real; percentage change on year



Although most countries had made good progress on the price-stability front, the change of course in US monetary policy early in 1994 triggered a sharp fall in bond prices worldwide. This also had an impact on stock markets, where prices in most industrial countries were lower at end-1994 than they had been a year previously.

In 1994, the transitional socialist economies of Central and Eastern Europe managed to lift their aggregate output for the first time since the collapse of the old political system; however, a renewed sharp decline was registered in the CIS. Among the LDCs, Asian states maintained their lead in terms of growth last year. Once again, equities in the so-called emerging markets of the newly industrializing countries recorded some spectacular

price gains. However, by early 1995, the Mexican crisis had provided conclusive proof that prices can also fall substantially if investors re-assess the risks involved.

Germany: solid upswing

In Germany, too, growth was stronger than expected last year at almost 3%. This was due above all to the recovery in western Germany. For one thing, despite the D-mark's appreciation, companies managed to step up their exports considerably. For another, private households grew more confident about the economic outlook and spent more by tapping their savings.

Western Germany's surprisingly strong economic growth has triggered a debate similar to that which has prevailed for some time in North America and the United Kingdom: how long can the upswing last before capacity limits are reached, which would push up wages and prices? Will the central bank soon be forced to take action? Unlike in the United States, western Germany's upswing is in its infancy and in 1995, mainly on account of huge increases in taxes and social-security contributions, it will barely gather any further momentum. What is more, in contrast to the USA, the recovery in western Germany was not preceded by a lengthy period of extremely low money-market rates which poses a threat to price stability. For this reason, Germany's upswing, which is being fuelled by exports and, from 1995 onwards, by business investment, is solidly-based and can be maintained throughout 1995/96 without endangering price stability.

In 1994, eastern Germany's efforts to catch up benefitted from the upswing in the western part of the country. Last year alone, the private sector and the government invested DM178bn in the east. The productivity gap was reduced, profitability increased and, above all, the shedding of jobs came to an end.

Following worldwide trends, Germany's long-term interest rates climbed by almost 2 percentage points in a year-end comparison; the Commerzbank Share Index fell by 8%.

● Survey of the Commerzbank Group

Last year failed to live up to our business expectations. Above all, the development of long-term interest rates had an adverse impact, as did the weak condition of many of our borrowers – a belated consequence of the recession. Our results, including the proceeds from the disposal of investments in other companies already arranged at end-1993, have enabled us, for one thing, to strengthen the Bank's reserves considerably once again. For another, shareholders of Commerzbank AG, the Parent Bank, are to receive, in addition to a cash dividend of DM12, an extra payment of DM1.50 per share to commemorate Commerzbank's 125th anniversary.

New ideas, new products, new customers

Through our system for speeding up and simplifying payments transactions within Europe, the launch of our telephone-banking service, creative bond constructions, the founding of ComDirect Bank and, last but not least, the great vigour with

which we introduced DM money-market funds in Germany, we have demonstrated even more clearly how closely we are attuned to the wishes of our customers. The market response to our innovations was positive; all by itself, our family of Omega Commerzbank money-market investment products enabled us to win roughly 35,000 new customers.

Strong surge in growth

Last year as well, the Commerzbank Group's business volume – balance-sheet total and endorsement liabilities – expanded at a double-digit rate, namely by 19.7%, or DM56.7bn, to DM344.5bn. This increase is partly due to the inclusion in the consolidation of Hypothekenbank in Essen AG with its business volume of DM22.3bn. The Parent Bank acquired a stake of 51% in this specialized institution on December 1, 1994. In addition, interbank business, total lending and our securities portfolio were all expanded. The changes in the individual balance-sheet items are shown in the following table on the utilization of funds.

Consolidated balance sheet: changes on the year

Assets	in DM m	Liabilities	in DM m
Cash reserves	-2,918.1	Liabilities to banks	21,973.2
Public-sector debt securities and bills of exchange*)	846.4	a) payable on demand	4,240.3
Claims on banks	23,558.3	b) with agreed periods or periods of notice	17,732.9
a) demand	448.7	Customers' deposits	1,310.1
b) time	23,109.6	a) payable on demand	-486.2
Claims on customers	27,482.7	b) with agreed periods or periods of notice	3,851.8
a) less than four years	8,690.3	c) savings deposits	-2,055.5
b) four years or more	18,792.4	Securitized liabilities	28,403.1
Bonds, notes and other fixed-income securities	6,901.3	a) bonds and notes issued	24,422.4
a) money-market paper	-1,113.7	b) others	3,980.7
b) bonds and notes	7,868.6	Provisions	483.3
c) bonds and notes issued by the Group	146.4	Subordinated liabilities	41.6
Shares and other variable-yield securities	1,306.5	Capital and reserves, profit-sharing certificates outstanding	2,477.0
Investments, investments in associated companies and holdings in affiliated companies	-1,072.8	Minority interests	149.9
Fixed assets	310.2	Consolidated profit	106.4
Sundries	264.4	Sundries	1,734.3
Increase in total assets	56,678.9	Increase in total liabilities	56,678.9

*) rediscountable at central banks

Changes in Group's lending

	31.12.1994		31.12.1993		Change	
	DM m	%	DM m	%	DM m	%
Claims on customers						
short and medium-term	66,201.6	30.1	57,511.3	31.7	8,690.3	15.1
long-term (four years or more)	67,767.9	30.8	62,912.7	34.7	4,855.2	7.7
long-term loans in mortgage bank business	54,207.3	24.6	40,270.1	22.2	13,937.2	34.6
	188,176.8	85.5	160,694.1	88.6	27,482.7	17.1
Bills discounted	3,787.4	1.7	3,168.4	1.8	619.0	19.5
Loans to banks						
short and medium-term	6,676.7	3.0	5,663.0	3.1	1,013.7	17.9
long-term (four years or more)	6,202.0	2.8	4,251.0	2.3	1,951.0	45.9
long-term loans in mortgage bank business	15,050.9	6.8	6,615.5	3.7	8,435.4	127.5
	27,929.6	12.6	16,529.5	9.1	11,400.1	69.0
Leased equipment	518.0	0.2	927.9	0.5	-409.9	-44.2
Total lending	220,411.8	100.0	181,319.9	100.0	39,091.9	21.6

As credit demand picked up in the course of the year after a weak start, we were able to lift the Commerzbank Group's total lending by altogether 21.6% to DM220.4bn. This reflects above all the unabatingly brisk demand for construction finance, causing long-term claims on customers to rise by 18.2% to DM122.0bn. Unlike in the previous year, though, short and medium-term claims on customers also expanded by a strong 15.1% to DM66.2bn last year. Bill discounting was lively throughout 1994; in a year-on-year comparison, bill discounts were up by 19.5% to DM3.8bn.

We raised our interbank lending at home and abroad by 69.0% to DM27.9bn; at the same time, the Commerzbank Group stepped up its money-market activities, which is reflected in the DM23.6bn increase to DM88.6bn in our claims on banks. On the liabilities side, our interbank borrowing expanded by DM22.0bn to DM84.6bn.

Customers' deposits up slightly

Given the changed interest-rate constellation and new forms of investment geared to the money market, our liabilities to customers rose as expected by only 1.0% overall to DM134.6bn. Savings deposits were down by 8.2% to DM23.0bn. But demand deposits also contracted by 1.5% to DM31.2bn. By contrast, time deposits recorded an increase of

5.0%, reaching DM80.5bn by year-end. In order to finance our long-term loans at matching maturities, we achieved especially strong expansion of 32.6% for deposits in the four years or more bracket, raising them to DM26.0bn.

Sizeable increase in securities portfolio

During the second half of the year in particular, we expanded our portfolio of bonds and other fixed-income securities by 18.9% to DM43.4bn. Equities and other variable-yield securities were increased by 54.3% to DM3.7bn. This item also includes profit-sharing certificates of other issuers and investment fund units. At the same time, we acquired a 10% interest in Buderus AG, a shareholding which we have since raised to practically 14%. We disposed of our 10% interest in Friedrich Grohe AG.

At year-end, the Commerzbank Group's shareholdings in other companies are shown 31.9% lower at DM2.3bn. On the one hand, we participated in the capital increases of many companies either proportionately to the interest which we hold in them or adding to our existing stakes. On the other, we disposed of smaller shareholdings, such as that in the French securities brokerage firm Cholet Dupont. Two major transactions were especially significant: the disposal of a 15% shareholding in Kar-

MANAGEMENT REPORT AND GROUP MANAGEMENT REPORT

stadt – while retaining an interest of 10% in the company, which is shown under the item “Shares and other variable-yield securities” – and the disposal of roughly 37.5% of DBV Holding to Winterthur Versicherung of Switzerland. In this connection, we transferred our interest of 50% plus one share in DBV Holding to the newly-founded WinCom Versicherungs-Holding AG, in which Winterthur has a stake of 75% minus one share and Commerzbank 25% plus one share. Our *Allfinanz* activities will be considerably boosted through the inclusion of such a strong partner as Winterthur, while the overall strategy remains unchanged.

Additions relate to our interest in the Polish Bank Rozwoju Eksportu SA, Banca Commerciale Italiana SpA in Milan (3%), and the Swiss Winterthur Versicherungsgesellschaft (1.8%).

Uneven earnings performance

All Group companies seized their opportunities in the market and operated successfully, given the difficult conditions in the financial markets. The progress of both our Luxembourg subsidiary CISAL and of COSEA in Singapore was again particularly encouraging, but RHEINHYP also achieved another good result last year. We had to shoulder considerable

start-up costs for various activities – either operative units or products – which were still at the development or introductory stage.

The Group's net interest and dividend income rose by 5.2% to DM5.1bn. The average interest margin was lower at 1.76% last year, compared with 1.85% in 1993; however, this is primarily due to the expansion of our interbank positions, which, while boosting our net interest income in absolute terms, achieve only a thin margin and therefore reduce the overall average.

We are not satisfied with our commission-earning business: income from foreign transactions, guarantees and payments expanded further, yet this was not enough to offset the decline in the securities sector. Consequently, net commission earnings as a whole were down 6.8% to DM1.83bn. If we overlook the exceptional year of 1993, though, this result was 13.3% higher than in 1992.

Successful cost management

The restructuring of both our branch network and our head office, together with a persistently tight control over costs, have checked the increase in the Commerzbank Group's operating expenses;

Changes in Group's borrowing

	31.12.1994		31.12.1993		Change	
	DM m	%	DM m	%	DM m	%
Liabilities to banks						
demand deposits	11,920.0	3.8	7,679.7	2.9	4,240.3	55.2
time deposits	72,664.3	23.1	54,931.4	20.9	17,732.9	32.3
	84,584.3	26.9	62,611.1	23.8	21,973.2	35.1
Customers' deposits						
demand deposits	31,166.8	9.9	31,653.0	12.0	-486.2	-1.5
time deposits	80,512.1	25.6	76,660.3	29.2	3,851.8	5.0
savings deposits	22,955.1	7.3	25,010.6	9.5	-2,055.5	-8.2
	134,634.0	42.8	133,323.9	50.7	1,310.1	1.0
Securitized liabilities						
bonds issued						
by commercial banks within the Group	21,595.0	6.9	15,466.6	5.9	6,128.4	39.6
by mortgage banks within the Group	50,365.4	16.0	32,071.4	12.2	18,294.0	57.0
money-market paper	21,366.4	6.8	17,193.7	6.6	4,172.7	24.3
acceptances outstanding	1,982.4	0.6	2,174.4	0.8	-192.0	-8.8
	95,309.2	30.3	66,906.1	25.5	28,403.1	42.5
Total deposits and borrowed funds	314,527.5	100.0	262,841.1	100.0	51,686.4	19.7

these advanced by only 1.2% to DM4.88bn altogether. Wages and salaries rose by 2.4% to total DM2.36bn, while spending on social-security contributions, at DM611m, was down by 5.9%. One major factor behind this decline was the reorganization of the Parent Bank's pension scheme. Other administrative expenses, including write-downs on fixed assets, rose by 2.1% to DM1.91bn.

Partial operating result up 3.1%

The balance of these revenues and costs yields a Group partial operating result for 1994 that was 3.1%, or DM61m, higher at DM2.05bn. In the preceding year, we had achieved an increase of more than a quarter.

In view of the weak condition of the market since February 1994, our proprietary trading in securities generated only modest profits; in addition, large write-downs had to be made on the balance-sheet date. However, since own-account foreign-exchange dealings and trading in interest-rate deriva-

tive instruments produced notable contributions, our financial transactions achieved net profits of altogether DM105m, compared with DM550m in the previous year, which had been a particularly successful one.

The balance of the other operating income and expenses, which also includes the income from leasing business, is shown at DM196m. The 46.9% decline on the previous year is basically attributable to the absence of any revenues from the sale of real estate, from which we had allocated DM124m in 1993 to the reserve formed in accordance with Section 6b of the German Income Tax Act – EStG.

Provision for loan losses remains high

Last year, we once again provided for possible domestic loan losses on a large scale. Despite the obvious signs of economic recovery, many companies still find themselves in a tight position. However, as hardly any fresh need arose to make value ad-

Parent Bank's shareholdings in the non-financial sector

Buderus AG Wetzlar 13.7%	Daimler-Benz AG Stuttgart 1.5%	Heidelberger Druckmaschinen AG Heidelberg 13.8% ¹⁾	Hochtief AG Essen 2.5% ¹⁾	Philipp Holzmann AG Frankfurt am Main 4.9%
Karstadt AG Essen 10.3%	Kaufring AG Düsseldorf 12.5% ¹⁾	Kühltransit AG Hamburg 5.1%	Aktiengesellschaft Kühnle, Kopp & Kausch Frankenthal 20.4%	Linde AG Wiesbaden 10.2%
Linotype-Hell AG Eschborn 6.7% ¹⁾	MAN AG Munich 6.5% ¹⁾	Mineralbrunnen Überkingen-Teinach AG Bad Überkingen 10.1%	Möbel Walther AG Gründau 8.7%	Phoenix AG Hamburg 9.8%
Salamander AG Kornwestheim 10.7%	Schweizer Electronic AG Schramberg 10.1%	Thyssen AG Düsseldorf 5.0% ¹⁾	Turbon International AG Wuppertal 13.0%	

¹⁾ held indirectly

justments in international lending, we were able to reduce the overall level of the provision we made.

The amount required here was set off against the earnings from the securities held for liquidity purposes, where both realized profits and income from hedging transactions were registered alongside sizeable write-downs on the balance-sheet date. Subsequently, we used altogether DM1.66bn to make the necessary write-downs and to provide for credit risks. This was 6.5% less than in 1994.

While fresh need arose to provide for individual risks, the large, conservative allocations made to loan-loss reserves over the past few years enabled us to write back value adjustments to an increasing extent. This also holds true for loans to problem countries, for some of which new rescheduling agreements have been concluded; at the same time, we sold claims against borrowers in the secondary market.

All told, despite the use of strict standards, our net provision for credit risks fell short of one billion D-marks last year. At the same time, given the non-recurrent income from the disposal of shareholdings, we were able to form a taxed hidden reserve comprising a three-digit DM figure in the millions.

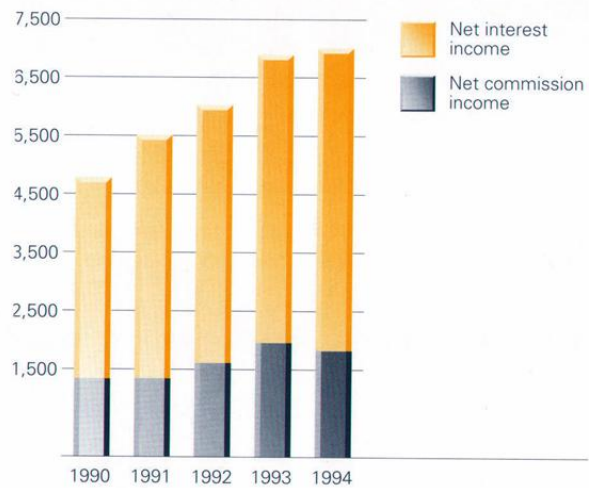
After providing for all possible risks and with proprietary-trading results included, we achieved an operating result of DM692m; this represents a decline of 39.0% on the previous year.

The balance of other items produced income of DM1,017m, compared with DM60m in 1993. This includes the revenue from the disposal of part of our Karstadt shareholding and of our DBV shares. The Group's pre-tax profit thus rose to DM1.7bn, which is 43.1%, or DM515m, more than in 1993.

The Commerzbank Group's tax expenditure increased by DM608m, or 7.6%, to DM654m. The Group's tax ratio – i.e. tax expenditure as a percentage of pre-tax profits – declined further from 51% to 38%. Here it was above all CISAL's loss carried forward from previous years that could be used in

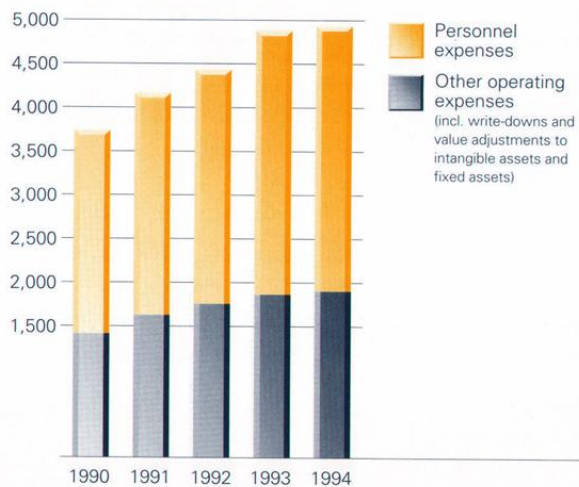
Income

Commerzbank Group, in DM m



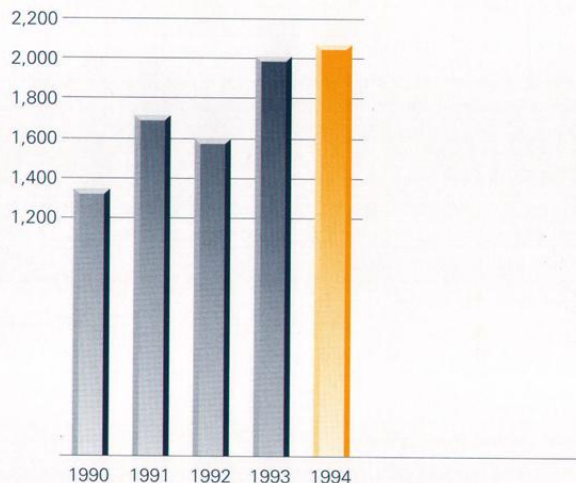
Expenses

Commerzbank Group, in DM m



Partial operating result

Commerzbank Group, in DM m



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Luxembourg, and the reduction of the corporate income tax rate from 50% to 45%, which had a positive effect.

A good DM100m more for shareholders

The Parent Bank's net income for the year expanded by 41.6% to DM702m in 1994. DM250m of this amount, compared with DM150m a year earlier, has been allocated to revenue reserves; this largely stems from profits generated and taxed abroad, which are tax-exempt in Germany.

We propose to the Annual General Meeting that from the remaining distributable profit shareholders receive an unchanged cash dividend of DM12 per

share. In addition, the Board of Managing Directors and the Supervisory Board propose an extra dividend payment of DM1.50 per share. Due to this jubilee bonus and a rise in the Bank's dividend-bearing capital, the amount to be distributed to Commerzbank shareholders will register another hefty increase, of 30.7%, to DM452m.

With the DM5.79 tax credit for shareholders who have unlimited tax liability in Germany included, the gross amount they are to receive per DM50 share is DM19.29. The holders of Commerzbank's profit-sharing certificates whose interest payment is linked with the dividend rate will also receive a correspondingly higher distribution.

Consolidated profit and loss account

	1994	1993	Change	
	DM m	DM m	DM m	%
Interest income	19,016	19,240	-224	-1.2
Current income	371	556	-185	-33.3
Interest expenses	14,288	14,947	-659	-4.4
Net interest and dividend income	5,099	4,849	250	5.2
Commission income	1,946	2,059	-113	-5.5
Commission expenses	119	99	20	20.2
Net commission income	1,827	1,960	-133	-6.8
Total income	6,926	6,809	117	1.7
Wages and salaries	2,363	2,308	55	2.4
Social-security contributions	611	649	-38	-5.9
Personnel expenses	2,974	2,957	17	0.6
Other operating expenses	1,405	1,291	114	8.8
Write-downs on intangible and fixed assets	501	576	-75	-13.0
Total expenses	4,880	4,824	56	1.2
Partial operating result	2,046	1,985	61	3.1
Net income from financial transactions	105	550	-445	-80.9
Balance of other operating income/expenses	196	369	-173	-46.9
Provision for possible loan losses	-1,655	-1,770	115	-6.5
Operating result	692	1,134	-442	-39.0
Balance on financial investments and extraordinary account	1,013	184	829	·
Balance on allocation to/writing-back of special item with partial reserve character	4	-124	128	·
Gross pre-tax profit	1,709	1,194	515	43.1
Taxes on income	598	545	53	9.7
Other taxes	56	63	-7	-11.1
Total tax expenditure	654	608	46	7.6
Net income for the year	1,055	586	469	80.0

Income from leasing business is included in "Balance of other operating income/expenses". Write-downs on leased equipment are included in "Write-downs on intangible and fixed assets".

DM600m allocation to reserves

Our extraordinary income and the good earnings performance of our subsidiaries enable us to strengthen the Commerzbank Group's equity base to a hitherto unprecedented extent from net income. Whereas DM281m was transferred last year, the Bank's reserves are to be augmented by DM600m from the 1994 results.

Equity base broadened

Early in 1994, the Parent Bank effected a successful capital increase for cash in an actual amount of DM950m. In connection with its stake of just under 3% in Banca Commerciale Italiana, Commerzbank used an authorized capital increase to raise its outstanding shares by roughly 650,000, whereby the subscription rights of shareholders were excluded. The Luxembourg subsidiary of BCI and Mediobanca SpA, Milan, subscribed to 425,000 and 228,226 shares, respectively, at a price of DM372 per share. This group of Italian investors now holds about 2% of our share capital; DM32.7m of the proceeds of altogether DM243m was transferred to the Bank's subscribed capital and DM210m went into the capital reserve.

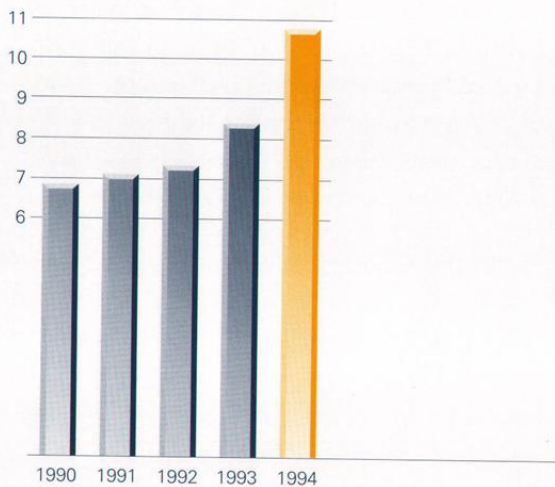
Within the option period, which ended on October 14, Banco Central Hispanoamericano exercised option rights issued in 1989 to subscribe to 480,000 Commerzbank shares at a price of DM298.40 each; this provided us with additional equity funds of DM143.2m. In addition, our equity capital was increased to DM10.5bn by a fresh offer of shares to our staff at a preferential price and the premiums achieved through the issue of profit-sharing certificates.

The issue of profit-sharing certificates with option rights attached last September boosted the profit-sharing rights outstanding by DM500m to DM3.8bn; subordinated liabilities are shown at DM4.5bn, slightly higher than at end-1993.

After DM600m had been transferred from the net income for the year to the revenue reserves, the Commerzbank Group's liable funds totalled DM18.8bn at year-end, compared with DM16.0bn at end-1993 and DM13.4bn at end-1992. The core capital ratio at end-December stood at 5.3%, and the overall capital ratio 9.2%.

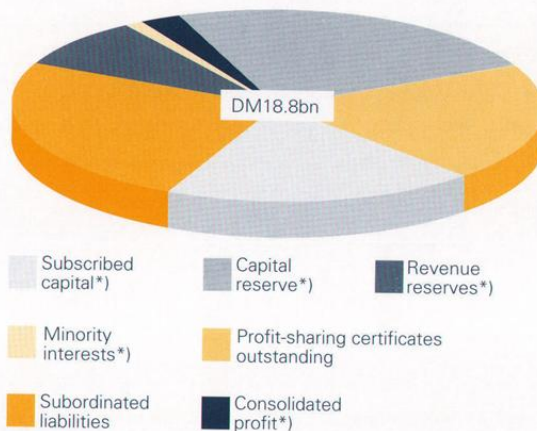
Equity capital

Commerzbank Group, in DM bn



Liable funds

Commerzbank Group; *) equity capital



● Group management and services

All of the Bank's head-office and central management functions have been subsumed under our corporate division Group Management. This unit, which is responsible for drawing up the Group's basic policy and strategic decisions, comprises the departments Accounting and Taxes, Compliance and Security, Corporate Communications, Credit Risk Management, Human Resources, Internal Auditing, Legal Services, and Strategy and Controlling. Risk management for credit business and risk controlling within the Group are especially significant.

Less need to provide for credit risks

The positive economic development in Germany has not yet noticeably reversed the trend for bankruptcies. Quite the contrary: the surge in company failures, which has been observed since 1992, reached a new German record peak at roughly 19,000 last year. It is all the more encouraging, therefore, that the net provision for credit risks has recently registered a downward trend, after rising for several years. We applied strict standards once again in calculating the level required.

Risks arising from our retail-customer business had to be taken more into account in 1994. However, the value adjustments which we made related mainly to the corporate-customer segment. The lion's share of the charges in this connection is due less to spectacular major bankruptcies; rather, it primarily reflects the need to provide for possible risks arising from loans to smaller firms.

The risks in international lending, especially in the English-speaking countries, seem to be receding. In 1994, the individual value adjustments to loans made by our outlets abroad could be reduced considerably compared with previous years.

Loan approval powers and risk management

We have placed great emphasis on developing risk assessment for individual customers (internal rating), as we consider this the crucial factor in managing loan portfolios. With the cooperation of the Corporate Banking department, the preliminary work was completed that is required for the nationwide introduction of a computer-assisted expert system (CODEX) for assessing the risks posed by smaller business clients. In our domestic branch network, the large-scale use since mid-1994 of loan approval powers that are differentiated in terms of the ratings which they cover is producing a better decision-making procedure in that it deals more adequately with the risks involved. Over the medium to long term, we expect fewer loan losses as a result.

