COMMERZBANK

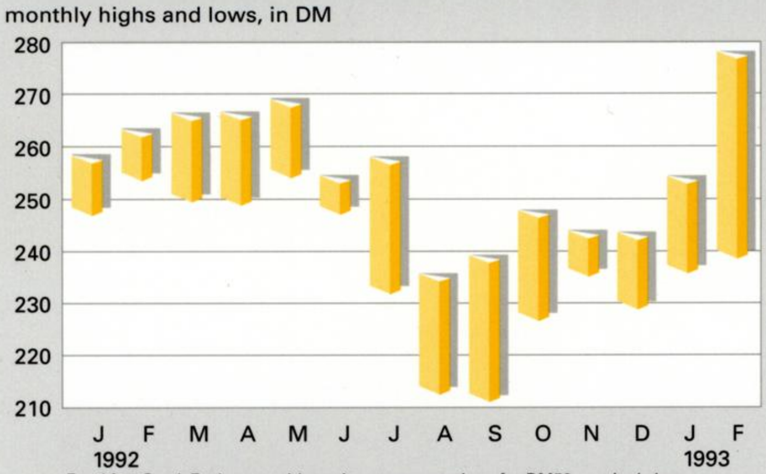
ANNUAL REPORT 1992

Our 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)
Italy	Milan (since 1992)
Japan	Tokyo (since 1986)
Luxembourg	Luxembourg (since 1974)
Netherlands	Amsterdam (since 1974)
Spain	Barcelona, Madrid (since 1990)
Switzerland	Basle, Geneva, Zurich (since 1973)
United Kingdom	London (since 1962)

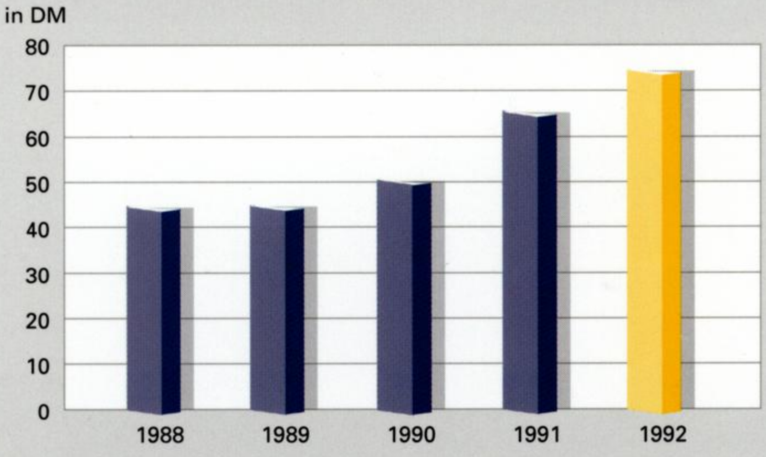
In addition, the Bank has had a sponsored ADR program in the USA since 1989.

Performance of the Commerzbank share



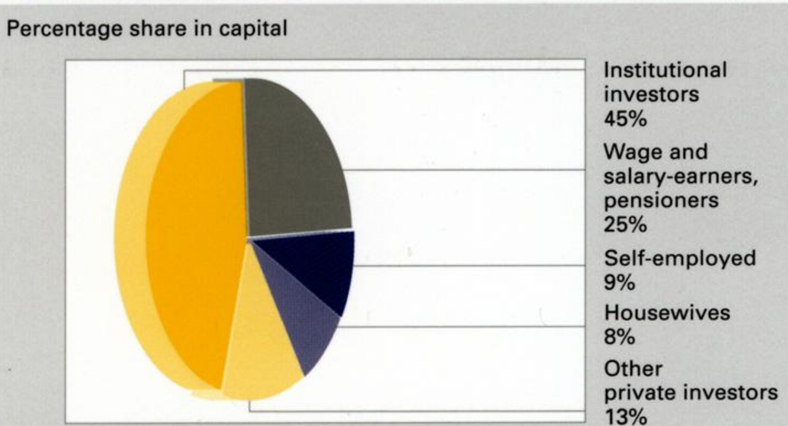
Frankfurt Stock Exchange mid-session spot quotations for DM50 nominal share

Group's partial operating result* per share



* adjusted for distributions to the holders of profit-sharing certificates

Commerzbank AG's 210,000 shareholders



Subscribed capital: DM1,310 m*

* 38% of which is held abroad

Highlights of Commerzbank Group

at year-end	1992	1991
Balance sheet total	DM232,732m	DM226,651m
Business volume	DM235,428m	DM229,015m
Total lending	DM166,736m	DM157,879m
Capital and reserves*)	DM 9,408m	DM 8,393m
Branches	998	973
Customers	3,537,400	3,551,500
Staff	30,156	29,515
Dividend paid per DM50 Commerzbank share	DM10.00	DM10.00
Tax credit (in addition to cash dividend)	DM 5.63	DM 5.63
Number of shares issued	26.2m	25.8m

*) incl. amounts approved by AGMs

Full operating result of Commerzbank Group

in DM million	1992	1991	Change in %
Net interest and dividend income*)	4,485	4,086	9.8
Net commission income	1,455	1,344	8.3
Balance of income from and write-downs of leased equipment	31	19	63.2
Net income	5,971	5,449	9.6
Personnel expenses	2,601	2,479	4.9
Other operating expenses	1,133	1,021	11.0
Current write-downs of fixed assets	288	262	9.9
Expenses	4,022	3,762	6.9
Partial operating result	1,949	1,687	15.5
Operating result	2,208	1,829	20.7

*) incl. expenses for profit-sharing rights issued

COMMERZBANK

ANNUAL REPORT **1992**

Headquarters

Frankfurt am Main
Neue Mainzer Straße 32–36
D-6000 Frankfurt am Main 1
Telephone (0 69) 1 36 20
Telex 4 152 530
Telefax (0 69) 28 53 89

Highlights of Commerzbank's history

1870:
Founded as "Commerz- und Disconto-Bank in Hamburg", Hamburg.

January 1, 1952:
Balance sheet date for first DM accounts to be published by the Bank'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 am Main.

1990:
Legal seat transferred from Düsseldorf to Frankfurt am Main.

CONTENTS

As in previous years, our Annual Report is available in German, English, French, and Spanish. In addition, we can supply our Report in all four languages in microfiche form. If you wish to receive it like this, please contact us under the address given opposite (att. Research and Corporate Communication Dept.). ISSN 0414-0443
Note: throughout this Report, the term "billion" (bn) represents "1,000 million" (m).
This report has been printed on 100 % chlorine-free paper.

Business Progress of Commerzbank Group, 1968-1992

	Total assets DM bn	Total lending DM bn	Savings deposits, savings bonds DM m	Taxes paid DM m	Allocation to reserves from profit[1] DM m	Capital and reserves[1][2] DM m	Staff[3]	Branches
31-12-1968	16.5	10.6	3,838	64.9	31.5	676	14,689	691
31-12-1973	39.1	26.4	6,091	76.7	18.0	1,284	18,187	826
31-12-1978	88.0	57.6	11,097	247.3	99.5	2,370	20,982	875
31-12-1982	108.2	81.7	12,400	169.7	85.7	2,770	21,393	877
31-12-1983	113.2	84.6	12,984	237.3	121.8	2,917	22,047	884
31-12-1984	122.7	90.3	14,441	275.4	152.3	3,143	22,801	882
31-12-1985	137.2	94.4	15,279	321.6	175.0	3,860	24,154	882
31-12-1986	148.2	102.7	17,427	330.6	156.9	4,908	25,653	881
31-12-1987	161.7	109.0	18,567	328.5	175.6	5,078	26,640	882
31-12-1988	180.4	120.6	18,075	376.3	235.0	5,647	27,320	888
31-12-1989	191.6	126.5	18,484	493.7	281.0	6,572	27,631	897
31-12-1990	216.0	146.5	20,532	482.5	219.8	7,576	28,450	956
31-12-1991	226.7	157.9	22,359	541.0	234.9	8,393	29,515	973
31-12-1992	**232.7**	**166.7**	**24,462**	**558.3**	**442.9**	**9,408**	**30,156**	**998**

Business Progress of Parent Bank, 1952-1992

	Total assets DM bn	Total lending DM bn	Savings deposits, savings bonds DM m	Taxes paid DM m	Annual dividend DM per share	Total amount of dividend paid DM m	Allocation to reserves from profit DM m	Capital and reserves[4] DM m	Staff[5]	Branches
1- 1-1952	1.6	1.3	75	-	-	-	-	55	4,812	108
31-12-1955	3.7	3.0	387	32.9	5.00	8.1	15.7	152	7,160	149
31-12-1960	6.9	4.5	930	62.1	8.00	28.8	22.0	360	9,465	266
31-12-1965	10.3	6.9	2,154	54.0	8.00	36.0	20.0	520	11,402	436
31-12-1970	19.7	13.8	4,182	47.1	8.50	59.5	10.0	850	15,441	719
31-12-1975	38.5	22.3	8,005	129.6	9.00	95.5	50.0	1,548	17,328	782
31-12-1980	64.7	45.5	11,793	38.3	-	-	-	2,478	19,023	805
31-12-1982	66.2	47.1	12,400	109.3[1]	-	-	50.0[1]	2,528[1]	18,988	798
31-12-1983	66.9	46.1	12,984	178.4	6.00	101.2	50.0	2,578	19,368	796
31-12-1984	72.8	48.8	13,139	207.1	6.00	101.2	60.0	2,711	20,016	794
31-12-1985	82.6	50.3	13,872	233.2	8.00	142.0	60.0	3,336	21,204	793
31-12-1986	90.8	55.1	15,885	243.8	9.00	186.8	60.0	4,297	22,539	792
31-12-1987	101.1	58.4	16,837	239.6	9.00	187.2	60.0	4,368	23,324	793
31-12-1988	115.3	67.9	16,282	301.3	9.00	203.5	100.0	4,796	23,793	795
31-12-1989	125.0	72.6	16,640	442.9	9.00	225.5	100.0	5,273	24,067	802
31-12-1990	145.4	84.2	18,370	395.0	10.00	257.3	130.1	6,213	24,362	849
31-12-1991	152.9	96.5	20,161	449.3	10.00	258.2	100.0	6,886	25,044	859
31-12-1992	**173.8**	**111.7**	**24,254**	**406.4**	**10.00**	**262.0**	**350.0**	**7,939**	**27,017**	**946**

[1]) including amounts approved by AGMs;
[2]) since 1985 including DM425m of profit-sharing certificates outstanding; since 1989 including DM705m of profit-sharing certificates outstanding; since 1990 including DM1,205m of profit-sharing certificates outstanding; since 1991 including DM1,704m of profit-sharing certificates outstanding; since 1992 including DM2,444m of profit-sharing certificates outstanding;
[3]) as from 1990, using new definition;
[4]) since 1985 including DM425m of profit-sharing certificates outstanding; since 1990 including DM925m of profit-sharing certificates outstanding; since 1991 including DM1,424m of profit-sharing certificates outstanding; since 1992 including DM2,034m of profit-sharing certificates outstanding;
[5]) calculated as full-time staff; new definition used as from 1990.

Supervisory Board

Honorary Chairman
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Königstein

DR. WALTER SEIPP
Frankfurt am Main
Chairman

HANS-GEORG JURKAT
Cologne
Commerzbank AG
Deputy Chairman

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Frankfurt am Main
Secretary for Banking Section
Commercial, Banking and
Insurance Workers' Union (HBV)
Frankfurt am Main Regional
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Bonn
Commerzbank AG

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Bad Soden
Member of the Supervisory Board
Hoechst AG

HUGO EBERHARD
Hamburg
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Wolfsburg
Member of the Supervisory Board
Volkswagen AG

GERALD HERRMANN
Hamburg
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Insurances Section
Sub-section: Banks
National Executive Committee of
Salaried Employees' Union (DAG)

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Düsseldorf

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Managing Directors
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Member of the Board of
Managing Directors
VEBA AG

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Hamburg
Commerzbank AG

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Düsseldorf
Chairman of the Board of
Managing Directors
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vorm. August Thyssen-Hütte

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Hamburg
Commerzbank AG

GABI LOCHER-TÖPEL
Frankfurt am Main
Commerzbank AG

HORST SAUER
Frankfurt am Main
Commerzbank AG

DR. RABAN FREIHERR v. SPIEGEL
Oberursel

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Düsseldorf
Member of the National
Executive Committee of the
Commercial, Banking and
Insurance Workers' Union (HBV)

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Hilchenbach and Düsseldorf
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Managing Directors
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WOLFGANG ZIEMANN
Essen
Member of the Board of
Managing Directors
RWE AG

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Essen
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Managing Directors
Karstadt AG

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

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Managing Directors
Ruhrgas AG

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DBV Versicherungen

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CH-Baar/Zug
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since July 1, 1992

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Deutsche Shell AG
since July 1, 1992

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Bonn
Member of the Board of
Managing Directors
VIAG AG

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Supervisory Board
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Bremen
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Managing Directors
Bremer Vulkan Verbund AG
since January 1, 1993

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Managing Dirctors
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Managing Directors
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vorm. Gebr. Helfmann,
Member of the Board of
Managing Directors
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Managing Directors
Hüls AG,
Member of the Board of
Managing Directors
VEBA AG

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Wetzlar

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Managing Directors
Kaufhof Holding AG
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Managing Directors
Daimler-Benz AG

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

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Managing Directors
Bertelsmann AG
since January 1, 1993

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Wuppertal
General Partner
Vorwerk + Co.

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Bielefeld

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Ludwigshafen
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Managing Directors
BASF AG
since August 1, 1992

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Berlin
Chairman of the Board of
Managing Directors
Schering AG
since January 1, 1993

DIPL.-ING.
DR.-ING. E. h. ENNO VOCKE
Essen
Chairman of the Board of
Managing Directors
HOCHTIEF AG
vorm. Gebr. Helfmann,
Member of the Board of
Managing Directors
RWE AG
until December 31, 1992

WILHELM WERHAHN
Neuss
Entrepreneur

Board of Managing Directors

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Frankfurt am Main
Chairman

ERICH COENEN
Düsseldorf

DIETRICH-KURT FROWEIN
Frankfurt am Main

PETER GLOYSTEIN
Düsseldorf

KURT HOCHHEUSER
Düsseldorf

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Frankfurt am Main

KLAUS-PETER MÜLLER
Frankfurt am Main

KLAUS MÜLLER-GEBEL
Frankfurt am Main/Hamburg

JÜRGEN REIMNITZ
Frankfurt am Main

KURT RICHOLT
Frankfurt am Main

AXEL FREIHERR v. RUEDORFFER
Frankfurt am Main

JÜRGEN TERRAHE
Frankfurt am Main

Executive Vice Presidents and Chief Legal Adviser

Executive Vice Presidents

JÜRGEN CARLSON
Frankfurt am Main

RUDOLF DUTTWEILER
Frankfurt am Main

ALFRED KNÖR
Frankfurt am Main

PETER KROLL
Frankfurt am Main

HERBERT PETERS
Frankfurt am Main

LUTZ R. RAETTIG
Frankfurt am Main

ULRICH RAMM
Frankfurt am Main

PETER M. WEIGERT
Frankfurt am Main

HEINZ-LUDWIG WIEDELMANN
Frankfurt am Main

MANFRED WILSDORF
Frankfurt am Main

Chief Legal Adviser

JOCHEN APPELL
Frankfurt am Main

To our shareholders

The key to the success of the Commerzbank Group continues to be its strong focus on the customer. However, to an increasing extent, we are being prompted by economic considerations to develop and introduce products. Drawing upon the latest in technology, we have altered the Bank's organizational structure and redesigned the flow of information in order to reflect the changed market environment.

We have recognized a greater need to tap all our resources and know-how. Over the past five years, from 1987 to 1992, the Bank's earnings-oriented course has led to a 43.6% expansion in business volume but an 84.4% increase in its partial operating result. During this period, the dividend payout rose by 40.0%.

All this was achieved in an environment which was undergoing substantial changes: the vision and eventually the creation of the Single European Market, reforms in Eastern Europe, German unification and, in the financial sector, the progress made towards resolving the debt crisis and the implementation of the *Allfinanz* approach to providing financial services.

Commerzbank has defined its strategic goals. They entail:

1. Developing a strong presence in eastern Germany, thereby enhancing our position as one of the "Big Three" German private-sector banks,

2. Implementation of our *Allfinanz* plans,

3. Strengthening our position in Europe, including its eastern part, and

4. Expanding our international business beyond Europe, in places offering business opportunities with attractive earnings prospects.

In systematically pursuing these goals, we intend to maintain the stability and quality of our earnings, achieve further growth, and preserve our independence. The potential for realizing all these goals exists.

We invite our shareholders to the Stadthalle in Bremen for our Annual General Meeting on May 7, 1993. Next year, our AGM will take place on May 27 in Frankfurt am Main. In 1995, the year of the Bank's 125th anniversary, we invite shareholders to join us on May 17 in Hamburg, the city in which the Bank was founded.

March 1993

Chairman of the Board
of Managing Directors

Chairman of the
Supervisory Board

Commerzbank's reorganized trading units rose to the occasion in 1992. With currency movements dramatic at times, the Bank's foreign-exchange teams operated succesfully.

Survey of Commerzbank Group's business performance

In 1992, we successfully maintained our earnings-oriented expansion in all business segments throughout the entire Commerzbank Group. We met the challenges posed by the market by consciously focusing on the needs of our customers in every area; greater productivity was achieved through the improved coordination of operations and changes in the Bank's internal organization as part of the structural reform of our branch network. Despite the need for higher provisions for possible loan losses, we are satisfied with the Bank's earnings performance, which exceeded our expectations.

At end-1992, the banks affiliated within the Commerzbank Group were handling over 6.8 million accounts for just over 3.5 million customers at 998 branches with a staff of 30,156.

In both our corporate and retail activities, we were able to win new customers. We have extended our branch network in eastern Germany according to plan. With East Berlin included, we now have over 100 offices and a staff of just over 2,000 there. More than two-thirds of these employees come from eastern Germany. This year, we plan to open another 25 branches.

Group business volume up to DM235.4bn

The business volume of the Commerzbank Group – balance sheet total plus endorsement liabilities – expanded by 2.8% to DM235.4bn in 1992. This moderate growth reflects a renewed reduction of our interbank transactions in favour of giving more prominence to our customer business. The Group's total lending rose by 5.6% altogether to reach DM166.7bn. We curbed our foreign credit business somewhat, but substantially increased the loans outstanding to domestic clients, subjecting our borrowers' credit standing to close scrutiny and lending mainly to existing customers.

In 1993, we aim to expand our business volume and total lending by roughly 5–6% each; here the main emphasis is on intensifying existing business relations rather than acquiring new clients.

Due to the merger of Berliner Commerzbank AG with the Parent Bank on October 1, 1992, the latter's balance sheet total expanded at an above-average 13.7% to DM173.8bn. At the time of the merger, our Berlin subsidiary had total assets of DM12.7bn. This merger is also relevant for the Parent Bank's profit and loss account as it has affected comparison with previous years; however, the situation of the Group as a whole has not been changed as a result of Berliner Commerzbank being transformed into the twentieth main branch office of the Parent Bank.

The other major subsidiaries – summaries of whose annual reports and accounts appear on pages 70 to 75 of this Report – have the following balance sheet totals:

Balance sheet total (in DM m)	1992	1991
RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main	44,566	42,356
Commerzbank Capital Markets Corporation, New York	330	225
Commerzbank International S.A., Luxembourg	19,448	20,936
Commerzbank (Nederland) N.V., Amsterdam	1,842	1,685
Commerzbank (South East Asia) Ltd., Singapore	1,658	2,244
Commerzbank (Switzerland) Ltd, Zurich	641	592

Above-average rise in earnings

Surging by 10% to DM4.5bn, the Group's net interest income – the most important item in our earnings performance – advanced much more strongly than average business volume. The further increase in the average interest margin to 1.97% which this reflects is attributable to the improvement in the structure of the balance sheet and the Bank's great efforts to build up its inner strength over the past few years.

Net commission earnings, which were still lower than their year-ago level on June 30, expanded markedly during the second half of 1992 to advance by altogether 8.3% to almost DM1.5bn. Growth was registered in securities commissions in particular, but there were further improvements in the income from foreign commercial business and payments transactions as well.

With the revenues from leasing business included, which went up from DM19m to DM31m, the sum of all the net income items was 9.6% higher at DM6.0bn.

Costs under control

Although a persistently high level of spending on personnel and technology was necessary in order to expand our business in eastern Germany, we managed to limit the increase in our operating expenses to 6.9% in 1992. With outlays on pensions, pension fund contributions and benefits somewhat lower, as the longer duration of the last negotiated pay agreement meant that less funds had to be allocated this time to the Bank's pension provisions, personnel costs advanced by 4.9% altogether to DM2.6bn. Other operating expenses rose by 11.0% to DM1.1bn; write-downs and depreciations on fixed assets went up 9.9% to DM288m. All in all, items on the expenditure side came to DM4.0bn.

