

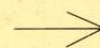
1984

Annual Report

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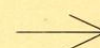
**COMMERZBANK** Highlights  
Parent Bank and Group

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Supplement: The economic scene 1984/1985

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# COMMERZBANK Highlights

## Parent Bank

at year-end	1984	1983
Total assets	DM72,758.6m	DM66,885.0m
Total lending	DM48,838.8m	DM46,111.7m
Capital and reserves	DM 2,711.4m	DM 2,577.6m
Dividend paid per DM50 nominal share	DM6.00	DM6.00
Tax credit (in addition to cash dividend)	about DM3.38	about DM3.38

## Group<sup>1)</sup>

in DM m, at year-end			in DM m, at year-end		
<b>Assets</b>	1984	1983	<b>Liabilities and Shareholders' Equity</b>	1984	1983
Cash reserves	4,278	2,767	Liabilities to banks	29,874	32,883
Cheques, collection items	483	357	Customers' deposits	51,888	45,295
Bills of exchange	1,766	1,931	a) demand deposits	(11,265)	(9,775)
Claims on banks	28,000	26,851	b) time deposits	(28,959)	(24,194)
Treasury bills	1,666	1,895	c) savings deposits	(11,664)	(11,326)
Bonds and notes	7,157	5,423	Bonds outstanding	33,922	28,787
Shares	930	867	Other liabilities	3,750	3,266
Loans and advances to customers	74,603	69,352	Capital and reserves <sup>2)</sup>	3,115	2,894
a) at agreed periods of less than four years	(29,055)	(26,307)	a) share capital	(844)	(844)
b) at agreed periods of four years or more	(45,548)	(43,045)	b) reserves	(1,868)	(1,734)
Investments	793	697	c) reserve arising from consolidation <sup>3)</sup>	(355)	(257)
Land and buildings	644	630	d) minority interests <sup>4)</sup>	(48)	(59)
Other assets	2,367	2,480	Consolidated profit	138	125
<b>Total Assets</b>	122,687	113,250	<b>Total Liabilities and Shareholders' Equity</b>	122,687	113,250
<b>Net income for the year</b>	263	213	Endorsement liabilities	2,297	2,281
Branches	882	884	<b>Business volume</b>	124,984	115,531
Customers	2,588,100	2,562,500	Guarantees	9,618	9,178
Staff	22,801	22,047			

<sup>1)</sup> for complete Consolidated Annual Accounts see pages 84 to 87;

<sup>2)</sup> 1984: DM3,143m (1983: DM2,917m) after allocation of funds decided upon at AGMs of consolidated companies;

<sup>3)</sup> in accordance with Section 331 (1) 3 of the German Stock Corporation Act-AktG (cf. page 66);

<sup>4)</sup> excluding attributable share of profits.

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1984 performance of the Commerzbank share

year-end, 1983: DM170.80  
High: Feb 17, 1984: DM185.50  
Low: July 23, 1984: DM136.50  
year-end, 1984: DM169.50

(Frankfurt Stock Exchange spot quotations for  
DM50 nominal share)

Commerzbank's shares are officially quoted  
on all eight German and on the following  
foreign stock exchanges:

Austria	Vienna (since 1972)
Belgium	Antwerp, Brussels (since 1973)
France	Paris (since 1971)
Luxembourg	Luxembourg (since 1974)
Netherlands	Amsterdam (since 1974)
Switzerland	Basel, Bern, Geneva, Lausanne, Zurich (since 1973)
United Kingdom	London (since 1962)

Highlights of Commerzbank's history

1870: Founded in Hamburg as Commerz- und Disconto-Bank.  
Jan 1, 1952: Balance sheet date for first DM accounts to be published  
by Commerzbank's regional post-war successor institutions.  
July 1, 1958: Post-war successor institutions re-merged in Düsseldorf into Commerzbank AG.  
since 1970: Centralization of all departments in Frankfurt.

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Annual Accounts and Report  
for the Year 1984

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**COMMERZBANK**   
AKTIENGESELLSCHAFT

## Headquarters

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Düsseldorf 25 Breite Strasse, D-4000 Düsseldorf, Telephone (0211) 8271, Telex 8 581 381  
Frankfurt 32-36 Neue Mainzer Strasse, D-6000 Frankfurt, Telephone (069) 13621, Telex 4 152 530  
Hamburg 7-9 Ness, D-2000 Hamburg, Telephone (040) 361321, Telex 2 123 91

● All International Departments are in Frankfurt.

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As in previous years, our Annual Report is available in German, English, and French. In addition, we can supply our Report in all three languages in microfiche form. If you wish to receive it like this, please contact us under one of the addresses given opposite (att. Economics and PR Dept.).

Photo on page 4: Ullstein Bilderdienst  
ISSN 0414-0443



## WEST BERLIN

Commerzbank's 1985 Annual General Meeting will take place on May 15 at West Berlin's International Congress-Centre –ICC– where shareholders will be informed of the Bank's 1984 performance and expectations for the current year.

By choosing West Berlin as the location of our AGM –last held there in 1977– we hope, for one thing, to make it easier for our local shareholders to participate; secondly, this decision is intended to express our close links with the divided city, whose stock exchange is celebrating

its 300th anniversary this year.

Commerzbank's connection with Berlin goes back to the turn of the century; later the fortunes of our Bank were controlled for decades from the head office in the old German capital.

Our Berlin subsidiary's membership of the Commerzbank Group has since 1952 been made obvious to the general public as well through its being renamed "Berliner Commerzbank AG". Today it serves

- some 200,000 customers
- in 60 branches
- with a staff of 1,150.



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To our shareholders,

Your Bank made good progress in 1984. Once again, the performance of both our commercial banking subsidiaries and Rheinische Hypothekbank, our mortgage lending arm, was also very encouraging. All members of the Group attained fully satisfactory results, with our commercial banking subsidiaries managing to achieve above-average gains in the fee-earning services sectors. The operating result of the Commerzbank Group almost reached the previous year's very high level, allowing us to provide substantially for possible loan losses, especially as regards risks in our international lending.

The Parent Bank was able to extend its market share in both its wholesale and its retail business, the latter now comprising more than two million private customers. We attribute this success not only to the quality of the products and services we offer, but also to our branch network's marketing activities—focusing primarily on investment counselling and lending—which have been greatly streamlined in recent years.

Handling the financial side of West Germany's external trade remains a prominent area of our Bank's foreign business. At the same time, we play an active part in the national financial markets of the countries in which we maintain branch offices. We have taken up the challenge of global banking—which, in our opinion, also encompasses international syndication activities and worldwide broker/dealer operations.

In view of the recent amendment to the German banking law, the coordinated monitoring of all members of the Commerzbank Group has become the decisive factor for our business policy, since the lending of the Group as a whole must now be based on consolidated equity figures. The task of strengthening the Group's liable funds—both from yearly net income and through appropriate capital-raising measures—has, therefore, become a focal point in our planning. To implement this strategy, allocations to reserves have once again been increased within the Group.

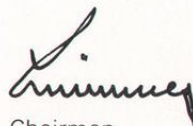
Despite the fact that we can expect our liable capital to be augmented as a result of the warrant rights attaching to our own bonds being exercised, we also wish to avail ourselves of the

newly created opportunity to issue profit-sharing certificates in order to broaden our equity base. We shall thus ask our shareholders' authorization for such measures, the total amount of DM500m proposed for this purpose reflecting a fundamentally confident view of the growth prospects we anticipate for the Commerzbank Group over the next five years.

We are making intensive efforts to further improve both our technical equipment and, above all, our efficiency in terms of more and better qualified staff. These investments—traces of which can easily be detected in the operating result—are to help us prepare ourselves for the future.

This year is the second time that we invite our shareholders to West Berlin for our Annual General Meeting. We thus continue our tradition of each year changing the venue of our AGM in order to allow for the geographical spread of our shareholders. The next two Annual General Meetings will be held in Frankfurt on May 23, 1986, and in Hamburg on May 22, 1987.

March 1985



Chairman  
of the Supervisory Board



Chairman  
of the Board of Managing Directors

---

# 33rd Annual General Meeting

---

Notice is hereby given that the 33rd Annual General Meeting of shareholders of Commerzbank AG will be held at the International Congress Centre, Messedamm/Neue Kantstrasse, Berlin,

**at 10.30 a. m.  
on Wednesday, May 15, 1985.**

## Agenda

**1  
To consider  
the Bank's established Annual Accounts,  
the Report of its Board of Managing Directors,  
and the Report of its Supervisory Board,  
together with the  
Consolidated Annual Accounts  
and the Group Report  
for the year ended December 31, 1984.**

**2  
To resolve on  
the appropriation of the distributable profit.**

The Board of Managing Directors and the Supervisory Board propose that the distributable profit of DM101,208,000.00 achieved in the financial year 1984 be used

for the payment of a dividend of DM6.00 per share of DM50.00 nominal.

**3  
To approve the actions  
of the Board of Managing Directors  
during the financial year 1984.**

The Board of Managing Directors and the Supervisory Board propose that such approval be given.

**4  
To approve the actions  
of the Supervisory Board  
during the financial year 1984.**

The Board of Managing Directors and the Supervisory Board propose that such approval be given.

**5  
To elect a member of the Supervisory Board  
in place of one retiring.**

Dr. Arno Paul Bäumer has stated his wish to retire from the Bank's Supervisory Board as from the close of the Annual General Meeting. The Supervisory Board proposes that Dr. Uwe Haasen, Stuttgart, Member of the Board of Managing Directors of both Allianz Versicherungs-AG and Allianz Lebensversicherungs-AG be elected in his stead.

The General Meeting is not bound to comply with election proposals. The Supervisory Board is constituted in accordance with Section 96 (1) and Section 101 (1) of the German Stock Corporation Act and Section 7 (1) 1,3 of the German Codetermination Act.

**6  
To authorize the Board of Managing Directors  
to approve the issue  
of profit-sharing certificates  
and to resolve on an amendment  
to the Bank's statutes.**

The Board of Managing Directors and the Supervisory Board propose the following motions:

- a) The Board of Managing Directors shall be authorized to issue by May 15, 1990 up to DM500,000,000.00 nominal of profit-sharing rights (Genussrechte) complying with the requirements of Section 10 (5) of the German Banking Act (KWG).

This authorization may be made use of for the issue of tranches within the total. Each such issue shall be composed of individual, equally ranking profit-sharing rights, documented in profit-sharing certificates (Genussscheine) of DM100.00 nominal or multiples thereof.

Except for fractional amounts resulting from the subscription ratio, the profit-sharing rights are to be offered for subscription to the Bank's shareholders, with the latter's subscription rights to be excluded for the fractional amounts.

The Board of Managing Directors shall also be authorized to determine at its discretion all other details regarding the issue of profit-sharing rights, the terms applying to them and, especially, their date of issue, maturity and issue price, as also the form, amount and date of the profit-sharing payments and of the sums due upon redemption. The right of the holders of profit-sharing certificates to receive payments from profits may take precedence over that of shareholders.

- b) The present text of Section 23 of the Bank's Statutes shall become paragraph 1 thereof and the following new paragraph 2 shall be added:

"Where the Company with the approval of the General Meeting of Shareholders has granted profit-sharing rights, and where the holders of the certificates documenting these rights can derive from the conditions governing the latter a claim to payment from the distributable profit, shareholders shall have no claim to this proportion of the distributable profit (Section 58 -4- of the German Stock Corporation Act-AktG)".

**7  
To appoint the Auditors  
for the financial year 1985.**

The Supervisory Board proposes that Treuarbeit Aktiengesellschaft, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Düsseldorf, be appointed auditors for the current financial year.

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# Supervisory Board

(Aufsichtsrat)

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PAUL LICHTENBERG  
Frankfurt/Düsseldorf  
*Chairman*

HANS-GEORG JURKAT  
Cologne  
Commerzbank AG  
*Deputy Chairman*

DR. E.h. ARNO PAUL BÄUMER  
Stuttgart  
Chairman of the Board of Managing Directors  
of Allianz Lebensversicherungs-AG, and  
Member of the Board of Managing Directors  
of Allianz Versicherungs-AG

KARIN BEHRENS  
Berlin  
Berliner Commerzbank AG

REINHOLD BORCHERT  
Bonn  
Commerzbank AG

HEINZ-WERNER BUSCH  
Oberhausen  
Commerzbank AG

DR. ROLF DARMSTADT  
Frankfurt  
Commerzbank AG

BRIGITTA DORN  
Frankfurt  
Commerzbank AG

HANS-JOACHIM FUHRMANN  
Frankfurt  
Commerzbank AG

PROFESSOR  
DR.-ING. DR. h. c. KURT HANSEN  
Leverkusen  
Honorary Chairman of the Supervisory Board  
of Bayer AG

DR. HEINZ KRIWET  
Duisburg  
Chairman of the Board of Managing Directors  
of Thyssen Stahl AG, and  
Member of the Board of Managing Directors  
of Thyssen AG  
vorm. August Thyssen-Hütte

FRITZ LOSUKOW  
Frankfurt  
Commerzbank AG

DR. OTTO RANFT  
Offenbach/Main  
Chairman of the Supervisory Board  
of Hoechst AG

WERNER RINKE  
Essen  
Barrister  
Member of the Board of Managing Directors  
of Rheinisch-Westfälisches Elektrizitätswerk AG

TONI SCHMÜCKER  
Wolfsburg  
Member of the Supervisory Board  
of Volkswagenwerk AG

HONORARY SENATOR  
PROFESSOR DR. MATTHIAS SEEFELDER  
Ludwigshafen  
Chairman of the Supervisory Board  
of BASF AG

HANS-GEORG STRITTER  
Düsseldorf  
Secretary for Banking Section and Member  
of the National Executive Committee  
of the Commercial, Banking, and Insurance  
Workers' Union (HBV)

DR.-ING. HANNS ARNT VOGELS  
Ottobrunn  
Chairman of the Executive Board  
of MBB Messerschmitt-Bölkow-Blohm GmbH

RUDOLF WEINGÄRTNER  
Hamburg  
Member of the National Executive Committee  
of the Salaried Employees' Union (DAG)

DR. GERD WOLLBURG  
Augsburg  
Deputy Chairman  
of the Board of Managing Directors  
of M.A.N. Maschinenfabrik  
Augsburg-Nürnberg AG

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# Advisory Board

(Verwaltungsbeirat)

---

KURT ALBERTS

Essen

Member of the Board of Managing Directors  
of Karstadt AG

DR.-ING. BURCKHARD BERGMANN

Essen

Member of the Board of Managing Directors  
of Ruhrgas AG

PROFESSOR

DIPL.-ING. WERNER BREITSCHWERDT

Stuttgart

Chairman of the Board of Managing Directors  
of Daimler-Benz AG  
*until February 29, 1984*

DR. KARLHEINZ BUND

Essen

Chairman of the Board of Managing Directors  
of Ruhrkohle AG

DR. MAX GÜNTHER

Munich

Member of the Board of Managing Directors  
of Siemens AG

DR. WOLFGANG JAHN

Meerbusch-Büderich

*since May 18, 1984*

DR. OSKAR JANSON

Oberhausen

Spokesman of the Board of Managing Directors  
of Thyssen Niederrhein AG  
Hütten- und Walzwerke  
*until December 31, 1984*

DR. HANS-JÜRGEN KNAUER

Mülheim (Ruhr)

Chairman of the Board of Managing Directors  
of Stinnes AG, and  
Member of the Board of Managing Directors  
of VEBA AG  
*since January 1, 1985*

PROFESSOR DR. CARL HEINRICH KRAUCH

Marl

Chairman of the Board of Managing Directors  
of Chemische Werke Hüls AG

DR. WOLFGANG LAAF

Wetzlar

Member of the Board of Managing Directors  
of Edelstahlwerke Buderus AG

DR. GERHARD LIENER

Stuttgart

Member of the Board of Managing Directors  
of Daimler-Benz AG  
*since March 1, 1984*

HONORARY SENATOR

DIPL.-ING. DR. HELMUT LOHR

Stuttgart

Chairman of the Board of Managing Directors  
of Standard Elektrik Lorenz AG

DR. DIETRICH WILHELM von MENGES

Essen

Barrister

*until December 31, 1984*

DR. JÖRG MITTELSTEN SCHEID

Wuppertal

Lawyer

General Partner in Vorwerk + Co.

RUDOLF AUGUST OETKER

Bielefeld

FRIEDRICH ROESCH

Cologne

Chairman of the Board of Managing Directors  
of Kaufhof AG

HONORARY SENATOR

LOTHAR F. W. SPARBERG

Stuttgart

General Manager  
of IBM Deutschland GmbH

DIPL.-ING. ENNO VOCKE

Essen

Chairman of the Board of Managing Directors  
of Hochtief AG vorm. Gebr. Helfmann

HERIBERT WERHAHN

Neuss

Partner in Wilh. Werhahn

DR. GÜNTER WINKELMANN

Mülheim (Ruhr)

Chairman of the Board of Managing Directors  
of Stinnes AG, and  
Member of the Board of Managing Directors  
of VEBA AG  
*until December 31, 1984*

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# Board of Managing Directors

(Vorstand)

---

WALTER SEIPP

Frankfurt/Düsseldorf

*Chairman*

ERICH COENEN

Düsseldorf

DIETRICH-KURT FROWEIN

Frankfurt

FRIEDRICH GRUNDMANN

Hamburg

KURT HOCHHEUSER

Düsseldorf

WOLFGANG JAHN

Düsseldorf

*until May 18, 1984*

GÖTZ KNAPPERTSBUSCH

Düsseldorf

MARTIN KOHLHAUSSEN

Frankfurt

JÜRGEN REIMNITZ

Frankfurt

KURT RICHOLT

Frankfurt

AXEL FREIHERR von RUEDORFFER

Hamburg

RABAN FREIHERR von SPIEGEL

Frankfurt

JÜRGEN TERRAHE

Frankfurt

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## General Managers

(Generalbevollmächtigte)

## Chief Legal Adviser

(Chefjustitiar)

---

HARRY GAWENAT  
Frankfurt

DR. HELMUT BECKER  
Frankfurt

KLAAS PETER JACOBS  
New York

FRIEDHELM JOST  
Frankfurt

KARL-HEINZ KINDT  
Düsseldorf

ALFRED KNÖR  
Frankfurt

DR. HANS-VIKTOR KURZROCK  
Düsseldorf  
*until December 31, 1984*

KLAUS MÜLLER-GEBEL  
Frankfurt

WOLFGANG OTTO  
Frankfurt

HERBERT PETERS  
Frankfurt

HERBERT WOLF  
Frankfurt





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# Report of the Board of Managing Directors

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## The Bank's Progress

### The 1984 banking year

With the domestic economic climate generally favourable, movements in the German financial markets were not overly excessive in the year under review. Disturbances were caused, however, by the lengthy industrial disputes in the printing and metalworking industries and by the unexpectedly strong rise of the US dollar. Strike-related wage losses led to a decline in private saving in the second quarter, and the attractive level of American interest rates swelled the flow of capital to the US markets.

The downward trend of German interest rates meant that the brisk demand for credit from private households could be met without difficulty, particularly as borrowing by the corporate sector still remained sluggish. Overall, though, the 1984 banking year was less marked by lending than by service activities. Thus, with the country's foreign trade expanding, the export-linked business of West Germany's banks was exceptionally buoyant, as were both their domestic and cross-border securities transactions.

### General performance of Commerzbank

For Commerzbank, 1984 saw the start of a new, earnings-oriented growth period, after several years of consolidation and restructuring. Our strategy, followed over the last few years, of thorough planning, well-balanced steering of Group operations, and a return to a satisfactory level of profitability has cleared the way for us to embark again on a more expansionary policy. We also pursued this goal successfully with new products and a carefully calculated approach to sectors of the market so far untapped.

In the year under review, the Parent Bank enjoyed a profitable performance in all areas of its business. Its operating result fell not very much short of the excellent 1983 figure, while for the Group it was almost on a par with that of the previous year.

### Solid expansion of business volume

After a four-year period of balance sheet restructuring, during which the Parent Bank's total

### Commerzbank Group

The balance sheet total of the Commerzbank Group as at December 31, 1984 stood at DM122.7bn; total lending amounted to DM90.3bn.

At end-1984, the banks affiliated within the Commerzbank Group were handling

approximately 4.6 million accounts  
for nearly 2.6 million customers  
at 882 branches  
with a staff of 22,801.

In addition to the Parent Bank, the Group comprises the following major associated banks whose annual reports and accounts are summarized on pages 68 to 77:

- Berliner Commerzbank AG, Berlin,  
balance sheet total DM4,793m;
- Commerzbank International S.A.,  
Luxembourg,  
balance sheet total DM15,124m;
- Commerzbank (Nederland) N.V.,  
Amsterdam,  
balance sheet total equal to DM1,089m;

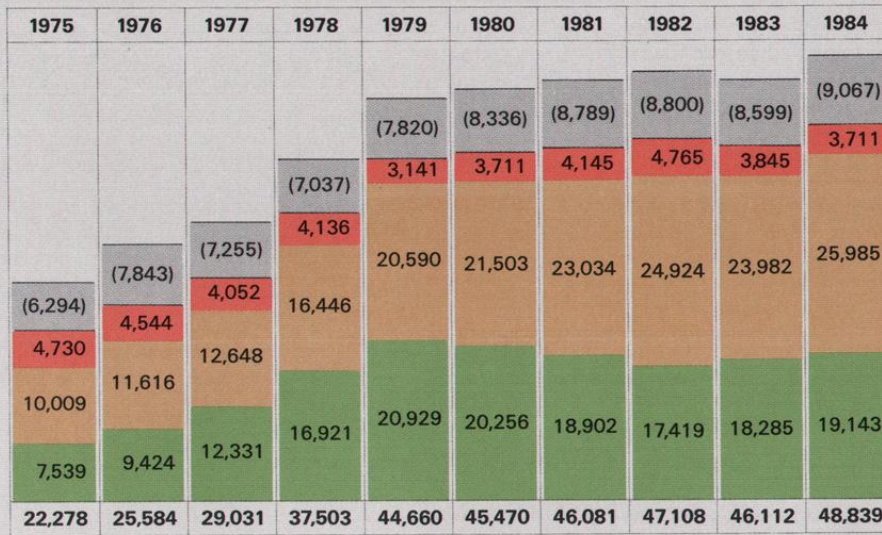
- Commerzbank (South East Asia) Ltd.,  
Singapore,  
balance sheet total equal to DM2,410m;

- Rheinische Hypothekenbank AG,  
Frankfurt,  
balance sheet total DM28,007m.

Capital and reserves of the Commerzbank Group, including that part of the equity of Rheinische Hypothekenbank AG and Commerz-Credit-Bank AG Europartner not held by Commerzbank, amounted to DM3,115m at the end of 1984. Further details are given on page 66. Following implementation of the resolutions of member banks' 1985 annual general meetings, the Group's liable equity will total DM3,143m (DM2,917m in 1983). Consolidated net income for the year was DM263m, as against DM213m in 1983.

The Group's overall foreign position once again showed total claims on non-domestic borrowers slightly exceeded by aggregate liabilities to depositors abroad. (For the Group Report and Consolidated Annual Accounts, see pages 57 to 87.)

# Commerzbank: balance sheet structure further improved

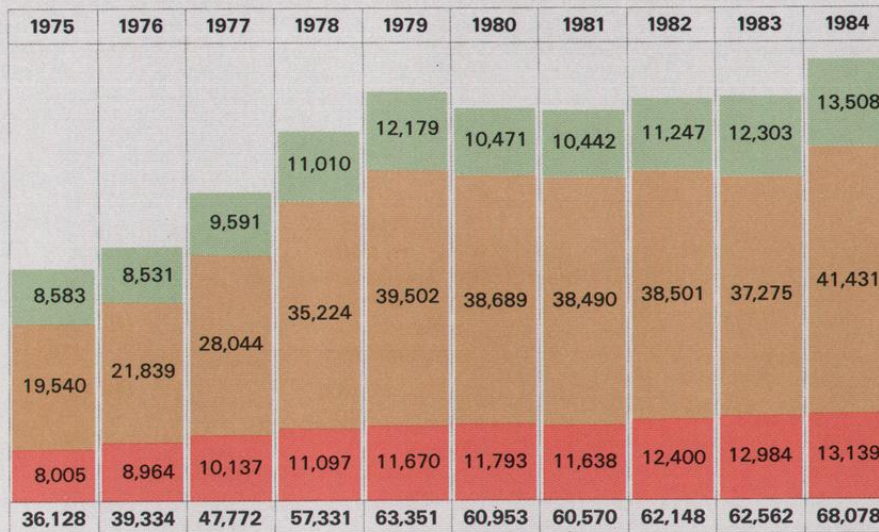


### Volume of lending

The rise in total lending is largely the result of brisk demand by our private customers for instalment credits and home loans; in part, however, it was also induced by exchange rate movements. Corporate borrowing was mainly at shorter term. In general, too, such advances—with a life of up to 4 years—expanded much more strongly than those with longer maturities.

in DM m:

- guarantees
- discounts
- short and medium-term book and acceptance credits
- long-term credits (for four years or more)

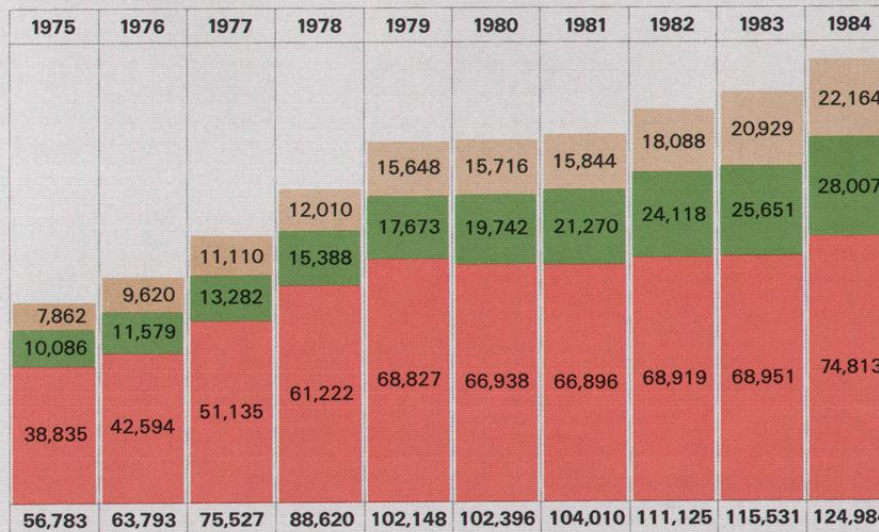


### Total deposits and borrowed funds

While customer deposits were markedly up again, our interbank borrowing has further lost significance. Time deposits registered especially strong growth; the level of our own bonds outstanding rose by a sixth to almost DM5bn.

in DM m:

- sight deposits
- time deposits, own bonds and acceptances outstanding
- savings deposits and savings bonds



### Business volume of the Group

Most of the increase in the business volume of the Group was achieved by the Parent Bank. While from 1979 onwards, an earnings-oriented restructuring of the balance sheet had been given preference over expansion, last year saw the focus shifted back to growth. Of the Commerzbank subsidiaries, the mortgage lending arm, Rheinische Hypothekbank, once again posted the greatest gain.

in DM m:

- other consolidated companies (after offsetting inter-company claims and liabilities)
- Rheinische Hypothekbank AG
- Commerzbank AG

assets had remained virtually unchanged, 1984 saw strong growth again: the business volume—which, in addition, includes endorsement liabilities—rose by 8.5 per cent to DM74.8bn. This increase being spread evenly over the year, the 1983 business volume was on average surpassed by 3.3 per cent.

Salient figures for the 1984 accounts of the Parent Bank are as follows (1983 figures in parentheses):

	DM bn	
Balance sheet total	72.8	(66.9)
Total deposits and borrowed funds	68.1	(62.6)
Total lending	48.8	(46.1)
Capital and reserves	2.711	(2.578)

#### Dividend payment and allocation to reserves

We consider it an achievement that both interest and commission income were able to outstrip their already good 1983 levels. Yet growth here did not keep pace with the still higher increases in current expenditure.

We again gave priority to providing for possible losses in our domestic and, even more so, in our international lending, having already employed substantial funds to provide for individu-

al doubtful loans in previous years. These additions to loan loss reserves, larger than in 1983 in the case of country risks, have further enhanced our coverage.

We shall be asking the Annual General Meeting to approve an unchanged dividend of DM6 per DM50 nominal share. Shareholders qualifying for a tax credit on dividend income will, in addition, receive approximately DM3.38 per share. DM60m will be allocated to reserves, representing a rise of DM10m on the previous year.

#### Improved balance sheet structure

The sturdy growth in the Bank's volume of business was entirely customer-based. Liabilities to other banks were once again greatly reduced and now account for only 18 per cent of the balance sheet total, compared with 23 per cent in 1983. Since at the same time claims on other banks went up slightly, the interbank position, which last year was virtually balanced, now shows the Parent Bank as a net lender of DM2.8bn.

Customer deposits recorded a noteworthy expansion of DM6.6bn to DM48.3bn, corresponding to almost 65 per cent of the balance sheet total. The gain was contributed to by all forms of deposits, with savings deposits up 3 per cent, time deposits—where the accent was on shorter terms—up 23 per cent, and call deposits

#### Utilization of new funds in 1984

	in DM m		in DM m
Source of funds		Application of funds	
Increase in liabilities	7,963	Increase in assets	6,256
a) customers' deposits	(6,647)	a) cash reserves, cheques, and collection items	(1,674)
b) own bonds	(700)	b) nostro balances	(802)
c) own acceptances	(269)	c) bonds	(222)
d) provisions	(187)	d) shares	(55)
e) disclosed reserves	(134)	e) loans to customers	(2,893)
f) other liabilities	(26)	f) increase in fixed assets	
Reduction of assets	299	fa) investments	(151)
a) bills of exchange	(122)	fb) land and buildings	(25)
b) loans to banks	(32)	fc) office furniture and equipment	(115)
c) Treasury bills	(142)	g) other assets	(319)
d) other assets	(3)	Reduction of bank deposits	2,099
Depreciation on fixed assets	93		
	8,355		8,355

of non-bank customers up 15 per cent to top DM10bn for the first time. The latter reflects our stepped-up involvement in the transfer of funds for payments transactions.

Partly the result of exchange rate movements, the rise in customer lending was mainly in the shorter and medium-term range, so that the ratio between these loans and longer-term credits (4 years and over) resettled at 60 to 40.

#### Overall business volume of Group DM134.6bn

The consolidated balance sheet shows a DM5.2bn expansion—to DM74.6bn—in claims on customers. There was, however, an even larger increase—of DM6.6bn to DM51.9bn—in customer deposits. Since, moreover, bonds outstanding went up DM5.1bn to DM33.9bn, the Group's position as a net borrower in the interbank market was reduced from DM6.0bn to merely DM1.9bn.

The overall volume of business handled by the Commerzbank Group—defined as total assets plus both endorsement liabilities and guarantees—grew by almost DM10bn, or 8 per cent, to reach DM134.6bn at end-1984.

#### Basis for international funding broadened

The volume of Commerzbank bearer bonds outstanding rose 16.6 per cent in the year under review to DM4.9bn. As in 1983, the accent was on paper with a life of over four years, while sales of such bonds with shorter maturities generally only made up for redemptions.

In order to broaden our funding base, we once again had recourse to the international financial markets through one of our financing arms, Commerzbank Overseas Finance N.V., Curaçao. A US\$100m issue of floating rate notes with warrants attached entitling their holders to subscribe to fixed-interest bonds, launched in the first quarter of 1984, was followed by a dual-currency bond issue, placed in the Swiss capital market, which produced an amount of Sfr100m. The latter paper will in due course be redeemed in US dollars, at a rate—pre-determined at flotation—of US\$3,150 for each Sfr5,000 after 7 years, or of US\$3,650 after 10 years. The proceeds of both issues were made available to the Parent Bank, in whose accounts they are shown as long-term client deposits.

Two later 1984 offerings by Commerzbank Overseas Finance N.V.—one of US\$100m of fixed-interest paper and one of US\$150m of

floating rate notes, each with warrants attached entitling their holders to subscribe to fixed-rate notes, have not been given accounting recognition in the balance sheet of the Parent Bank since the proceeds were put at the disposal of our Luxembourg subsidiary, Commerzbank International S.A. All fixed-rate issues—including such paper as will be needed to satisfy subscription rights from warrants—have been covered by interest-rate swap agreements. By thus transforming fixed-interest into floating-rate liabilities, we were able to obtain what are in practice longer-term funds on favourable, variable terms.

Moreover, our shareholders were offered DM300m of bonds with warrants for subscription. A further DM140m of bonds with warrants, issued by our above-mentioned Curaçao financing arm, was placed entirely with Banco Hispano Americano, Madrid.

#### Strong growth in lending

Rising by DM2.7bn, total lending kept pace with the expansion of the balance sheet total in the year under review. While bills discounted recorded a slight fall of DM134m as per year-end, and credits to banks remained almost unchanged, book credits to non-banks are shown substantially higher, despite the loan loss provisions already referred to. More than a third of this increase reflects business done by our foreign branches, the DM equivalents of whose dollar assets have gone up in 1984, also due to the strong performance of the US dollar.

#### International lending and investments

Gross foreign loans outstanding at the Parent Bank reached about 30 per cent of the broadly defined business volume (i.e. also comprising guarantees), most of them being accounted for by our foreign branches. The—similarly calculated—proportion for the Group was a good third. We concentrated most of our new lending on North America, Europe and the Far East.

Allowing for risk provision, the overall foreign exposure of the Commerzbank Group—namely total non-domestic loans and interbank deposits and also holdings of foreign securities—amounted to DM30.2bn at the balance sheet date. In accordance with the reporting requirements set by the German banking supervisory authorities, this figure no longer covers local lending, equivalent to DM4.6bn at the balance sheet date, by our operative bases abroad funded in the respective national financial mar-

## Central Departments, Branches, Subsidiaries, and Holdings

### Board of Managing Directors

#### Banking Departments

International Commercial Banking and Export Finance  
Corporate Customers  
Treasury and Foreign Exchange  
Investment Banking  
Loan Management  
Private Customers, Home Loans  
Securities Business

#### Management Services

Controlling and Planning  
General Services and EDP  
Personnel  
Accounting and Taxes  
Legal Matters  
Internal Auditing  
Economic Research and Public Relations

#### Domestic Branches, Subsidiaries, and Holdings

**40 Main Branches**  
controlling 404 Regional Branches with 338 Sub-Branches

#### More than 50 Subsidiaries and Holdings

including:

Rheinische Hypothekenbank AG, Frankfurt

Berliner Commerzbank AG, Berlin

Commerz-Credit-Bank Aktiengesellschaft Europartner, Saarbrücken

Commerzbank Fonds-Verwaltungsgesellschaft mbH (Cofo), Düsseldorf

Commerz- und Industrie-Leasing GmbH, Frankfurt

Deutsche Gesellschaft für Immobilien- und Anlagen-Leasing mbH (DIL), Düsseldorf

#### Foreign Branches, Subsidiaries, and Holdings

#### 4 Subsidiaries

Commerzbank International S.A., Luxembourg

Commerzbank (Nederland) N.V., Amsterdam

Commerzbank (South East Asia) Ltd., Singapore

Commerzbank (Switzerland) Ltd, Zurich

#### 12 Branch Offices (see page 100)

#### 16 Representative Offices (see page 102)

#### Some 30 Holdings

including:

EuroPartners Securities Corporation, New York

International Commercial Bank PLC, London

Korea International Merchant Bank, Seoul

UBAE Arab German Bank S.A., Luxembourg/Frankfurt

kets. Our aggregate exposure was thus slightly up on the previous year, the rise in part due to exchange rate movements, but also reflecting new credits, some of them fresh money provided to states rescheduling their debts.

Although in the case of problem countries, the ratio of funds outstanding to loan loss reserves has further improved, we still do not regard it as satisfactory, not least in terms of our equity base. Most of our foreign lending—62 per cent—continues to be to Western industrialized nations, including international organizations, while European and overseas developing countries account for 24 per cent, OPEC borrowers for 8 per cent and centrally-planned economies for 6 per cent.

#### Securities holdings only slightly up

Having considerably expanded our portfolio of fixed-interest securities during 1983, we refrained in 1984 from replacing such discountable Treasury notes as became due, causing the value of this item to fall by DM142m. And while we had initially allowed the volume of bonds and notes held by us to decline, we later raised it so that it was shown DM222m higher at the year-end. This was the result of a DM730m increase in paper with a life of more than four years and a simultaneous decrease in those at shorter term. There was a slight rise in our remaining securities holdings other than "investments", which besides blocks of shares of more than 25 per cent—our interest in Karstadt AG remains the single most important item here—also include equities held for trading purposes.

Rheinische Hypothekenbank remains our principle stake shown under "investments". The addition of some DM140m under this heading is almost entirely the effect of our acquiring the remaining share capital of Europartners Bank (Nederland) N.V. (see page 60) and 10 per cent of the equity of Banco Hispano Americano (BHA), Madrid. We believe that the latter move, while underlining our interest in closer cooperation with this member of the Europartners group, should help us enhance our business as regards the future EEC member Spain.

In return, Banco Hispano Americano was offered two-year bonds with warrants that were issued, as already mentioned, by Commerzbank Overseas Finance N.V. of Curaçao and entitled our Spanish partner bank to subscribe to shares of Commerzbank AG. Per DM1,000 of the bonds, which carry a coupon of 3.75 per cent and were priced at par, 6 Commerzbank shares

may be bought at a price of DM158 each. Banco Hispano Americano has undertaken to exercise its option by mid-1986; for us, this will generate DM42.0m in new share capital and DM90.7m in additional reserves.