In connection with this measure, the loan approval powers of our operative units have been selectively increased, starting with the domestic business of the Parent Bank. This is intended to enable Commerzbank to secure its share of the credit expansion triggered by the economic upswing in lending to clients with a good to medium credit standing. The projected streamlining of the Bank's loan administration will provide additional scope for a further qualitative improvement of its risk management.

The Group-wide integration and analysis of risk-relevant data and the extension of our computer-based credit risk management continue to represent key functions of the Credit Risk Management department. The Bank's lending policy is geared to creating more scope for making credit decisions on the spot which are both quick and reveal an awareness of the risks involved. At the same time, fixed standards and guidelines are to help achieve a better management of the Group's loan-loss risks.

Group-wide risk controlling

In realizing opportunities to increase its earnings, Commerzbank quite consciously assumes risks in the course of its normal business activities; primarily, these relate to credit, market-price and interest-rate-change risks. In the interest, foreign-currency and equity markets, the risks are the outcome of traders' activities, market-maker functions or from transactions concluded with customers. As far as our asset/liability management is concerned, it is above all the risks attaching to interest-rate changes that are relevant. Such risks are held in check through diversification, the use of limits for risk positions, and, as in the case of credit risks, through the additional provision of security. In all areas, we have enhanced already existing measures for monitoring and managing risks by means of central risk controlling. The available procedures and methods are applied in measuring risks with the aid of a uniform approach to credit, market-price and interest-rate-change risks. On this basis, the overall risk profile is regularly worked out. We are constantly striving to achieve a greater sophistication of the Bank's computer-based risk controlling.

Last year, risk controlling was further developed to cope with financial derivatives trading in particular, even though this area entails no risks that differ significantly from those in traditional banking. The Federal Banking Supervisory Office intends to translate the EC directive on backing market-price risks with equity capital into national supervisory legislation as from 1996. We are prepared for this; as one of only 15 international banks, including three from Germany, we have used an internal model to quantify the amount of capital required to cover at Group level the risks attaching to a specified trading portfolio, mainly consisting of derivatives. It is based on the "value at risk" approach for overnight positions.

The Group's derivative trading activities are concentrated at our subsidiary Commerz Financial Products GmbH (CFP). The risks in this area, which correspond to those in traditional banking business, are identified, measured and monitored at three levels: at CFP itself, in the banking department to which

it belongs, and by the Bank's central risk controlling unit. Using a "value at risk" approach, which assumes that the relevant parameters are subject to historical fluctuations, CFP quantifies the market-price risks and imposes the corresponding limits.

The Group's credit risks are held at a low level by only accepting counter-parties with a sound credit standing. CFP measures exposure for credit-lines by means of two components: for current exposure, the current positive market value, and for potential exposure, graduated premiums. Consequently, in controlling risks, the company uses some of the methods that we intend to introduce in the future for the transactions of the Group's other trading units as well.

Through netting, we can substantially reduce the credit risk attaching to derivative transactions in the trading and non-trading segments. Primarily, we have recourse here in international transactions to ISDA* master agreements, and in domestic transactions to the master agreement which is normal in Germany. The ISDA master agreement envisages "multibranch" and frequently "multiproduct" netting.

*) ISDA = International Swaps and Derivatives Association

Legislation on compliance

In order to strengthen further investors' confidence in Germany as a financial centre, the government has replaced the previous voluntary agreements and standards with official rules. Last year's legislation to promote the German financial market lays down the basis for future conduct in securities business and the Federal Banking Supervisory Office has published guidelines for transactions involving the employees of financial institutions, which apply to all banks.

The new regulations help prevent conflicts of interest from arising between the bank, its staff and its customers and they are designed to strengthen the confidence of investors. The Bank has built up the appropriate organization in order to ensure that they are observed. Its Compliance section guarantees that the letter of the law is applied throughout all the Bank's investment activities. It is responsible for making sure that conflict situations with regard to the new insider laws are prevented.

Settlement of payments and securities transactions

Our corporate division Services monitors the main components of the Group's costs and earnings and is responsible for all the services which are used jointly by other divisions. These include data-processing, payments, back-up technology for securities transactions, procurement, general services and construction.

In the area of payments, the average volume of daily settlements expanded by about 20% last year to DM120bn; at peak times, a level of DM200bn per day is reached. We managed to reduce costs considerably by once again increasing the share of low-value payments transactions which are effected on a paperless basis; this ensures more rapid execution and greater security. Transactions involving paperwork continue to decline.

We hold in safe custody and manage for our customers securities worth DM222bn in roughly 790,000 accounts. Reflecting market developments, there was a decline in the number of orders in listed securities that were handled. However, a strong increase was registered in the orders for investment fund certificates, especially money-market funds, which were launched with great success last August.

Technology service

The basis of our DP service is a worldwide communications network linking up our branches and subsidiaries with one another as well as with the central mainframe computers. By means of state-of-the-art digital information technology, we have developed a corporate network which also offers all our business customers a reasonable basis for handling electronic services.

● Domestic branch business

Following the successful structural changes made to the branch network and at head office, we concentrated last year on presenting the Bank as an innovative, dynamic partner for our corporate and retail customers.

Concert and Compact for securities investments

Early recognition of both changes in our customers' behaviour and the way in which this will effect their demands, in order to offer products in good time which correspond to their needs, has always been the driving force behind our actions. We ushered in 1994 with "Concert", a new system for combining investment funds to create a structured approach to investing in securities. "Concert" is our response to calls for a greater diversification of investment risks. It is geared to the active investor who wants to tap the opportunities presented by the markets, yet seeks to avoid the risks relating to individual securities. For this purpose, we offer equity, bond-based and money-market funds at attractive conditions.

"Compact", a portfolio investment system introduced at end-1992 for accounts ranging from DM100,000 to DM1m, has continued its positive development. Both the number of clients looked after (over 14,000) and the volume of funds invested (more than DM2.3bn) doubled in a year-end comparison.

Comphone telephone banking

In the meantime, telephone banking has developed into an indispensable part of our customer self-service. Encouraged by the relevant market research, we became the first of the major German banks to launch a telephone-banking service, "Comphone", nationwide in May 1994, after the test phase had been completed. This allows all account-holders to choose at any time between a recorded-message system that is steered with the aid of telephone keys and direct contact with Commerzbank staff. In this way, we are responding to our

customers' preference for greater ease and flexibility, independently of opening times and working hours. Use of the telephone service in conjunction with our payments package CoPlus also creates cost advantages for customers.

More than 72,000 people now use Comphone. The positive response of consumers to our telephone-banking service has prompted us to consider adding new functions to Comphone. Some of these relate to the service offered, but they would also open up new communication channels between the Bank and its customers.

Comega, the first money-market funds

Once the legal framework had been created for the marketing of money-market funds, Commerzbank became the first German bank to move into the era of money-market funds on August 1, 1994. Under the general name of Comega, we offer a range of different short-term money-market investments.

Home loans buoyant

The credit demand of our domestic retail customers expanded modestly by 19.6% to DM67.2bn. Home loans, which rose by well above the market average last year as well, accounted for DM56.5bn of this total. Business concluded in eastern Germany was particularly lively.

Retail deposits down somewhat

As expected, the previous year's good results could not be maintained in retail deposits. The switching of funds to our money-market investments was noticeable above all in savings and time deposits with a maturity of less than three months.

Allfinanz activities dynamic

Demand for our *Allfinanz* products showed a further distinct increase. We managed, for instance, to lift our sales of home-loan savings contracts by 42% and those of life insurances by 11%. There was also an improvement in the amount of business passed on to us by our cooperation partners, the emphasis falling on loans.

Our *Allfinanz* strategy of providing the broadest possible range of financial products has taken on a European dimension through the entry of Winterthur Versicherung. Cooperation with this leading international insurance company will create considerable marketing and synergy potential. Operative collaboration in the marketing of banking products has already begun.

Surge of new customers

We managed quite clearly to reverse the downward trend of the preceding year not only thanks to Omega but also throughout the entire range of

our business activities. Since May 1994, our customer figures have been advancing perceptibly. We continue to attach high priority to acquiring new customers as well as to securing and intensifying existing relationships.

ComDirect Bank enters the market

In February of this year, we became the first of the major German banks to offer direct banking. ComDirect Bank, a wholly-owned subsidiary of Commerzbank based in Quickborn near to Hamburg, is pursuing a broadly-based approach. It is initially offering retail customers an investment account which is payable on demand and discount brokerage facilities for securities. The palette of products is to be gradually extended in the course of the year. Marketing is undertaken exclusively by telephone, fax and mail. Customers are not offered advice.

From the customer's standpoint, ComDirect Bank's main attraction is its prices compared with traditional banking services. A further advantage for

Lending by Parent Bank*

in %	1994	1993
Energy and mining	0.8	1.2
Chemical and oil-refining industries	1.4	1.5
Plastics and rubber production, non-metallic minerals, fine ceramics and glass	2.1	2.5
Metal production and processing, steel construction, mechanical engineering, automotive industry, office equipment and computers	6.6	7.4
Electrical and precision engineering, optical products, metal manufacturing, musical instruments, sport equipment, jewellery	3.9	3.8
Wood, paper and printing	2.1	2.1
Textiles, clothing, shoe and leather industries	1.1	1.1
Food, drinks and tobacco products	2.2	2.0
Building and civil engineering	3.3	3.4
Industry, overall	23.5	25.0
Commerce	12.8	12.4
Transport and communications	2.2	2.2
Other services, including the professions	32.0	30.4
Individual customers other than self-employed	29.5	30.0
	100.0	100.0

*) to domestic companies and private customers

the customer is the ease of access, regardless of the time of day or geographical location.

Commerz Finanz-Management GmbH achieves high sales growth

For over five years now, Commerz Finanz-Management, an independent Commerzbank subsidiary, has been providing a special service for high net-worth individuals. The results of an analysis of the customer's personal asset situation are used to work out a possible reorganization of the asset structure.

CFM's leading market position is underlined by the encouraging trend for both the turnover achieved with financial plans (up 38%) and the number of individual plans produced (up 17%).

Credit standing at a premium

Last year more than ever before, borrowers' credit standing became the predominant factor in corporate lending. We were once again successful – among other things, by devising special financing models – in acquiring and intensifying the business we conduct with public-sector entities.

The more risk-oriented approach to pricing credits has gained further ground in the market. However, this has had the effect of increasing pressure on the margins of loans to prime borrowers.

Strong position as foreign-trade bank

After contracting substantially in 1993, Germany's external trade achieved healthy expansion again last year. There was another rise in the volume of foreign commercial business which we handled. Both export and import payments were much higher than the year-earlier figures. At the same time, we managed to raise once again, to 11.9%, our share of the financing of German external trade.

The export transactions which we handled reflect the improved economic climate in Western Europe and also the continuing dynamic growth in South-East Asia and North America. Exports to the

former communist countries in Central and Eastern Europe again expanded at an above-average rate; apart from Russia, the Czech Republic, Hungary, Poland and Slovakia should be mentioned here.

We also managed to achieve largely encouraging results in financing the imports of these countries. As far as possible, we want to promote the economic development of this region and help strengthen trade relations.

Medium and long-term export finance

The market volume of export finance business mainly depends on how the sales of German capital goods develop to regions outside the Western world. Orders from Eastern Europe, the Opec states and many less developed countries remained fairly stable.

While the financing of exports from eastern Germany to the Commonwealth of Independent States was still significant, there was an increasing focus on the need of other regions for export finance. For deals with Russia, which remain an important business segment, large-scale credit facilities combined with countertrade arrangements are being worked out as the basis for Hermes cover.

Demand continues to be brisk for forms of financing which remove a burden from exporters' balance sheets. We were able to maintain our market position without difficulty. Our products retained their high level of profitability; this also holds true for forfaiting.

In addition to the financial support which we provide for our German clients in the field of plant construction, foreign export finance transactions will remain a focal point of our activities in the future as well. In this connection, we draw upon the financing and insurance systems of the exporting countries in which our Bank has operative units.

electronic cash: convenient and safe

Due to the ever greater opportunities for using the eurocheque card at the electronic POS terminals of German shops, the volume of electronic cash payments effected by our customers increased considerably in a year-on-year comparison. The high degree of efficiency of electronic cash technology will provide a solid boost for card-based transactions in the coming years.

International use of electronic banking

In 1994 as well, there was lively demand from our clients for electronic banking services. In addition to the use of products for domestic payments and a nationwide cash pooling system, the focus is increasingly on applications that can be used throughout Europe. One of our software "families" is currently being employed by customers in 12 different European countries for on-line communication with the Bank.

Last year also brought the first international impulses for the handling of point-of-sale payments in the retail trade. In future, certain foreign eurocheque cards may be used not only at ec cash dispensers but also at retail outlets as part of Commerzbank's electronic cash services.

In the area of information banking, we have taken the first steps towards providing data on an off-line basis by publishing a CD-ROM version of our database "Wer gehört zu wem". The facilities of our information service CB-infobank are being drawn upon to an ever increasing extent.

New banking department Real Estate

In order to coordinate our real-estate activities and organize them strategically under a single management, we have created a new banking department, Real Estate. Primarily, it encompasses CommerzLeasing GmbH, Düsseldorf, Commerz Immobilien GmbH (CIMO), Frankfurt am Main, and also Commerz Grundbesitz-Investmentgesellschaft mbH (CGI), Wiesbaden.

CommerzLeasing concluded new deals totalling almost DM4.5bn last year, DM350m of the new business being registered in the leasing of moveable goods. As a result, it now manages contracts worth altogether DM18.5bn. The dynamic trend for real-estate leasing is mainly attributable to the growing importance of schemes involving local governments or related bodies, especially in eastern Germany. In this context, the increased use of construction management made it possible to achieve synergy effects from the combination of reasonably-priced construction methods and intelligent financing. This has helped take some of the strain off the public finances. With its steadily expanding share, fund-based business continues to contribute to CommerzLeasing's overall success. A subsidiary, CFB Commerz Fonds Beteiligungsgesellschaft, has been set up to meet the special requirements of this business segment.

Commerz Immobilien GmbH once again had a successful year. It concentrated on developing commercial sites for its own account, above all in Berlin and Leipzig. In the meantime, the company has extended its activity to residential construction.

The open-ended property fund Haus-Invest, administered by Commerz Grundbesitz-Investmentgesellschaft, attracted large inflows last year as well, producing a 20.5% rise to DM3.8bn in the assets managed. Haus-Invest now has roughly 75,000 investors.

Given the expansion of the fund's volume, further selective investments were possible in the property sector. After four items had been acquired and six sold, its real-estate assets at end-1994 totalled approximately DM2.2bn; these were invested in 51 properties, 98% of which had been rented out.

● International finance

Last year, adverse conditions in the equity and bond markets exerted a strong impact on the corporate division International Finance. Its individual banking departments achieved uneven performance as a result. While Corporate Finance and foreign-currency trading once again produced encouraging results, proprietary trading in bonds registered sizeable declines compared with the vintage year 1993. At the same time, due to the cautious stance of broad sections of the investing public, the commissions from securities business were considerably lower than a year earlier. In the meantime, the reorganization of the Bank's trading units has for the most part been completed.

The leader in DM bonds

Given the strong rise by roughly two percentage points in the interest level, the volume of international DM-denominated bonds contracted from DM105bn to DM80bn in 1994. The decline was due above all to traditional Euromarket issuers, whereas there was a marked increase in the appetite of German firms and banks for Euro-DM financings. Last year, they accounted for just over a third of the total new issues, compared with a bare 10% previously.

Commerzbank acted as a lead manager for 27 Euro-DM offerings in an overall amount of DM11.5bn; this represented an increase of 36%. In the Euro-DM bond segment, therefore, we topped the international league of issuing houses for the first time. Among the most important individual transactions were a DM1.5bn bond issue for DePfa Finance, a DM1.25bn floater for the Republic of Finland, a DM2bn floater for Treuhandanstalt, and – the year's largest issue – a DM2.5bn fixed-rate bond for the Kingdom of Spain. Among the other major issues which we lead-managed were a DM300m offering for the Bank of China – after a five-year absence from the market – and a DM500m zero-coupon bond for the Republic of Austria. Nevertheless, our activities were mainly focused on German borrowers. In line with current market conditions, we used a broad range of instruments – from

straightforward fixed-rate bonds to complex constructions, such as bonds involving various interest-rate phases or floaters with cap and floor certificates.

We have stepped up our activities in the area of international syndicated loans. We managed 39 of these transactions, acting as arranger or co-arranger, which also entailed a considerable improvement in our market position.

Brisk capital-raising activity

Despite the not very attractive market environment, a number of companies once again raised equity capital via the stock exchange. We were involved in 42 capital increases with an overall volume of about DM12bn. In the case of Escom, GEA, Steigenberger Hotels, Möbel Walther, Kronen, Leonberger Bausparkasse, Ahlers, Dörries Scharmann and Jungheinrich, we served as lead manager. We expect new business opportunities to be generated in the future through the founding of "small joint-stock companies", which has been legally possible since last August, and the broader use that can now be made of the option to exclude subscription rights when effecting a capital increase.

In 1994, we maintained our leading position in introducing companies to the stock exchange. The new issue in an actual amount of DM530m for Hannover Rückversicherungs-AG accounted for no less than 45% of the overall volume of all ten newcomers to the stock exchange. On average, between 1984 and 1994, Commerzbank was responsible for a fifth of all the bourse introductions. The shares of both Hannover Re and Fielmann AG, where we were a member of the issuing syndicate, were offered at the new face value of DM5.

The business of placing shares is becoming ever more international as regards both issuing procedures and investor target groups. Last year, for instance, we placed the shares of Hannover Re, Kronen AG and Jungheinrich AG internationally, using the book-building procedure in the first two cases.

In the area of project finance, we gave priority to consultancy activities, emphasis being placed on energy and infrastructure projects. In this context, we helped an international consortium prepare its bid for a licence to build a motorway in Hungary and have received the mandate to put together the financing for a subsidiary of Russia's Gazprom, which is constructing the MIDAL/STEGAL natural gas pipeline.

Commerz Financial Products operative since last autumn

Our subsidiary for financial derivatives, founded last spring, has been active in the market since end-October. Over the next few years, Commerz Financial Products is to develop into an important player in international derivatives business. At the start of this year, it had a staff of about 100, including 16 in its first foreign outlet, in Paris. Its workforce will expand further; moreover, new outlets are planned in London, New York and Asia. In close cooperation with the Group's Strategy and Controlling and Capital Markets and Treasury departments, CFP employs a modern, efficient risk-management system, which, in turn, is monitored by the Group's controlling unit.

With its broad palette of products – ranging from standard to specially-tailored derivatives for interest rates and equities in all major currencies – CFP primarily targets domestic and foreign corporate customers. It also offers institutional and private customers new and attractive financial services. In this connection, Commerzbank branches have been selling so-called COREX bonds with variable interest rates since February 1 of this year. These securities combine the interest edge of a long-term investment with the lower risk attaching to a security whose interest rate is regularly adjusted. The response to this bond which is offered with a maturity of either five or ten years has been really positive. Further CFP products are planned, such as new types of savings schemes and mortgage loans or guarantee funds for portfolio management.

The gross volume of all the Commerzbank Group's off-balance-sheet activities totalled DM607.5bn at end-1994, or roughly 177% of the Group's balance-sheet total. The ratio was thus more or less the same as a year earlier. With forward currency exposure excluded, it equalled only 107%. At end-December, the credit equivalent of our derivatives business calculated on the basis of the gross volume in accordance with Principle I of the German Banking Act (KWG) was DM3.4bn.

Group's derivative business

in DM m	1994	1993
Total	607,481	486,753
Currency-related risks	304,370	247,564
Interest-related risks	300,846	233,983
Other price risks	2,265	5,206
Trading	436,292	377,475
Currency-related risks	277,820	227,709
Interest-related risks	156,207	144,626
Other price risks	2,265	5,140
Hedging	171,189	109,278
Currency-related risks	26,550	19,855
Interest-related risks	144,639	89,357
Other price risks	—	66

For further details, see page 66.

Forex trading encouraging

In contrast to securities trading, we almost managed to repeat our year-ago result in foreign-exchange trading. However, with exchange-rate fluctuations fairly small and margins tight, we had to achieve this in the spot markets by stepping up our interbank activities considerably and further diversifying our product range.

Once again, our forward foreign-exchange trading proved successful. We were able to meet all the demands of our clients, including maturities of up to 10 years. EMS currencies attracted notably less interest, especially for maturities after 1997 or 1999, possible dates for the introduction of a single European currency. We were able to compensate for this thanks to the interest in "exotic" currencies from South-East Asia and Central Europe.

Our Chicago-based outlet CB Clearing, Inc., set up in summer 1993, has been renamed Commerz Futures Corporation in order to emphasize the fact that it belongs to the Commerzbank Group. As the first German clearing company in the United States and as a member of the large Chicago futures exchanges, Commerz Futures handles the clearing of the major listed futures contracts for institutional investors.

Even tighter foreign branch network

In view of the economic prospects and potential of the countries of Central and Eastern Europe, we have focused on this region in strengthening our presence abroad. We now have six bases in the successor states of the Soviet Union. After Moscow and St. Petersburg in Russia, Kiev in the Ukraine, Alma-Ata in Kazakhstan, and Minsk in Belarus, in September 1994 we became the first foreign bank to open a representative office in Novosibirsk, Russia.

In Central Europe, we are active through operative units in Prague and Budapest. We also have a representative office in Warsaw. Given the growing attractiveness of Poland for German investors, as well as the importance of German-Polish cross-border trade, we have stepped up our involvement in this former communist country by acquiring a 21% shareholding in Bank Rozwoju Eksportu SA (BRE), Warsaw. A cooperation agreement has been signed in connection with our stake, which provides for Commerzbank delegates to become active at the staff, management and supervisory board levels of BRE. This well-run Polish bank is very successful, especially in the corporate customer area. It maintains branches in the country's 10 largest cities. Our involvement will enable us to look after German business clients in particular on the spot and to satisfy their banking needs through an efficient local credit institution.

The dynamic-growth regions of South-East Asia and China form the second focal point in the expansion of our activities abroad. In October, we transformed our Shanghai representative office into a branch. It has been given a full banking licence and is able to handle all the kinds of business which the

Bank of China permits foreign banks to conduct. After the representative office in Beijing, which was opened in 1981, Shanghai is our Bank's second outlet in China.

All in all, Commerzbank's international network now comprises more than 50 bases of our own in 38 countries. At the same time, our staff abroad look after a number of customers in neighbouring countries.

Probably in May 1995, we will become the first international bank to open a branch with a full banking licence in Johannesburg, South Africa. We have maintained a representative office there since 1965.

Commerz Securities well established in Tokyo

In a difficult business environment, Commerz Securities (Japan) Co. Ltd., in which we now have a 60% interest, was able to assert its position well. By systematically extending its services for institutional investors and broadening its product range, ComSec has managed to secure its market position.

It offers customers in Japan and Korea above all trading in DM bonds and the other important European fixed-income securities in Asian time-zones. Apart from finding Japanese issuers for the Euro-capital market, it devoted most attention last year to becoming more actively involved in local syndicated loan business.

Solid expansion at Korea International Merchant Bank, Seoul

With a 20.3% interest and representation on the management board, we are KIMB's largest foreign shareholder. In the first nine months of the current financial year (April 1, 1994 to March 31, 1995) the bank's business volume rose by 28% to roughly DM5.4bn. This expansion was made possible by a capital increase in the market of an overall DM69m, in which Commerzbank participated proportionately to its equity stake.

The bank's net result kept pace with its volume growth and after nine months was 5.4% higher than that for the preceding year as a whole. The stock market continued to be buoyant, which meant that own-account trading was able to make a gratifying contribution to results. Korea's rapidly changing industrial structures prompted the bank to extend its M & A activities.

**Encouraging growth
at P.T. Bank Finconesia, Jakarta**

In 1994, our Indonesian interest – in which we have increased our shareholding to 20% – completed its first full business year. Existing relationships with customers were intensified and at the same time a large number of new customers were won. The bank's expansion is reflected in the 58% rise in its balance-sheet total, the surge of 80% in total lending and the 245% jump in deposits.

However, net income was practically halved. For one thing, this fall was brought about by a drastic decline in margins and large value adjustments to the loan portfolio; for another, the bank's restructuring in 1993 increased its workforce; as a result, its personnel costs rose by 27.6%. But the bank is confident that its volume growth and its acquisition of new customers have created a solid basis for the 1995 business year.

**Good result at Unibanco – União
de Bancos Brasileiros S.A., São Paulo**

Although Brazilian banks' earnings had been expected to fall on account of the sharp decline in inflation during the second half of 1994, this failed to materialize due to the high level of interest rates and thanks to the brisk demand for consumer credits. Like virtually all the other banks, therefore, Unibanco also produced good results last year. The activities of its "German desk" were further extended and its results even doubled. By year-end, it was looking after 82 subsidiaries of German companies. In 1994, Commerzbank marginally raised its stake in this Brazilian bank to 11.3%.

Commerzbank worldwide



Foreign branches

Antwerp
 Atlanta (agency)
 Barcelona
 Brussels
 Chicago
 Grand Cayman
 Hong Kong
 Johannesburg*
 London
 Los Angeles
 Madrid
 New York
 Osaka (office)
 Paris
 Prague
 Shanghai
 Singapore
 Tokyo

*) in preparation

Representative offices

Alma-Ata
 Bahrain
 Bangkok
 Beijing
 Bombay
 Brussels (EU liaison office)
 Buenos Aires
 Cairo
 Caracas
 Copenhagen
 Istanbul
 Jakarta
 Johannesburg
 Kiev
 Milan
 Mexico City
 Minsk
 Moscow
 Novosibirsk
 Rio de Janeiro
 St. Petersburg
 São Paulo
 Seoul
 Sydney
 Tehran
 Toronto
 Warsaw

Foreign holdings

Commerzbank (Budapest) Rt.,
 Budapest
 Commerzbank International S.A.,
 Luxembourg
 Commerzbank (Nederland) N.V.,
 Amsterdam
 Commerzbank (South East
 Asia) Ltd., Singapore
 Commerzbank (Switzerland) Ltd,
 Zurich and Geneva
 Commerzbank Capital Markets
 Corporation, New York
 Commerzbank Europe (Ireland)
 Unltd., Dublin
 Caisse Centrale de Réescoppte,
 Paris
 Commerz Futures Corp., Chicago
 Commerz Securities (Japan)
 Co. Ltd., Hong Kong/Tokyo
 Hispano Commerzbank
 (Gibraltar) Ltd., Gibraltar
 Bank Rozwoju Eksportu SA,
 Warsaw
 Korea International Merchant Bank,
 Seoul
 P.T. Bank Finconesia,
 Jakarta
 Unibanco – União de Bancos
 Brasileiros S.A., São Paulo

● **Asset management improves market position**

The corporate division Asset Management, which encompasses all the Commerzbank Group's activities for private and institutional investors in this area, achieved solid expansion in 1994 as well. Despite bouts of turbulence in the securities markets and the crisis in the emerging markets, there was a 35% increase to around DM90bn in the assets under management.