Business volume

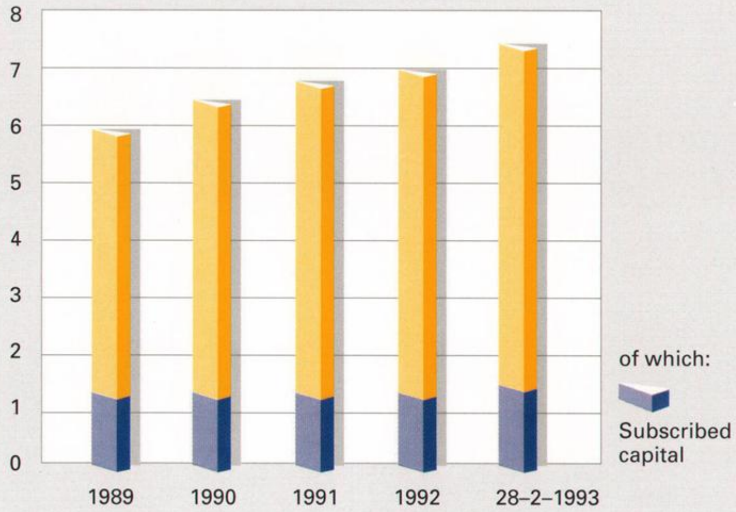
Total lending and risk-weighted assets

Group's operating result up 20.7%

In the new form in which we present our earnings performance, with the payout on our profit-sharing certificates already included as an expense under net interest income, the Group's partial operating result – representing the

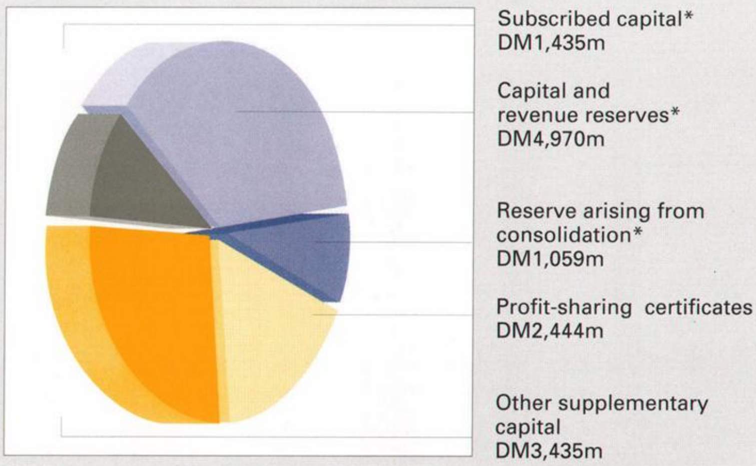
Core capital

Commerzbank Group, in DM bn



Equity capital

Commerzbank Group, as of February 28, 1993



Total: DM13,343m

*) Core capital: DM7,464m

balance of all current revenues and expenses – expanded by 15.5% to DM1,949m in 1992. Over the past five years, therefore, it has virtually doubled; on a per share basis, it has risen by 66% since 1988, due to a slight increase in the Bank's share capital.

As far as the general trend and dynamic force is concerned, the development of our operating results in recent years has been highly encouraging. In view of the risks worldwide, the continuing need to build up provisions and the legitimate expectations of our shareholders, we are not yet satisfied with the level of earnings now attained. It is our goal to achieve a Group partial operating result by the mid-1990s equal to 1% of average business volume. In 1992, we managed 0.85%, compared with 0.68% in 1988.

Strong market movements triggered a surge in foreign-exchange transactions in the second half of the year, enabling us practically to double in a year-on-year comparison the contribution to the Bank's results made by our own-account dealings in foreign exchange, securities and derivative products. The earnings of DM259m generated by such business already include the write-downs effected according to the lower-of-cost-or-market principle on the securities held for trading purposes. All told, therefore, the Commerzbank Group's full operating result advanced by 20.7% to reach DM2,208m.

At the Parent Bank, including Berlin, the partial operating result expanded by 26.9% to DM1,410m; its full operating result rose by 33.4% to DM1,602m.

Priority for loan loss reserves

The continuing sluggishness of the world economy in 1992 revealed certain risks in both our international loan portfolio and our German lending business. We have taken these into account by forming substantially larger individual loan loss reserves. The Bank's strong operating result has also enabled us to make adequate provision for the reported problem cases, namely the Danish insurer Hafnia and the Canadian real-estate and industrial concern Olympia & York.

The number of countries in which we detect enhanced risks did not increase in 1992. Yet while the situation has improved in Latin America, the condition of the former Eastern bloc countries remains feeble. For this reason, we have added further to our risk provisions, especially in the case of the CIS. Overall, the Commerzbank Group has an exposure of DM5.9bn to highly indebted countries and has formed loan loss reserves to cover DM4.4bn of this total, or 75%.

DM10 dividend per share

From the Parent Bank's net income for the year, which – with the profit from the merger with Berliner Commerzbank AG included – expanded from DM447.5m to DM746.5m, we have allocated DM350m (DM100m in 1991) to revenue reserves. Apart from the income generated by the Berlin merger, the funds used here were derived exclusively from foreign profits which had already been taxed. We propose to the Annual General Meeting that an unchanged dividend of DM10 per share be paid to shareholders from the distributable profit. The total amount to be distributed will increase slightly to DM262.0m. Once this proposal is adopted, holders of Commerzbank's issues of profit-sharing certificates will receive a payout of altogether DM134.5m with respect to 1992, compared with DM90.4m in the previous year.

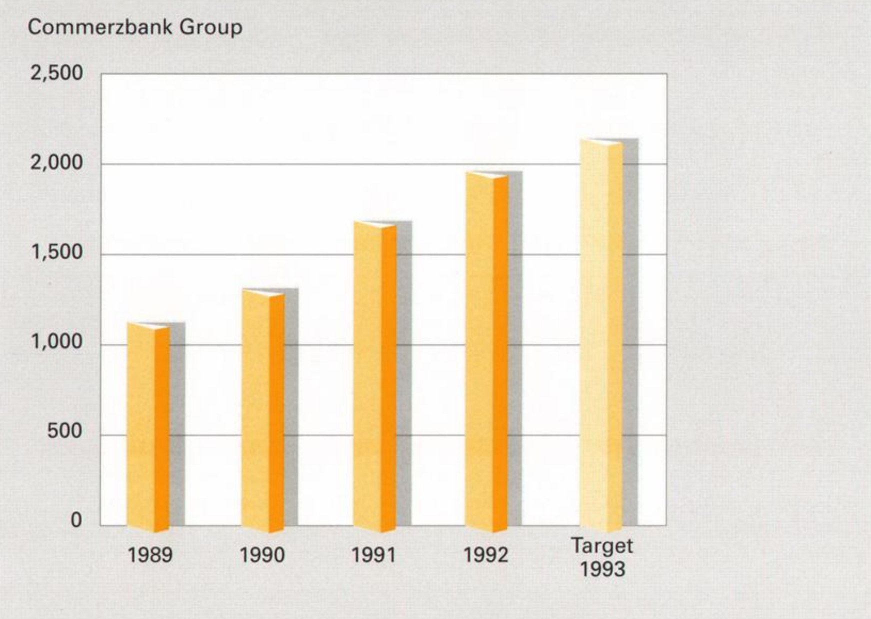
Group's reserves augmented by DM443m

The stronger operating results achieved by the companies within the Commerzbank Group have been reflected either in higher dividends or in larger allocations to reserves. Our Luxembourg subsidiary, CISAL, has again made further additions to its loan loss reserves rather than posting a profit. All told, once the necessary AGM resolutions have been approved, the Group's revenue reserves will be raised by DM443m (DM235m in 1991).

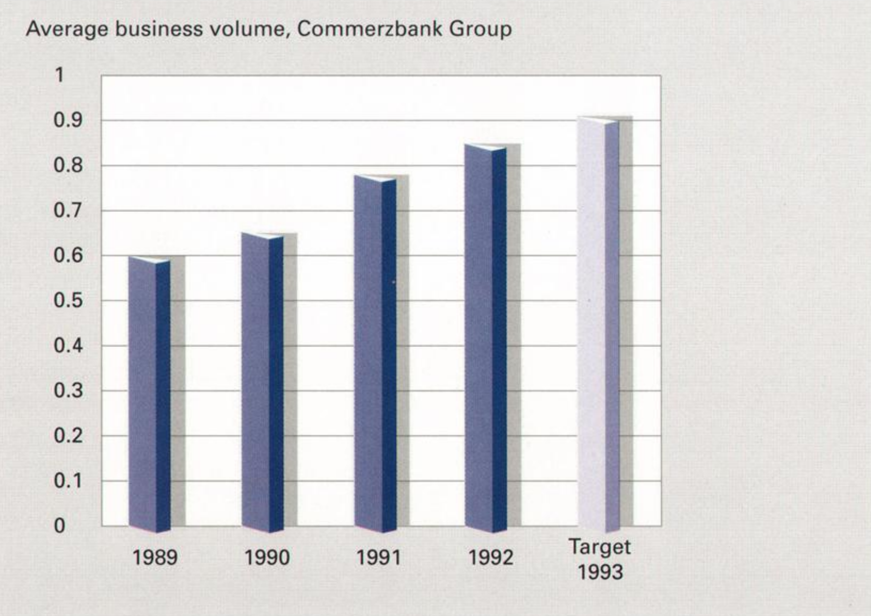
Broader equity base

In the year under review, we very successfully offered shares to our staff at a preferential price by means of a capital increase. Later, in December, we became the first foreign bank to launch its shares on the Milan stock exchange. For the placement necessary in this connection, we increased the Bank's subscribed capital by a nominal DM15m and placed the shares at their market price. With the exercising of conversion rights included, the Bank's subscribed capital and capital reserve were raised by almost DM100m through these measures.

Partial operating result in DM m



Partial operating result as percentage of business volume



Parent Bank's shareholdings in the non-financial sector

Karstadt AG Essen 25.0%	Mercedes Aktiengesellschaft Holding Frankfurt am Main 6.3%[1])	Linde AG Wiesbaden 10.3%
Hochtief AG Essen 2.5%[1])	Thyssen AG Duisburg 5.0%[1])	MAN AG Munich 6.3%[1])
Heidelberger Druckmaschinen AG Heidelberg 13.8%[1])	Linotype-Hell AG Eschborn 6.7%[1])	Salamander AG Kornwestheim 10.9%
Aktiengesellschaft Kühnle, Kopp & Kausch Frankenthal 19.9%		

[1]) held indirectly

After our capital increase for cash in an actual amount of DM500m at the start of February 1993, which was well received by the market, and including the allocation to reserves from the Bank's 1992 results, the Commerzbank Group's core capital (tier I) now stands at DM7,464m. This represents a core capital ratio of 4.75% to risk-weighted assets at end-1992.

The fourth amendment of the German Banking Act, effective from the start of 1993, translated the EC's equity capital and solvency directives into German law. The reformulated Principle I of the legislation, which establishes rules for German banks' capital adequacy, prescribes an aggregate equity capital ratio of 8% of risk-weighted assets as the minimum level. This is made up of at least 4% core capital – basically subscribed capital and reserves – and supplementary capital – primarily profit-sharing certificates outstanding and subordinated borrowed funds. However, the supplementary capital which is counted may not exceed core capital and any subordinated borrowed funds included may equal no more than half a bank's core capital.

Alternatively, revaluation reserves on securities and real estate may be included under supplementary capital for up to 1.4% of risk-weighted assets; in this case, though, core capital of at least 4.4% is required. This was not decided until very late in the parliamentary legislative process, which seriously impaired banks' ability to plan with any degree of certainty. Commerzbank opted quite early on for the "4 plus 4" alternative and throughout the year we built up our subordinated liabilities to the level permitted. With the capital increase in early 1993 included, which had already been effected when the 1992 annual accounts were drawn up, we not only comply with the minimum capital adequacy requirements; we have also created sufficient scope for reasonable, earnings-oriented business expansion.

Overall, the Commerzbank Group had supplementary capital (tier II) of DM5,879m at end-1992; it comprises DM2,444m of profit-sharing certificates outstanding and DM3,435m of subordinated borrowed funds. At year-end, the Bank's core and supplementary capital covered 8.50% of its risk-weighted assets.

Steering business activities

Through the implementation of our new branch structure in Germany, we have managed to focus our business activities more strongly on individual groups of customers. This has a corresponding impact on productivity and enables us to optimize the costs of risks and of the equity capital which is tied up.

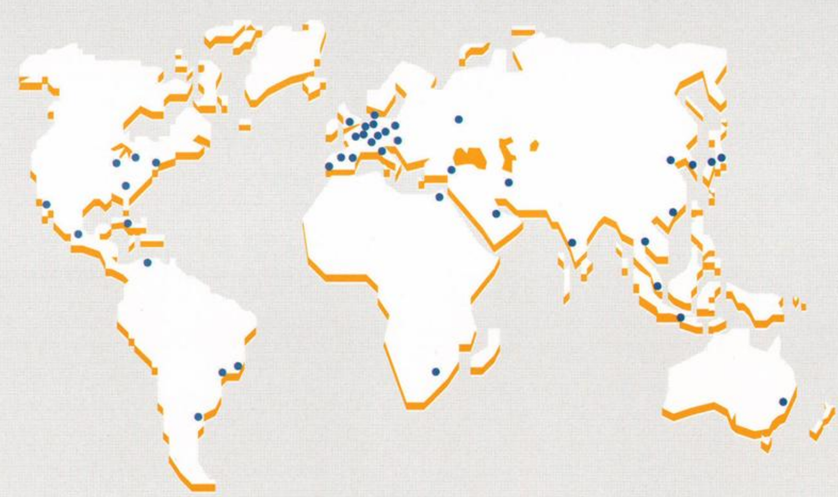
At Group level, great priority is given to asset/liability management and in particular to the handling of related risks arising from interest-rate movements. The various derivative instruments, some of which now have a very high level of market liquidity, have become indispensable for fine-tuning purposes. All the derivative products used throughout the Group are centrally monitored and evaluated according to a uniform procedure. As a result, the attaching risks are quantified and rendered transparent.

Restraint in international lending

Our branches and subsidiaries abroad had total assets amounting to DM73.8bn (DM71.6bn in 1991) at end-1992. The contribution of our foreign outlets to the Group's operating result remained more or less stable at 30%.

At end-1992, the overall volume of the Group's foreign assets – i.e. loans, short-term nostro balances and securities, minus domestic export credit and other guarantees, as well as loan loss reserves – stood at DM55.9bn, as against DM57.9bn a year previously. The decline is partly due to exchange-rate movements and the selected balance sheet date. In part, it reflects our appraisal of the risks. It was not triggered by any change in our internationally-oriented strategy. The change derives almost exclusively from the OECD countries. The regional breakdown of our foreign lending shows that, at 53% (49%), the main emphasis falls on Europe, followed by the Americas, which claim 29% (33%). Asia has a share of just over 13% (13%) and Africa 2% (2%). Australia/New Zealand and the international organizations account for 3% (3%).

Commerzbank worldwide



Foreign branches	Representative offices	Foreign holdings
Antwerp	Bahrain	Commerzbank (Budapest) Rt., Budapest
Atlanta (agency)	Bangkok	Commerzbank International S.A., Luxembourg
Barcelona	Beijing	Commerzbank (Nederland) N.V., Amsterdam
Brussels	Bombay	Commerzbank (Switzerland) Ltd, Zurich and Geneva
Chicago	Brussels (EC liaison office)	Commerzbank (South East Asia) Ltd., Singapore
Grand Cayman	Buenos Aires	Commerzbank Capital Markets Corporation, New York
Hong Kong	Cairo	Commerz Securities (Japan) Co. Ltd., Hong Kong/Tokyo
London	Caracas	Hispano Commerzbank (Gibraltar) Ltd., Gibraltar
Los Angeles	Copenhagen	Korea International Merchant Bank, Seoul
Madrid	Istanbul	Unibanco – União de Bancos Brasileiros S.A., São Paulo
New York	Jakarta	P.T. Finconesia Financial Corporation of Indonesia, Jakarta
Osaka (office)	Johannesburg	
Paris	Mexico City	
Prague	Milan	
Singapore	Moscow	
Tokyo	Rio de Janeiro	
	São Paulo	
	Seoul	
	Sydney	
	Tehran	
	Toronto	
	Warsaw	

Worldwide, Commerzbank has approximately 80 outlets and holdings in roughly 30 countries.

Report on the Bank's performance

Customers – Products – Services

The reform of the structure of our branch system remained an important issue for us in 1992 as well. Reorganization was completed and measures were implemented to ensure that our employees were properly qualified for their tasks. We firmly believe that we are now well equipped to meet the changing market conditions thanks to the fresh focus in our business activities: customer orientation has become even stronger; we have carefully analysed demand, identified specific sales targets and adopted a long-term approach to looking after customers.

1. Serving our private customers

Our service package "Co-Plus", whose clearly defined prices for payments transactions continue to find a positive response, forms the core of the services we offer private customers. If so desired, the package may be extended to include the Commerzbank Eurocard, whose distribution increased by 21% to over 220,000 cards, and thus more than the market average. The inclusion of insurance cover from DBV makes the card even more attractive for customers. In 1993, a further co-branding product will become available: the DGV Eurocard, issued jointly with the German Golf Association.

Lending business reorganized

By changing the procedures for granting and processing loans as well as by streamlining the range of products on the lending side, we managed to achieve greater simplicity, faster decision-making and expect an improvement in risk quality. Group lending to private clients in Germany was lifted by almost 7% to DM51.5bn. DM37.1bn of this total represents home loans, 58% of which were provided by the commercial banks and 42% by Rheinhyp.

Strong rise in private customers' investments

The new focus on customers confronted us with the key task of harmonizing our securities products with those in the deposit-taking area and of targeting suitable customers.

Within the Group, we achieved a further substantial increase in deposits. While time deposits expanded by 6.2% to DM15.4bn, savings deposits registered another above-average rise, climbing by 11.5% to DM21.4bn, with customers in eastern Germany making an encouraging contribution to this development. We also realized exceptionally strong growth – again counter to the market trend – in the sight deposits of private customers, which went up by 14.8% to DM7.8bn.

Portfolio management with country-based funds

Towards the end of 1992, we began to supplement our individual portfolio management with a new product "Compact", which is suitable for investing readily available amounts of between DM100,000 and DM1 million. "Compact" takes into account clients' differing risks preferences and designs portfolio structures accordingly. Country baskets, tracking the share index of the respective country, then replace an investment in individual securities. As a result, our customers have access to professional portfolio management even while they are still building up their assets.

Allfinanz: gratifying trend

Our *Allfinanz* system has become an important element in our sales network. The close cooperation with Leonberger Bausparkasse and DBV, our insurance partner, has developed in a very encouraging way. Leonberger passed on 31% more business to the Bank; the growth rate in the case of DBV was 68%. As expected, lending business continues to predominate. The Bank earned sizeable commissions on the insurance and home loan savings contracts that it procured for its partners.

The range of *Allfinanz* products has been further complemented through the links which have existed since 1990 with the Aufina Group; to an increasing extent, these are helping us meet the demand of our customers for suitable items of property.

2. Serving our business customers

Throughout the entire year, demand for credits was buoyant. At first, our domestic clients concentrated on short-term facilities; however, once interest rates at the long end of the market had declined appreciably, the focus shifted to loans at longer terms during the last four months of 1992. In view of the flagging economy, we attached special importance to clients' standing when making loans.

Interest in bill discounting was similarly strong; the overall volume, including endorsement liabilities from rediscounted bills, rose by 26.5% at Group level to reach DM4.2bn. The volume of guarantees and letters of credit expanded less vigorously, namely by 3.5% to DM19.6bn, due to exports' lack of momentum. We report on our leasing business in a special feature on pages 24 to 27.

On the deposit-taking side, our corporate customer business reflected firms' deteriorating liquidity position. In Germany, we registered slight declines in sight and time deposits; at the same time, though, greater use was made of short-term investment opportunities in the Euromarket.

Lending by Parent Bank*)

in %	31-12-1992	31-12-1991
Energy and mining	0.8	1.1
Chemical and oil-refining industries	1.9	2.9
Plastics and rubber production, non-metallic minerals, fine ceramics and glass	3.0	2.6
Metal production and processing, steel construction, mechanical engineering, automotive industry, office equipment and computers	8.3	7.4
Electrical and precision engineering, optical products, metal manufacturing, musical instruments, sports equipment, jewellery	4.9	6.7
Wood, paper and printing	3.3	4.0
Textiles, clothing, shoe and leather industries	1.6	2.3
Food, drink and tobacco	2.3	2.9
Building and civil engineering	3.2	3.4
Industry, overall	29.3	33.3
Commerce	12.4	10.7
Transport and communications	2.6	2.2
Other services, including the professions	28.1	27.1
Individual customers other than self-employed	27.6	26.7
	100.0	100.0

*) to domestic private and business customers

More demand for electronic banking

High growth rates demonstrate that our business customers are as keen as ever to secure for themselves the advantages of lower costs and rationalization through recourse to our electronic banking products. The emphasis is on the paperless handling of domestic and international payments transactions as well as on products to facilitate an active management of company finances. This is made possible by the rapid technological progress achieved in the field of personal computers.

With "Electronic Cash", we offer retailers an attractive system with substantial advantages over payment in cash or by cheque. In the area of information banking, we have been able to consolidate further our strong market position. By means of Coscreen, our currency and foreign-exchange information system, customers can receive online information round the clock about what is happening in the world's financial markets.

Medium and long-term export finance

Foreign demand for German capital goods maintained its high level in 1992. Special efforts had to be put into financing eastern Germany's exports to the CIS, the amount of business being largely determined by the scale of the cover provided by the Federal Government. All in all, we were able to hold our good market position; business volume was high, with the focus on insured deals. We were able to increase the profitability of our products considerably.

Once again, we relied heavily on general loan facility agreements with major importing countries and also on the low-interest funds provided under scheme B by AKA Ausfuhrkreditgesellschaft, the German banks' joint export credit vehicle. As in previous years, we worked very closely together with AKA.

Foreign commercial buisness flat

The difficult economic setting in which German business currently operates is reflected in the foreign commercial transactions which we handled on behalf of our corporate customers. Above all, the end of the surge in imports triggered by unification made itself felt, causing import turnover to fall somewhat below the level of the previous year. By contrast, the export transactions which we handled maintained a fairly good level, enabling us to keep our market share stable.

There was even an encouraging increase in our export business with the countries of Central and Eastern Europe that are restructuring their economies. Here the rapid expansion in business activity with former Czechoslovakia played an important role. By helping them to establish commercial relationships with Western clients, we can make a major contribution towards the success of the reform efforts of our neighbours in the East. Business conducted with Asian countries, which have considerable growth potential, continued to register above-average expansion.

3. Investment banking

The individual areas of our investment banking operations were subject to extreme market influences last year – first and foremost, the increasing turbulence within the European Monetary System. The popularity of DM investments from late summer onwards, which triggered a substantial decline in yields, not only produced a sharp rise in the turnover of our commission-earning transactions with customers; it also provided a substantial boost for issuing activity. As a result, our net commission earnings from such operations exceeded their already high year-earlier level.