#### Commerzbank's equity strategy

The main move to strengthen our equity base during the year under review was the issue of DM300m of bonds with warrants, the premium from which—amounting to DM65m together with the proceeds from the separate sale in the market of a fractional amount of this issue not offered to shareholders—was added to the disclosed reserves of the Parent Bank. As already mentioned, a further DM60m was allocated to them from the 1984 net income, bringing the liable equity of Commerzbank AG to DM2,711m.

Since the amendment to West Germany's Banking Act came into force at the beginning of 1985, the country's banks have had to apply group terms in devising their equity policy, because the main change brought about by the revised law relates to the gradual introduction of loan/equity ratios based on group—rather than only parent-bank—figures. July 1, 1985 marks the beginning of a 5½-year transitional period at the end of which (i.e. on January 1, 1991) principle No. 1 as set by the German Banking Supervisory Authority—stipulating that a bank's total lending must not exceed 18 times its equity capital—has to be met on a consolidated basis, with half of the necessary adjustment to the more stringent requirements to be completed by January 1, 1988.

The equity strategy pursued by the Commerzbank Group has so far given priority to reinforcing its liable capital out of earnings. Hence a total of DM152.3m has been allocated to reserves within the Group from the 1984 results—the highest annual amount yet. Moreover, thanks to the bonds with warrants floated in the year under review and still outstanding, we have provided for further additions to our equity base. And we are also getting prepared for the issue of profit-sharing certificates (Genussscheine) which, under the revised law, may account for up to a quarter of a bank's total capital and reserves.

In planning the policy to be adopted by our Group, we are assuming that we shall be able to comply with the stricter legal requirements without having to forego profitable new business. This will, however, only be possible by running a tight ship in the Group's management.

#### Interest margin narrowly maintained

Throughout the year under review, the interest rate levels for both deposits and overdrafts remained unusually stable. Only minor fluctuations occurred following the slight upward movement of time-deposit rates in the money market, in the wake of the June 29 discount rate rise. At the long end of the market, loan rates—in line with bond yields—went down markedly, so that by end-1984, they were on average a full percentage point lower than a year before.

Commerzbank's interest margin, although initially somewhat under pressure, staged a recovery during the second half of the year. On average over the full 12-month period, though, it fell marginally short of the corresponding 1983 figure. Yet owing to the expansion in the volume of our business, net interest income was boosted by 1.9 per cent to DM1.8bn.

#### Net commission income up

Our main service activities—namely securities and foreign commercial business—managed to increase their share in our net commission income by approximately one-tenth. However, the level of commissions earned in payment transactions was barely maintained.

Profits realized on own-account securities and currency dealings once again contributed substantially to the total operating result.

#### Postponed outlays on staff and equipment push up operating expenditure

With the recruitment of both more and better qualified people, and with stepped-up efforts being made to improve technical equipment at head office and branch level, overall operating expenditure was up 7.0 per cent. While personnel costs rose no more than 4.3 per cent, other operating expenses went up 14.1 per cent.

Following the closure of three small urban sub-branches, the total number of our branches and sub-branches in West Germany in early 1985 was 782. In addition, Berliner Commerzbank AG continues to run 60 branches, while eight are maintained in the Saarland by Commerz-Credit-Bank Europartner, Saarbrücken. At the turn of the year, our presence abroad was assured by three subsidiaries, 12 branches or similar operative bases, and 16 representative offices.

#### Domestic payments transactions

We have reinforced our position in the field of domestic payments transactions. Once again, the proportion of cash items handled automatically showed a sharp rise. As regards cashless payments, transfers still predominated by a small margin, but the share accounted for by cheques and direct debits went up again, so that this figure at Commerzbank exceeds the West German average. We keep encouraging such payments while attempting to reduce the volume of conventional transfers.

We are also trying, through the use of new technology, to ensure that such conventional transfers as continue to be made—and which represent quite a large volume yet—are fed into our computer system at the earliest possible stage. This involves, in particular, the use of optical character readers able to cope with both mechanically-produced and handwritten texts. The advantages of electronic processing lie not only in the greater rapidity with which transactions can be performed, but also in the increased efficiency of follow-up procedures.

#### New Technical Centre

In the autumn of 1984, we were able to move into our new Technical Centre in Frankfurt. Having taken 20 months to build, it now accommodates our largest computer centre, as well as some 700 members of our General Services and EDP Department.

### Serving our business customers

The reorganization at both central and branch level of the facilities we offer our business customers has proved its worth. The latter have clearly benefitted from lending, deposit-taking, foreign business, and payments services having been grouped together for them. We have also extended our range of products in the light of market developments. Moreover, providing individual solutions for corporate customers, in particular, often requires considerable advice and assistance that greatly challenges the flexibility of those companies' banks.

#### Credit demand up slightly

Use of overdraft facilities accelerated markedly in the course of the year, the 12-month rise at end-December amounting to 10 per cent. The volume of bills discounted was only slightly down, from DM3.8bn to DM3.7bn as per year-end. The increase in the rediscount quota which the Bundesbank saw fit to allow us when raising the discount rate at mid-year was used mainly to fund our lending to small and medium-sized companies.

With merely a small interest differential left between domestic and Euromarket DM loans, demand for the latter remained relatively weak-

the only pick-up we noticed occurring in connection with foreign trade transactions.

Otherwise, the volume of investment capital sought by trade and industry was fairly small throughout the year, with companies only slowly demonstrating an increasing willingness to embark on capital projects and, moreover, being mostly able to finance new equipment from their substantial cash flow. Even so, we registered high growth figures in our special loan programmes—two schemes offering either medium or long-term credits—tailored to the needs of small and medium-sized businesses. Supplementary facilities introduced in this context towards the end of the year ensure that our branches are well equipped to cope with the brisker demand, expected for 1985, for funds to cover capital spending.

In our longer-term lending, we closely cooperate with our mortgage bank subsidiary, Rheinische Hypothekenbank. We were able to meet a clear need on the part of trade and industry with our jointly offered fixed-interest business loans, recording notable expansion in this area.

The main source of government finance we had recourse to for the corporate sector were once again the various lending programmes of Kreditanstalt für Wiederaufbau (Reconstruction

Lending to domestic private and business customers		
	31-12-1984	31-12-1983
Energy and mining	3.3%	4.0%
Chemical and oil refining industries	2.9%	2.6%
Plastics and rubber production, non-metallic minerals, fine ceramics and glass	2.2%	2.0%
Metal production and processing, steel construction, mechanical engineering, automotive industry, office equipment and EDP	10.1%	11.1%
Electrical and precision engineering, optical products, metal manufacturing, musical instruments, sports equipment, jewelry	6.5%	6.8%
Wood, paper, and printing	2.6%	2.9%
Textiles, clothing, shoe and leather industries	2.4%	2.5%
Food, drink, and tobacco	3.0%	2.8%
Building and civil engineering	3.0%	2.7%
Industry, overall	36.0%	37.4%
Commerce	11.3%	11.2%
Transport and communications	2.3%	2.6%
Other services, including the professions	19.3%	18.8%
Persons other than self-employed	31.1%	30.0%
	100.0%	100.0%



Loan Corporation). Our business client counselors have been increasingly trained to offer customized credit packages which also make use of the many government loan schemes that are available.

#### Leasing, an alternative facility

Leasing continues to be sought after as a useful complement or alternative to bank borrowing. Our subsidiary for the leasing of moveable goods, Commerz- und Industrie-Leasing GmbH (CIL), again reported good progress with an increase in new business. Our real estate and industrial plant leasing activity is carried out through Deutsche Gesellschaft für Immobilien- und Anlagen-Leasing mbH, which we operate jointly with Deutsche Bank and which also managed to boost the volume of its business.

#### Foreign commercial business

The sturdy growth in German exports and imports of both goods and services translated into a strong rise in the volume of payments transactions handled by us in this context. Since, however, most of the extra trade tended to be with the industrialized countries, the additional business was mainly in the form of "clean payments", at the cost of documentary credits. As a result, our earnings in the foreign commercial field were unable to keep pace with the volume increase.

Business with the Comecon countries became relatively brisk and, thanks to a number of major projects, dealings with the Arab world and various Black African nations proved satisfactory, too. We had no problem handling—within the scope of the credit lines available to our correspondent banks—rather large amounts of business with countries rescheduling their debts. Yet it is obvious that countertrade deals have also been gaining further momentum.

#### Medium and long-term export financing

Newly approved medium and long-term credits for German exporters—again mostly involving buyer credits as a means of easing the exporter's balance sheet position—were about sufficient to offset the repayments of such loans, both premature and on schedule. There was another marked rise as regards the use of earlier commitments.

The—by past standards—somewhat subdued demand for new loans has its roots in the sluggish inflow of foreign industrial plant orders. In the case of such countries as have long purchased

their capital goods on credit, the reluctance to buy is attributable to their strained foreign exchange situation—for, understandably, they have to give priority to large-plant projects already started and to meeting their current requirements in terms of spare parts.

However, a substantial proportion of our new medium and long-term export lending is the result of refinanced deals originally concluded on a cash payment basis. Foreign importers continue to make most orders conditional on accompanying finance for both down and interim payments as well as for local costs, and although no Hermes (the German export credit insurance system) cover can be obtained for such loans, we try to be of assistance as far as is feasible.

Through our branches and subsidiaries abroad, we again made increasing use of other countries' export finance schemes.

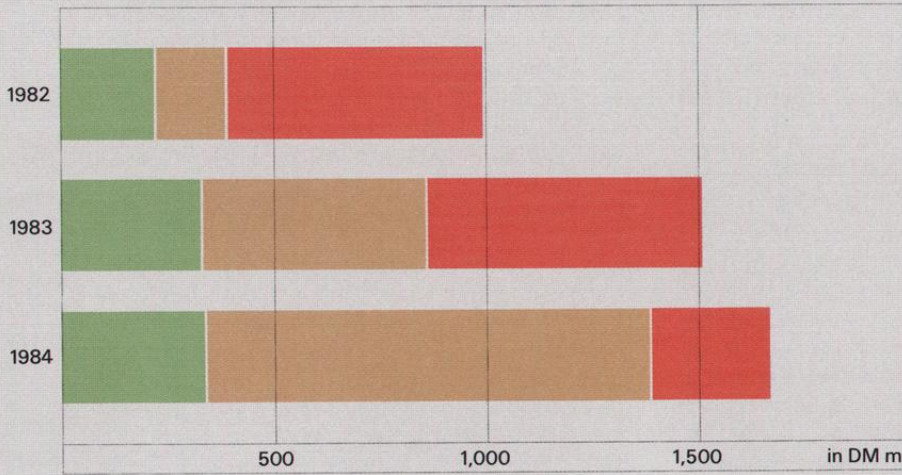
We hope that the changes—effective in the meantime—to the German Government's foreign credit umbrella guarantee system that have reduced the competitive disadvantages we suffered in the past in funding such business, will provide us with a better position vis-a-vis other banking groups. On a comparable basis with the latter, we are now able to offer long-term fixed rates for Hermes-covered buyer credits.

#### Service facilities much sought after

Besides such traditional banking activities as payments transactions, borrowing and lending, the special service facilities offered by our Bank are ever more in demand. In line with this trend, we have in recent years steadily extended the range of our counselling. This includes helping our customers to find equity investors, to arrange mergers and acquisitions, or to enter into some form of cooperation with other firms.

The trend of smaller and medium-sized companies, in particular, to avail themselves to a growing extent of our special EDP facilities for effecting their own payments continued during the year under review. The use they made of Commerzbank's computer system, both for payments transactions between themselves and our Bank, and to obtain pertinent data for their financial management, translated into often remarkable cost savings on their part. To complement our automated cash management system, ACMS, through which all of a customer's accounts can be monitored in combination, we have successfully introduced the COBRA cash management information system in our

## Private customers: savings and borrowing on the increase

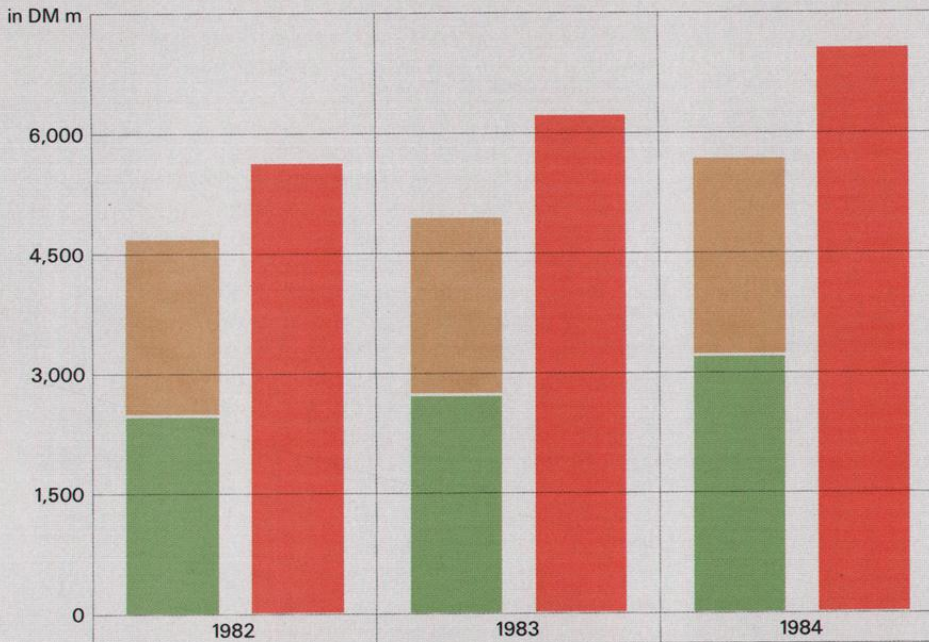


### Private savings

In 1984, our customers again transferred more of their savings from deposit accounts into securities.

As a result, the proportion of new savings deposited on account was down to a sixth.

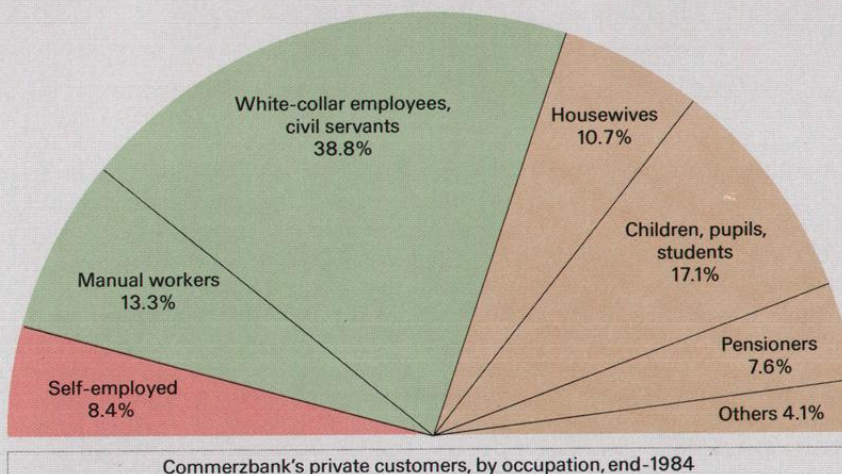
- growth in savings on account
- purchases of securities from savings accounts (net)
- purchases of savings certificates from savings accounts (net)



### Retail lending

The demand for personal credits – especially home loans – remained brisk in 1984. Overall, they rose by a seventh to DM12.7bn.

- personal loan schemes (up to DM50,000)
- other retail credits
- home loans



### Commerzbank's private customers, by occupation

At present, we serve almost 2.2m private customers, representing a broad cross-section of society. They account for 95.5% of our total domestic clients.

Percentage shares in total number of private customers

home market. It is now not merely used by internationally oriented German enterprises, but is also attracting considerable interest among our business associates abroad, mainly in the banking sector.

In addition to the wide range of information already provided over the German videotex system, we have started to offer our corporate and private customers the possibility of directly "talking" to our computer via this scheme. In its first stage, the programme will enable them to call up statements on their bank accounts and securities holdings, to effect domestic transfers of funds, and to buy and sell securities.

Especially as regards the foreign business of companies operating in trade and industry and the services sector, we time and again realize the great need for practical advice, particularly on the part of smaller firms. Thanks to our marked international orientation, we are well placed to give very effective assistance to all of the former in opening up new markets.

### **Serving our private customers**

1984 saw us extending and improving the range of our retail facilities and services, the innovations including:

- a flat monthly account-keeping fee,
- a long-term bonus savings scheme with an insurance cover option, and
- personal loans of up to DM50,000, with both variable interest rates and repayment terms not pre-set but subject to special, individual agreement.

The new arrangement for personal current accounts—which provides for a flat monthly fee, instead of each transaction being individually charged for—that we introduced in October 1984, has met with a very favourable response, both by our clients and by the public at large. The new system has the advantage of being clear and simple, with the customer deriving the greatest benefit the more the account is being used. Our intention in introducing it was to underline the importance we attach to personal accounts as the hub of our retail business, trying to make each client relationship as multifaceted and long-lasting as possible.

Our new long-term savings scheme with an increasing bonus—which can, if desired, be com-

bined with life insurance cover—has complemented our product range since early December. Especially designed to supplement pension or other plans for protecting the family from financial hardship, it is a useful addition in the 8 to 20-year area to our existing longer-term regular savings programmes. It, too, has been well received, with some 11,000 contracts worth a total of about DM170m—roughly a quarter of them with insurance cover—concluded during the first three months it has been available.

The personal loan facilities we provide have been extended to allow for the growing desire on the part of our clients for greater flexibility in terms of both the withdrawal of loan funds and their repayment. Besides the traditional fixed-rate hire-purchase loan repayable in fixed monthly instalments, there are now two further schemes offering variable interest rates and great optional freedom as regards repayment; terms may or may not stipulate minimum instalments for the latter.

The broad scale of consumer credits our customers can choose from thus stretches from simple short-term overdrafts to medium and long-term loan facilities for amounts of up to DM50,000. This sphere of activity—which we understand in a more comprehensive sense to include all our standardized personal loans, also those just referred to of up to DM50,000—registered a gratifying development. Despite a high level of redemptions, the overall volume of consumer loans rose by almost 12 per cent to reach DM2.45bn—a noteworthy increase given that the car-buying impetus usually so important was more or less absent during the second half of 1984. Bad debts in this field remained small on the whole.

### Savings up again

Customer savings deposits went up DM281m in the year under review to DM10,634m—and this even though bonus savings contracts worth DM330m matured while a very substantial proportion of savings was used to buy securities. The net amounts withdrawn for this purpose doubled over the year to more than DM1bn.

To a growing extent, our special medium-term savings scheme has been a factor in maintaining a rather stable level of savings deposits. The total number of these contracts, which qualify for a 14 per cent bonus upon maturity, has now topped 300,000—the overall sum covered being DM1.6bn and in-payments to date already amounting to a little more than DM500m.

# International bond issues


Tombstones illustrating our international syndicate business: in 1984, Commerzbank was the lead manager for 29 bond offerings by foreign issuers, denominated in either D-marks or US dollars and equivalent to an overall amount of DM4.5bn.

New Issue  
These Bonds have been placed outside the United States of America.  
This announcement appears as a matter of record only.  
March 5, 1984

## STERLING-WINTHROP PRODUCTS INC.

Panama, Panama  
DM 250,000,000  
7 1/2% Deutsche Mark Bearer Bonds of 1984/1994

irrevocably and unconditionally guaranteed by



## STERLING DRUG INC.

New York, New York, USA

Issue Price: 100% - Interest: 7 1/2% p.a., payable annually in arrears on March 1. Redemption: on March 1, 1994 at par. Denomination: DM 1,000 and DM 10,000. Security: irrevocably and unconditionally guaranteed by Sterling Drug Inc., New York, New York, U.S.A., Negative Pledge Clause - Listing: Frankfurt/Main

**COMMERZBANK**  
AKTIENGESELLSCHAFT

**MORGAN GUARANTY LTD**  
UNION BANK OF SWITZERLAND (SECURITIES) LIMITED


**SWISS BANK CORPORATION INTERNATIONAL**  
LIMITED

**Abu Dhabi Investment Company**  
Algemeine Bank Nederland N.V.  
Al-Mal Group  
Auro International Limited  
Arab Banking Corporation (ABC)  
Julius Baer International Limited  
Banca Commerciale Italiana  
Banca del Gottardo  
Banca di Roma  
Banca di Sicilia  
Banca di Svizzera  
Banca per la Svizzera S.A.  
Banca per Gemeinwirtschaft  
Aktiengesellschaft  
Bank Leu International Ltd.  
Aktiengesellschaft  
Bank Leu International Ltd.  
Bank Mees & Hope NV  
Banque Bruxelles Lambert S.A.  
Banque Française du Commerce Extérieur  
Banque Générale du Luxembourg S.A.  
Banque Indosuez  
Banque Nationale de Paris  
Banque Paribas  
Banque de Paris et des Pays-Bas (Suisse) S.A.  
Banque Populaire Suisse S.A. Luxembourg  
Barclays Bank Group  
Baring Brothers & Co., Limited  
Bayerische Hypothek- und Wechsel-Bank  
Aktiengesellschaft  
Bayerische Landesbank Girozentrale  
Bayerische Vereinsbank Aktiengesellschaft  
Job. Berenberg, Gossler & Co.  
Berliner Bank Aktiengesellschaft  
Berliner Handels- und Frankfurter Bank  
Bankhaus Gebrüder Hoffmann  
Byth Eastman Paine Webber  
International Limited  
B.S.I. Underwriters Limited  
Caisse des Dépôts et Consignations  
Chase Manhattan Limited  
Chemical Bank International Limited  
CIBC Limited  
Citicorp Capital Markets Group  
Commerzbank International S.A.  
Commerzbank (South East Asia) Ltd.  
Continental Illinois Capital Markets Group  
Copenhagen Handelsbank  
Country Bank Limited  
Creditanstalt-Bankverein  
Crédit Commercial de France  
Crédit Industriel et Commercial  
Crédit Lyonnais  
Credit Suisse First Boston Limited  
Dai-ichi Kangyo International Limited

**Dawa Europe Limited**  
Richard Doss & Co., Bankiers  
Delbrück & Co.  
Den Danske Bank af 1871 Aktieselskab  
Den norske Creditbank  
Deutsche Bank Aktiengesellschaft  
DGB Bank  
Deutsche Genossenschaftsbank  
Deutsche Girozentrale  
Deutsche Kommunalbank -  
Dillon, Read Overseas Corporation  
Dominion Securities Annes Limited  
Dresdner Bank Aktiengesellschaft  
DSK Bank Deutsche Siedlungs- und  
Landesrentenbank  
Effektenbank-Warburg Aktiengesellschaft  
Enkilda Securities  
Skandinaviska Enkilda Limited  
EuroFinance S.p.A.  
EuroFinance Securities Corporation  
European Banking Company Limited  
Fuji International Finance Limited  
Girozentrale und Bank  
der österreichischen Sparkassen  
Aktiengesellschaft  
Goldman Sachs International Corp.  
Groupement des Banquiers Privés  
Gulf International Bank B.S.C.  
Hambros Bank Limited  
Hamburgerische Landesbank  
Handelsbank N.W. (Overseas) Limited  
Georg Hauck & Sohn Bankiers  
Kommanditgesellschaft auf Aktien  
Heussische Landesbank - Girozentrale -  
Hill Samuel & Co. Limited  
Industriebank von Japan (Deutschland)  
Aktiengesellschaft  
Istituto Bancario San Paolo di Torino  
Kidder, Peabody International Limited  
Kleinwort, Benson Limited  
Kreditbank N.V.  
Kreditbank S.A. Luxembourg  
Kreditbank (S.A.)  
Kreditbank S.A. Luxembourg  
Kreditbank S.A. (S.A.K.)  
Kuwait International Investment Co. s.a.k.  
Landesbank Rheinland-Pfalz  
Girozentrale -  
Lazard Frères et Cie

**Lehman Brothers Kuhn Loeb  
International, Inc.**  
Lloyds Bank International Limited  
LTCB International Limited  
Manufacturers Hanover Limited  
Merck, Finck & Co.  
Merrill Lynch Capital Markets  
B. Metzler seel. Sohn & Co.  
Mitsubishi Finance International Limited  
Mitsui Finance Europe Limited  
Samuel Montagu & Co. Limited  
Morgan Royal Bank Limited  
Morgan Stanley International  
The Nikko Securities Co. (Europe) Ltd.  
Nomura International Limited  
Norddeutsche Landesbank  
Girozentrale  
Österreichische Länderbank  
Aktiengesellschaft  
Sal. Oppenheim jr. & Cie.  
Orion Royal Bank Limited  
PK Christiana Bank (UK) Limited  
Postbank  
Privatbanken Aktiengesellschaft  
N.A. Rothschild & Sons Limited  
Salomon Brothers International  
Sawwa Bank Underwriters Limited  
J. Henry Schroder Wagg & Co. Limited  
Schweizerische Hypothek- und  
Wechselbank  
Smith Barney, Harris Upham & Co.  
Incorporated  
Société Générale de Banque S.A.  
Société Générale  
Société Générale de Banque S.A.  
Sumitomo Finance International  
Svenska Handelsbanken Group  
Trikont & Burkhart  
Verband Schweizerischer  
Kantonalbanken  
Verrein- und Wechselbank Aktiengesellschaft  
W.M. Warburg-Brickman,  
M.M. Warburg & Co. Ltd.  
Wardley  
Westdeutsche Genossenschafts-  
Zentralbank eG  
Westdeutsche Landesbank Girozentrale  
Wendelbank Aktiengesellschaft  
Wood Gundy Limited  
Yamaichi International (Europe)  
Limited

New Issue  
This announcement appears as a matter of record only.  
October 31, 1984



## Inter-American Development Bank

Washington, D.C., U.S.A.

DM 150,000,000  
7 1/2% Deutsche Mark Bearer Bonds of 1984/1992

- Private Placement -

Issue Price: 99 1/2% - Interest: 7 1/2% p.a., payable annually in arrears on November 1. Redemption: on November 1, 1992 at par. Denomination: DM 1,000 and DM 5,000. Security: Negative Pledge Clause

**COMMERZBANK**  
AKTIENGESELLSCHAFT

**BADISCHE KOMMUNALE LANDESBANK**  
- GIROZENTRALE -

**BAYERISCHE LANDESBANK**  
GIROZENTRALE

**BERLINER HANDELS-  
UND FRANKFURTER BANK**

**DEUTSCHE GIROZENTRALE**  
- DEUTSCHE KOMMUNALBANK -

**DSL BANK**  
DEUTSCHE SIEDLUNGS- UND LANDESRENTENBANK

**LANDESBANK RHEINLAND-PFALZ**  
- GIROZENTRALE -

**NORDEUTSCHE LANDESBANK**  
GIROZENTRALE

**WESTDEUTSCHE GENOSSENSCHAFTS-  
ZENTRALBANK eG**

New Issue  
This announcement appears as a matter of record only.  
October 31, 1984

## Beecham Group p.l.c.

Brentford, England  
DM 200,000,000  
7 3/4% Bearer Bonds of 1984/1994

Issue Price: 100% - Interest: 7 3/4% p.a., payable annually in arrears on November 1. Redemption: on November 1, 1994 at par. Denomination: DM 1,000 and DM 10,000. Security: Negative Pledge Clause - Listing: Frankfurt/Main

**COMMERZBANK**  
AKTIENGESELLSCHAFT

**CREDIT SUISSE FIRST BOSTON**  
LIMITED

**DEUTSCHE BANK**  
AKTIENGESELLSCHAFT


**DRESNER BANK**  
AKTIENGESELLSCHAFT

**GOLDMAN SACHS INTERNATIONAL CORP.**

**Abu Dhabi Investment Company**  
Algemeine Bank Nederland N.V.  
Auro International Limited  
Arab Banking Corporation -  
Dass & Co. GmbH  
Julius Baer International Limited  
Banca Commerciale Italiana  
Banca del Gottardo  
Banca di Roma  
Banca di Svizzera  
Banca per la Svizzera S.A.  
Banca per Gemeinwirtschaft  
Aktiengesellschaft  
Bank Leu International Ltd.  
Aktiengesellschaft  
Bank Leu International Ltd.  
Bank Mees & Hope NV  
Banque Bruxelles Lambert S.A.  
Banque Française du Commerce Extérieur  
Banque Générale du Luxembourg S.A.  
Banque Indosuez  
Banque Internationale à Luxembourg S.A.  
Banque Nationale de Paris  
Banque Paribas  
Banque Populaire Suisse S.A.  
Luxembourg  
Banque Privée S.A.  
Barclays Bank Group  
Baring Brothers & Co., Limited  
Bayerische Hypothek- und Wechsel-Bank  
Aktiengesellschaft  
Bayerische Landesbank Girozentrale  
Banque Bruxelles Lambert S.A.  
Banque Française du Commerce Extérieur  
Banque Générale du Luxembourg S.A.  
CIBC Limited  
Citicorp Capital Markets Group  
Commerzbank International S.A.  
Commerzbank (South East Asia) Ltd.

**County Bank Limited**  
Creditanstalt-Bankverein  
Crédit Lyonnais  
Dai-ichi Kangyo International Limited  
Deutsche Girozentrale  
Deutsche Kommunalbank -  
DG Bank  
Deutsche Genossenschaftsbank  
Dominion Securities Pfaff Limited  
DSL Bank Deutsche Siedlungs- und  
Landesrentenbank  
Effektenbank-Warburg  
Aktiengesellschaft  
EuroFinance Securities Corporation  
Fuji International Finance Limited  
Banque Générale du Luxembourg S.A.  
Incorporated  
Société Générale  
Société Générale de Banque S.A.  
Standard Chartered Merchant Bank  
Limited  
Strass Turbult Limited  
Sumitomo Finance International  
Svenska Handelsbanken Group  
Swiss Bank Corporation International Limited  
Trikont & Burkhart  
Verband Schweizerischer  
Kantonalbanken  
Verrein- und Wechselbank Aktiengesellschaft  
J. Vontobel & Co.  
A.M. Warburg-Brickman, Wirtz & Co.  
S.G. Warburg & Co. Ltd.  
Wardley  
Westdeutsche Landesbank Girozentrale  
Westdeutsche Aktiengesellschaft  
Wood Gundy Inc.  
Yamaichi International (Europe) Limited

New Issue  
This announcement appears as a matter of record only.  
January 31, 1984



## AUDI FINANCE N.V.

Amsterdam, The Netherlands  
DM 150,000,000  
7 1/2% Bearer Bonds of 1984/1994

irrevocably and unconditionally guaranteed by

## AUDI NSU AUTO UNION

Aktiengesellschaft  
Neckarsulm, Federal Republic of Germany

Issue Price: 100% - Interest: 7 1/2% p.a., payable annually in arrears on February 1. Redemption: on February 1, 1994 at par. Denomination: DM 1,000 and DM 10,000. Security: irrevocably and unconditionally guaranteed by Audi NSU Auto Union Aktiengesellschaft, Neckarsulm, Federal Republic of Germany. Negative Pledge Clause - Listing: Frankfurt/Main

**COMMERZBANK**  
AKTIENGESELLSCHAFT

**BAYERISCHE VEREINSBANK**  
AKTIENGESELLSCHAFT

**DRESNER BANK**  
AKTIENGESELLSCHAFT

**CREDIT SUISSE FIRST BOSTON**  
LIMITED

**DEUTSCHE BANK**  
AKTIENGESELLSCHAFT


**GOLDMAN SACHS INTERNATIONAL CORP.**

**Abu Dhabi Investment Company**  
Algemeine Bank Nederland N.V.  
Al-Mal Group  
Auro International Limited  
Arab Banking Corporation (ABC)  
Julius Baer International Limited  
Banca Commerciale Italiana  
Banca del Gottardo  
Banca di Roma  
Banca di Sicilia  
Banca di Svizzera  
Banca per la Svizzera S.A.  
Banca per Gemeinwirtschaft  
Aktiengesellschaft  
Bank Leu International Ltd.  
Aktiengesellschaft  
Bank Leu International Ltd.  
Bank Mees & Hope NV  
Banque Bruxelles Lambert S.A.  
Banque Française du Commerce Extérieur  
Banque Générale du Luxembourg S.A.  
Banque Indosuez  
Banque Nationale de Paris  
Banque Paribas  
Banque de Paris et des Pays-Bas (Suisse) S.A.  
Banque Populaire Suisse S.A. Luxembourg  
Barclays Bank Group  
Bayerische Hypothek- und Wechsel-Bank  
Aktiengesellschaft  
Bayerische Landesbank Girozentrale  
Job. Berenberg, Gossler & Co.  
Berliner Bank Aktiengesellschaft  
Berliner Handels- und Frankfurter Bank  
Byth Eastman Paine Webber  
International Limited  
B.S.I. Underwriters Limited  
Caisse des Dépôts et Consignations  
Chase Manhattan Limited  
Chemical Bank International Limited  
CIBC Limited  
Citicorp Capital Markets Group  
Commerzbank International S.A.  
Commerzbank (South East Asia) Ltd.  
Continental Illinois Capital Markets Group  
Copenhagen Handelsbank  
Country Bank Limited  
Creditanstalt-Bankverein  
Crédit Commercial de France  
Crédit Industriel et Commercial  
Crédit Lyonnais  
Credit Suisse First Boston Limited  
Dai-ichi Kangyo International Limited

**Richard Doss & Co., Bankiers**  
Delbrück & Co.  
Den Danske Bank af 1871 Aktieselskab  
Den norske Creditbank  
DGB Bank  
Deutsche Genossenschaftsbank  
Deutsche Girozentrale  
Deutsche Kommunalbank -  
Dominion Securities Annes Limited  
Dresdner Bank Aktiengesellschaft  
DSK Bank Deutsche Siedlungs- und  
Landesrentenbank  
Effektenbank-Warburg  
Aktiengesellschaft  
Enkilda Securities  
Skandinaviska Enkilda Limited  
EuroFinance S.p.A.  
EuroFinance Securities Corporation  
European Banking Company Limited  
Fuji International Finance Limited  
Girozentrale und Bank  
der österreichischen Sparkassen  
Aktiengesellschaft  
Groupement des Banquiers  
Privés  
Gulf International Bank B.S.C.  
Hambros Bank Limited  
Hamburgerische Landesbank  
Girozentrale -  
Georg Hauck & Sohn Bankiers  
Kommanditgesellschaft auf Aktien  
Heussische Landesbank - Girozentrale -  
Hill Samuel & Co. Limited  
Industriebank von Japan (Deutschland)  
Aktiengesellschaft  
Istituto Bancario San Paolo di Torino  
Kidder, Peabody International Limited  
Kleinwort, Benson Limited  
Kreditbank N.V.  
Kreditbank S.A. Luxembourg  
Kreditbank (S.A.)  
Kreditbank S.A. Luxembourg  
Kreditbank S.A. (S.A.K.)  
Kuwait International Investment Co. s.a.k.  
Landesbank Rheinland-Pfalz  
Girozentrale -  
Lazard Frères et Cie

**Lehman Brothers Kuhn Loeb  
International, Inc.**  
Lloyds Bank International Limited  
LTCB International Limited  
Manufacturers Hanover Limited  
Merck, Finck & Co.  
Merrill Lynch Capital Markets  
B. Metzler seel. Sohn & Co.  
Mitsubishi Finance International Limited  
Mitsui Finance Europe Limited  
Samuel Montagu & Co. Limited  
Morgan Royal Bank Limited  
Morgan Stanley International  
The Nikko Securities Co. (Europe) Ltd.  
Nomura International Limited  
Norddeutsche Landesbank  
Girozentrale  
Österreichische Länderbank  
Aktiengesellschaft  
Sal. Oppenheim jr. & Cie.  
Orion Royal Bank Limited  
PK Christiana Bank (UK) Limited  
N.A. Rothschild & Sons Limited  
Salomon Brothers International  
Sawwa Bank Underwriters Limited  
J. Henry Schroder Wagg & Co. Limited  
Smith Barney, Harris Upham & Co.  
Incorporated  
Société Générale de Banque S.A.  
Société Générale  
Société Générale de Banque S.A.  
Sumitomo Finance International  
Svenska Handelsbanken Group  
Trikont & Burkhart  
Verband Schweizerischer  
Kantonalbanken  
Verrein- und Wechselbank Aktiengesellschaft  
W.M. Warburg-Brickman,  
M.M. Warburg & Co. Ltd.  
Wardley  
Westdeutsche Landesbank Girozentrale  
Westdeutsche Aktiengesellschaft  
Wood Gundy Limited  
Yamaichi International (Europe)  
Limited

New Issue  
These securities having been sold, this announcement appears as a matter of record only.  
These securities were not offered in the United States of America or to United States persons.  
July 20, 1984



## Ford Credit Overseas Finance N.V.

Curaçao/The Netherlands Antilles

DM 75,000,000  
7 5/8% Deutsche Mark Bearer Bonds of 1984/1989

- Private Placement -

irrevocably and unconditionally guaranteed by

## Ford Motor Credit Company

Dearborn, Michigan, USA

Issue Price: 100% - Interest: 7 5/8% p.a., payable annually in arrears on July 15. Repayment: July 15, 1989 at par. Denomination: DM 1,000 and DM 10,000

**COMMERZBANK**  
AKTIENGESELLSCHAFT

Commerzbank's own savings bonds and certificates were also very popular; their gross sales were up 45 per cent to a nominal DM1.1bn. Since, however, the redemption figure was even somewhat higher, the amount of such paper outstanding as shown in the balance sheet slipped back slightly to DM2.5bn. There was, on the other hand, a sharp rise in private customers' time deposits which rose 16 per cent, from DM2.6bn to DM3.1bn.