Growth derived one of its main boosts from the newly launched money-market funds, which we were the first bank to offer punctually on August 1, 1994. By year-end, practically DM13bn had been invested in this form, just over half of which was "fresh money" from savers who had not previously been Commerzbank customers.

Money-market funds are an example of the synergy effects created by combining the individual asset-management units: our subsidiary Caisse Centrale de Réescompte, acquired in mid-1993, acts as adviser and invests the funds, while ADIG-Investment Luxembourg is entrusted with their administration.

The trend towards an ever stronger international orientation in asset management also characterizes the administration of the portfolios of high net-worth individuals. At present, this is entrusted to our subsidiaries in Luxembourg, Switzerland, Singapore and New York. An attractive alternative is also offered by Hispano Commerzbank (Gibraltar).

Lively demand for new funds

ADIG-Investment, in which Commerzbank holds a sizeable interest, was able to extend its market share appreciably in 1994. The volume of funds managed by the ADIG group, including those in Luxembourg, rose by 34% to over DM45bn, which marked the largest inflow of funds achieved by any German retail investment fund. Most of the impetus was generated by money-market funds. Yet early in the year the bond-based fund ADIRETH, offering tax advantages, had been launched and this was

also successful. In the meantime, it has attracted assets totalling DM1.2bn. Similarly, ADIG's set of altogether nine index-based funds also met with success; in this approach to asset management, ADIG leads the field in the German investment market.

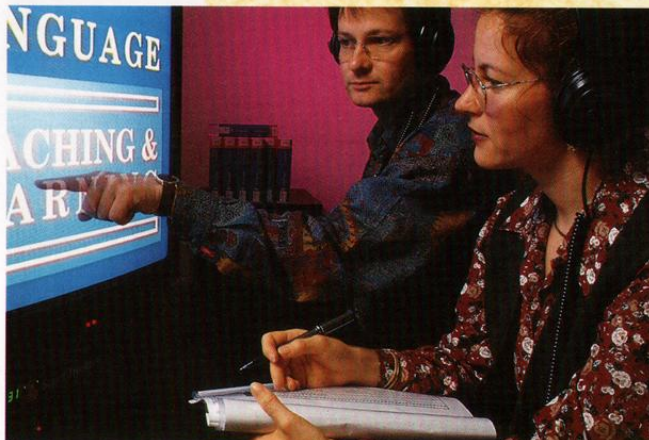
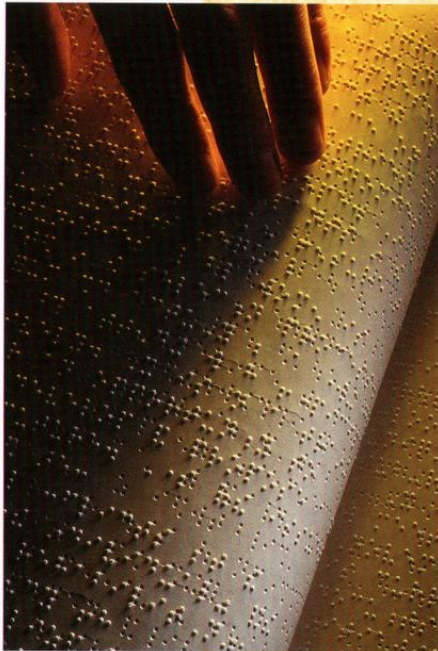
The assets which Commerzbank Investment Management GmbH administers for institutional investors in the form of 224 funds expanded by 8% to just over DM16bn last year. Once again, special funds registered above-average growth; these enable investors who do not wish to launch a non-publicly-offered fund of their own to enjoy the benefits of professional management for investments of DM500,000 and upwards. As a growing number of institutional investors are having their funds actively managed by specialized capital investment companies, Commerzinvest expects solid growth rates in the future as well.

Commerz International Capital Management GmbH (CICM) was particularly successful in broadening its customer base last year. Its assets under management expanded by 18% to total DM8bn. CICM now looks after 107 clients worldwide. It managed to acquire new customers not only in traditional markets but also in Eastern Europe and Latin America. Its subsidiary CICM Fund Management Ltd. in Ireland also achieved fairly strong expansion. This year, activities are to be stepped up in Asia and America with the goal of broadening the product palette and improving the service offered to clients.

With its balance-sheet total of roughly DM6bn, Caisse Centrale de Réescompte forms part of Commerzbank's business operations. Last year, the assets managed for French customers rose by 20% to the equivalent of more than DM7bn. Otherwise, it focuses on short-term lending. Net income for the year climbed further to reach the equivalent of DM17.5bn.

COMMERZBANK FOUNDATION

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COMMERZBANK FOUNDATION

1 9 7 0 - 1 9 9 5

On February 26, 1970, Commerzbank's hundredth anniversary, the Commerzbank Foundation was established with an endowment of DM5m. In the tradition of Hamburg's civic foundations, its object is defined very broadly in the statutes, namely to help "insofar as sufficient public or private funds are lacking". In setting up its foundation, Commerzbank espoused the foundation idea: given its role in economic life, the Bank has a direct social duty and does a great deal to meet this obligation. The Foundation is intended to act on its own initiative wherever it can make a lasting contribution towards improving living, working and environmental conditions. The Commerzbank Foundation has fulfilled its mandate with donations of more than DM10m to date. On the Bank's 125th birthday, its capital was increased to DM20m; although the use to which it is put may have changed, this still serves as a "venture capital for things humane".



The Thomanerchor, Leipzig, under its choirmaster Georg Christoph Biller, and the Junge Deutsche Philharmonie, conducted by Thomas Klug, performed the musical matinee to celebrate Commerzbank's 125th anniversary.

Board of Trustees of Commerzbank Foundation

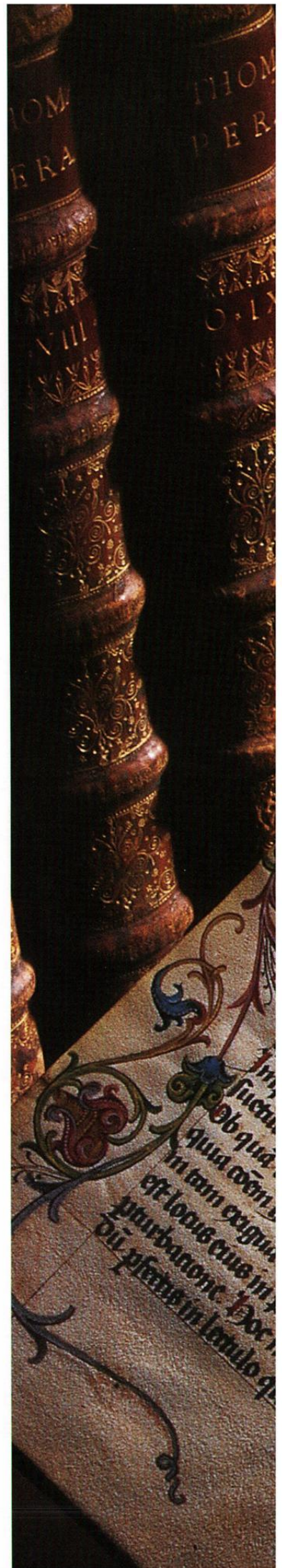
Dr. Walter Seipp
Frankfurt am Main
Chairman

Martin Kohlhausen
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Klaus-Müller Gebel
Frankfurt am Main/Hamburg

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THE ENVIRONMENT

In 1992, the Commerzbank Foundation altered its statutes to include the sponsoring of environmental protection measures. In this respect, it is complementing the activities of Commerzbank, which has been sponsoring such projects for a long time and, since 1990, has supported the work of the German national parks in furthering ecological awareness. In many parts of eastern Germany, the ecological basis must still be created and environmental structures that are endangered by economic reconstruction have to be preserved.

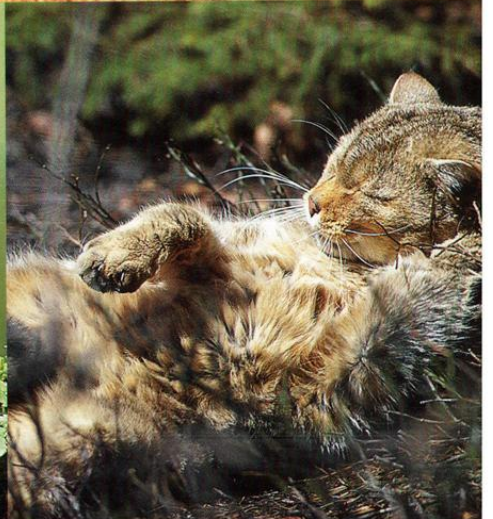
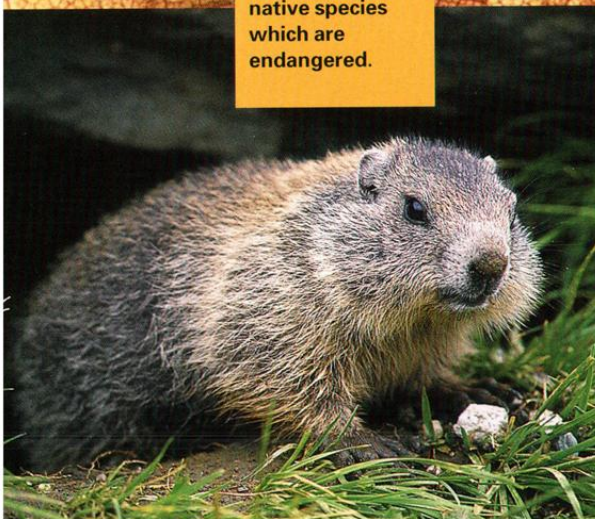


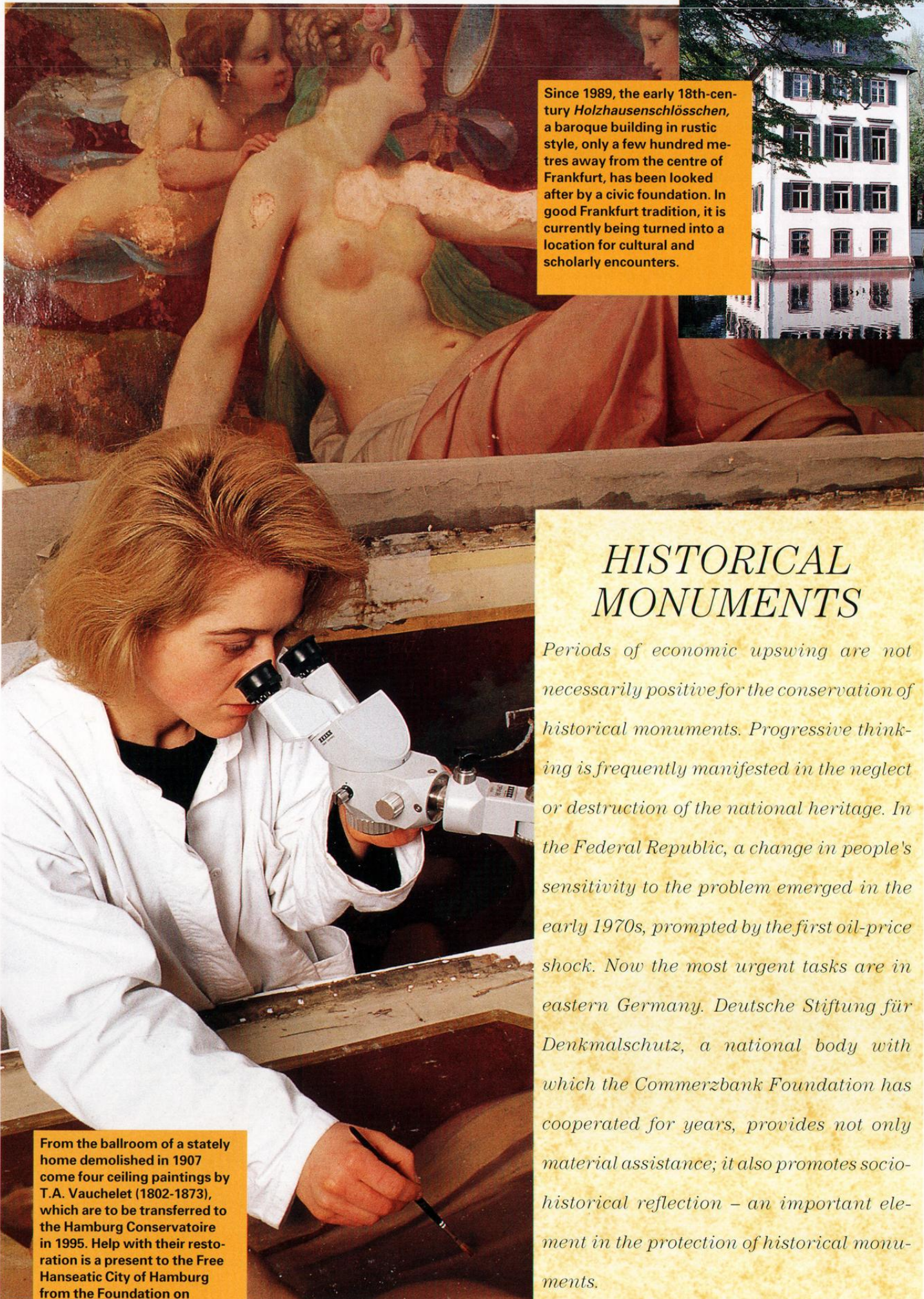
WWF

For a long time now, the Commerzbank Foundation and the environmental foundation WWF Germany

have run joint projects to protect the environment or animal species.

WWF Germany is successfully reintroducing native species which are endangered.





Since 1989, the early 18th-century *Holzhausenschlösschen*, a baroque building in rustic style, only a few hundred metres away from the centre of Frankfurt, has been looked after by a civic foundation. In good Frankfurt tradition, it is currently being turned into a location for cultural and scholarly encounters.

HISTORICAL MONUMENTS

Periods of economic upswing are not necessarily positive for the conservation of historical monuments. Progressive thinking is frequently manifested in the neglect or destruction of the national heritage. In the Federal Republic, a change in people's sensitivity to the problem emerged in the early 1970s, prompted by the first oil-price shock. Now the most urgent tasks are in eastern Germany. Deutsche Stiftung für Denkmalschutz, a national body with which the Commerzbank Foundation has cooperated for years, provides not only material assistance; it also promotes socio-historical reflection – an important element in the protection of historical monuments.

From the ballroom of a stately home demolished in 1907 come four ceiling paintings by T.A. Vauchelet (1802-1873), which are to be transferred to the Hamburg Conservatoire in 1995. Help with their restoration is a present to the Free Hanseatic City of Hamburg from the Foundation on the occasion of the Bank's anniversary.




RESEARCH ...

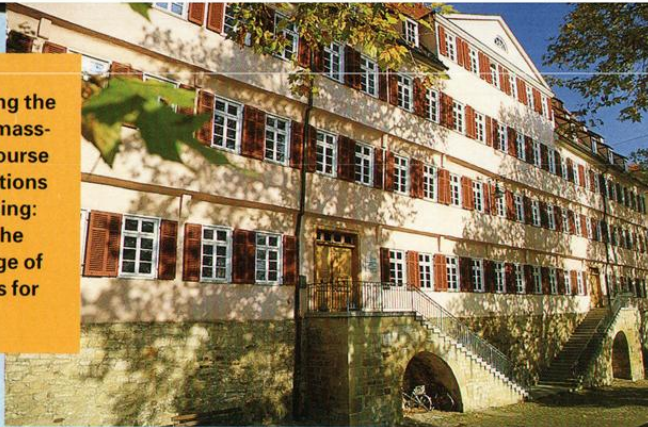
Germany's prominent role among the industrial nations is built upon scientific and technological achievements in the past. In order to meet the international challenge, new approaches are needed not only on the part of traditional universities but also from independent research institutions. In many cases, the Commerzbank Foundation is able to draw upon the experience of Stifterverband der deutschen Wissenschaft. Less obviously, it helps to secure Germany's cultural status through support for the human sciences.

The Leipzig Bach archive (above) is setting up a computer-assisted international documentation centre for Bach research. The European university of Viadrina, Frankfurt/Oder (below), with a tradition dating back to 1506, was re-established in 1990. A third of its students are Polish.





The research and teaching facilities of the Gregoriana in Rome, a university, bible institute and institute for studies of the eastern church, face new challenges due to the upheavals in Central and Eastern Europe.



The University of Tübingen is countering the problems of today's masses of students by recourse to Humboldtian traditions in research and teaching: a *studium generale*, the international exchange of lecturers, and courses for graduates.

... AND TEACHING

Support for universities is one focal point in the work of the Commerzbank Foundation. The dramatic rise in western Germany's student numbers, long misread as a transitional problem of the 1980s, is proving to be a permanent challenge. Subdued economic performance, public-sector budget cuts and a marked reduction of outside funds are all aggravating the situation. In eastern Germany, student numbers are less of a problem; instead, the radical new start is absorbing all the human and financial resources.



SOCIAL ISSUES

The tasks facing the Commerzbank Foundation have changed in line with the growing complexity of society itself. However, its social activities continue to predominate. Groups on the edge of society, whose problems have altered without becoming any simpler, need private-sector help. In the midst of society, pedagogical, therapeutic and medical services are being provided which have a key social component; all this work is performed in the belief that the quality of a society can also be gauged by how it treats its disadvantaged members.

At the children's heart centre in the Johanniter-Kinderklinik St. Augustin, about 400 newly born and small children are treated every year for serious heart problems – in virtually 100% of the cases, successfully. But with a waiting-list of roughly 8,000, clinic capacities in Germany are much too restricted, and the delays far too long.



As a nationwide organization for sponsoring self-help among the blind, the Deutsche Verein der Blinden und Sehbehinderten in Studium und Beruf, Marburg, provides support for students, among other things by means of braille editions, information services and recorded versions of scientific literature.

The children's hospital Nr. 20 in Moscow, an overstrained accident and short-stay hospital, is being supported by funds spontaneously donated by Commerzbank Group employees. Up to now, medical equipment worth more than DM600,000 has been bought for the hospital.



Founded in 1863, the Evangelische Stiftung Alsterdorf in Hamburg is northern Germany's oldest and largest institution for looking after the disabled. Alsterdorf became the model for many other welfare institutions run by churches.



● Staff and welfare report

The Commerzbank Group's total workforce increased by 1.6% to 28,706 full-time staff last year compared with end-1993. While only marginal fluctuations occurred at the Bank's head office and branches in western Germany, further expansion in the eastern part of the country (+7%) as well as the founding or acquisition of new Group companies helped raise the overall total.

Job evaluation: basis for new salary management

One project last year with future relevance was the attempt to evaluate the jobs of those employees whose salaries are negotiated individually and the introduction of a new system for managing salaries. Key positions were compared, after which, uniform structures and classifications were devised. The evaluation of positions with the aid of the three main features knowledge, intellectual input and responsibility resulted in an overall point score. In order to make the method more comprehensible and practicable, we have translated the entire range of point scores into nine groups of functional values.

The next stage will be to use this evaluation of jobs in developing a new approach to salaries. The combination of the internal evaluation of the posi-

tion in question, the external market situation and the performance of the individual will create the basis for the Bank's new salary management system. In future, our staff with individually negotiated salaries will find that stages in their careers and the growth of their salaries will become more transparent and easier to grasp.

Benefits in line with the times

Over the years, a whole range of additional company social benefits have developed, the basis for which has long disappeared in many cases; consequently, it was time to take a critical look at them. In view of the limited financial possibilities, individual benefits had to be adjusted and pruned so as to create leeway for new additional benefits which are geared to today's needs and/or the preferences of our employees.

As a result, we have re-introduced measures to help staff looking after children. Our company scheme extends statutory leave entitlement and offers financial support by the Bank should an employee be kept at home by the sickness of a child.

Apart from this arrangement, which is valid for all our staff, the following options are envisaged: access to a coordination unit for child-minding services or support for parents' initiatives, financial subsidies

Data on Commerzbank's personnel*)

	1994	1993	Change in %
Total staff (Group)	28,706	28,241	+1.6
Total staff (Parent Bank)¹⁾	26,641	26,251	+1.5
– incl.: based abroad	1,112	997	+11.5
– incl.: apprentices	1,872	1,969	-4.9
Permanent staff²⁾	22,977	22,886	+0.4
Ratio of apprentices to permanent staff³⁾	8.1%	8.6%	–
Years of service			
– more than 10	44.4%	43.3%	–
– more than 20	21.2%	19.9%	–
Staff turnover⁴⁾	4.2%	5.8%	–
Total pensioners and surviving dependents	7,571	7,387	+2.5
– incl.: those retiring during the year	363	318	+14.2
Total entering early retirement during the year	350	348	+0.6

*) Full-time staff; 1) incl. cleaning and kitchen personnel, excluding staff on maternity leave and long-term sick; 2) employees excl. apprentices, junior executive staff, temporary staff, volunteers, cleaning and kitchen personnel, female staff on maternity leave, long-term sick; 3) incl. staff based abroad; 4) due to staff giving notice.

to cover the cost of nursery places or child-minders. Each main branch is free to decide, on the strength of its individual situation, whether it wishes to provide such support at all and which of the options it will offer.

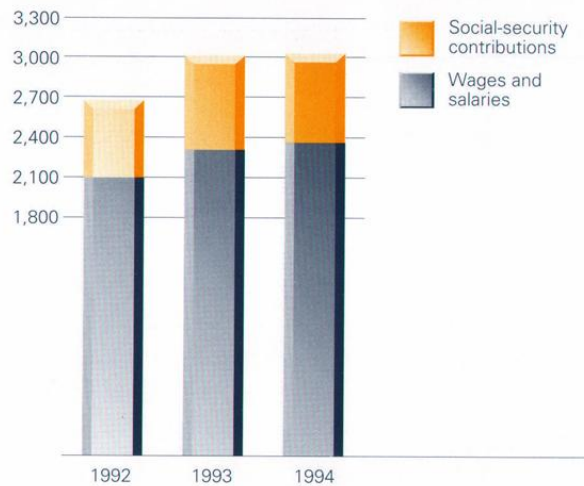
In recent years, changed conditions have imposed considerable strains on the company pension scheme. A long-term analysis commissioned by the Bank revealed that these burdens would have been hard to bear in the coming decades. For this reason, the Bank's own pension scheme has been restructured with effect from January 1, 1998. The major goal was to prevent or reduce the excessive level of provision which has developed, contrary to plan, in the course of the past few years. Pensions for staff with collectively negotiated salaries or for those in the lower brackets of the individually negotiated salaries now average 130% of the final net salary. In future, the overall pension for employees joining Commerzbank will be limited to 80-90% of their final net salary. Even in its modified form, the Bank's pension scheme remains very attractive for our employees.

Staff survey: plans to implement findings

The findings of the 1993 staff survey at branch level have been analysed and we are exploring ways of implementing them. Last November/December, therefore, we conducted a survey at head office. The aim is partly to gather information and partly reflects our wish to find out how the Bank's employees judge, and to what extent they accept, the decisions and steps which are taken.

Just over half of our staff participated, which is quite a satisfactory level – compared with other companies as well. It represents a suitable basis for our analyses. The 1993/94 survey allows us to differentiate between individual main branches and various head-office departments. Alongside topics that are of interest throughout the Bank as a whole and which we all have to tackle, we can therefore rapidly isolate and deal with the specific problems or wishes of individual units. We want our employees to see directly and in concrete terms that the survey has given rise to positive action.

Personnel expenses



Test phase for variable working times

We became pioneers in the banking industry with our internal agreement on part-time work in 1993. It remains our objective to offer more part-time jobs at Commerzbank and to encourage the deployment of part-time staff so as to reflect the wishes and the demands of our employees within the scope which the Bank possesses. Yet for us "part-time" does not automatically mean "half-day"; it can be anything under 39 hours per week, and may be spread in very different ways.

As a provider of services, we primarily have to gear our opening and counselling times to the needs of our customers; i.e. they have to be sales-oriented. This means that we are obliged to offer advice at times which are independent of our opening times.

We can only achieve this if we have variable working times, which – as is becoming increasingly evident – is not just what the Bank wants, but also exactly corresponds to the preference of our employees for greater freedom to decide when they work. The results of our first tests with variable working times encourage us to proceed further in this direction, which will lead to a great diversity of working times at Commerzbank as well in the new millennium.

International aspect of personnel development

Last year, we set up the first of three planned management circles, which are currently preparing more than 130 selected candidates for posts at the second management level. These executives possess the potential for the next stage in their careers and are willing to display an above-average degree of commitment – both to important projects of the Bank and to developing their own qualifications.

As part of the Bank's international personnel strategy, we intend in future to have locally-hired staff take up more management positions. This will help the Group become even more international, as in this way we have the opportunity to draw upon the skills as well as the linguistic and cultural knowledge of staff from the country in question to a greater extent.

A growing number of employees from abroad are also active in a wide range of functions in Germany. Some of them are being prepared to work abroad at a later point or they look after foreign customers.

Cooperation with employee representatives

All the topics mentioned were the subject of detailed discussions and negotiations with the employee representatives, who were newly elected in March 1994. While discussion was controversial at times, it was in the final analysis never destructive. Cooperation in the economic committee, with the Group staff council and with the senior staff spokesmen's committee was characterized by fairness and largely successful endeavours to achieve solutions that were acceptable to all sides.

We should like to thank our employees for their efforts last year and for their continuing great commitment. Thanks not least to their dedication, the Bank was able to implement smoothly its two major restructuring projects at the branch and head-office level. In this connection, we find it very gratifying that an ever greater number of employees are realizing that, in a rapidly changing banking scene, all the further qualification measures are not only in the interest of the Bank, but are really key factors in securing the future of its staff, by preparing them for the more exacting demands of the market.

Our thanks are also extended to all those employees who retired last year, most of them after long years of service.

● The Parent Bank and its affiliated companies

Companies affiliated to the Parent Bank, Commerzbank AG, are listed in the Notes on the Bank's Annual Accounts (p.75ff), where it is also indicated which companies were included in the consolidation for the first time in 1994.

The Commerzbank Group's strong expansion is attributable, for one thing, to the Parent Bank, whose balance-sheet total – with the merged Commerz-Credit-Bank AG Europartner, Saarbrücken, included – rose by DM38.5bn to DM238.8bn. For another, Hypothekenbank in Essen AG, which was consolidated for the first time, provided additional volume of DM22bn.