Strong public-sector borrowing

One classic type of capital-market business, the issuing of DM bonds by domestic borrowers, registered strong expansion in 1992 thanks to the public sector's mounting need for funds again. The Federal Government had less recourse to the bond market, concentrating instead on its tap issues and Treasury notes. By contrast, other public borrowers, including for the first time Treuhandanstalt, took advantage of the favourable conditions and raised large amounts of funds. Through its participation in underwriting syndicates, and by means of tendering procedures, Commerzbank was involved in altogether 12 issues by the public sector with an aggregate volume of DM91.3bn. After a lengthy pause, several corporate borrowers returned to the German capital market; four bond offerings – for Kreditanstalt für Wiederaufbau, DSL-Bank, Kaufhof's Service Bank and Veba – were lead-managed by Commerzbank.

Parent Bank's cooperation in underwriting syndicates

Year	Capital increases through rights issues*)	Domestic bond issues	Foreign DM bond issues
1983	18 totalling DM 2.6bn	24 totalling DM23.4bn	103 totalling DM14.6bn
1984	16 totalling DM 1.9bn	21 totalling DM23.9bn	109 totalling DM17.0bn
1985	18 totalling DM 4.7bn	29 totalling DM32.5bn	126 totalling DM24.7bn
1986	31 totalling DM 9.2bn	31 totalling DM46.3bn	126 totalling DM25.1bn
1987	19 totalling DM 5.7bn	29 totalling DM50.2bn	98 totalling DM19.7bn
1988	11 totalling DM 1.5bn	16 totalling DM41.7bn	125 totalling DM29.1bn
1989	50 totalling DM10.2bn	14 totalling DM37.5bn	96 totalling DM22.4bn
1990	44 totalling DM12.7bn	17 totalling DM85.0bn	64 totalling DM18.1bn
1991	39 totalling DM 4.4bn	13 totalling DM63.0bn	104 totalling DM19.8bn
1992	30 totalling DM 6.0bn	18 totalling DM92.7bn	90 totalling DM37.2bn

*) cash proceeds

In addition. we helped place 3,089 foreign-currency bond issues between 1983 and 1992.

Notable developments in the international financial markets last year were the brisk issuing activity and, above all, the climb of the D-mark – which now has a market share of 13% – to second place among the major investment currencies.

With its market share of 9%, Commerzbank maintained its number three position in the table of issuing banks for foreign DM bonds. We acted as lead manager for a total of 16 new offerings in an overall amount of DM4.8bn; these included, for the first time, the Republic of Austria, Volkswagen, Compagnie Bancaire, Österreichische Kontrollbank, Rémy-Cointreau and the European Coal and Steel Community.

In Eurocredit business, where we were keen to secure management positions, we served as lead manager for 14 international syndicated loans totalling DM2.5bn.

Fewer capital increases

In view of the largely unsatisfactory performance of German equities, companies were fairly reluctant to effect capital increases or go public. At roughly DM10bn, the equity capital raised through capital increases was again distinctly lower than in the previous year. We managed the capital increases of both Schweizer Electronic and Steigenberger Hotels AG. Given the unfavourable market environment, we postponed the bourse introductions planned under our management.

Among our other corporate finance business, the revival of M & A activities should be mentioned, and in particular the transactions of this kind arranged on behalf of Treuhandanstalt, ten of which we have successfully concluded. The know-how required here also helps us handle the privatization of firms in former Czechoslovakia and Hungary.

In DM money-market business, we not only concentrated on the traditional task of controlling and monitoring our own liquidity position, but also pursued an earnings-oriented approach in interbank transactions and in the trading of modern instruments such as forward rate agreements, financial futures and interest-rate options. In addition, we were active in the DM commercial paper market, which continued to expand. Commerzbank was involved in both the placing and the trading of roughly half of the 52 programmes of this kind which existed at year-end.

Lively foreign-exchange business

Foreign-exchange transactions with banks and customers were characterized by the increasing volatility of the markets, which went hand in hand with a strong expansion in turnover during the second half of the year. In foreign-currency options, we managed to consolidate our strong position both in our own-account dealings and in the business conducted with institutional investors. Due to the growing need to hedge positions once turbulence had struck the foreign-exchange markets, there was a marked rise in the number of foreign-currency options concluded, especially in US dollars.

Whereas share trading tended to lack any real momentum, with the market offering mostly lacklustre performance, the renaissance of foreign DM bonds and the wave of buying by non-residents, which hit the German bond market in the autumn, produced an encouraging turnover and earnings trend in our bond trading; in our business with institutional clients, we achieved a turnover that was more than half as high again as in 1991. The gains were even greater in our transactions with non-residents and central banks. At the same time, the expansion in turnover at Deutsche Terminbörse was reflected in our business as well, especially in DAX futures and DAX options.

Expansion in asset management

Our two fund-management companies were able to strengthen their market position further. Commerzbank Investment Management GmbH had raised the total volume of the assets it manages by more than 15% to DM11.7bn by end-1992. It now administers 187 funds for institutional investors, including several for investors from eastern Germany. The average performance of all non-publicly-offered funds was just over 10%. Commerzinvest provides investors not in a position to launch non-publicly-offered funds of their own with the opportunity to participate in special funds, from DM500,000 upwards, involving active asset management. Funds of this type registered growth rates of more than 50%.

The positive trend was also maintained at Commerz International Capital Management GmbH, which is active in international portfolio management. At end-1992, it was administering assets in excess of DM4.5bn for customers from four continents. Our subsidiary's outlets abroad made substantial contributions to its continuing growth. Despite a difficult market environment, CICM's new subsidiary in Japan succeeded in winning its first clients during the first year of business. CICM Fund Management Ltd., Dublin, has extended its palette of specialized funds on the basis of the single European investment directive; in the meantime, it is managing eleven different funds.

The persistently adverse conditions in the Japanese financial markets are also having a negative impact on the commission income of Commerz Securities (Japan) Company Ltd. in Tokyo. In view of the rather gloomy outlook, the Bank has placed great emphasis on cutting costs, among other things through a reduction of its staff from 50 to 40. In the future, ComSec will work together more closely with our local branch, to the degree permitted by Japanese regulations.

4. Our international organization

The reform efforts in Central and Eastern Europe should provide market openings for German business in the medium term, which has prompted us to step up our presence in this region. Hungary and the Czech Republic are particularly interesting. The Hungarian government has given us permission to open our subsidiary Commerzbank (Budapest) Rt. In Prague, we opened a branch office on December 1,1992. Both outlets will conduct all the banking transactions which are permitted in the respective countries. Their activities will mainly involve providing financial support for German and international firms seeking to invest there. One major service will be to advise and assist enterprises earmarked for privatization.

A key priority in Eastern Europe is to develop an efficient banking system. We plan to open further representative offices there; as a first step, we have launched a special training programme for the banks which are being established in the CIS republics. At Commerzbank, employees of these newly created institutions are being familiarized with Western banking practices.

In early 1992, Commerzbank opened a liaison office to the European Communities in Brussels. It is not only intended to ensure a better flow of information as regards new legislative proposals and fiscal-policy developments; it will also participate in the constantly expanding flows of payments between the EC and its financial institutions. At the same time, it will explore the possibilities for our Bank to become involved in pan-European infrastructure projects.

After just over two decades of cooperation, the Europartners group has been dissolved, since the business goals and strategies of the individual members had become ever more difficult to reconcile with one another. Nevertheless, our good bilateral relations with these banks will remain intact.

Successful holdings in Korea, Gibraltar and Brazil

With an interest of 21%, we are the largest foreign shareholder in Korea International Merchant Bank (KIMB), which was founded in 1979. We are also represented on its management board. Despite the more difficult conditions in Korea as well, KIMB has become the leading Korean merchant bank in terms of business volume and earnings; its business volume totalled the equivalent of DM3.7bn at end-1992. KIMB stepped up its activities in the area of syndicated loans and securities business. Within a short space of time, its recently-created corporate finance division has secured for itself a prominent position in arranging investments, primarily in the People's Republic of China and Vietnam, and providing the necessary advice and financing. KIMB's earnings perfomance has kept pace with its balance-sheet growth; during the first nine months of the current business year (April 1, 1992 to March 31, 1993), it achieved a net result already higher than that for the whole of the preceding business year.

Our recent venture in the south of Europe – the jointly-owned Hispano Commerzbank (Gibraltar) Ltd. – was even able to post a positive result for its first full business year. The bank, which specializes in serving high net worth individuals from various countries, offers an alternative to Luxembourg or Switzerland. Given the special status of the British crown colony, this applies in particular to investment counselling and portfolio management.

Despite Brazil's continuing economic difficulties, Unibanco – União de Bancos Brasileiros S.A., São Paulo, in which we have a 10.2% interest – managed to produce a good result last year. Unibanco's branch network comprises 440 branches, 225 payment offices and 13 bureaux de change. The "German desk" run by a Commerzbank delegate was looking after more than 60 subsidiaries of German firms at year-end.

Staff and welfare report

The reform of our branch network has resulted in more efficient structures, quicker decision-making and a greater concentration of technology. The impact of this reform will be felt, in line with our planning, in a reduced deployment of personnel, particularly in 1993 and 1994. Last year, the Parent Bank's workforce expanded by 7.9% to 27,017. This increase was due solely to the integration of Berliner Commerzbank, with a staff of 1,807, and to the rise in the number of staff employed in eastern Germany from 1,640 to around 2,000. The Bank's personnel in western Germany was reduced slightly. Within the Group as a whole, the workforce grew by 1.8% to 28,722. This figure includes for the first time the staff of CommerzLeasing GmbH and Commerz Grundbesitz-Investmentgesellschaft mbH.

Banking is constantly faced with new challenges, and we have to meet these in our personnel work, too. This can be illustrated by two concrete examples of topics on which, among others, we focused intensively in 1992.

Data on Commerzbank's personnel*)

	1992	1991[5]	Change in %
Total staff (Group)	28,722	28,226	+1.8
Total staff (Parent Bank)[1]	27,017	25,044	+7.9
– incl.: based abroad	975	984	–0.9
– incl.: apprentices	2,109	1,949	+8.2
– incl.: junior executives	436	465	–6.2
Permanent staff[2]	23,686	22,160	+6.9
Ratio of apprentices to permanent staff[3]	8.9%	8.8%	–
Years of service			
– more than 10	38.2%	41.2%	–
– more than 20	15.9%	17.3%	–
Staff turnover[4]	6.6%	6.7%	–
Total pensioners and surviving dependents[5]	6,814	6,414	+6.2
– incl.: those retiring during the year	340	371	–8.4
Total entering early retirement during the year[5]	179	200	–10.5

*) Full-time staff; [1] incl. Berlin as well as cleaning and kitchen personnel, excluding staff on maternity leave and long-term sick; [2] employees excl. apprentices, junior executive staff, temporary staff, volunteers, cleaning and kitchen personnel, female staff on maternity leave, long-term sick; [3] incl. staff based abroad; [4] due to staff giving notice; [5] excl. Berlin

Staff training – an investment in the future

Further qualification of employees, from the apprentice stage to management level, is a major factor in maintaining and enhancing the Bank's position in the market and the services it offers. In the course of reforming our branch structure, with the aim of making it more customer-oriented, we again considerably expanded our training facilities. This is reflected in the substantial increase in spending on basic and further training measures. In 1981, these cost us DM49.5m; by 1991, the figure had risen to DM98m, and in 1992 it passed the DM100m mark.

The provision of these services by the Bank is only justifiable and worthwhile if our employees take advantage of the opportunities to obtain additional qualifications, actively pursue their further training and then use their knowledge and their dedication to the job when dealing with customers. In doing so, they are also helping secure their own jobs for the future.

Beginning with tomorrow's managers

Our training measures begin with the advancement programme for employees at the beginning of their careers. This is aimed at staff with potential who have not yet assumed any managerial tasks. Anyone who has trained as a bank clerk can take part in the programme, even if their training was completed some years ago.

The offer is open not only to existing Commerzbank staff but also to newcomers to the Bank, who join the scheme at the level appropriate for their particular knowledge and experience. Successful participation can lead directly to a first management position, e.g. that of branch manager.

Opportunities at home and abroad

Our efforts in the field of staff qualifications are, of course, not restricted to Germany. On the contrary, our various schemes increasingly involve employees abroad, both those seconded from Germany and those hired locally. We have also initiated an opinion poll for our staff abroad in order to assess the currently valid rules for assignments outside Germany. Some two-thirds of those polled took the opportunity to submit valuable ideas via the questionnaire.

The first tangible result of our most recent activities will be new guidelines on international personnel strategy, to be published during the first half of 1993.

Cooperation with staff representatives

Once again, cooperation in the past year with the economic committee, the central staff council, the local staff councils and the senior staff spokesmen's committee was constructive and characterized by mutual trust. The implementation of the structural reform of our branch network was once again a major topic.

Personnel costs and welfare benefits

in DM m	1992	1991	Change in %
Personnel costs	2,311.4	2,201.4	+5.0
– incl.: wages and salaries	1,866.4	1,713.5	+8.9
– incl.: social insurance contributions	276.9	254.8	+8.7
– incl.: pensions, pension fund contributions and benefits	168.1	233.1	–27.9
Employer's contributions to *Beamtenversicherungsverein*)*	74.1	69.1	+7.2
Expenditure – on special payments for long and faithful service	10.6	9.4	+12.8
– on issue of Commerzbank shares to our staff	9.6	8.8	+9.1

*) A supplementary pension fund of the private-sector banks

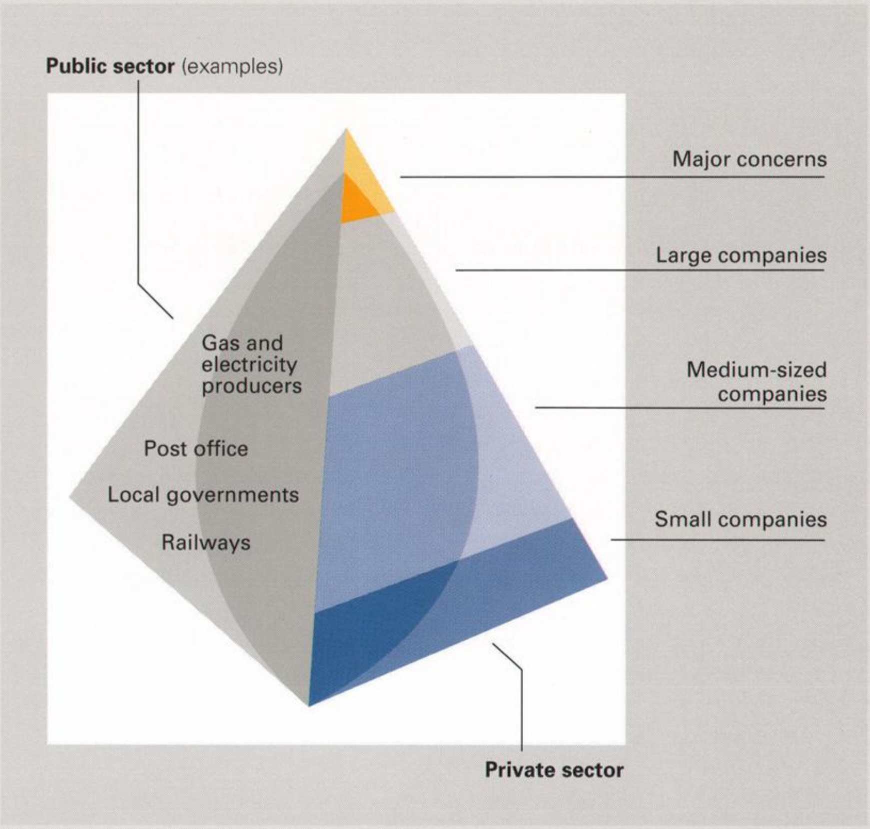
We should like to extend our thanks to all our employees for their efforts over the past year. Their commitment and hard work contributed significantly to the Bank's success. The general support for our further training offensive, which was conceived as a result of the structural reform, deserves special mention here.

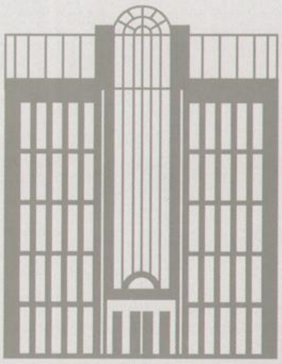
Our thanks are also extended to all those employees who retired last year, most of them after long years of service.

We shall always honour the memory of those employees who died during the past year.

CommerzLeasing

CommerzLeasing's customers





"Leasing has become an interesting alternative ..."

Although leasing and banking business differ to some extent in their conception, Commerzbank has traditionally been involved in this area as well.

The first leasing companies were set up in Germany in 1962. Since 1969, our Bank has maintained an independent subsidiary, which has operated successfully in the moveable goods sector. On October 1, 1992, Commerzbank took over the complete organization and three-quarters of the staff of Deutsche Immobilien Leasing, a company active since 1976, and merged them with its moveable goods leasing operations. Now renamed CommerzLeasing, this subsidiary – with roughly DM15bn in contracts under its management – has become one of Germany's major universal leasing companies. Our new conception brings together the leasing of moveable goods and real estate in a single company providing the entire range of leasing products for its commercial clients. By systematically utilizing the resulting synergy effects, CommerzLeasing is able to expand its business volume further.

Alternative to bank loan

These organizational changes allow Commerzbank to focus on the lucrative and expanding market segment of leasing, whose growth potential in Germany remains disproportionately high. Companies are now aware of leasing as a product and are turning to it as a strategic alternative to bank loans.

Leasing business in Germany, which thanks to unification experienced its most successful year ever in 1991, continued to register substantial expansion last year as well. And the sector's steady growth will continue in the years ahead. Once the economy of eastern Germany is on a stable footing, capital spending will rise there, as it will in the western part of the country, creating new opportunities for leasing companies.

Fresh challenges

Recently, leasing has also become interesting as an alternative way of financing for groups who have previously opted for more traditional forms. And the examples go beyond the railways, post office and broadcasting system. Local governments in particular find themselves confronted with new tasks which must be addressed: in the area of redevelopment, environmental protection, services and waste disposal.

Capital is also needed for further public-sector domains, such as housing, energy production and road-building, not to mention other infrastructure projects; only to a limited degree can the necessary funds be raised via normal budgets. Here CommerzLeasing works closely together with those planning an investment to devise the appropriate tax and contractual constructions which make leasing a viable economic proposition in these new fields as well.

The new approach...

Through the reorganization of its leasing activities, Commerzbank has demonstrated its willingness and ability to explore the diverse possibilities of modern financing in the interest of its clients.

The more intensive use of leasing as a product for our business customers will complement our existing resources in this segment. To this end, we are increasing the necessary backup services.

CommerzLeasing has a closely-knit sales network in Germany, supported by the roughly 950 branches of the Parent Bank itself. As in banking, an on-the-spot presence in order to serve customers is a key factor in leasing.

As the parent company, Commerzbank guarantees cooperation with lessees over the long term. The Bank's strengths lie not only in its solid capital base; it can also offer expert management of financing transactions and ensure that clients enjoy substantial benefits, thanks to its far-reaching contacts.

...with leasing specialists

The success of this new approach depends on a radical change in how leasing is marketed. For this reason, Commerzbank is launching a qualification offensive for staff who have worked up to now in different business segments. We need leasing specialists who are able to meet the more exacting demands on quality posed by the market. For individual projects, and particularly large-scale investments, they will naturally have to consult experts on points of detail. Yet only leasing specialists who are familiar with both the moveable goods and property sectors recognize the need for all-embracing solutions in a given case.

At CommerzLeasing, the various distinct strengths of Commerzbank in the fields of moveable goods and real estate have been brought together under one roof: convincing products, experienced personnel and considerable leasing know-how.

Real-estate leasing

"Think commercially and act to secure the best benefit."

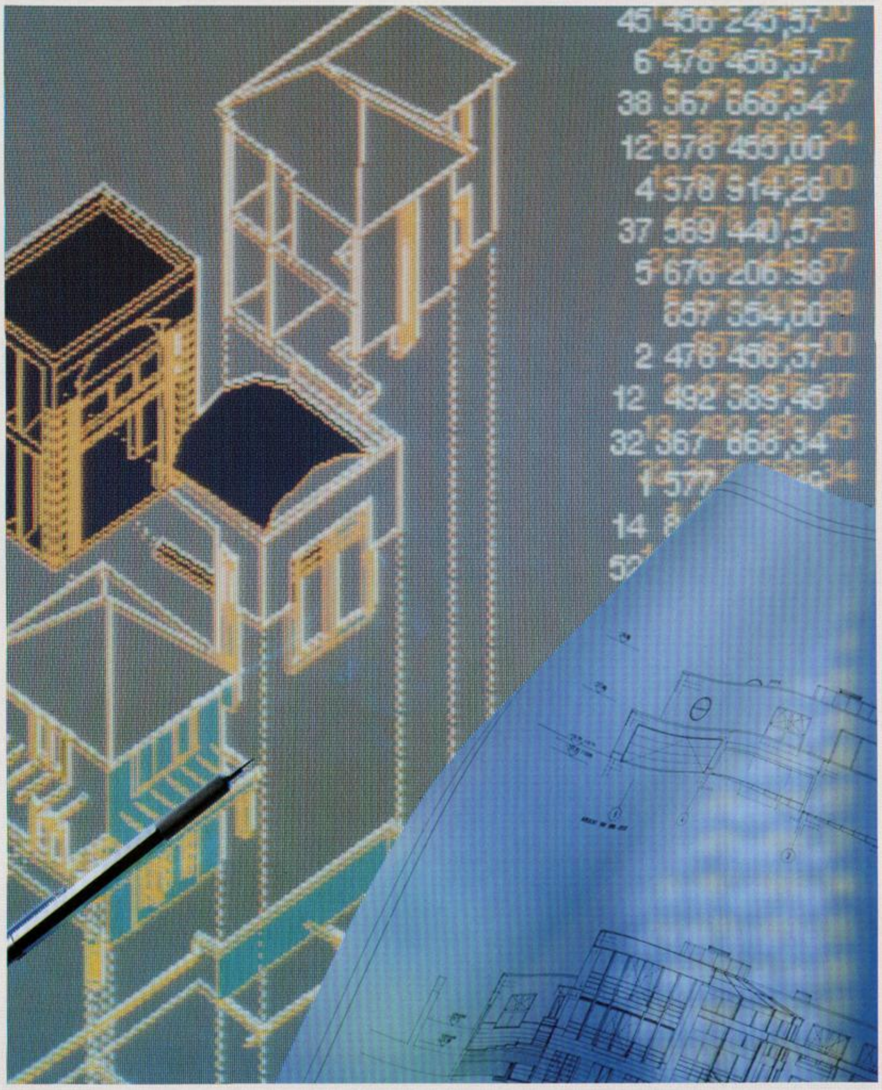
This guiding principle does not only apply to CommerzLeasing's business strategy. Its know-how covers the entire spectrum: from finding a site to the various legal aspects, from tax considerations to accounting, from building norms to insurance, from initial calculations to deciding how the building will be used.