Home loans: high payouts following large volume of 1983 approvals

Despite the general downtrend of credit demand for residential construction, building finance activities at Commerzbank remained at a high level. Once again, much of this was due to our successful cooperation in this field with our mortgage banking subsidiary, Rheinische Hypothekenbank, as also with various home loan associations and life insurance companies.

The volume of new home loans approved in 1984 totalled DM3.1bn (DM3.5bn in 1983)—many of them again passed on to be handled by Rheinische Hypothekenbank (see also pages 76/77). For the Commerzbank Group as a whole, home loan commitments amounted to DM4.7bn, as against DM5.6bn a year earlier.

The decrease in these credit approvals is in line with the cyclical trend in the housing market—yet compared with 1982, the 1984 figures for the Parent Bank and the Group were up about 50 per cent and 25 per cent, respectively. Last year's levels appear to be holding steady in 1985, too, since current interest rates seem to make the realization of building, conversion, modernization and extension projects a more attractive proposition again. Indeed, recent months have already seen building finance in greater demand.

During the year under review, home loans outstanding within the Group rose by more than DM2bn to DM19.3bn, of which DM7.0bn (1983: DM6.2bn) was accounted for by funds extended by the Parent Bank. Bad debts in this area remained on a low level.

Including its other retail credits, the Parent Bank's total lending to private customers was up almost DM1.6bn, or 14 per cent. At DM12.7bn, it now represents 43 per cent of our overall claims on domestic clients.

Improved customer service

We have steadily been upgrading our retail facilities through selective application, whenever appropriate, of the latest in banking technology and automation. To provide easier access to cash funds, we have to date installed some 25 eurocheque-card-operated cash dispensers at centrally situated branches which can also be used by customers of other banks. These machines are meeting with ready approval, and we intend to raise their number. At the same time, our client counsellor desks are rapidly being equipped with multi-function terminals.

Convinced as we are that relative positions in the retail banking market will in the future be determined not just by the level of technology but, above all, by the quality of advice a bank is able to provide, we are also consistently increasing the number of branch staff who can undertake such highly-qualified individual counselling.

**Syndicate and stock exchange business**

We have continued to be very active in investment banking both at home and abroad, the emphasis being on new issues business and securities dealings. A detailed report on developments in the domestic and the Euro-markets will be found on pages 19 to 26 of a supplement entitled "The Economic Scene in 1984/85", enclosed with this Report.

The volume of German public-sector bond issues, again rising slightly from DM23.4bn to DM23.9bn, in 1984 reached its highest annual figure ever. The country's industry, however—apart from offering a couple of convertible bonds and bonds with warrants—maintained its long-established preference for raising funds through bank credits and borrower's note loans.

Stock market featuring many new listings

In the German stock market, we participated last year in 16 capital increases, cash proceeds of which totalled approximately DM1.9bn. The largest of these was one by Hoechst AG from which the company received DM486m cash funds. We also took part in the launching of shares—involving overall cash proceeds of DM1.3bn—for ten newly listed companies, acting as lead managers in the case of three of

these firms who went public, namely Kronos AG Hermann Kronseder Maschinenfabrik, Neutraubling, ADV/Orga F.A. Meyer AG, Wilhelmshaven, and Moto Meter AG, Leonberg. Each of the latter issues was so well received as to make a strict allotment of shares necessary.

In addition, we arranged for the official Berlin, Frankfurt and Hanover stock exchange introduction of the shares of Hannoversche Papierfabriken Alfeld-Gronau AG, Alfeld (Leine), previously only traded in the regulated over-the-counter market. To ensure an adequate marketability for them, the Swedish majority owner reduced his holding in the company's share capital to just over 50 per cent and Commerzbank its stake to slightly more than 25 per cent, the resulting block of about 12 per cent being privately placed.

In early 1984, we were actively involved in selling off a further 13.75 per cent of the share capital of West Germany's energy giant VEBA, hitherto held by the German Government and producing cash funds of some DM700m. We regret the fact that, on the part of the Government, the move toward privatization has clearly lost much of its impetus. It was not until last November that a list of candidates for denationalization was published, and no timetable has been drawn up yet—despite the encouragement the Government should have derived from the successful flotation of the shares of bourse newcomers.

#### Almost DM20bn of foreign DM bonds issued

The volume of new DM bonds launched by foreign issuers reached DM19.6bn—again well above the previous year's record DM17.0bn. We acted as lead managers for 26 such issues of a total nominal value of DM3.4bn and as co-managers for a further 53 worth DM9.7bn.

We were also lead managers for three US dollar bond offerings of an overall face value of US\$350m and co-managed 199 other foreign-currency bond issues altogether equivalent to US\$24.2bn.

On the equities side, we were involved in the introduction on the Frankfurt stock exchange of registered shares of B.A.T. Industries p.l.c. and, as co-managers, in the listing of a new category of shares of Ing. C. Olivetti & C. S.p.A., a company already quoted in Frankfurt.

#### M & A services more sought after

Increasing use was made of the services we offer in the field of mergers and acquisitions, where we act as an intermediary in the buying and selling of whole businesses, or of stakes therein, and in the arranging of intercompany cooperation agreements. Firms looking for new trade investments were either motivated by a general wish to diversify or by a desire to round off their existing range of products, whereas sellers were moved by a far larger variety of reasons. Among foreign purchasers, US com-

Cooperation in underwriting syndicates			
Year	Capital increases through rights issues*)	Domestic bond issues (incl. convertible bonds)	Foreign DM bond issues (incl. convertible bonds)
1974	20 totalling DM0.5bn	18 totalling DM 7.3bn	8 totalling DM 0.8bn
1975	27 totalling DM2.5bn	20 totalling DM 8.8bn	60 totalling DM 5.6bn
1976	20 totalling DM1.4bn	23 totalling DM10.8bn	70 totalling DM 7.2bn
1977	20 totalling DM1.0bn	15 totalling DM 8.5bn	87 totalling DM10.9bn
1978	22 totalling DM2.5bn	23 totalling DM11.5bn	98 totalling DM12.0bn
1979	19 totalling DM2.0bn	15 totalling DM12.9bn	55 totalling DM 6.8bn
1980	16 totalling DM2.7bn	11 totalling DM 9.2bn	66 totalling DM10.0bn
1981	20 totalling DM1.4bn	12 totalling DM13.5bn	41 totalling DM 5.2bn
1982	20 totalling DM2.0bn	20 totalling DM21.9bn	102 totalling DM12.1bn
1983	18 totalling DM2.6bn	24 totalling DM23.4bn	103 totalling DM14.6bn
1984	16 totalling DM1.9bn	21 totalling DM23.9bn	109 totalling DM17.0bn

\*) cash proceeds.

In addition, we participated in placing 1,518 foreign currency bond issues between 1974 and 1984.

panies continued to hold their strong lead—although they encountered growing competition from European enterprises, particularly British and Scandinavian ones.

#### Share and bond prices up

In 1984 again, investors seeking to place their funds internationally found good opportunities in the securities markets. On many stock exchanges, share indices soared to all-time highs, the resulting price gains being enhanced by substantial exchange rate profits in both the United States and Japan. In the global performance league, German equities—as measured by the Commerzbank index of 60 leading shares—ranked only just below the halfway mark with an average rise of 6.4 per cent, the market being very uneven: insurance company shares headed the field with a 25 per cent surge, followed by those of the electrical and electronics industry and of the commercial banks. In terms of our new bond market index, which we presented to the public at the end of 1984, the average increase in German bond prices was 3.9 per cent, while the year-on-year gain amounted to 9.8 per cent—almost exactly the average total return (i.e. price gains plus dividend yields) that was obtainable on equities.

#### Stock exchange trading volumes soar

Although the volume of shares traded once again showed a small expansion despite the preceding year's boom, the emphasis in bourse dealings swung back to bonds. The total volume of securities traded on the eight German stock exchanges was DM234.3bn, as against DM185.6bn in 1983. Once again, investor interest in foreign paper quoted on German bourses was keen. At a volume of about DM40bn—a little more than half of which was accounted for by bonds and notes—this market sector has now reached dimensions not even achieved by the market as a whole in the early seventies.

Our domestic customers displayed an increased interest in foreign currency bonds—those denominated in US dollars proving particularly popular—whose sales with us rose 50 per cent. Turnover of foreign equities at our Bank remained at a good two-thirds of the corresponding figure for domestic shares.

The introduction in 1983 of new regulations for the trading of options has paid off. In terms of striking price, the overall value of new contracts concluded in 1984 was DM2.1bn (DM1.7bn in the year before), a quarter of them being put options. Our clients were strongly attracted by

this segment of the market, too. Its techniques do, however, require an outstanding degree of specialist guidance on our part.

#### Securities earnings continue upward tendency

We succeeded in again slightly boosting our aggregate earnings from our securities business, including those from own-account dealings, even though the 1983 figure had reflected sharp growth. Sales of our own bearer bonds totalled DM1.3bn, as against DM1.7bn the previous year, and thus once more helped considerably to fund our lending.

Our trust business enjoyed an unabated strong expansion, with further notable increases in both the number of customers and the volume of assets managed, the latter rise also reflecting favourable stock and bond market price trends.

#### Spotlight on bond investment funds

1984 proved a good year for investment trust companies concentrating on the operation of bond funds. Thus at our affiliate ADIG Allgemeine Deutsche Investment-Gesellschaft mbH, one of these funds, Adirenta, fared best in terms of sales: the largest German investment fund, its shares in circulation reached almost DM5.0bn at year-end, up from DM4.2bn at end-1983. Although registering price gains, the company's equity funds—in line with the market generally—partly suffered declines in the number of certificates outstanding.

Two internationally-investing ADIG bond funds set up last November, Adirewa and Fondirent, met with considerable interest, rapidly taking the lead in our sales of the company's certificates. Total assets under its management rose from DM6.7bn to DM8.0bn, DM6.4bn of this being accounted for by the six ADIG funds for which Commerzbank acts as depository bank. As regards funds offered to the general public, those run by ADIG raised their combined market share by a good point to almost 22 per cent.

Our own subsidiary, Commerzbank Fonds-Verwaltungsgesellschaft mbH (Cofo), which acts almost exclusively on behalf of institutional investors, saw another rise in both the volume of assets and earnings. At year-end, it was managing 63 securities funds with total assets of DM3.3bn, as against DM2.8bn at end-1983.

#### Open and closed-end property funds

Total assets of Haus-Invest, the open-end property fund for which we also serve as depository

bank, went up by DM56m to DM781m. The fund performed well from every point of view.

Once again, we offered customers the opportunity to invest in closed-end property funds as well. Together with Haftpflichtverband der Deutschen Industrie V.a.G., a banking syndicate for which we acted as lead manager set up and placed the shares of another such fund, HF Immobilienfonds Nr. 7 Timmendorfer Strand. We were also involved in the placing of the shares of another fund, Projekt Ratingen, for Deutsche Gesellschaft für Immobilien- und Anlagen-Leasing mbH, a company in which we have a 50 per cent stake.

#### New York investment bank

EuroPartners Securities Corporation—the New York investment bank in which we have a 40 per cent holding—was able to benefit from European investors becoming very enthusiastic about US securities. The main factors behind the flow of funds into the United States were attractive rates on fixed-interest paper—high by international comparison—and the chances that could be found on occasion in the US stock markets, with the soaring dollar providing additional appeal in both cases. Apart from securities dealings, this bank—which has a seat on the New York Stock Exchange—is involved in long-term corporate finance, new issues business, and mergers and acquisitions.

#### **International activities**

The financial assistance we render in handling West Germany's external trade remains pivotal for our international activity. Also extremely important are the Euromarket operations and the local business of our outlets abroad.

Our foreign branches had another successful year, during which they expanded both their borrowing from and their lending to non-bank customers in their host countries.

We continue to offer substantial bank-to-bank facilities for use by our domestic clients for their foreign commercial transactions. These loans to correspondent banks focussed on cash advances which accounted for nearly two-thirds of the total, while slightly less than a quarter was made up by confirmations of letters of credit.

#### Presence abroad streamlined and extended

We both tightened up and expanded our international presence in the year under review. Our representative offices in Lima, Madrid, and

Windhoek were closed, their work being taken over by other outlets, and we also shed a number of minor interests in foreign banks. At the same time, we acquired a holding in Banco Hispano Americano (see page 18). As the new year began, we surrendered our stake in Rifbank S.A.L., Beirut, to the other shareholders—the amicable contact with them built up over the years we shall however maintain, cultivating the correspondent banking relationship we have with this institution.

Preparations have been made for the setting up of a subsidiary in Zurich, Commerzbank (Schweiz) AG. Endowed with a share capital of Sfr25m, it will become operative as early as May 1985, principally concentrating its activities in the financial services sector, with particular emphasis being placed on trust and securities business, money-market and foreign exchange dealings, but also on the handling of new issues.

Also on the stocks is a further operative basis in the United States, where an office in Los Angeles will extend our presence—which now includes New York, Chicago and Atlanta—to the West Coast of the country.

Before 1984 came to an end, we agreed with the other member banks of the EuroPartners group that we would acquire what equity they still held in EuroPartners Bank (Nederland) N.V., based in Amsterdam with a branch in Rotterdam. It thus became a wholly-owned subsidiary of ours, one reason for this move being the need for more stringently controlling the activities of the Commerzbank Group because of the consolidation strictures arising from the recently amended German banking law. The bank's name has been changed to Commerzbank (Nederland) N.V.

With Zurich and Los Angeles included, our foreign operative bases will total 18, namely:

Amsterdam <sup>1)</sup>	Luxembourg <sup>3)</sup>
Antwerp	Madrid
Atlanta	New York <sup>4)</sup>
Barcelona	Osaka
Brussels	Paris
Chicago	Rotterdam <sup>1)</sup>
Hong Kong	Singapore <sup>5)</sup>
London	Tokyo
Los Angeles <sup>2)</sup>	Zurich

<sup>1)</sup> Commerzbank (Nederland) N.V.;

<sup>2)</sup> to be opened soon;

<sup>3)</sup> Commerzbank International S.A.;

<sup>4)</sup> with Grand Cayman sub-branch;

<sup>5)</sup> Commerzbank (South East Asia) Ltd.



All in all, our international network of operative units, representative offices, and foreign affiliates—the most prominent of the latter and all of the former being listed with addresses on pages 100 to 103—now comprises some 70 outlets and equity holdings in about 30 countries.

#### Foreign subsidiaries and affiliates

We report in detail on the activities of our Luxembourg, Amsterdam, and Singapore subsidiaries—Commerzbank International S.A. —CISAL—, Commerzbank (Nederland) N.V., and Commerzbank (South East Asia) Ltd. —COSEA— in the "Consolidated Annual Report" (page 57 to 87).

Despite an almost unchanged balance sheet total, CISAL in Luxembourg, which operates primarily in the Euromarkets, made very good progress. This included a further expansion of its retail business (see pages 70 and 71).

COSEA, our Singapore merchant bank subsidiary whose activities extend as far as the Southern Pacific, expanded its total assets figure to the equivalent of some DM2.4bn (see pages 74 and 75).

Renamed Commerzbank (Nederland) N.V. in late 1984, the former Europartners Bank (Nederland) N.V. has managed to raise its business volume to the equivalent of approximately DM1.1bn (see pages 72 and 73).

International Commercial Bank PLC—a London-based specialist Euromarket institution in which we have a 12 per cent interest—increased its balance sheet total from £1,053m to £1,287m, while managing to boost its operating profit by £0.3m to £6.1m. Paying an unchanged dividend, the bank made higher allocations to both its general and its loan loss reserves.

UBAE Arab German Bank S.A., Luxembourg/Frankfurt, of which we hold 25.1 per cent, is chiefly concerned with the financial side of German-Arab trade. Due mainly to a reduction of its interbank business, its total assets decreased to DM1.1bn. Yet a sharp upturn in its earnings permits both a further strengthening of its reserves and the payment of an appropriate dividend.

Both German and international companies can avail themselves of the services of Korea International Merchant Bank, Seoul, of which we are a founding member. We hold 20 per cent of its won15bn (nearly DM58m) share capital, recent-

ly augmented by won2bn. The bank's balance sheet total rose from the equivalent of DM698m to DM985m. It successfully expanded its activity within a growing Korean market, too, especially with regard to local-currency lending, the issuing of won-denominated bonds, leasing and foreign business. The bank continued to improve its earnings position.

#### Very selective approach to Eurocredits

As in previous years, our involvement in the Eurocredit business was generally only as lead or co-managers of syndicated loans for selected borrowers. Applying particularly strict standards, we also took part in several major project financings, the latter mainly concerning the exploitation of energy and other raw material resources, mostly in Canada and the North Sea.

As far as the international debt rescheduling efforts are concerned, our role has been that of a cooperative partner. We thus have been a member of the Venezuela Bank Advisory Committee, acting as regional coordinator for the German, Austrian, and Scandinavian banks involved; these negotiations led to an agreement in principle in the autumn of last year.

#### Cooperation with the Europartners

The services the member banks of the Europartners group—Banco di Roma, Banco Hispano Americano, Commerzbank, and Crédit Lyonnais—offer to their customers continue to centre on the TransCredit cross-border loan scheme. Thanks to its simplified clearing procedures as regards the provision of operating funds, this international lending system is especially suited to the needs of firms establishing or maintaining foreign subsidiaries in the home countries of the four banks. For Commerzbank, most of the activity under this heading in 1984 was with the Italian partner, Banco di Roma. In the future, we shall also become more active in this context on behalf of third-country subsidiaries of clients of the other Europartners' banks.

The customer-gearred business that is the basis of the Europartners' cooperation is backed by an exchange of personnel and joint efforts in the field of advanced training. Besides the regular secondment of employees to man special counters in each other's countries during the tourist season, this includes also shorter fact-finding stays of expert and junior staff that are to enhance their on-the-job experience of the foreign banking business. In jointly-run, high-

level seminars, the focus is on the exchange of information between junior and senior managers of the four partner banks. In addition, the regular reciprocation of country risk assessments has become a useful complement to the four banks' own individual analyses.

The international presence of the four Europartners is shown on the maps on pages 105 to 107. The activities of the Europartners' New York-based joint subsidiary, EuroPartners Securities Corporation, have already been reported on page 28, while those of Commerz-Credit-Bank Aktiengesellschaft Europartner, Saarbrücken, are outlined on page 60.

Foreign exchange service  
in all financial centres

Sharp and almost unforeseeable exchange rate fluctuations, of the dollar in particular, made it increasingly necessary for those engaged in foreign trade to seek forward cover, so that the calls on our currency trading units at home and abroad were considerable. The fact that at each of our three German head offices, in Düsseldorf, Frankfurt and Hamburg, our clients can have immediate recourse to an independently operating forex team has proved advantageous, as has the internal separation between own-account transactions and those on behalf of our customers.

Three very efficient head-office dealing groups are solely concerned with the specific currency requirements of our corporate customers. Like their colleagues trading on the Bank's account, they form part of our worldwide network of forex dealer teams in all the leading international financial centres and are thus able to provide our clients with a round-the-clock service.

Endeavouring to meet our customers' hedging needs with a broad range of facilities, we now also offer them currency options. These combine the possibility to obtain forward cover with the added opportunity of realizing a profit, especially when exchange rates are extremely volatile. We continue to see as our particular strength the market position we have established in a number of currencies not officially quoted, but also in the handling of longer-term forward transactions.

### Staff and welfare report

Even if the banks' efficiency is increasingly determined by the use of modern technology, the commitment and expertise of our staff retain their key significance. We therefore wish to express our gratitude towards all those whose efforts have helped to ensure the Bank's success. Our special thanks go to our employees who retired during the year, many of them after long years of service.

We shall always honour the memory of those employees and pensioners who died in the course of 1984.

#### Data on staff

(Numbers of employees are given in full-time equivalent figures for the Parent Bank.)

- At end-1984, the number of staff active at home and abroad had risen to 20,016, while the average for the year was some 468 higher at 19,608.
- We offered 127 more apprenticeships in 1984, bringing the total up to 1,868. The increase was the result of a larger number of young people starting their career with our Bank—810 as against 740 a year earlier. The proportion of apprentices to permanent domestic staff has edged slightly upwards, from 10.3 to 10.7%.
- 342 employees (end-1983: 298) were taking part in our junior executive training scheme at the end of 1984.
- The number of Commerzbank staff based abroad went up from 666 to 696 last year, 564 of whom were recruited locally (1983: 531).
- The proportion of staff giving notice declined further, from 4.7% in 1983 to 4.5%.
- Our employees still choose to remain with the Bank for a considerable period of time:
  - 46% have been with us for more than 10 years,
  - and 14% for more than 20 years.
- The average age of our staff remained unchanged at 36.
- The number of pensioners and surviving dependants at end-1984 was 4,614, compared with 4,354 a year earlier. 338 employees left us for retirement. In the year under review, 81 of our staff were the first to take advantage of the collectively negotiated "pre-retirement" scheme which became effective as from October 1, and a further 64 will follow suit during the first half of 1985.

#### Personnel expenditure and welfare provision

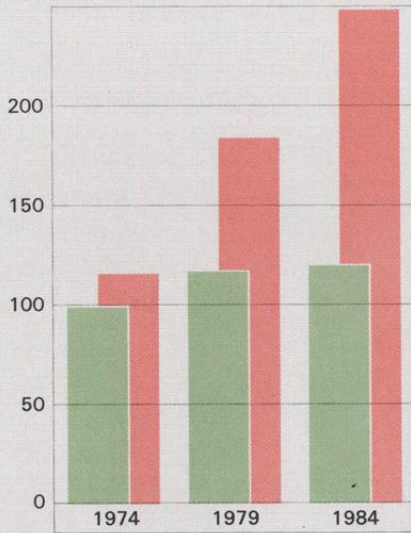
- Overall personnel expenditure rose by 4.3% to DM1,248.3m; it should not be overlooked, however, that the figure for the previous year had been affected by additional allocations to pension provisions.
- Chiefly responsible for the higher personnel expenditure were:
  - a 3.4% increase in collectively negotiated salaries as from March 1, 1984 and a similar rise in all individually agreed salaries as from July 1, 1984;
  - growth of 2.5% in the average number of staff over the year.
- The following changes occurred in the individual items of personnel expenditure:
  - Wages and salaries up 6.5% to DM971.4m (1983: DM911.7m).
  - Social insurance contributions up 9.2% to DM145.1m (1983: DM132.9m).
  - Pensions, pension fund contributions, benefits down 13.2% to DM131.8m (1983: DM151.8m).
- DM59m (1983: DM51m) was spent on basic and advanced training, the former accounting for DM37m (1983: DM33m).
- Special payments to individual employees for long and loyal service came to DM5.6m (1983: DM4.3m).
- DM4.2m (1983: DM4.1m) was paid to staff in the form of holiday allowances.
- The cost of again making Commerzbank shares available to employees at a preferential price amounted to DM1.4m (1983: DM1.6m).

#### Focal points of personnel policy

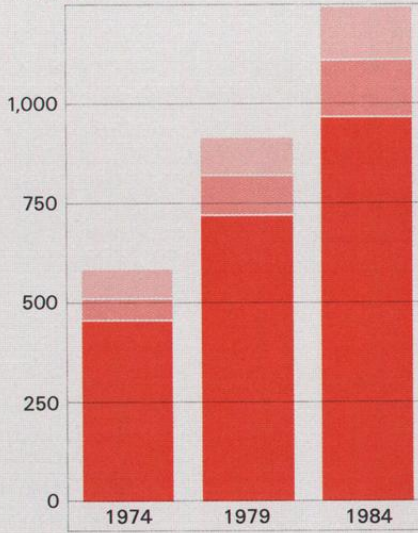
Our personnel policy was principally geared to finding qualified staff who could win new customers for the Bank and develop existing contacts. For this reason, the benefits of fresh re-

# Focus on Commerzbank's staff

1973 = 100



in DM m

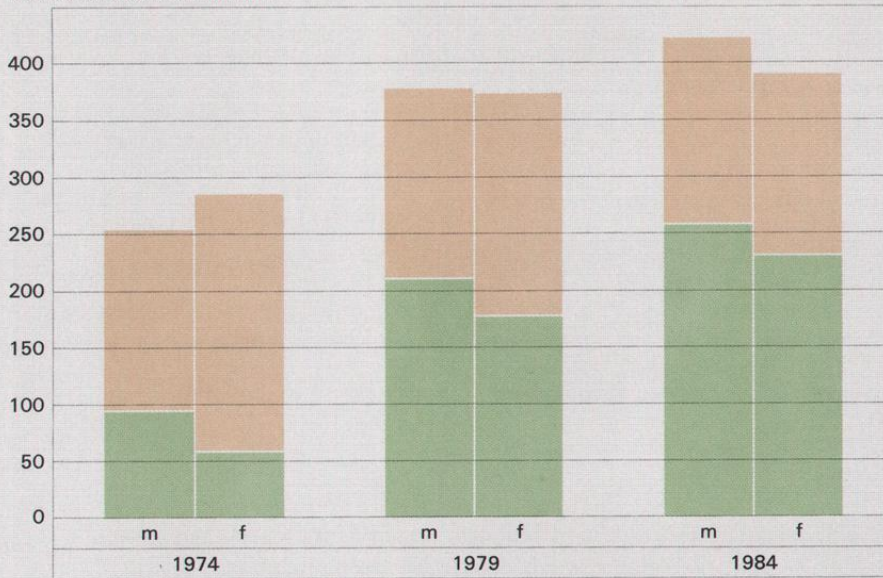


## Number of employees and personnel expenditure

While over the last ten years our staff has grown by a good fifth, personnel costs have more than doubled – with social insurance contributions increasing even more rapidly than actual wages and salaries.

- number of employees
- personnel expenditure:
  - pension fund contributions, benefits
  - social insurance contributions
  - wages and salaries

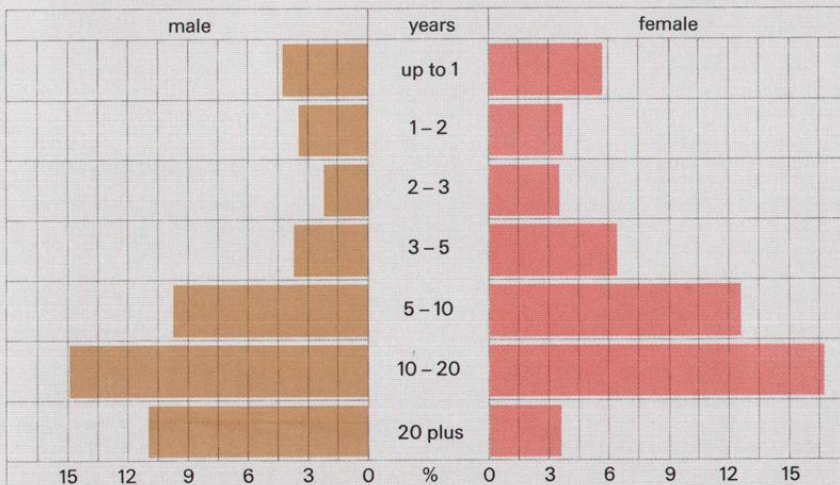
## Number of fresh recruitments



## Intake of apprentices

Between 1974 and 1984, we boosted the number of new apprentices by half again. The proportion of those among them holding a university or college entrance qualification – as opposed to an intermediate certificate – rose considerably.

- intermediate school-leaving certificate
- university and college entrance qualification
- m = male
- f = female



## Years of service with Commerzbank

As in the past, over two-thirds of our staff have now been with us for at least five years, 46% even for 10 years or longer.

- female employees
- male employees

cruitments, apart from helping the Bank's training sector, were to a very large extent felt in customer-oriented business.

#### Training posts increased

Our personnel expansion in the training field is a reflection of our belief that, in the medium term, the labour market will not produce enough people who are competent in banking. While our junior executive training schemes involving roughly 340 participants are already attuned to the Bank's medium-term needs, we intend to raise the number of apprentices once again in 1985, up to a point where we exhaust all our current training capacity. Here the interests of West German society as a whole fully coincide with the needs of the Bank.

In recent years, the number of those among our apprentices possessing a final certificate after 13 years schooling has steadily increased. In 1984, they accounted for 60% of the intake; ten years previously the ratio had only been 28% (see chart, page 32). The rise in the school population indicates that the proportion of such young people taking up an apprenticeship with our Bank will continue to grow. But, at the same time, we are still very interested in those leaving school with an intermediate certificate after 10 years education. We offer both groups the same career opportunities. The proportion of apprentices who have subsequently joined our staff on a permanent basis has gone up in recent years, reaching almost nine-tenths in 1984. Those who left us mostly did so to take up a course of studies.

#### New selection procedure for junior executive training scheme

Since the start of 1984, we have applied the so-called "assessment centre method" when deciding upon successful applicants for our junior executive training schemes; the latter are open both to our own employees with the necessary prerequisites and to university graduates. This selection procedure, details of which we present in the following special chapter, is particularly useful for judging the capacity for assuming managerial responsibility.

#### Advanced training as important task

Apart from ensuring a steady supply of qualified junior staff, we continue to be very keen on furthering the careers of those among our employees who already have banking experience. Through improving the quality of courses offered, while maintaining their overall number at

its existing high level, we are responding to the more exacting demands which our corporate and private customers make on our counselling and service potential. As a follow-up measure, seminar participants are given encouragement to use their freshly acquired knowledge at their place of work. And the courses held for the managers of smaller and medium-sized branches also play a substantial part in guaranteeing a better service on the local level.

#### Support through systematic planning

Last year, with a view to staff promotion, we extended our career planning system, which contains ordered data on more than 4,000 of our personnel. This procedure helps us recognize promising individuals at an early stage and prepare them for more demanding tasks according to their talents. Moreover, we can fall back upon it to fill vacant positions from within our own ranks, while at the same time seeking to strengthen the ties between qualified employees and Commerzbank.

In 1984, a more intensive discussion of the Bank's longer-term personnel needs was carried on with the various specialist departments. Such planning enables us to bring the training of our junior staff more into line with business and technological trends.

#### Technological progress implies higher qualification

To an increasing extent, banks are employing newly developed technologies, which, for one thing, leads to the functions of many existing jobs being changed—quite radically in some cases—while the customer servicing and marketing segments require more personnel.

This restructuring process has tended to give rise to a higher level of qualification, which we take into account in determining our current and future staff needs. In the past, the thinning-out at the lower levels of the collectively negotiated pay scales was more than offset by expansion in the upper salary brackets; it is, however, quite possible that such over-compensation will not be repeated in the future.

#### Adjustment of welfare provision

In the last two annual reports, we already mentioned our efforts to make adjustments as regards the Bank's own supplementary pension scheme. Negotiations on this matter will proceed in 1985.

#### Cooperation with employee representatives

In early April 1984, a newly elected central staff council started its term. As in the past, our discussions with the freshly constituted staff council bodies have taken place in an atmosphere of practical objectivity.

The central staff council and its economic committee held regular discussions with the Bank's management. Apart from reaching agreement on an additional clause for the existing internal suggestion scheme, the employee representa-

tives' committees principally dealt with the topics of new technologies and basic and advanced training.

Cooperation between the Bank's management and the senior staff spokesmen's committee was also characterized by an objective, open-minded approach. In a regular exchange of views with the Bank's management, both the specific interests of this group of employees and, in particular, the Bank's performance were discussed.

#### **The selection of future managerial staff: the assessment centre method as applied by Commerzbank**

To maintain successful customer relations, banks, as members of the service sector, depend strongly on the qualities of confidence and competence. So as to establish and preserve these prerequisites, the Bank's managerial personnel are expected to inform and motivate their staff, as well as encouraging them to gain further qualifications, thus enabling them to meet these demands. For this reason, we pay especially close attention to the selection and development of our future executives.

#### Two sources of tomorrow's managers

We draw upon two sources for our supply of managerial staff. In the first place, we give systematic encouragement to people we already employ and who, ideally having a banking apprenticeship behind them, must have performed successfully in their job. The second source comprises university graduates. Both groups are prepared for future managerial duties—executive positions within both the actual banking divisions and the management service departments—with due consideration being given to individual strengths.

Even when selecting these candidates, we try to ensure that they are suited to managerial responsibilities, which is frequently not possible to ascertain to any sufficiently accurate degree in the usual recruitment and assessment interviews. Consequently, since the start of 1984, our Bank has used a special procedure which permits a better-founded judgement.

#### The method's advantages

The scheme which we have adopted to select employees for our future managerial staff follows the assessment centre method and can be characterized as follows:

- Teamwork approach

Between eight and twelve candidates form an assessment centre and are confronted with problems to be solved; their ability to perform as members of a team can be evaluated on the basis of how the set tasks have been tackled. This represents a special advantage when compared with the normal individual interviews, for a vital factor in successful management is the coordination of employees' activities and the overcoming of problems typical for working together as a group.

- Facing characteristic job situations

The difficulties the participants in these assessment centres have to cope with are closely adapted to critical, everyday management situations. In this context, the intention is not to examine the knowledge and know-how of the candidates, but to find out whether their personal traits and their individual behaviour will enable them to meet the demands which are made on management.

- Evaluation by several people

The participants are judged by a number of people rather than by one person alone. Our method provides for the involvement of four to six experienced managers, both from the Bank's branch network and its

management service departments, who have been carefully prepared for the task. This system of multiple evaluation naturally guarantees more objectivity than the usual person-to-person assessment interview.

#### A variety of applications

One use of the assessment centre method is in selecting external applicants for our junior executive training programme; for successful completion of a college or university course of studies is by no means proof of inherent leadership qualities, since the necessary abilities can hardly be taught at university. For this reason, only a limited number of the many applicants for the above training scheme actually qualify for it.

In addition, the assessment centre method is an important instrument for the longer-term promotion of suitable employees of our Bank who have already gained banking skills. Implementing a modified form of the selection procedure employed for external applicants, we systematically examine individual members of our staff to ascertain their strengths and potential in terms of leadership. The findings can be drawn upon in outlining future job prospects to an employee. These career-sponsoring seminars are, therefore, an important component in our career planning system.

#### Positive experience and favourable profit cost/ratio

The participants in the assessment centre scheme as well as those judging their performance must be available for either one or

two days, depending on the method used. The time consumed can, however, be fully justified from a cost standpoint, too: given the improved basis for decision-making afforded by this technique, possible errors in recruiting or deploying personnel can be avoided, and precisely at managerial level such mistakes can lead to high direct or hidden costs.

For several reasons, the assessment centre method is accepted by assessors and participants alike:

- Relevance to the practical work situation goes hand in hand with the great candour and clarity of the evaluation. The results leave no room for debate, making them easier to justify to candidates in the subsequent individual interviews.
- Moreover, each candidate can form an impression of his or her strengths and weaknesses through direct comparison with the performance of the others.
- We are careful to guarantee fair treatment and equal opportunity—a point repeatedly endorsed by participants. And this is a key reason for the test results being accepted even by those who fare less well than they expected.

Our positive experience as regards the accuracy and reliability of the aptitude test findings, together with the favourable response from participants, confirm that the assessment centre method has passed its crucial practical test within the framework of our personnel policy.



West Berlin –  
lively industrial city

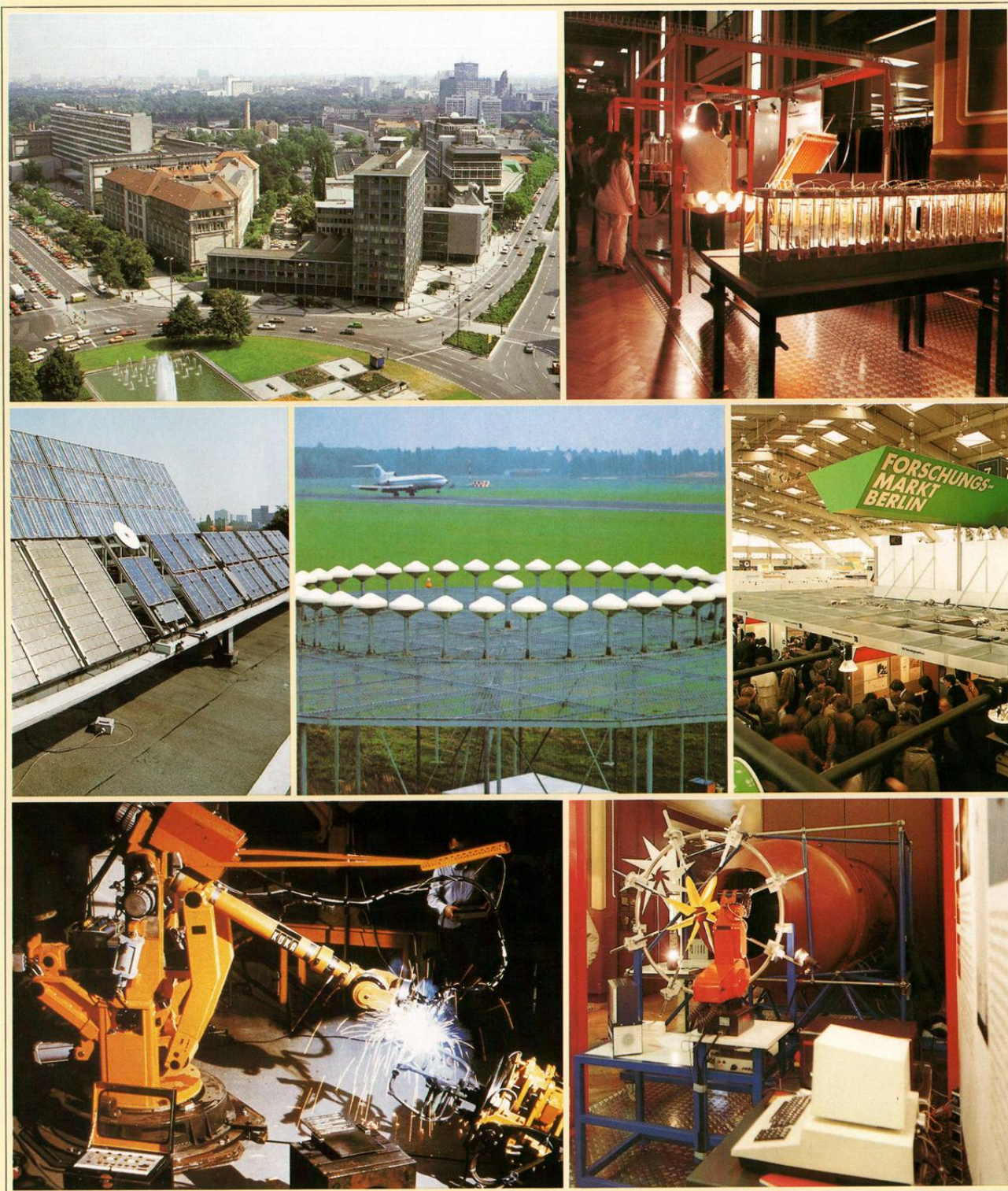
With almost two million inhabitants, the state of West Berlin is prominent among Europe's major centres of activity. Roughly 835,000 people, working in both trade and industry or holding administrative posts help create a GNP of just under DM65bn.