Commerzbank AG, Frankfurt am Main

The Parent Bank's total lending increased by 14.7% to DM129.5bn, with claims on customers rising by 13.4% to DM120.0bn. Money-market operations were expanded considerably, as is reflected in the DM48.2bn advance to DM70.3bn in interbank lending. Bonds and other fixed-income securities are shown 16.3% higher at DM28.6bn. The item Fixed assets contracted from DM2.1bn to DM1.7bn; this decline was basically due to the transfer of properties at their book values to various subsidiaries.

On the deposits side, our liabilities to customers were down by 2.8%, whereas interbank borrow-

ing increased by 70%. Securitized liabilities were raised by a third to DM23.9bn.

The Parent Bank's annual accounts as well as its profit and loss account appear in detail on pages 50-53. Its 41.6% higher net income of DM702m makes possible a dividend payment to shareholders and also an allocation to revenue reserves of DM250m (DM150m in 1994).

RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main

In 1994, RHEINHYP made new lending commitments of DM11.6bn. Of this total, DM5.4bn were mortgage credits, and DM6.2bn communal loans. With the credits of DM2.6bn included, which were prolonged after renegotiation of their interest charges, total new lending reached DM14.2bn, compared with DM17.4bn in the previous year. This decline of 18.3% has to be seen against the background of an exceptional result in 1993, when the bank increased its new commitments by roughly 100%. In a direct comparison with 1992, RHEINHYP achieved a 60% expansion. The total amount of loans outstanding rose by DM6.7bn to DM57.3bn and is evenly split between mortgage lending and communal loans.

To fund its lending, RHEINHYP issued DM2.9bn of mortgage bonds, DM6.9bn of public-sector mortgage bonds and DM1.9bn of bonds not requiring cover.

The Parent Bank and important subsidiaries

Balance-sheet total in DM m	1994	1993	Change in %
Commerzbank AG, Frankfurt am Main	238,758	200,232	19.2
RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main	60,954	53,974	12.9
Commerzbank (Budapest) Rt., Budapest	506	191**)	–
Commerzbank International S.A., Luxembourg	30,427	21,317	42.7
Commerzbank (Nederland) N.V., Amsterdam	2,518	2,045	23.1
Commerzbank (South East Asia) Ltd., Singapore	1,915	1,314	45.7
Commerzbank (Switzerland) Ltd, Zurich	870	745	16.8
Commerzbank Capital Markets Corporation, New York	295	364	-19.0
Caisse Centrale de Réescompte, Paris ¹⁾	5,941	5,354	11.0

Currency translation at year-end rates; ¹⁾ see page 28 of this report; ^{**)} incomplete business year.

Net interest and commission income advanced by DM67.4m, or 18.0%, to DM441.9m. The partial operating result was raised by 21.6% to DM331.1m, while the full operating result expanded by 16.2% to DM234.6m. Net income for the year reached DM109.1m and was thus DM10.0m higher than a year earlier.

At the Annual General Meeting on April 28, 1995, shareholders will be asked to approve the payment of an unchanged dividend of DM17 per DM50 share on the bank's share capital of DM115m. In addition, it is proposed to allocate DM70m (DM60m in 1994) to reserves, after which the bank will have equity capital totalling DM1.2bn, plus DM410m in the form of profit-sharing certificates outstanding.

Commerzbank (Budapest) Rt., Budapest

1994 proved to be a successful first full business year for Commerzbank (Budapest) Rt. Its balance-sheet total more than trebled to reach Ft36bn; 50% of the overall volume relates to interbank activities. Thanks to the systematic development of operations, claims on and liabilities to customers each totalled roughly Ft10bn at end-1994. In addition, the bank was serving as manager for several medium-term financing transactions, including some for infrastructure projects.

Commerzbank (Budapest) Rt. is to use 1994's profit of Ft202m in order to strengthen its reserves. This will lift its equity capital to Ft3.4bn. The bank now has a staff of 58; in view of its business expansion, it plans to increase its workforce to about 65 in the current year.

Commerzbank International S.A., Luxembourg

Within the strategic conception of the Commerzbank Group, Commerzbank International S.A. – CISAL – is involved in all the standard Euromarket trading and credit business. At the same time, it looks after private customers from all over the world.

1994 proved to be another successful business year. Due to repayments and rescheduling agreements, the bank's total lending was reduced to DM7.2bn. The bank continued to rely mainly on interbank borrowing to finance its credits; money-market transactions with other banks were increased substantially. At year-end, CISAL had a staff of 211, as against 179 at end-1993.

Earnings performance was satisfactory once again in all business segments. Possible credit risks were provided for to an appropriate extent. From the distributable profit of DM375m (DM381.7m a year earlier), DM200m is to be transferred to the Parent Bank; the remaining DM175m will be used to strengthen reserves. In addition, the Parent Bank has subscribed to new capital amounting to a nominal DM75m at a price of 420% in order to underpin CISAL's earnings-oriented expansion. This raises its equity capital to DM1,718m.

Commerzbank (Nederland) N.V., Amsterdam

Commerzbank (Nederland) offers Dutch and multinational firms a broad range of products. In addition to lending, money-market and foreign-exchange transactions, it focuses especially on the financing and handling of foreign-trade business.

At Dfl1,016m, claims on customers are shown virtually unchanged, as they appear net of the provision for credit risks for the first time in 1994. Calculated on a full-time basis, the number of staff receded from 92 to 87 in the course of the year.

Earnings performance in the individual business segments was good. In view of the stable condition of lending business, we were able to reduce the provision for possible loan losses considerably; Dfl4.0m (Dfl12.0m in 1993) was transferred to loan-loss reserves. Net income for the year, which is to be allocated entirely to reserves, amounted to Dfl12.1m. At year-end, the bank effected a capital increase of a nominal Dfl10m at a premium of Dfl79.6m in order to finance its newly-established subsidiary Commerz (East Asia) Ltd. The bank's equity capital now stands at Dfl237.4m.

**Commerzbank (South East Asia) Ltd.,
Singapore**

In view of the strong expansion of Asian capital markets, Commerzbank (South East Asia) Ltd. in Singapore – COSEA – has substantially expanded its human and technological resources and can now offer its clients an even broader palette of products.

The bank was successful in further strengthening its position as regards the arranging and placing of capital-market transactions and syndicated loans. Its private-customer business also maintained its positive development. The assets entrusted to the bank by private customers reached S\$2.3bn by year-end, as against S\$1.5bn at end-1993.

Despite fierce competition and a continual decline in margins, interest and commission income expanded at an above-average rate, enabling the bank to allocate S\$29m to revenue reserves. As a result, and with a capital increase of a nominal S\$14m included, its equity capital now stands at S\$135m altogether.

Commerzbank's business opportunities in Singapore are to be improved this year by the opening of a trust company and an asset management company.

Commerzbank (Switzerland) Ltd, Zurich

Commerzbank (Switzerland) Ltd is active above all in portfolio management and investment advice for international private investors, whom it looks after from its bases in Zurich and Geneva. It also trades in money-market instruments, foreign exchange, securities and precious metals and is involved in collateralized loan and new issues business.

Despite the difficult economic environment, the 1994 business year was a successful one for the bank. There was another encouraging rise in the number of customers. At year-end, the bank had a staff of 94, compared with 91 at end-1993.

All in all, earnings performance was satisfactory. While trading profits were down, net interest and commission income once again improved on the good year-earlier results. The net income of Sfr16.3m, as against Sfr15.3m in the previous year, is to be used entirely for building up reserves. This will raise the bank's equity capital to Sfr103.1m.

**Commerzbank Capital Markets
Corporation, New York**

In the 1994 financial year, Commerzbank Capital Markets Corporation (CCMC) was confronted with a difficult market environment in the United States. Due to a stagnating stock market and the weaker dollar, the bank's commission income was down; bond trading results were hit by rising long-term interest rates. Furthermore, CCMC's underwriting activities in capital-market transactions by US companies were less significant than in the previous year.

All told, the bank, which has equity capital of US\$22.2m, registered a loss of US\$2.1m in 1994, due above all to extraordinary expenses.

● Outlook: Confident for 1995

In view of the relatively weak force behind Germany's economic upswing and the fact that competition will become even keener due to the strength of the D-mark, the situation remains critical for many companies. At present, therefore, it seems that the bankruptcy figures will be slow to decline, which means that banks will need a great deal of sensitivity if they are to benefit from the upswing without incurring especially large risks. As banks compete to attract sound borrowers, there is a growing tendency for greater differentiation in margins; however, we are determined to prevent our average margin from coming under further pressure. As business volume expands, therefore, we expect to see a renewed climb in our net interest income, which forms the basis of our earnings.

In all segments of business, demand for advice and support is lively. Given the expected improvement of sentiment in the financial markets, we are convinced that we will also manage to achieve another increase in our net commission income in the current year, after the decline registered in 1994.

Our operating expenses will reflect both the stronger rise in personnel costs and the planned further extension to the range of services offered by the Group. Nevertheless, we are confident that we will be able to lift our current earnings such that they at least keep pace with the rise in costs.

At the same time, we are devoting special attention to our proprietary trading activities and to provision for possible loan losses; while it is still too early to relax our efforts here, further easing of the burden can be expected. All told, we intend to maintain our earnings-oriented growth course in 1995 and reckon with a satisfactory result.

**Consolidated
balance sheet as of
December 31, 1994**

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**Consolidated profit
and loss account**

pages 48/49

**Balance sheet
(Parent Bank)
as of December 31, 1994**

pages 50/51

**Profit and loss account
(Parent Bank)**

pages 52/53

Consolidated balance sheet as of December 31, 1994

Dec. 31, 1993

Assets	DM	DM	DM	DM1,000
Cash reserve				
a) cash on hand		1,416,782,363.41		1,269,937
b) balances with central banks		4,378,972,701.35		7,427,697
including: with Deutsche Bundesbank	DM 4,317,881,301.40			
c) balances on postal giro accounts		<u>1,226,113.66</u>		<u>17,495</u>
			5,796,981,178.42	8,715,129
Debt issued by public-sector borrowers, and bills of exchange rediscountable at central banks				
a) treasury bills and discountable treasury notes, as well as similar debt issues by public-sector borrowers including: rediscountable at Deutsche Bundesbank	DM 95,772,610.50	<u>662,898,339.22</u>		477,760
b) bills of exchange including: rediscountable at Deutsche Bundesbank	DM 1,318,803,522.75	<u>1,359,771,264.72</u>	2,022,669,603.94	<u>698,534</u> 1,176,294
Claims on banks				
a) payable on demand		7,325,158,236.68		6,876,470
b) other claims		<u>81,307,612,867.21</u>		<u>58,198,013</u>
			88,632,771,103.89	65,074,483
Claims on customers			188,176,860,737.15	160,694,143
including: secured by mortgages on real estate communal loans	DM 45,532,487,609.67 DM 37,076,764,179.05			
Bonds and other fixed-income securities				
a) money-market instruments				
aa) issued by public-sector borrowers		358,419,929.52		
ab) issued by other borrowers		<u>4,711,330,641.72</u>	5,069,750,571.24	6,183,428
b) bonds and notes				
ba) issued by public-sector borrowers		20,770,502,864.74		
bb) issued by other borrowers including: eligible as collateral for Deutsche Bundesbank advances	DM 19,816,282,404.91	<u>14,773,903,492.84</u>	35,544,406,357.58	27,675,770
c) bonds and notes issued by Commerzbank Group nominal amount	DM 2,768,506,449.73	<u>2,761,207,916.98</u>	43,375,364,845.80	<u>2,614,842</u> 36,474,040
Shares and other variable-yield securities			3,714,147,135.17	2,407,602
Investments			2,340,323,014.98	3,437,626
including: in banks	DM 590,611,078.12			
Investments in associated companies			229,036,340.19	203,532
Holdings in affiliated companies			253,963,662.89	254,977
including: in banks	DM —.—			
Assets held on a trust basis			230,078,699.89	714,090
including: loans at third-party risk	DM 228,605,230.88			
Recovery claims on federal and Länder authorities under post-war currency reform acts including bonds in exchange for the former			198,712,865.16	239,807
Intangible assets			8,943,685.83	36,380
Fixed assets			2,687,669,344.85	2,377,427
Other assets			2,834,145,300.33	2,490,545
Deferred items				
a) unamortized debt discount (difference in accordance with Section 250 (3) of the German Commercial Code – HGB)		991,947,841.58		728,636
b) other		<u>563,475,273.45</u>		<u>353,458</u>
			1,555,423,115.03	1,082,094
Total Assets			342,057,090,633.52	285,378,167

Consolidated profit and loss account for 1994

1993

Expenses	DM	DM	DM	DM1,000
Interest paid			14,287,869,192.37	14,946,786
Commissions paid			118,588,170.17	99,377
General operating expenses				
a) personnel expenses				
aa) wages and salaries	2,362,439,019.87			
ab) compulsory social-security contributions, expenses for pensions and other employee benefits including: for pensions	DM 228,458,504.33	611,097,963.42	2,973,536,983.29	2,957,360
b) other administrative expenses			1,404,541,640.58	1,291,490
			4,378,078,623.87	4,248,850
Depreciation on and value adjustments to intangible and fixed assets			500,571,420.89	575,647
Other operating expenses			175,030,274.30	133,472
Write-downs of and value adjustments to claims and certain securities, and additions to provisions for possible loan losses			1,655,219,125.48	1,769,984
Charges for losses assumed under profit-and-loss-transfer agreements			2,017,930.54	-
Allocations to special items with partial reserve character			299,238.87	123,640
Taxes on income			597,820,987.18	545,283
Other taxes unless already shown under "Other operating expenses"			56,485,237.10	62,566
Net income for the year			1,055,021,095.31	586,361
		Total Expenses	22,827,001,296.08	23,091,966
Net income for the year			1,055,021,095.31	586,361
Allocations to revenue reserves				
d) to other revenue reserves			600,000,000.—	281,475
Profit attributable to minority interests			5,769,910.73	3,192
Loss attributable to minority interests			2,893,879.92	44,057
Consolidated profit			452,145,064.50	345,751

Parent Bank's balance sheet as of December 31, 1994

Dec. 31, 1993

Assets	DM	DM	DM	DM1,000
Cash reserve				
a) cash on hand		1,411,214,961.49		1,257,746
b) balances with central banks		4,117,648,339.37		7,320,215
including: with Deutsche Bundesbank	DM 4,102,201,852.61			
c) balances on postal giro accounts		469,049.70		16,406
			5,529,332,350.56	8,594,367
Debt issued by public-sector borrowers, and bills of exchange rediscountable at central banks				
a) treasury bills and discountable treasury notes, as well as similar debt issues by public-sector borrowers including: rediscountable at Deutsche Bundesbank	DM 95,772,610.50	467,757,247.21		394,338
b) bills of exchange including: rediscountable at Deutsche Bundesbank	DM 1,318,730,377.—	1,359,698,118.97	1,827,455,366.18	645,221 1,039,559
Claims on banks				
a) payable on demand		8,996,599,869.62		8,957,732
b) other claims		61,330,757,039.35		39,196,721
			70,327,356,908.97	48,154,453
Claims on customers			120,011,044,330.08	105,858,840
including: secured by mortgages on real estate communal loans	DM 17,623,088,641.76 DM 8,696,935,216.32			
Bonds and other fixed-income securities				
a) money-market instruments				
aa) issued by public-sector borrowers		358,419,929.52		
ab) issued by other borrowers		977,477,281.52	1,335,897,211.04	2,423,001
b) bonds and notes				
ba) issued by public-sector borrowers		16,831,625,455.17		
bb) issued by other borrowers including: eligible as collateral for Deutsche Bundesbank advances	DM 15,788,434,094.—	10,405,075,464.18	27,236,700,919.35	22,058,692
c) bonds and notes issued by Commerzbank nominal amount	DM 22,752,970.—	23,013,976.50		105,039
			28,595,612,106.89	24,586,732
Shares and other variable-yield securities			2,432,452,237.26	2,016,686
Subsidiaries, associated companies, and trade investments (investments)			1,592,190,000.—	2,817,654
including: investments in banks	DM 341,553,000.—			
Holdings in affiliated companies			3,511,808,000.—	2,901,011
including: in banks	DM 2,711,885,000.—			
Assets held on a trust basis			119,755,529.94	138,761
including: loans at third-party risk	DM 119,755,529.94			
Recovery claims on federal and Länder authorities under post-war currency reform acts including bonds in exchange for the former			178,173,948.21	238,826
Fixed assets			1,683,532,000.—	2,055,497
Other assets			2,223,930,982.65	1,155,857
Deferred items				
a) difference arising from consolidation in accordance with Section 250 (3), of the German Commercial Code – HGB		409,351,171.28		414,646
b) other		316,267,325.09		258,630
			725,618,496.37	673,276
Total Assets			238,758,262,257.11	200,231,519

Dec. 31, 1993

Liabilities and Shareholders' Equity	DM	DM	DM	DM1,000
Liabilities to banks				
a) payable on demand		9,326,228,550.04		5,867,567
b) with agreed periods or periods of notice		<u>68,824,842,233.68</u>		<u>40,186,454</u>
			78,151,070,783.72	46,054,021
Liabilities to customers				
a) savings deposits				
aa) with agreed period of notice of three months	17,513,202,056.83			
ab) with agreed period of notice of more than three months	<u>2,908,264,050.80</u>	20,421,466,107.63		22,391,240
b) other liabilities				
ba) payable on demand	30,351,704,022.47			
bb) with agreed periods or periods of notice	<u>63,822,432,305.96</u>	<u>94,174,136,328.43</u>		<u>95,524,727</u>
			114,595,602,436.06	117,915,967
Securitized liabilities				
a) bonds and notes issued		9,043,481,575.04		5,758,171
b) other securitized liabilities		<u>14,893,920,323.70</u>		<u>12,165,780</u>
including: ba) money-market instruments	DM 12,914,767,265.70		23,937,401,898.74	17,923,951
bb) own acceptances and promissory notes outstanding	DM 1,979,153,058.—			
Liabilities on a trust basis			119,755,529.94	138,761
including: loans at third-party risk	DM 119,755,529.94			
Other liabilities			1,733,268,043.57	1,055,918
Deferred items				
a) difference arising from consolidation in accordance with Section 340e (2), of the German Commercial Code – HGB		702,849,416.45		—
b) other		<u>127,164,505.69</u>		<u>95,321</u>
			830,013,922.14	95,321
Provisions				
a) provisions for pensions and similar commitments		1,567,178,000.—		1,542,845
b) provisions for taxation		558,422,000.—		394,932
c) other provisions		<u>954,236,000.—</u>		<u>996,116</u>
			3,079,836,000.—	2,933,893
Special item with partial reserve character in accordance with Section 6b, German Income Tax Act – EStG			120,000,000.—	120,000
Commerzbank Foundation			11,930,857.75	12,104
Subordinated liabilities			3,959,034,276.04	4,071,245
Profit-sharing certificates outstanding			3,235,866,000.—	2,832,732
including: maturing in less than two years	DM 425,000,000.—			
Capital and reserves				
a) subscribed capital		1,674,611,350.—		1,440,631
b) capital reserve		4,723,723,094.65		3,407,221
c) revenue reserves				
ca) legal reserve	6,000,000.—			6,000
cd) other revenue reserves	<u>2,128,003,000.—</u>			<u>1,878,003</u>
		2,134,003,000.—		
d) distributable profit		<u>452,145,064.50</u>		<u>345,751</u>
			8,984,482,509.15	7,077,606
Total Liabilities and Shareholders' Equity			238,758,262,257.11	200,231,519
1. Contingent liabilities				
a) contingent liabilities from rediscounted bills of exchange credited to borrowers			2,419,432,639.78	2,443,259
b) contingent liabilities from guarantees and indemnity agreements			21,050,985,361.77	20,574,934
2. Other commitments				
b) placing and underwriting commitments			184,926,720.—	429,278
c) irrevocable lending commitments			35,976,240,000.—	42,871,503

Parent Bank's profit and loss account for 1994

1993

Expenses	DM	DM	DM	DM1,000
Interest paid			8,865,309,550.00	9,607,399
Commissions paid			61,900,035.25	53,138
General operating expenses				
a) personnel expenses				
aa) wages and salaries	2,131,912,725.84			
ab) compulsory social-security contributions, expenses for pensions and other employee benefits including: for pensions	DM 209,692,306.52	558,921,543.75	2,690,834,269.59	2,671,266
b) other administrative expenses		1,292,082,532.17		1,186,847
			3,982,916,801.76	3,858,113
Depreciation on and value adjustments to intangible and fixed assets			307,954,245.51	279,932
Other operating expenses			63,760,051.14	54,658
Write-downs of and value adjustments to claims and certain securities, and additions to provisions for possible loan losses			1,553,921,527.72	1,725,303
Charges for losses assumed under profit-and-loss-transfer agreements			6,840,498.90	10,225
Allocations to special items with partial reserve character			—.—	120,000
Taxes on income			437,456,264.25	439,786
Other taxes unless already shown under other items			28,895,665.47	42,528
Net income for the year			702,145,064.50	495,751
		Total Expenses	16,011,099,704.50	16,686,833
Net income for the year			702,145,064.50	495,751
Allocations to revenue reserves				
d) to other revenue reserves			250,000,000.—	150,000
Distributable profit			452,145,064.50	345,751

● Notes on the Bank's Annual Accounts

Accounting and valuation methods

The annual accounts and financial statement for both the Commerzbank Group and the Parent Bank are drawn up in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG) and also in accordance with the regulation for the presentation of the annual accounts of German banks.

Fixed assets are capitalized at cost and depreciated to reflect their probable useful economic lives. In this connection, we consult the depreciation-rate tables published by the fiscal authorities. Extraordinary depreciation and write-offs are effected in the case of permanent declines in the economic usefulness of fixed assets. Minor-value items are written off immediately in the year of purchase. Special depreciation allowances and higher depreciations permissible under tax legislation are included in the legally prescribed financial statements; their influence on the overall result is insignificant.

The lower-of-cost-or-market principle is applied strictly in valuing claims and securities classified as current assets, whereby claims appear at their face value pursuant to Section 340e of the German Commercial Code. The difference between the amount actually paid out and the face value is shown as a deferred item. We fully provide for the particular risks associated with banking business by making both individual and global value adjustments and by forming loan-loss reserves pursuant to Section 340f of the German Commercial Code.

Liabilities are shown in the balance sheet at the respective amounts to be repaid. The difference between the nominal value and the issue price of liabilities is shown under Deferred items. For uncertain liabilities, provisions are made to cover the expected amount. Provisions for pension commitments are formed on the scale permitted under Section 6a of the German Income Tax Act (EStG) and comparable regulations abroad.

As a matter of principle, financial derivatives (swaps, forward rate agreements, financial futures and options) are valued individually at their market price, in accordance with both the realization and the imparity principle. To the extent permitted, separate groups of valuation items are formed in order to cover balance-sheet items and expenses and income, as well as in the Bank's own-account trading activities.

For a calculation of the Bank's own-account trading results, we set off the results of the valuation of each underlying risk in previously defined and documented portfolios against each other. The principle on which such offsetting is based is that risks from individual transactions are covered by corresponding hedging transactions. In accordance with the imparity principle, a positive balance is not taken into account, while a provision is formed for a negative balance.

The net result for financial investments also includes the realized gains or losses deriving from the disposal of financial investments. In the case of this item and also in presenting our provisions for possible loan losses, we set off the respective expense and income items against one another.

Items in the balance sheet and the profit and loss account which are denominated in foreign currencies, as well as pending spot foreign-exchange transactions, are translated at the spot rate; pending forward foreign-exchange transactions are translated at the forward rate on the balance-sheet date into the respective currency used for accounting purposes. Currency translations for investments and holdings denominated in foreign currencies and interests in affiliated companies are effected at the rate prevailing on the date of purchase. Insofar as the annual accounts of our units abroad are drawn up in foreign currencies, they are translated into D-marks at the spot rate of the balance-sheet date.

Differences arising from currency translation appear in the profit and loss account, with both the lower-of-cost-or-market principle and the imparity principle being applied. This has the following consequences:

NOTES ON THE BANK'S ANNUAL ACCOUNTS

The gains and losses deriving from the translation of balance-sheet items are shown in the profit and loss account. The differences in interest rates between currencies resulting from the hedging of balance-sheet items are recognized on a pro-rata basis under net interest income. Hedged expense and income items are translated at the contractual forward rate.

Income and expenses from swap arbitrage are recognized on a pro-rata basis, residual amounts being valued for each foreign currency. Provisions are formed for any net expenses which emerge, while net income items are not taken into account. Spot-rate differences as well as swap-related accruals and deferrals from forward transactions for swap arbitrage purposes are recognized and shown as a net item under Other assets or Other liabilities.

Valuations in connection with pending spot transactions are treated in the same way as the residual amounts deriving from swap arbitrage transactions.

Fully consolidated subsidiaries and those consolidated on a pro-rata basis are included in the Group's annual accounts in accordance with the book-value method, pursuant to Section 301 (1), 1 of the German Commercial Code, using as a basis their valuation at the time they were first consolidated.

Investments in associated companies are included in the Group's annual accounts at their book value in accordance with Section 312 (1), 1 of the German Commercial Code. The valuation of investments and the differences arising from consolidation or goodwill were calculated on the basis of the first consolidation of the companies in question.

Insofar as differences or goodwill cannot be assigned to the value of the assets and debts of consolidated and associated companies, they are charged to Other revenue reserves in the Group's balance sheet or, insofar as they been classified as retained profits from former years, they are allocated to these reserves.

The assets and debts of the companies included in the consolidation are computed in accordance with the accounting and valuation methods which are valid for the Parent Bank. With regard to associated companies, we have adopted their accounting and valuation procedures in order to calculate the pro-rata share of their equity capital held by Commerzbank.

Intra-Group book gains registered during the 1994 business year have been eliminated. In view of the disproportionately high expense or effort involved, such gains have not been eliminated in the case of own-account trading transactions.