CommerzLeasing's experts look beyond the financial side to examine the legal framework as it affects rentals and taxation. They are also familiar with all the facets of company law. They can provide assistance with the purchase of existing property (sale and lease-back; buy and lease) and especially new buildings.

CommerzBaumanagement

New construction investments call for tight controls over planning, costs, deadlines and quality. This is where CommerzBaumanagement comes in, CommerzLeasing's subsidiary, which realizes building projects at more reasonable cost than its competitors. Drawing on its experience, it conceives and plans projects for its clients, supervising activities until the object is ready for use. Thanks to the large volume of orders placed, it can exert a cost-curbing influence on the market. Consequently, the final price and the deadline may be fixed before work actually begins.

CommerzBaumanagement is an important address for clients seeking to realize their individual plans. It ensures an optimal cooperation with architects, engineers, component suppliers, lawyers and contractors – right down to the moment when the keys are handed over.



Moveable goods

An entrepreneur opting to lease moveable goods is investing in the expansion of his company. His costs become immediately calculable over the long term. All the capital goods which fall under the heading "means of production" may be leased: from machine tools to the complete assembly line; in addition, office equipment and computers, medical technology, vehicles, construction machinery, infrastructure measures,....

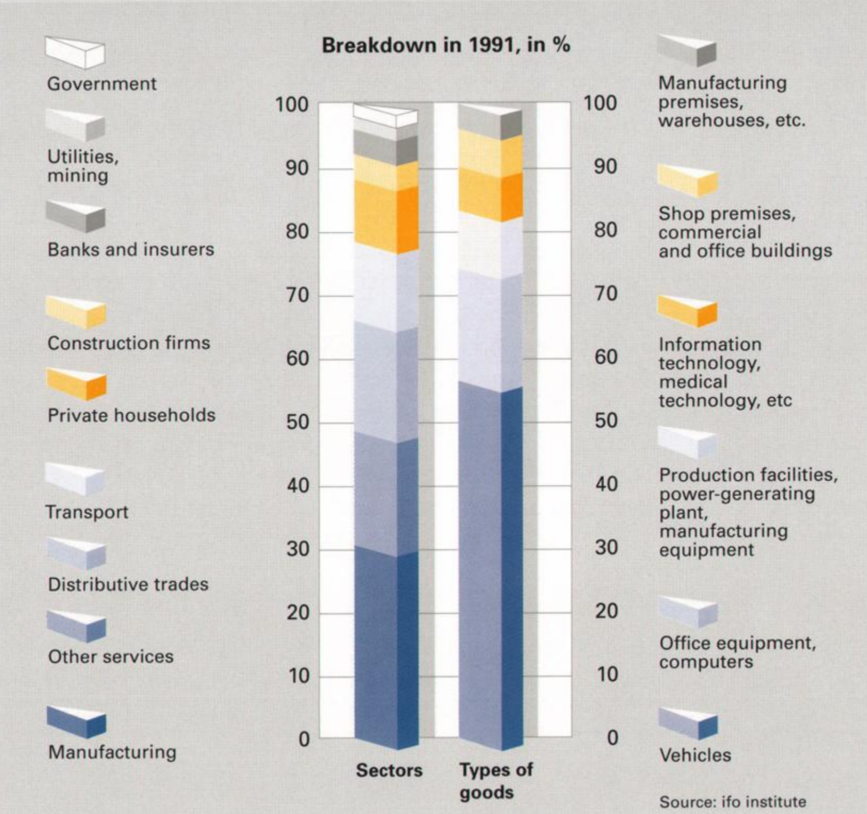
Customized projects

The spectrum of CommerzLeasing's services ranges from the first ideas at the planning stage, via help in selecting the product and supplier, to arranging the financing. Nor does the size of a project present any problem for CommerzLeasing. It has successfully handled, for instance, complete assembly lines and major plant for the chemical industry. Together, the entrepreneur, the manufacturer, the banks, the advisers and the experts for major projects at CommerzLeasing devise a model tailored to reflect the customer's needs and goals.

The very mobility of vehicles makes them ideal leasing objects. CommerzLeasing has considerable experience in this area, relating to individual vehicles as much as to entire fleets – and not limited to selected makes.

But leasing is good for computers, too. As a result, it has become a firm feature of the innovative data-processing sector, with its ever-shorter product cycles. Thanks to the flexible terms of the contracts used, lessees can respond to new developments in good time or add to and improve their existing equipment.

Investments financed by leasing in Germany



Source: ifo institute

Leasing-based funds

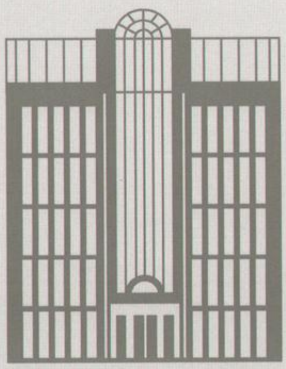
For some time now, leasing has played an important role in companies' financial and structural planning. There is greater demand than ever for new, imaginative solutions to the problem of funding moveable goods and property. From both the financing and the investment angles, the closed-end property funds managed by CommerzLeasing present an alternative. They provide lessees with equity capital from various investors at reasonable cost, thus enabling them to realize economically viable rents, substantially different from those calculated on the basis of conventional bank financing.

Additional tax advantages

At the same time, our private and business customers can also secure for themselves certain tax advantages by providing capital for property-leasing projects. Through the fund construction, CommerzLeasing offers high-income individuals an attractive investment vehicle – not least from the tax perspective. One further advantage is that the duration of and return on an investment are clearly defined in the case of property-based leasing funds. What is more, the leasing option largely eliminates the risks and the adminstrative costs which would otherwise be incurred. For the private investor, this means a high yield combined with very low risk.

Even today, a broad range of attractive financing models exists. However, suitable objects and interested parties have to be brought together. In the past, at least, the demand for property-based funds was always greater than the supply of available projects.

"Think commercially and act to secure the best benefit."



Report on the Bank's Performance

(continued)

The Group

Commerzbank AG, the Parent Bank, works closely together with the companies affiliated with it in the Commerzbank Group. Particular importance attaches to the role played by the domestic and foreign credit institutions and by the financial consultancy and leasing firms among its members. Details of the activities and performance of Group companies are given in the Notes on the Parent Bank's Annual Accounts as well as in the Group's Report, Accounts and Financial Statement. With effect from October 1, 1992, our wholly-owned subsidiary, Berliner Commerzbank Aktiengesellschaft, Berlin, was merged with Commerzbank Aktiengesellschaft, Frankfurt am Main. We have taken over all of its assets and liabilities. At the time of the merger, our subsidiary had a balance sheet total of DM12.7bn, total lending of DM8.6bn and borrowed funds of DM11.9bn. The difference between the equity capital shown and the book value of our investment has been included, together with the result for the short business year, in the form of a merger surplus under other income and transferred to the Bank's revenue reserves. At end-1992, the Group's business volume (balance sheet total plus endorsement liabilities) stood at DM235.4bn, an increase of DM6.4bn, or 2.8%, on the year-earlier level of DM229.0bn.

The consolidated balance sheet total went up by 2.7% in 1992 to DM232.7bn. The Parent Bank accounted for approximately 68% of the gross assets before elimination of intra-Group balances. The latter's aggregate lending was up 5.6% at DM166.7bn, and the overall volume of its borrowed funds expanded by 2.4% to reach DM218.1bn.

Parent Bank's business volume

The business volume of the Parent Bank reached DM176,464m at the balance sheet date (December 31, 1992), up 13.8% on the end-1991 level of DM155,059m. On average over the year, the business volume amounted to DM161,379m in 1992, 9.6% higher than the 1991 average of DM147,299m. Of the 1992 year-end total, DM50,330m was contributed by the foreign branches, which thus had a share of 28.5%, as against 31% at end-1991.

The Parent Bank's total assets increased by DM20,926m, or 13.7%, to DM173,791m in the year under review. Expressed in D-marks, the changes in the utilization of new funds that were instrumental in bringing about such expansion are illustrated in the table on the opposite page.

Lending

Total lending to banks and non-banks (excluding loans on a trust basis and guarantees) rose by DM15,203m, or 15.8%, since end-1991.

The overall amount breaks down as follows:

Total lending

	1992	1991
Loans to customers		
a) short and medium-term	DM 55,581m = 49.8%	DM49,648m = 51.5%
b) long-term	DM 47,983m = 43.0%	DM40,086m = 41.5%
	DM103,564m = 92.8%	DM89,734m = 93.0%
Loans to banks		
a) short and medium-term	DM 2,593m = 2.3%	DM 1,897m = 2.0%
b) long-term	DM 1,360m = 1.2%	DM 1,810m = 1.9%
	DM 3,953m = 3.5%	DM 3,707m = 3.9%
Book and acceptance credits	DM107,517m = 96.3%	DM93,441m = 96.9%
Bills discounted	DM 4,147m = 3.7%	DM 3,020m = 3.1%
	DM111,664m = 100.0%	DM96,461m = 100.0%

At end-1992, short and medium-term loans represented altogether 52.1% of the Bank's overall lending, compared with 53.5% on December 31, 1991. All told, long-term loans increased by DM7,447m, or 17.8%; their relative share rose to 44.2% from 43.4% at end-1991. Funds extended at longer terms were, inter alia, financed through bonds issued by the Parent Bank with maturities of more than four years amounting to DM4,734m and through DM27,971m in 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 proceeds of foreign-currency bonds issued by members of the Commerzbank Group. Where so provided for in the agreements with the respective original lenders, funds were passed on to the final borrower on the terms set by the former.

Utilization of new funds in 1992

	in DM m
Source of funds	
Increase in liabilities	(21,489)
a) bank deposits	4,562
b) customers' deposits	12,882
c) bonds and notes	2,764
d) provisions for pensions	103
e) equity capital	1,054
f) other liabilities	124
Reduction of other assets	(26)
Depreciation on fixed assets	(255)
	21,770

	in DM m
Application of funds	
Increase in assets	(21,456)
a) cash reserves and cheques	3,184
b) bills of exchange	648
c) claims on banks	246
d) nostro balances	1,989
e) treasury bills	115
f) bonds	105
g) shares	21
h) short and medium-term loans to customers	5,933
i) long-term loans to customers	7,897
j) investments (subsidiaries, associated companies, and trade investments)	656
k) fixed assets	
ka) land and buildings	82
kb) office furniture and equipment	439
l) other assets	141
Reduction of liabilities	(314)
a) own acceptances	212
b) other provisions	31
c) deferred items	71
	21,770

Book and acceptance credits showed a rise of DM13,830m, or 15.4%, in loans to customers, with lending to banks advancing by DM246m, or 6.6%.

Bill discounts increased by DM1,127m, or 37.3%, to DM4,147m. This includes DM2,673m of rediscounted bills representing 64.5% of our total bill portfolio at year-end.

Bills discounted by our foreign branches plus book and acceptance credits extended by them totalled DM24,828m, or 22.2% of aggregate lending of this type, compared with DM26,839m, or 27.8%, at end-1991.

Last year as well, our lending called for additional loan loss reserves. We earmarked a higher amount than in the previous year to cover risks relating to changes in the standing of borrowers. The customary caution was applied in providing for such risks. The situation of the countries which we consider to represent heightened lending risks does not reveal any uniform trend. On the one hand, we note some signs of improvement among South American countries. On the other, sizeable credit risks, for which further provision had to be made at Group level, have arisen due to events in Eastern Europe and the former Soviet Union. We now have loan loss reserves which represent just over 75% of our exposure in countries we consider problematic. This includes our claims on the former Soviet Union. Claims on Mexico and Venezuela on the basis of bonds issued which have been secured by zero-coupon bonds issued by the US or German governments have been included under bonds and notes and valued by strict application of the lower-of-cost-or-market principle. We regard such claims as US or German risks.

In 1992, we slightly increased both our claims on and liabilities to other banks in a year-on-year comparison. At end-1992, we had a net interbank borrower position of DM3.4bn, as against DM1.1bn twelve months previously.

Borrowed funds

	Year-end, 1992	Year-end, 1991
Liabilities to banks		
a) demand	DM 5,838m = 3.6%	DM 4,937m = 3.5%
b) time	DM 32,240m = 19.9%	DM 28,579m = 20.1%
	DM 38,078m = 23.5%	DM 33,516m = 23.6%
Customers' deposits		
a) demand	DM 27,377m = 16.9%	DM 21,646m = 15.2%
b) time	DM 64,391m = 39.8%	DM 60,999m = 43.0%
c) savings deposits	DM 21,233m = 13.1%	DM 17,474m = 12.3%
	DM113,001m = 69.8%	DM100,119m = 70.5%
Bonds issued	DM 9,139m = 5.6%	DM 6,375m = 4.5%
Acceptances outstanding	DM 1,719m = 1.1%	DM 1,931m = 1.4%
Total borrowed funds	DM161,937m = 100.0%	DM141,941m = 100.0%

The above table shows that the Bank further improved its overall deposit structure by taking in an additional DM12.9bn of customers' deposits. Included here are the customers' deposits of altogether DM8.8bn which we took over through the merger with our Berlin subsidiary. Demand deposits rose by DM5.7bn, or 26.5%. Time deposits went up by DM3.4bn, or 5.6%, and savings deposits by DM3.8bn, or 21.5%. All told, our own bonds in circulation rose by

DM2,764m, or 43.4%, those at short and medium term increasing by DM182m, with longer-term bonds up by DM2,582m. At end-1992, the volume of our own acceptances outstanding was down by DM212m on end-1991.

At end-December 1992, long-term funds at our disposal broke down as follows:

	DM m
Term deposits from other banks	11,779
Term deposits from customers	15,978
Savings deposits at 4-year period of notice	214
Bonds outstanding	4,734
	32,705

In addition, a total of DM2.5bn of funds was deposited with us under the various savings plans we offer.

Investments as shown in the balance sheet

Of the investments as shown in the balance sheet, DM1,757m represent holdings in credit institutions and DM3,265m in non-banks. As required by Section 285 (11) of the German Commercial Code (HGB), companies in which we or affiliates of ours have a one-fifth minimum stake are listed in the Notes on the Parent Bank's Annual Accounts. Details on the DM656m rise in the book value of our holdings and investments are also given there.

DM821m of this change stems from investments in non-banks; our interests in credit institutions are shown DM165m lower. DM142m of the increase in our non-bank holdings relates to new acquisitions, DM669m to additions to existing interests, and DM152m to holdings taken over through the merger with Berliner Commerzbank AG, Berlin. Stakes with a book value of DM131m were disposed of and DM11m was written down. The significant new acquisitions are our two wholly-owned subsidiaries CommerzLeasing GmbH, Düsseldorf, and Ice Diver Investments, Dublin. CommerzLeasing GmbH has been active in the leasing of real estate and moveable goods, since we reached agreement with Deutsche Bank AG that our jointly-owned subsidiary Deutsche Immobilien-Leasing GmbH (DIL), Düsseldorf, would not take on any new real-estate business after September 30, 1992. Under the new name of ILV Immobilien-Leasing Verwaltungsgesellschaft mbH, Düsseldorf, this company manages the property leased prior to that date. Ice Diver Investments invests in the European money and capital markets, utilizing the opportunities offered by the International Financial Services Centre, Dublin.

Among the additions to existing holdings in non-banks, by far the largest items are the conversion of shareholder loans into equity capital in the case of Atlas Vermögensverwaltungsgesellschaft mbH, Düsseldorf, and Commerz Immobilien GmbH, Frankfurt. Hostra Beteiligungsgesellschaft mbH, Düsseldorf, required an increase in its shareholder loans, which were already shown as investments in the balance sheet, to enable it to take up its full quota of the capital increase effected by IKB Deutsche Industriebank AG, Düsseldorf/Berlin. Through the merger with our Berlin subsidiary, we have acquired eight interests in non-banks. Among the disposals, the main items were Schaltbau GmbH, Munich, and Deutsche Gesellschaft für Anlageverwaltung mbH, Frankfurt am Main. Write-downs relate to seven individual items.

The decline in our investments in credit institutions reflects the elimination of the book value of our interest in Berliner Commerzbank AG, Berlin, as a result of merger. A new acquisition, at DM8m, was Commerz Grundbesitz-Investmentgesellschaft mbH, Wiesbaden, established in March 1992 by us, with a 75% stake, and by DBV Holding Aktiengesellschaft, Wiesbaden, with a 25% stake. On July 1, 1993, this company is to take over the administration of "HAUS-INVEST", the open-ended property fund set up in 1972. We increased our holdings in banks in twelve cases, involving altogether DM7m; through merger, we acquired a total of seven investments with a book value of DM1m. Write-downs on our investments in banks amounted to DM8m.

Earnings performance

The Bank's annual accounts have been drawn up in accordance with the rules for the preparation of balance sheets of the Federal Banking Supervisory Office, valid until the end of 1992. For the presentation of our 1992 earnings performance, we have adjusted last year's results and the comparable figures for 1991 to take into account the expenditure of DM134m (DM90m in 1991) on that part of the Bank's profit-sharing certificates outstanding which has to be served for the last time in 1992 from the distributable profit.

Interest payments on the DM500m nominal of profit-sharing certificates issued by the Parent Bank on December 1, 1992 are already being entered under interest paid, as laid down in their conditions of issue. Starting in the 1993 business year, all distributions on profit-sharing certificates outstanding have to be shown under "interest expenses" in the Profit and Loss Account in accordance with section 29 of the directive for the preparation of year-end statements by banks of February 10, 1992, which must then be complied with. Finally, we wish to point out that the 1992 results include income and expenses for the fourth quarter of last year of what became our Berlin Branch as per October 1, 1992.

Using the format employed in our Interim Reports as of June 30 and October 31, 1992, we present below our partial and full operating results for 1992 and 1991.

In the year under review, our earnings performance was once again positive. The Parent Bank's partial operating result rose by 26.9% and the overall operating result by 33.4%.

The increase in net interest and dividend income was due to an average business volume that was 9.6% higher than last year's and a somewhat better average interest margin, which, computed by the modified procedure described above, amounted to 2.29%; calculated on a comparable basis, the corresponding figure for 1991 was 2.20%. Net commission income advanced by 7.9%, with a positive trend registered for our securities and syndicate operations as well as for the commissions earned in our foreign commercial business and payments transactions.

Total operating expenditure went up by altogether DM251m, or 7.5%. This comparatively small increase was influenced by personnel costs which rose by no more than DM110m, or 5.0%. The item salaries, wages and social security contributions, which totalled DM2,143m (up 8.9%) was affected by the year-on-year increase of only a bare 1% in the average number of staff (excluding Berlin). The expenses for pensions and other employee benefits, which are in-

Profit and Loss Account	1992 in DM m	1991 in DM m	change on 1991 in DM m	change on 1991 in %
Interest and similar income	11,607	10,670	937	8.8
Current income from securities, investments and net income from profit-transfer agreements	1,732	1,333	399	29.9
	13,339	12,003	1,336	11.1
Interest and similar expenses (incl. profit-sharing rights issued)	9,641	8,760	881	10.1
Net interest and dividend income	3,698	3,243	455	14.0
Commission income	1,347	1,257	90	7.2
Commission expenses	45	50	–5	–10.0
Net commission income	1,302	1,207	95	7.9
Above net income, total	5,000	4,450	550	12.4
Salaries, wages, social security contributions	2,143	1,968	175	8.9
Expenses for pensions, other employee benefits	168	233	–65	–27.9
Personnel expenses	2,311	2,201	110	5.0
Other operating expenses	1,024	913	111	12.2
Current write-downs of fixed assets	255	225	30	13.3
Above expenses, total	3,590	3,339	251	7.5
Partial operating result	1,410	1,111	299	26.9
Result of own-account transactions in securities, foreign exchange and financial futures	192	90	102	113.3
Operating result	1,602	1,201	401	33.4

cluded in the overall personnel costs, were down from DM233m in 1991 to DM168m. The main reason for this is the lower allocation made to pension provisions. One of the components in calculating this item are the negotiated salaries at the balance sheet date, which – with the exception of individual adjustments and increases in personnel numbers – have remained unchanged since end-1991, as the negotiated agreement is valid until January 31, 1993. Other operating expenses and current write-downs on fixed assets and equipment contain considerable expenses incurred through the development of our branch network in eastern Germany.

The profits from our own-account transactions were more than double their year-ago level in 1992, due to particularly successful foreign-exchange dealings. Higher write-downs on securities, which followed the lower-of-cost-or-market principle, had to be taken into account, insofar as they had not already been reflected in the net result for our own-account transactions. Large amounts were needed to provide for risks arising from commercial lending and for country risks. As hitherto, we have adequately provided for all discernible risks. At the same time, income has been generated through the liquidation of a wholly-owned company as well as through the sale of securities, investments and property. The merger surplus from Berliner Commerzbank AG forms part of the allocation to revenue reserves. We have made full use of the possibility of setting off earnings from the lending business and profits on securities transactions against write-downs on securities and value adjustments to credits as well as additions to loan loss reserves.