Industry is still the mainstay of expansion. Slightly less than 2,200 firms in the manufacturing sector employ 165,000 people, with another 130,000 jobs being provided by the 14,500 craft enterprises. The many-sided range of goods stretches from light bulbs—a traditional product dating back to the previous century—to entire in-

dustrial plants. Three-fifths of the workforce are active in the capital goods sectors, especially electrical and mechanical engineering. In the consumer goods area, clothing, printing and paper-processing are to the fore. The food, drink, and tobacco products branches are strongly represented in the town as well.



Research and technological advance  
in West Berlin

Capital outlays by West Berlin's industry amounted to more than DM2bn in 1984. The city's significance as a congress, trade fair and tourist centre was underlined by the 1.7 million visitors from West Germany and abroad.

Due to the special political status of West Berlin, its economy is totally westward-looking. The main market for its products are the other ten states of the Federal Republic, which absorb 70 per cent of its goods, while just over 20 per cent are exported directly to Western industrialized countries. By contrast, business done with



East Germany and the other centrally planned economies is on a limited scale.

In technological research, West Berlin occupies a leading position. Some 11,500 scientists are active in this field at universities, other research institutes and private

firms. Cooperation between science and technology-oriented business is furthered through government-run structural improvement schemes. Private venture capital companies are successfully assisting fresh start-ups in the high-tech field as well as innovative enterprises in the service sector.



# Parent Bank's Annual Report for the Year 1984

## Notes on the Parent Bank's annual accounts

During 1984, the Bank's total assets increased by DM5,873.6m, or 8.8%, to DM72,758.6m. The relevant changes in the financial position are set out below:

Assets		Liabilities	
in DM m		in DM m	
Cash reserves, cheques, and collection items	+ 1,673.9	Liabilities to banks	- 2,099.2
Bills of exchange	- 122.1	a) demand	( - 132.5)
Claims on banks	+ 769.8	b) time	( - 1,966.7)
Treasury bills	- 141.5	Customers' deposits	+ 6,646.5
Bonds and notes	+ 222.1	a) demand	( + 1,337.0)
Other securities	+ 54.7	b) time	( + 5,028.8)
Loans and advances to customers	+ 2,893.4	c) savings deposits	( + 280.7)
Investments	+ 139.6	Bonds outstanding	+ 699.8
Land and buildings, office furniture and equipment	+ 59.2	Acceptances outstanding	+ 269.3
Sundries (including loans on a trust basis)	+ 324.5	Provisions	+ 187.3
	+ 5,873.6	Disclosed reserves	+ 133.8
		Sundries (including loans on a trust basis)	+ 36.1
			+ 5,873.6

## Assets

### Liquidity

At year-end the cash reserves, consisting of cash on hand and balances with the Deutsche Bundesbank and on postal cheque accounts, stood at DM3,971.5m, representing 5.8% of our total liabilities to banks and other creditors—including indebtedness from bonds and acceptances outstanding—of DM68,078.2m. The Bank's liquid assets—cash reserves, cheques, matured bonds, interest and dividend coupons, collection items, bills rediscountable at the Deutsche Bundesbank, claims on banks with periods of less than three months, Treasury bills and discountable Treasury notes as well as fixed-interest securities eligible as collateral for Deutsche Bundesbank advances—totalled DM16,473.8m and covered 24.2% of the deposits, borrowings, and other indebtedness specified above.

### Claims on banks

Claims on banks were up by DM769.8m to DM16,142.7m. This item reflects debit balances on current accounts, money-market investments, and loans to German and foreign banks; it breaks down as follows (see overleaf):

Claims on banks		
in DM m	1984	1983
Interbank and clearing balances	10,938.4	10,136.2
of which: demand	(3,587.7)	(2,083.6)
time	(7,350.7)	(8,052.6)
Loans	5,204.3	5,236.7
including: long-term	(3,160.8)	(2,836.2)
Total	16,142.7	15,372.9

Securities portfolio

The Bank increased its portfolio of bonds and notes by DM222.1m to DM5,159.5m, 63.9% of this total being securities eligible as collateral for advances from the Deutsche Bundesbank.

The securities portfolio comprises such of the Bank's holdings of marketable equities, invest-

ment fund shares, and other securities as have not to be shown elsewhere.

At December 31, 1984, the Bank held more than 25% of the share capital of the following companies (other than those listed as "holdings by Commerzbank in affiliated and other companies" on pages 78 to 80):

Holdings of more than 25%	
in DM m	Share capital
Commerzbank Aktiengesellschaft von 1870, Hamburg	(100.0 RM)*
Hannoversche Papierfabriken Alfeld-Gronau Aktiengesellschaft, Alfeld (Leine)	40.0
Karstadt Aktiengesellschaft, Essen	360.0
Kempinski Aktiengesellschaft, Berlin	13.8
Sachs Aktiengesellschaft, Munich	45.3

\*) Reichsmark.

All securities holdings are, as hitherto, shown at the lower of cost or market.

Lending

Total lending to banks and non-banks (excluding loans on a trust basis and guarantees) in-

creased by DM2,727.1m, or 5.9%, in the year under review. The loan portfolio breaks down as follows:

Lending		
	1984	1983
Loans to customers		
a) short and medium-term	DM23,941.5m = 49.0%	DM21,581.1m = 46.8%
b) long-term	DM15,982.0m = 32.7%	DM15,449.0m = 33.5%
Sub-total	DM39,923.5m = 81.7%	DM37,030.1m = 80.3%
Loans to banks		
a) short and medium-term	DM 2,043.5m = 4.2%	DM 2,400.5m = 5.2%
b) long-term	DM 3,160.8m = 6.5%	DM 2,836.2m = 6.2%
Sub-total	DM 5,204.3m = 10.7%	DM 5,236.7m = 11.4%
Book and acceptance credits	DM45,127.8m = 92.4%	DM42,266.8m = 91.7%
Bills discounted	DM 3,711.0m = 7.6%	DM 3,844.9m = 8.3%
Total lending	DM48,838.8m = 100.0%	DM46,111.7m = 100.0%

In the year under review, the Bank slightly reduced the share of long-term loans in its total lending to 39.2%, down from 39.7% at end-1983. Funds extended at long term were, inter alia, financed by bonds issued by the Parent Bank with maturities of more than four years amounting to DM3,649.6m and by DM8,336.4m longer-term borrowings, mainly from banks—among them Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation)—and from public authorities, but also including the D-mark equivalent of the cash proceeds of foreign currency bonds issued by other members of the Commerzbank Group. Where so provided for in the agreements with the respective lenders, funds were passed on to the final borrowers on the terms set by the former.

Book and acceptance credits showed a rise of DM2,893.4m, or 7.8%, in loans to customers, while advances to banks declined by DM32.4m, or 0.6%.

Bill discounts were down by DM133.9m, or 3.5%, to DM3,711.0m. This includes rediscounted bills of DM2,054.4m, representing 55.4% of our total bill portfolio at year-end.

Book and acceptance credits extended plus bills discounted by our foreign branches reached DM13,220.0m, or 27.1% of aggregate lending of this kind by the Bank, compared with DM12,118.5m, or 26.3%, at end-1983.

Commerzbank's loans and advances to some 480,000 borrowers break down as follows:

Size of loans	1984	1983
334,639 loans of up to DM20,000	69.7%	71.3%
96,696 loans of more than DM20,000, up to DM100,000	20.1%	19.1%
	89.8%	90.4%
44,352 loans of more than DM100,000, up to DM1,000,000	9.2%	8.6%
4,866 loans of more than DM1,000,000	1.0%	1.0%
	100.0%	100.0%

In the year under review as well, the Bank was faced with high risks throughout its lending business. Loan loss provisions were therefore again given priority, with the emphasis on the still present country risks. The customary caution was applied in assessing the necessary cover for individual doubtful credits, and higher country risks were provided for to an extent we considered adequate. In addition, the global allocation to loan loss reserves was made for the Bank as a whole as required.

#### Investments as shown in the balance sheet

Of the investments as shown in the balance sheet, DM1,081.8m represents holdings in credit institutions and DM540.0m in non-banks. In respect to its above holdings in credit institutions, Commerzbank in proportion to its equity share ensures that those in which it owns a majority are able to meet their liabilities.

The more important of the companies in which the Bank has a stake are set out on pages 78 to 80, with mention being made of Commerzbank's share in the capital of each of them.

The Bank raised these holdings in subsidiaries and associated companies and its trade investments by DM139.6m in 1984. The change is the result of additions of DM161.2m (DM151.6m of which related to credit institutions), disposals of DM9.9m (DM1.1m of which related to credit institutions), and write-downs of DM11.7m (DM9.7m of which related to credit institutions). The additions reflect acquisitions, increases in share capital, the build-up of existing holdings and, to a small degree, also obligatory payments on account of subscriptions.

Worthy of particular mention as regards the additions are the acquisition of a 10.1% share in Banco Hispano Americano, Madrid, and the take-over from the other Europartners banks of their 30% holding in what has thus become a fully-owned subsidiary of ours, Commerzbank (Nederland) N.V. of Amsterdam/Rotterdam, the bank having adopted this new name as of end-December, 1984.

The disposals relate to two minor interests that were held abroad and to Cisolgest S.A.R.L., Luxembourg, which as of December 31, 1984

was merged with our subsidiary there, Commerzbank International S.A., upon all of the former's shares having been placed with the latter.

Commerzbank's subsidiaries and affiliates did predominantly well in 1984. Total income from these investments, including income transferred under profit pooling agreements, came to DM99.8m, after DM91.1m in the previous year.

For details on the Bank's relations with these companies see pages 57 to 77 of this Report (Consolidated Annual Report).

#### Land and buildings

Land and buildings are shown at DM540.1m, or DM12.1m higher than a year earlier. The difference represents the balance of additions of DM26.0m, disposals of DM0.7m, and depreciation as permissible under tax regulations of DM13.2m. The additions consist of modernizations of buildings in Düsseldorf, Duisburg, Hamm, Munich, and Oldenburg and, to a minor extent, of new acquisitions effected to round off premises already owned.

Since the beginning of 1983, Commerzbank has to a considerable extent leased land and buildings for its banking business. This financing method was applied not only for the Bank's Düsseldorf, Frankfurt and Hamburg head offices, but also in the case of its Bremen, Höchst, Wiesbaden and Wolfsburg branches and of its new Frankfurt EDP centre which started its operations in 1984. The leasing rentals involved totalled DM78.7m in 1983.

#### Office furniture and equipment

The net book value of office furniture and equipment rose to DM266.3m following additions of DM116.5m, disposals of DM1.4m, and normal depreciation of DM68.0m. The cost of minor-value items bought in 1984 at DM8.2m was written off in full and is thus included in both the additions and the depreciation.

#### Other assets

"Other assets" as shown in the balance sheet consist of such claims and assets as are not fit to be shown under other headings.

#### Deferred items

The deferred asset items not only represent prepaid expenses, interest, and commissions, but also debt discounts at DM172.2m. This amount includes DM84.4m of unamortized discounts on savings certificates, DM76.0m on long-term liabilities and DM11.8m on bonds issued by the Bank.

### **Liabilities and shareholders' equity**

#### Liabilities

During the year, liabilities to banks and to other creditors increased by DM4,547.3m, or by 8.0%, to DM61,691.3m, with liabilities to banks down by DM2,099.2m, but customers' deposits up by DM6,646.5m.

A breakdown of our total liabilities is given below:

Deposits	1984	1983
Liabilities to banks		
a) demand	DM 3,179.0m = 5.2%	DM 3,311.5m = 5.8%
b) time	DM10,181.7m = 16.5%	DM12,149.1m = 21.3%
c) for customers' drawings on other banks	DM 18.6m =	DM 17.9m =
Sub-total	DM13,379.3m = 21.7%	DM15,478.5m = 27.1%
Customers' deposits		
a) demand	DM10,328.8m = 16.8%	DM 8,991.8m = 15.7%
b) time	DM27,349.3m = 44.3%	DM22,320.5m = 39.1%
c) savings deposits	DM10,633.9m = 17.2%	DM10,353.2m = 18.1%
Sub-total	DM48,312.0m = 78.3%	DM41,665.5m = 72.9%
Total deposits	DM61,691.3m = 100.0%	DM57,144.0m = 100.0%



Bonds

The volume of the Bank's own bonds outstanding (including accrued interest liabilities from these paper) rose by a total of DM699.8m to DM4,914.8m, DM58.6m nominal of which—with a market value at the balance sheet date of DM61.7m—was temporarily held by the Bank itself.

This item comprises DM1,265.1m bearer bonds with an original life of up to four years. Of paper with an original maturity of over four years,

DM2,892.5m was accounted for by bearer bonds issued to fund our longer-term lending to customers,

DM443.6m by savings certificates with an annually rising coupon,

DM313.0m by 8% bonds with warrants, issued for a nominal DM300m in June 1984, following their having been offered to our shareholders at a rate of 1:3 at a premium of 20%, as authorized by the Annual General Meeting on May 18, 1984,

and DM0.4m by discounted bearer savings bonds.

Also shown here are DM0.2m of convertible bonds issued by Commerzbank which fell due on December 31, 1982 and 1983, respectively, but which have not yet been presented for redemption.

Provisions

Actuarially computed by using the "normal entry age method", liabilities for pensions rose from DM711.5m at end-1983 by DM55.5m. They thus reached DM767.0m at end-1984, the latter amount taking into account our aggregate liabilities of this kind.

Provisions for other purposes, which are shown at DM684.8m (DM553.0m in 1983), relate to loan risks, taxes, year-end bonuses, anticipated losses under executory contracts, and other liabilities of uncertain amount (the latter including such pension payment liabilities which we anticipate, also on the basis of the normal entry age method, to result from a certain number of our employees opting for early retirement under a scheme collectively agreed in the year under review), and to that portion of the global allocation to loan loss reserves that could not be set off against any of the asset items.

Deferred items

The deferred liability items of DM303.5m mainly reflect unearned interest and service charges on credits which were granted under personal loan schemes and relate to future years.

Share capital and reserves

The Bank's share capital remained unchanged in the year under review at DM843.4m. In addition, there was an unissued authorized capital of DM165.0m at the balance sheet date, DM15.0m of which is earmarked for the issue of shares to employees at a preferential price. Of the DM325.0m further conditionally authorized capital increases as shown in the balance sheet, DM247.0m is to be used for the issue of shares to the holders of bonds with warrants launched by the Luxembourg subsidiary, Commerzbank International S.A., in 1978 and 1983, and by the Parent Bank, Commerzbank Aktiengesellschaft, and its Curaçao financing arm, Commerzbank Overseas Finance N.V., in 1984.

A total of DM73.8m was allocated to the legal reserve in 1984. DM55.8m of this was the premium from the issue in the year under review of a nominal DM300m of 8% bonds with warrants, while a further DM9.9m were additional proceeds from the sale in the market of the fractional amount resulting from the way the subscription ratio had been set and for which shareholders' subscription rights had been excluded by the AGM. Moreover, a DM8.1m recompense was transferred to us, as contractually provided for, by Commerzbank Overseas Finance N.V. of Curaçao for leaving to this subsidiary the warrants attaching to the bonds issued by it in July 1984. In accordance with Section 150 (2) of the German Stock Corporation Act (AktG), all these amounts had to be allocated to the legal reserve.

Other, voluntary reserves were augmented by DM60m from the 1984 net income.

Following this, the Bank's liable funds were made up as shown overleaf:

Capital and reserves		
in DM m	1984	1983
Share capital	843.400	843.400
Disclosed reserves		
a) legal reserve	1,098.992	1,025.190
b) other reserves, voluntary	769.000	709.000
Total liable capital	2,711.392	2,577.590

#### Footnotes to the balance sheet and other information

Endorsement liabilities from rediscounted bills of exchange amounted to DM2,054.4m, against DM2,066.2m as at December 31, 1983, the latter figure having included DM19.9m of our own drawings in circulation.

Commitments from guarantees, including guarantees for bills and cheques, and from indemnity agreements totalled DM9,006.7m, exceeding the commitments outstanding at the end of the preceding year by 5.4%.

Commitments for uncalled payments on shares in stock corporations (AG) and in private limited liability companies (GmbH) issued but not fully paid amounted to DM25.8m, while similar liabilities for shares in cooperatives were DM0.5m. In addition the Bank may, under Section 24 of the German Private Limited Liability Companies Act (GmbHG), be held responsible for possible defaults on such calls by other shareholders. In respect of its holding in Liquiditäts-Konsortialbank GmbH, the "lifeboat" institution of the German banking industry, the Bank is responsible for the payment of assessments of up to DM33.9m. Moreover, the Bank is jointly and severally liable under guarantee for any assessments payable by the member banks of Bundesverband deutscher Banken e.V. (Federation of German Banks) up to a total of DM245.1m.

Under Section 5 (10) of the statutes of the German banks' Deposit Insurance Fund, the Bank undertook to relieve the Federation of German Banks of any losses incurred in respect of actions taken for the benefit of domestic banks in which Commerzbank holds a majority interest.

The Bank's foreign operations make it necessary under the laws of certain countries to furnish government bodies with security. The amount of the Bank's assets on which such organizations hold a lien is DM572.1m.

#### Profit and loss account

*Interest and similar income from lending and money market transactions* was DM5,336.7m, as against DM4,984.4m in 1983. The increase amounted to DM325.3m, or 7.1%.

*Current income from fixed-interest securities, Government-inscribed debt, other securities, and investments as shown in the balance sheet* rose by DM37.7m, or 8.2%, to DM498.4m on the corresponding figure for 1983.

*Income received under profit-pooling and partial or full profit-transfer agreements* amounted to DM10.2m as against DM6.4m in the previous year.

The net balance obtained by the deduction of DM4,010.7m *interest and similar expenses* from the DM5,845.3m of total interest and dividends earned is DM1,834.6m. This increase of DM33.7m, or 1.9%, on 1983 went hand in hand with a 3.3% expansion of the average business volume.

*Commissions and other service charges received* were up by 6.3%, from DM637.3m to DM677.6m. With *commissions and similar service charges paid* amounting to DM35.8m, net income from commissions was DM641.8m, against DM602.4m in the preceding year; this was an increase of DM39.4m or 6.5%.

*Other income, including that from the writing back of provisions for possible loan losses*, is shown at DM58.9m. This reflects gains from own-account foreign exchange transactions, rentals from real estate, and other ordinary and extraordinary income.

*Write-downs of and adjustments to claims and securities, as well as transfers to provisions for possible loan losses*, are shown at an amount of DM263.9m (DM397.1m in 1983), having offset against them gains and income to the maximum extent permitted under statutory accounting principles.

The Bank's total personnel expenses—*salaries and wages, compulsory social security contributions, and expenses for pensions and other employee benefits*—were DM1,248.3m, compared with DM1,196.4m in 1983. The items salaries and wages and compulsory social security contributions for the first time include minor amounts used for payments under the early-retirement scheme collectively agreed in 1984.

The increase of DM51.9m, or 4.3%, in total personnel expenditure was the result both of higher wages and salaries and an expansion of our staff, and also of a DM20.0m decline in *expenses for pensions and other employee benefits*. The latter had been particularly high in 1983 because of the first-time use of new basic data in actuarially computing—as usual applying the “normal entry-age method”—our future pension liabilities.

*Other operating expenses* went up DM63.3m, or 14.1%, to DM511.7m from DM448.4m. Much of this increase relates to higher rentals, including both maintenance costs and leasing charges, and also to increased advertising and telecommunication outlays, especially for data transmitting.

*Depreciation on and adjustments to land and buildings, office furniture and equipment* were charged to the extent permitted under tax regulations at DM81.3m, as against DM68.9m in 1983.

*Taxes* went up from DM178.4m in 1983 to DM207.1m. Of this total, DM1.8m (DM3.3m in 1983) was made up by taxes other than those on income and assets.

*Other expenditure*, up by DM20.8m, totalled DM50.8m; of this amount, DM21.3m is accounted for by Commerzbank's contribution to the German banks' Deposit Insurance Fund. Also grouped under this item are such expenses as cannot be shown elsewhere, including an allocation to provisions reflecting such future liabilities as are anticipated to arise under the early-retirement scheme collectively agreed in 1984.

The remuneration paid during 1984 to the Bank's Managing Directors amounted to DM7,780,326.44, while retired Managing Directors or their surviving dependants received DM5,268,619.59. Payments to members of the Supervisory Board totalled DM845,319.80, and those to members of the Central Advisory Board DM481,650.00. Members of the Regional Advisory Councils were paid DM1,318,295.00.

#### Purchases and sales of the Bank's own shares

In 1984, the Bank purchased altogether 35,142 of its own shares, and its subsidiaries and associated companies a total of 2,221 Commerzbank shares, at an average price of DM161.44 per DM50 nominal share. These were resold to employees of the Bank, of its subsidiaries, and of associated companies at a price of DM120.00 per share.

Securities transactions that fall under Section 71 (1) 1 of the German Stock Corporation Act (AktG), and which are subject to disclosure in this Report, consist of purchases at market price, effected at various times during the year to ensure orderly market conditions for trading in our own shares,

by the Bank of 1,199,463 Commerzbank shares (bearer shares at a face value of DM50.00) to a total nominal value of DM59,973,150.00

and by companies controlled or majority-owned by the Bank of 29,611 Commerzbank shares to a total nominal value of DM1,480,550.00.

The weighted average buying price of these shares was DM174.51. They were sold at a similarly computed average resale price of DM174.99.

The proceeds from these transactions were reallocated to working funds. The highest number of Commerzbank shares in our possession on one specific day in 1984 was 61,353, of a total nominal value of DM3,067,650.00, representing 0.4% of our share capital at that date. Neither the Bank itself nor any companies controlled or majority-owned by it held Commerzbank shares at the balance sheet date.

Collateral furnished by borrowing customers as security included

157,407 Commerzbank shares of a total nominal value of DM7,870,350.00, pledged to us, and

13,243 Commerzbank shares of a total nominal value of DM662,150.00, pledged to companies controlled or majority-owned by the Bank.

After allocating DM60,000,000.00 to reserves, the remaining profit achieved is



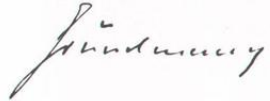

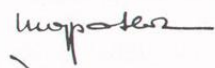

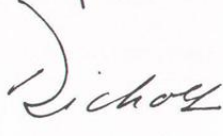
DM101,208,000.00.

Commerzbank herewith proposes to its shareholders that this amount be used for the distribution of an unchanged dividend of DM6.00 per DM50.00 nominal share.

Adding to this the approximately DM3.38 tax credit for shareholders eligible for the latter as residents of West Germany with unlimited tax liability there, the gross amount to be received by them per DM50 share rises to about DM9.38, or 18.75% of face value.

THE BOARD OF MANAGING DIRECTORS

Düsseldorf, March 5, 1985

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# Report of the Supervisory Board

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Throughout the year under review, the Supervisory Board carried out its duties under the law and the Bank's statutes and continuously supervised the conduct of the Bank's affairs. The Chairman and other members of the Supervisory Board assisted the Board of Managing Directors in an advisory capacity.

The Board of Managing Directors kept the Supervisory Board informed of all matters that had a fundamental bearing on the Bank's business policy. Significant issues discussed between them were the effects of the amendment to the German banking law on Commerzbank's Group management, the international debt problem, and the performance of the Bank in terms of its Profit and Loss Account.

The Presiding Committee of the Supervisory Board received regular reports on the progress of the Bank's business and took up items of importance with the Board of Managing Directors. The Loans Committee met to review lending commitments for which their approval is required either by law or by the Bank's statutes, as also those involving an enhanced degree of risk. The Social Welfare Committee considered basic matters concerning the staff.

Dr. Wolfgang Jahn, who had been a member of the Board of Managing Directors for 15 years, retired as from the close of the last Annual General Meeting on May 18, 1984, having completed his 65th year in 1983. He was subsequently appointed to the Advisory Board.

The Supervisory Board appointed Dr. Kurt Richtolt and Dr. Axel Freiherr von Ruedorffer, hitherto deputy members of the Board of Managing Directors, as full members as from Nov. 1, 1984.

The Parent Bank's Annual Report and Accounts together with the books of account for the period from Jan. 1 to Dec. 31, 1984 have been examined by the auditors, Treuarbeit Aktiengesellschaft, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Düsseldorf, and certified without qualification. The Supervisory Board has signified its agreement with the result of the audit. It has examined the Bank's Annual Accounts and 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, which accordingly may be regarded as adopted, and also concurs with the proposal of the Board of Managing Directors as to the profit appropriation.

It also had sight of the Consolidated Accounts and Report, and of the report of the Group's auditors which carries their unqualified certification.

Dr. Arno Paul Bäumer will at his own wish be retiring from the Supervisory Board, of which he has been a member since 1976, as from the close of the Annual General Meeting on May 15, 1985. Dr. Bäumer's considerable knowledge and experience were of great benefit to the Board at its meetings, and we would like to express our appreciation to him for his excellent service to the Bank.

Düsseldorf, March 28, 1985

The Supervisory Board



Chairman

# Business Progress of Parent Bank, 1952-1984

	Total assets	Total lending	Capital and reserves	Savings deposits and savings bonds	Annual dividend	Total amount of dividends paid	Allocation to reserves from profit	Taxes paid	Staff <sup>1)</sup>	Branches
	DM bn	DM bn	DM m	DM m	%	DM m	DM m	DM m		
1-1-1952	1.6	1.3	55	75	–	–	–	–	4,812	108
31-12-1952	1.9	1.6	73	115	6	3.1	17.6	12.5	5,297	109
31-12-1953	2.5	2.1	89	178	8.5	4.9	4.0	22.7	5,935	114
<b>31-12-1954</b>	<b>3.2</b>	<b>2.5</b>	<b>101</b>	<b>324</b>	<b>9</b>	<b>5.8</b>	<b>6.2</b>	<b>20.7</b>	<b>6,651</b>	<b>139</b>
31-12-1955	3.7	3.0	152	387	10	8.1	15.7	32.9	7,160	149
31-12-1956	4.4	3.2	179	382	12	12.6	17.0	33.7	7,401	155
31-12-1957	5.3	3.4	226	458	12	15.9	17.0	39.0	7,537	168
31-12-1958	5.6	3.5	253	587	14	21.0	17.0	35.1	7,690	185
31-12-1959	6.4	4.0	338	789	14+2	25.2	25.0	57.9	8,371	217
31-12-1960	6.9	4.5	360	930	16	28.8	22.0	62.1	9,465	266
31-12-1961	7.8	5.5	410	1,053	16	32.0	19.0	57.3	10,507	332
31-12-1962	8.7	5.6	420	1,257	16	32.0	10.0	48.1	10,657	372
31-12-1963	9.3	6.0	435	1,477	16	32.0	15.0	51.6	10,740	392
<b>31-12-1964</b>	<b>9.8</b>	<b>6.6</b>	<b>500</b>	<b>1,720</b>	<b>16</b>	<b>36.0</b>	<b>20.0</b>	<b>54.8</b>	<b>11,021</b>	<b>402</b>
31-12-1965	10.3	6.9	520	2,154	16	36.0	20.0	54.0	11,402	436
31-12-1966	11.0	7.4	540	2,649	16	36.0	20.0	55.2	12,076	461
31-12-1967	12.9	8.4	605	3,040	16	40.0	40.0 <sup>2)</sup>	55.3	12,760	550
31-12-1968	15.4	9.7	660	3,565	17	46.8	30.0 <sup>3)</sup>	59.8	13,409	636
31-12-1969	17.4	12.6	840	3,949	17+3	62.5	30.0	77.5	14,350	688
31-12-1970	19.7	13.8	850	4,182	17	59.5	10.0	47.1	15,441	719
31-12-1971	22.1	15.6	990	4,840	17	61.6	15.0	57.1	15,952	731
31-12-1972	25.6	17.4	1,115	5,444	17	68.0	15.0	58.9	16,161	737
31-12-1973	28.4	18.1	1,213	5,651	17	79.6	–	45.2	16,622	755
<b>31-12-1974</b>	<b>31.4</b>	<b>20.1</b>	<b>1,364</b>	<b>6,487</b>	<b>17</b>	<b>79.6</b>	<b>30.0</b>	<b>71.9</b>	<b>16,585</b>	<b>765</b>
31-12-1975	38.5	22.3	1,548	8,005	18	95.5	50.0	129.6	17,328	782
31-12-1976	42.1	25.6	1,781	8,964	18	109.3	50.0	95.8	17,729	790
31-12-1977	50.9	29.0	2,078	10,137	17*)	109.4	50.0	163.8	17,872	794
31-12-1978	60.6	37.5	2,129	11,097	17*)	123.4	50.0	164.0	18,404	795
31-12-1979	67.1	44.7	2,478	11,670	17*)	126.3	–	126.9	19,040	802
31-12-1980	64.7	45.5	2,478	11,793	–	–	–	38.3	19,023	805
31-12-1981	64.3	46.1	2,478	11,638	–	–	–	40.6	18,895	802
31-12-1982	66.2	47.1	2,528 <sup>4)</sup>	12,400	–	–	50.0 <sup>4)</sup>	109.3 <sup>4)</sup>	18,988	798
31-12-1983	66.9	46.1	2,578	12,984	12*)	101.2	50.0	178.4	19,368	796
<b>31-12-1984</b>	<b>72.8</b>	<b>48.8</b>	<b>2,711</b>	<b>13,139</b>	<b>12*)</b>	<b>101.2</b>	<b>60.0</b>	<b>207.1</b>	<b>20,016</b>	<b>794</b>

\*) not including income tax credit of  $\frac{9}{16}$  of dividend for resident shareholders with unlimited tax liability in West Germany.

<sup>1)</sup> calculated as full-time staff (from 1981 onwards calculated on the basis of hours actually worked per week);

<sup>2)</sup> including DM20.0m resulting from retransfer to assets side of furniture and equipment;

<sup>3)</sup> including DM 5.0m resulting from retransfer to assets side of furniture and equipment;

<sup>4)</sup> following AGM approval.

# Parent Bank's Annual Accounts as at December 31, 1984

## Balance Sheet pages 52 and 53

## Profit and Loss Account pages 54 and 55

	DM	DM	DM	DM
Assets				
a) payable on demand		2,788,201,423.19		2,788,201,423.19
b) with original periods or periods of notice of				
not less than three months	2,226,649,142.16			2,226,649,142.16
not at least three months				
not less than four years	3,684,436,109.88			3,684,436,109.88
not four years or more	4,207,876,454.32	10,101,756,707.13		12,149,533,158.45
including due in				
less than four years	DM12,274,522,816.00			12,274,522,816.00
c) customers' drawings on other banks		18,857,280.49		18,857,280.49
Liabilities to customers (customers' deposits)				
a) payable on demand		10,328,921,446.76		10,328,921,446.76
b) with original periods or periods of notice of				
not less than three months	18,161,982,469.64			18,161,982,469.64
not at least three months				
not less than four years	5,058,541,446.10			5,058,541,446.10
not four years or more	4,121,712,547.26	17,349,244,224.46		21,470,956,771.72
including due in				
less than four years	DM21,247,789,394.50			21,247,789,394.50
c) savings deposits				
subject to legal period of notice	7,530,950,506.70			7,530,950,506.70
any other	3,042,379,382.41	2,242,000,000.00		5,284,379,382.41
Bonds and notes with a life of				
a) up to four years				
b) more than four years			4,274,741,428.81	4,274,741,428.81
including maturing				
less than four years	DM13,208,881,476.82			13,208,881,476.82
Acceptances and promissory notes outstanding			3,422,141,207.43	3,422,141,207.43
Loans on a trust basis at third party risk			20,719,278,477.17	20,719,278,477.17
Provisions				
a) for pensions				
a) other			1,151,352,072.00	1,151,352,072.00
Other liabilities			70,244,174.84	70,244,174.84
Deferred items			135,527,844.21	135,527,844.21
Share capital (increased conditional capital, additionally authorized for conversion rights)	DM1325,000,000.00			1,325,000,000.00
Disposed reserves				
a) legal reserve				
allocation of premium from the issue				
of bonds with warrants	DM 10,027,280.00			10,027,280.00
allocation of income from the assignment				
of warrants	DM 8,146,784.96			8,146,784.96
b) other reserves, voluntary				
allocation from net income for 1984	DM 60,000,000.00			60,000,000.00
other				
Commercial Bank Foundation			DM14,627,544,800.00	14,627,544,800.00
Distributable profit			DM 1,000,000.00	1,000,000.00
Liabilities				
Own drawings in circulation				
Endorsement liability on rediscounted bills of exchange				
Contingent liabilities from guarantees, including guarantees for bills and cheques, and from indemnity agreements, see also Note 20 of this Report				
Commitments under repurchase agreements, not included in the Report				
Savings premiums under the Savings Premium Act				
Total Liabilities, together with contingent liabilities and other commitments shown below the line, include liabilities to related companies in the context of				

# Balance Sheet as at December 31, 1984

Assets	DM	DM	DM	Dec 31, 1983 DM1,000
Cash on hand			276,367,996.67	229,534
Balance with Deutsche Bundesbank			3,682,065,910.92	2,214,127
Balances on current postal accounts			13,043,703.20	11,058
Cheques, matured bonds, interest and dividend coupons, items received for collection			443,545,379.45	286,409
Bills of exchange			1,656,587,274.15	1,778,736
including: a) rediscountable at Deutsche Bundesbank	458,738,129.32			
b) own drawings	148,114,074.63			
Claims on banks				
a) payable on demand		3,587,665,604.75		2,414,830
b) with original periods or periods of notice of				
ba) less than three months		3,459,631,500.13		2,874,229
bb) at least three months, but less than four years		5,614,022,579.54		6,855,872
bc) four years or more		3,481,334,056.35		3,227,946
			16,142,653,740.77	15,372,877
Treasury bills and discountable Treasury notes				
a) of the Federal and Länder Governments		1,029,276,162.00		1,311,293
b) of other issuers		225,261,775.31		84,727
			1,254,537,937.31	1,396,020
Bonds and notes				
a) with a life of up to four years				
aa) of the Federal and Länder Governments	377,893,067.93			
ab) of banks	166,357,970.86			
ac) of other issuers	48,086,587.31	592,337,626.10		1,093,936
including: eligible as collateral for Deutsche Bundesbank advances DM539,547,157.12				
b) with a life of more than four years				
ba) of the Federal and Länder Governments	1,551,534,787.84			
bb) of banks	2,107,951,348.78			
bc) of other issuers	907,668,320.52	4,567,154,457.14		3,843,464
including: eligible as collateral for Deutsche Bundesbank advances DM2,758,825,357.78			5,159,492,083.24	4,937,400
Securities not to be shown elsewhere				
a) shares marketable on a stock exchange and investment fund certificates		645,330,941.58		645,966
b) other		290,550,639.57		235,188
			935,881,581.15	881,154
including: holdings of more than one-tenth of the shares of a joint stock or mining company, unless shown as investments	705,484,797.09			
Claims on customers, with original periods or periods of notice of				
a) less than four years		23,941,476,715.16		21,581,104
b) four years or more		15,982,039,958.09		15,448,987
including: ba) secured by mortgages on real estate	3,800,292,704.72			
bb) communal loans	3,077,426,766.52			
			39,923,516,673.25	37,030,091
Recovery claims on Federal and Länder authorities under post-war currency reform acts			47,110,231.42	49,654
Loans on a trust basis at third party risk			33,712,228.47	24,136
Subsidiaries, associated companies, and trade investments (investments)			1,621,751,000.00	1,482,200
including: investments in banks	1,081,838,000.00			
Land and buildings			540,085,000.00	528,016
Office furniture and equipment			266,343,000.00	219,199
Bonds and notes issued by Commerzbank nominal amount	58,625,000.00		61,673,827.70	46,888
Other assets			468,794,886.64	252,296
Deferred items				
a) unamortized debt discount (difference according to Section 156 (3) of the German Stock Corporation Act-AktG)		172,194,599.04		70,605
b) other		59,215,682.38		74,620
			231,410,281.42	145,225
<b>Total Assets</b>			<b>72,758,572,735.76</b>	<b>66,885,020</b>
<b>Total Assets and the recourse claims from the contingent liabilities shown below the line on the liabilities side include</b>				
a) claims on related companies			1,190,866,137.24	2,305,680
b) claims arising from loans falling under Section 15 (1) 1-6 and (2) of the German Banking Act, unless included under a)			468,848,398.13	412,068



Liabilities and Shareholders' Equity	DM	DM	DM	Dec 31, 1983 DM1,000
<b>Liabilities to banks</b>				
a) payable on demand		3,178,951,223.18		3,311,504
b) with original periods or periods of notice of				
ba) less than three months	2,289,649,143.15			
bb) at least three months, but less than four years	3,684,433,109.66			
bc) four years or more including: due in less than four years	4,207,676,454.32	10,181,758,707.13		12,149,094
	DM3,224,522,818.99			
c) customers' drawings on other banks		18,637,993.44		17,866
			13,379,347,923.75	15,478,464
<b>Liabilities to customers (customers' deposits)</b>				
a) payable on demand		10,328,800,655.70		8,991,824
b) with original periods or periods of notice of				
ba) less than three months	18,161,990,463.84			
bb) at least three months, but less than four years	5,058,540,148.10			
bc) four years or more including: due in less than four years	4,128,713,847.35	27,349,244,459.29		22,320,523
	DM2,287,798,884.52			
c) savings deposits				
ca) subject to legal period of notice	7,590,988,508.03			
cb) other	3,042,906,358.43	10,633,894,866.46		10,353,166
			48,311,939,981.45	41,665,513
<b>Bonds and notes with a life of</b>				
a) up to four years		1,265,141,171.01		1,363,940
b) more than four years		3,649,606,230.80		2,851,052
			4,914,747,401.81	4,214,992
including: maturing in less than four years	DM3,208,960,476.63			
<b>Acceptances and promissory notes outstanding</b>			1,472,147,081.43	1,202,791
<b>Loans on a trust basis at third party risk</b>			33,712,228.47	24,136
<b>Provisions</b>				
a) for pensions		767,033,000.00		711,500
b) other		684,825,000.00		552,960
			1,451,858,000.00	1,264,460
<b>Other liabilities</b>			73,314,477.54	67,071
<b>Deferred items</b>			303,527,856.33	283,224
<b>Share capital</b> (unissued conditional capital, additionally authorized for conversion rights: DM325,000,000.00)			843,400,000.00	843,400
<b>Disclosed reserves</b>				
a) legal reserve		1,098,991,940.00		1,025,190
(allocation of premium from the issue of bonds with warrants	DM 65,657,785.62)			
(allocation of income from the assignment of warrants	DM 8,144,154.38)			
b) other reserves, voluntary		769,000,000.00		709,000
			1,867,991,940.00	1,734,190
(allocation from net income for 1984	DM 60,000,000.00)			
<b>Commerzbank Foundation</b>			5,377,844.98	5,571
<b>Distributable profit</b>			101,208,000.00	101,208
<b>Total Liabilities and Shareholders' Equity</b>			72,758,572,735.76	66,885,020
<b>Own drawings in circulation</b>			—	19,894
<b>Endorsement liabilities on rediscounted bills of exchange</b>			2,054,430,804.17	2,046,329
<b>Contingent liabilities from guarantees, including guarantees for bills and cheques, and from indemnity agreements (see also page 43 of this Report)</b>			9,066,682,222.32	8,598,489
<b>Commitments under repurchase agreements, not included in liabilities</b>			—	400,000
<b>Savings premiums under the Savings Premium Act</b>			47,117,612.21	71,335
<b>Total Liabilities, together with contingent liabilities and other commitments shown below the line, include liabilities to related companies in the amount of</b>			2,746,954,415.52	2,337,048

# Profit and Loss Account for the Year ended December 31, 1984

Expenses	DM	DM	1983 DM1,000
Interest and similar expenses		4,010,699,522.49	3,650,501
Commissions and similar service charges paid		35,816,404.91	34,925
Write-downs of and adjustments to claims and securities, transfers to provisions for possible loan losses		263,949,981.08	397,073
Salaries and wages		971,375,089.82	911,682
Compulsory social security contributions		145,159,976.53	132,889
Expenses for pensions and other employee benefits		131,774,563.44	151,827
Other operating expenses		511,720,503.69	448,434
Depreciation on and adjustments to land and buildings, office furniture and equipment		81,348,344.68	68,937
Write-downs of and adjustments to investments (subsidiaries, associated companies, and trade investments)		11,665,101.83	49
Taxes			
a) on income and assets	205,323,958.53		175,075
b) other	1,813,001.91		3,320
		207,136,960.44	178,395
Other expenses		50,752,982.72	29,953
Net income for the year		161,208,000.00	151,208
		6,582,607,431.63	6,155,873

	DM	DM	1983 DM1,000
Net income for the year		161,208,000.00	151,208
Allocation to disclosed reserves from net income for the year			
a) legal reserve			
b) other reserves, voluntary	60,000,000.00		50,000
		60,000,000.00	50,000
Distributable profit		101,208,000.00	101,208

Claims on guaranteed...  
 Disposed reserves...  
 Allocation of reserves from the assignment...  
 Loans on a...  
 Land and buildings...  
 Office furniture and equipment...  
 Bonds and other securities...  
 Other...  
 Deferred items...  
 Section 116 of the German Commercial Code...  
 Total Liabilities and Shareholders' Equity...  
 Contingent liabilities from guarantees, including guarantees...  
 Contingent liabilities from indemnity agreements (see also page 43 of this Report)...  
 Savings premiums under the Savings Premium Act...  
 Total liabilities, together with contingent liabilities and other commitments...  
 shown below this line, includes liabilities to related companies in the amount of...