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Notes on the balance sheet and profit and loss account

Maturity pattern of selected balance-sheet items

in DM m	Group	Parent Bank
Other claims on banks	81,307.6	61,330.8
of which: with original agreed periods of notice or periods of notice of		
less than three months	24,530.6	23,467.0
at least three months, but less than four years	35,524.1	34,086.8
four years or more	21,252.9	3,777.0
Claims on customers	188,176.8	120,011.0
of which: with original agreed periods or periods of notice of		
less than four years	66,201.6	60,756.4
four years or more	121,975.2	59,254.6
Bonds and notes issued by public-sector borrowers	20,770.5	16,831.6
of which: with original periods of		
less than four years	7,267.8	6,518.2
four years or more	13,502.7	10,313.4
Bonds and notes issued by other borrowers	14,773.9	10,405.1
of which: with original periods of		
less than four years	4,893.7	2,623.6
four years or more	9,880.2	7,781.5
Liabilities to banks with agreed periods or periods of notice	72,664.2	68,824.8
of which: with original agreed periods or periods of notice of		
less than three months	33,724.8	29,935.5
at least three months, but less than four years	25,781.3	23,555.7
four years or more	13,158.1	15,333.6
including: due in less than four years	3,435.9	5,936.7
Other liabilities to customers with agreed periods or periods of notice	80,512.1	63,822.4
of which: with original agreed periods or periods of notice of		
less than three months	37,890.0	37,708.7
at least three months, but less than four years	16,578.1	14,462.9
four years or more	26,044.0	11,650.8
including: due in less than four years	12,113.1	5,943.7
Securitized liabilities	95,309.2	23,937.4
of which: with original periods of		
less than four years	47,746.1	21,007.9
four years or more	47,563.1	2,929.5
including: due in less than four years	32,341.4	1,327.0

The Bank's foreign-currency position

in DM m	Group	Parent Bank
Assets	84,703.2	65,025.9
Liabilities	87,513.6	73,517.1

Subordinated assets

in DM m	Group	Parent Bank
Other claims on banks	81,307.6	61,330.8
including: subordinated items	—	—
Claims on customers	188,176.8	120,011.0
including: subordinated items	147.0	123.6
Bonds and notes issued		
by other borrowers	14,773.9	10,405.1
including: subordinated items	336.4	291.4
Shares and other variable-yield securities	3,714.1	2,432.5
including: subordinated items	323.4	323.4

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Financial relations with affiliated companies and other equity investments

in DM m	Group				Parent Bank			
	Affiliated companies	Previous year	Equity invest-ments	Previous year	Affiliated companies	Previous year	Equity invest-ments	Previous year
Claims on banks	–	–	46.7	–	16,797.3	4,300.7	46.7	–
Claims on customers	8.6	24.6	355.2	264.4	878.9	951.7	311.9	264.4
Bonds, notes and other fixed-income securities	–	–	5.4	–	561.2	458.7	5.4	–
Liabilities to banks	–	–	0.1	–	16,230.4	1,364.9	0.1	–
Liabilities to customers	30.9	0.7	121.0	304.1	6,729.5	7,298.4	75.4	304.1
Subordinated liabilities	–	–	–	–	655.1	730.2	–	–

Breakdown by balance-sheet item of trust transactions at third-party risk

in DM m	Group	Parent Bank
Claims on banks	9.8	9.8
Claims on customers	216.8	110.0
Bonds, notes and other fixed-income securities	2.4	–
Investments	1.1	–
Assets on a trust basis at third-party risk	230.1	119.8
Liabilities to banks	74.3	67.1
Liabilities to customers	155.8	52.7
Liabilities on a trust basis at third-party risk	230.1	119.8

Other assets

in DM m	Group	Parent Bank
Leased items	518.0	–
Premiums for options, caps, floors and collars	645.1	974.0
Collection items	1,013.9	993.8
Deferred item for foreign-currency trading, interest-rate futures and securities transactions	104.2	70.3
Claims on tax authorities	102.5	45.2
Other items	450.4	140.6
Total	2,834.1	2,223.9

Leasing business (Group)

as reflected in individual items

Balance sheet	in DM m
Other assets	518.0
Liabilities to banks	147.6
Liabilities to customers	31.4
Profit and loss account	in DM1,000
Write-downs of and adjustments to intangible and fixed assets	149,527
Other operating income	212,458

Other liabilities

in DM m	Group	Parent Bank
Premiums for options, caps, floors and collars	1,016.8	995.0
Interest payments for profit-sharing certificates	306.7	261.3
Interest payments for subordinated liabilities	156.2	140.5
Taxes and social-security contributions	201.8	197.5
Other operating expenses	65.8	46.6
Other items	378.4	92.4
Total	2,125.7	1,733.3

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Changes in book value of fixed assets and investments (Group)

in DM m

	Purchase price	Additions 1994 business year	Disposals 1994 business year	Write-ups 1994 business year
	1	2	3	4
Investments	–	–	–	–
Holdings in associated companies	–	–	–	–
Investments in affiliated companies	–	–	–	–
Intangible assets	39.4	1.8	27.8	–
Fixed assets	2,669.5	880.5	177.4	0.0
including:				
land and buildings for the Bank's own use	–	–	–	–
office furniture and equipment	–	–	–	–

Changes in book value of fixed assets and investments (Parent Bank)

in DM m

	Purchase price	Additions 1994 business year	Disposals 1994 business year	Write-ups 1994 business year
	1	2	3	4
Investments	–	–	–	–
Investments in affiliated companies	–	–	–	–
Fixed assets	2,316.2	565.4	680.4	0.0
including:				
land and buildings for the Bank's own use	–	–	–	–
office furniture and equipment	–	–	–	–

In respect of subsidiaries included in the consolidated annual accounts, Commerzbank AG ensures that – except with regard to political risks – they are able to meet their contractual liabilities.

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Total write-downs	Net book value Dec. 31, 1994	Net book value previous year	Write-downs 1994 business year	Write-downs previous year
5	6	7	8	9
–	2,340.3	3,437.6	–	–
–	229.0	203.5	–	–
–	254.0	255.0	–	–
4.5	8.9	36.4	2.2	3.0
684.9	2,687.7	2,377.4	358.3	314.2
–	1,014.2	1,046.2	–	–
–	1,562.9	1,275.7	–	–

Total write-downs	Net book value Dec. 31, 1994	Net book value previous year	Write-downs 1994 business year	Write-downs previous year
5	6	7	8	9
–	1,592.2	2,817.7	–	–
–	3,511.8	2,901.0	–	–
517.7	1,683.5	2,055.5	308.0	279.9
–	220.7	799.6	–	–
–	1,408.8	1,203.0	–	–

Securities and financial assets

in DM m	Group			Parent Bank		
	total	negotiable on a stock exchange	listed on a stock exchange	total	negotiable on a stock exchange	listed on a stock exchange
Bonds, notes and other fixed-income securities	43,375.4	43,375.4	35,522.2	28,595.6	28,595.6	25,142.8
Shares and other variable-yield securities	3,714.1	3,590.2	3,073.8	2,432.5	2,410.6	1,901.0
Investments	2,340.3	1,252.7	827.7	1,592.2	635.8	210.8
Holdings in associated companies	229.0	53.7	45.7	–	–	–
Investments in affiliated companies	254.0	206.8	–	3,511.8	1,973.3	366.0

On the balance-sheet date, Group assets with a book value of DM4,273.2m (Parent Bank: DM3,617.0m) were pledged as collateral under

genuine sale and repurchase agreements, which related exclusively to open-market transactions conducted by the Bundesbank.

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Commerzbank shares held by the Group

	Number of shares	Nominal amount in DM	Percentage of share capital
Total number held at year-end	–	–	–
Highest number bought during business year	79,433	3,971,650	0.24
Commerzbank shares pledged to the Bank by customers, at year-end	351,658	17,582,900	1.05
Commerzbank shares bought during business year	2,982,488	149,124,400	
Commerzbank shares sold during business year	2,982,488	149,124,400	

Purchases and sales, effected at current prices throughout the year, served to ensure orderly market conditions for trading in Commerzbank shares. The average buying price was DM346.31,

the average resale price DM347.65. The proceeds from these transactions were re-allocated to working funds.

Subordinated liabilities

In the year under review, the Group's interest expenditure totalled DM330,206,000 (Parent Bank: DM288,765,000).

The issuers cannot be obliged to make premature repayment. In the event of bankruptcy or wind-

ing-up, subordinated liabilities may only be repaid after the claims of all senior creditors have been met. Such liabilities serve to reinforce the Bank's liable equity capital, in accordance with the provisions of the German Banking Akt-KWG.

Convertible profit-sharing certificates and similar securities outstanding

Year of issue	Nominal amount	Issuer	Interest payment	Expiry date	Special terms of issue
1993	DM200.0m	Commerzbank Overseas Finance N.V.	6.75%	1998	with option rights attached for subscription to Commerzbank AG shares

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Profit-sharing certificates outstanding within the Commerzbank Group

Year of issue	Nominal amount	Issuer	Interest payment	Expiry date	Special terms of issue
1985	DM425.0m	Commerzbank AG	8.25%	1995	Additional interest payment linked to dividend
1989	DM80.0m	former Berliner Commerzbank AG	8.00%	1999	
1989	DM200.0m	RHEINHYP Rheinische Hypothekenbank AG, Frankfurt	8.00%	1999	RHEINHYP has the right to call on Dec. 31, 1994 at the earliest, giving at least 2 years' notice
1990	DM500.0m –DM0.9m (converted 1991) –DM0.1m (converted 1992) –DM1.3m (converted 1993) –DM96.8m (converted 1994) DM400.9m	Commerzbank AG	6.00%	2000	Additional interest payment linked to dividend, right of conversion into Commerzbank AG shares
1991	DM500.0m	Commerzbank AG	9.50%	2003	With option rights attached for subscription to Commerzbank shares
1992	DM30.0m	former Berliner Commerzbank AG	9.25%	2001	
1992	DM500.0m	Commerzbank AG	9.15%	2004	
1992	DM210.0m	RHEINHYP Rheinische Hypothekenbank AG, Frankfurt	9.00%	2004	RHEINHYP has the right to call on Dec. 31, 1997 at the earliest, giving at least 2 years' notice
1992	DM30.0m	Deutsche Schiffsbank AG, Bremen/Hamburg	10.00%	2004	
1992	DM20.0m	Hypothekenbank in Essen AG	8.40%	2002	
1992	DM10.0m	Hypothekenbank in Essen AG	9.15%	2004	
1993	DM800.0m	Commerzbank AG	7.25%	2005	With option rights attached for subscription to Commerzbank shares
1993	DM30.0m	Deutsche Schiffsbank AG, Bremen/Hamburg	6.75%	2006	
1993	DM30.0m	Hypothekenbank in Essen AG	7.00%	2005	
1993	DM10.0m	Hypothekenbank in Essen AG	7.50%	2004	
1994	DM500.0m	Commerzbank AG	8.00%	2006	With option rights attached for subscription to Commerzbank shares

Profit-sharing certificates serve to strengthen the Bank's liable equity capital in accordance with the provisions of the German Banking Act – KWG. They are affected directly by current losses. Inter-

est payments are made solely within the scope of the existing distributable profit. The claims of holders of profit-sharing certificates to repayment are subordinate to the claims of other creditors.

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Subscribed capital

in DM m

As of Dec. 31, 1993	1,440.6
From 1990's authorized capital increase in an original amount of DM30.0m (shares for issue to the Bank's staff) 55,667 shares at a price of DM350 per DM50 nominal share	2.8
From 1990's authorized capital increase in an original amount of DM125.0m 653,226 shares at a price of DM372 per DM50 nominal share	32.7
From 1992's authorized capital increase in an original amount of DM400.0m 3,000,000 shares at a price of DM316.63 per DM50 nominal share	150.0
From 1988's conditionally authorized capital increase in an original amount of DM120.0m (profit-sharing certificates with option rights) 480,000 shares at a price of DM298.40 per DM50 nominal share	24.0
From 1988's conditionally authorized capital increase in an amount of DM174.8m (convertible profit-sharing certificates) 484,328 shares of DM50 nominal	24.2
From 1991's conditionally authorized capital increase in an original amount of DM75.0m (profit-sharing certificates with option rights) 1,395 shares of DM50 nominal	0.1
From 1992's conditionally authorized capital increase in an original amount of DM175.0m (profit-sharing certificates with option rights) 4,989 shares of DM50 nominal	0.2
As of Dec. 31, 1994	1,674.6
issued as follows:	
193,000 shares of nominal DM1,000	
320,000 shares of nominal DM 100	
28,992,227 shares of nominal DM 50	

Authorized capital

in DM m

Year of AGM resolution	Original amount	Remaining amount	Authoriza- tion expires:	Conditions of issue
1990	125.0	92.3	1995	The Board may, with the approval of the Supervisory Board, exclude shareholders' subscription rights.
1990	30.0	9.9	1995	For issue of shares to the Bank's staff; subscription rights of other shareholders to be excluded.
1992	400.0	125.0	1997	Shareholders' subscription rights may be excluded only for fractional amounts and to offer subscription rights to holders of conversion or option rights.
1994	400.0	400.0	1999	Shareholders' subscription rights may be excluded for fractional amounts and to offer subscription rights to holders of conversion or option rights.
1994	30.0	30.0	1999	The Board may, with the approval of the Supervisory Board, exclude shareholders' subscription rights for the purpose of issuing shares to the Bank's staff.

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Changes in the Group's reserves

in DM m

	Carried forward on Jan. 1, 1994	Allocation from net income	Allocation during business year	Other change	As of Dec. 31, 1994
Capital reserve	3,407.2	–	1,316.5	–	4,723.7
Revenue reserves	3,043.8	600.0	–	–146.6	3,497.2
Legal reserve	6.0	–	–	–	6.0
Other revenue reserves	3,037.8	600.0	–	–146.6	3,491.2
Total	6,451.0	600.0	1,316.5	–146.6	8,220.9

As a result of the first consolidation of certain subsidiaries, the other changes of – DM146.6m include a difference in amount of DM132.8m on the assets side and one of DM5.3m on the liabilities side. Investments valued at equity for the first time contain a net difference in amount of DM2.2m on the assets side. Due to the removal of certain companies from the consolidation, a net difference in amount of DM1.5m on the assets

side from the previous year and one of DM5.8m on the liabilities side were withdrawn from the reserve arising from consolidation. Translation of the equity capital of subsidiaries and associated companies that is denominated in foreign currencies led to a reduction of DM7.6m. Adjustment to accounting and valuation regulations which apply universally throughout the Group gave rise to a withdrawal of DM5.0m.

Changes in the Parent Bank's reserves

in DM m

	Carried forward on Jan. 1, 1994	Allocation from net income for the year	Allocation during the business year	As of Dec. 31, 1994
Capital reserve	3,407.2	–	1,316.5	4,723.7
Revenue reserves	1,884.0	250.0	–	2,134.0
Legal reserve	6.0	–	–	6.0
Other revenue reserves	1,878.0	250.0	–	2,128.0
Total	5,291.2	250.0	1,316.5	6,857.7

Contingent liabilities and other commitments

in DM m

	Group	Parent Bank
Contingent liabilities on rediscounted bills of exchange	2,427.6	2,419.4
Liabilities from guarantees and indemnity agreements	24,996.6	21,051.0
Credit guarantees	3,629.7	2,385.9
Other guarantees	9,025.2	8,985.6
Letters of credit	4,695.6	4,662.6
Other items	7,646.1	5,016.9
Placement and underwriting commitments	706.6	184.9
Revolving underwriting facilities	188.7	184.9
Note issuance facilities	19.8	–
Other items	498.1	–
(Memo item: contingent liabilities actually drawn upon)	23.2	–)
Irrevocable credit commitments	42,644.8	35,976.2
Book credits to customers	32,108.9	25,948.5
Book credits to banks	3,298.7	2,815.2
Credits by way of guarantee	6,292.6	6,267.9
Letters of credit	944.6	944.6

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Assets pledged as security for the Bank's own liabilities

in DM m	Group	Parent Bank
Liabilities to banks	7,700.8	7,697.3
Liabilities to customers	2,798.8	2,798.8
Total assets pledged as security	10,499.6	10,496.1

Geographical breakdown of Group's revenues

in DM1,000

	Germany	Europe (excluding Germany)	North America	Asia
Interest income	13,533,437.7	4,180,528.2	823,970.6	478,351.3
Current income from shares and other variable-yield securities, investments, and investments in affiliated companies, profit-pooling and full or partial profit-and-loss transfer agreements	303,758.4	65,971.3	1,741.0	10.7
Commission income	1,728,890.1	161,946.3	25,812.7	28,934.1
Net income from financial transactions	11,809.7	97,559.0	- 3,495.0	- 1,280.4
Other operating income	348,958.8	17,562.4	1,913.5	2,952.9

Geographical breakdown of Parent Bank's revenues

in DM1,000

	Germany	Europe (excluding Germany)	North America	Asia
Interest income	9,376,122.7	2,035,098.0	811,958.0	405,543.0
Current income from shares and other variable-yield securities, investments, and investments in affiliated companies, profit-pooling and full or partial profit-and-loss transfer agreements	665,905.4	-	-	74.0
Commission income	1,586,599.0	27,574.0	12,486.0	14,524.0
Net income from financial transactions	11,307.5	- 10,569.0	- 3,495.0	3,777.0
Other operating income	115,132.4	8,219.0	2,390.0	1,643.0

Administrative and brokerage services

The principal administrative and brokerage services supplied to third parties are: safe custody and administration of securities, asset management, brokerage services for insurance and home loan savings contracts.

Important individual items from the profit and loss account

in DM m	Group	Parent Bank
Other operating expenses		
Allocations to reserves not relating to lending business	63.6	29.9
Allocations to guarantee fund for building loan associations	18.5	–
Expenses arising from leasing transactions	39.2	–
Losses arising from the sale of fixed assets	18.8	10.3
Other items	34.9	23.6
Total	175.0	63.8
Other operating income		
Income from leasing transactions	212.5	–
Income from building and architects' services	32.0	–
Income from the sale of fixed assets	10.8	7.0
Rent received from third parties	14.8	10.9
Write-backs of reserves not relating to lending business	33.9	30.5
Other items	67.4	79.0
Total	371.4	127.4

Taxes on income

All taxes on income relate to the results deriving from normal business operations. Through consolidation, a deferred tax item of DM1.9m has arisen on the liabilities side, for which the average tax rate of the foreign subsidiary has been taken as a basis.

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Other details

Pending forward transactions

in DM m

	Nominal amount Remaining life			Total	Market value
	under 1 year	1-5 years	more than 5 years		
Foreign currency-based forward transactions					
OTC products					
Foreign-exchange forward transactions	216,519	22,579	3,362	242,460	2,922
Currency swaps	1,142	8,920	3,071	13,133	1,141
Foreign-currency call options	22,688	2,188	–	24,876	14
Foreign-currency put options	21,798	2,103	–	23,901	
Other foreign-exchange contracts	–	–	–	–	–
Products traded on a stock exchange					
Currency futures	–	–	–	–	
Currency options	–	–	–	–	
Total	262,147	35,790	6,433	304,370	4,077
Interest-based futures transactions					
OTC products					
Future-rate agreements	96,762	1,974	–	98,736	191
Interest-rate swaps (same currency)	53,577	81,458	19,686	154,721	2,885
Call options on interest-rate futures	5,116	5,103	1,744	11,963	1,212
Put options on interest-rate futures	6,302	3,579	1,705	11,586	
Other interest contracts	3,969	771	385	5,125	144
Products traded on a stock exchange					
Interest-rate futures	9,773	273	–	10,046	
Interest-rate options	8,669	–	–	8,669	
Total	184,168	93,158	23,520	300,846	4,432
Other forward transactions					
OTC products					
Equity swaps	–	–	–	–	–
Equity call options	62	–	–	62	7
Equity put options	501	4	–	505	
Other equity contracts	–	–	–	–	–
Precious metal contracts	1,669	–	–	1,669	–
Other transactions	–	–	–	–	–
Products traded on a stock exchange					
Equity futures	29	–	–	29	
Equity options	–	–	–	–	
Other futures	–	–	–	–	
Other options	–	–	–	–	
Total	2,261	4	–	2,265	7
Total pending forward transactions					
OTC products	430,105	128,679	29,953	588,737	8,516
Products traded on a stock exchange	18,471	273	–	18,744	
Total	448,576	128,952	29,953	607,481	8,516

NOTES ON THE BANK'S ANNUAL ACCOUNTS

On the balance-sheet date, the immatured foreign-exchange, interest-related and other forward transactions shown opposite were out-

standing. These entail merely a counter-party risk or currency, interest and/or other market-price risks:

Breakdown of derivatives business by customer group

in DM m	Market value
OECD central governments	14
OECD banks	6,969
OECD financial institutions	148
Other companies, private individuals	980
Non-OECD central governments	11
Non-OECD banks	393
Non-OECD financial institutions	1
Total	8,516

The market values represent the sum totals of the positive amounts per contract, from which no pledged security has been deducted and without taking into account any netting agreements. The negative amounts per contract have not been calculated. As no counter-party risk exists, no market values are given for products traded on a stock exchange. By definition, no positive market values exist for options sold.

A substantial number of the transactions in the three specified categories are made in order to hedge the effects of fluctuations in interest rates, exchange rates and market prices. In addition, a substantial part is effected for trading purposes.

Average number of staff employed by the Bank during the year

	total		male		female	
Group	26,449	(27,106)	13,385	(13,676)	13,064	(13,430)
in Germany	24,716	(25,252)	12,432	(12,656)	12,284	(12,596)
abroad	1,733	(1,854)	953	(1,020)	780	(834)
Parent Bank	24,470	(25,635)	12,320	(12,414)	12,150	(13,221)
At companies included in the consolidation on a pro-rata basis, pursuant to Section 310 of the German Commercial Code (HGB)	1,068	(1,185)	832	(923)	236	(262)

The above figures include part-time workers with the time they actually worked. The time worked by this group is 61 % of the standard working time. The figures in parentheses take the part-time staff fully into account.

Not included in the full-time figures are the average number of apprentices undergoing training:

	total	male	female
Apprentices	1,729	754	975

NOTES ON THE BANK'S ANNUAL ACCOUNTS

The boards of the Parent Bank

Supervisory Board

Dr. Walter Seipp
Chairman
Hans-Georg Jurkat
Deputy Chairman
Reinhold Borchert
Erhard Bouillon
Uwe Foullong (since July 1, 1994)
Dr. Carl H. Hahn
Dr.-Ing. Otto Happel
Gerald Herrmann
Detlef Kayser
Dieter Klinger

Dr. Hans-Jürgen Knauer
Peter Kretschmer
Dr. Heinz Kriwet
Horst Sauer
Wolfgang Schmelz
Dr. Raban Frhr. v. Spiegel
Dr. Rolf Stoffel
Hermann Josef Strenger
Hans-Georg Stritter (until June 30, 1994)
Heinrich Weiss
Wolfgang Ziemann

Board of Managing Directors

Martin Kohlhausen
(Chairman)
Erich Coenen
Dietrich-Kurt Frowein
Peter Gloystein
Kurt Hochheuser

Jürgen Lemmer
Klaus-Peter Müller
Klaus Müller-Gebel
Jürgen Reimnitz
Axel Frhr. v. Ruedorffer
Jürgen Terrahe

Remuneration of Board members

The following remuneration was paid in 1994:

in DM1,000	Group	Parent Bank
Board of Managing Directors	13,059.6	12,339.9
Supervisory Boards	2,297.8	2,297.8
Retired Managing Directors and their dependents	7,854.9	7,854.9

At end-1994, provisions for pensions for retired Managing Directors and their surviving dependents totalled DM64,974,632; this amount fully covers our pension commitments towards this group.

Loans to Board members

At end-1994, the aggregate amount of advances and loans as well as contingent liabilities was as follows:

in DM1,000	Group	Parent Bank
Board of Managing Directors	7,663.6	6,303.9
Supervisory Boards	4,004.7	1,179.8

NOTES ON THE BANK'S ANNUAL ACCOUNTS

The mortgage banks included in the consolidation are reflected in the following items:

in DM m	end-1994	end-1993
Claims on banks		
mortgage loans	69.8	70.4
communal loans	19,116.3	8,697.0
Claims on customers		
mortgage loans	32,313.6	26,730.7
Deferred items (assets side)		
from issuing and lending business	582.6	314.0
other	7.1	9.3
Liabilities to banks		
registered mortgage bonds issued	600.4	295.4
registered public-sector mortgage bonds issued	1,110.6	531.7
including: given to lender as security for loans taken up:		
registered mortgage bonds	22.6	32.6
registered public-sector mortgage bonds	333.7	284.9
Liabilities to customers		
registered mortgage bonds issued	6,146.6	5,504.3
registered public-sector mortgage bonds issued	8,968.4	5,971.8
including: given to lender as security for loans taken up:		
registered mortgage bonds	387.8	386.4
registered public-sector mortgage bonds	709.0	682.2
Securitized liabilities		
mortgage bonds	13,695.7	12,185.5
public-sector mortgage bonds	34,443.3	18,130.1
Deferred items (liabilities side)		
from issuing and lending business	557.3	383.2
other	111.8	83.1

Leonberger Bausparkasse AG, which is included in the consolidation, is reflected in the following items on a pro-rata basis:

in DM m	end-1994	end-1993
Claims on banks		
Loans disbursed on building savings contracts	1.0	1.4
Claims on customers		
Allotted home loans (from building savings contracts)	1,492.7	1,404.9
for interim and bridging loans	1,097.0	1,199.1
Liabilities to banks		
Building loan savings deposits	10.5	0.9
Liabilities to customers		
Building loan savings deposits	2,413.2	2,394.3
including: on terminated contracts	7.0	5.6
on allotted contracts	28.7	25.0
Provisions		
Fund for covering disbursement commitments	61.1	42.6
in DM1,000	end-1994	end-1993
Interest income from lending and money-market transactions		
Loans disbursed on building savings contracts	77,507.7	88,720.3
Interim and bridging loans	90,693.7	97,785.0
Other home loans	1,109.0	1,306.7
Interest expenditure on building loan savings deposits		
	69,308.6	66,430.6
Commissions received		
from contracts concluded and business passed on	29,470.1	31,829.5
from arranging loans after allotment	8,062.8	7,190.5
from provision and processing of interim and bridging finance	3,091.2	2,968.7
Commissions paid		
for conclusion of contracts and business passed on	38,248.1	40,681.1

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Types of cover used by mortgage banks included in the consolidation

in DM m

Mortgage bonds	
Ordinary cover	
Claims on customers Mortgage loans	20,075.2
Fixed assets Land charges on own land and buildings	111.5
	20,186.7
Supplementary cover	
3.00% recovery claims on federal and Länder authorities	0.2
Bonds and other fixed-income securities	83.3
	20,270.2
Total cover	19,483.3
Total mortgage bonds requiring cover	786.9
Public-sector mortgage bonds	
Ordinary cover	
Claims on banks Communal loans	18,236.2
Claims on customers Mortgage loans	1,032.2
Communal loans	24,901.2
	44,169.6
Supplementary cover	
Other claims on banks	380.0
Bonds and other fixed-income securities	495.0
Recovery claims on federal and Länder authorities, incl. bonds received in exchange for them	18.8
	45,063.4
Total cover	43,066.3
Total public-sector mortgage bonds requiring cover	1,997.1

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Information pursuant to Section 28 of the German Mortgage Bank Act – HBG relating to the mortgage banks which are included in the consolidation

Mortgages used as cover for mortgage bonds

Classified according to size	number	in DM m
up to DM 100,000	39,454	2,203.5
up to DM 1,000,000	43,606	8,788.8
more than DM 1,000,000	2,166	9,123.7
	85,226	20,116.0

Breakdown, by state

	number	in DM m
Baden-Württemberg	6,590	1,313.0
Bavaria	3,919	1,145.7
Berlin	2,396	1,967.4
Brandenburg	164	111.4
Bremen	1,134	219.4
Hamburg	3,068	891.3
Hesse	7,961	2,339.6
Lower Saxony	9,768	1,664.5
Mecklenburg-Western Pomerania	99	62.7
North Rhineland-Westphalia	39,439	7,715.7
Rhineland-Palatinate	3,209	703.9
Saarland	1,100	142.6
Saxony	539	279.6
Saxony-Anhalt	345	253.2
Schleswig-Holstein	5,210	705.1
Thuringia	152	107.0
Domestic	85,093	19,622.1
Denmark	1	29.5
France	16	24.5
Luxembourg	28	8.5
Netherlands	22	127.4
Spain	51	231.3
Sweden	2	25.2
United Kingdom	13	47.5
States of the European Union	133	493.9
Total	85,226	20,116.0

The mortgages entered into the cover register for mortgage bonds relate to:

	in DM m
Land used for commercial purposes	6,412.2
Land used for residential purposes	13,359.0
Building plots	37.1
Unfinished new buildings, not yet generating earnings	307.7
	20,116.0

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Compulsory sales/sequestrations

As of Dec. 31, 1994

	Commercial premises	Residential premises	Total
Properties subject to enforcement proceedings	55	391	446
of which: compulsory sales	17	244	261
sequestrations of property	10	16	26
compulsory sales and sequestrations	28	131	159
Compulsory sales effected in 1994	13	150	163

In the 1994 business year, the mortgage banks within the Commerzbank Group did not take possession of any property in order to avoid losses stemming from their lending.