At DM2,208m, the Group's operating result was DM379m, or 20.7%, higher than in 1991.

Proposal on appropriation of profit

After the allocation of DM350,000,000 to other revenue reserves, the remaining, distributable profit is

DM396,523,530.

Commerzbank herewith proposes to its shareholders that DM262,048,450 of this amount be used for the distribution of a dividend of DM10 per DM50 nominal share on the dividend-bearing share capital of DM1,310,242,250.

With the DM5.63 tax credit for shareholders who have unlimited tax liability in Germany included, the gross amount they are to receive per DM50 share is DM15.63.

Provided that the AGM decides to support our proposal regarding the appropriation of this part of the distributable profit, a further

DM134,475,080

will remain for distribution to the holders of the profit-sharing certificates outstanding.

Pursuant to section 23 (2) of the Bank's statutes in conjunction with the conditions for profit-sharing certificates, the holders of the profit-sharing certificates issued in 1985 in an aggregate nominal amount of DM425,000,000 are thus entitled to a distribution from the Bank's distributable profit in an aggregate amount of DM43,562,500 for the 1992 financial year. This translates into a basic payment of 8.25% of the certificates' face value plus an additional amount, for 1992, of 2.0% of the certificates' face value.

Pursuant to section 23 (2) of the Bank's statutes in conjunction with the conditions for profit-sharing certificates, the holders of the profit-sharing certificates issued in 1989 by Berliner Commerzbank AG, Berlin, in an aggregate nominal amount of DM80,000,000 are entitled to a distribution from the Bank's distributable profit in an aggregate amount of DM6,400,000 for the 1992 financial year. This translates into a basic payment of 8% of the certificates' face value.

Pursuant to section 23 (2) of the Bank's statutes in conjunction with the conditions for profit-sharing certificates, holders of the convertible profit-sharing certificates issued in 1990 in an aggregate nominal amount of DM499,019,000, after conversions, are thus entitled to an aggregate amount of DM34,931,330 from the Bank's distributable profit for the 1992 business year. This translates into an interest payment equal to 1.4 times the dividend paid on a DM50 nominal Commerzbank share for each DM200 nominal of convertible profit-sharing certificates, i.e. DM14 or 7%.

Pursuant to section 23 (2) of the Bank's statutes in conjunction with the conditions for profit-sharing certificates, holders of the profit-sharing certificates with option rights attached issued in 1991 in an aggregate nominal amount of DM500,000,000 are entitled to a distribution from the Bank's distributable profit in an aggregate amount of DM47,500,000, which falls due on June 30, 1993. This translates into a payment of 9.50%.

Pursuant to section 23 (2) of the Bank's statutes in conjunction with the conditions for profit-sharing certificates, the holders of the profit-sharing certificates issued in 1992 by Berliner Commerzbank AG, Berlin, in an aggregate nominal amount of DM30,000,000 are entitled to ¾ of a year's distribution from the Bank's distributable profit, representing an aggregate amount of DM2,081,250 for the period from April 1 to December 31, 1992. This translates into a basic payment of 9.25% p.a. of the certificates' face value, which falls due on June 30, 1993.

Equity capital

Following the allocation of altogether DM350.0m to other revenue reserves from the net income for the past business year, the Bank's equity capital totals DM7,939m, up from DM6,886m at end-1991; this corresponds to 4.6% and 4.5%, respectively, of the balance sheet totals for either year. Details of the Bank's equity capital structure and the changes that occurred in it over the year under review are given in the Notes on the Parent Bank's Annual Accounts, as required by Section 264 (1) of the German Commercial Code (HGB).

Perspectives

We are confident that the Bank will achieve a reasonable result in its business operations in 1993 as well. However, due to the difficult economic situation, it is impossible at present to make a clear assessment. Thanks to our adequate capital base, we are able to maintain our earnings-oriented growth. The restructuring of our branch network, begun in 1991 and largely completed last year, is already having a decidedly positive impact. We expect the reorganization at head office and the simplification of decision-making procedures which it entails to produce further improvements.

BALANCE SHEET AS AT DECEMBER 31, 1992

Assets	DM	DM	DM	Dec 31, 1991 DM1,000
Cash on hand			1,144,685,664.03	831,196
Balance with Deutsche Bundesbank			7,622,163,401.41	5,281,630
Balances on postal giro accounts			87,291,549.38	7,368
Cheques, matured bonds, interest and dividend coupons, items received for collection			979,614,700.21	529,762
Bills of exchange			1,473,615,020.79	826,389
incl.: a) rediscountable at Deutsche Bundesbank	1,020,136,185.18			
b) own drawings	6,787,123.63			
Claims on banks				
a) payable on demand		3,807,988,144.10		7,448,511
b) with original periods or periods of notice of				
ba) less than three months		15,910,042,385.78		8,214,432
bb) at least three months, but less than four years		13,065,180,035.84		14,520,591
bc) four years or more		1,870,367,861.65		2,235,472
			34,653,578,427.37	32,419,006
Treasury bills and discountable Treasury notes, issued by				
a) the Federal and Länder Governments		—		17,141
b) others		725,753,542.42		593,286
			725,753,542.42	610,427
Bonds and notes				
a) with a life of up to four years, issued by				
aa) the Federal and Länder Governments	105,265,779.17			
ab) banks	1,605,913,800.95			
ac) others	573,242,556.97	2,284,422,137.09		3,377,200
incl.: eligible as collateral for Deutsche Bundesbank advances	1,544,504,348.86			
valued as fixed assets	15,557,940.72			
b) with a life of more than four years, issued by				
ba) the Federal and Länder Governments	2,423,202,298.67			
bb) banks	3,010,333,375.43			
bc) others	5,321,953,107.35	10,755,488,781.45		9,557,381
			13,039,910,918.54	12,934,581
incl.: eligible as collateral for Deutsche Bundesbank advances	4,567,419,225.49			
valued as fixed assets	3,165,870,186.89			
Securities not to be shown elsewhere				
a) shares marketable on a stock exchange and investment fund certificates		1,686,100,986.42		1,672,585
b) other		22,163,760.69		13,854
			1,708,264,747.11	1,686,439
incl.: holdings of more than one-tenth of the shares of a joint-stock or mining company, unless shown as investments	493,359,440.56			
Claims on customers, with original periods or periods of notice of				
a) less than four years		55,581,038,697.45		49,648,200
b) four years or more		47,983,269,617.20		40,085,984
			103,564,308,314.65	89,734,184
incl.: ba) secured by mortgages on real estate	11,886,451,897.35			
bb) communal loans	4,421,083,325.76			
Recovery claims on Federal and Länder authorities under post-war currency reform acts			16,180,344.33	18,256
Loans on a trust basis at third party risk			189,048,327.51	438,415
Subsidiaries, associated companies, and trade investments (investments)			5,021,568,000.00	4,366,342
incl.: investments in banks	1,756,648,000.00			
Land and buildings			867,533,000.00	805,499
Office furniture and equipment			1,035,238,000.00	831,353
Bonds and notes issued by Commerzbank			157,305,092.76	173,244
nominal amount	153,227,000.00			
Other assets			911,842,289.33	769,786
Deferred items				
a) unamortized debt discount (difference according to Section 250 (3) of the German Commercial Code – HGB)		527,450,734.99		529,972
b) other		65,672,311.25		71,422
			593,123,046.24	601,394
		Total Assets	173,791,024,386.08	152,865,271
Total Assets and the rights of recourse accruing to the Bank in respect of the contingent liabilities shown below the line on the liabilities side include				
a) claims on affiliated companies			8,453,796,717.77	5,560,463
b) claims arising from loans falling under Section 15 (1) 1-6 and (2) of the German Banking Act (KWG), unless included under a)			418,948,765.36	351,972

Liabilities and Shareholders' Equity	DM	DM	DM	Dec 31, 1991 DM1,000
Liabilities to banks				
a) payable on demand		5,837,722,547.67		4,936,472
b) with original periods or periods of notice of				
ba) less than three months	6,413,874,044.09			
bb) at least three months, but less than four years	14,037,666,898.10			
bc) four years or more	11,779,037,776.19	32,230,578,718.38		28,569,206
incl.: due in less than four years	6,031,406,680.39			
c) customers' drawings on other banks		9,745,751.47		10,193
			38,078,047,017.52	33,515,871
Liabilities to customers (customers' deposits)				
a) payable on demand		27,377,723,332.61		21,646,518
b) with original periods or periods of notice of				
ba) less than three months	33,478,576,829.71			
bb) at least three months, but less than four years	14,934,761,048.94			
bc) four years or more	15,977,501,463.06	64,390,839,341.71		60,998,776
incl.: due in less than four years	10,019,470,936.67			
c) savings deposits				
ca) subject to legal period of notice	18,522,824,361.22			
cb) other	2,709,964,142.40	21,232,788,503.62		17,474,157
			113,001,351,177.94	100,119,451
Bonds and notes with a life of				
a) up to four years		4,405,111,414.70		4,223,147
b) more than four years		4,733,607,589.09		2,151,384
			9,138,719,003.79	6,374,531
incl.: maturing in less than four years	1,225,073,926.44			
Acceptances and promissory notes outstanding			1,719,359,693.29	1,930,775
Loans on a trust basis at third party risk			189,048,327.51	438,415
Provisions				
a) for pensions		1,401,500,000.00		1,298,000
b) other		1,330,422,000.00		1,361,720
			2,731,922,000.00	2,659,720
Other liabilities			518,612,986.00	443,979
Deferred items			66,334,070.01	137,130
Profit-sharing certificates outstanding			2,034,019,000.00	1,424,108
incl.: maturing in less than two years	—			
Subscribed capital			1,310,242,250.00	1,291,124
(authorized but unissued conditional capital:	644,754,750.00)			
Capital reserve			2,860,984,383.76	2,786,281
Revenue reserves				
a) legal reserve		6,000,000.00		6,000
d) other revenue reserves		1,728,003,000.00		1,378,003
			1,734,003,000.00	1,384,003
Commerzbank Foundation			11,857,946.26	11,283
Distributable profit			396,523,530.00	348,600
Total Liabilities and Shareholders' Equity			173,791,024,386.08	152,865,271
Endorsement liabilities on rediscounted bills of exchange			2,673,403,922.68	2,194,333
Contingent liabilities from guarantees, including guarantees for bills and cheques, and from indemnity agreements			19,062,259,793.19	17,104,187
Commitments under repurchase agreements, not included in liabilities			—	58,200
Total Liabilities, together with contingent liabilities and other commitments shown below the line, include liabilities to affiliated companies in the amount of			10,802,351,168.65	12,871,793

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1992

Expenses			1991
	DM	DM	DM1,000
Interest and similar expenses		9,506,472,075.89	8,669,296
Commissions and similar service charges paid		44,891,550.15	49,789
Write-downs of and adjustments to claims and securities, and additions to provisions for possible loan losses		1,659,471,446.27	644,500
Salaries and wages		1,866,395,142.36	1,713,517
Compulsory social security contributions		276,868,991.17	254,782
Expenses for pensions and other employee benefits		168,173,153.97	233,146
Other operating expenses		1,023,538,289.39	912,749
Depreciation on and adjustments to land and buildings, office furniture and equipment		254,722,306.37	224,787
Write-downs of and adjustments to investments (subsidiaries, associated companies, and trade investments)		19,227,631.45	1,643
Taxes			
a) on income and assets	404,004,302.79		441,811
b) other	2,413,591.76		7,526
		406,417,894.55	449,337
Charges for losses assumed under profit and loss transfer agreements		1,918,569.61	14,408
Other expenses		98,516,463.13	153,500
Net income for the year		746,523,530.00	447,454
	Total Expenses	16,073,137,044.31	13,768,908

	DM	1991 DM1,000
Net income for the year	746,523,530.00	447,454
Withdrawals from revenue reserves from reserve for the Bank's own shares	—	1,146
Allocation to revenue reserves d) to other revenue reserves	350,000,000.00	100,000
Distributable profit	396,523,530.00	348,600

Income	DM	DM	1991 DM1,000
Interest and similar income from lending and money-market transactions		11,607,390,808.85	10,669,876
Current income from			
a) fixed-interest securities and Government-inscribed debt	1,223,948,776.28		899,764
b) other securities	108,147,323.55		112,131
c) investments (subsidiaries, associated companies, and trade investments)	277,165,600.08		285,610
		1,609,261,699.91	1,297,505
Commissions and other service charges received		1,347,107,296.79	1,256,896
Other income, including income from the writing back of provisions for possible loan losses		1,359,091,642.08	464,473
Income from profit-pooling and from partial or full profit-transfer agreements		123,955,784.04	49,311
Income from the writing back of provisions, unless it has to be shown under other income		26,329,812.64	30,847
	Total Income	16,073,137,044.31	13,768,908

Notes on the Parent Bank's Annual Accounts

Changes in book value of fixed assets and investments

	Investments*)	(incl.: in banks)	Land and buildings	Office furniture and equipment	(incl.: intangible assets)
	in DM m	in DM m	in DM m	in DM m	in DM m
Book value as of Jan. 1, 1992	4,366.3	1,921.8	805.5	831.4	8.4
Additions	978.3	15.6	156.8	451.1	16.2
Disposals	303.8	173.3	74.5	12.9	–
Write-downs/ depreciation	19.2	7.5	20.3	234.4	5.2
Book value as of Dec. 31, 1992	5,021.6	1,756.6	867.5	1,035.2	19.4

*) subsidiaries, associated companies, and trade investments.

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

The disposals of investments also include the book value of Berliner Commerzbank Aktiengesellschaft, Berlin, merged with us as per October 1, 1992. Both the additions to and the depreciation on office furniture and equipment include minor-value items bought in 1992 worth DM21.6m.

The Bank's own shares

In order to offer shares for subscription to our staff, the Bank's share capital in the year under review was increased by DM4,095,950 nominal through the issue of DM50 nominal shares at a price of DM267.50 each. In addition, we purchased 63 of our own shares at an average price of DM252.38 per DM50 nominal share. We sold altogether 81,982 of our own shares to employees of the Bank and its subsidiaries at a preferential price of DM137 per DM50 nominal share.

Of the difference between the subscription price and the cost to the Bank, shown under personnel costs, DM9.6m was borne by us and DM1.1m by other Group companies.

As part of our securities transactions subject to disclosure in this Report serving to ensure orderly market conditions for trading in our own shares, in accordance with Section 71 (1) 1 of the German Stock Corporation Act (AktG),

2,119,917 Commerzbank shares of DM50 nominal each were bought by us,

and

83,850 Commerzbank shares of DM50 nominal each were bought by companies controlled or majority-owned by the Bank at a weighted average buying price of DM247.10. In all, 2,204,767 shares were sold at a similarly computed average resale price of DM247.93. The sales include 1,000 shares, valued at DM247.50 each, which were held by a Group company on December 31, 1991.

The proceeds from these transactions were reallocated to working funds. The highest number of Commerzbank shares in our possession on one specific day in 1992 was 83,724 – of a total nominal value of DM4,186,200 – representing 0.32% of our share capital at that date.

At end-1992, collateral furnished by borrowers as security included:

244,478 Commerzbank shares of DM50 nominal each, pledged to us, and 36,591 Commerzbank shares of DM50 nominal each, pledged to companies controlled or majority-owned by the Bank. The total pledged represented 1.1% of the Bank's share capital.

Capital and reserves

Profit-sharing certificates outstanding

The volume of profit-sharing certificates outstanding totalled DM2,034.0m at end-1992 and breaks down as follows:

DM425.0m issued by the Bank in *1985*. The profit-sharing certificates are bearer paper, issued as follows:

50,000 certificates of DM100 nominal,
40,000 certificates of DM1,000 nominal,
38,000 certificates of DM10,000 nominal.

The holders of profit-sharing certificates will be served before Commerzbank shareholders from the Bank's distributable profit, receiving an annual payment which is computed as follows:

- a payment of 8.25% of the face value of the profit-sharing certificates
- plus an additional amount corresponding to 0.25% of the face value of the profit-sharing certificates for each DM0.50 of dividend paid on the Bank's DM50 nominal shares over and above an amount of DM6.

If the distributable profit is not large enough for the basic payment to be made, the distribution will be scaled down accordingly. The Bank is under no obligation to make back payments.

The distribution relating to the profit-sharing certificates falls due on the first normal banking day after the AGM at which the accounts for the previous business year were presented and a resolution was passed with regard to the appropriation of the distributable profit.

The holders of the profit-sharing certificates participate directly in current losses (loss for the year) in that their claims to repayment are reduced according to the ratio between such claims and the Bank's equity capital – including profit-sharing certificates outstanding – as shown in the balance sheet. The life of these certificates is to end with the close of the 1995 financial year.

Using the authorization given by its AGM of March 15, 1989, Berliner Commerzbank AG, Berlin, issued profit-sharing certificates in *September and October 1989* in accordance with Section 10 (5) of the German Banking Act (KWG) in an aggregate nominal amount of *DM80.0m*. The profit-sharing certificates are bearer paper, issued as follows:

60,000 certificates of DM100 nominal,
40,000 certificates of DM1,000 nominal,
3,400 certificates of DM10,000 nominal.

The holders of profit-sharing certificates will be served before Commerzbank shareholders from the Bank's distributable profit, receiving an annual payment of 8.0% of the certificates' face value. The distribution relating to the profit-sharing certificates falls due on the first normal banking day after the AGM at which the accounts for the previous business year were presented and a resolution was passed with regard to the appropriation of the distributable profit. Such distribution is made subject to the condition that no net loss for the year is thereby incurred. If, due to this condition, it should not be possible to make the promised distribution, or only a partial one, the missing amount has to be paid retrospectively in subsequent business years, the arrears being paid before the latest distribution that is due. This obligation to make back payments exists only during the life span of the profit-sharing certificates. The life of these certificates is to end with the close of the 1999 financial year.

Using the authorization given by the AGM of May 26, 1988, the Bank issued profit-sharing certificates on *November 1, 1990* in accordance with Section 10 (5) of the German Banking Act (KWG) in an aggregate nominal amount of *DM500.0m* combined with conversion rights for Commerzbank shares (convertible profit-sharing certificates).

The convertible profit-sharing certificates are bearer paper and were originally issued as follows:

60,000 certificates of DM 200 nominal
60,000 certificates of DM 1,000 nominal
42,800 certificates of DM10,000 nominal.

The holders of the convertible profit-sharing certificates receive a payment from the Bank's distributable profit which is computed as follows:

Each DM200 of convertible profit-sharing certificates entitles the holder to receive a payment corresponding to 1.4 times the dividend paid on a DM50 nominal Commerzbank share or at least 6% of the nominal value of the certificates. The minimum payment will take priority over serving shareholders from the Bank's distributable profit. If the latter is not large enough for this minimum payment to be made, the distribution will be scaled down. The differing claims to such a minimum payment on the part of the holders of these certificates and of those issued previously will then be reflected in the reduced payment made to either group. This also applies as regards any profit-sharing certificates to be issued in the future, insofar as their conditions contain a corresponding stipulation. The Bank is under no obligation to make back payments.

Payment in respect of the preceding business year falls due on the first normal banking day after the Commerzbank AGM at which the accounts for the previous business year were presented and a resolution was passed with regard to the appropriation of the distributable profit. If the conversion right is exercised in accordance with section 3, the holder is entitled to an interest payment up to the end of the year prior to conversion.

The holders of convertible profit-sharing certificates have the irrevocable right to exchange their certificates on a one-for-four basis for Commerzbank shares. Each DM200 nominal profit-sharing certificate may be swapped for one DM50 nominal Commerzbank share upon payment of an additional DM45. This corresponds to a conversion price of DM245 per DM50 nominal share. On principle, the conversion right may be exercised annually from 1991 to 1998, between June 15 and December 15. The convertible profit-sharing certificates will expire at the end of the 2000 business year. The holders of the convertible profit-sharing certificates participate directly in current losses (loss for the year) in that their claims to repayment are reduced according to the ratio between such claims and the Bank's equity capital – including profit-sharing certificates outstanding – as shown in the balance sheet.

In 1992, holders of profit-sharing certificates converted DM89,400 of such certificates into 447 Commerzbank shares in accordance with the conditions relating to profit-sharing certificates.

Using the authorization given by the AGM of May 29, 1991, the Bank issued profit-sharing certificates on *October 1, 1991* in accordance with Section 10 (5) of the German Banking Act (KWG) in an aggregate nominal amount of *DM500.0m* combined with option rights to subscribe to Commerzbank shares (profit-sharing certificates with option rights). The profit-sharing certificates with option rights are bearer paper, issued as follows:

50,000 certificates of DM1,000 nominal
45,000 certificates of DM10,000 nominal.

The holders of profit-sharing certificates will be served before Commerzbank shareholders from the Bank's distributable profit, receiving an annual payment of 9.5% of the face value of the profit-sharing certificates. If the distributable profit is not large enough for the basic payment to be made, the distribution will be scaled down. The differing claims to such a minimum payment on the part of the holders of these certificates and of those issued previously will then be reflected in the reduced payment made to either group. This also applies as regards any profit-sharing certificates to be issued in the future, insofar as their conditions contain a corresponding stipulation. The Bank is under no obligation to make back payments.

Payment in respect of the preceding business year falls due on June 30 of the current year. These profit-sharing certificates will expire at the end of the 2003 financial year. Their holders participate directly in current losses (loss for the year) in that their claims to repayment are reduced according to the ratio between such claims and the Bank's equity capital – including profit-sharing certificates outstanding – as shown in the balance sheet.

Each profit-sharing certificate with a face value of DM1,000 was issued with two bearer warrants attached, entitling the holder to subscribe to one and two – in all, therefore, three – Commerzbank DM50 nominal bearer shares in accordance with the option terms. Each profit-sharing certificate with a face value of DM10,000 has a warrant attached, entitling the holder to subscribe to 30 Commerzbank DM50 nominal bearer shares. As from October 1, 1991, the warrants could be detached from the profit-sharing certificates and assigned individually; in the case of such detachment, all the warrants have to be detached from the profit-sharing certificate in question. The option-based subscription price for a DM50 nominal share is DM273.