Income	DM	DM	1983 DM1,000
<b>Interest and similar income from lending and money market transactions</b>		5,336,650,913.46	4,984,357
<b>Current income from</b>			
a) fixed-interest securities and Government-inscribed debt	362,033,276.36		337,256
b) other securities	46,862,496.01		38,728
c) investments (subsidiaries, associated companies, and trade investments)	89,481,615.22		84,742
		498,377,387.59	460,726
<b>Commissions and other service charges received</b>		677,594,779.92	637,273
<b>Other income, including income from the writing back of provisions for possible loan losses</b>		58,905,608.04	65,334
<b>Income from profit-pooling and from partial or full profit-transfer agreements</b>		10,287,710.68	6,361
<b>Income from the writing back of provisions, unless it has to be shown under other income</b>		791,031.94	1,822
<b>Total Income</b>		<b>6,582,607,431.63</b>	<b>6,155,873</b>

Pension payments and payments to Beamtenversicherungsverein des Deutschen Bank- und Bankiergewerbes (a.G.), Berlin, were made during the year in the amount of DM69,122,320.05. For the next five years, we expect pension payments equivalent to 108%, 115%, 121%, 130%, and 139% of that amount.

Düsseldorf, March 5, 1985

## COMMERZBANK AKTIENGESELLSCHAFT

### THE BOARD OF MANAGING DIRECTORS

Seipp   Coenen   Frowein   Grundmann   Hochheuser   Knappertsbusch   Kohlhaussen  
Reimnitz   Richolt   Ruedorffer   Spiegel   Terrahe

The accounting, the annual financial statement, and the management report, which we have examined with due care, comply with German law and the Company's statutes.

Düsseldorf, March 8, 1985

### T R E U A R B E I T AKTIENGESELLSCHAFT

#### WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT · STEUERBERATUNGSGESELLSCHAFT

Dr. Scholz  
Wirtschaftsprüfer  
(German public accountant)

Umlandt  
Wirtschaftsprüfer  
(German public accountant)

**Profit and Loss Account** Balance Sheet pages 52 and 53

	1981	1980
Interest income	1,234,567	1,123,456
Dividend income	123,456	134,567
Other income	45,678	56,789
<b>Total Income</b>	<b>1,403,701</b>	<b>1,314,812</b>
Interest expense	(345,678)	(356,789)
Provision for doubtful loans	(123,456)	(134,567)
Depreciation and amortization	(87,654)	(98,765)
Other expenses	(21,113)	(27,175)
<b>Total Expenses</b>	<b>(587,999)</b>	<b>(617,396)</b>
<b>Net income for the year</b>	<b>815,702</b>	<b>697,416</b>
Allocation to disclosed reserves from net income for the year		
(a) legal reserve	(100,000)	(100,000)
(b) other reserves, voluntary	(50,000)	(50,000)
<b>Distributable profit</b>	<b>665,702</b>	<b>547,416</b>

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# Consolidated Annual Report for the Year 1984

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**Notes on the consolidated annual accounts**

During the year under review, the Commerzbank Group once again managed to achieve a satisfactory operating result. As in the preceding year, its greater part was used to cover risks attaching to both specific doubtful credits and individual problem countries. This left the consolidated income for the year—from which a total of DM152m will be allocated to the Group's reserves—at DM263m, up almost one-quarter on the 1983 figure.

At end-1984, the Group's balance sheet total stood at DM122.7bn and its business volume—which, in addition, includes endorsement liabilities on rediscounted bills—at DM125.0bn. This represents increases of DM9.4bn, or 8.4%, and DM9.5bn, or 8.2%, respectively. While the Parent Bank, its mortgage lending arm, Rheinische Hypothekenbank, and the domestic commercial banking subsidiaries contributed at about even rates to the rise in the Group's business volume, the foreign banking subsidiaries included in the consolidation together accounted for one-third of the overall growth rate recorded by the domestic banking members of the Group.

The latter's more broadly defined business volume, which also comprises contingent liabilities from guarantees—including those for bills and cheques—and from indemnity agreements, was up by DM9.9bn, or 8%, to DM134.6bn.

Commerzbank Aktiengesellschaft has the status of a related enterprise under section 15 of the German Stock Corporation Act (AktG) in respect of the following subsidiaries and holdings (direct or indirect interest shown below in per cent). Additionally included in the consolidation in the year under review was a newly-founded company, Berliner Commerz Grundstücks- und Verwaltungsgesellschaft mbH, Berlin.

1) Companies included in the consolidation

Companies transferring their results to Commerzbank AG under profit and loss transfer agreements:

Atlas-Vermögensverwaltungs-Gesellschaft m.b.H., Düsseldorf Share capital DM100,000	100.00
Commercium Vermögensverwaltungs-GmbH, Hamburg Share capital DM50,000	100.00

Commerz- und Industrie-Leasing GmbH, Frankfurt Share capital DM2,000,000	100.00
including: six holding subsidiaries, each with a capital of DM50,000	

GERAP Grundbesitz- und Verwaltungsgesellschaft mbH, Frankfurt Share capital DM20,000	95.00
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Hamburgische Grundstücks Gesellschaft m.b.H., Hamburg Share capital DM20,000	100.00
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Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg Share capital DM50,000	100.00
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L.I.A. Leasinggesellschaft für Immobilien und Anlagegüter mbH, Frankfurt Share capital DM1,000,000	100.00
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including:  
ten property holding subsidiaries,  
with a capital of either DM50,000  
or DM20,000

Norddeutsche Immobilien- und Verwaltungs-GmbH, Hamburg Share capital DM20,000	100.00
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Companies with which no profit and loss transfer agreements existed:

Aussenhandel-Förderungs-gesellschaft mbH, Düsseldorf Share capital DM100,000	100.00
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Berliner Commerzbank Aktiengesellschaft, Berlin Share capital DM72,500,000	100.00
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Berliner Commerz Grundstücks- und Verwaltungsgesellschaft mbH, Berlin Share capital DM100,000	100.00
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CB Finance Company B.V., Amsterdam Share capital Dfl1,000,000	100.00
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Commerzbank Overseas Finance N.V., Curaçao Share capital US\$100,000	100.00	2) Companies not included in the consolidation under Section 329 of the German Stock Corporation Act (AktG)
Commerzbank Fonds-Verwaltungsgesellschaft mit beschränkter Haftung (Cofo), Düsseldorf Share capital DM2,000,000	100.00	Foreign companies: Handelsgest S.A.R.L., Luxembourg Share capital DM10,000,000
Commerzbank International S.A., Luxembourg Share capital Lfr125,000,000	100.00	Indugest S.A.R.L., Luxembourg Share capital DM25,000,000
Commerzbank (Nederland) N.V., Amsterdam Share capital Dfl40,000,000	100.00	Companies of minor significance: Gallus Vermögensverwaltungsgesellschaft mbH, Frankfurt Share capital DM20,000
Commerzbank (South East Asia) Ltd., Singapore Share capital S\$30,000,000	100.00	Neuma Vermögensverwaltungsgesellschaft mbH, Frankfurt Share capital DM20,000
Commerz-Credit-Bank Aktiengesellschaft Europartner, Saarbrücken Share capital DM14,000,000	60.71	3) Related companies not under the Group's sole managerial control
Commerz- und Industrie-Leasing GmbH, Berlin Share capital DM500,000	100.00	Flender Werft Aktiengesellschaft, Lübeck Share capital DM25,000,000
von der Heydt-Kersten & Söhne, Wuppertal-Elberfeld Liable equity DM10,000,000	100.00	Re 1): Companies included in the consolidation
Ilseder Bank, Sandow & Co., Peine Liable equity DM2,000,000	100.00	The legal and business relations with consolidated companies are discussed below in the order of the latter's importance to the Group: Rheinische Hypothekenbank Aktiengesellschaft, Frankfurt
C. Portmann, Frankfurt Liable equity DM1,500,000	100.00	This leading German mortgage bank, in which Commerzbank holds an almost unchanged 94% share, is involved in the provision of mortgage loans, in lending to local governments and authorities, and also in borrowing to fund these operations. In all of this, cooperation with Commerzbank is close.
Rheinische Hypothekenbank Aktiengesellschaft, Frankfurt Share capital DM85,305,000	94.27	
Westboden-Bau- und Verwaltungsgesellschaft mbH, Frankfurt Share capital DM100,000	94.27	During the year under review, the bank's total assets reached DM28.0bn, after DM25.7bn in the preceding year. With the share capital unchanged, a per share dividend payment increased from DM9 to DM10 will result in a total distribution of DM17.1m. Subject to approval by the AGM, the bank's reserves will be raised by an allocation of altogether DM40.0m, the same as the year before.

Commerzbank International S.A., Luxembourg

Commerzbank's Luxembourg subsidiary deals mainly in the Euromarket, where it coordinates its activities closely with the Parent Bank.

The bank's balance sheet total is shown almost unchanged at DM15.1bn as per year-end. Following a DM10m allocation to the disclosed reserves from the previous year's distributable profit, the liable equity amounted to DM313.4m. In addition to this, US\$60m of subordinated certificates of deposit issued by the bank remained outstanding.

All but DM10m of the subsidiary's—increased—operating result was used to provide for future risks. Shareholders will be asked to approve that the DM10m net income for the year as shown in the 1984 accounts be allocated to reserves.

Berliner Commerzbank Aktiengesellschaft,  
Berlin

As in the preceding year, the Berlin subsidiary achieved a satisfactory result in 1984 as well. After substantially providing for all possible loan losses, a total of DM25m (DM10m in 1984) will be allocated to reserves subject to approval by both the bank's board of administration and its AGM. A total of DM11.6m will be needed for the payment of an unchanged 16% dividend.

During the year under review, the total assets of

Commerzbank (South East Asia) Ltd.,  
Singapore,

were raised by the equivalent of DM0.4bn to DM2.4bn. Except for a small remainder of DM0.5m, the bank's net income for the year—up from the equivalent of DM9.4m to the equivalent of DM12.7m—has been allocated to reserves. The bank's liable equity thus now amounts to S\$46.8m, or DM67.5m. To reinforce the financial strength of this subsidiary, we decided to forego its paying a dividend to us.

Upon acquiring from the former shareholders the remainder of the share capital of Europartners Bank (Nederland) N.V., Amsterdam, the latter has been renamed

Commerzbank (Nederland) N.V.,  
Amsterdam.

Now entirely held by us, this subsidiary closed a successful 1984 with a balance sheet total of

Dfl1,230m, as against Dfl1,108m at end-1983. Profit before risk provision and taxes at Dfl10.9m was more than double the previous year's figure of Dfl5.3m. Of this amount, Dfl6.5m was used to provide for possible loan losses in the bank's international business. From the net income for the year remaining after income tax, all but a minor amount carried forward to new account will be used to strengthen the bank's reserves by an allocation of Dfl3.4m, raising them to Dfl16.7m. The bank's share capital stands unchanged at Dfl40m, while its liable equity basis continues to be backed by a subordinated loan, the latter now reduced to Dfl15m from Dfl20m the year before.

The progress of business of these five banks is more fully discussed on pages 68 to 77.

Commerz-Credit-Bank Aktiengesellschaft  
Europartner, Saarbrücken,

increased its balance sheet total to DM1,229m, from DM1,167m at end-1983. From the net income for the year remaining after all discernible risks had been provided for, a total of DM2m will be allocated to reserves subject to approval by both the bank's board of administration and its AGM, and a 10% dividend will be paid on the unchanged share capital of DM14m.

CB Finance Company B.V.  
(formerly Commerzbank Finance Company B.V.),  
Amsterdam,

and

Commerzbank Overseas Finance N.V.,  
Curaçao,

serve us as financing arms for the raising of funds both in the Euromarkets and in other foreign capital markets.

At the closing date, these two companies had launched bonds and notes equivalent to altogether DM2.6bn; they broke down as follows:

US\$100m 13 $\frac{1}{8}$ % notes of 1982,  
due October 21, 1989;

US\$100m 11 $\frac{1}{2}$ % notes of 1983,  
due January 20, 1990;

US\$100m 11% notes of 1983,  
due March 24, 1991;

Sfr100m 5 $\frac{3}{4}$ % notes of 1983,  
due November 10, 1988;



£25m 11½% bonds of 1984,  
due December 15, 1988-1990;

US\$100m floating rate notes,  
at 3-month LIBOR, of 1984,  
due February 1989,  
with warrants to subscribe to  
US\$100m 11¾% notes,  
due October 21, 1989;

US\$72.5m 6% bonds of 1984  
(dual currency issue),  
due March 28, 1994,  
redeemable by both  
bondholders and issuer  
as per March 28, 1991;

DM140m 3¾% bonds of 1984,  
due July 1, 1986,  
with warrants to subscribe to  
840,000 shares of Commerzbank AG;

US\$100m 13⅝% notes of 1984,  
due July 18, 1988,  
with warrants to subscribe to  
US\$100m 13⅝% notes,  
due July 18, 1991;

US\$150m floating rate notes,  
at 6-month LIBOR + ⅛%,  
due November 1989,  
and warrants to subscribe to  
US\$150m 12¼% notes,  
due November 20, 1991.

Of the 13⅝% notes due July 18, 1991, an  
amount of US\$109,000 had by December 31,  
1984 been subscribed to through the presenta-  
tion of warrants.

The operations of the two limited partnerships

von der Heydt-Kersten & Söhne,  
Wuppertal-Elberfeld,

and

Ilseder Bank, Sandow & Co., Peine,

are technically fully integrated into the Com-  
merzbank branch network, with the managing  
partners of both banks retaining their decision-  
making powers.

The bank of

C. Portmann, Frankfurt,

confines its activities to the administration of its  
own assets.

Commerz- und Industrie-Leasing GmbH,  
Frankfurt,

and

Commerz- und Industrie-Leasing Berlin GmbH,  
Berlin,

who are engaged in the leasing of moveable  
goods, succeeded in almost maintaining their  
business at the previous year's level. The profits  
transferred to the shareholders of both institu-  
tions, Commerzbank Aktiengesellschaft and  
Berliner Commerzbank Aktiengesellschaft, to-  
gether were up 50%.

L.I.A. Leasinggesellschaft für Immobilien  
und Anlagegüter mbH, Frankfurt,

has no commercial activity as such but restricts  
its operations to administering its property  
holding companies. Together with GERAP  
Grundbesitz- und Verwaltungsgesellschaft  
mbH, Frankfurt, it is managed under fiduciary  
agreements by Deutsche Gesellschaft für Im-  
mobilien- und Anlagen-Leasing mbH (dil),  
Düsseldorf, a company in which Commerzbank  
has a 50% interest.

The three leasing companies last mentioned  
and their property holding subsidiaries rely on  
Commerzbank to meet their funding require-  
ments. Real estate leasing is, however, also  
funded, to the extent permitted by law, by mort-  
gage loans by Commerzbank's mortgage bank  
subsidiary.

Finally, mention must also be made of

Commerzbank Fonds-Verwaltungsgesellschaft  
mit beschränkter Haftung (Cofo), Düsseldorf.

This is an investment company which, in addi-  
tion to administering "Cofonds", an open-ended  
fund offered to the general public, acts as a  
management company for 63 closed-end spe-  
cial-purpose investment funds with total assets  
of DM3.3bn.

The other consolidated companies listed but  
not separately reported on here are engaged in  
activities indicated by their company names,  
such as trust business or management of less  
important real estate.

Re 2): Companies  
not included in the consolidation

In accordance with Section 329 of the German  
Stock Corporation Act (AktG), Handelsgest

S.A.R.L. and Indugest S.A.R.L., both Luxembourg-based, have—as foreign companies—not been included in the consolidation. Their share capital continues to be owned by us and by our subsidiary, Commerzbank International S.A., with the proportions held unchanged. Both companies restrict their activity to administering the capital they have been endowed with.

Re 3): Related companies  
not under the Group's sole managerial control

Flender Werft Aktiengesellschaft, Lübeck

In the second quarter of the year under review, the company was able to end the period of short-time working which had affected certain parts of it since late 1983. Thereafter, it managed to keep its shipyards well employed through newbuildings of high-quality container vessels and through ship repair and other work. Yet a 1984 loss for the year of DM1m must be anticipated.

By obtaining a follow-up order for the construction of two more container ships specifically designed by the company, work has been secured which will keep most of its capacity used until the end of the current year.

Yet future developments must, as in the past, be viewed with considerable scepticism—despite the fact that the company has improved its competitive position thanks to the successful completion of the measures, started in 1982 and 1983, to increase its productivity and to cut overheads. But the worldwide imbalance between demand for vessels and available shipyard capacity continues unabated, while the pressure on German shipbuilders from both their competitors in the Far East and in other countries—which rival each other in terms of subsidies—is as strong as before. In the foreseeable future, therefore, the market situation can hardly be expected to become relaxed to any noticeable degree.

Normal banking relations are maintained with Flender Werft. Those of the Bank's managing directors who serve on the company's supervisory board are engaged in customary counselling and controlling, also in respect of Commerzbank's investment in Flender Werft, but without seeking to influence the conduct of the latter's business in favour of the Bank.

Principles of consolidation

Commerzbank's consolidated annual accounts as at December 31, 1984 were drawn up in ac-

cordance with the format for the presentation of annual accounts of German banks as laid down by a regulation of December 20, 1967. With a mortgage bank included in the consolidation, an adjusted version of the standard format for the balance sheet had to be used so as to allow for the special nature of its business.

For all companies included in the consolidation, the financial years coincide with the calendar year. The accounts of the foreign members of the Group in Amsterdam and Singapore, which are drawn up in local currency, and those of Commerzbank's Curaçao financing arm, drawn up in US dollars, have been converted at the official Frankfurt middle rates on the last trading day preceding the balance sheet date. Assets and liabilities throughout the Group have been valued on a uniform basis in accordance with the principles of the German Stock Corporation Act (AktG).

For the consolidation of the capital accounts, the book values of investments as shown in the balance sheet have been offset against the values of the related equity as shown in the books of the subsidiaries and affiliated companies concerned. Hence investments as shown in the consolidated balance sheet represent only the book values of holdings in non-consolidated companies.

Inter-company balances included in any of the asset and liability items have been eliminated in the consolidated balance sheet, as have similar income and expenses in the Group's profit and loss account. No inter-company book gains occurred over the year.

Investment income from consolidated companies received in 1984 in respect of 1983, as well as profits carried forward by Group members, have been included in the profit brought forward, while tax credits received have been deducted from investment income and from the Group's tax expenditure. The profit brought forward was reduced due to the elimination of inter-company profits from the consolidation in previous years.

Consolidated balance sheet total

At DM122.687bn, the consolidated balance sheet total was DM9.437bn up on the preceding year's figure, exceeding the total assets of the Parent Bank, Commerzbank AG, by DM49.928bn (1983: DM46.365bn). The following changes occurred in individual balance sheet items during the year under review (see next page):

Assets		Liabilities	
in DM m		in DM m	
Cash reserves, cheques, and collection items	+ 1,636	Liabilities to banks	- 3,009
Bills of exchange	- 164	a) demand	(- 244)
Claims on banks	+ 1,149	b) time	(- 2,765)
a) demand	(+ 1,014)	Customers' deposits	+ 6,593
b) time	(+ 135)	a) demand	(+ 1,490)
Treasury bills	- 230	b) time	(+ 4,766)
Bonds, notes, other securities	+ 1,375	c) savings deposits	(+ 337)
Loans and advances to customers	+ 5,251	Bonds outstanding	+ 5,135
a) less than four years	(+ 2,748)	Acceptances outstanding	+ 279
b) four years or more	(+ 2,503)	Provisions	+ 175
Investments	+ 96	Capital and reserves	+ 134
Land and buildings, office furniture and equipment, including leasing equipment	+ 58	Reserve arising from consolidation, in accordance with Section 331 (1) 3 of the German Stock Corporation Act (AktG)	+ 98
Sundries (including loans on a trust basis)	+ 266	Minority interests	- 11
		Consolidated profit	+ 13
		Sundries (including loans on a trust basis)	+ 30
	+ 9,437		+ 9,437

The Parent Bank, Commerzbank Aktiengesellschaft, accounts for 56.6% of the assets entering into the Group's balance sheet total before elimination of inter-company balances, as compared with 56.9% in the previous year, and the consolidated commercial banks for 19% (20% in 1983). A further 21.8% relates to the mortgage lending subsidiary, Rheinische Hypothekenbank, and 2.6% to other companies.

## Assets

### Liquidity

At the end of 1984, the Group's cash reserves—consisting of cash on hand and balances with the Deutsche Bundesbank and on postal cheque accounts—stood at DM4,278m, representing 5.3% of the consolidated sum total of liabilities to banks and other creditors at periods of less than four years, including all savings deposits, and indebtedness from bonds and acceptances outstanding at similar maturities of an aggregate amount of DM80,579m. The Group's liquid funds—cash reserves, cheques, matured bonds, interest and dividend coupons, collection items, bills rediscountable at the

Deutsche Bundesbank, claims on banks with periods of less than three months, Treasury bills, discountable Treasury notes, and fixed-interest securities issued by Group members and others eligible as collateral for Deutsche Bundesbank advances—totalled DM19,259m, or 23.9% of the above-mentioned borrowed funds with a life of up to four years.

### Treasury notes, other securities

Security holdings within the Group were raised by DM1,375m to DM8,616m. The overall volume of Treasury bills and discountable Treasury notes was reduced by DM230m to DM1,666m.

A DM1,312m net increase is shown for bonds and notes held by the Group, including those issued by consolidated companies, after accounting for a DM421m reduction in the latter. This shift in our holdings was accompanied by a DM1,733m increase in bonds and notes of non-Group issuers, DM1,119m of these being bonds with an original life of over four years.

Holdings of other securities rose by DM63m to DM930m.

Lending

The Group expanded its lending to other banks and to customers (excluding both loans on a trust basis and guarantees) by DM5,760m to DM90,333m in 1984. This represents a rise of 6.8%, as against 3.5% in 1983. With the Parent Bank's loan volume up by 5.9%, the higher figure for the Group relates above all to the stepped-up credit business of the mortgage

lending and the domestic commercial banking subsidiaries, while the foreign commercial bank members' contribution was more modest. Short-term credits to other banks were increased from DM15.6bn to DM16.3bn; such interbank transactions are not considered to be part of our lending operations.

The structure of our loan portfolio is illustrated in the table below:

Lending	Year-end, 1984		Year-end, 1983		Change	
	DMm	%	DMm	%	DMm	%
Loans to customers						
a) short and medium-term	29,055	32.2	26,309	31.1	+2,746	+10.4
b) long-term (four years or more)	23,059	25.5	21,988	26.0	+1,071	+4.9
Sub-total	52,114	57.7	48,297	57.1	+3,817	+7.9
Long-term mortgage and communal loans of mortgage bank subsidiary	24,724	27.4	23,136	27.3	+1,588	+6.9
Bills discounted	4,064	4.5	4,212	5.0	-148	-3.5
Claims on banks						
a) short and medium-term	4,055	4.5	3,936	4.7	+119	+3.0
b) long-term (four years or more)	5,376	5.9	4,992	5.9	+384	+7.7
Sub-total	9,431	10.4	8,928	10.6	+503	+5.6
Total lending	90,333	100.0	84,573	100.0	+5,760	+6.8

Excluding lending by the mortgage bank subsidiary, credits to customers rose 7.9% to DM52.1bn for the Group as a whole, with advances at short and medium-term recording an above-average increase of 10.4% to DM29.0bn. By contrast, long-term loans were only up 4.0%, reaching DM23.1bn. We again reduced the volume of bills discounted, although—at a rate of 3.5%—less so than the year before, bringing it down to DM4.1bn.

By raising its overall longer-term lending to DM24.7bn, our mortgage bank subsidiary, Rheinische Hypothekenbank, more than doubled the rate of growth achieved. The increase amounted to DM1.6bn and was about evenly accounted for by mortgage loans and by credits to local governments or authorities.

Interbank lending at Group level was expanded by 5.6% to DM9.4bn, with over three-quarters of the rise being made up by longer-term loans.

Overall, there was only a slight fall—to 31.4%—in the share of longer-term credits by the commercial banks within the Group in the latter's total lending. With the proportion of—likewise longer-term—mortgage loans virtually unchanged at 27.4%, that of short and medium-term advances (including bills discounted) amounted to 41.2% at the balance sheet date, up from 40.8% at end-1983.

Fixed assets

After elimination of holdings in consolidated companies, the Group's fixed assets stand at DM2,242m (DM2,089m in 1983). These comprise: holdings in unconsolidated companies of DM793m (investments), land and buildings at DM644m, office furniture and equipment at DM288m, and leasing equipment at DM517m. Changes of some significance that occurred with investments were due to the Parent Bank's acquiring a 10% stake in the share capital of Banco Hispano Americano and the merger of Cisolgest S.A.R.L. with the Luxembourg subsidiary, Commerzbank International S.A.

**Liabilities and shareholders' equity**Total deposits and borrowed funds

In 1983, the Group's total deposits and borrowed funds increased by DM8,998m to DM117,183m. At year-end, they were made up as follows:

	Year-end, 1984		Year-end, 1983		Change	
	DM m	%	DM m	%	DM m	%
<b>Borrowed funds</b>						
Liabilities to banks						
a) demand deposits	3,248	2.8	3,492	3.2	- 244	- 7.0
b) time deposits	26,626	22.7	29,391	27.2	-2,765	- 9.4
Sub-total	29,874	25.5	32,883	30.4	-3,009	- 9.2
Customers' deposits						
a) demand deposits	11,265	9.6	9,775	9.0	+1,490	+15.2
b) time deposits	28,960	24.7	24,194	22.4	+4,766	+19.7
c) savings deposits	11,663	10.0	11,326	10.5	+ 337	+ 3.0
Sub-total	51,888	44.3	45,295	41.9	+6,593	+14.6
Acceptances outstanding	1,499	1.3	1,220	1.1	+ 279	+22.9
Bonds issued						
by commercial banks within Group	8,712	7.4	6,228	5.7	+2,484	+39.9
Bonds issued						
by mortgage bank subsidiary	25,210	21.5	22,559	20.9	+2,651	+11.8
Sub-total	33,922	28.9	28,787	26.6	+5,135	+17.8
Total deposits and borrowed funds	117,183	100.0	108,185	100.0	+8,998	+ 8.3

Borrowings from other banks could thus be further reduced from 30.4% to 25.5% of the above total. By contrast, the share of customer deposits was raised to 44.3% and that of the Group's own bonds outstanding to 28.9%. Aggregate funds deposited by customers were up by DM6.6bn, or 14.6%, to DM51.9bn, while inter-bank borrowing was curtailed by DM3.0bn, or 9.2%, to DM29.9bn.

The volume of bonds outstanding issued by members of the Group was expanded by DM5.1bn to DM33.9bn, with DM25.2bn of this amount being accounted for by paper of the mortgage bank subsidiary, for the most part mortgage bonds (DM9.3bn) and communal bonds (DM14.0bn).

Other liabilities

After additions of DM175m, provisions reached DM1,535m.

Actuarially computed provisions for pensions rose by DM58m to DM858m.

Provisions for other purposes, which are shown at DM677m, relate in the main to taxes and to possible loan losses, as also to those portions of the global allowances for recourse claims which are to cover risks attaching to guarantees not given accounting recognition, so that these allowances could not be set off against any of the asset items. These provisions for the first time also cover such pension commitments as can be expected to fall due in the case of employees opting for early retirement under a scheme collectively agreed in 1984.

### Share capital and reserves

The Parent Bank's total equity capital increased to DM2,711m. An amount of DM73.8m—both from the premium and other income from the issue of bonds with warrants to our shareholders and from the cash proceeds the Parent Bank received from the assignment to Commerzbank Overseas Finance N. V. of bonds with warrants entitling holders to subscribe to Commerzbank shares—was allocated to the legal reserve. A further DM60m (DM50m the year before) was allocated to the disclosed reserves from the net profit for the year under review.

The consolidation difference as defined in Section 331(1)3 of the German Stock Corporation Act (AktG)—i. e. the excess of the book value of the consolidated subsidiaries' equity over the book value of the Parent Bank's investments therein—, which is regarded as quasi-equity, rose by DM98m to DM355m in the year under review. Almost the entire rise resulted from allocations to reserves by subsidiaries.

There was a DM11m reduction in the contra item for minority interests following the acquisition by the Parent Bank of the remainder of the share capital of Europartners Bank (Nederland) N.V., subsequently renamed Commerzbank (Nederland) N.V., from those member banks of the Europartners group holding them thus far.

Including a total of DM28m of further allocations to the Group's reserves subject to approval by the AGMs of consolidated subsidiaries, and also including minority shareholder's interests (the latter without the attributable share of profits), the Group's equity capital at year-end was DM3,143m, as against DM2,917m in 1983.

### Contingent liabilities and commitments

Commitments for uncalled payments on shares in stock corporations (AG) and private limited liability companies (GmbH), issued but not fully paid, amounted to DM26m at the balance sheet date, while similar liabilities for shares in cooperatives were DM1m. Group members may, under Section 24 of the German Private Limited Liability Companies Act (GmbHG), also be held responsible for possible defaults on such calls by other shareholders. Our holding an interest in Liquiditäts-Konsortialbank GmbH may attract a liability for the payment of assessments up to an amount of DM36m, the calling of which is, however, conditional on the passing of an appropriate resolution by the institution's share-

holders. Moreover, some Group members are jointly and severally liable for the assessments payable by other members of their banking associations up to an amount of DM243m.

### **Consolidated profit and loss account**

#### Net income

Interest and similar income from lending and from money market transactions and current income from securities, Government-inscribed debt, and investments as shown in the consolidated balance sheet rose by DM1,017m to DM9,959m. Allowing for a less pronounced increase in interest expenditure of DM943m to DM7,619m, the Group's net interest and dividend earnings amounted to DM2,340m. Up by DM74m, or 3.3%, on the previous year, it was DM391m, or 20.1%, higher than current personnel and other operating expenses. The respective 1983 figures were DM455m and 25.1%.

The excess of commissions earned over commissions paid in respect of services went up by DM43m, or 6.9%, to DM669m.

After balancing other income, the income from the writing back of provisions and of the special item with partial reserve character against write-downs of and adjustments to claims and securities (including those relating to investments as shown in the Group's balance sheet), there was a net shortfall of DM206m, compared with one of DM351m the year before. The 1984 figure includes current earnings of consolidated leasing companies amounting to DM208m (1983: DM216m).

#### Expenditure

The Group's overall personnel expenditure was DM1,385m, while other operating expenses totalled DM564m. The increase in these costs thus amounted to DM138m, or 7.6%, as against DM204m, or 12.7%, in 1983.

Depreciation on and adjustments to land and buildings, office furniture and equipment were charged at DM91m (1983: DM78m).

Group taxation totalled DM275m, as against DM237m in the preceding year. This amount includes DM273m for taxes on income and assets, compared with DM233m in 1983.