Interest arrears

Interest arrears on mortgage business totalled DM22.8m, of which DM6.2m relates to residential premises and DM16.6m to commercial premises.

in DM m

Repayments of mortgages	2,564.2
of which: scheduled repayments	1,574.9
extraordinary repayments	989.3

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Information pursuant to Section 26 of the German Ship Bank Act for Deutsche Schiffsbank AG, which has been included in the consolidation (all DM figures on a pro-rata basis)

On the balance-sheet date, loans amounting to DM1,002.8m were entered into the cover register. They break down as follows:

	total loans		foreign loans	
	number	DM m	number	DM m
up to DM100,000	104	1.4	–	–
DM100,000 to DM1,000,000	208	41.7	25	6.5
more than DM1,000,000	522	959.7	168	417.0
	834	1,002.8	193	423.5
of which: secured by				
vessels for inland waterways	147	13.3	–	–
coastal vessels	295	244.6	29	23.9
sea-going vessels	391	744.1	164	399.6
sea-going vessels under construction	1	0.8	–	–
	834	1,002.8	193	423.5

In the year under review, the bank was involved in six compulsory sale proceedings:

	inland navigation	sea and coastal navigation (of which, at the bank's instigation)	total
Completed proceedings	–	2 (2)	2
Pending proceedings	–	4 (3)	4

No vessels, either finished or under construction, were taken possession of in order to prevent losses. At end-1994, the ship communal loans outstanding, which totalled DM448.4m (each of them over DM1m), had all been entered into the cover register.

After precautionary write-downs of DM117,700, no interest arrears are shown as of end-1994.

in DM m

Repayments of ship mortgage loans	400.4
of which: scheduled repayments	241.7
extraordinary repayments	158.7

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Effects of including more companies in the consolidation

There has been a substantial increase in the number of companies included in the consolidation. Without this increase, the most important items in the consolidated balance sheet would appear as follows:

Consolidated balance sheet

in DM m

Claims on banks	78,327.9
Claims on customers	177,188.3
Bonds and other fixed-income securities	41,037.9
Liabilities to banks	82,021.2
Liabilities to customers	132,606.5
Securitized liabilities	76,704.0

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Holdings in affiliated and other companies

Affiliated companies included in the consolidation

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %	Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency	
Atlas-Vermögensverwaltungs-Gesellschaft mbH	Düsseldorf	100.0		DM 350,184	0	2)
Bankhaus Bauer Aktiengesellschaft	Stuttgart	100.0	33.3	DM 13,604	77	1)
Berliner Commerz Beteiligungsgesellschaft mbH	Berlin	100.0		DM 31,000	0	2)
Berliner Commerz Grundstücks- und Verwaltungsgesellschaft mbH	Berlin	100.0		DM 3,300	0	2)
Blue Jay Investments Ltd.	Dublin	100.0		DM 109,694	- 941	
Caisse Centrale de Réescorpte	Paris	96.8		Ffr 467,315	60,226	
CB Clearing, Inc.	Wilmington/Delaware	62.5		US\$ - 3,952	- 1,658	
CB Finance Company B.V.	Amsterdam	100.0		Dfl 36,080	13,789	
Commerzbank Overseas Finance N.V.	Curaçao	100.0	100.0	DM 13,242	11,210	
Colymbus Investments	Dublin	100.0		DM 27,197	- 69	
ComDirect Bank GmbH	Quickborn	100.0		DM 25,000	0	1)2)
Commerz Beteiligungsgesellschaft mbH	Bad Homburg v.d.H.	100.0		DM 1,001	0	2)
Commerz Financial Products GmbH	Frankfurt am Main	80.0		DM 27,607	- 17,393	1)
Commerz Financial Products S.A.	Paris	100.0	100.0	Ffr 30,481	- 3,518	1)
Commerz Finanz-Management GmbH	Frankfurt am Main	100.0		DM 606	0	2)
Commerz Grundbesitz-Investmentgesellschaft mbH	Wiesbaden	75.0		DM 15,501	7,157	
Commerz Immobilien GmbH (Sub-Group)	Frankfurt am Main	100.0		DM 2,574	0	2)5)
Atlanta Immobilien Inc.	Atlanta	100.0	100.0			
Atlanta Immobilien Ltd. Partnership I	Atlanta	99.0	99.0			
Dr. Tripathi/Dr. Niesslein KG i.L.	Frankfurt am Main	55.0	55.0			
Erste CIMO Grundstücks- und Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	100.0	100.0			
GbR Leipziger Strasse/Quartier 108	Berlin	95.0	95.0			
Immobilien-gesellschaft von Burkersroda Objekt Zwei KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft von Burkersroda Objekt Vier KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft von Burkersroda Objekt Fünf KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft von Burkersroda Objekt Sechs KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft von Burkersroda Objekt Sieben KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft von Burkersroda Objekt Acht KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft Alpha Niesslein KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft Beta von Burkersroda KG	Frankfurt am Main	100.0	100.0			
Immobilien-gesellschaft Delta Niesslein KG	Frankfurt am Main	100.0	100.0			

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Affiliated companies included in the consolidation

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
Immobilien-Gesellschaft Gamma von Burkersroda KG	Frankfurt am Main	100.0	100.0			
Immobilien-Gesellschaft Markt Leipzig GmbH	Leipzig	75.0	75.0			
Immobilien-Gesellschaft Markt Leipzig GmbH & Co. Projektentwicklungs KG	Frankfurt am Main	74.0	74.0			
Zweite CIMO Grundstücks- und Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	100.0	100.0			
Commerz International Capital Management GmbH	Frankfurt am Main	100.0		DM	23,134	6,296
CICM Fund Management Ltd.	Dublin	100.0	100.0	DM	4,389	3,623
CICM (Ireland) Ltd.	Dublin	75.0	75.0	DM	4,410	3,915
Commerz International Capital Management (Japan) Ltd.	Tokyo	100.0	100.0	¥	145,408	-29,094
Commerzbank Capital Markets Corporation	New York	100.0		US\$	22,167	-2,079
Commerzbank Europe (Ireland) Unlimited	Dublin	100.0		DM	400,022	22
Commerzbank International S.A.	Luxembourg	100.0		DM	1,718,400	375,000
CB German Index Fund Management Company S.A.	Luxembourg	100.0	100.0	Lfr	7,601	307
Commerzbank Investment Management GmbH	Frankfurt am Main	100.0		DM	9,300	2,100
Commerzbank U.S. Finance, Inc.	Wilmington/Delaware	100.0		US\$	154	-3
Commerzbank (Budapest) R.t.	Budapest	100.0		Ft	3,408,751	202,031
Commerzbank (Nederland) N.V.	Amsterdam	100.0		Dfl	237,390	12,110
Commerz (East Asia) Ltd.	Hong Kong	100.0	100.0	DM	79,927	-73
Commerzbank (Switzerland) Ltd	Zurich	100.0		Sfr	103,054	16,253
CB Fondsleitung AG	Zurich	100.0	100.0	Sfr	87	-420
Commerzbank (South East Asia) Ltd.	Singapore	100.0		S\$	134,588	27,270
CommerzLeasing GmbH (Sub-Group)	Düsseldorf	100.0		DM	86,276	0
CFB Commerz Fonds Beteiligungsgesellschaft mbH	Düsseldorf	100.0	100.0			
Coba Vermögensverwaltungsgesellschaft mbH	Düsseldorf	100.0	100.0			
CommerzBaucontract GmbH	Düsseldorf	100.0	100.0			
CommerzBaumanagement GmbH	Düsseldorf	100.0	100.0			
Commerz Immobilien Vermietungsgesellschaft mbH	Düsseldorf	100.0	100.0			
Commerzkommunalbau GmbH	Düsseldorf	100.0	100.0			
CommerzLeasing Anlagen-Vermietungsgesellschaft mbH	Düsseldorf	100.0	100.0			
NESTOR GVG mbH	Düsseldorf	100.0	100.0			
NESTOR GVG mbH & Co. Objekt Hamme KG	Düsseldorf	100.0	100.0			
NESTOR GVG mbH & Co. Objekt Wiemelhausen KG	Düsseldorf	100.0	100.0			
NEUTRALIS GVG mbH	Düsseldorf	100.0	100.0			
NOLICA GVG mbH	Düsseldorf	100.0	100.0			

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NOTES ON THE BANK'S ANNUAL ACCOUNTS

Affiliated companies included in the consolidation

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %	Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency	
NORA GVG mbH	Düsseldorf	100.0	100.0			
NORA GVG mbH & Co. Objekt Koblenz KG	Düsseldorf	100.0	100.0			
NORA GVG mbH & Co. Objekt Fürth KG	Düsseldorf	5.0	5.0			4)
NORA GVG mbH & Co. Objekt Lampertheim KG	Düsseldorf	100.0	100.0			
NORA GVG mbH & Co. Objekt Troisdorf KG	Düsseldorf	100.0	100.0			
NOSCO GVG mbH	Mainz	100.0	100.0			
NOSCO GVG mbH & Co. Objekt Alzey KG	Mainz	100.0	100.0			
NOTARIA GVG mbH	Düsseldorf	100.0	100.0			
NOVELLA GVG mbH	Düsseldorf	100.0	100.0			
NUMERIA GVG mbH	Düsseldorf	100.0	100.0			
NUMERIA GVG mbH & Co. Objekt Waldkraiburg KG	Düsseldorf	100.0	100.0			
NUMERIA GVG mbH & Co. Objekt Hückelhoven KG	Düsseldorf	100.0	100.0			
PATELLA GVG mbH	Düsseldorf	100.0	100.0			
PATELLA GVG mbH & Co. Objekt Heizkraftwerk Lutherstadt-Wittenberg KG	Düsseldorf	100.0	100.0			
SECUNDO GVG mbH	Düsseldorf	100.0	100.0			
TERTIO GVG mbH	Düsseldorf	100.0	100.0			
C. Portmann	Frankfurt am Main	100.0		DM 1,500	98	
GERAP Grundbesitz- und Verwaltungsgesellschaft mbH	Frankfurt am Main	95.0		DM 92	42	
Hildegund Ltd.	London	100.0		£ -1,512	-1,038	
Hypothekbank in Essen AG	Essen	51.0		DM 333,725	25,725	1)
Ice Diver Investments Ltd.	Dublin	100.0		DM 95,115	-726	
Immobilien-Gesellschaft Ost Hägle & Co. KG	Frankfurt am Main	100.0		DM 100	-4	
Hägle Immobilien-Ost Ingatlanforgalmi Kft.	Budapest	100.0	100.0	Ft -51,605	59,455	
Immobilien-Gesellschaft Ost Hägle spol. s.r.o.	Prague	100.0	100.0	Kčs -1,412	-775	
L.I.A. Leasinggesellschaft für Immobilien und Anlagegüter mbH (Sub-Group)	Düsseldorf	100.0	0.1	DM 1,512	0	2)
Actium Leasobjektgesellschaft mbH	Frankfurt am Main	100.0	100.0			
ALA Vermietungsgesellschaft mbH	Düsseldorf	100.0	100.0			
Albus Leasobjekt Gesellschaft mbH	Düsseldorf	100.0	100.0			
Emesia Leasobjekt Gesellschaft mbH	Düsseldorf	100.0	100.0			
Elimo Vermietungsgesellschaft mbH	Düsseldorf	100.0	100.0			
Rivus Leasobjekt Gesellschaft mbH	Düsseldorf	100.0	100.0			
OLEANDRA GVG mbH & Co., Objekt Jupiter KG	Düsseldorf	100.0		DM 20	-760	1)
OLEANDRA GVG mbH & Co., Objekt Neptun KG	Düsseldorf	100.0		DM 20	-514	1)
OLEANDRA GVG mbH & Co., Objekt Pluto KG	Düsseldorf	100.0		DM 20	-1,429	1)
OLEANDRA GVG mbH & Co., Objekt Venus KG	Düsseldorf	100.0		DM 20	-665	1)
OLEANDRA GVG mbH & Co., Objekt Uranus KG	Düsseldorf	100.0		DM 20	-1,903	1)
PMC Personal Management Consult GmbH	Frankfurt am Main	100.0		DM 500	0	2)

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Affiliated companies included in the consolidation

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
RHEINHYP Rheinische Hypothekenbank Aktiengesellschaft	Frankfurt am Main	97.5		DM	1,221,107	109,083
RHEINHYP Europe plc	Dublin	100.0	100.0	DM	100,578	580
Strix Investments Ltd.	Dublin	100.0	100.0	DM	99,315	-1,327
WESTBODEN-Bau- und Verwaltungsgesellschaft mbH	Frankfurt am Main	100.0	100.0	DM	335	0
CASIA Grundstücks- Vermietungs- und Verwaltungsgesellschaft mbH	Düsseldorf	100.0	100.0	DM	55	1
Sigurd EBS Ltd.	London	100.0		US\$	-2,808	-2,906
Stampen S.A.	Brussels	99.4		Bfr	364,154	-40,860
von der Heydt-Kersten & Söhne	Wuppertal-Elberfeld	100.0		DM	10,000	421

Companies included in the consolidation on a pro-rata basis

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
Deutsche Schiffsbank Aktiengesellschaft	Bremen/Hamburg	40.0		DM	219,750	18,750
Leonberger Bausparkasse Aktiengesellschaft	Leonberg	40.1		DM	383,446	20,750

Associated companies included in the consolidation at equity

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency	Difference arising from consolidation
ADIG Allgemeine Deutsche Investment-Gesellschaft mbH	Munich/ Frankfurt am Main	41.7	1.0	DM	130,387	4,128	7)
ADIG-Investment Luxembourg S.A.	Luxembourg	37.5		DM	132,942	33,587	
Commerz Securities (Japan) Company Ltd.	Hong Kong/Tokyo	60.0		DM	12,758	-8,868	
Commerz Unternehmensbeteiligungs-Aktiengesellschaft	Frankfurt am Main	50.0		DM	63,440	1,820	
C + D Leasingsservice GmbH	Düsseldorf	50.0	50.0	DM	1,500	-1,611	
Europartners Holding S.A.	Luxembourg	50.0	1.3	Lfr	69,765	7,824	
FABA Vermietungsgesellschaft mbH	Düsseldorf	40.0	40.0	DM	50	-7,813	
GBB Gewerbebau-Beratung GmbH	Frankfurt am Main	45.0	45.0	DM	-179	1,005	
GbR Wohnungsbau Saarmund	Frankfurt am Main	50.0	50.0	DM	50	0	250 A 1)
Hispano Commerzbank (Gibraltar) Ltd.	Gibraltar	49.9		£	5,407	113	

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Associated companies included in the consolidation at equity

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency	Difference arising from consolidation
ILV Immobilien-Leasing Verwaltungsgesellschaft Düsseldorf mbH	Düsseldorf	50.0		DM	55,002	0	2)
Internationale Leasing-Gesellschaft S.A.	Luxembourg	50.0	50.0	Lfr	16,288	804	
Karl Baumgartner + Partner Consulting KG	Sindelfingen	50.0		DM	813	-51	
Korea International Merchant Bank	Seoul	20.3		Won	112,420,300	19,975,800	
Liegenschaft Hainstrasse GbR	Frankfurt am Main	50.0	50.0	DM	6,310	0	
MIPA Müller Verwaltungs-GmbH	Düsseldorf	31.3	31.3	DM	20,030	6,268	
Partner Immobiliendienst-GmbH	Wiesbaden	24.0	24.0	DM	6,001	136	
P.T. Bank Finconesia	Jakarta	20.0		Rp.	55,592,162	3,602,893	559,186 L 1)

A = assets-side difference; P = liabilities-side difference

Other prominent companies not included in the consolidation

Company name	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
Aktiengesellschaft Kühnle, Kopp & Kausch	Frankenthal	20.4		DM	22,581	-34,569
Almüco Vermögensverwaltungsgesellschaft mbH	Munich	25.0		DM	253,412	24,164
Buderus Aktiengesellschaft	Wetzlar	13.7		DM	455,872	34,488
Frega Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	40.0		DM	202,304	3,552
Linotype-Hell Aktiengesellschaft	Eschborn	6.7	6.7	DM	298,925	-142,918
Karstadt Aktiengesellschaft	Essen	10.3		DM	2,298,357	159,200
Kühltransit-Aktiengesellschaft	Hamburg	5.1		DM	4,538	-370
Linde Aktiengesellschaft	Wiesbaden	10.2		DM	2,715,154	150,028
Mineralbrunnen Überkingen-Teinach AG	Bad Überkingen	10.1		DM	243,238	19,327
Möbel Walther Aktiengesellschaft	Gründau	8.7		DM	152,143	13,164
Phoenix Aktiengesellschaft	Hamburg	9.8		DM	285,893	-10,866
Regina Verwaltungsgesellschaft mbH	Munich	25.0		DM	663,525	34,640
MAN Aktiengesellschaft	Munich	6.5	6.5	DM	2,775,848	117,918
Salamander Aktiengesellschaft	Kornwestheim	10.7		DM	362,712	20,583
Schweizer Electronic AG	Schramberg	10.1		DM	44,118	-1,356
Turbon International AG	Wuppertal	13.0		DM	59,720	4,420
Thyssen Aktiengesellschaft	Düsseldorf	5.0	5.0	DM	4,091,000	0
Unibanco Holdings S.A.	São Paulo	25.6		R\$	236,889	-
WinCom Versicherungs-Holding Aktiengesellschaft	Frankfurt am Main	25.0		DM	10	-90
DBV Holding Aktiengesellschaft	Wiesbaden	12.5	12.5	DM	788,448	42,661

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Less important affiliated companies not included in the consolidation

Company	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %	
Atlas Participações S/C Ltda.	São Paulo	100.0	100.0	
Aussenhandel-Förderungsgesellschaft mbH	Düsseldorf	100.0		
B + P Vermögensverwaltungsgesellschaft mbH	Sindelfingen	50.0		
Beteiligungsgesellschaft für Industrie und Handel mbH	Frankfurt am Main	50.0		
BeVerwal Beteiligung- und Verwaltungsgesellschaft mbH	Frankfurt am Main	25.0		
Blue Crane Investments Ltd.	Dublin	100.0	100.0	
C C R – Gestion	Paris	98.8	98.8	
C C R – Titrisation	Paris	33.3	33.3	
Centrale G	Paris	99.8	99.8	
Centrale H	Paris	99.8	99.8	
CGY Reifenhandel GmbH	Cologne	66.7	66.7	
Commercium Vermögensverwaltungs-gesellschaft m.b.H.	Hamburg	100.0		
Commerz Argeus Fonds N.V.	Amsterdam	0.3	0.3	4)
Commerz Benacus Fonds N.V.	Amsterdam	0.3	0.3	4)
Commerz Cea Fonds N.V.	Amsterdam	47.8	47.8	4)
Commerz Delos Fonds N.V.	Amsterdam	75.0	75.0	4)
Commerz Elea Fonds N.V.	Amsterdam	63.4	63.4	4)
Commerz Floreo Fonds N.V.	Amsterdam	23.2	23.2	4)
Commerz Service Gesellschaft für Kundenbetreuung GmbH	Frankfurt am Main	100.0		
Commerzbank Properties South Africa Pty. Ltd.	Johannesburg	100.0		
Commerzbank Rio de Janeiro Serviços Ltda.	Rio de Janeiro	100.0		
Commerzbank São Paulo Serviços Ltda.	São Paulo	100.0		
Daub Backofenbau GmbH	Hamburg	75.2	75.2	
Exploitatiemaatschappij Wijkertunnel C.V.	Amsterdam	33.3	33.3	
Fides Trust Company Ltd.	Luxembourg	100.0	10.0	
Franz Daub u. Söhne (GmbH u. Co.)	Hamburg	75.1	75.1	
HBE Grundbesitzverwaltungs- und Verwertungsgesellschaft mbH	Essen	100.0	100.0	
Hamburgische Grundstücks Gesellschaft m.b.H.	Hamburg	100.0		
Handelsgest S.A.R.L.	Luxembourg	100.0	25.0	
Hibernia Alpha Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Beta Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Gamma Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Delta Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Eta Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Zeta Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Sigma Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Hibernia Omega Beteiligungsgesellschaft mbH	Frankfurt am Main	100.0		
Indugest S.A.R.L.	Luxembourg	100.0	25.0	

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Less important affiliated companies not included in the consolidation

Company	Domicile	Share of capital held by Commerz- bank, in %	of which held indi- rectly, %
GFW Gesellschaft zur Förderung von Wohneigentum mbH	Leipzig	100.0	100.0
Leonberger Immobilien GmbH	Leonberg	100.0	100.0
NEB Shipping Co.	Monrovia	100.0	100.0
Neuma Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	69.0	
Norddeutsche Immobilien- und Verwaltungs-GmbH	Hamburg	100.0	
Omega Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	100.0	1.0
REGINA Finanz- und Versicherungsvermittlung GmbH	Berlin	100.0	100.0
Schiffsbetriebsgesellschaft Bremen mbH	Bremen	50.0	50.0
Schunk GmbH	Heuchelheim	51.0	51.0
Sigma Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	100.0	1.0
Société Centrale de Gestion	Paris	98.8	98.8
Wijkertunnel Beheer III B.V.	Amsterdam	100.0	

Less important associated companies not valued at equity in the Group balance sheet

Company	Domicile	Share of capital held by Commerz- bank, in %	of which held indi- rectly, %
AV America Grundbesitz- verwaltungsgesellschaft mbH	Frankfurt am Main	25.0	
CGT Canada Grundbesitz Treuhand GmbH	Frankfurt am Main	20.0	
Commerzbank Aktiengesellschaft von 1870 i.L.	Hamburg	37.9	
Deutsche Canada-Grundbesitz- Verwaltungsgesellschaft mbH i.L.	Frankfurt am Main	20.0	
Deutsche Gesellschaft für Immobilienanlagen "America" mbH	Bad Homburg v.d.H.	25.0	
DSD Dillinger Stahlbau GmbH	Saarlouis	30.0	30.0
DSD International Contractors S.A.R.L.	Esch	30.1	30.1
DSD Lufttechnik und Anlagebau AG	Schlieren	29.6	29.6
Eisen-Rieg Aktiengesellschaft	Darmstadt	23.8	23.8
Filmkreditreuhand GmbH	Berlin	20.0	
Gesellschaft für Kreditsicherung mbH	Cologne	26.7	
Hostra Beteiligungsgesellschaft mbH	Düsseldorf	33.3	
Kaufring Beteiligungsgesellschaft GbR	Frankfurt am Main	50.0	50.0
Kautex Werke Reinold Hagen AG	Bonn	40.0	40.0
KVH Kreditverwaltungsgesellschaft Hamburg mbH	Halstenbek	40.0	
Lincas Electro Vertriebs-Gesellschaft mbH	Berlin	25.0	
The World Markets Company GmbH	Frankfurt am Main	25.2	

NOTES ON THE BANK'S ANNUAL ACCOUNTS

Less important associated companies not valued at equity in the Group balance sheet

Company	Domicile	Share of capital held by Commerzbank, in %	of which held indirectly, %
UBAE Arab German Bank S.A. i.L.	Luxembourg	25.1	
Willi Vogel Beteiligungsgesellschaft mbH	Berlin	22.5	22.5
Wirtschaftspartner Beteiligungsgesellschaft mbH, Berlin	Berlin	20.9	
Wohnstättengesellschaft Mark GmbH	Lüdenscheid	21.8	21.8

- ¹⁾ First included in the Group's annual accounts in 1994;
- ²⁾ Profit-and-loss transfer agreement;
- ³⁾ Jointly managed with another company holding identical stake;
- ⁴⁾ Affiliated company due to majority of voting rights and sole management;
- ⁵⁾ As of Jan. 1, 1995 transferred to CommerzLeasing und Immobilien GmbH;
- ⁶⁾ Renamed CommerzLeasing und Immobilien GmbH;
- ⁷⁾ Short business year from July 1 to Dec. 31, 1994;
- ⁸⁾ Shares held indirectly via Thyssen Beteiligungsverwaltungsgesellschaft mbH.

Translation rates (in DM for 100 units)

Bfr	4.8651	Rp.	4.95
R\$	185.05	¥	1.5538
Sfr	118.2	Won	0.2
Kcs	5.55	Lfr	4.8651
Ffr	28.977	Dfl	89.293
£	242.07	S\$	106.2
Ft	1.369	US\$	154.88

Frankfurt am Main, March 8, 1995

The Board of Managing Directors

The image shows three rows of handwritten signatures in blue ink. The first row has four signatures, the second row has four signatures, and the third row has three signatures.

Auditors' Certificate

The accounting and the annual financial statements of both the Parent Bank and the Commerzbank Group, which we have audited in accordance with professional standards, comply with the German legal provisions. With due regard to the generally accepted accounting principles, the annual financial statements of the Parent Bank and the Commerzbank Group give a true and fair view of the company's assets, liabilities, financial position and profit or loss. The report on the current situation of Commerzbank Aktiengesellschaft and the Commerzbank Group is consistent with both the

Parent Bank's and the consolidated annual financial statements.