Using the authorization given by its AGM of March 22, 1991, Berliner Commerzbank AG, Berlin, issued profit-sharing certificates on *April 1, 1992* in accordance with Section 10 (5) of the German Banking Act (KWG) in an aggregate nominal amount of *DM30.0m*. The profit-sharing certificates, issued in 30,000 certificates of DM1,000 nominal, are bearer paper endowing their bearers with equal rights. The holders of profit-sharing certificates will be served before

Commerzbank shareholders from the Parent Bank's distributable profit, receiving an annual payment of 9.25% of the face value of the profit-sharing certificates. If the distributable profit is not large enough for the basic payment to be made, the distribution will be scaled down. The differing claims to such a minimum payment on the part of the holders of these certificates and of those issued previously will then be reflected in the reduced payment made to either group. This also applies as regards any profit-sharing certificates to be issued in the future, insofar as their conditions contain a corresponding stipulation. The Bank is under no obligation to make back payments.

Payment in respect of the preceding business year falls due on June 30 of the current year. The profit-sharing certificates rank for payment as of April 1, 1992, i.e. for three-quarters of the 1992 business year. These profit-sharing certificates will expire at the end of the 2001 financial year. The holders of the profit-sharing certificates participate directly in current losses (loss for the year) in that their claims to repayment are reduced according to the ratio between such claims and the Bank's equity capital – including profit-sharing certificates outstanding – as shown in the balance sheet.

Using the authorization given by the AGM of May 27, 1992, the Bank issued profit-sharing certificates on *December 1, 1992* in accordance with Section 10 (5) of the German Banking Act (KWG) in an aggregate nominal amount of *DM500.0m*. The profit-sharing certificates, issued in 5,000,000 certificates of DM100 nominal, are bearer paper endowing their bearers with equal rights.

The holders of profit-sharing certificates will be served before Commerzbank shareholders from the Bank's distributable profit, receiving an annual payment of 9.15% of the face value of the profit-sharing certificates. No loss for the year may be incurred as a result of the distribution made on the profit-sharing certificates. If, due to this condition, the distribution is scaled down, the differing claims to such a minimum payment on the part of the holders of these certificates and of those issued previously will then be reflected in the reduced payment made to either group. This also applies as regards any profit-sharing certificates to be issued in the future, insofar as their conditions contain a corresponding stipulation. Should the distribution be scaled down, the missing amount has to be paid retrospectively in subsequent business years.

The distribution on the profit-sharing certificates falls due on July 1 of the following year. The profit-sharing certificates rank for payment as of December 1, 1992, i.e. for a twelfth of the 1992 business year. These profit-sharing certificates will expire at the end of the 2004 financial year. If the Bank incurs a net loss for the year or its share capital is reduced to cover losses, the claims of the holders of profit-sharing certificates to repayment are reduced. If a net loss is incurred, the claim of each profit-sharing certificate holder is reduced by his share in the net loss, calculated according to the ratio between his claims and the Bank's equity capital – including profit-sharing certificates outstanding but excluding other subordinated liabilities.

Share capital

At end-1991, the share capital (subscribed capital) amounted to DM1,291.1m; the following changes occurred in 1992:

Using an authorization by the Annual General Meeting of May 18, 1990 to increase its capital by DM30.0m in order to issue shares to the staff, the Bank, with the approval of the Supervisory Board, augmented its share capital in June 1992 by 81,919 DM50 nominal shares at a price of DM267.50 each.

Using an authorization by the Annual General Meeting of May 18, 1990 to increase its capital by DM150.0m, of which the Bank still had DM140.0m available to it on December 31, 1991 and for which the subscription rights of shareholders could be excluded, the Bank raised its share capital by 300,000 DM50 nominal shares in September 1992, with the approval of the Supervisory Board, in order to introduce Commerzbank's shares on the Milan stock exchange. These shares were broadly placed in the Italian market by Banca di Roma SpA, Rome; the average realized price was DM239.32.

In 1992, holders of the convertible profit-sharing certificates issued by the Bank in 1990 converted DM89,400 of this issue upon payment of an additional DM50 per share in accordance with the issuing conditions of these certificates into 447 shares.

On December 31, 1992, Commerzbank's share capital amounted to DM1,310,242,250; it was issued in the form of bearer shares as follows:

193,000 shares of	DM1,000	nominal,
320,000 shares of	DM 100	nominal, and
21,704,845 shares of	DM 50	nominal.

Authorized capital increases

At the balance sheet date, authorizations still existed to increase the Bank's share capital by DM542.7m on the basis of the following AGM resolutions:

May 18, 1990: a remaining amount of DM125,000,000; to be issued by April 30, 1995. The subscription rights of shareholders may be excluded in order to enable the Bank to introduce its shares on foreign stock exchanges and to acquire interests in other companies – among other things, through the issue of shares. Insofar as the authorized capital increase is used to offer shares for subscription to our shareholders, their subscription rights may only be excluded for fractional amounts and in order to offer such rights to the holders of option and conversion rights.

May 18, 1990: a remaining amount of DM17,690,450; to be issued by April 30, 1995. This conditional capital increase is earmarked for making shares available to the Bank's employees.

May 27,1992: DM400,000,000; to be issued by April 30, 1997. As a matter of principle, shareholders are to be offered subscription rights. These may only be excluded in the case of fractional amounts of shares resulting from the subscription ratio and in order to provide holders of conversion rights and warrants with such subscription rights.

Conditionally authorized capital increases

Shown in the balance sheet is an aggregate amount of DM644.8m conditionally authorized for increases of the Bank's share capital; it breaks down as follows:

DM50,000,000 of Commerzbank shares to be issued by April 30, 1993, for which conversion or option rights can be granted if convertible bonds or bonds with warrants attached are issued by Commerzbank or one of its subsidiaries abroad.

DM124,754,750 of Commerzbank shares in order to serve the subscription rights of the holders of the DM500m of 1990/2000 convertible profit-sharing certificates.

DM96,000,000 of Commerzbank shares, to be issued by April 30, 1993, for which option rights can be granted if foreign subsidiaries of the Bank issue bonds with warrants attached.

A remaining DM24,000,000 of Commerzbank shares, which, after the exercising or expiry of the option rights on DM44m shares, are reserved for the holders of the warrants attaching to the DM170m bond issue by Commerzbank Overseas Finance N.V., Curaçao.

DM100,000,000 of Commerzbank shares to be issued by April 30, 1995, for which option rights can be granted if bonds with warrants attached are issued by foreign subsidiaries of the Bank.

DM75,000,000 of Commerzbank shares in order to serve the option rights of the holders of the warrants attached to the DM500m of 1991/2003 profit-sharing certificates with option rights.

DM175,000,000 of Commerzbank shares in order to serve the conversion or option rights of the holders of the convertible bonds or bonds with warrants to be issued by April 30, 1997.

At end-1992, the following bond with warrants was outstanding:

$7^5/_8$% DM60,000,000 bond with warrants issued by Commerzbank Overseas Finance N.V. in 1989; each DM5,000 tranche bears option rights entitling the holder to subscribe to a total of 40 DM50 nominal Commerzbank shares at an option price of DM298.40 each. The option period ends on October 14, 1994.

Reserves

During the year under review, a total amount of DM74.7m was added to the capital reserve. This was made up of the following individual amounts:

DM56,796,652.50 premium from the capital increase in order to introduce Commerzbank's shares on the Milan stock exchange.

DM17,817,382.50 premium from the capital increase in order to offer shares for subscription to our staff.

DM89,400 premium from the capital increase deriving from the exercising of 1990 convertible profit-sharing rights of Commerzbank Aktiengesellschaft.

In 1992, we transferred DM350,000,000 to other revenue reserves.

Including these additions to reserves, the Bank's equity capital at end-1992 was made up as follows:

in DM m	1992	1991
Profit-sharing certificates outstanding	2,034.019	1,424.108
Subscribed capital	1,310.242	1,291.124
Capital reserve	2,860.985	2,786.281
Revenue reserves		
a) legal reserve	6.000	6.000
b) other revenue reserves	1,728.003	1,378.003
Total	7,939.249	6,885.516

Contingent liabilities not revealed in balance sheet

Commitments for uncalled payments on shares in stock corporations (AG) and in private limited liability companies (GmbH) issued but not fully paid amounted to DM59.1m, while similar liabilities for shares in cooperatives were DM0.5m. In addition, the Bank has liabilities under Section 24 of the German Private Limited Liability Companies Act (GmbHG).

In respect of its holding in Liquiditäts-Konsortialbank GmbH, Frankfurt am Main, the "lifeboat" institution of the German banking industry, the Bank is responsible for the payment of assessments of up to DM70.9m. Moreover, the Bank has a contingent liability on a proportional basis for meeting assessments payable by the member banks of Bundesverband deutscher Banken e.V. (Federation of German Banks).

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 it might incur in respect of actions taken for the benefit of domestic banks in which Commerzbank holds a majority interest.

At end-1992, DM2.9bn of our securities holdings were pledged as collateral.

The Bank's foreign operations make it necessary under the laws of and the practices followed in certain countries to furnish government bodies with security; this meant that a further DM3.1bn of the Bank's assets were tied by liens held.

The Boards of the Parent Bank

Supervisory Board

Dr. Walter Seipp
Chairman

Hans-Georg Jurkat
Deputy Chairman

Herbert Bayer

Reinhold Borchert

Erhard Bouillon

Hugo Eberhard

Professor
Dr. Herbert Grünewald

Dr. Carl H. Hahn

Gerald Herrmann

Götz Knappertsbusch

Dr. Hans-Jürgen Knauer

Peter Kretschmer

Dr. Heinz Kriwet

Dr. Torsten Locher

Gabi Locher-Töpel

Horst Sauer

Dr. Raban Freiherr von Spiegel

Hans-Georg Stritter

Heinrich Weiss

Wolfgang Ziemann

Board of Managing Directors

Martin Kohlhaussen
Chairman

Erich Coenen

Dietrich-Kurt Frowein

Peter Gloystein

Kurt Hochheuser

Jürgen Lemmer

Klaus-Peter Müller

Klaus Müller-Gebel

Jürgen Reimnitz

Kurt Richolt

Axel Freiherr von Ruedorffer

Jürgen Terrahe

Remuneration of Board and Council members

For 1992, the remuneration paid to the Bank's Managing Directors amounted to DM11,200,960.66. Retired Managing Directors or their surviving dependents received altogether DM7,032,685.36. Payments to members of the Supervisory Board totalled DM1,605,120, and those to members of the Central Advisory Board DM531,012. Members of the Regional Advisory Committees were paid DM1,274,700.

At end-1992, provisions for pensions for retired Managing Directors and their surviving dependents totalled DM62,771,917; this amount fully covers our pension commitments towards this group.

Average number of staff employed by Parent Bank during respective year

Full-time figures*)		1992			1991	
	total	male	female	total	male	female
in Germany	22,512	11,296	11,216	21,856	11,189	10,667
abroad	939	514	425	965	530	435
	23,451	11,810	11,641	22,821	11,719	11,102

*) including the part-time workers listed below, at a rate of 58% of the standard working time that corresponds to the average time actually worked by them during the year.

Persons on part-time	total	male	female	total	male	female
in Germany	2,559	127	2,432	2,452	99	2,353
abroad	19	–	19	20	–	20
	2,578	127	2,451	2,472	99	2,373

Not included in the full-time figures as shown above are the apprentices trained by us on average during both years:

Apprentices	total	male	female	total	male	female
	1,799	846	953	1,800	879	921

Holdings in affiliated and other companies (pursuant to Section 285 (11) of the German Commercial Code – HGB)

Affiliated companies (pursuant to Section 271 (2) of the German Commercial Code – HGB)

Name of company	Domicile	Share of capital held by Commerzbank in %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
Companies included in the consolidation					
RHEINHYP Rheinische Hypothekenbank Aktiengesellschaft	Frankfurt am Main	97.4	DM	1,102,509	130,485
Commerz-Credit-Bank Aktiengesellschaft Europartner	Saarbrücken	65.0	DM	62,460	8,460
von der Heydt-Kersten & Söhne	Wuppertal-Elberfeld	100.0	DM	10,000	3,105
C. Portmann	Frankfurt am Main	100.0	DM	1,500	115
Commerzbank International S.A.**)	Luxembourg	100.0	DM	1,028,400	–
Commerzbank (Nederland) N.V.	Amsterdam	100.0	Dfl	115,774	7,012
Commerzbank (Switzerland) Ltd	Zurich	100.0	Sfr	74,475	7,925
Commerzbank (South East Asia) Ltd.	Singapore	100.0	S$	92,907	7,602
Commerzbank Capital Markets Corporation	New York	100.0	US$	21,266	2,540
CB Finance Company B.V.	Amsterdam	100.0	Dfl	22,977	9,035
Commerzbank Overseas Finance N.V.***)	Curaçao	100.0	DM	7,687	5,696
Commerzbank U.S. Finance, Inc.	Wilmington/Delaware	100.0	US$	101	15
Atlas-Vermögensverwaltungs-Gesellschaft m.b.H.	Düsseldorf	100.0	DM	580,184	86,543*)
Aussenhandel-Förderungsgesellschaft mbH	Düsseldorf	100.0	DM	103	1
Berliner Commerz Beteiligungsgesellschaft mbH	Berlin	100.0	DM	2,000	3,058*)
Berliner Commerz Grundstücks- und Verwaltungsgesellschaft mbH	Berlin	100.0	DM	3,300	1,585*)
Blue Jay Investments Ltd.	Dublin	100.0	DM	147,579	15,580
Casia Grundstücks-Vermietungs- und Verwaltungsgesellschaft mbH***)	Düsseldorf	97.4	DM	53	3
CB Clearing, Inc.	Wilmington/Delaware	62.5	US$	200	–1,064
CB Fondsleitung AG***)	Zurich	100.0	Sfr	500	–24
CB German Index Fund Management Company S.A.***)	Luxembourg	100.0	Lfr	6,708	287
CICM Fund Management Ltd.***)	Dublin	75.0	DM	541	56
CICM (Ireland) Ltd.***)	Dublin	75.0	DM	3,858	5,715
Colymbus Investments***)	Dublin	65.0	DM	27,815	2,706
Commerzbank Investment Management GmbH	Frankfurt am Main	100.0	DM	7,200	600
Commerz Beteiligungsgesellschaft mbH	Bad Homburg v. d. H.	100.0	DM	1,001	6,105*)
Commerz Finanz-Management GmbH	Frankfurt am Main	100.0	DM	606	–1,747*)
Commerz Grundbesitz-Investmentgesellschaft mbH	Wiesbaden	75.0	DM	10,000	–1,479
Commerz Immobilien GmbH	Frankfurt am Main	100.0	DM	25,300	2,405*)
Commerz International Capital Management Gesellschaft mbH	Frankfurt am Main	100.0	DM	12,355	1,576
Commerz International Capital Management (Japan) Ltd.	Tokyo	100.0	¥	200,000	–87,189
CommerzLeasing GmbH	Düsseldorf	100.0	DM	49,320	4,247*)
Commerz- und Industrie-Leasing GmbH	Frankfurt am Main	100.0	DM	10,200	17,010*)
Commerz- und Industrie-Leasing Berlin GmbH	Berlin	100.0	DM	550	203*)
GERAP Grundbesitz- und Verwaltungsgesellschaft mbH	Frankfurt am Main	95.0	DM	28	70*)
Dr. Gubelt Grundstücksvermietungsgesellschaft mbH & Co., Objekt Essen KG	Düsseldorf	100.0	DM	27,395	–
HÄGLE Immobilien-Ost Ingatlanforgalmi Kft.***)	Budapest	100.0	Ft	1,000	–1,890
Hamburgische Grundstücks Gesellschaft m.b.H.	Hamburg	100.0	DM	151	4

Affiliated companies (pursuant to Section 271 (2) of the German Commercial Code – HGB)

Name of company	Domicile	Share of capital held by Commerzbank in %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
Hildegund Ltd.	London	100.0	£	2,000	–2,407
Ice Diver Investments	Dublin	100.0	DM	60,000	–9
Immobiliengesellschaft Nord Hägle & Co. KG**)	Frankfurt am Main	100.0	DM	100	–9
Immobiliengesellschaft Süd Hägle & Co. KG**)	Frankfurt am Main	100.0	DM	100	22
Immobiliengesellschaft Ost Hägle & Co. KG**)	Frankfurt am Main	100.0	DM	100	7
Immobiliengesellschaft Ost Hägle spol. s r. o.***)	Prague	100.0	Kčs	105	0
Immobiliengesellschaft West Hägle & Co. KG**)	Frankfurt am Main	100.0	DM	100	–35
Immobiliengesellschaft Mitte Hägle & Co. KG**)	Frankfurt am Main	100.0	DM	100	9
L.I.A. Leasinggesellschaft für Immobilien und Anlagegüter mbH**)	Frankfurt am Main	100.0	DM	1,510	285*)
Norddeutsche Immobilien- und Verwaltungs-GmbH	Hamburg	100.0	DM	50	0*)
PMC Personal Management Consult GmbH	Frankfurt am Main	100.0	DM	500	–171*)
Strix Investments Ltd.***)	Dublin	97.4	DM	101,919	9,664
Westboden Bau- und Verwaltungsgesellschaft mbH***)	Frankfurt am Main	97.4	DM	202	–337
Companies not included in the consolidation					
CGY Reifenhandel GmbH***)	Cologne	66.7	DM	1,308	11[4])
Daub Backofenbau GmbH***)	Hamburg	75.2	DM	70	20[3])
Franz Daub u. Söhne (GmbH u. Co.)***)	Hamburg	75.1	DM	5,290	5,933[3])
Handelsgest S.A.R.L.**)	Luxembourg	100.0	DM	11,917	512[3])
Hotel am Stadtpark GmbH***)	Wilhelmshaven	88.0	DM	33	1
Hotel am Stadtpark GmbH & Co. KG***)	Wilhelmshaven	100.0	DM	610	–120
Indugest S.A.R.L.**)	Luxembourg	100.0	DM	28,232	2,461[3])
LTP Schiffsbeteiligungs GmbH***)	Hamburg	69.0	DM	42	–3
Neuma Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	69.0	DM	50	0
Schunk GmbH***)	Heuchelheim	51.0	DM	32	–19[3])
Trave I Cruise, Inc.***)	Monrovia	69.0	DM	–10,024	–10,306[3])
Trave II Cruise, Inc.***)	Monrovia	69.0	DM	–9,510	–9,791[3])
TRAVE Cruise I Schiffahrtsgesellschaft mbH	Hamburg	69.0	DM	73	2[3])
TRAVE Cruise II Schiffahrtsgesellschaft mbH	Hamburg	69.0	DM	50	0[3])
UNIT Beteiligungsgesellschaft mbH***)	Frankfurt am Main	69.0	DM	46	–3

Further holdings in German financial institutions

Name of company	Domicile	Share of capital held by Commerzbank in %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
ADIG Allgemeine Deutsche Investment-Gesellschaft mbH**)	Munich/ Frankfurt am Main	39.2	DM	97,502	20,198
Deutsche Grundbesitz-Investmentgesellschaft mbH	Frankfurt am Main	30.0	DM	24,365	173
Deutsche Schiffsbank Aktiengesellschaft	Bremen/Hamburg	40.0	DM	181,980	21,980
Leonberger Bausparkasse Aktiengesellschaft	Leonberg	40.0	DM	317,897	16,375[3])

Further holdings in other German companies

Name of company	Domicile	Share of capital held by Commerzbank in %		Equity capital in 1,000	Result in 1,000
				of stated currency	
Almüco Vermögensverwaltungsgesellschaft mbH – has holding of at least 20% in Francommerz Vermögensverwaltungsgesellschaft mbH, Frankfurt am Main, and Heidelberger Druckmaschinen AG, Heidelberg –	Munich	25.0	DM	170,879	21,631³)
ALSTER Beteiligungsgesellschaft mbH & Co. KG	Frankfurt am Main	20.0		–	–
AV America Grundbesitzverwaltungsgesellschaft mbH	Frankfurt am Main	25.0	DM	140	20³)
Karl Baumgartner + Partner Consulting KG	Sindelfingen	37.6		–	–
CGT Canada Grundbesitz Treuhand GmbH	Frankfurt am Main	20.0	DM	108	5¹)
Commerzbank Aktiengesellschaft von 1870 i. L.	Hamburg	37.9	RM	–	0
Commerz Unternehmensbeteiligungs-Aktiengesellschaft	Frankfurt am Main	50.0	DM	61,621	446
DBV Holding Aktiengesellschaft	Wiesbaden	48.3	DM	753,154	32,530³)
Deutsche Canada-Grundbesitz-verwaltungsgesellschaft mbH	Frankfurt am Main	20.0	DM	121	4²)
Deutsche Gesellschaft für Immobilienanlagen „America" mbH	Bad Homburg v. d. H.	25.0	DM	504	20³)
Deutsche Grundbesitz-Anlagegesellschaft mbH	Frankfurt am Main	30.0	DM	3,294	50
DSD Dillinger Stahlbau GmbH***)	Saarlouis	30.0	DM	142,214	5,175³)
Eisen-Rieg Aktiengesellschaft***)	Darmstadt	23.8	DM	9,000	1,166³)
Frega Vermögensverwaltungsgesellschaft mbH	Frankfurt am Main	40.0	DM	203,925	5,174³)
Gesellschaft für Kreditsicherung mbH	Cologne	26.7	DM	499	199³)
GKN Deutschland GmbH***)	Siegburg	24.9	DM	196,864	33,583³)
Hostra Beteiligungsgesellschaft mbH – has holding of at least 20% in IKB Deutsche Industriebank AG, Düsseldorf/Berlin –	Düsseldorf	33.3	DM	342,122	15,519
ILV Immobilien-Leasing Verwaltungs-gesellschaft Düsseldorf mbH°)	Düsseldorf	50.0	DM	36,252	13,044³)*)
INTEROC Vertriebsgesellschaft für Bau- und Bergbaumaschinen mbH***)	Essen	33.3	DM	1,911	−2,289³)
Karstadt Aktiengesellschaft	Essen	25.0	DM	2,187,357	145,800³)
Kautex Werke Reinold Hagen AG***)	Bonn	40.0	DM	50,080	662¹)*)
KVH Kreditverwaltungsgesellschaft Hamburg mbH	Halstenbek	40.0	DM	5,041	4,932³)
Lincas Electro Vertriebs-Gesellschaft mbH	Hamburg	25.0	DM	8,229	409³)
MIPA Müller Verwaltungs-GmbH***)	Düsseldorf	31.3	DM	4,600	−2,281³)
Partner Immobiliendienst GmbH***)	Wiesbaden	24.0	DM	6,002	97³)
Regina Verwaltungsgesellschaft mbH – has holding of at least 20% in MAN AG, Munich –	Munich	25.0	DM	676,591	47,706³)
Stella Automobil-Beteiligungsgesellschaft mbH – has holding of at least 20% in Mercedes Aktiengesellschaft Holding, Frankfurt am Main –	Munich	25.0	DM	656,481	34,573
The World Markets Company GmbH	Frankfurt am Main	25.2	DM	51	1³)
Vermietungsgesellschaft SÜD für SEL-Kommunikationsanlagen mbH	Stuttgart	50.0	DM	3,533	433³)
Willi Vogel Beteiligungsgesellschaft mbH***)	Berlin	22.5	DM	61,486	11,493³)
Hans Wiebe Textil Aktiengesellschaft***)	Berlin	20.9	DM	46,770	3,504³)
Wirtschaftspartner Beteiligungsgesellschaft mbH	Berlin	20.9	DM	41,565	1,965
Wohnstättengesellschaft Mark GmbH***)	Lüdenscheid	21.2	DM	12,181	339³)