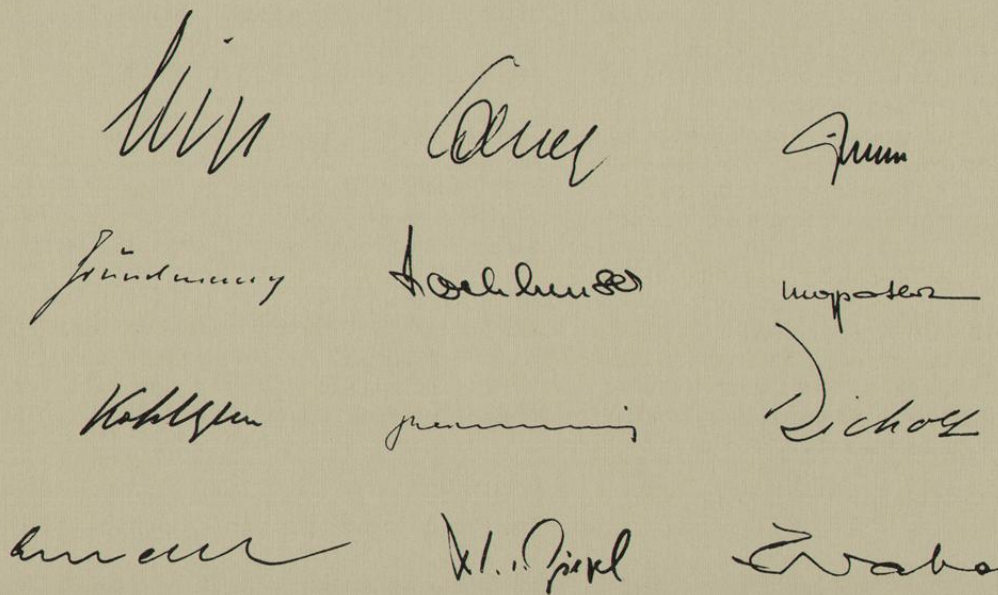
Consolidated net income for the year and consolidated profit

The Group's net income for the year rose from DM213m to DM263m, and the profit brought forward from the previous year was DM1m. The former will be used to allocate DM60m to the reserves of the Parent Bank and DM64m to those of consolidated companies. The amount of the profit accruing to minority shareholders is DM2m. The remaining consolidated profit thus amounts to DM138m. Subject to approval by the AGMs of four consolidated companies, a further DM28m is to be allocated to the latter's reserves from undistributed profits.

In the current year, we expect the Commerzbank Group again to achieve a satisfactory operating result, although it must be anticipated that the latter will be affected by cost increases and possibly also by a narrowing of the interest margin. Despite the recovery of the German economy, risks continue to attach to the Group's domestic credit business. In our international lending as well, risks must be expected to remain high also in the future, so that we intend to build up our cover for them.

THE BOARD OF MANAGING DIRECTORS

Düsseldorf, March 5, 1985



A collection of twelve handwritten signatures in cursive script, arranged in a 4x3 grid. The signatures are: Row 1: W. W., C. W., G. W.; Row 2: J. W., A. W., M. W.; Row 3: K. W., J. W., D. W.; Row 4: H. W., H. W., W. W.

## **Berliner Commerzbank AG, Berlin**

### General performance

Our Berlin subsidiary continued its successful performance in 1984 as well. Its total assets went up 9.7% to DM4.8bn and, in spite of a tendency for its interest margin to narrow and costs to climb, it managed to maintain its operating result at 1983's good level.

In using its net income for the year, the bank once more gave priority to strengthening its financial muscle. Hence, after providing appropriately for loan risks, and following the payment of an unchanged 16% dividend, the bank allocated DM25m (DM10m the year before) to its reserves. This raised its overall liable funds to DM215m, representing 4.5% of its balance sheet total.

### Retail business

The bank stepped up its retail business in every field. On an annual average, its aggregate lending of this type was up by a good fifth on the 1983 figure—with home loans again the most sought after. Customers also had more recourse to the automatic overdraft facilities offered by their wage and salary accounts, and the volume of instalment loans outstanding to them increased by 3.5%.

A number of specially designed schemes helped to boost total savings deposited with the bank by 6.5% to DM884m. Sales of its own bonds were brisk—pushing the overall figure under this heading up DM79m to DM543m—while those of savings certificates rose by a net DM40m. The sum of funds deposited by private clients now accounts for 72% of the bank's aggregate liabilities to customers.

### Wholesale business

It was only in the final months of 1984 that corporate credit demand started to pick up slightly, whereas deposits by companies registered more than 25% growth in the year under review. Lively use was made of the special computer facilities offered to firms for effecting their payments—a service through which the bank was also able to gain new clients.

Jointly with Berliner Bank, Nixdorf Computer AG, Standard Elektrik Lorenz AG, and Hannover Finanz GmbH, Berliner Commerzbank in May 1984 set up „Wirtschaftspartner Beteiligungsgesellschaft mbH (WBB)“ in Berlin. A venture capital company whose object it is to invest in in-

dustrial, trading and service enterprises in order to further the spread of new, forward-looking technologies, WBB can also provide low-interest operating funds, technological know-how, and management advice.

### Service business

Both share and bond dealings on customers' behalf were buoyant at our Berlin subsidiary. The volume of such transactions matched the preceding year's high figure, with clients showing a very pronounced interest in purchasing foreign—particularly US—paper. Sales of investment fund shares were over 50% up on 1983, and trust business continued to develop satisfactorily with a 20% rise in assets managed.

Foreign business had a more important part in contributing to the bank's overall result. The figure for new letters of credit opened went up 30% and that for collections against documents 40%. Uncertainties in the foreign exchange markets led both private and corporate customers to step up their demand for forward cover. Spot and future currency dealings each exceeded their 1983 levels by more than 80%.

### Staff and organization

Only by increasing its staff was it possible for the bank to cope with the greater workload at both branch and head office level resulting from strong business expansion over the past two years, so that the number of those employed grew by 39 to 1,153. There were 130 young people serving apprenticeships at year-end.

On the organizational side, special attention was devoted to the customer-friendly refurbishing and extension of older branch offices and to further developing the bank's data-processing capacity by installing additional multi-function terminals and automated teller machines.

To promote technical innovation in the field of cashless payments, the bank took part in a pilot project for electronic fund transfer application at point of sale (POS). This provides for euro-cheque cardholders who buy goods from retail outlets to pay for them directly by debiting their bank accounts, accessible for them through a personal identification number (PIN).



## Annual Accounts 1984

Assets	DM1,000
Cash reserves	252,223
Cheques and collection items	30,322
Bills of exchange	57,153
Claims on banks	1,078,989
Discountable Treasury notes	21,354
Bonds and notes	641,643
Other securities	18,898
Loans and advances to customers at agreed periods of	2,600,475
a) less than four years	(1,298,627)
b) four years or more	(1,301,848)
Recovery claims under post-war currency reform acts	9,339
Loans on a trust basis at third party risk	8,716
Investments (associated companies and trade investments)	3,667
Land and buildings	21,696
Office furniture and equipment	8,956
Own bonds	3,908
Other assets	4,709
Deferred items	30,744
<b>Total Assets</b>	<b>4,792,792</b>

Expenses	DM1,000
Interest and similar expenses	191,224
Commissions paid	600
Write-downs of and adjustments to claims and securities, transfers to provisions for possible loan losses	23,568
Personnel expenditure	69,463
Other operating expenses	26,346
Depreciation on fixed assets	4,705
Taxes	20,336
Other expenses	2,556
Net income for the year	39,327
<b>Total Expenses</b>	<b>378,125</b>

Liabilities and Shareholders' Equity	DM1,000
Liabilities to banks	1,038,989
a) demand	(178,045)
b) time	(860,944)
Liabilities to customers (customers' deposits)	2,830,466
a) demand	(654,400)
b) time	(1,292,247)
c) savings deposits	(883,819)
Bonds outstanding	542,800
Acceptances outstanding	25,301
Loans on a trust basis at third party risk	8,716
Provisions	91,912
Other liabilities	4,023
Deferred items	19,166
Special item with partial reserve character	2,092
Share capital	72,500
Disclosed reserves	136,500
Distributable profit	20,327

<b>Total Liabilities and Shareholders' Equity</b>	<b>4,792,792</b>
Endorsement liabilities	173,971
Guarantees	348,459
<b>Income</b>	<b>DM1,000</b>
Interest and similar income	297,702
Current income from	
a) fixed-interest securities and Government-inscribed debt	45,578
b) other securities	726
c) investments	290
Commissions and other service charges received	27,978
Other income, including income from the writing back of provisions for possible loan losses	4,820
Income from profit-pooling and from partial or full profit-transfer agreements	18
Income from the writing back of provisions, unless it has to be shown under other income	781
Income from the writing back of special item with partial reserve character	232
<b>Total Income</b>	<b>378,125</b>

## **Commerzbank International S.A., Luxembourg**

### Business objectives

The worldwide involvement of Commerzbank International S.A., Luxembourg, in the money and credit markets—mainly at short and medium term—extends back as far as 1969. The bank is also active in the international foreign exchange, securities, and precious metals fields, while cross-border retail business is increasingly gaining importance, too.

### General performance

Despite continuing problems with countries seeking to reschedule their debt, coupled with a persistent climate of uncertainty, hectic fluctuations on the foreign exchange markets and also keen competition for international loans, the bank managed to make further good progress during 1984. In this, it was helped by the sustained buoyancy of the securities markets.

Once more, the policy adhered to by the bank was one of steadily strengthening its earnings position. The increase of DM100m in its total assets is solely the effect, on both sides of the balance sheet, of the US dollar firming against the accounting currency, the D-mark: on the basis of constant exchange rates, the balance sheet total would have declined.

### Lending

Although the banking environment was difficult, total lending—covering amounts due from banks and customers, bills discounted and loans against borrower's note—at over DM9.5bn was a good 6% up on end-1983. While applying the same strict standards to borrowers' creditworthiness as before, the bank succeeded in slightly raising its overall interest margin.

Considerable effort was again made to ensure an appropriate geographical spread of its loans. The accent among the latter has remained on the short and medium term, with the financing of German exports predominating. Mention should be made of the 16% rise in claims on customers to DM5.5bn.

### Retail business

The bank continued to step up its retail business. Brisk activity in the securities area translated into markedly higher commission earnings, while precious metal dealings tended to

be rather sluggish because of weakening prices in this sector. ECU investments, however, met with growing interest by private customers.

### Funding

The Luxembourg subsidiary once again achieved a structural improvement on the liabilities side of its balance sheet. Thus customer deposits were up by approximately DM1bn—double the previous year's figure. Risks involved in funding long-term roll-over loans were alleviated by intensively using new capital market instruments, such as hedging through futures contracts or the issue of long-term US dollar bonds (by Commerzbank Overseas Finance N.V., Curaçao, carrying the guarantee of Commerzbank International S.A.), in conjunction with interest rate swap agreements.

### Earnings

The bank's earnings position saw further improvement in the course of 1984. Its higher operating result was mainly due to marked increases both in net interest and dividend income and in dealing commissions and gains. Earnings from retail services, in particular, could be boosted substantially.

Continuing risks inherent in international lending led the bank once more to give priority to loan loss provisions. After taking full advantage of the legal possibilities for globally covering doubtful credits, the 1984 result was largely used to provide individually for loans with an attaching country risk.

Subject to shareholder approval, the—unchanged—DM10m net income for the year will as in 1984 be allocated to the bank's free reserves, to strengthen its equity base. The profit brought forward from 1983 is to be carried over again.

### Capital and reserves

As at December 31, 1984 the bank's capital and reserves, including the year's DM14.0m distributable profit, stood at DM327.4m. If account is taken—on a partial basis—of the negotiable subordinated floating rate certificates of deposit issued in 1982, the equity ratio is well in excess of the minimum required under Luxembourg law.

## Annual Accounts 1984

Assets	DM1,000
Claims on banks with agreed periods of	6,800,976
a) up to 30 days	(760,492)
b) more than 30 days	(6,040,484)
Bills of exchange	14,998
Loans and advances to customers	6,514,448
Securities	1,404,554
Investments (associated companies and trade investments)	9,132
Land and buildings	19,767
Office furniture and equipment	753
Deferred items	354,651
Other assets	4,965
<b>Total Assets</b>	<b>15,124,244</b>

Expenses	DM1,000
Interest and commissions paid	1,289,832
Personnel expenditure and other operating expenses	10,462
Taxes	5,882
Write-downs and adjustments	163,379
Depreciation	848
Other expenses	1,373
Net income for the year	10,000
<b>Total Expenses</b>	<b>1,481,776</b>

Liabilities and Shareholders' Equity	DM1,000
Liabilities to banks with agreed periods of	11,906,434
a) up to 30 days	(3,771,642)
b) more than 30 days	(8,134,792)
Liabilities to customers (customers' deposits) with agreed periods of	1,563,412
a) up to 30 days	(422,416)
b) more than 30 days	(1,140,996)
Bonds outstanding	427,233
Subordinated loan	188,880
Share capital	125,000
Reserves	188,400
a) legal reserve	(12,500)
b) free reserves	(84,100)
c) premia from capital increases	(91,800)
Provisions, write-downs and adjustments	386,019
Deferred items	321,792
Other liabilities	3,118
Distributable profit/profit brought forward	13,956
<b>Total Liabilities and Shareholders' Equity</b>	<b>15,124,244</b>

Income	DM1,000
Interest and commissions received	1,390,362
Other income	91,414
<b>Total Income</b>	<b>1,481,776</b>

The bank's 1984 annual accounts will be officially published in Mémorial, Journal officiel du Grand-Duché de Luxembourg, Recueil spécial des sociétés et associations.

**Commerzbank (Nederland) N.V.,  
Amsterdam**

Business objectives

Commerzbank (Nederland) N.V. acquired its new name on December 31, 1984, after Commerzbank AG had—as from November 30, 1984—raised to a full 100% its previous 70% holding in the former Europartners Bank (Nederland) N.V., established by the Europartners in 1973. Through both its main office in Amsterdam and a branch in Rotterdam, the bank offers its full range of services to Dutch companies and international corporate clients.

General performance

With its interbank money market dealings reduced, the 10.3% rise in the bank's total assets to Dfl1,230m (equivalent to DM1,089m) only partly reflects the increase in its customer business. The Rotterdam branch made a useful contribution to every sector of activity. The subsidiary successfully extended its presence in the foreign exchange markets.

Lending

Total lending—i.e. claims on banks and customers, bills discounted, and loans against borrower's note—went up 31.5% to Dfl843m (or DM747m), with the bank continuing to apply its clear-cut criteria as to creditworthiness. Special attention was directed towards interest spreads, under pressure in a competitive banking environment. Most of the expansion in the bank's credit business was with Dutch firms and subsidiaries of German companies in the Netherlands.

Earnings

After-tax net income for the year, having already recorded a 34.7% gain in 1983, went up 22% to reach Dfl3.3m, or DM3.0m. This was mainly the effect of a marked rise in net interest earnings, coupled with higher commission receipts and better own-account dealing results.

In line with the bank's policy to date, its current net income was, in particular, used to provide for country risks. At the same time, it strengthened its equity base by allocating

Dfl3.4m to its reserves. Including a subordinated loan from the Parent Bank, the Dutch subsidiary's liable funds now amount to Dfl71.7m, or DM63.5m.

Outlook

Indications in the Netherlands are for a continued improvement in the underlying economic conditions. This should make for further good progress of Commerzbank (Nederland) N.V.

## Annual Accounts 1984

Assets	Dfl1,000	Liabilities and Shareholders' Equity	Dfl1,000
Claims on banks	486,328	Liabilities to banks	568,574
a) payable on demand	( 23,516)	a) payable on demand	( 33,567)
b) with original periods or periods of notice of		b) with original periods or periods of notice of	
ba) less than three months	(173,180)	ba) less than three months	(148,554)
bb) at least three months, but less than four years	(168,216)	bb) at least three months, but less than four years	(369,953)
bc) four years or more	(121,416)	bc) four years or more	( 16,500)
Bills of exchange	6,063	Liabilities to customers (customers' deposits)	569,877
Claims on customers, with original periods or periods of notice of	633,712	a) payable on demand	( 46,231)
a) less than four years	(416,478)	b) with original periods or periods of notice of	
b) four years or more	(217,234)	ba) less than three months	(339,474)
Bonds and notes	55,635	bb) at least three months, but less than four years	(161,367)
Land and buildings	5,689	bc) four years or more	( 22,805)
Office furniture and equipment	1,586	Share capital	40,000
Deferred items	38,487	Disclosed reserves	16,680
Other assets	2,012	Deferred items	22,091
		Other liabilities	12,247
		Distributable profit/ profit brought forward	43
		Total Liabilities and Shareholders' Equity	1,229,512
<b>Total Assets</b>	<b>1,229,512</b>		
	= DM 1,089m		

Expenses	Dfl1,000	Income	Dfl1,000
Interest and commissions paid	123,108	Interest and commissions received	135,808
Write-downs of and adjustments to claims and securities, transfers to provisions for possible loan losses	6,515	Current income from securities and investments	4,649
Personnel expenditure and other operating expenses	10,065	Other income	4,310
Taxes	1,085		
Depreciation on and adjustments to land and buildings, office furniture and equipment	654		
Net income for the year	3,340		
<b>Total Expenses</b>	<b>144,767</b>	<b>Total Income</b>	<b>144,767</b>

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

Business objectives

Since it became operative in 1979, Commerzbank (South East Asia) Ltd. –COSEA– has steadily broadened its product range on both the borrowing and the lending side, thus taking advantage of the wide variety of banking opportunities offered by the Asian dollar market. This wholly-owned subsidiary assists German companies and international corporate customers who do business in South East Asia, Australia and New Zealand in an advisory capacity and also in handling their financial transactions.

General performance

In 1984 again, high growth rates in a number of economies in South East Asia led to brisk demand for credit and hence to a further expansion of the Asian dollar market.

A major aspect of COSEA's operations, therefore, was once more the co-management of syndicated deals involving, among others, roll-over credits, floating rate certificates of deposit, floating rate notes and note issuance facilities. In addition, the bank was an active participant in the money and the spot and forward currency markets, and was also engaged in the placing of new issues and in securities trading.

At end-1984, COSEA had a staff of 32, five of them on secondment from the Parent Bank.

Balance sheet structure

The Singapore subsidiary's total assets went up from S\$1,540m to S\$1,670m, or DM2,410m. Against the decline in new loans extended to both customers and other banks, there was a rise in the volume of lending through the issue of securities—directly reflecting changes in a market in which floating rate notes and note issuance facilities have increasingly gained in importance at the cost of Eurocredits.

Earnings

The bank managed to boost its operating result for 1984 strongly by about one-third. After appropriate risk provision, its net income for the year after taxes was S\$8.8m (or DM12.7m),

compared with S\$7.3m in 1983, and was again used to allocate to both the legal and free reserves. Including a paid-up capital of S\$30m, COSEA's liable equity now stands at S\$47m.

Outlook

We expect borrowing through negotiable securities to gain further momentum in the current year. Consequently, dealing activities will play an even greater role for the bank than hitherto.

Besides, it remains our special concern that this subsidiary keeps cultivating and developing business relations with German and international corporate customers in South East Asia.

## Annual Accounts 1984

Assets	S\$1,000	Liabilities and Shareholders' Equity	S\$1,000
Claims on banks with agreed periods of	700,770	Liabilities to banks with agreed periods of	1,547,142
a) up to 30 days	(167,073)	a) up to 30 days	(666,644)
b) more than 30 days	(533,697)	b) more than 30 days	(880,498)
Bills of exchange	67,846	Liabilities to customers (customers' deposits) with agreed periods of	41,157
Loans and advances to customers	697,502	a) up to 30 days	(5,747)
Securities	168,848	b) more than 30 days	(35,410)
Land and buildings	1,023	Share capital	30,000
Office furniture and equipment	655	Reserves	16,800
Deferred items	1,194	a) legal reserve	(1,300)
Other assets	32,392	b) free reserves	(15,500)
		Provisions, write-downs and adjustments	1,848
		Deferred items	3,571
		Other liabilities	29,388
		Distributable profit/profit brought forward	324
		Total Liabilities and Shareholders' Equity	1,670,230
<b>Total Assets</b>	<b>1,670,230</b>		
	= DM2,410m		
<b>Expenses</b>	<b>S\$1,000</b>	<b>Income</b>	<b>S\$1,000</b>
Interest and commissions paid	155,867	Interest and commissions received	170,193
Personnel expenditure and other operating expenses	3,723	Other income	1,175
Taxes	1,066		
Write-downs of and adjustments to claims and securities, transfers to provisions for possible loan losses	1,700		
Depreciation on buildings, office furniture and equipment	176		
Other expenses	59		
Net income for the year	8,777		
<b>Total Expenses</b>	<b>171,368</b>	<b>Total Income</b>	<b>171,368</b>

S\$100 = DM144.30

### **Rheinische Hypothekenbank AG, Frankfurt**

#### General performance

In the year under review, our mortgage bank subsidiary once more managed to expand its business volume. Overall lending, including the extension of loans, was up slightly on the very good figures for 1983: while—due to the downturn in the building and construction industry—new mortgage business failed to match the previous year's level, credits to the public sector registered comparatively stronger growth. The result was a 9.2% increase in total assets.

#### Lending

Lending splits into DM4,408m (DM4,373m in 1983) of new commitments and DM1,493m (DM1,513m) of loan extensions involving a renegotiated interest rate—and, as before, it proved possible to retain a great proportion of the credits up for renegotiation. New advances agreed break down into 42% (57%) mortgage loans and 58% (43%) public-sector credits.

Mortgage commitments were again mainly in connection with existing housing stock—for modernization, the purchase of houses or apartments, and for refinancing, which together accounted for DM907m. Another DM625m was contracted for new house-building and a further DM314m for commercial building projects.

The close cooperation with the branches of the Parent Bank on the marketing side as well as in handling building finance contracts continued to produce good results, in terms of both standard home loans and commercial mortgages, and also as regards the branches' activity as agents only.

Paid-out mortgages and advances to local authorities totalled DM4,454m (DM4,223m). The figure for loans approved but not yet paid out slipped back slightly from DM668m to DM650m. The total amount of credits outstanding rose DM2.2bn to DM26.5bn, with almost half of this sum accounted for by mortgage loans.

#### Borrowing

In all, DM5,871m (DM5,732m) was raised to fund the bank's lending, chiefly through the sale of bonds—DM3,930m of which were "communal bonds" serving to fund credits to local authorities, DM1,350m mortgage bonds, and DM430m bonds not requiring cover. In order to give price support to its own paper in circulation, the bank repurchased a nominal DM301m (DM288m) of the latter.

Bonds outstanding at the end of the year were up DM2.5bn to DM25.0bn, 38.1% (39.8%) of this being mortgage bonds and 58.1% (56.7%) communal bonds.

#### Result for the year and liable equity

Mainly thanks to a good 5% expansion in net interest earnings to DM195m (DM185m), net income for the year rose to DM57.1m (DM55.4m). The annual general meeting on May 6, 1985 will be asked to approve an increase in the dividend from DM9 to DM10 per share of DM50 nominal on an unchanged share capital of DM85.3m, raising the total payout to DM17.1m from DM15.4m. It will also be asked to approve an allocation of DM12.0m to reserves so as to make for an—unchanged—overall appropriation of DM40.0m, which will bring total liable equity to DM563.5m (DM523.5m). This will enable the bank, which by end-1984 had utilized all but DM800m of its overall scope for issuing bonds, to launch such paper for up to an additional DM2.0bn.

Further details of Rheinische Hypothekenbank's performance can be found in its own report for 1984 already published.



## Annual Accounts 1984

Assets	DM1,000
Loans at agreed periods of four years or more	24,723,646
a) mortgage loans	(11,265,870)
b) communal loans	(13,404,200)
c) other	(53,576)
Recovery claims on Federal and Länder authorities under post-war currency reform acts	10,727
Bonds and notes	78,652
Other securities	64,623
Cash reserves and collection items	14,550
Claims on banks and on other debtors	2,810,270
Own bonds (nominal value DM188,357,000)	185,241
Loans on a trust basis at third party risk	63,601
Investments (associated companies and trade investments)	1,577
Land and buildings	45,178
Office furniture and equipment	4,887
Other assets	3,607
<b>Total Assets</b>	<b>28,006,559</b>

Expenses	DM1,000
Interest and similar expenses	1,845,301
Non-recurrent expenses on bonds issued and on loans granted	80,311
Write-downs of and adjustments to claims and securities, transfers to provisions for possible loan losses	48,637
Personnel expenditure	31,232
Other operating expenses	16,965
Depreciation and other write-downs on fixed assets	2,112
Taxes	44,419
Other expenses	1,382
Net income for the year	57,061
<b>Total Expenses</b>	<b>2,127,420</b>

Liabilities and Shareholders' Equity	DM1,000
Bonds issued	24,281,955
a) mortgage bonds	(9,277,242)
b) communal bonds	(13,982,733)
c) other bearer bonds	(896,479)
d) bonds drawn by lot and called for redemption	(125,501)
Bonds to be delivered	753,112
Loans taken up at long term	822,396
Liabilities to banks and other creditors	341,142
Accrued interest on bonds issued and on loans taken up	965,968
Loans on a trust basis at third party risk	63,601
Provisions	83,806
Foundation	1,061
Share capital	85,305
Disclosed reserves	466,215
a) legal reserve	(76,726)
b) other reserves (in accordance with Section 7 of the German Mortgage Bank Act-HBG)	(389,489)
Other liabilities	112,937
Distributable profit	29,061
<b>Total Liabilities and Shareholders' Equity</b>	<b>28,006,559</b>
Contingent liabilities	3,374

Income	DM1,000
Interest and similar income	2,025,095
Non-recurrent income from bonds issued and from loans granted	95,235
Income from investments	64
Other income, including income from the writing back of provisions for possible loan losses	6,102
Income from the writing back of provisions, unless it has to be shown under other income	828
Income from the writing back of special items with partial reserve character	96
<b>Total Income</b>	<b>2,127,420</b>

# Holdings by Commerzbank Aktiengesellschaft in Affiliated and Other Companies

## Consolidated companies

Rheinische Hypothekenbank Aktiengesellschaft, Frankfurt C: DM85.31m	94.3%	Berliner Commerzbank Aktiengesellschaft, Berlin C: DM72.50m	100.0%	Commerzbank International S.A., Luxembourg C: DM125.00m	100.0%*)
Atlas-Vermögensverwaltungs-Gesellschaft m.b.H., Düsseldorf C: DM0.10m	100.0%	Aussenhandel-Förderungsgesellschaft mbH, Düsseldorf C: DM0.10m	100.0%	CB Finance Company B.V., Amsterdam C: Dfl1.00m	100.0%
Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg C: DM0.05m	100.0%	L.I.A. Leasinggesellschaft für Immobilien und Anlagegüter mbH, Frankfurt C: DM1.00m	100.0%*)	Norddeutsche Immobilien- und Verwaltungs-GmbH, Hamburg C: DM0.02m	100.0%**)

## Further holdings in German banks

Absatzkreditbank Aktiengesellschaft, Hamburg C: DM18.00m	40.0%	ADIG Allgemeine Deutsche Investment-Gesellschaft mbH, Munich/Frankfurt C: DM4.80m	27.1%	AKA Ausfuhrkredit-Gesellschaft mbH, Frankfurt C: DM40.00m	12.6%
Liquiditäts-Konsortialbank GmbH, Frankfurt C: DM310.00m	3.7%	Lombardkasse AG, Berlin/Frankfurt C: DM12.00m	9.4%	Münchener Hypothekenbank eG, Munich C: DM11.01m	0.9%

## Further holdings in German companies

Almüco Vermögensverwaltungs-gesellschaft mbH, Munich C: DM39.00m a)	25.0%	AV America Grundbesitz-verwaltungsgesellschaft mbH, Frankfurt C: DM0.10m	25.0%	CGT Canada Grundbesitz Treuhand GmbH, Frankfurt C: DM0.10m	20.0%
Flender Werft Aktiengesellschaft, Lübeck C: DM25.00m	68.9%	Francommerz Vermögensverwaltungs-gesellschaft mbH, Frankfurt C: DM50.00m c)	40.0%	GADES Grundstücks-Vermietungs-gesellschaft mbH & Co. KG, Düsseldorf C: DM0.10m	49.0%
Rossmas Beteiligungsgesellschaft mbH, Frankfurt C: DM33.00m g)	40.0%	Stella Automobil-Beteiligungsgesellschaft mbH, Munich C: DM107.14m h)	25.0%	Vermietungsgesellschaft SÜD für SEL-Kommunikationsanlagen mbH, Stuttgart C: DM1.70m	50.0%

## Further holdings in foreign financial institutions and in other companies abroad

EuroPartners Securities Corporation, New York C: US\$6.81m	40.0%	UBAE Arab German Bank S.A., Luxembourg/Frankfurt C: DM30.00m	25.1%	Korea International Merchant Bank, Seoul C: won13.00bn	20.0%
P.T. Finconesia Financial Corporation of Indonesia, Jakarta C: IRp3.00bn	5.0%	Handelsgest S.A.R.L., Luxembourg C: DM10.00m	100.0%*)	Indugest S.A.R.L., Luxembourg C: DM25.00m	100.0%*)
Société Financière de Développement-SOFIDE-, Kinshasa C: zaires12.00m	0.9%	S.W.I.F.T. Society for Worldwide Interbank Financial Telecommunication s.c., Brussels C: Bfr131.00m	1.4%	Teollistamisrahasto Oy – Industrialization Fund of Finland Ltd., Helsinki C: Fmk165.60m	0.7%

\*) set up in January 1985;  
\*) held in part indirectly;  
\*\*) held wholly indirectly.

Besides, the Bank holds interests in regional security depository banks, credit guarantee associations, and housing companies, and in addition there are further holdings of minor importance.

Commerzbank (Nederland) N.V., Amsterdam C: Dfl40.00m 100.0%	Commerzbank (South East Asia) Ltd., Singapore C: S\$30.00m 100.0%	Commerzbank (Switzerland) Ltd, Zurich <sup>1)</sup> C: Sfr25.00m 100.0%	Commerz-Credit-Bank Aktiengesellschaft Europartner, Saarbrücken C: DM14.00m 60.7%
Commerzbank Overseas Finance N.V., Curaçao C: US\$0.10m 100.0%**)	Commercium Vermögensverwaltungs-GmbH, Hamburg C: DM0.05m 100.0%	Commerzbank Fonds-Verwaltungsgesellschaft mit beschränkter Haftung (Cofa), Düsseldorf C: DM2.00m 100.0%	GERAP Grundbesitz- und Verwaltungsgesellschaft mbH, Frankfurt C: DM0.02m 95.0%
C. Portmann, Frankfurt C: DM1.50m 100.0%			
Allianz Kapitalanlagegesellschaft mbH, Stuttgart C: DM3.00m 8.0%	Deutsche Grundbesitz- Investmentgesellschaft mbH, Cologne C: DM6.00m 25.0%	Deutsche Schiffahrtsbank Aktiengesellschaft, Bremen C: DM35.00m 10.0%	Deutsche Schiffsbeleihungs-Bank Aktien-Gesellschaft, Hamburg C: DM35.00m 28.5%
Privatdiskont-Aktiengesellschaft, Frankfurt C: DM10.00m 9.0%			
Deutsche Canada-Grundbesitz- verwaltungsgesellschaft mbH, Frankfurt C: DM0.10m 20.0%	Deutsche Gesellschaft für Anlageverwaltung mit beschränkter Haftung, Frankfurt C: DM150.00m 25.0% b)	Deutsche Gesellschaft für Immobilienanlagen „America“ mbH, Bad Homburg v. d. H. C: DM0.10m 25.0%	Deutsche Gesellschaft für Immobilien- und Anlagen-Leasing mbH, Düsseldorf C: DM45.00m 50.0%
Gesellschaft für Kreditsicherung mbH, Cologne C: DM0.30m 26.7%	Gesellschaft für Zahlungssysteme mbH, Frankfurt C: DM50.00m 6.1%	Hitec & Biotec Gesellschaft für Innovationen mbH, Berlin C: DM2.00m 10.0%	Hostra Beteiligungsgesellschaft mbH, Düsseldorf C: DM51.16m 33.3% d)
WFG Deutsche Gesellschaft für Wagniskapital mbH, Königstein/Ts C: DM1.00m 18.0%	WFG Deutsche Gesellschaft für Wagniskapital mbH & Co. KG von 1984, Frankfurt C: DM80.00m 18.0%		
Banco Hispano Americano S.A., Madrid C: Ptas32,139.80m 10.1%	Banque Marocaine du Commerce Extérieur, Casablanca C: dirham150.00m 2.2%	Banque Nationale pour le Développement Economique, Rabat C: dirham140.00m 0.4%	The Development Bank of Singapore Ltd., Singapore C: S\$289.75m 0.5%
The Industrial Finance Corporation of Thailand (IFCT), Bangkok C: baht1.00bn 0.8%	International Commercial Bank PLC, London C: £24.00m 12.0%	The International Investment Corporation for Yugoslavia S.A., Luxembourg C: US\$13.50m 1.2%	Misr International Bank S.A.E., Cairo C: US\$15.00m 2.6%**)
Unibanco-Banco de Investimento do Brasil S.A. (B.I.B.), Rio de Janeiro C: Cr\$59.85bn 5.0%			

**C = Capital**

Commerz- und Industrie-Leasing GmbH,  
Frankfurt  
C: DM2.00m 100.0%

Hamburgische Grundstücks  
Gesellschaft m.b.H.,  
Hamburg  
C: DM0.02m 100.0%

von der Heydt-Kersten & Söhne,  
Wuppertal-Elberfeld  
C: DM10.00m 100.0%

Iseder Bank, Sandow & Co.,  
Peine  
C: DM2.00m 100.0%

Gesellschaft zur Finanzierung  
von Industrieanlagen mbH,  
Frankfurt  
C: DM1.00m 12.6%

Liquidations-Casse in Hamburg  
Aktiengesellschaft,  
Hamburg  
C: DM1.15m 25.0%

Liquidationskasse  
für Zeitgeschäfte AG,  
Munich  
C: DM0.75m 10.0%

Deutsche Grundbesitz-  
Anlagegesellschaft m.b.H.,  
Cologne  
C: DM1.00m 25.0%

Deutsche Wagnisfinanzierungs-  
Gesellschaft mbH,  
Frankfurt  
C: DM50.00m 10.0%

Kistra Beteiligungsgesellschaft mbH,  
Frankfurt e)  
C: DM24.20m 25.0%

Regina Verwaltungsgesellschaft mbH,  
Munich f)  
C: DM37.50m 25.0%

- a) has holdings<sup>o)</sup> in Francommerz Vermögensverwaltungsgesellschaft mbH and Heidelberger Druckmaschinen AG;
- b) has holding<sup>o)</sup> in Horten AG;
- c) has holding<sup>o)</sup> in Hochtief AG vorm. Gebr. Helfmann;
- d) has holding<sup>o)</sup> in Industriekreditbank AG – Deutsche Industriebank;
- e) has holding<sup>o)</sup> in Hutschenreuther AG;
- f) has holding<sup>o)</sup> in Gutehoffnungshütte Aktienverein AG;
- g) has holdings<sup>o)</sup> in Bavaria Filmkunst GmbH and in Didier-Werke AG;
- h) has holding<sup>o)</sup> in Mercedes-Automobil-Holding AG.

<sup>o)</sup> of at least 25%.