Frankfurt am Main, March 9, 1995

C & L TREUARBEIT
 DEUTSCHE REVISION
 Aktiengesellschaft
 Wirtschaftsprüfungsgesellschaft
 Steuerberatungsgesellschaft

Windmüller
 Wirtschaftsprüfer
 (German public
 accountant)

Rönberg
 Wirtschaftsprüfer
 (German public
 accountant)

● Report of the Supervisory Board

In 1994, the Supervisory Board carried out its duties under the law and the Bank's statutes, supervising the conduct of the Bank's affairs.

The Board of Managing Directors provided the Supervisory Board with regular reports on the situation and development of both the Parent Bank and the Group, as well as on business policy and basic management issues. Particular attention was devoted to macroeconomic performance and current developments in the capital markets.

The Supervisory Board fulfilled its duties in plenary sessions and through its committees. Plenary sessions were primarily used to deal with questions of business policy and also the development of the Bank's balance sheet and earnings performance. The Presiding Committee of the Supervisory Board regularly monitored the progress of the Bank's business. It received reports on the performance of the various banking departments and on the findings of the Bank's internal auditing. It discussed strategic goals, business performance and individual items of significance with the Board of Managing Directors, including the Bank's involvement in the futures markets and in financial derivatives.

The Loans Committee dealt with those lending commitments which it is required to review by law and by the Bank's statutes, as well as with credits involving an enhanced degree of risk. In addition, it monitored the acquisition and disposal of investments, including the founding of companies, as the Presiding Committee also did to some extent. Insofar as is required by law and by the Bank's statutes, the Loans Committee also approved such transactions. The Social Welfare Committee focused on basic personnel and social welfare issues concerning the employees. The committees reported on their activities at the plenary sessions.

The Chairman of the Supervisory Board was constantly and promptly informed about all the important events within the Group. Among other things, he received the minutes of each meeting of the Board of Managing Directors together with the relevant documents. In order to ensure a steady flow of information and an exchange of opinions between the Supervisory Board and the Board of Managing Directors, the chairmen of the two boards held regular discussions.

The Bank's Annual Accounts, Financial Statement and the Report on both the Parent Bank's and the Group's Performance, together with the books of account, for the period from January 1 to December 31, 1994, have been examined by the auditors, C&L Treuarbeit Deutsche Revision Aktiengesellschaft, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Frankfurt am Main, and carry their unqualified legally prescribed certification. All members of the Supervisory Board received the details of the annual accounts and the Annual Report in good time for the relevant board meeting. All members had the opportunity to inspect the auditors' reports; moreover, the auditors were available to answer questions while the Supervisory Board was dealing with the accounts. The Supervisory Board has signified its agreement with the results of the audit. Within the scope of the legal provisions, it has examined the Annual Accounts and Financial Statement of both the Parent Bank and the Group, the Management Report, and the proposal of the Board of Managing Directors as to the appropriation of the distributable profit, and has found no cause for objection.

The Supervisory Board has approved the Annual Accounts and the Financial Statement presented by the Board of Managing Directors, which accordingly may be regarded as adopted. It concurs with their proposal as to the profit appropriation.

As of June 30, 1994, Hans-Georg Stritter resigned from the Supervisory Board. He was replaced by Uwe Foullong, who had been elected by the employees.

On January 27, 1995, the Honorary Chairman of the Supervisory Board, Paul Lichtenberg, died in his 84th year. His connection with Commerzbank stretches back over more than six decades. He rose from being an apprentice to the position of Chairman of the Board of Managing Directors and later Chairman of the Supervisory Board. He was active on the Supervisory Board from 1976 to 1988, after which he became its Honorary Chairman. At all times, he was a wise counsellor and a dedicated member of our Bank. Paul Lichtenberg has achieved great things for Commerzbank. We all owe him a large debt of gratitude.

Frankfurt am Main, March 27, 1995

The Supervisory Board

A handwritten signature in blue ink, appearing to be 'L. Lichtenberg', written in a cursive style.

Chairman

● Regional Advisory Committees

● Baden-Württemberg

- Dr. Reinhard Bauer
Chairman of the Board of Managing Directors
Paul Hartmann AG
Heidenheim (Brenz)
- Heinz Georg Baus
Chairman of the Board of Directors
Bauhaus AG, Zurich
Mannheim
- Karl Heinz Danzer
General Partner
Danzer KG
Reutlingen
- Dipl.-Ing. (FH) Klaus Fischer
Managing Partner
fischer Group
Waldachtal
- Dipl.-Ing. Jörg Menno Harms
Chairman of the Executive Board
Hewlett-Packard GmbH
Böblingen
- Dieter Hebel
General Manager
Schwäbisch Gmünder Ersatzkasse
GEK
Schwäbisch Gmünd
- Dipl.-Wirtsch.-Ing.
Dr. Ulrich Heidemann
Baden-Baden
- Herfried Heisler
Lawyer
Chief Manager
Verband der Metallindustrie
Baden-Württemberg e.V. and
Landesvereinigung
Baden-Württembergischer
Arbeitgeberverbände e.V.
Stuttgart
- Reinhold Hendricks
Member of the Board of Managing Directors
Allianz Lebensversicherungs-AG
Stuttgart
- Professor Dr. Brun-Hagen Hennerkes
Lawyer
Stuttgart
- Dipl.-Ing. Dr. Rolf H. Hönninger
General Manager
Steiff Beteiligungs-
gesellschaft mbH and
Margarete Steiff GmbH
Giengen (Brenz)
- Michael Huggle
Deputy Chairman of the Board of Managing Directors
Schiesser AG
Radolfzell
- Dr. Rudolf Köberle
Chairman of the Executive Board
Hukla-Werke GmbH
Matratzen- und Polstermöbel-
fabriken
Gengenbach
- Dr. Hermut Kormann
General Manager
J. M. Voith GmbH
Heidenheim

- Dr. Thomas Lindner
Managing Partner
Theodor Groz & Söhne
& Ernst Beckert Nadelfabrik
Commandit-Gesellschaft
Albstadt (Ebingen)
- Dipl.-Volkswirt Peter B. Martini
Member of the Board of Managing Directors
WMF Württembergische
Metallwarenfabrik AG
Geislingen/Steige
- Dipl.-Wirtsch.-Ing. Ulrich Mauser
Member of the Board of Managing Directors
Heidelberger Druckmaschinen AG
Heidelberg
- Dr. h. c. Adolf Merckle
Lawyer
Managing Partner
Merckle GmbH
Blaubeuren
- Arthur Nothdurft
Managing Partner
ALNO Möbelwerke
GmbH & Co. KG
Pfullendorf
- Hanns A. Pielenz
Managing Partner
Amann & Söhne GmbH & Co.
Bönningheim
- Michael Pöhr
Chairman of the Board of Managing Directors
Asea Brown Boveri AG
Mannheim
- Professor Dr. Friedrich Reutner
Managing Director
FRIATEC AG
Mannheim
- Werner Schoenicke
Member of the Supervisory Board
Verlagsgruppe
Georg von Holtzbrinck GmbH
Stuttgart
- Dr. Wulf Warlitz
Member of the Board of Managing Directors
Chairman of the Executive Board
Control Technology Division
ZF Friedrichshafen AG
Schwäbisch Gmünd
- Dr.-Ing. Herbert Weber
Member of the Supervisory Board
ANT Nachrichtentechnik GmbH,
Telenorma GmbH
Gerlingen
- Dr.-Ing. Wendelin Wiedeking
Chairman of the Board of Managing Directors
Dr. Ing. h.c. F. Porsche AG
Stuttgart
- Dr. Hans-Peter Wild
Managing Partner
Rudolf-Wild-Werke
Eppelheim
- Kurt Wontorra
Managing Partner
UHU-Holding GmbH
Bühl (Baden)

● Bavaria

- Frank Bergner, MBA
Managing Partner
Richard Bergner GmbH + Co.
Schwabach
- Dr. Werner Bos
Executive Director
Landesversicherungsanstalt
Schwabach
Augsburg
- Klaus Conrad
Principal Partner
Conrad Electronic GmbH
Hirschau
- Carl Friedrich Eckart
Managing Partner
Eckart-Werke
Standard-Bronzepulverwerke
Carl Eckart GmbH & Co.
Fürth (Bavaria)
- Dr. Robert Eckert
Chairman of the Board
of Managing Directors
Dr. Robert Eckert Schulen AG
Regenstauf
- Dipl.-Kaufmann Dieter Friess
Managing General Partner
Dachser GmbH & Co.
Kempten
- Joachim Gehrt
Chairman of the Board of Managing Directors
Sachtler AG
Unterschleißheim
- Wilhelm Goebel
Managing General Partner
W. Goebel Porzellanfabrik
Rödental
- Dipl.-Kaufmann Burkard Hellbach
Proprietor
NKD-Firmengruppe
Bindlach
- Professor Dipl.-Betriebswirt
Anton Kathrein
Managing General Partner
Kathrein-Werke KG
Rosenheim
- Dr. Harold Kluge
Chairman of the Boards of Managing Directors
Deutscher Lloyd Lebens-
versicherung AG and Deutscher
Lloyd Versicherungs AG
Munich
- Professor Dr. F. Johannes Kohl
Management Spokesman
Wacker-Chemie GmbH
Munich
- Dr.-Ing. E. h. Hermann Kronseder
Chairman of the Board of Managing Directors
Krones AG Hermann Kronseder
Maschinenfabrik
Neutraubling
- Dr. Norbert Lorentz
Fürth (Bavaria)
- Dr. Jochen Mackenrodt
Departmental Head
(Affiliated Companies)
Siemens AG
Munich
- Dipl.-Kaufmann Siegfried Mayer
General Manager
SKF GmbH
Schweinfurt

REGIONAL ADVISORY COMMITTEES

- | | | |
|---|---|---|
| Dr.-Ing. Roland Mecklinger
Chairman of the Board of
Managing Directors
Fichtel & Sachs AG
Schweinfurt | Ellen-Margot Blohm
Executive Vice President
Deutsche Waggonbau AG
Berlin | Wolfgang A. Hofer
Lawyer
Berlin |
| Dipl.-Ing. Thomas Netzsch
Managing Partner
Erich Netzsch GmbH & Co.
Holding KG
Selb | Wilhelm von Boddien
General Manager
Partner für Berlin
Gesellschaft für Hauptstadt-
marketing mbH
Berlin | Joachim Klein
Managing Partner
Umlauf & Klein Group
GmbH & Co.
Berlin |
| Dipl.-Kaufmann Thomas Rademacher
Member of the Executive Board
Giesecke & Devrient GmbH
Munich | Dipl.-Ing. Albrecht Braemer
General Manager
Wirtschaftsförderung
Brandenburg GmbH
Neu Fahrland | Dipl.-Kaufmann Peter J. Klein
Managing Partner
Ärzte-Treuhand
Vermögensverwaltung GmbH
Berlin |
| Dipl.-Kaufmann Dipl.-Volkswirt
Dr. Lorenz M. Raith
Chairman of the Executive Board
INA Wälzlager Schaeffler KG
Herzogenaurach | Dr. Hubertus Erlen
Member of the Board of
Managing Directors
Schering AG
Berlin | Dr. Hartmann Kleiner
Lawyer
Executive Manager
VME Verband der Metall- und
Elektro-Industrie in Berlin und
Brandenburg e.V.
Berlin |
| Dr.-Ing. Gerhard Rose
Member of the Executive Board
SGL Carbon GmbH
Wiesbaden | Dr. Hans Frädrich
Chairman of the Board of
Managing Directors
Zoologischer Garten Berlin AG
Berlin | Professor Dr. Dr. h.c. Heinz-Georg Klös
Chairman of the Supervisory Board
Tierpark Berlin-Friedrichsfelde
GmbH
Berlin |
| Dipl.-Ing. Helmuth Schaak
Chairman of the Board of
Managing Directors
Leistriz AG
Nuremberg | Oberstudiendirektor
Dipl.-Hdl. Klaus Gehrmann
Director
Oberstufenzentrum
Banken und Versicherungen
Berlin | Professor Dr. Werner Knopp
President
Stiftung Preussischer Kulturbesitz
Berlin |
| Franz Josef Schwarz
Chairman of the Boards of
Managing Directors
WWK Lebensversicherung a. G.
and
WWK Allgemeine Versicherung AG
Munich | Klaus Groth
Managing Partner
Groth + Graalfs Group
Berlin | Dr. Günther Krämer
Member of the Board of
Managing Directors
Lausitzer Braunkohle AG
(LAUBAG)
Senftenberg |
| Wolfgang Steger
Member of the Board of
Managing Directors
Südwolle AG
Nuremberg | Hans Ulrich Gruber
General Manager
Thyssen Handel Berlin GmbH
Berlin | Dr. Peter Liedtke
General Manager
KPM – Königliche Porzellan-
Manufaktur Berlin GmbH
Berlin |
| Christian Wedell
Director Central Europe
Microsoft GmbH
Unterschleissheim | Richard H. Gruber
Member of the Board of
Managing Directors
Kaiser's Kaffee-Geschäft AG
Viersen | Dipl.-Ing. Hans-Joachim von Ludwig
Member of the Board of
Managing Directors
ALCATEL SEL AG
Stuttgart |
| Dr. Herbert Wörner
Chairman of the Executive Board
Bosch-Siemens Hausgeräte GmbH
Munich | Heinz Hänel
Managing Partner
Max Boeldicke GmbH & Co.
Berlin | Klaus Oberwelland
General Partner
August Storck KG
Berlin |
| ● Berlin-Brandenburg | Dipl.-Ing. Helmut Hammer
Member of the Board of
Managing Directors
Fritz Werner Werkzeug-
maschinen AG
Berlin | Dipl.-Kaufmann Willi Plattes
Tax Consultant
Bergen/Rügen |
| Dipl.-Kaufmann Knut Arnold
General Manager
Eduard Winter Group
Berlin | Dipl.-Ing. Hermann Hauertmann
Managing Partner
Schwartauer Werke GmbH & Co.
Kakao Verarbeitung Berlin
Berlin | Dipl.-Ing. Jürgen Reuning, MBA
Chairman of the Executive Board
OTIS GmbH
Berlin |
| Thomas Bahner
Managing Partner
Leiser Fabrikations-
und Handels-Gesellschaft
Berlin | Dr. Rainer B. Hemmann
Chairman of the Executive Board
KWO Kabel GmbH
Berlin | Manfred Freiherr von Richthofen
President
Deutscher Sportbund e. V.
Berlin |
| Eberhard Bauer
Former President
Landesamt für
Zentrale Soziale Aufgaben
Berlin,
Regional Manager
Deutsches Rotes Kreuz
Landesverband Berliner Rotes
Kreuz
Berlin | Dr. Klaus Herlitz
Member of the Board of
Managing Directors
Herlitz AG
Berlin | Karlheinz Rieser
General Manager
Berliner Instant Kaffeewerk
GmbH & Co.
Berlin |
| Dr. Hinrich Bischoff
Managing Partner
SAT Fluggesellschaft mbH,
Germania Fluggesellschaft mbH
Bremen | Hans Karl Herr
Chairman of the Board of
Managing Directors
ITAG Immobilien-Treuhand-
und Vermögensanlage AG
Berlin | Dr. Uwe Runge
Oberkonsistorialrat
Protestant Church of
Berlin-Brandenburg
Berlin |
| | | Dr. Stefan Schindler
Chairman of the Board of
Managing Directors
Willy Vogel AG
Berlin |

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Chairman of Administrative Board
Versorgungswerk
der Zahnärztekammer Berlin
Berlin

Dipl.-Kaufmann Karlheinz Steiner
Member of the Board of
Managing Directors
VEAG Vereinigte Energiewerke AG
Berlin

Dr. Hans Strathus
Bank Director, retired
Berlin

Prälat Dr. Johannes Tobei
Canon
Episcopal Diocese
Authorities Berlin
Berlin

Volker Ullrich
Managing Partner
Zuckerhandelsunion GmbH
Berlin

Horst W. Urban
Chairman of the Executive Board
H. W. Urban GmbH & Co.
Management KG
Berlin

Bernd Voigtländer
Managing Partner
Trumpf Group
Berlin

● Bremen

Rita Dubbers-Albrecht
Managing Partner
J. H. Bachmann Holding
GmbH & Co. KG
Bremen

Alfred Düring
Schiffdorf

Carl Otto Merkel
Managing Partner
Louis Delius GmbH & Co.
Bremen

Dipl.-Kaufmann Ulrich Mosel
Chief Financial Officer
Eduscho GmbH & Co. KG
Bremen

● Hamburg

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Managing Directors
Holsten-Brauerei AG
Hamburg

Dr. Henning J. Brandes
Member of the Supervisory Board
Jungheinrich AG
Hamburg

Horst H. Brunnenkamp
Hamburg

Peter Cremer
Partner
Peter Cremer GmbH & Co.
Hamburg

Helmut Danner
Member of the Advisory Board
Arnold Otto Meyer
Hamburg

Dr. Dieter Dräger
Member of the Board of
Managing Directors
RWE-DEA Aktiengesellschaft
für Mineraloel und Chemie
Hamburg

Dr. Karin Fischer
Partner
DKV Deutscher Kraftverkehr
Ernst Grimmke GmbH & Co. KG
Düsseldorf
Hamburg

Jobst-Heinrich Floto
Bendestorf

Thomas Ganske
Publisher
Jahreszeiten-Verlag
Hoffmann und Campe Verlag
Hamburg

Mogens Granborg
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Managing Directors
Danisco A/S
Copenhagen/Denmark

Horst Hansen
Member of the Supervisory Board
Otto Versand
Hamburg

Dipl.-Kaufmann Dipl.-Volkswirt
Dr. Ludwig Horatz
Chairman of the Supervisory Board
Phoenix AG
Hamburg-Harburg

Dr. Uwe Jönck
Member of the Board of
Managing Directors
ESSO AG
Hamburg

Dr. Thomas Klischan
Chief Manager
NORDMETALL Verband der Me-
tall- und Elektro-Industrie e. V.
Hamburg, Schleswig-Holstein und
Mecklenburg-Vorpommern
Hamburg

Karin Martin
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Managing Directors
Jungheinrich AG
Hamburg

Walter Meier-Bruck
Hamburg

Martin Müller
Deputy Chairman of the
Supervisory Board
J. F. Müller & Sohn A.-G.
Hamburg

Burkhard Pieper-von Aderkas
Hamburg

Wolfgang Poggel
General Manager
Deutsche Angestellten-
Krankenkasse
Hamburg

Dr. Walter Richtberg
Chairman of the Executive Board
dpa Deutsche Presse-Agentur
GmbH
Hamburg

Hans Schilling
Managing Partner
HS Hanseatische
Schiffahrts-Gesellschaft mbH
Hamburg

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Member of the Board of
Managing Directors
HELM AG
Hamburg

Martin Schröder
Member of the Boards of
Managing Directors
IDUNA/NOVA Versicherungen
Hamburg

Dipl.-Volkswirt Peter Stockfisch
Hamburg

Dipl.-Volkswirt Wolfram Strecker
Director
Chairman of the Executive Board
Berufsgenossenschaft
der Banken, Versicherungen,
Verwaltungen,
freien Berufe und besonderer
Unternehmen
Hamburg

Dr. Gerd G. Weiland
Lawyer
Hamburg

● Hesse

Dietmar Armbröster
Chairman of the Executive Board
Dunlop GmbH
Hanau

Ludwig Aumüller
Chairman of the Executive Board
NUKEM GmbH
Alzenau

Wolfgang Bannas
Chairman of the Executive Board
Deutsches Reisebüro GmbH
Frankfurt am Main

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Member of the Board of
Managing Directors
Wella AG
Darmstadt

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EKF Einkaufskontor
Frankfurt GmbH
Hofheim-Wallau

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Managing Directors
tegut (Stiftung & Co.)
Fulda

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Directeur Général Adjoint
Directeur Financier
Thomson S.A.
Paris

François Hériard Dubreuil
Directeur Général
Rémy Cointreau S.A.
Paris

Kai Friedrich Hiemstra
Chairman of the Executive Board
HMS-CARAT Media Service GmbH
Wiesbaden

Wolf Hoppe
Managing Director
Hoppe AG
Stadtallendorf

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Chairman of the Executive Board
Du Pont de Nemours
(Deutschland) GmbH
Bad Homburg v. d. H.
- Professor Dr.-Ing. Norbert Jeschke
Chairman of the Board of
Managing Directors
Samson AG
Frankfurt am Main
- Albert Keck
Honorary Senator
Fachhochschule Furtwangen,
Deputy Chairman
of the Supervisory Board
VDO Adolf Schindling AG
Schwalbach/Ts.
- Bernd Köhler
General Manager
Expert Maschinenbau GmbH
Lorsch
- Dr. Erwin Königs
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of Managing Directors
Linotype-Hell AG
Eschborn
- Dr. Joachim Manke
Member of the Board of
Managing Directors
Leybold AG
Hanau
- Dr. Bernd Neufeind
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Managing Directors
Behringwerke AG,
General Manager
Behring-Institut GmbH
Marburg (Lahn)
- Dipl.-Wirtsch.-Ing. Dirk Pietzcker
Managing Partner
Autokühler-Gesellschaft
m.b.H. & Co. KG,
AKG-Thermotechnik
GmbH & Co. KG
Hofgeismar
- Werner Piotrowski
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Frankfurt am Main
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Chairman of the
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Ludwig-Schunk-Stiftung
Giessen
- Herbert Rudolf
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Messer Griesheim GmbH
Frankfurt am Main
- Dietrich Ruh
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Head of Finance Department
E. Merck, Darmstadt,
General Manager
Merck AG
Zug/Switzerland
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Hanau
- Gerhard Schmidt
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AMP Incorporated
Harrisburg/Pennsylvania, USA
- Dipl.-Volkswirt Helmut Schnabel
Departmental Head
Finance and Accounting/
Group Finance
Hoechst AG
Frankfurt am Main
- Hans-Udo Steffen
General Manager
Johnson Controls
Wermelskirchen
- Eric Swenden
Voorzitter
N.V. Vandemoortele International
Kortrijk
- Erhard Verleger
Member of the Executive Board
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Frankfurt am Main
- Hartmut Wachs
Chairman of the Executive Board
Rowenta-Werke GmbH
Offenbach
- Reinhold Wagner
Chairman of the Executive Board
Alcan Deutschland GmbH,
Executive Vice President
Alcan Aluminium Limited
Sheet and Foil Europe
Eschborn
- Ernst-Jörg Zehelein
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Managing Directors
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Friedrichsdorf
- Lower Saxony**
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General Manager
Schlumberger Holding GmbH
Munich
- Heinrich Besserer
Partner
Holding Besserer + Ernst
GmbH & Co. KG
Goslar
- Dipl.-rer. pol. Jochen Beyes
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KWS Kleinwanzlebener
Saatzucht AG
Einbeck
- Dipl.-Kaufmann Heinrich Breitenfelder
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Delmenhorst
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Managing Directors
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Rastede
- Dr. Hermann Dumstorf
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Management Board
MZO Oldenburger-Butterbloom
Milch eG
Oldenburg
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Hannover
Springe,
Member of the Board
Kassenärztliche Vereinigung
Niedersachsen
Hanover
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Managing Directors
Touristik Union International
GmbH & Co. KG
Hanover
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BEB Erdgas und Erdöl GmbH
Hanover
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Hildesheim
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Managing Partner
Gräflich von Hardenbergsche
Group
Nörten-Hardenberg
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Captain and Shipowner
General Manager
Reederei-Gruppe Hartmann
Leer
- Hans Hartmann
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Haarmann & Reimer GmbH
Holzminden
- Rainer Heubach
Heubach Group
Langelsheim
- Dipl.-Kaufmann Axel Höbermann
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Managing Directors
Lucia Strickwarenfabrik AG
Lüneburg
- Dr. Jens P. Howaldt
Member of the Board of
Managing Directors
Continental AG
Hanover
- Dr. Steffen Lorenz
President
Hanover/Hildesheim
Chamber of Industry
and Commerce
Hanover
- Peter Maurmann
Lawyer
General Manager
Fa. Unland GmbH & Co. KG
Saterland/Sedelsberg
- Dr. Erwin Möller
Member of the Board of
Managing Directors
HDI Haftpflichtverband
der Deutschen Industrie
Versicherungsverein a.G.
Hanover

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VARTA Batterie AG,
Chairman of the Supervisory Board
VB Autobatterie GmbH
Hanover

Hans Georg Näder
Managing Partner
Otto Bock Group
Duderstadt

Dipl.-Ing. Franz Neudeck
Chairman of the Board of
Managing Directors
Hannoversche Papierfabriken
Alfeld-Gronau AG
Alfeld (Leine)

Dipl.-Ing. Herbert von Nitzsch
Chairman of the Executive Board
Thyssen Nordseewerke GmbH
Emden

Dr. Volker von Petersdorff
Chairman
Executive Committee
Altersversorgungswerk der
Zahnärztekammer Niedersachsen
Hanover

Dr.-Ing. Wolfgang G. Plinke
Chairman of the Executive Board
kabelmetal electro GmbH,
Chairman of the Board of
Managing Directors
Alcatel Kabel Beteiligungs A.G.
Hanover

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Managing Partner
C. Hasse & Sohn,
Proprietor
E. Räddecke GmbH & Co.
Uelzen

Joachim Reinhart
Member of the Executive Board
MB Video GmbH
Peine

Dr. Rutbert D. Reisch
Executive Vice President
Volkswagen AG
Chief Financial Officer
Wolfsburg

Dr. Helmut Roland
Member of the Board of
Managing Directors
Touristik Union International
GmbH & Co. KG
Hanover

Dirk Rossmann
Managing Partner
Dirk Rossmann KG
Burgwedel

Dipl.-Kaufmann Manfred Ruschmeier
Member of the Board of
Managing Directors
Schmalbach-Lubeca AG
Brunswick

Wolfgang Rusteberg
Chairman of the Executive Board
Haendler & Natermann GmbH
Hannoversch Münden

Horst Sartorius
Deputy Chairman
of the Supervisory Board
Sartorius AG
Göttingen

Dipl.-Wirtsch.-Ing. Jürgen Schaefer
General Manager
FHP Motors GmbH
Oldenburg

Dipl.-Ing. Karl-Heinz Schmidt
General Partner
Paul Troester Maschinenfabrik
Hanover

Bruno Steinhoff
Proprietor
Steinhoff Group
Westerstede

Reinhold Stöver
Proprietor
Stöver Group
Wildeshausen

Klaus Thimm
Managing Partner
Thimm Verpackung
Northeim

Dipl.-Kaufmann Klaus Treiber
Member of the Board of
Managing Directors
Brauergilde Hannover AG and
Gilde Brauerei AG
Hanover