Further holdings in foreign financial institutions and in other companies abroad

ADIG-Investment Luxemburg S.A.	Luxembourg	37.5	DM	39,990	13,295³)
Commerz Securities (Japan) Company Ltd.	Hong Kong/Tokyo	50.0	DM	31,824	−1,537
Hispano Commerzbank (Gibraltar) Ltd.	Gibraltar	49.9	Gib£	5,011	11³)
Internationale Leasing-Gesellschaft S.A.***)	Luxembourg	50.0	Lfr	16,136	739³)
Korea International Merchant Bank	Seoul	20.9	Won	83,973,426	11,080,724

Further holdings in foreign financial institutions and in other companies abroad

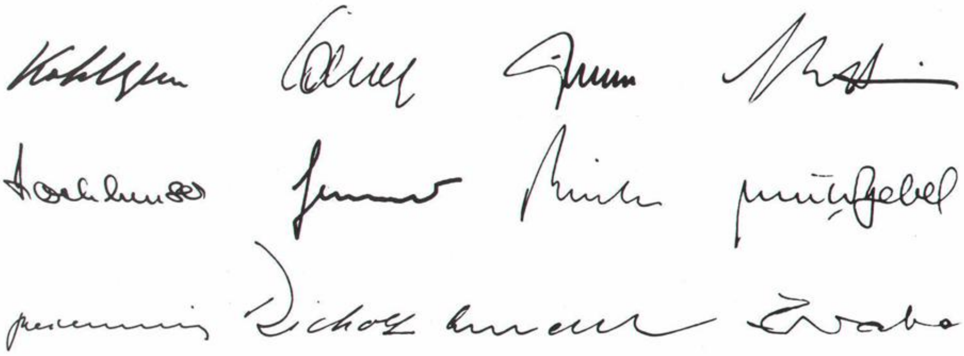
Name of company	Domicile	Share of capital held by Commerzbank in %		Equity capital in 1,000 of stated currency	Result in 1,000 of stated currency
UBAE Arab German Bank S.A. i. L.	Luxembourg/ Frankfurt am Main	25.1	DM	55,000	0[3])
Commerz Argeus Fonds N.V.***) °°)	Amsterdam	37.4	Dfl	42,818	–
Commerz Benacus Fonds N.V.***) °°)	Amsterdam	36.5	Dfl	25,473	–
Commerz Cea Fonds N.V.***) °°)	Amsterdam	42.0	Dfl	61,978	–
Commerz Delos Fonds N.V.***) °°)	Amsterdam	43.5	Dfl	115,371	–
Commerz Elea Fonds N.V.***) °°)	Amsterdam	39.9	Dfl	115,125	–
Commerz Floreo Fonds N.V.***) °°)	Amsterdam	33.6	Dfl	30,544	–
Europartners Holding S.A.**)	Luxembourg	33.3	Lfr	60,200	8,781[3])
Kaufhof Tourism Holdings B.V.***)	Amsterdam	37.5	Dfl	115,754	–38[2])
Reifenhauser-Van Dorn Co.***)	Danvers	35.5	US$	2,183	0

*) result before transfer of profit or loss;
**) held in part indirectly;
***) held wholly indirectly;
°) until Sept. 30, 1992: Deutsche Immobilien-Leasing GmbH;
°°) founded in 1992.

[1]) latest available annual statement as of Sept. 30, 1991;
[2]) latest available annual statement as of Oct. 31, 1991;
[3]) latest available annual statement as of Dec. 31, 1991;
[4]) latest available annual statement as of Dec. 31, 1990.
Unless otherwise indicated, 1992 figures are used.

Frankfurt am Main, March 2, 1993

The Board of Managing Directors



Auditors' Certificate

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

Frankfurt am Main, March 3, 1993

C&L TREUARBEIT
DEUTSCHE REVISION
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Windmöller	Rönnberg
Wirtschaftsprüfer	Wirtschaftsprüfer
(German public accountant)	(German public accountant)

Report of the Supervisory Board

In 1992, the Supervisory Board carried out its duties under the law and the Bank's statutes, supervising the conduct of the Bank's affairs. The Chairman, and other members of the Supervisory Board as well, assisted the Board of Managing Directors in an advisory capacity.

The Supervisory Board fulfilled its duties both in full session and through its committees. Full-session meetings were mainly devoted to dealing with basic questions of business policy. The development of the Bank's balance sheet and its earnings performance were carefully monitored. The Presiding Committee of the Supervisory Board received regular reports on the progress of both the Bank's business and the structural reform of its branch network, discussing items of significance with the Board of Managing Directors. The Loans Committee dealt with those lending commitments which it is required to review by law and by the Bank's statutes, as well as with large-scale credits involving an enhanced degree of risk. Wherever required by law and by the Bank's statutes, the Loans Committee also approved such transactions. The Social Welfare Committee concentrated on basic issues concerning the employees.

The Parent Bank's Annual Accounts, Financial Statement, and Legally Prescribed Report, together with the books of account for the period from January 1 to December 31, 1992, have been examined by the auditors, C&L Treuarbeit Deutsche Revision Aktiengesellschaft, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Berlin/Frankfurt am Main, and certified without qualification. The Supervisory Board has signified its agreement with the results of the audit. It has examined the Bank's Annual Accounts, Financial Statement, and Legally Prescribed Report, and the proposal of the Board of Managing Directors as to the appropriation of the distributable profit, and has found no cause for objection.

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

It has also reviewed the Consolidated Accounts, Financial Statement and Report, and the report of the Group's auditors which carries their unqualified, legally prescribed certification.

The period of office of all members of the Supervisory Board will end on May 7, 1993 with the close of the Annual General Meeting, during which those members representing the shareholders will be newly appointed. The election procedure for appointing the future representatives of the employees is to be concluded in April.

Frankfurt am Main, March 22, 1993

The Supervisory Board

Chairman

Notes on the Consolidated Annual Accounts

While business volume expanded by 6.2% on average, the partial operating result of the Commerzbank Group achieved a stronger growth rate of 15.5% during the year under review. The full operating result climbed by 20.7%, as the earnings on own-account transactions involving securities, foreign exchange and financial innovations were higher than the figures registered a year earlier. Our operating income and extraordinary profits enabled us to form loan loss provisions on a substantial scale for recognizable problem cases in our credit business as well as for countries representing a risk. To the extent deemed necessary, we have made write-downs on securities, applying the lower-of-cost-or-market principle. At DM838m, the consolidated net income for the year, left after taxes on income, which also includes the tax-free surplus from the merger with Berliner Commerzbank, exceeded the previous year's figure by DM291m. From the Group's operating income, as well as from the proposed allocations to reserves by the AGMs of Group companies, a total of DM443m will be allocated to revenue reserves, as against DM235m in the previous year.

The Group ended 1992 with a balance sheet total of DM232.7bn and a business volume – including endorsement liabilities on rediscounted bills – of DM235.4bn. This represents respective growth figures of DM6.1bn and DM6.4bn, or of 3% in either case. The Parent Bank – Commerzbank AG –, which now incorporates Berliner Commerzbank AG, contributed to the rise in the Group's business volume with expansion of 14%, and RHEINHYP Rheinische Hypothekenbank AG 5%. By contrast, Commerzbank International S.A., Luxembourg, registered a 7% decline in its business volume due to a reduction in its interbank transactions.

The Group'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 DM7.1bn, or 3%, to DM255.0bn.

Companies affiliated to Commerzbank Aktiengesellschaft in accordance with Section 15 of the German Stock Corporation Act (AktG) are listed in a table included in the Notes on the Parent Bank's Annual Accounts. The list of companies included in the consolidation was extended in 1992 to cover the following that were founded either in the year under review or towards the end of 1991:

Commerz Grundbesitz-Investmentgesellschaft mbH, Wiesbaden,
CommerzLeasing GmbH, Düsseldorf,
CB Fondsleitung AG, Zurich,
CB German Index Fund Management Company S.A., Luxembourg,
CICM Fund Management Limited, Dublin,
Commerz International Capital Management (Japan) Ltd., Tokyo,
Ice Diver Investments, Dublin,
Hägle Immobilien-Ost Ingatlanforgalmi Kft., Budapest,
Hildegund Ltd., London, and
Immobiliengesellschaft Ost Hägle spol. s r. o., Prague.

Through a merger in January 1993, Berliner Commerzbank AG was incorporated into the Parent Bank with effect from October 1, 1992. Its profit and loss account for the period from January 1 to September 30, 1992 has been included in the consolidated accounts.

On pages 70 to 75 of this Report – i.e. following the consolidated profit and loss statement – we report on the business objectives, the performance and the capital resources of our major subsidiaries, namely:

RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main,
Commerzbank Capital Markets Corporation, New York,
Commerzbank International S.A., Luxembourg,
Commerzbank (Nederland) N.V., Amsterdam,
Commerzbank (South East Asia) Ltd., Singapore,
Commerzbank (Switzerland) Ltd, Zurich.

Given the weight that the above companies have within the Group, these short reports have been supplemented by abridged versions of their balance sheets and their profit and loss accounts.

On the other companies included in the consolidation we report as follows:

Commerz-Credit-Bank Aktiengesellschaft
Europartner, Saarbrücken,

closed the year under review with a 16.0% larger balance sheet total of DM1,757m. In all, DM6.5m was allocated to revenue reserves. As a result, the bank's liable equity now amounts to DM60.5m, with the share capital unchanged at DM14m. Shareholders will again receive a 14% dividend. 35% of the bank's share capital is still held by Crédit Lyonnais, Paris.

CB Finance Company B.V., Amsterdam, and
Commerzbank Overseas Finance N.V., Curaçao,

finance their lending by raising medium and long-term funds in the Euromarkets and in other foreign capital markets. At the closing date, these two companies had launched bonds and notes equivalent to altogether DM5.6bn, proceeds from which were deposited with the Parent Bank and Commerzbank (South East Asia) Ltd. By ceding to fiduciary trustees the claims arising to them from the funds passed on, the two financing companies provided the creditors of some of the issues with collateral. In the case of the other issues, the Parent Bank acted as guarantor. Fiduciary trustees were brought in to protect the rights of the creditors even for such issues as had guarantee cover.

Commerzbank U.S. Finance, Inc., Wilmington,

serves the Parent Bank as a funding arm in the US money market and had, by end-1992, passed on to it the equivalent of DM4.1bn raised through the issue of commercial paper. The subsidiary's obligations are fully guaranteed by the Parent Bank.

The operations of the limited partnership

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

are technically fully integrated into the Commerzbank branch network, the managing partners of the bank retaining their decision-making powers.

C. Portmann, Frankfurt am Main,

is a bank confining its activities to the administration of its assets.

The Commerzbank Group's leasing activities were reorganized last year. On October 1, 1992, CommerzLeasing GmbH, Düsseldorf, started operations. Endowed with a share capital of DM50m and established as a subsidiary of the Parent Bank, the company is active in the leasing of real estate and moveable goods. Until CommerzLeasing began operations, property-leasing business was conducted jointly with Deutsche Bank AG at Deutsche Immobilien Leasing GmbH. CommerzLeasing has also assumed management responsibility for

Commerz- und Industrie-Leasing GmbH, Frankfurt am Main, and
Commerz- und Industrie-Leasing Berlin GmbH, Berlin,

who are engaged in the leasing of moveable goods. To reflect the new management structure, the interests in these companies are to be transferred from the Parent Bank to CommerzLeasing in 1993.

For the short business year of 1992, CommerzLeasing transferred a profit of DM4.2m to the Parent Bank. The profits of CIL, Frankfurt, amounting to DM17.0m, and CIL, Berlin, which totalled DM0.2m, were similarly transferred to the Parent Bank.

In addition, under fiduciary agreements, CommerzLeasing manages

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

and the property-holding companies it owns, as well as GERAP Grundbesitz- und Verwaltungsgesellschaft mbH, Frankfurt am Main.

Commerz Beteiligungsgesellschaft mbH, Bad Homburg v.d.H., and
Berliner Commerz Beteiligungsgesellschaft mbH, Berlin,

both acquire stakes in small and medium-sized companies. They thus provide these firms with the share capital needed to strengthen their equity base in order to raise turnover, carry out planned investments, and cope with the withdrawal of shareholders or partners, or prepare for a stock-exchange introduction. In financial 1992, the Berlin company transferred a profit of DM3m and Commerz Beteiligungsgesellschaft mbH, Bad Homburg v.d.H., one of DM6m to the Parent Bank.

Commerzbank Investment Management Gesellschaft mbH, Frankfurt am Main,

acts as a management company under German law for special-purpose investment funds. At the balance sheet date, their total number reached 187, with aggregate assets of DM11.7bn. The company is to pay a 10% dividend on its DM6m share capital.

Commerz Grundbesitz-Investmentgesellschaft mbH, Wiesbaden,

was set up as an investment management company in March 1992 with a share capital of DM10m. We have a 75% interest, the remainder being held by DBV Holding AG.

As from July 1, 1993, the company will take over the administration of the open-ended property fund "HAUS-INVEST", which was established in 1972. At the same time, Commerzbank will sell its stake in the company which has hitherto managed the fund, Deutsche Grundbesitz-Investmentgesellschaft mbH, to Deutsche Bank AG.

At end-1992, the assets managed by "HAUS-INVEST" totalled DM1.7bn. Whereas up to now the Parent Bank has been exclusively responsible for selling the fund's certificates, it will soon be supported in this activity by its *Allfinanz* partner DBV Versicherungen.

Commerz International Capital Management Gesellschaft mbH,
Frankfurt am Main,

looks after international institutional investors by providing asset management services. To this end, it creates suitable instruments by means of its subsidiaries and their subsidiaries, in turn.

Its subsidiary

CICM (Ireland) Ltd., Dublin,

launches and administers special-purpose investment funds under Irish law. In the year under review, it achieved a result of DM5m. It manages, inter alia, Blue Jay Investments Ltd., Strix Investments Ltd., Colymbus Investments Ltd., and Ice Diver Investments, all located in Dublin. These are all investment funds in the legal form of incorporated companies, investing their assets directly or indirectly in fixed-income securities. The companies are held either by the Parent Bank or by other members of the Group. The results achieved last year were satisfactory. For transactions in Japan, Commerz International Capital Management (Japan) Ltd., Tokyo, has been established. In the difficult environment of the Japanese market, it incurred a start-up loss of DM1m.

In order to administer further investment funds in Ireland, Luxembourg and Switzerland, respectively, CICM Fund Management Limited, Dublin, CB German Index Fund Management Company S.A., Luxembourg, and CB Fondsleitung AG, Zurich, were set up in 1992.

The business objective of the five domestic Hägle & Co. KG real-estate companies with the regional designations central, north, east, south and west contained in their German names is to purchase and administer real estate which the Bank wishes to use. Recourse to these affiliated companies makes administration of the Bank's real property holdings more efficient. The purchase of suitable sites for our outlets in Prague and Budapest was effected by Hägle companies, newly established under Czech and Hungarian law, respectively. By end-1992, a total of DM206m had been invested by the Hägle companies as a whole in land and buildings.

Commerz Immobilien GmbH looks after Commerzbank's interests in the property market and, for this purpose, holds a stake in MIPA Müller-Verwaltungs-GmbH. With its capital unchanged at DM5m, the company achieved a profit of DM2m.

The business objective of Commerz Finanz-Management GmbH, Frankfurt am Main, is basically to help private clients plan their finances and to advise companies as regards financial planning and questions of remuneration.

The business objective of PMC Personal Management Consult GmbH is to provide extensive counselling services in all personnel and management questions. The company is endowed with a share capital of DM0.5m.

The last two companies described above, both of which were founded in 1991, are still incurring losses during their start-up phase, which have been taken over by the Parent Bank.

CB Clearing Inc., Wilmington/Delaware, in which we hold a 62.5% interest, was founded in 1991 with a capital of US$0.2m. As it is still awaiting approval by the authorities, the company has not yet begun business operations.

Other consolidated companies that are included in the list appearing at the end of the Notes on the Parent Bank's Annual Accounts and Financial Statement but not separately reported on here are engaged in activities indicated by their company names.

The unconsolidated affiliated companies which are listed in the Notes on the Parent Bank's Annual Accounts either have their seat abroad or, insofar as they are domiciled in Germany, pursue activities which lie outside the banking sector. For this reason, they have not been included in the consolidation, in accordance with Section 329 of the German Stock Corporation Act (AktG) in its former version (valid up to end-1986).

Principles of consolidation

Commerzbank's consolidated annual accounts and financial statement as at December 31, 1992 were still drawn up pursuant to Sections 329ff. of the German Stock Corporation Act (AktG) in its former version (valid up to December 31, 1986). Structuring of the consolidated accounts has been effected in accordance with the format for the presentation of the annual accounts of German banks as laid down in the revised version of September 14, 1987 of the respective regulation of December 20, 1967. Having included a mortgage bank in the consolidation, we use an amplified version of the standard format to present our balance sheet.

With three exceptions, the financial years coincide with the calendar year for all companies included in the consolidation. The accounts of the foreign members of the Group in Amsterdam, Dublin, New York, Singapore, Wilmington and Zurich, which are drawn up in local currency, have been converted at the official year-end Frankfurt middle rates. All other – domestic and foreign – companies included in the consolidation have drawn up their accounts in D-marks. Assets and liabilities throughout the Group have been valued on a uniform basis in accordance with commercial-law principles.

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.

Intra-Group 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 and intra-Group book gains that occurred over the year.

Investment income from consolidated companies received in 1992 in respect of 1991 has reduced the loss brought forward, while tax credits received have been deducted from investment income and from the Group's tax expenditure. A loss brought forward resulted from the elimination of intra-Group profits from the consolidation in previous years.

Consolidated balance sheet total

At DM232,732m, the end-1992 consolidated balance sheet total was DM6,081m up on the preceding year's figure, exceeding the total assets of the Parent Bank by DM58,941m (1991: by DM73,786m).

Consolidated balance sheet: changes on the year

Assets	in DM m
Cash reserves, cheques, and collection items	+2,673
Bills of exchange	+552
Claims on banks	−4,829
a) demand	(−5,385)
b) time	(+556)
Treasury bills	−45
Bonds, notes, other securities (incl. issued by Group members)	−1,050
Loans and advances to customers	+8,423
a) less than four years	(+2,199)
b) four years or more	(+6,224)
Investments	+139
Land and buildings, office furniture and equipment	+278
Leased equipment	−36
Sundries (including loans on a trust basis)	−24
Total Assets	+6,081

Liabilities	in DM m
Liabilities to banks	−1,980
a) demand	(+696)
b) time	(−2,676)
Customers' deposits	+6,270
a) demand	(+4,318)
b) time	(−266)
c) savings deposits	(+2,218)
Bonds outstanding	+1,001
Acceptances outstanding	−232
Provisions	+31
Capital and reserves, profit-sharing certificates outstanding	+1,183
Reserve arising from consolidation, in accordance with Section 331 (1) 3 of the German Stock Corporation Act (AktG)*)	−128
Minority interests	+7
Consolidated profit	−46
Sundries (including loans on a trust basis)	−25
Total Liabilities	+6,081

*) former version, valid up to end-1986.

The Group's balance sheet total before elimination of intra-Group balances reached DM256,212m at end-1992. 67.8% of this was accounted for by assets of the Parent Bank, as compared with 61.6% in the previous year, and 9.8%, as compared with 15.5% in 1991, by those of the consolidated commercial banks. A further 17.4% relates to the mortgage lending subsidiary, RHEINHYP Rheinische Hypothekenbank AG, and 5.0% to other companies.

Assets

Liquidity

While each member of the Commerzbank Group is responsible for meeting its own liquidity needs, the overall availability of liquid funds within the Group is supervised by the Parent Bank. The latter, enjoying the highest standing of all Group members in both the national and international financial markets, is able to provide its banking subsidiaries, if need be, with the liquid resources they may require. Solvency at any time is assured through sufficient holdings of both funds easily liquidizable and the necessary volumes of bills of exchange and of other securities eligible as collateral to obtain Lombard advances from the Bundesbank.

In order to be able to cope with possible liquidity shortages in foreign currencies, too, standby credit lines were arranged with major foreign banks, mostly on a mutual basis. These agreements make up for the recourse we lack abroad on the respective central banks or monetary authorities for obtaining liquidity.