Europartners Holding S.A.,  
Luxembourg  
C: Lfr10.00m 25.0%\*)

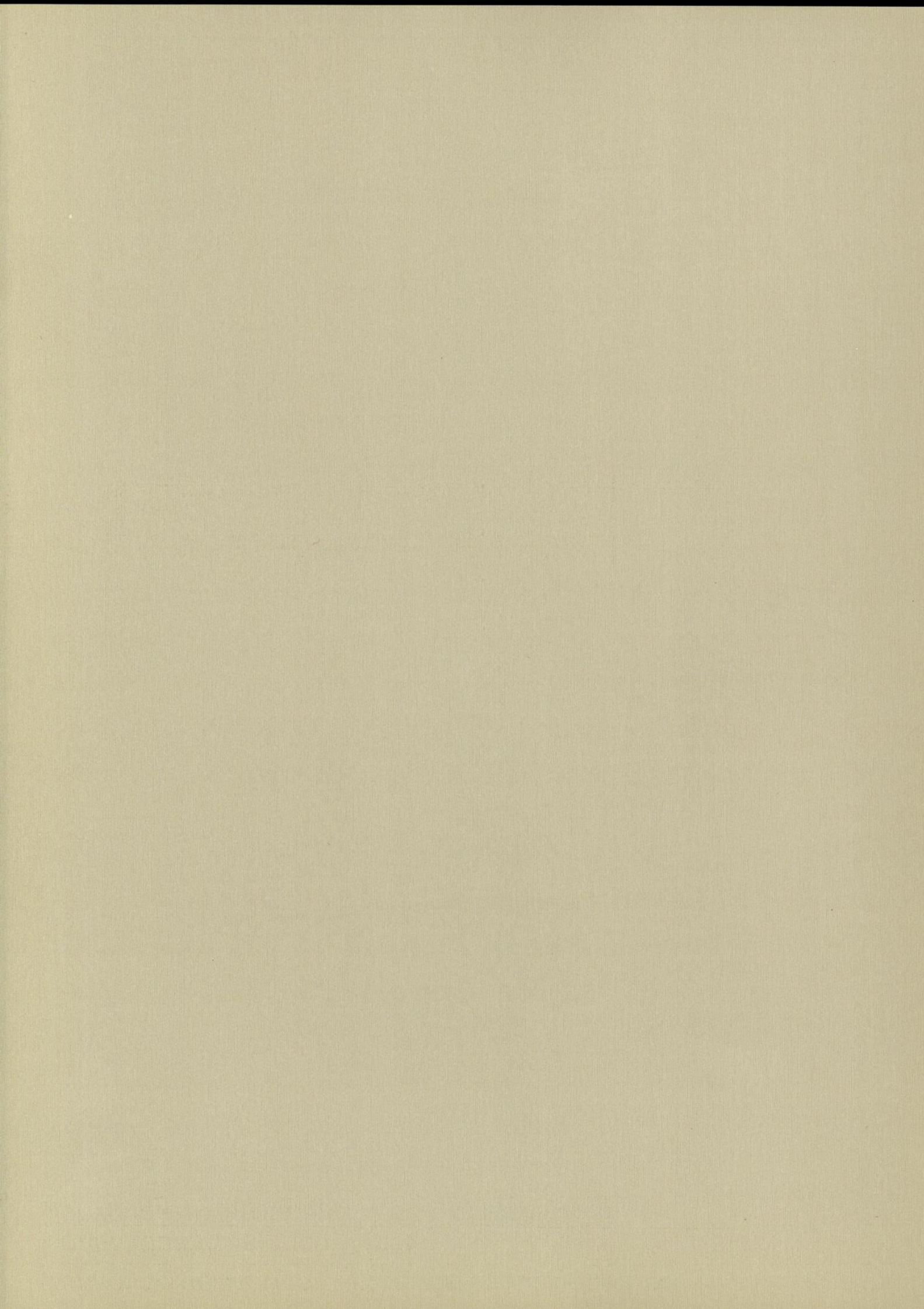
Finance Company VIKING,  
Zurich  
C: Sfr30.00m 12.0%

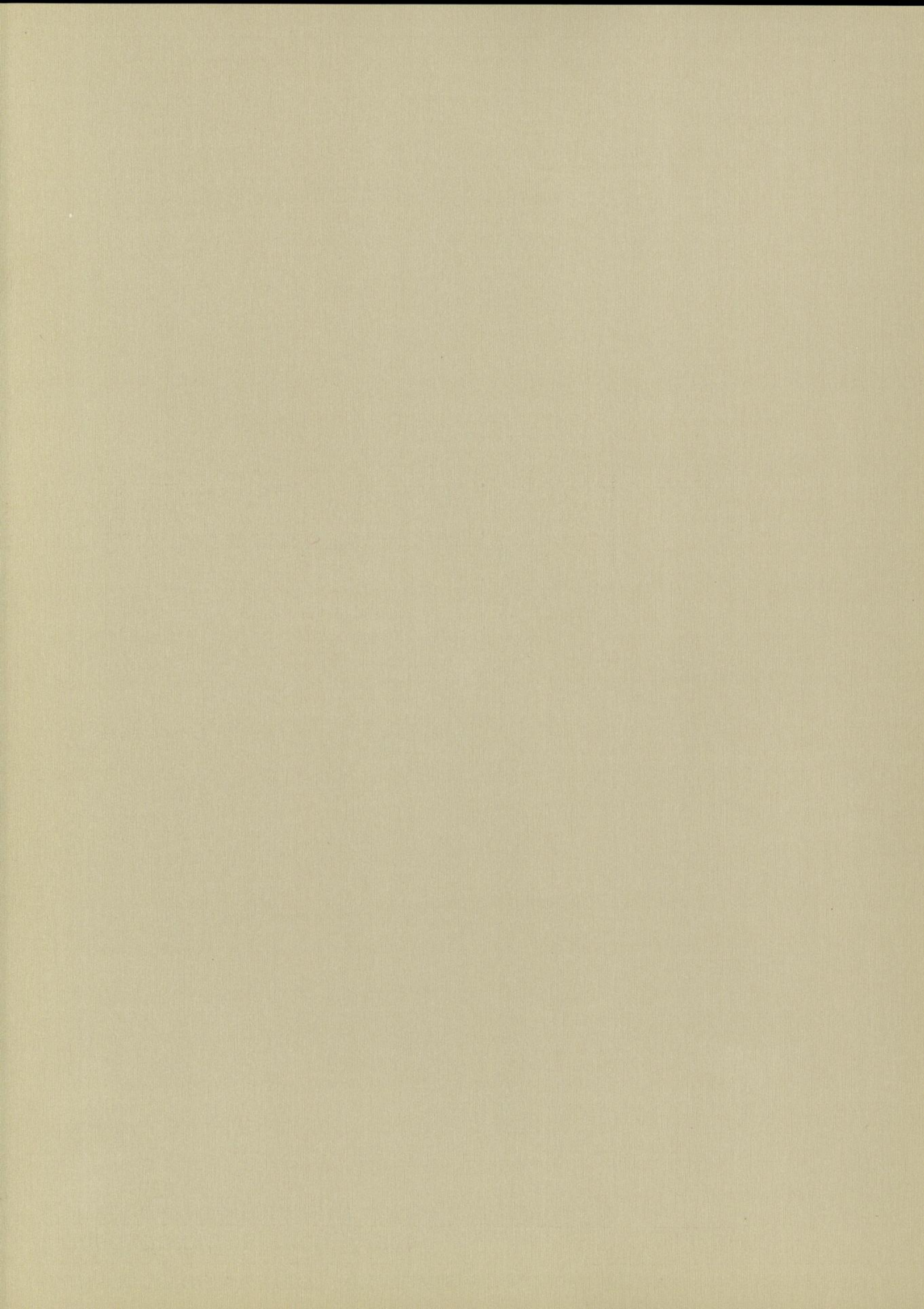
Finatourinvest S.A.,  
Luxembourg  
C: Lfr130.00m 0.6%

Mithai Europartners  
Finance and Securities Company Ltd.,  
Bangkok  
C: baht40.00m 9.8%

The Saudi Investment Bank,  
Riyadh  
C: SR90.00m 5.0%

Société de Gestion du Rominvest  
International Fund S.A.,  
Luxembourg  
C: Lfr40.00m 10.0%





# Consolidated Annual Accounts as at December 31, 1984

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Consolidated Balance Sheet pages 84 and 85

Consolidated Profit and Loss Account pages 86 and 87

# Consolidated Balance Sheet as at December 31, 1984

Assets	DM	DM	DM	Dec 31, 1983 DM1,000
Cash on hand			328,078,733.50	270,308
Balance with Deutsche Bundesbank			3,930,444,092.42	2,482,152
Balances on current postal accounts			19,049,851.05	14,744
Cheques, matured bonds, interest and dividend coupons, items received for collection			482,978,557.62	357,002
Bills of exchange			1,766,196,889.98	1,930,641
including: a) rediscountable at Deutsche Bundesbank	504,748,732.50			
b) own drawings	176,660,427.70			
Claims on banks				
a) payable on demand		3,474,334,169.23		2,460,200
b) with original periods or periods of notice of				
ba) less than three months		4,819,119,058.02		3,726,013
bb) at least three months, but less than four years		10,949,582,163.88		10,275,157
bc) four years or more		8,757,056,942.40		10,389,420
			28,000,092,333.53	26,850,790
Treasury bills and discountable Treasury notes				
a) of the Federal and Länder Governments		1,440,380,825.12		1,810,564
b) of other issuers		225,261,775.31		84,727
			1,665,642,600.43	1,895,291
Bonds and notes				
a) with a life of up to four years				
aa) of the Federal and Länder Governments	419,834,192.90			
ab) of banks	1,333,435,488.48			
ac) of other issuers	73,381,593.80	1,826,651,275.18		1,212,952
including: eligible as collateral for Deutsche Bundesbank advances	DM874,476,142.83			
b) with a life of more than four years				
ba) of the Federal and Länder Governments	1,785,514,882.09			
bb) of banks	2,262,657,506.98			
bc) of other issuers	1,281,711,611.85	5,329,884,000.92		4,210,541
including: eligible as collateral for Deutsche Bundesbank advances	DM2,902,700,809.87		7,156,535,276.10	5,423,493
Securities not to be shown elsewhere				
a) shares marketable on a stock exchange and investment fund certificates		649,407,325.34		642,744
b) other		280,951,857.77		224,630
including: holdings of more than one-tenth of the shares of a joint stock or mining company, unless shown as investments		705,484,797.09	930,359,183.11	867,374
Claims on customers, with original periods or periods of notice of				
a) less than four years		29,054,628,535.11		26,306,890
b) four years or more		45,548,110,754.40		43,044,688
including: ba) secured by mortgages on real estate	13,606,143,535.12		74,602,739,289.51	69,351,578
bb) communal loans	14,783,472,598.70			
Recovery claims on Federal and Länder authorities under post-war currency reform acts			67,955,140.18	72,997
Loans granted and shares held on a trust basis at third party risk			126,132,520.66	155,863
Subsidiaries, associated companies, and trade investments (investments)			792,781,831.81	696,892
including: investments in banks		232,281,174.10		
Land and buildings			644,078,496.08	629,808
Office furniture and equipment			287,786,162.30	239,233
Leasing equipment			517,397,453.95	522,546
Bonds and notes issued by consolidated companies			529,496,341.64	950,213
nominal amount	530,112,122.80			
including: eligible as collateral for Deutsche Bundesbank advances	257,464,392.17			
Other assets			527,169,121.23	356,822
Deferred items				
a) unamortized debt discount (difference according to Section 156 (3) of the German Stock Corporation Act-AktG)		202,803,136.98		98,654
b) other		109,098,302.68		83,334
			311,901,439.66	181,988
<b>Total Assets</b>			<b>122,686,815,314.76</b>	<b>113,249,735</b>
<b>Total Assets and the recourse claims from the contingent liabilities shown below the line on the liabilities side include</b>				
a) claims on related companies			176,127,288.22	212,692
b) claims arising from loans falling under Section 15 (1) 1-6 and (2) of the German Banking Act, unless included under a)			580,268,957.43	507,147



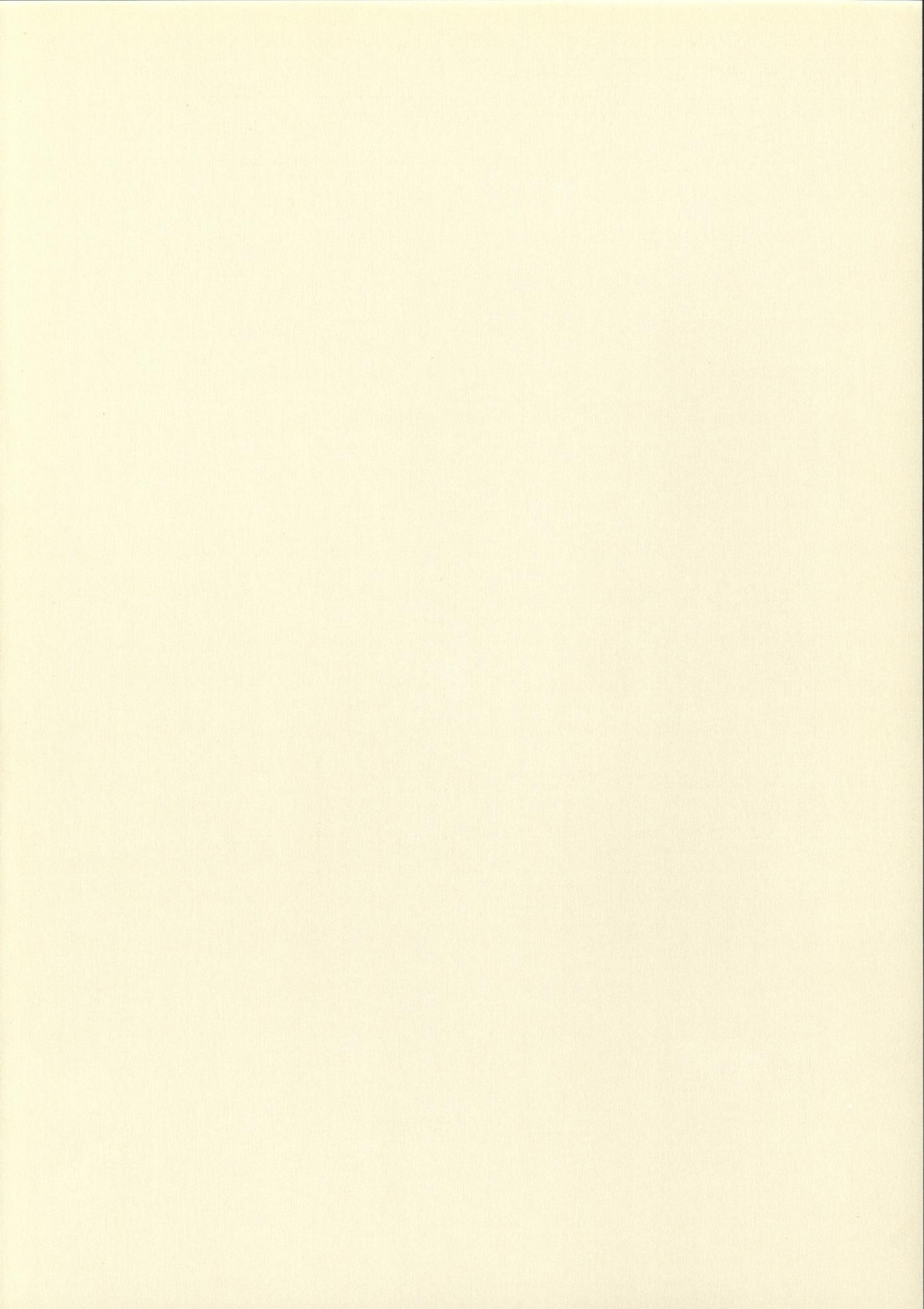
Liabilities and Shareholders' Equity	DM	DM	DM	Dec 31, 1983 DM1,000
<b>Liabilities to banks</b>				
a) payable on demand		3,247,654,490.61		3,492,047
b) with original periods or periods of notice of				
ba) less than three months	6,660,197,799.64			
bb) at least three months, but less than four years	14,762,653,224.30			
bc) four years or more	5,203,532,733.86	26,626,383,757.80		29,391,070
including: due in				
less than four years	DM3,323,889,462.23			
c) customers' drawings on other banks		236,052.08		—
			29,874,274,300.49	32,883,117
<b>Liabilities to customers (customers' deposits)</b>				
a) payable on demand		11,264,616,396.10		9,774,644
b) with original periods or periods of notice of				
ba) less than three months	19,941,317,392.46			
bb) at least three months, but less than four years	5,718,531,202.90			
bc) four years or more	3,299,791,208.01	28,959,639,803.37		24,193,871
including: due in				
less than four years	DM3,082,185,975.33			
c) savings deposits				
ca) subject to legal period of notice	8,421,027,068.82			11,326,532
cb) other	3,242,578,615.01	11,663,605,683.83		45,295,047
			51,887,861,883.30	
<b>Bonds and notes with a life of</b>				
a) up to four years		5,821,083,218.69		5,817,332
b) more than four years		28,101,371,976.34		22,969,564
including: maturing in				
less than four years	DM14,543,852,653.11			
Registered bonds issued by mortgage bank subsidiary	DM7,427,434,476.39			
			33,922,455,195.03	28,786,896
<b>Acceptances and promissory notes outstanding</b>			1,498,547,915.35	1,220,148
<b>Loans granted and shares held on a trust basis at third party risk</b>			126,132,520.66	155,863
<b>Provisions</b>				
a) for pensions		858,334,902.21		799,890
b) other		676,921,379.70		560,106
			1,535,256,281.91	1,359,996
<b>Other liabilities</b>			109,140,055.04	89,852
<b>Deferred items</b>				
a) in accordance with Section 25 of the Mortgage Bank Act-HBG		96,720,975.21		106,252
b) other		372,041,421.12		320,756
			468,762,396.33	427,008
<b>Special item with partial reserve character</b>				
subject to future taxation (in accordance with Section 52 (5) of the German Income Tax Act-ESTG and Section 31 (3) of the Berlin Promotion Act-BerlinFG)			3,068,147.90	3,409
<b>Share capital</b> (unissued conditional capital additionally authorized for conversion rights: DM325,000,000.00)			843,400,000.00	843,400
<b>Disclosed reserves</b>				
a) legal reserve		1,098,991,940.00		1,025,190
b) other reserves, voluntary		769,000,000.00		709,000
			1,867,991,940.00	1,734,190
<b>Reserve arising from consolidation</b> in accordance with Section 331 (1) 3 of the German Stock Corporation Act-AktG (excess of book value of consolidated subsidiaries' equity over book value of corresponding investments in Parent Bank's accounts)			354,947,797.99	257,412
<b>Minority interests</b>			50,377,666.70	61,662
including: from profit	DM2,384,910.70			
<b>Foundations</b>			6,438,955.36	6,715
<b>Consolidated profit</b>			138,160,258.70	125,020
			122,686,815,314.76	113,249,735
<b>Own drawings in circulation</b>			—	19,894
<b>Endorsement liabilities on rediscounted bills of exchange</b>			2,297,754,232.30	2,261,671
<b>Contingent liabilities from guarantees, including guarantees for bills and cheques, and from indemnity agreements</b>			9,618,108,486.66	9,177,738
<b>Commitments under repurchase agreements, not included in liabilities</b>			—	19,811
<b>Savings premiums under the Savings Premium Act</b>			50,938,938.05	78,145
<b>Total Liabilities, together with contingent liabilities and other commitments shown below the line, include liabilities to related companies in the amount of</b>			198,868,973.87	241,421

# Consolidated Profit and Loss Account for the year ended December

Expenses	DM	DM	1983 DM1,000
Interest and similar expenses		7,619,405,236.04	6,676,387
Commissions and similar service charges paid		26,160,945.38	21,404
Write-downs of and adjustments to claims and securities, transfers to provisions for possible loan losses		510,172,047.12	645,162
Salaries and wages		1,078,827,692.21	1,010,144
Compulsory social security contributions		160,634,630.52	146,784
Expenses for pensions and other employee benefits		145,095,857.50	170,146
Other operating expenses		564,048,934.83	484,129
Depreciation on and adjustments to land and buildings, office furniture and equipment		91,220,662.47	78,237
Write-downs of and adjustments to investments (subsidiaries, associated companies, and trade investments)		11,667,103.83	49
<b>Taxes</b>			
a) on income and assets	273,006,003.92		233,318
b) other	2,428,510.52		3,951
		275,434,514.44	237,269
Other expenses		224,496,965.49	203,977
Consolidated net income for the year		263,059,568.65	213,110
	<b>Total Expenses</b>	10,970,224,158.48	9,886,798

	DM	DM	1983 DM1,000
Consolidated net income for the year		263,059,568.65	213,110
Profit brought forward from the previous year		1,442,121.02	12,709
		264,501,689.67	225,819
<b>Withdrawals from disclosed reserves</b>			
a) from the legal reserve	—		—
b) from reserves covering own shares held	—		188
		—	188
<b>Allocations to disclosed reserves from consolidated net income for the year:</b>			
to other reserves			
a) Parent Bank	60,000,000.00		50,000
b) consolidated subsidiaries	63,956,520.27		48,763
		123,956,520.27	98,763
Profit attributable to minority interests		140,545,169.40	127,244
		2,384,910.70	2,224
Consolidated profit		138,160,258.70	125,020





# Appendices

## Issues and Syndicate Transactions, Capital Increases, and Stock Exchange Introductions

### Domestic public entities' bonds

Free State of Bavaria  
Federal Republic of Germany  
German Federal Post Office  
German Federal Railways  
Kreditanstalt für Wiederaufbau  
(Reconstruction Loan Corporation)  
State of Lower Saxony  
State of Northrhine-Westphalia  
State of Schleswig-Holstein

### Other domestic bonds, including mortgage and communal bonds (including bonds with warrants)

Bayer AG  
Continental Gummi-Werke AG  
Deutsche Hypothekenbank (Actien-Gesellschaft)  
Deutsche Schiffsbeleihungs-Bank  
Aktien-Gesellschaft

### DM bonds of foreign issuers (including convertible bonds and bonds with warrants or currency option)

African Development Bank  
Aktiebolaget SKF  
Allied Chemical Overseas Finance N.V.  
Asian Development Bank  
Audi Finance N.V.  
Republic of Austria  
Commonwealth of Australia  
Azienda Autonoma delle Ferrovie dello Stato  
Banque Française du Commerce Extérieur  
Baxter Travenol International N.V.  
Beecham Group plc  
BTR Finance B.V.  
Caisse Nationale des Autoroutes (CNA)  
Citicorp Overseas Finance Corporation N.V.  
Commerzbank Overseas Finance N.V.  
City of Copenhagen  
The Council of Europe Resettlement Fund  
for National Refugees  
and Over-Population in Europe  
Crédit Foncier de France  
Crédit National  
Daikin Industries, Ltd.  
Degussa International Finance N.V.  
Kingdom of Denmark  
Department of Posts and Telecommunications  
Dresdner Finance N.V.  
The East Asiatic Company Ltd. A/S  
Electricity Supply Commission (ESCOM)

EUROFIMA European Company  
for the Financing of Railway Rolling Stock  
European Coal and Steel Community (ECSC)  
European Economic Community (EEC)  
European Investment Bank (EIB)  
Export Development Corporation  
Finansieringsinstituttet  
for Industri & Handvaerk A/S  
Republic of Finland  
Ford Credit Overseas Finance N.V.  
Fuji Electric Co., Ltd.  
Fuji International Finance (HK) Limited  
Gould International Finance N.V.  
Haindl Finance B.V.  
Herlitz Financiering B.V.  
Hydro-Quebec  
Industrial Development Corporation  
of South Africa Limited  
Inter-American Development Bank  
International Bank for Reconstruction  
and Development (World Bank)  
International Standard Electric Corporation  
Republic of Ireland  
ISS-International Service System A/S  
The Japan Finance Corporation  
for Municipal Enterprises  
Kansai Paint Co., Ltd.  
Kaufhof Finance B.V.  
Kawashima Textile Manufacturers Ltd.  
Linde International B.V.  
Province of Manitoba  
McDonald's Finance Company N.V.  
Megal Finance Company Limited  
Michelin Finance (Pays-Bas) B.V.  
Mitsubishi Heavy Industries, Ltd.  
Mitsubishi Metal Corporation  
The Mortgage Bank and Financial Administration  
Agency of the Kingdom of Denmark  
Mount Isa Finance N.V.  
New Zealand  
Nitto Boseki Co., Ltd.  
N.V. Philips' Gloeilampenfabrieken  
Olivetti International S.A.  
Österreichische Donaukraftwerke AG  
Österreichische Kontrollbank AG  
Pepsico Overseas Finance N.V.  
Rabobank Nederland  
Rautaruukki Oy  
R.J. Reynolds Overseas Finance Co. N.V.  
Rhythm Watch Co., Ltd.  
SBC Finance Cayman Islands  
Security Pacific International Leasing  
(Europe) Inc.  
Société Luxembourgeoise  
de Centrales Nucléaires S.A. (SCN)  
Kingdom of Spain  
Sperry Curaçao N.V.  
Republic of South Africa  
South African Transport Services  
Kingdom of Sweden

Sterling-Winthrop Products Inc.  
Tsumura Juntendo, Inc.  
Union Bank of Switzerland Finance N.V.  
Union Electrica – Fenosa, S.A.  
United Technologies Corporation

Foreign currency bonds of foreign issuers  
(including convertible bonds  
and bonds with warrants or currency option)

African Development Bank  
AHFC Overseas Finance N.V.  
Air Canada  
Aktiebolaget Svensk Exportkredit  
(Swedish Export Credit Corporation)  
Aktiebolaget SKF  
Ajinomoto Co., Inc.  
Alcan Australia Limited  
Allied Irish Banks Limited  
Amca International Corporation  
American Express Credit Corporation  
American Express Overseas  
Credit Corporation N.V.  
American Hospital Supply Finance Corporation  
American Hospital Supply  
International Finance N.V.  
American International Group  
American Savings International N.V.  
Arab Banking Corporation (B.S.C.)  
A/S Eksportfinans  
Republic of Austria  
Australia and New Zealand  
Banking Group Limited  
Australian Industry Development Corporation  
Azienda Autonoma delle Ferrovie dello Stato  
Banca Commerciale Italiana Finance B.V.  
Banca Nazionale dell'Agricoltura S.p.A.  
Banco di Roma S.p.A.  
Bank Leu International Ltd.  
Bank of China  
Bank of Montreal  
Bank of Tokyo (Curaçao) Holding N.V.  
Bankers Trust Overseas Finance N.V.  
Banque Française du Commerce Extérieur  
Banque Indosuez  
Banque Paribas  
Barclays Overseas Investment Company B.V.  
B.A.T. International Finance plc  
BBC-Brown Boveri Finance (Curaçao) N.V.  
Bear, Stearns & Company  
Beatrice Finance N.V.  
Kingdom of Belgium  
Beneficial Overseas Finance N.V.  
Province British Columbia  
British Columbia Hydro & Power Authority  
British Columbia Telephone Company  
Caisse d'Aide à l'Équipement  
des Collectivités Locales (CAECL)  
Caisse Nationale de l'Énergie (CNE)

Canadian Imperial Bank of Commerce  
Canadian Occidental Petroleum Ltd.  
Canadian Pacific Limited  
Casio Computer Co., Ltd.  
Chemical New York Corporation  
Chevron U.S.A. Inc.  
Chubu Electric Power Company, Incorporated  
The Chugoku Electric Power Company,  
Incorporated  
Citicorp Australia Ltd.  
Citicorp Overseas Finance Corporation N.V.  
Citicorp Person-to-Person Inc.  
Coastfed International Finance N.V.  
The Coca-Cola Company  
Coca-Cola Export Corporation  
Commerzbank Overseas Finance N.V.  
Compagnie Bancaire  
Compagnie de Saint Gobain  
The Council of Europe Resettlement Fund  
for National Refugees  
and Over-Population in Europe  
Creditanstalt-Bankverein  
Crédit Foncier de France  
Crédit Lyonnais  
Dade Savings and Loan Association  
Den Danske Bank af 1871 Aktieselskab  
Kingdom of Denmark  
Department of Posts and Telecommunications  
Digital Equipment Overseas Finance N.V.  
The Dow Chemical Company  
EBCO Finance B.V.  
EBCO International B.V.  
City of Edmonton  
Electricité de France  
EUROFIMA European Company  
for the Financing of Railway Rolling Stock  
European Coal and Steel Community (ECSC)  
European Economic Community (EEC)  
European Investment Bank (EIB)  
Export Development Corporation  
Fiat Finance Corporation B.V.  
Republic of Finland  
First Boston Inc.  
Florida Federal Savings  
International Finance N.V.  
Ford Motor Credit Company  
Forsmarks Kraftgrupp Aktiebolag  
Fuji International (HK) Limited  
Gaz Metropolitan, Inc.  
General Electric Credit International N.V.  
General Mills, Inc.  
Genossenschaftliche Zentralbank AG  
Girozentrale und Bank der österreichischen  
Sparkassen AG  
The Goodyear Tire & Rubber Company  
Gram Finance N.V.  
Grand Metropolitan International Finance plc  
GTE Finance N.V.  
Gulf & Western Intercontinental  
Investments N.V.

James Hardie Industries Limited  
 Hill Samuel Group plc  
 Hydro-Quebec  
 IBM Credit Corporation  
 ICI Finance (Netherlands) N.V.  
 The Industrial Bank of Japan, Limited  
 The Industrial Bank of Japan  
   Finance Company N.V.  
 Inter-American Development Bank  
 International Bank for Reconstruction  
   and Development (World Bank)  
 International Standard Electric Corporation  
 Investors in Industry Group plc  
 Investors in Industry International B.V.  
 Republic of Ireland  
 Republic of Italy  
 ITT Financial Corporation  
 ITT Financial N.V.  
 Japan Synthetic Rubber Co., Ltd.  
 Kayaba Industry Co., Ltd.  
 Lac Minerals Ltd.  
 Lasmo North Sea plc  
 City of Laval  
 Lloyds Eurofinance N.V.  
 The Long-Term Credit Bank of Japan, Limited  
 The Long-Term Credit Bank  
   of Japan Finance N.V.  
 R.H. Macy Overseas Finance N.V.  
 Malaysia  
 Province of Manitoba  
 Manufacturers Hanover  
   Overseas Capital Corporation  
 Manufacturers Hanover Trust Company  
 Marine Midland Banks, Inc.  
 Marine Midland Finance N.V.  
 Maritime Telegraph & Telephone  
   Company, Limited  
 Megal Finance Co., Ltd.  
 Mellon Bank N.A.  
 Midland International Financial Services B.V.  
 Minebea Co., Ltd.  
 Mitsubishi Finance Hongkong  
 Mitsui Finance Asia Limited  
 City of Montreal  
 Morgan Guaranty Trust Company of New York  
 Mount Isa Finance N.V.  
 The Municipality of Metropolitan Toronto  
 Murata Manufacturing Company, Ltd.  
 Naamloze Vennootschap DSM  
 National Bank of Detroit  
 National Westminster Finance B.V.  
 NEC Corporation  
 New Zealand  
 The Nikko Securities Co., Ltd.  
 Nippon Oil Company, Limited  
 Nippon Sheet Glass Company, Limited  
 Nippon Telegraph & Telephone  
   Public Corporation  
 Nomura Europe N.V.  
 Nordic Investment Bank  
 Norsk Data a.s  
 Norwest Overseas Capital Corporation N.V.  
 N.V. Nederlandse Gasunie  
 Österreichische Kontrollbank AG  
 Österreichische Länderbank AG  
 Österreichische Postsparkasse  
 Oki Electric Industry Company, Limited  
 Ono Pharmaceutical Co., Ltd.  
 Ontario Hydro  
 Preussag Finance B.V.  
 Primary Industry Bank of Australia, Limited  
 Privatbanken A/S  
 The Procter & Gamble Company  
 Province de Québec  
 Queensland Coal Finance Limited  
 The Queensland Government  
   Development Authority  
 Régie Autonome des Transports  
   Parisiens (RATP)  
 The Regional Municipality of Ottawa-Carleton  
 Renown Incorporated  
 Ricoh Company, Ltd.  
 Riggs National Corporation  
 Rockefeller Group International Finance N.V.  
 The Royal Bank of Canada  
 The Rural and Industries Bank  
   of Western Australia  
 Sanwa International Finance Limited  
 Province of Saskatchewan  
 Skandinavian Airlines System (SAS)  
 Sears Acceptance Company Inc.  
 Secom Co., Ltd.  
 Security Pacific Overseas Finance N.V.  
 Sekisui House, Ltd.  
 Société Générale  
 Société Générale de Surveillance Finance N.V.  
 Société Nationale des Chemins de fer Français  
 Société Nationale de Crédit d'Investissement  
 South East Banking Corporation  
 Southern California Gas Company  
 Kingdom of Spain  
 Sparekassen SdS  
 Republic of South Africa  
 Suncor Inc.  
 Sumitomo Corporation  
 Kingdom of Sweden  
 Student Loan Marketing Association  
   (Sallie Mae)  
 TCPL Resources Ltd.  
 Teollisuuden Voima Oy (TVO)  
 Texaco Capital N.V.  
 Texas Instruments International Finance N.V.  
 Thomson-Brandt International B.V.  
 Tokyo Electric Co., Ltd.  
 The Tokyo Electric Power Company, Inc.  
 Tokyo Sanyo Electric Co., Ltd.  
 Transalta Utilities Corporation  
 Trizec Corporation Ltd.  
 TRW Inc.  
 UB Finance B.V.

Union Bank of Switzerland Finance N.V.  
United Technologies Corporation  
Walt Disney Productions  
Wells Fargo & Company  
Wells Fargo International Financing  
Corporation N.V.  
WestLB Finance N.V.  
Weyerhaeuser Company  
City of Vienna  
City of Winnipeg  
Yamaichi Securities Company, Limited

German shares

Aachener Rückversicherungs-Gesellschaft AG  
ADV/ORGA F. A. Meyer AG  
Allianz Lebensversicherungs-AG  
Bayerische Hypotheken- und Wechsel-Bank AG  
Berliner Bank AG  
Berliner Handels- und Frankfurter Bank  
Bremer Vulkan AG  
Schiffbau und Maschinenfabrik  
Concordia-Chemie AG  
Garny AG  
Gildemeister AG  
Hannoversche Papierfabriken Alfeld-Gronau AG  
Heidelberger Druckmaschinen AG  
Hochtief AG vorm. Gebr. Helfmann  
Hoechst AG  
Hoesch Werke AG  
Hutschenreuther AG  
KRONES AG Hermann Kronseder  
Maschinenfabrik  
M.A.N.-Roland Druckmaschinen AG  
MOTO METER AG  
Münchner Rückversicherungs-Gesellschaft AG  
in München  
Nixdorf Computer AG  
Pegulan-Werke AG  
Dr. Ing. h.c. F. Porsche AG  
Preussag AG  
Rheinmetall Berlin AG  
Schmalbach-Lubeca AG  
Schubert & Salzer Maschinenfabrik AG  
VEBA AG  
Vereins- und Westbank AG

Foreign shares

Bank of Scotland  
B.A.T. Industries plc  
Bowater Corporation plc  
British Telecommunications plc  
Cookson Group plc  
Enterprise Oil plc  
Hill Samuel Group plc  
Jaguar plc  
Ing. C. Olivetti & C., S.p.A.  
Reuters Holdings PLC  
Solvay & Cie., S.A.  
Standard Telephones & Cables plc  
Union Bank of Switzerland

Other syndicate transactions

Balcke-Dürr AG  
Brown, Boveri & Cie. AG  
Deutsche Babcock Anlagen AG  
Karstadt AG  
Kochs Adler AG  
Neckermann Versand AG



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**Headquarters**

<u>Düsseldorf</u>	25 Breite Strasse, D-4000 Düsseldorf, Telephone (0211) 82 71, Telex 8 581 381
<u>Frankfurt</u>	32-36 Neue Mainzer Strasse, D-6000 Frankfurt, Telephone (069) 1 3621, Telex 4 152 530
<u>Hamburg</u>	7-9 Ness, D-2000 Hamburg, Telephone (040) 36 1321, Telex 2 12391

All International Departments are in Frankfurt.

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**Domestic Branches**

Year given indicates either opening of branch by Commerzbank or by one of the three regional banks which became part of it (Mitteldeutsche Privat-Bank in 1920, Mitteldeutsche Creditbank in 1929, and Barmer Bank-Verein in 1932), or takeover of other institutions.

Year given in parentheses indicates opening of branch by bank later taken over by Commerzbank.