Peter Graf Wolff Metternich zur Gracht
Schloss Adelebsen

● Mecklenburg-Western Pomerania

Harry Wenzel
Rostock

● North Rhine-Westphalia

Jan A. Ahlers
Chairman of the Board of
Managing Directors
Adolf Ahlers AG
Herford

Dipl.-Kaufmann Günter Albrecht
Bad Iburg

Theo Albrecht
Managing Partner
Albrecht KG
Essen

Ernst A. L. André
Chairman of the Supervisory Board
Arnold André GmbH & Co. KG
Bünde (Westphalia)

Jacques Aschenbroich
Chairman of the Executive Board
VEGLA Vereinigte Glaswerke
GmbH
Aachen

Peter Bagel
General Partner
A. Bagel, Düsseldorf,
BAKA Druck GmbH & Co. KG
Ratingen,
Karl Rauch Verlag KG
Düsseldorf

Dr. Ferdinand Graf von Ballestrem
Member of the Board of
Managing Directors
Ferrosstaal AG
Essen

Hans-Joachim Becker
Member of the Board of
Managing Directors
Barmag AG
Remscheid

Josef Albert Beckmann
Managing Partner
IBENA Textilwerke
Beckmann GmbH & Co.
Bocholt

Dipl.-Ing. Hubertus Benteler
Chairman of the Board of
Managing Directors
Benteler AG
Paderborn

Dipl.-Betriebswirt
Dipl. rer. oec. Klaus Biermann
Member of the Boards of
Managing Directors
Signal Krankenversicherung a.G.,
Unfallversicherung a.G.,
Lebensversicherung AG,
PVAG Polizei Versicherung AG
Dortmund

Dipl.-Kaufmann Dr. Wolfgang Böllhoff
Managing Partner
Wilhelm Böllhoff Beteiligungsge-
sellschaft GmbH & Co. KG
Bielefeld

Dieter Bongert
Chairman of the Board
of Managing Directors
Ruhrverband
Oberstadtdirektor (retired)
Essen

Dipl.-Ing. Wilhelm Bonse-Geuing
Chairman of the Board of
Managing Directors
VEBA OEL AG
Gelsenkirchen-Buer

Gerd Borgmann
General Manager
Privat-Molkerei Borgmann
GmbH & Co. KG
Dorsten

Dipl.-Kaufmann Bernd Jobst Breloer
Member of the Board of
Managing Directors
Rheinbraun AG
Cologne

Harald Breme
Chairman of the Board of
Managing Directors
Schumag AG
Aachen

Dipl.-Kaufmann Dr. Hermann Cobet
Member of the Board of
Managing Directors
Hochtief AG
vorm. Gebr. Helfmann
Essen

Christian C. R. Dahms
General Partner
Jauch & Hübener KG a.A.
Mülheim an der Ruhr

Dr. Hansjörg Döpp
Executive Manager
Verband der Metall-
und Elektro-Industrie
Nordrhein-Westfalen e.V. and
Landesvereinigung der
Arbeitgeberverbände Nordrhein-
Westfalen e.V.
Düsseldorf

Karl Dowidat
Managing Partner
GEDORE Werkzeugfabrik
Otto Dowidat
Remscheid

REGIONAL ADVISORY COMMITTEES

- | | | |
|--|---|---|
| Dipl.-Kaufmann Dr. Joachim Dreier
Sole General Manager and Partner
GELCO Bekleidungswerk
GmbH & Co. KG
Gelsenkirchen | Dr. Klaus-Christian Hübner
Chief Financial Officer
Fried. Krupp AG Hoesch-Krupp
Essen | Kurt Küppers
Managing Partner
Hülskens GmbH & Co.
Wesel |
| Dr. Udo Eckel
General Manager
bofrost* Dienstleistungs
GmbH & Co. KG
Straelen | Hans-Diether Imhoff
Deputy Chairman of the Board of
Managing Directors
VEW Vereinigte Elektrizitätswerke
Westfalen AG
Dortmund | Ass. Georg Kunze
Executive Manager and Director
Maschinenbau- und Metall-
Berufsgenossenschaft
Düsseldorf,
Hütten- und Walzwerks-
Berufsgenossenschaft
Essen |
| Dipl.-Kaufmann Roland Farnung
Chairman of the Board of
Managing Directors
RWE Energie AG
Essen | Professor Dr.-Ing. Lothar Jaeschke
Chairman of the Executive Board
Uhde GmbH
Dortmund | Rolf Leisten
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| Adolf Flöring
Wermelskirchen | Dipl.-Kaufmann Arnold Jörger
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Managing Directors
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Brühl | Klaus J. Maack
General Manager
ERCO Leuchten GmbH
Lüdenscheid |
| Dr. Dietrich Fritz
Member of the Board
of Managing Directors
Flachglas AG
Gelsenkirchen | Dr. Michael Kalka
Chairman of the Board of
Managing Directors
Aachener und Münchener
Lebensversicherung AG
Aachen | Dr. Andreas Madaus
Member of the Board of
Managing Directors
Madaus AG
Cologne |
| Hans Frömbling
Lawyer
Managing Partner
"Ihr Platz" GmbH + Co.
Osnabrück | Dr. Volkmar Kayser
Cologne | Heinz Dieter Mahlberg
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Landesversicherungsanstalt
Rheinprovinz
Düsseldorf |
| Claes Göransson
Member of the Board
of Managing Directors
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Cologne | Dipl.-Ing. Horst Kerlen
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Essen | Udo van Meeteren
Düsseldorf |
| Dr. Hans-Ulrich Günther
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Bad Bentheim | Heinz Kerpen
Managing Partner
Kerpen-Verwaltungsgesell-
schaft mbH
Stolberg | Dipl.-Kaufmann Paul-Josef Meyer
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Verwertungsstelle GmbH
Münster |
| Rudolf Halstrick
General Manager and Partner
Papierwerke Halstrick KGaA
Raubach | Dr. Gerhard Kinast
General Manager
DEMINEX-Deutsche Erdölvorsor-
gungsgesellschaft mbH
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Chairman of the Executive Board
Deutsche FIBRIT Gesellschaft
Ebers & Dr. Müller mbH
Grefrath |
| Erivan Karl Haub
Sole General Manager and Partner
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and Tengemann Waren-
handelsgesellschaft
Mülheim an der Ruhr | Dipl.-Wirtsch.-Ing. Rainer Klee
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Managing Directors
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Düsseldorf |
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F. W. Hempel & Co.
Erze und Metalle (GmbH & Co.)
Düsseldorf | Götz Knappertsbusch
Düsseldorf | Ulrich Nölke
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Nölke Group
Vermold |
| Reinhard Herrfeld
General Manager
a b z – Zentraleinkaufsgesellschaft
für Bekleidung GmbH
Essen | Dr. Günther Köhler
Member of the Boards of
Managing Directors
Victoria Versicherungs-
Gesellschaften
Düsseldorf | Ulrich Otto
General Partner
Gebr. Otto KG,
General Manager
Otto Beteiligungs- und
Verwaltungsgesellschaft mbH
Kreuztal |
| Dr. Ewald Hilger
Lawyer
Higher Regional Court Düsseldorf
Düsseldorf | Dipl.-Kaufmann Helmut Kostal
General Manager
Leopold Kostal GmbH & Co. KG
Lüdenscheid | Dr. Carl Ullrich Peddinghaus
General Partner
Paul Ferd. Peddinghaus
Gevelsberg |
| Dipl.-Kaufmann Dr. Ernst Höffken
Member of the Board of
Managing Directors
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Essen | Christian Peter Kotz
Managing General Partner
BPW Bergische Achsen KG
Wiehl | Dipl.-Ing. Volkmar Peters
Wellkisten- und Papierfabriken
Fritz Peters & Co. KG
Moers |
| Bruno P. Höner
Proprietor
Musterring International
Josef Höner GmbH & Co. KG
Rheda-Wiedenbrück | Dr. Jürgen Kuchenwald
Member of the Board of
Managing Directors
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Cologne | Dipl.-Kaufmann Eberhard Pothmann
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Vorwerk & Co.
Wuppertal |
| Dipl.-Wirtsch.-Ing. Hans-Dieter Honsel
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Managing Directors
Honsel-Werke AG
Meschede | Gustav-Adolf Kümpers
General Manager and Partner
F. A. Kümpers GmbH & Co.,
Kümpers GmbH & Co.
Rheine | Dipl.-Kaufmann Ulrich Reifenhäuser
Managing Partner
Reifenhäuser GmbH & Co.
Maschinenfabrik
Troisdorf |
| | Hans-Joachim Küpper
Principal Partner and Manager
Küpper Group
Velbert/Heiligenhaus | |

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H. & E. Reinert KG
Westf. Fleischwarenfabrik
Versmold
- Eberhard Risse
General Manager
Schade KG
Plettenberg
- Robert Röseler
Chairman of the Board of
Managing Directors
ara Schuhfabriken AG
Langenfeld (Rhineland)
- Hans Schafstall
Managing Partner
Schafstall Holding GmbH & Co. KG
Mülheim an der Ruhr
- Georg Scheeder
Chairman of the Board of
Managing Directors
KM-kabelmetal AG
Osnabrück
- Peter-Nikolaus Schmetz
Proprietor and Executive Manager
Ferd. Schmetz GmbH Spezialfabrik
für Nähmaschinenadeln
Herzogenrath
- Heinz G. Schmidt
Member of the Board of
Managing Directors
Douglas Holding AG
Hagen
- Dr. Manfred Schoeller
General Manager
Ewald Schoeller & Co
GmbH & Cie KG
Langerwehe
- Dr. Ernst F. Schröder
General Partner
Dr. August Oetker
Bielefeld
- Michael Schröer
Chairman of the Supervisory Board
Langbein-Pfhanuser Werke AG
Düsseldorf
- Dipl.-Betriebswirt Horst Schübel
Member of the Executive Board
Miele & Cie. GmbH & Co.
Gütersloh
- Heinz Schürmann
Executive Manager
VME Vereinigte Möbeleinkaufs-
GmbH & Co. KG
Bielefeld
- Dipl.-Ing. Dr.-Ing. Franz Schulenberg
Member of the Supervisory Board
GEA AG
Bochum
- Dipl.-Kaufmann Peter Seeger
General Manager
Preussag Handel GmbH
Düsseldorf
- Reinhold Semer
Co-partner
Hellweg Baumarkt-Gruppe
Menden
- Dipl.-Ing. Walter Siepmann
Managing Partner
Siepmann-Werke GmbH & Co. KG
Warstein
- Dipl.-Kaufmann Hendrik Snoek
Managing Partner
Ratio Handel GmbH & Co. KG
Münster
- Dr. Ron Sommer
President and
Chief Operating Officer
Sony Europa GmbH
Cologne
- Heinz Stickling
Managing Partner
Nobilia-Werke J. Stickling
GmbH & Co.
Verl
- Dipl.-Kaufmann Walter Stuhlmann
Spokesman of the Board of
Managing Directors
GKN Automotive AG
Lohmar
- Dr.-Ing. Wolfgang Theis
Chairman of the Board of
Managing Directors
Kautex Werke AG
Bonn
- Hermann Wilh. Thywissen
Lawyer
General Partner
C. Thywissen
Neuss
- Professor Dr. Helmut Völcker
Essen
- Gunther Vowinckel
Senior Banker
European Bank for Reconstruction
and Development
London
- Stuart R. Walker
Member of the Board
RMC Group p.l.c.
Thorpe
- Dipl.-Kaufmann Heinz Wiezorek
Chairman of the Executive Board
Coca-Cola GmbH
Essen
- Dipl.-Kaufmann Michael Wirtz
Managing Partner
Grünenthal GmbH,
Partner
Dalli-Werke Mäurer & Wirtz
GmbH & Co. KG
Stolberg (Rhineland)
- Horst Wortmann
Managing Partner
Wortmann Schuh Holding
GmbH & Co.
Detmold
- Dipl.-Kaufmann Hans-Werner Zapp
General Partner
Robert Zapp
Düsseldorf
- Rhineland-Palatinate – Saar**
- Dipl.-Kaufmann Manfred Berroth
Member of the Board of
Managing Directors
Pfalzwerke AG
Ludwigshafen
- Dipl.-Kaufmann
Wendelin von Boch-Galhau
Member of the Board of
Managing Directors
Villeroy & Boch AG
Mettlach
- Dipl.-Kaufmann Thomas Bruch
General Manager
Globus Holding GmbH & Co. KG
St. Wendel
- Helmut Fahlbusch
Spokesman of the Board
of Managing Directors
Schott Glaswerke
Mainz
- Dipl.-Ing. Harald Fissler
Chairman of the Executive Board
VESTA AG, Luxembourg, and
VESTA AG & Co. oHG
Idar-Oberstein
- Dipl.-Ing. Peter Friedrich
Chairman of the Board of
Managing Directors
Eckes AG
Nieder-Olm
- Dipl.-Kaufmann Harald Grunert
Chief Financial Officer
BASF AG
Ludwigshafen
- Uwe Jacobsen
Chairman of the Executive Board
Saarbrücker Zeitung
Verlag und Druckerei GmbH
Saarbrücken
- Sanitätsrat Professor Dr. Franz Carl Loch
President
Ärzttekammer des Saarlandes
Saarbrücken
- Karlheinz Röthemeier
Spokesman of the Executive Board
Verlagsgruppe Rhein Main
GmbH & Co. KG
Mainz
- Dr. Claus D. Rohleder
Managing Partner
C. H. Boehringer Sohn
Ingelheim
- Dr. Wolfgang Schuppli
Lawyer
Wiesbaden
- Dipl.-Volkswirt Rudi Sölch
Deputy Director of Programmes
Administrative Director
ZDF
Mainz
- Kilian von der Tann
Spokesman of the Board
of Managing Directors
KSB AG
Frankenthal (Palatinate)
- Dipl.-Kaufmann Erhard Uder
Chairman of the Executive Board
DSD Dillinger Stahlbau GmbH
Saarlouis
- Dipl.-Volkswirt Dr. Richard Weber
Managing Partner
Karlsberg Brauerei KG Weber
Homburg (Saar)
- Georg Weisweiler
Lawyer
General Manager
Gerlach-Werke GmbH
Homburg (Saar)
- Dipl.-Kaufmann Michael G. Ziesler
Member of the Board of
Managing Directors
Saarbergwerke AG
Saarbrücken

REGIONAL ADVISORY COMMITTEES

● Saxony

Dipl.-Kaufmann Volker Bernstorff
Member of the Supervisory Board
Westsächsische Energie AG
Markkleeberg

Dipl.-Ing. Albrecht Bolza-Schünemann
Chairman of the Board of
Managing Directors
KBA-Planeta AG
Radebeul

Gerd G. Heuss
Spokesman of the Executive Board
Volkswagen Sachsen GmbH
Mosel

Dr.-Ing. Klaus-Ewald Holst
Chairman of the Board of
Managing Directors
Verbundnetz Gas AG
Böhlitz-Ehrenberg

● Saxony-Anhalt

Dr. Jürgen Dassler
Spokesman of the Executive Board
Leuna-Werke GmbH
Leuna

Dipl.-Ing. Werner Nedon
General Manager
MIDEWA GmbH
Halle

Dr. Klaus Vogt
Member of the Board of
Managing Directors
SKET Maschinen- und
Anlagenbau AG,
General Manager
SKET Schwermaschinenbau GmbH
Magdeburg

● Schleswig-Holstein

Heinz Anness
General Partner
Anness Fleisch KG
Niebüll

Dr. Gerd Balke
General Manager
LEGO GmbH
Hohenwestedt

Dr. Hans Heinrich Driftmann
General Partner
Peter Kölln Köllnflockenwerke
Elmshorn

Dr. Rudolf Hartmann
General Manager
Grace GmbH
Norderstedt

Dr. Klaus Murmann
Chairman of the Board of
Managing Directors
Sauer Getriebe AG
Neumünster

Henning Oldendorff
Managing Partner
Egon Oldendorff
Lübeck

Dr. Lutz Peters
Managing Partner
Schwartauer Werke GmbH & Co.
Bad Schwartau

Hans Wilhelm Schur
Group Director
Schur International a/s
Horsens/Denmark

Dipl.-Math. Hans-Artur Wilker
Deputy Member of the
Management Board
Howaldtswerke – Deutsche
Werft AG
Kiel

● Thuringia

Josef Johr
General Manager
Metall Rohstoffe Thüringen GmbH
Erfurt

Klaus Lantzsch
Managing Partner
FER Fahrzeugelektrik GmbH
Eisenach

Friedhelm A. Talmeier
Spokesman of the Executive Board
Umformtechnik ERFURT GmbH
Erfurt

Eugeen Theunis
Managing Partner
Garant Türen- und Zargen
Produktions- und Handels GmbH
Ichershausen/Thörey

Andreas Trautvetter
Minister of Finance
Free State of Thuringia
Erfurt

Structure of the Commerzbank Group

Board of Managing Directors

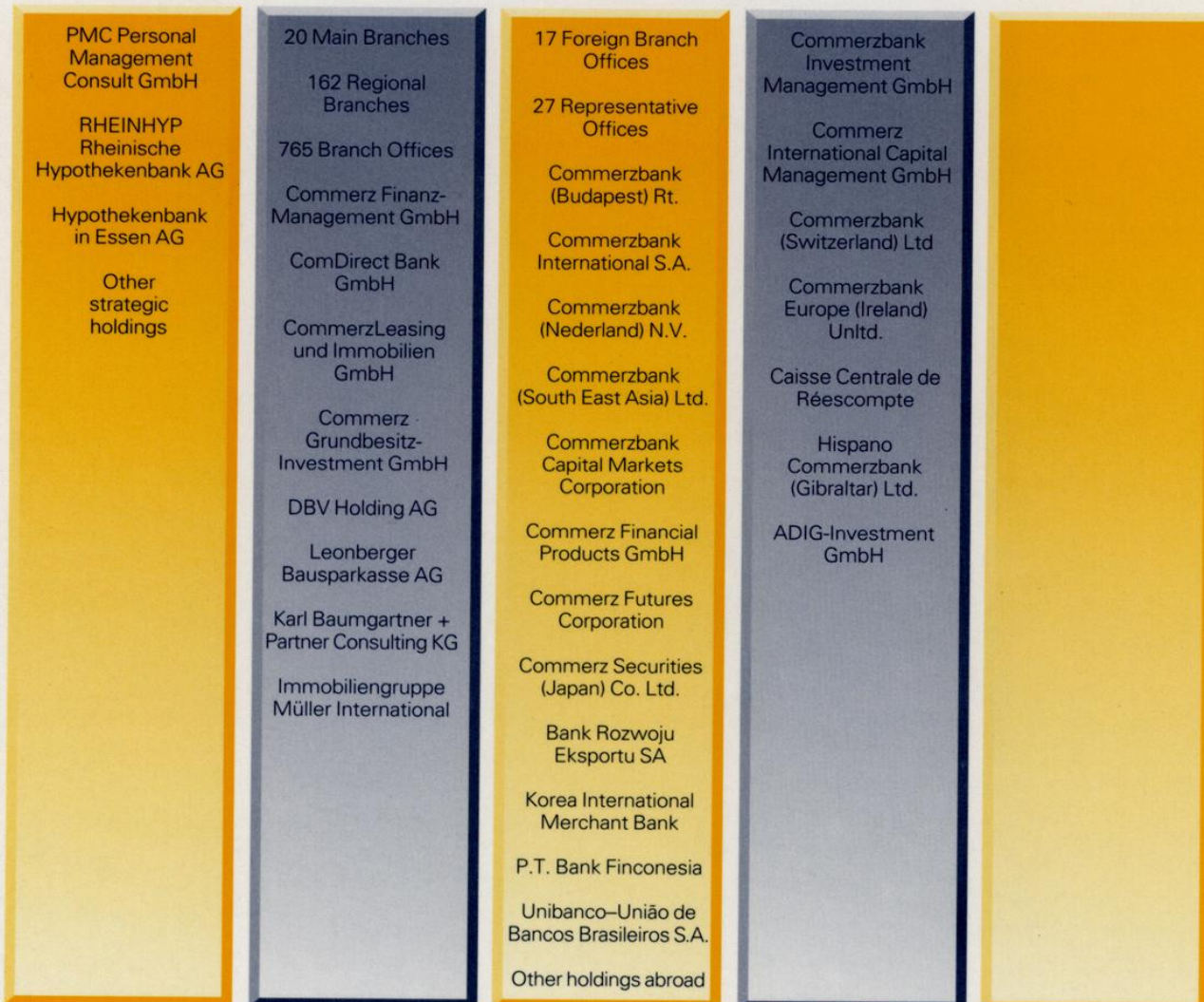
The corporate divisions at head office



comprise the following banking, staff and service departments:



The corporate divisions also include:



Abroad

Commerzbank (Budapest) Rt. Budapest Capital: Ft3.4bn 100.0%	Commerzbank International S.A. Luxembourg Capital: DM1.7bn 100.0%	Commerzbank (Nederland) N.V. Amsterdam Capital: Dfl237.4m 100.0%	Commerzbank (South East Asia) Ltd. Singapore Capital: S\$134.6m 100.0%
Commerzbank (Switzerland) Ltd Zurich Capital: Sfr103.1m 100.0%	Commerzbank Capital Markets Corporation New York Capital: US\$22.2m 100.0%	Commerzbank Europe (Ireland) Unltd. Dublin Capital: DM400.0m 100.0%	Commerz (East Asia) Ltd. Hong Kong Capital: DM79.9m 100.0%¹⁾
Commerz Securities (Japan) Company Ltd. Hong Kong/Tokyo Capital: DM12.8m 60.0%	Hispano Commerzbank (Gibraltar) Ltd. Gibraltar Capital: Gib£5.4m 49.9%	Banca Commerciale Italiana SpA Milan Capital ⁴⁾ : Lit1,578.4bn 3.0%¹⁾	Banco Central Hispano- americano S.A. Madrid Capital: Ptas552.1bn 4.7%¹⁾
Bank Rozwoju Eksportu SA Warsaw Capital ⁴⁾ : 58.0m(new) zlotys 21.0%	Caisse Centrale de Réescmpte Paris Capital: Ffr467.3 m 96.8%	Korea International Merchant Bank Seoul Capital: Won112.4bn 20.3%	P.T. Bank Finconesia Jakarta Capital: Rp55.6bn 20.0%
Unibanco – União de Bancos Brasileiros S.A. São Paulo Capital: R\$943.5m 11.3%¹⁾			

Asset management companies

Commerz International Capital Management GmbH Frankfurt am Main Capital: DM23.1m 100.0%	CICM (Ireland) Ltd. Dublin Capital: DM4.4m 75.0%	CICM Fund Management Ltd. Dublin Capital: DM4.4m 100.0%	Commerz International Capital Management (Japan) Ltd. Tokyo Capital: ¥145.4 m 100.0%
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Financing and other specialized companies

CB Finance Company B.V. Amsterdam Capital: Dfl36.1m 100.0%	Commerzbank Overseas Finance N.V. Curaçao Capital: DM13.2m 100.0%	Commerzbank U.S. Finance, Inc. Wilmington/Delaware ⁵⁾ Capital: US\$0.2m 100.0%	Commerz Futures Corporation ⁶⁾ Wilmington/Delaware ⁷⁾ Capital: -US\$4.0m 62.5%
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Major financial holdings of Commerzbank AG

At home

<p>RHEINHYP Rheinische Hypothekenbank AG</p> <p>Frankfurt am Main</p> <p>Capital: DM1.2bn 97.5%</p>	<p>Hypothekenbank in Essen AG</p> <p>Essen</p> <p>Capital: DM333.7m 51.0%</p>	<p>Bankhaus Bauer AG</p> <p>Stuttgart</p> <p>Capital: DM13.6m 83.7%²⁾</p>	<p>ComDirect Bank GmbH</p> <p>Quickborn</p> <p>Capital: DM25.0m 100.0%</p>
<p>Deutsche Schiffsbank AG</p> <p>Bremen/Hamburg</p> <p>Capital: DM219.8m 40.0%</p>	<p>Leonberger Bausparkasse AG</p> <p>Leonberg</p> <p>Capital: DM383.4m 40.1%</p>	<p>DBV Holding AG</p> <p>Wiesbaden</p> <p>Capital: DM788.4m 12.5%¹⁾</p>	

Asset management companies

<p>ADIG Allgemeine Deutsche Investment-Gesellschaft mbH</p> <p>Munich/ Frankfurt am Main</p> <p>Capital: DM130.4m 41.7%²⁾</p>	<p>Commerzbank Investment Management GmbH</p> <p>Frankfurt am Main</p> <p>Capital: DM9.3m 100.0%</p>	<p>Commerz Grundbesitz-Investmentgesellschaft mbH</p> <p>Wiesbaden</p> <p>Capital: DM15.5m 75.0%</p>
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Leasing and holding companies

<p>CommerzLeasing und Immobilien GmbH³⁾</p> <p>Düsseldorf</p> <p>Capital: DM86.3m 100.0%</p>	<p>Commerz Beteiligungsgesellschaft mbH</p> <p>Bad Homburg v.d.H.</p> <p>Capital: DM1.0m 100.0%</p>	<p>Commerz Unternehmensbeteiligungs-AG</p> <p>Frankfurt am Main</p> <p>Capital: DM63.4m 50.0%</p>	<p>Wirtschaftspartner Beteiligungsgesellschaft mbH, Berlin</p> <p>Berlin</p> <p>Capital: DM39.9m 20.9%</p>
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Consulting and brokerage companies

<p>Commerz Financial Products GmbH</p> <p>Frankfurt am Main</p> <p>Capital: DM27.6m 80.0%</p>	<p>Commerz Finanz-Management GmbH</p> <p>Frankfurt am Main</p> <p>Capital: DM0.6m 100.0%</p>	<p>PMC Personal Management Consult GmbH</p> <p>Frankfurt am Main</p> <p>Capital: DM0.5m 100.0%</p>	<p>Karl Baumgartner+Partner Consulting KG</p> <p>Sindelfingen</p> <p>Capital: DM0.8m 50.0%</p>
<p>Commerz Immobilien GmbH</p> <p>Frankfurt am Main</p> <p>Capital: DM2.6m 100.0%¹⁾</p>	<p>MIPA Müller Verwaltungs-GmbH</p> <p>Düsseldorf</p> <p>Capital: DM20.0m 31.3%¹⁾</p>		

Capital = equity capital; as of early March 1995

¹⁾ indirect; ²⁾ partly indirect; ³⁾ formerly: CommerzLeasing GmbH; ⁴⁾ share capital; ⁵⁾ registered office: New York; ⁶⁾ formerly: CB Clearing, Inc.; ⁷⁾ registered office: Chicago