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Aachen 1920 (1874) with sub-branches Adalbertstrasse Burtscheid Markt and paying office Autobahn-Nord	Augsburg 1919 with sub-branches Donauwörther Strasse Göggingen Lechhausen	Bad Pyrmont 1979 Bad Salzuflen 1963 Bad Soden (Taunus) 1968 Bad Vilbel 1968 Balingen (Württ.) 1958 Bamberg 1968 Bayreuth 1967 Beckum (Münster district) 1960 Bensheim 1969 Bergheim (Erft) 1975 Bergisch Gladbach 1968 Bergneustadt 1959 Biberach (Riss) 1968 Bielefeld 1905 (1867) with sub-branches Betheleck Brackwede Heeper Strasse Herforder Strasse Sennestadt Sieker Stapenhorststrasse	Bietigheim-Bissingen 1975 Bingen 1968 Bocholt 1920 Bochum 1920 with sub-branches Altenbochum Ehrenfeld Hamme Linden Stiepel Weitmar Bochum-Wattenscheid 1918 (1906) with sub-branch Höntrop Böblingen 1968 Bonn 1908 (1885) with sub-branches Bundeskanzlerplatz Markt Tannenbusch Liaison Office: see page 99 Bonn-Bad Godesberg 1959 with sub-branch Römerplatz Bonn-Beuel 1961 Bonn-Duisdorf 1960 Borken (Westphalia) 1960
Aalen 1969	Backnang 1961 Bad Bramstedt 1973 Baden-Baden 1914 (1878) Bad Driburg 1975 Bad Harzburg 1974 Bad Hersfeld 1962 Bad Homburg v. d. H. 1967 Bad Honnef 1966 Bad Kissingen 1976 Bad Kreuznach 1929 (1907) Bad Nauheim 1968 Bad Neuenahr-Ahrweiler 1966 with sub-branch Ahrweiler Bad Oeynhausen 1965 Bad Oldesloe 1961		
Achim 1973			
Ahlen (Westphalia) 1961			
Ahrensburg (Holstein) 1958			
Albstadt-Ebingen 1969			
Albstadt-Tailfingen 1975			
Alfeld (Leine) 1962			
Alsfeld 1969			
Altena (Westphalia) 1912 (1880)			
Amberg 1980			
Andernach 1954			
Arnsberg-Neheim 1968			
Aschaffenburg 1962			
Attendorn 1981			

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Bottrop 1959	Coesfeld 1961	Am Hauptbahnhof Brehmplatz	Emmendingen 1978
Brake 1976	Cologne: see Köln	Eller Friedrichstrasse	Emmerich 1965 (1951) with paying office Elten
Braunschweig 1929 (1853) with sub-branches Am Hauptbahnhof Celler Strasse Dankwardstrasse Jasperallee Radeklint	Constance: see Konstanz  Cuxhaven 1921  Dachau 1968	Gerresheim Golzheim Grafenberger Allee Heerdt Heinrichstrasse Holthausen Kaiserswerth Karolingerplatz Königsallee Nordstrasse Oberbilk Oberkassel Rath Reisholzer Strasse Schadowstrasse Unterrath Wersten Worringer Platz	Emsdetten 1970 Enger 1967 Ennepetal 1965 Erkelenz 1967 Erkrath 1967 Erlangen 1972 Eschborn 1975 Eschwege 1908 (1830) Eschweiler 1968 Essen 1907 (1898) with sub-branches Altenessen Borbeck Bredeney Essen-Süd Essen-West Holsterhausen Kray Kupferdreh Rüttenscheid Steele Viehofer Platz Wasserturm
Bremen 1920 with sub-branches Dobben Findorff Gröpelingen Hemelingen Neustadt Schwachhausen Steintor West Woltmershausen	Darmstadt 1957 with sub-branches Arheilgen Karlstrasse  Delmenhorst 1954  Detmold 1961  Diepholz 1968	Düsseldorf-Benrath 1968  Duisburg 1909 (1883) with sub-branches Hochfeld Lutherplatz Marxloh Meiderich Wanheimerort	Bremen-Vegesack 1954  Bremerhaven 1956 with sub-branches Geestemünde Lehe  Bremervörde 1961  Bruchsal 1968  Brühl (Cologne district) 1969  Brunsbüttel 1962  Bückeberg 1954 (1856)  Bünde 1961  Burgdorf 1970  Butzbach 1967  Buxtehude 1972
Bremen-Vegesack 1954	Diez (Lahn) 1967	Duisburg-Hamborn 1958  Duisburg-Homberg 1969  Duisburg-Rheinhausen 1961  Duisburg-Ruhrort 1960  Duisburg-Walsum 1965 (1954)	Bredenei Essen-Süd Essen-West Holsterhausen Kray Kupferdreh Rüttenscheid Steele Viehofer Platz Wasserturm  Essen-Kettwig 1974  Esslingen 1965  Ettlingen 1967  Euskirchen 1960
Bremerhaven 1956 with sub-branches Geestemünde Lehe	Dillenburg 1961	Duisburg-Hamborn 1958	Fellbach (Württ.) 1960
Bremervörde 1961	Dissen (Teutob. Forest) 1975	Duisburg-Homberg 1969	Flensburg 1955 with sub-branches Industriegebiet ( <i>industrial estate</i> ) Mürwik Südermarkt
Bruchsal 1968	Dormagen 1967	Duisburg-Rheinhausen 1961	
Brühl (Cologne district) 1969	Dorsten 1964	Duisburg-Ruhrort 1960	
Brunsbüttel 1962	Dortmund 1904 (1878) with sub-branches Aplerbeck Brackel Hörde Hohe Strasse Hombuch Kaiserstrasse Königswall Mengede Münsterstrasse Ruhrallee	Duisburg-Walsum 1965 (1954)	
Bückeberg 1954 (1856)	Dortmund 1904 (1878) with sub-branches Aplerbeck Brackel Hörde Hohe Strasse Hombuch Kaiserstrasse Königswall Mengede Münsterstrasse Ruhrallee	Eckernförde 1960  Ehingen (Danube) 1980  Einbeck 1969  Eislingen 1975  Elmshorn 1953  Emden 1920 with sub-branch Rathausplatz	
Bünde 1961	Dormagen 1967	Eckernförde 1960	
Burgdorf 1970	Dorsten 1964	Ehingen (Danube) 1980	
Butzbach 1967	Dortmund 1904 (1878) with sub-branches Aplerbeck Brackel Hörde Hohe Strasse Hombuch Kaiserstrasse Königswall Mengede Münsterstrasse Ruhrallee	Einbeck 1969	
Buxtehude 1972	Dortmund 1904 (1878) with sub-branches Aplerbeck Brackel Hörde Hohe Strasse Hombuch Kaiserstrasse Königswall Mengede Münsterstrasse Ruhrallee	Eislingen 1975	
	Dreieich 1968	Elmshorn 1953	
Celle 1961	Dülmen 1968	Emden 1920 with sub-branch Rathausplatz	
Cloppenburg 1961	Düren 1959		
Coburg 1971	Düsseldorf 1903 (1889) with sub-branches Am Hafen		

Frankenthal (Palatinate) 1963	Gelsenkirchen 1918 (1906) with sub-branches	Haltern (Westphalia) 1974	Hannover ( <i>Hanover</i> ) 1907 (1826) with sub-branches
Frankfurt 1856 with sub-branches	Am Stern	Halver 1959	Am Klagesmarkt
Adickesallee	Erle	Hamburg 1870	Am Kröpcke
Alt-Bornheim	Horst	with sub-branches	Am Küchengarten
Am Eschenheimer Tor	Neustadt	Altstadt	Am Steintor
Am Opernplatz	Gelsenkirchen-Buer 1920	Am Hafen	Buchholz
Bockenheim	Gevelsberg 1912	Barmbek	Herrenhausen
Bornheim	with sub-branch	Billstedt	Hildesheimer Strasse
Dornbusch	Zentrum ( <i>downtown</i> )	Blankenese	Kirchrode*
Flughafen ( <i>airport</i> )	Giessen 1906	Bramfeld	Lister Meile
Galluswarte	Gifhorn 1961	Dehnhaiide	Misburg
Hanauer Landstrasse	Gladbeck 1960	Eidelstedt	Sallstrasse
Hauptwache	Glinde 1970	Eilbek	Südstadt
Kaiserstrasse	Glückstadt 1968	Eimsbüttel	Vahrenwald
Oederweg	Goch 1967	Eppendorf	Vier Grenzen
Platz der Republik	Göppingen 1959	Esplanade	Wülfel
Rödelheim	Göttingen 1923 (1850)	Freihafen ( <i>free port</i> )	Heide (Holstein) 1961
Sachsenhausen	with sub-branches	Fuhlsbüttel	Heidelberg 1963
Schwanheim	Eichendorffplatz	Gänsemarkt	with sub-branches
Wächtersbacher Strasse	Weende	Geschäftsstadt Nord	Innenstadt
Zeil	Goslar 1929 (1907)	Grindelberg	Neuenheim
Frankfurt-Höchst 1899	Greven (Westphalia) 1961	Hamm	Heidenheim (Brenz) 1954
Frechen 1960	Grevenbroich 1960	Hammerbrook	Heilbronn 1965
Freiburg (Breisgau) 1960	Gross Gerau 1968	Hoheluft	Heiligenhaus 1959
with sub-branch	Gütersloh 1965	Lokstedt	Helmstedt 1951
Rathausgasse	Gummersbach 1919 (1870)	Lurup	with sub-branch
Freilassing 1980	Haan (Rhineland) 1967	Messberg	Gröpern
Freudenstadt 1980	Hagen 1900 (1858)	Mittelweg	Hemer 1968
Friedberg (Hesse) 1929	with sub-branches	Mundsburg	Hemmingen 1965
Friedrichshafen 1967	Haspe	Neugraben	Hennef (Sieg) 1966
Fürth (Bavaria) 1899 (1872)	Mittelstrasse	Osdorf	Herford 1920 (1873)
with sub-branches	Wehringhausen	Osterstrasse	with sub-branch
Komotauer Strasse	Hagen-Hohenlimburg 1954	Othmarschen	Alter Markt
Waldstrasse	with sub-branch	Rahlstedt	
Fulda 1954	Elsey	Rothenburgsort	Herne 1958
		St. Georg	Herne-Wanne 1918 (1906)
		St. Pauli	with sub-branch
		Schnelsen	Eickel
		Uhlenhorst	Herten 1961
		Volksdorf	Herten-Westerholt 1968
		Wandsbek	Herzberg 1965
		Wilhelmsburg	Herzogenrath 1975
		Winterhude	
		Hamburg-Altona 1910 (1872)	
		Hamburg-Bergedorf 1953	
		Hamburg-Harburg 1922	
		Hameln 1960	
		Hamm (Westphalia) 1904	
		with sub-branch	
		Marktplatz	
		Hanau 1909	
		with sub-branch	
		Grossauheim	

\* to be opened shortly.

Hilden 1919	Kamen 1962	Rodenkirchen Sülz	Lennebstadt 1960
Hildesheim 1929 with sub-branches Dammstrasse Marienburger Platz Zingel	Kamp-Lintfort 1967	Weidenpesch Zollstock	Leonberg 1965
Hockenheim 1973	Karlsruhe 1953 with sub-branches Am Mühlburger Tor Durlach Mühlburg	Köln-Mülheim 1962	Leverkusen 1958
Hof (Saale) 1968	Kassel 1908 (1881) with sub-branches Bettenhausen Friedrich-Ebert-Strasse	Königstein (Taunus) 1974	Limburg (Lahn) 1957
Hofheim (Taunus) 1967	Kaufbeuren 1967 with sub-branch Neugablonz	Konstanz ( <i>Constance</i> ) 1961 with sub-branch Petershausen	Lingen (Ems) 1960
Holzminden 1923 (1884)	Kelkheim (Taunus) 1968	Korbach 1967	Lippstadt 1961
Hoya (Weser) 1954 (1927)	Kempfen (Lower Rhine) 1961	Krefeld 1905 (1859) with sub-branches Hochstrasse Ostwall	Lörrach (Baden) 1962
Husum 1959	Kempton 1973	Krefeld-Hüls 1968	Lohne 1973
Ibbenbüren 1971	Kiel 1905 with sub-branches Arndtplatz Gaarden	Krefeld-Uerdingen 1959	Ludwigsburg 1958
Idar-Oberstein 1963 with sub-branch Edelsteinbörse ( <i>jewelry exchange</i> )	Holtener Strasse Nord Holtener Strasse Süd Kirchhofallee Wellingdorf	Kreuztal 1959	Ludwigshafen (Rhine) 1960
Idstein (Taunus) 1975	Kirchheim (Teck) 1968	Kulmbach 1974	Lübbecke 1966
Ingelheim 1973	Kirn (Nahe) 1968	Laatzen (Han.) 1965	Lübeck 1918 (1862) with sub-branches Am Schlachthof Fackenburger Allee Geniner Strasse Marli
Ingolstadt 1963 with sub-branch Hindenburgstrasse	Kleve 1918 (1889)	Lahr 1968	Lübeck-Travemünde 1961 with paying office Skandinavienkai
Iserlohn 1905 (1838) with sub-branch Schillerplatz	Koblenz 1961 with sub-branch Bahnhofplatz	Landau (Palatinate) 1968	Lüchow 1968 (1870)
Iserlohn-Letmathe 1969	Köln ( <i>Cologne</i> ) 1907 (1869) with sub-branches Barbarossaplatz Braunsfeld Chlodwigplatz Ehrenfeld Hohenzollernring Hohe Strasse Kalk	Landshut 1967	Lüdenscheid 1905 (1869) with paying office Brüninghausen
Itzehoe 1966	Lindenthal Neumarkt Neusser Strasse	Langen (Hesse) 1967	Lüdinghausen 1968
Jülich 1971	Lindenthal Neumarkt Neusser Strasse	Langenfeld (Rhineland) 1962	Lüneburg 1959
Kaarst 1980	Lindenthal Neumarkt Neusser Strasse	Langenhagen 1965	Lünen 1958
Kaiserslautern 1961	Lindenthal Neumarkt Neusser Strasse	Lauf 1976	Maintal-Dörnigheim 1973
Kaltenkirchen 1970	Lindenthal Neumarkt Neusser Strasse	Leer (East Friesland) 1962	Mainz 1914 (1890) with sub-branches Am Dom Rheinallee
		Lehrte (Han.) 1961	Mainz-Kastel 1929 (1920)
		Leichlingen 1969	
		Lemgo 1954	

Mannheim 1921 with sub-branches Käfertal Kaiserring Lindenhof Neckarau Neckarstadt Sandhofen Waldhof	Mülheim (Ruhr) 1918 (1889) with sub-branch Speldorf	Neustadt (Weinstrasse) 1961	Olpe 1968
Marburg (Lahn) 1906	München ( <i>Munich</i> ) 1910 (1876) with sub-branches Asamhof Baldeplatz Berg-am-Laim Fraunhoferstrasse Grosshadern Hauptbahnhof ( <i>main station</i> )// Marsstrasse	Neu-Ulm 1967	Olsberg 1965
Marl-Hüls 1955	Herkomerplatz Hohenzollernstrasse Ingolstädter Strasse Laim	Neuwied 1960	Opladen 1961
Mayen 1954	Leopoldstrasse Lerchenauer Strasse Lindwurmstrasse MAN-Allach Moosach	Niebüll 1966	Osnabrück 1906 with sub-branches Bramscher Strasse Johannisstrasse Lotter Strasse Schützenstrasse
Meerbusch-Büderich 1968	Nymphenburger Strasse	Nienburg (Weser) 1954 (1938)	Osterholz-Scharmbeck 1966
Meerbusch-Osterath 1969	Pasing	Norden 1966	Osterode (Harz) 1929 (1872)
Memmingen 1969	Reichenbachplatz Riesenfeldstrasse Rosenheimer Platz Rotkreuzplatz Schleissheimer Strasse Schwanthalerstrasse Thalkirchner Strasse Thomasiusplatz	Nordenham 1921 (1907)	Ottobrunn 1979
Menden 1972	Schwandorfer Strasse	Norderstedt 1962	
Meppen 1961	Münster (Westphalia) 1919 with sub-branches Hammer Strasse	Nordhorn 1953	
Meschede 1971	Hansaring	Norheim (Han.) 1960	Paderborn 1909 (1881) with sub-branch Schloss Neuhaus
Mettmann 1962	Warendorfer Strasse	Nürnberg ( <i>Nuremberg</i> ) 1899 (1872) with sub-branches Friedrich-Ebert-Platz Gibitzenhof Königstrasse Kopernikusplatz Langwasser Plärrer Schweinau Stresemannplatz	Papenburg 1967
Metzingen 1974			Passau 1968
Minden 1968			Peine 1921 (1900)
Mölln 1982			Pforzheim 1960
Mönchengladbach 1898 (1871) with sub-branches Hauptbahnhof ( <i>main station</i> ) Headquarters Rheindahlen	Nettetal-Lobberich 1960	Oberhausen 1918 (1896) with sub-branch Buschhausen	Pfungstadt 1969
Mönchengladbach-Rheydt 1905 with sub-branch Odenkirchen	Neuburg (Danube) 1976	Buschhausen	Pinneberg 1957
Moers 1959	Neuenkirchen (near Rheine) 1968	Oberhausen-Sterkrade 1960	Pirmasens 1955 (1908)
Monschau 1969	Neuenrade 1967	Obertshausen 1967	Plettenberg 1921
Mühdorf (Inn) 1968	Neu-Isenburg 1919	Oberursel (Taunus) 1968	Pulheim 1980
Mühlheim (Main) 1967	Neumünster 1907	Oelde 1976	Pullach 1969
	Neuss 1952 with sub-branch Dreikönigenstrasse	Oer-Erkenschwick 1969	
	Neustadt (Holstein) 1974	Offenbach (Main) 1904 with sub-branches Sprendlinger Landstrasse Waldstrasse	Quickborn (Holstein) 1975
		Offenburg 1968	Radevormwald 1965
		Oldenburg (Oldb.) 1920 with paying office Grossmarkt	Rastatt 1962
			Ratingen 1967

Ratingen-Lintorf 1974	St. Georgen 1976	Stade 1954 (1920)	Velbert-Langenberg 1953
Ravensburg 1971	Sarstedt 1962	Stadtallendorf 1967	Verden (Aller) 1970
Recklinghausen 1919 (1904) with sub-branch Recklinghausen-Süd	Schleswig 1962	Steinhagen 1965	Versmold 1962
Rees 1965 (1962)	Schneverdingen 1970	Stolberg 1920	Viernheim 1973
Regensburg 1965	Schöningen 1960	Straubing 1966	Viersen 1954
Reinbek (near Hamburg) 1959	Schorndorf 1977	Stuttgart 1919 (1885) with sub-branches Degerloch Feuerbach Marienplatz Ostendplatz Rosenbergplatz Rotebühlplatz Schloss-Strasse Untertürkheim Vaihingen a. F. Wangen Weilimdorf Zuffenhausen	Viersen-Dülken 1968 VS-Schwenningen 1969 VS-Villingen 1969 Voerde-Friedrichsfeld 1965 (1959)
Remscheid 1903 (1898) with sub-branches Alleestrasse Handweiser Hasten	Schwabach 1967	Stuttgart-Bad Cannstatt 1956	Wahlstedt 1973 Waldröhl 1968 Waldkraiburg 1971 Walsrode 1961 Warburg 1917 (1896) Wedel (Holstein) 1955 Wegberg 1974 Weiden (Upper Palatinate) 1969 Weil (Rhine) 1970 Weinheim (Bergstrasse) 1961 Werdohl 1923 Wermelskirchen 1909 (1893) Wertheim 1979 Wesel 1965 (1920) Wesseling 1967 Westerland (Sylt) 1961
Remscheid-Lennep 1961	Schwäbisch Gmünd 1968		
Remscheid-Lüttringhausen 1961	Schwalbach (Taunus) 1974		
Rendsburg 1960	Schweinfurt 1963		
Reutlingen 1954 (1930)	Schwelm 1951		
Rheda-Wiedenbrück 1959 with sub-branch Berliner Strasse	Schwerte (Ruhr) 1959 (1928)		
Rhede (near Bocholt) 1968	Schwetzingen 1969		
Rheine 1921	Siegburg 1960	Trier 1959	
Rheinfelden 1975	Siegen 1919 with sub-branches Eiserfeld Kaan-Marienborn Weidenau	Troisdorf 1965 Tübingen 1958 Tuttlingen 1975	
Rietberg 1968	Simmerath 1982	Uelzen 1919	
Rosenheim 1972	Sindelfingen 1962	Uetersen (Holstein) 1961	
Rotenburg (Wümme) 1976	Singen (Hohentwiel) 1967	Ulm (Danube) 1963	
Rottweil 1974	Sinsheim 1969	Unna 1959	
Rüdesheim 1968	Soest 1961	Unterföhring (near Munich) 1967	
Rüsselsheim 1965	Solingen 1903 (1900) with sub-branch Höhscheid	Varel (Oldenburg) 1961	
Saarburg (near Trier) 1967	Solingen-Ohligs 1903 (1899) Solingen-Wald 1960	Vechta 1961	
Salzgitter-Lebenstedt 1958	Speyer 1975	Velbert 1919 (1880)	
	Sprockhövel 1967		

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Wetter (Ruhr) 1970	Wolfsburg 1958 with sub-branches
Wetter-Wengern (Ruhr) 1970	Detmerode Kästorf Tiergartenbreite
Wetzlar 1906	Worms 1928
Weyhe-Kirchweyhe 1954 (1923)	Würselen 1969
Weyhe-Leeste 1954 (1928)	Würzburg 1961
Wiehl (Cologne district) 1962	Wunstorf 1961
Wiesbaden 1898 (1860) with sub-branches	Wuppertal 1911 (1754) with sub-branches
Biebrich	Cronenberg
Bismarckring	Friedrich-Ebert-Strasse
Bleichstrasse	Langerfeld
Kirchgasse	Oberbarmen
Rheinstrasse	Ronsdorf
Wildeshausen 1974	Unterbarmen
Wilhelmshaven 1954 with sub-branch	Vohwinkel
Gökerstrasse	Wichlinghausen
Winsen (Luhe) 1970	Wuppertal-Barmen 1867 (1810) with sub-branch
Wipperfürth 1975	Werth
Wissen (Sieg) 1967	Xanten 1965
Witten 1921	Zirndorf 1970
Wolfenbüttel 1967	

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Bonn Liaison Office:  
124-132 Reuterstrasse  
(Bonn Centre)  
D-5300 Bonn

### **Foreign Branches**

#### Belgium

Commerzbank Aktiengesellschaft  
Succursale de Bruxelles  
Managers: Philipp Count zu Eulenburg  
und Hertefeld, Werner Neunkirch  
19 H Avenue des Arts  
B-1040 Brussels (Belgium)

Commerzbank Aktiengesellschaft  
Bijhuis Antwerpen  
Manager: André Bosmans  
65 Frankrijklei  
B-2000 Antwerp (Belgium)

#### France

Commerzbank Aktiengesellschaft  
Succursale de Paris  
Managers: Hansjörg Braun,  
Dr. Alexander Himmighoffen  
3 place de l'Opéra  
F-75002 Paris (France)

#### Hong Kong

Commerzbank Aktiengesellschaft  
Hong Kong Branch  
Manager: Wolfgang Rohde  
21st floor, Hong Kong Club Building  
3a Chater Road  
Hong Kong

#### Japan

Commerzbank Aktiengesellschaft  
Tokyo Branch  
Managers: Manfred Drost, Rainer H. Wedel  
Nippon Press Centre  
2-2-1 Uchisaiwaicho, Chiyoda-ku  
Tokyo 100-91 (Japan)

Commerzbank Aktiengesellschaft  
Osaka Office  
Manager: Migaku Takawa  
Nichimen Building  
2-2-2 Nakanoshima, Kita-ku  
Osaka (Japan)

#### Spain

Commerzbank Aktiengesellschaft  
Sucursal en España  
Managers: Dr. Dieter Joswig,  
Wilhelm Zeise  
141 Paseo de la Castellana 1°  
Edificio Cuzco IV  
E-28046 Madrid (Spain)

Commerzbank Aktiengesellschaft  
Sucursal en España  
Oficina de Barcelona  
Manager: Guenter Lessenich  
357/359 Consejo de Ciento  
E-08007 Barcelona (Spain)

#### United Kingdom

Commerzbank Aktiengesellschaft  
London Branch  
Managers: Karl J. Anselmino, Gottfried O. Bruder  
10-11 Austin Friars  
London EC2N2HE (England)

#### USA

Commerzbank Aktiengesellschaft  
New York Branch  
Managers: Klaas Peter Jacobs,  
Klaus-Peter Müller, Albrecht O. Staerker  
55 Broad Street  
New York, NY 10004 (USA)

Commerzbank Aktiengesellschaft  
Chicago Branch  
Manager: Hermann Buerger  
55 East Monroe Street, Suite 4640  
Chicago, IL 60603 (USA)

Commerzbank Aktiengesellschaft  
Atlanta Agency  
Manager: Norbert Nusch  
2 Peachtree Street, N.W., Suite 1010  
Atlanta, GA 30303 (USA)

Commerzbank Aktiengesellschaft  
Los Angeles Office  
Los Angeles  
(to be opened soon)



**Subsidiaries and Related Banks**

(Majority holdings)

**Domestic Holdings**

**BERLINER COMMERZBANK AG**

Head Office and Main Branch:  
125 Potsdamer Strasse  
D-1000 Berlin 30

Sub-branches:

Charlottenburg	Spandau
Amtsgerichtsplatz	Nonnendammallee
Charlottenburg	Pichelsdorfer
Gedächtniskirche	Strasse
with paying office	Spandau
Kaufhaus	Steglitz
Wertheim	Albrechtstrasse
Kantstrasse	Lankwitz
Kurfürstendamm	Lichterfelde
Maison de France	Lichterfelde Ost
Otto-Suhr-Allee	Steglitz
Reichsstrasse	Tempelhof
Kreuzberg	Am Flughafen
Kochstrasse	Tempelhof
Kottbusser Tor	Lichtenrade
Mehringdamm	Mariendorf
Mehringplatz	Marienfelde
Neukölln	Tempelhof
Buckow	Tiergarten
Grüner Weg	Budapester Strasse
Hermannplatz	Kurfürstenstrasse
Hermannstrasse	Moabit
Karl-Marx-Platz	Turmstrasse
Neukölln	Wedding
Reinickendorf	Badstrasse
Hermsdorf	Müllerstrasse
Kurt-Schumacher-	Wedding
Platz	Wilmerdorf
Reinickendorf	Berliner Strasse
Residenzstrasse	Halensee
Tegel	Hohenzollerndamm
Wittenau	Roseneck
Schöneberg	Schlangenbader
Friedenau	Strasse
Hauptgeschäft	Schmargendorf
Martin-Luther-	Wilmerdorf
Strasse	Zehlendorf
Schöneberg	Schlachtensee
Wittenbergplatz	Wannsee
	Zehlendorf

**RHEINISCHE HYPOTHEKENBANK AG**

Frankfurt · Cologne · Mannheim  
Head Office:  
3 Taunustor, D-6000 Frankfurt

**COMMERZ-CREDIT-BANK  
AKTIENGESELLSCHAFT EUROPARTNER**

4 Faktoreistrasse, D-6600 Saarbrücken,  
with 8 branch offices in Saarland.

**VON DER HEYDT-KERSTEN & SÖHNE**

7/9 Neumarkt, D-5600 Wuppertal-Elberfeld

**Ilseder Bank, Sandow & Co.**

28 Braunschweiger Strasse, D-3150 Peine

**COMMERZ- UND INDUSTRIE-LEASING GMBH**

1 Neue Mainzer Strasse, D-6000 Frankfurt

**COMMERZBANK FONDS-VERWALTUNGS-  
GESELLSCHAFT MBH (COFO)**

25 Breite Strasse, D-4000 Düsseldorf

**Foreign Holdings**

**COMMERZBANK INTERNATIONAL S.A.**

11 rue Notre-Dame  
L-2013 Luxembourg

**COMMERZBANK (NEDERLAND) N.V.**

571-573 Herengracht  
NL-1017 CD Amsterdam,  
with branch office at Rotterdam:  
6 Westblaak, NL-3012 KK Rotterdam

**COMMERZBANK (SOUTH EAST ASIA) LTD.**

Tower 40, DBS Building  
6 Shenton Way  
Singapore 0106

**COMMERZBANK (SWITZERLAND) LTD**

Lintheschergasse 7  
CH-8023 Zurich 1

## **Representative Offices Abroad**

### Argentina, Chile, Paraguay, Uruguay

Karl-Lutz Ammann  
Representante del Commerzbank AG  
456 Avda. Corrientes, Depto. 73  
Buenos Aires (Argentina)

### Australia, New Zealand

Representative Office Sydney  
Werner Menges  
Citicorp House, 54-62 Carrington Street  
G.P.O. Box 5358  
Sydney, N.S.W. 2001 (Australia)

### Brazil

Commerzbank São Paulo Serviços Ltda.  
Arno Noellenburg  
254 Rua Boa Vista, 7º andar  
Caixa Postal 7441  
01000 São Paulo-SP (Brazil)

Commerzbank Rio de Janeiro Serviços Ltda.  
Dr. Peter Hennig  
123 Av. Rio Branco, conj. 704/707  
Caixa Postal 910  
20040 Rio de Janeiro-RJ (Brazil)

### Canada

Representative Office for Canada  
Robert Bräunig  
Royal Bank Plaza, Suite 2585  
P.O. Box 191  
Toronto, Ontario M5J 2J4 (Canada)

### China (People's Republic)

Representative Office Beijing/Peking  
Michael Zuberbier  
Jianguo Hotel, Room 134  
Jianguo Men Wai Da Jie  
P.O. Box 8813  
Beijing (People's Republic of China)

### Denmark, Norway, Sweden, Finland, Iceland

Representative Office  
for the Nordic Countries  
Wilfried A. Reschke  
4 Rådhuspladsen  
DK-1550 Copenhagen V (Denmark)

### Egypt, Sudan, Ethiopia

Representative Office Cairo  
Claus Pollmann  
2 Aly Labib Gabr Street (ex: Behler)  
P.O. Box 1944  
Cairo (A.R.E./Egypt)

### Indonesia

Representative Office for Indonesia  
Gottfried Bär  
Panin Center Building, 4th floor  
Jalan Jendral Sudirman  
Jakarta 10270 (Indonesia)

### Iran

Representative Office Tehran  
Norbert Gies  
13/69 Avenue Karim Khan Zand  
Tehran (Iran)

### Japan

Representative Office Tokyo  
Hans-Jörg Schneider  
Nippon Press Centre  
2-2-1 Uchisaiwaicho, Chiyoda-ku  
Central P.O. Box 939  
Tokyo 100-91 (Japan)

### Mexico, Central America, Caribbean Islands

Representación en México  
Alexander Gregor  
390-1304 Paseo de la Reforma  
06600 Mexico City (Mexico)  
Apdo. Postal 5-789  
06500 México, D.F. (Mexico)

### Middle East

Representative Office Bahrain  
Robert Firbas v. Harryegg  
Salahuddin Building, Suite 301  
P.O. Box 5400  
Manama (Bahrain)

### Southern Africa

Representative Office Johannesburg  
Jürgen Maus  
Standard Bank Centre, 78 Fox Street  
Johannesburg 2000, P.O. Box 61219  
Marshalltown 2107  
(Republic of South Africa)

### USSR

Representative Office Moscow  
Harald Dürkop  
4, Pereulok Sadovskikh  
4th floor, Office No. 9  
Moscow 103 001 (USSR)

### Venezuela, Colombia

Rainer Goischke  
Representante del Commerzbank AG  
Edificio Plaza el Venezolano  
25 y 27 Chorro a Dr. Paul, Piso 5, Oficina C  
Apartado de Correos 5074  
Caracas 101 (Venezuela)

**Holdings  
in Foreign Financial Institutions  
and in Other Companies Abroad\*)**

Belgium

S.W.I.F.T.  
Society for Worldwide Interbank  
Financial Telecommunication s.c.,  
Brussels

Brazil

Unibanco-Banco de Investimento  
do Brasil S.A. (B.I.B.), Rio de Janeiro

Egypt

Misr International Bank S.A.E., Cairo

Finland

Teollistamisrahasto Oy-  
Industrialization Fund of Finland Ltd., Helsinki

Indonesia

P.T. Finconesia Financial Corporation  
of Indonesia, Jakarta

Luxembourg

Commerzbank International S.A.,  
Luxembourg  
Europartners Holding S.A., Luxembourg  
Finatourinvest S.A., Luxembourg  
Handelsgest S.A.R.L., Luxembourg  
Indugest S.A.R.L., Luxembourg  
The International Investment Corporation  
for Yugoslavia S.A., Luxembourg  
Société de Gestion du Rominvest  
International Fund S.A., Luxembourg  
UBAE Arab German Bank S.A.,  
Luxembourg/Frankfurt

Morocco

Banque Marocaine du Commerce Extérieur,  
Casablanca  
Banque Nationale pour le Développement  
Economique, Rabat

Netherlands

CB Finance Company B.V.,  
Amsterdam  
Commerzbank (Nederland) N.V.,  
Amsterdam

Netherlands Antilles

Commerzbank Overseas  
Finance N.V., Curaçao

Saudi Arabia

The Saudi Investment Bank, Riyadh

Singapore

Commerzbank (South East Asia) Ltd.,  
Singapore  
The Development Bank of Singapore Ltd.,  
Singapore

South Korea

Korea International Merchant Bank, Seoul

Spain

Banco Hispano Americano S.A.,  
Madrid

Switzerland

Commerzbank (Switzerland) Ltd,  
Zurich  
Finance Company VIKING, Zurich

Thailand

The Industrial Finance Corporation  
of Thailand (IFCT), Bangkok  
Mithai Europartners  
Finance and Securities Company Ltd.,  
Bangkok

United Kingdom

International Commercial Bank PLC, London

USA

EuroPartners Securities Corporation,  
New York

Zaire

Société Financière de Développement  
-SOFIDE-, Kinshasa

\*) A graph on pages 78 to 80 states the equity of these companies, and Commerzbank's stake in each of them.

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## The International Presence of the Europartners

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	Foreign branches and subsidiaries	Representative offices abroad	Bank affiliations and other holdings abroad
Commerzbank	□	△	●
Banco di Roma	■	▲	●
Banco Hispano Americano	■	▲	●
Crédit Lyonnais	■	▲	●
Joint foreign footholds*)	■	▲	●

\*) of Banco di Roma, Commerzbank, and Crédit Lyonnais (and, as regards the Europartners' joint subsidiary at Saarbrücken and their joint holding at Cairo, also of Banco Hispano Americano).

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The Europartners in Europe

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The Europartners Overseas

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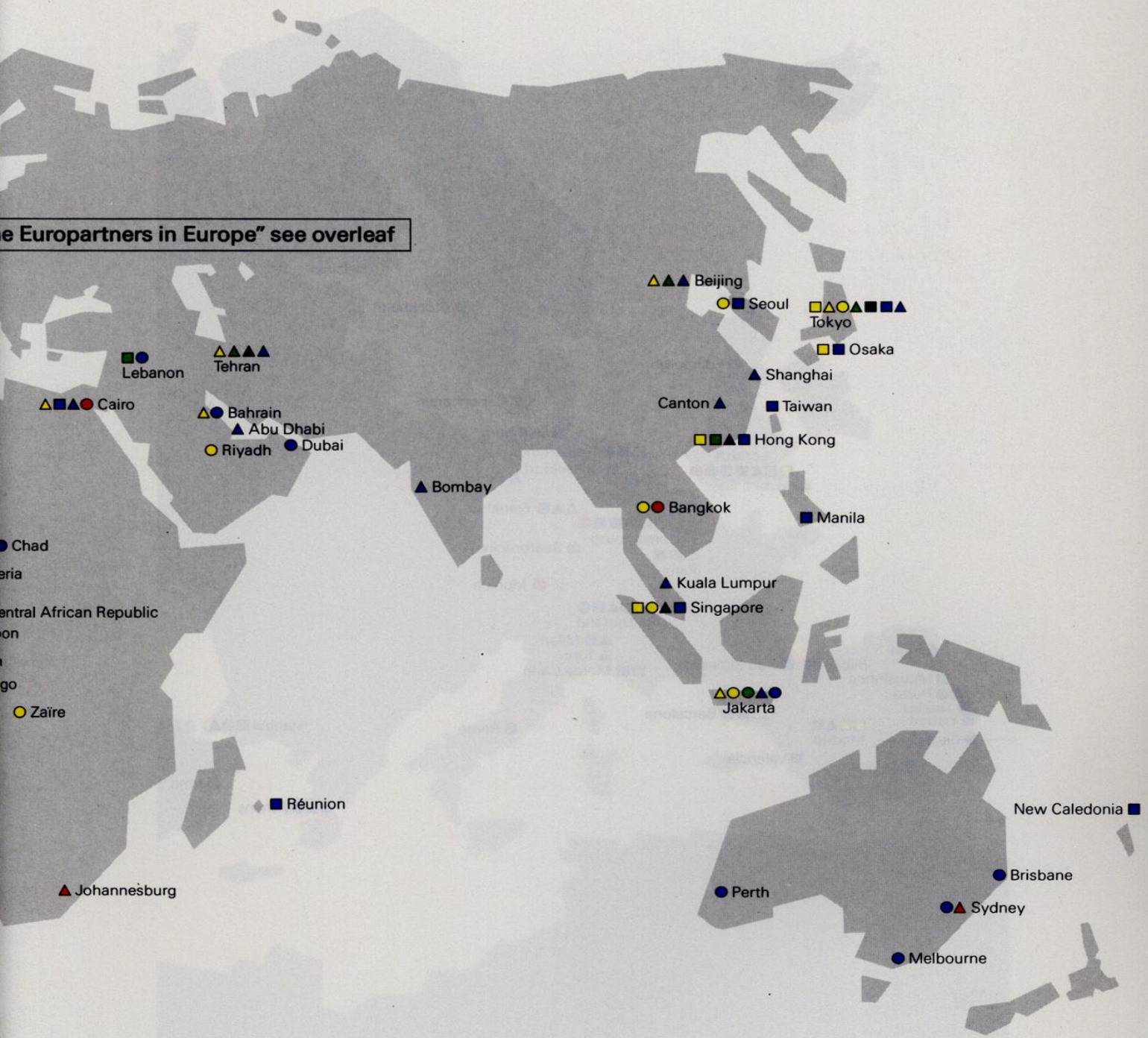
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# The Europartners Overseas Europe



\*) to be opened soon

the Europartners in Europe" see overleaf



Chad  
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entral African Republic  
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Zaire

# The Europartners in Europe



# Europartners Highlights<sup>1)</sup>

## BANCO DI ROMA

	Mid-1984	Mid-1983	Change
Balance Sheet Total	Lire 55,331 billion	Lire 43,275 billion	+ 27.9%
Deposits	Lire 30,666 billion	Lire 24,367 billion	+ 25.9%
Capital and Reserves	Lire 1,258 billion	Lire 902 billion	+ 39.5%
Branches	348	338	+ 3.0%
Number of Accounts	1,326,200	1,289,600	+ 2.8%
Staff	14,666	14,782	- 0.8%

## BANCO HISPANO AMERICANO

	Year-end, 1984	Year-end, 1983	Change
Balance Sheet Total	Ptas 2,091 billion	Ptas 1,979 billion	+ 5.7%
Deposits	Ptas 1,855 billion	Ptas 1,742 billion	+ 6.5%
Capital and Reserves	Ptas 84 billion	Ptas 84 billion	-
Branches	1,432	1,419	+ 0.9%
Number of Accounts	3,497,000	3,406,400	+ 2.7%
Staff	16,507	16,756	- 1.5%

## COMMERZBANK

	Year-end, 1984	Year-end, 1983	Change
Balance Sheet Total	DM 72,759 million	DM 66,885 million	+ 8.8%
Deposits	DM 68,078 million	DM 62,562 million	+ 8.8%
Capital and Reserves	DM 2,711 million	DM 2,578 million	+ 5.2%
Branches	794	796	- 0.3%
Customers	2,282,300	2,269,400	+ 0.6%
Staff	20,742	20,085	+ 3.3%

## CREDIT LYONNAIS

	Year-end, 1984	Year-end, 1983	Change
Balance Sheet Total	Ffr 785,309 million	Ffr 658,689 million	+ 19.2%
Deposits	Ffr 697,814 million	Ffr 595,310 million	+ 17.2%
Capital and Reserves <sup>2)</sup>	Ffr 6,455 million	Ffr 6,300 million	+ 2.5%
Branches	2,279	2,276	+ 0.1%
Customers	4,132,700	3,954,000	+ 4.5%
Staff	45,850	45,899	- 0.1%

## The Group<sup>3)</sup>

	Year-end, 1984 <sup>4)</sup>	Year-end, 1983 <sup>4)</sup>	Change
Balance Sheets Sum Total	DM 457,131 million	DM 389,630 million	+ 17.3%
Deposits	DM 379,525 million	DM 328,569 million	+ 15.5%
Capital and Reserves <sup>2)</sup>	DM 8,391 million	DM 7,620 million	+ 10.1%
Branches	4,853	4,829	+ 0.5%
Staff	97,765	97,522	+ 0.2%

<sup>1)</sup> parent banks only;

<sup>2)</sup> Crédit Lyonnais: before appropriation of profit;

<sup>3)</sup> conversion made according to the official Frankfurt middle rates of the respective closing days;

<sup>4)</sup> Banco di Roma: mid-year figures.