Treasury notes, other securities

Securities holdings within the Group were down by DM1,050m to DM19,325m. The combined volume of Treasury bills and discountable Treasury notes was reduced by DM45m to DM815m.

The volume of bonds and notes held by the Group and issued by both Group members and others registered a DM1,012m decline. Paper issued by non-Group members were down by DM789m; bonds with an original life of under four years were DM1,101m lower, while those in the four-years-and-over bracket rose by a marginal DM312m.

Bonds and notes issued by Group members are shown in the consolidated balance sheet at DM980m – DM223m less than in the previous year. We have counted bonds and notes in an amount of DM3,240m as fixed assets, as we regard these holdings as a permanent investment. They have either been financed through funds with matching maturities or secured by means of interest swaps. Divestments have reduced the overall portfolio by DM447m.

Holdings of other securities were reduced by DM38m to DM1,770m.

Lending

The Group stepped up its lending to other banks and to customers (excluding both loans on a trust basis and guarantees) by DM8,857m to DM166,736m in 1992. This represents a rise of 5.6%, as against 7.8% in 1991. The strongest expansion was achieved by the Parent Bank, whose loan volume went up by 15.8%. The increase can basically be attributed to the merger with our Berlin subsidiary. After expanding by 2.8% in 1991, the credits of our mortgage bank subsidiary went up by 5.0% last year. A decline in short and medium-term lending to customers was registered by our foreign subsidiaries.

Excluding lending by the mortgage bank subsidiary, credits to customers rose by DM6.3bn to DM113.2bn for the Group as a whole. Unlike in the previous year, long-term claims on customers, advancing by 8.3%, expanded more strongly than those at short and medium term, which went up by 3.8%. In 1991, the rate of increase of short and medium-term loans had been 1.1 percentage points higher than that of long-term credits. The Bank's short and medium-term claims on customers exceeded those at long term by DM5.8bn, DM1.9bn less than a year earlier.

Changes in Group's lending

	Year-end, 1992 DM m	%	Year-end, 1991 DM m	%	Change DM m	%
Loans to customers						
a) short and medium-term	59,494	35.8	57,294	36.3	+2,200	+3.8
b) long-term (four years or more)	53,698	32.2	49,565	31.4	+4,133	+8.3
Sub-total	113,192	68.0	106,859	67.7	+6,333	+5.9
Long-term mortgage and communal loans of mortgage bank subsidiary						
a) to customers	34,551	20.7	32,460	20.6	+2,091	+6.4
b) to banks	4,583	2.7	4,796	3.0	−213	−4.4
Sub-total	39,134	23.4	37,256	23.6	+1,878	+5.0
Bills discounted	4,230	2.5	3,345	2.1	+885	+26.5
Claims on banks						
a) short and medium-term	4,846	2.9	4,155	2.6	+691	+16.6
b) long-term (four years or more)	4,680	2.8	5,575	3.6	−895	−16.1
Sub-total	9,526	5.7	9,730	6.2	−204	−2.1
Leased equipment	654	0.4	689	0.4	−35	−5.1
Total lending	166,736	100.0	157,879	100.0	+8,857	+5.6

At RHEINHYP Rheinische Hypothekenbank, longer-term lending went up by DM1.9bn to DM39.1bn in a year-on-year comparison. This reflects the 3.4% increase to DM20.8bn in mortgage loans and a growth of 7.0% to DM18.3bn in credits to local governments and authorities.

Interbank lending at Group level contracted by 2.1% to DM9.5bn. While our long-term lending declined by 16.1%, short and medium-term interbank credits expanded by 16.6%. The share of the longer-term credits of the Group's commercial banks remained constant at 35.0% in a year-on-year comparison, while the proportion of long-term mortgage loans went down slightly to 23.4%. That of short and medium-term credits (including bills discounted) amounted to 41.2% at the balance sheet date, as against 41.0% at end-1991. Leasing operations which, in a broader sense, are also part of credit business accounted for 0.4%, or DM0.7bn, of the Group's total lending.

Fixed assets

After elimination of holdings in consolidated companies, the Group's fixed assets stand at DM6,106m (DM5,690m in 1991), comprising holdings in unconsolidated companies (investments) of DM3,802m, land and buildings at DM1,227m, and office furniture and equipment at DM1,077m.

Changes in "Investments" at the Parent Bank are outlined above in the Report on the Bank's Performance (cf. page 31 of this Report). The subsidiaries acquired new investments in an actual amount of DM0.1bn. The main acquisitions represent investments by our Irish subsidiaries.

Liabilities and shareholders' equity

Total deposits and borrowed funds

In 1992, the Group's total deposits and other borrowed funds increased by DM5,059m to DM218,074m. At year-end, they were made up as follows:

Changes in Group's borrowing

	Year-end, 1992 DM m	%	Year-end, 1991 DM m	%	Change DM m	%
Liabilities to banks						
a) demand deposits	6,323	2.9	5,627	2.6	+696	+12.4
b) time deposits	39,420	18.1	42,096	19.8	−2,676	−6.4
Sub-total	45,743	21.0	47,723	22.4	−1,980	−4.1
Customers' deposits						
a) demand deposits	28,430	13.0	24,112	11.3	+4,318	+17.9
b) time deposits	68,174	31.3	68,440	32.2	−266	−0.4
c) savings deposits	21,436	9.8	19,218	9.0	+2,218	+11.5
Sub-total	118,040	54.1	111,770	52.5	+6,270	+5.6
Acceptances outstanding	1,727	0.8	1,959	0.9	−232	−11.8
Bonds issued by commercial banks within Group	15,596	7.1	14,851	7.0	+745	+5.0
Bonds issued by mortgage bank subsidiary	36,968	17.0	36,712	17.2	+256	+0.7
Sub-total	52,564	24.1	51,563	24.2	+1,001	+1.9
Total deposits and borrowed funds	218,074	100.0	213,015	100.0	+5,059	+2.4

As in 1991, year-on-year changes in the percentage shares registered by the different kinds of borrowed funds again produced a shift away from liabilities to banks. Customers' deposits rose by DM6.3bn, increasing their share in the total funds raised from 52.5% to 54.1%. While customers' deposits expanded, our liabilities to banks declined by DM2.0bn. Their share of the Group's borrowing fell from 22.4% to 21.0%. The volume of bonds issued by Group members rose by DM1.0bn to DM52.6bn, marginally reducing their share in the total funds raised by 0.1 percentage points to 24.1%. DM37.0bn of this amount was accounted for by paper issued by our mortgage bank subsidiary, which included DM16.0bn of mortgage bonds and DM18.9bn of communal bonds. The aggregate funds deposited by customers are shown at DM118.0bn. At 18.2%, savings' overall share of the total was slightly higher than in 1991, while that of time deposits declined from 61.2% to 57.8%. Savings deposits achieved a gain of DM2.2bn in the year under review to reach DM21.4bn. Sight deposits by customers increased by DM4.3bn.

Other liabilities

After total additions of DM31m, provisions reached DM3,051m.

Actuarial computation required a DM40m increase in provisions for pensions, which thus reached DM1,466m in the balance sheet at end-1992.

Provisions for other purposes, which are shown at DM1,585m, relate in the main to possible loan losses, to taxes, to year-end bonuses, to other liabilities of uncertain amount, and to such pension commitments as can be expected to fall due in the future – on the basis of the normal entry-age method – in the case of employees opting for early retirement under a scheme collectively agreed in 1984.

At end-1992, the "special item with partial reserve character" still included a non-written-back amount of DM0.1m from the special item formed in 1982 pursuant to Section 52 (8) of the German Income Tax Act (EStG) to comply with the required write-backs of provisions for pensions. In 1992, DM1.2m was allocated to the special item with partial reserve character formed pursuant to Section 6b of the German Income Tax Act (EStG).

Capital and reserves

The Parent Bank's share capital and its disclosed reserves rose to DM5,905m. Through the introduction of the Bank's shares in Milan, the issue of shares to our staff as well as, to a lesser extent, the exercising of conversion rights carried by the convertible profit-sharing certificates issued in 1990, DM19m was added to the share capital and DM75m to the capital reserve. DM350m was allocated to revenue reserves.

In 1992, the Bank's profit-sharing certificates outstanding increased by DM740m from DM1,704m to DM2,444m. The rise was due to the issue of profit-sharing certificates in an amount of DM500m by the Parent Bank, DM210m by RHEINHYP Rheinische Hypothekenbank, and DM30m by Berliner Commerzbank AG, which together with the previous issue of DM80m was transferred to the Parent Bank as part of the merger. Of the aggregate amount of DM2,444m of profit-sharing certificates outstanding, DM2,034m was issued by the Parent Bank and DM410m by RHEINHYP Rheinische Hypothekenbank.

The consolidation difference as defined in Section 331 (1) 3 of the German Stock Corporation Act (AktG) in its former version (valid up to end-1986) corresponds to the excess of the book value of the consolidated companies' equity (including their disclosed reserves) over the book value of the Parent Bank's investments therein; this item, representing equity and regarded as revenue reserves, fell by DM128m to DM952m in the year under review. The change stems from the elimination of the consolidation difference in the case of Berliner Commerzbank AG due to merger and from allocations to other revenue reserves by our banking subsidiaries.

Including a total of DM42m (DM90m in the preceding year) of further allocations to the Group's reserves, subject to approval by the AGMs of consolidated subsidiaries, and also including minority shareholders' interests – the latter without the attributable share of profits and losses – of DM64m (DM57m in 1991), the Group's equity capital at year-end stood at DM9,408m, as against DM8,393m at end-1991. With the capital increase included which was effected by the Parent Bank early in 1993 in an actual amount of DM500m, the Group's equity capital stands at DM9,908m.

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 DM59m 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 of up to DM71m, the calling of which is, however, conditional on the passing of an appropriate resolution by the institution's shareholders. Moreover, contingent claims exist on a proportional basis for meeting the assessments payable by institutions which are members of Bundesverband deutscher Banken e.V., Cologne.

On the balance sheet date, DM3.4bn of the Group's securities holdings were pledged as collateral in short-term fund-raising operations, especially under repurchase agreements, with the Deutsche Bundesbank. A further DM3.1bn of the Group's assets, used to provide such security as is legally required in some countries, were tied by liens held.

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 increased by DM1,357m to DM19,127m. With interest expenditure rising less, namely by DM958m to DM14,642m, the Group's net interest and dividend earnings totalled DM4,485m. Contrary to the procedure adopted for calculating the Profit and Loss Account, we have added to interest expenditure that part of our expenses for profit-sharing certificates outstanding which must be served from the Bank's distributable profit for the last time in 1992. As a result, interest expenditure rose by DM150m from DM113m in 1991. In a year-on-year comparison, the Group's net interest and dividend income expanded by DM399m, or 9.8%. This figure exceeded current personnel and other operating expenses by DM751m, or 20.1%. The respective 1991 figures were DM586m and 16.7%.

The excess of commissions earned over those paid in respect of services went up by DM111m, or 8.3%, to DM1,455m.

Receipts from equipment leased are shown at DM334m, as against DM366m in the previous year, with write-downs on such equipment amounting to DM303m, as against DM347m in 1991.

After balancing other income and the income from the writing-back of both provisions and special items 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) and also allocations to special items with partial reserve character, there was a net shortfall of DM559m. In 1991, it had amounted to DM524m.

Expenditure

The Group's overall personnel expenditure was DM2,601m, while other operating expenses totalled DM1,133m. The increase in these costs thus amounted to DM234m, or 6.7%, as against DM324m, or 10.2%, in 1991.

Depreciation on and adjustments to land and buildings, office furniture and equipment were charged at DM288m (1991: DM262m).

The Group's partial operating result rose by DM262m, or 15.5%, from DM1,687m to DM1,949m. With the own-account transactions in securities, foreign exchange and interest futures included, the full operating result stands at DM2,208m. This represents an increase of DM379m, or 20.7%, over the previous year.

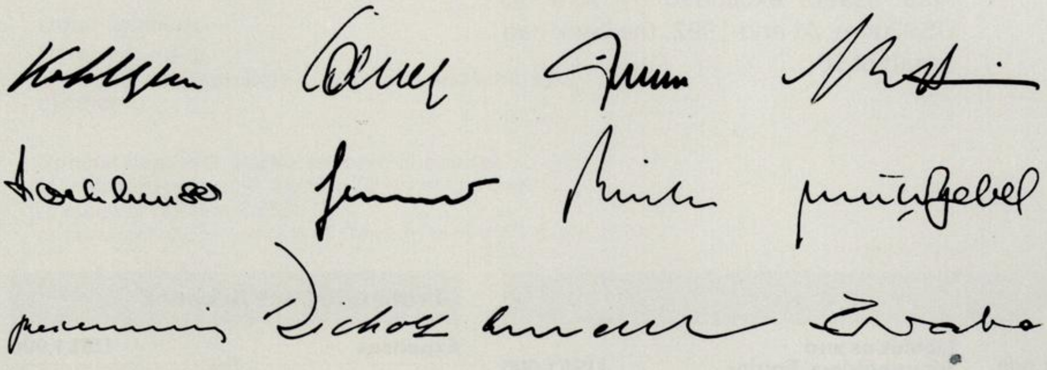
Group taxation totalled DM558m, as against DM541m in the preceding year. This amount includes DM555m for taxes on income and assets, compared with DM528m in 1991.

Consolidated net income for the year and consolidated profit

The Group's net income for the year was DM838m, compared with DM547m in 1991; the loss brought forward from the previous year was DM11m. The amount of the profit accruing to minority shareholders is DM5m. The Parent Bank has transferred DM350m to revenue reserves and the other Group companies DM51m. The remaining consolidated profit thus stands at DM421m. Subject to approval by the AGMs of three consolidated companies, a further DM42m is to be allocated to the latter's other revenue reserves from undistributed profits.

Frankfurt am Main, March 2, 1993

The Board of Managing Directors



CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1992

Assets	DM	DM	DM	Dec 31, 1991 DM1,000
Cash on hand			1,154,825,940.09	940,773
Balance with Deutsche Bundesbank			7,699,585,161.99	5,682,534
Balances on postal giro accounts			88,462,547.52	30,907
Cheques, matured bonds, interest and dividend coupons, items received for collection			987,221,243.02	603,202
Bills of exchange			1,533,486,107.88	981,482
incl.: a) rediscountable at Deutsche Bundesbank	1,034,194,621.71			
b) own drawings	11,098,672.60			
Claims on banks				
a) payable on demand		1,925,358,533.89		7,310,099
b) with original periods or periods of notice of				
ba) less than three months		14,017,030,683.06		12,327,688
bb) at least three months, but less than four years		18,967,830,938.89		18,992,850
bc) four years or more		9,263,207,145.71		10,371,304
			44,173,427,301.55	49,001,941
Treasury bills and discountable Treasury notes, issued by				
a) the Federal and Länder Governments		88,805,951.29		76,675
b) others		725,753,542.42		783,111
			814,559,493.71	859,786
Bonds and notes				
a) with a life of up to four years, issued by				
aa) the Federal and Länder Governments	1,665,336,232.00			
ab) banks	1,736,012,080.70			
ac) others	765,818,081.84	4,167,166,394.54		5,268,263
incl.: eligible as collateral for Deutsche Bundesbank advances	3,156,317,965.78			
valued as fixed assets	15,557,940.72			
b) with a life of more than four years, issued by				
ba) the Federal and Länder Governments	2,543,882,086.22			
bb) banks	3,849,844,875.83			
bc) others	6,014,193,431.31	12,407,920,393.36		12,095,670
			16,575,086,787.90	17,363,933
incl.: eligible as collateral for Deutsche Bundesbank advances	5,180,395,071.02			
valued as fixed assets	3,224,423,284.54			
Securities not to be shown elsewhere				
a) shares marketable on a stock exchange and investment fund certificates		1,703,726,036.09		1,694,930
b) other		65,846,526.01		112,669
			1,769,572,562.10	1,807,599
incl.: holdings of more than one-tenth of the shares of a joint-stock or mining company, unless shown as investments	493,359,440.56			
Claims on customers, with original periods or periods of notice of				
a) less than four years		59,493,860,802.42		57,294,417
b) four years or more		88,248,989,596.61		82,025,306
			147,742,850,399.03	139,319,723
incl.: ba) secured by mortgages on real estate	30,566,683,013.49			
bb) communal loans	20,036,770,480.94			
Recovery claims on Federal and Länder authorities under post-war currency reform acts			17,960,128.02	24,916
Loans granted and shares held on a trust basis at third party risk			623,169,094.05	537,496
Subsidiaries, associated companies, and trade investments (investments)			3,802,346,715.51	3,662,936
incl.: investments in banks	673,359,905.93			
Land and buildings			1,227,056,237.48	1,094,537
Office furniture and equipment			1,077,415,627.34	932,073
Leased equipment			653,610,654.78	689,275
Bank's holding of its own shares			—	248
nominal amount	—			
Bonds and notes issued by the Group			980,494,501.55	1,203,698
nominal amount	960,357,839.48			
incl.: eligible as collateral for Deutsche Bundesbank advances	360,153,487.77			
Other assets			1,111,464,293.61	1,102,867
Deferred items				
a) unamortized debt discount (difference according to Section 250 (3) of the German Commercial Code – HGB)		530,108,881.07		612,012
b) other		169,211,579.73		199,122
			699,320,460.80	811,134
		Total Assets	232,731,915,257.93	226,651,060
Total Assets and the rights of recourse accruing to the Bank in respect of the contingent liabilities shown below the line on the liabilities side include				
a) claims on affiliated companies			105,094,183.28	8,993
b) claims arising from loans falling under Section 15 (1) 1-6 and (2) of the German Banking Act (KWG), unless included under a)			432,998,551.73	462,996

Liabilities and Shareholders' Equity	DM	DM	DM	Dec 31, 1991 DM1,000
Liabilities to banks				
a) payable on demand		6,323,341,309.27		5,627,157
b) with original periods or periods of notice of				
ba) less than three months	5,617,490,040.95			
bb) at least three months, but less than four years	21,713,997,125.68			
bc) four years or more	12,088,507,676.56	39,419,994,843.19		42,095,749
			45,743,336,152.46	47,722,906
incl.: due in less than four years	5,820,024,818.35			
Liabilities to customers (customers' deposits)				
a) payable on demand		28,429,522,958.44		24,111,453
b) with original periods or periods of notice of				
ba) less than three months	35,353,800,322.65			
bb) at least three months, but less than four years	19,046,586,818.82			
bc) four years or more	13,774,262,082.61	68,174,649,224.08		68,440,610
incl.: due in less than four years	7,388,973,341.23			
c) savings deposits				
ca) subject to legal period of notice	18,695,554,921.14			
cb) other	2,740,325,695.57	21,435,880,616.71		19,217,742
			118,040,052,799.23	111,769,805
Bonds and notes with a life of				
a) up to four years		10,523,352,418.09		10,773,404
b) more than four years		42,040,174,486.66		40,789,603
			52,563,526,904.75	51,563,007
incl.: maturing in less than four years	23,026,551,840.05			
Registered bonds issued by mortgage bank subsidiary	11,510,370,006.64			
Acceptances and promissory notes outstanding			1,727,369,324.83	1,959,425
Loans granted on a trust basis at third party risk			623,169,094.05	537,496
Provisions				
a) for pensions		1,465,903,697.39		1,425,680
b) other		1,585,230,085.74		1,594,372
			3,051,133,783.13	3,020,052
Other liabilities			652,285,811.48	711,813
Deferred items				
a) from Group members' new issues and lending		371,478,171.28		340,259
b) other		153,728,756.85		239,133
			525,206,928.13	579,392
Special item with partial reserve character				
a) in accordance with Section 52 (8) of German Income Tax Act (EStG)		109,278.00		218
c) pursuant to Section 6b of German Income Tax Act (EStG)		1,199,105.00		—
			1,308,383.00	218
Profit-sharing certificates outstanding			2,444,019,000.00	1,704,108
incl.: maturing in less than two years	—			
Subscribed capital			1,310,242,250.00	1,291,124
(authorized but unissued conditional capital:		644,754,750.00)		
Capital reserve			2,860,984,383.76	2,786,281
Revenue reserves				
a) legal reserve		6,000,000.00		6,000
b) reserve for the Bank's own shares		—		248
d) other revenue reserves		1,728,003,000.00		1,378,003
			1,734,003,000.00	1,384,251
Reserve arising from consolidation 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)			952,327,472.93	1,080,175
Minority interests			69,214,408.95	62,130
including: from profit		6,539,160.76		
from loss		1,804,800.57		
Foundations			12,901,645.20	12,341
Consolidated profit			420,833,916.03	466,536
Total Liabilities and Shareholders' Equity			232,731,915,257.93	226,651,060
Endorsement liabilities on rediscounted bills of exchange			2,696,181,020.97	2,363,557
Contingent liabilities from guarantees, including guarantees for bills and cheques, and from indemnity agreements			19,586,848,441.99	18,921,687
Commitments under repurchase agreements, not included in liabilities			—	58,200
Total Liabilities, together with contingent liabilities and other commitments shown below the line, include liabilities to affiliated companies in the amount of			45,530,829.61	66,031

* former version, valid up to Dec 31, 1986.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1992

Expenses	DM	DM	1991 DM1,000
Interest and similar expenses		14,491,540,200.15	13,571,194
Commissions and similar service charges paid		42,878,101.47	44,142
Write-downs of and adjustments to claims and securities, and additions to provisions for possible loan losses		2,086,144,961.05	1,050,686
Salaries and wages		2,099,759,859.51	1,937,718
Compulsory social security contributions		307,431,915.52	284,851
Expenses for pensions and other employee benefits		193,586,872.22	256,241
Other operating expenses		1,133,077,941.79	1,021,139
Depreciation on and adjustments to land and buildings, office furniture and equipment		288,152,796.49	262,313
Depreciation on leased equipment		303,387,807.10	346,746
Write-downs of and adjustments to investments (subsidiaries, associated companies, and trade investments)		30,362,601.39	1,812
Taxes			
a) on income and assets	555,158,161.09		527,681
b) other	3,128,434.79		13,352
		558,286,595.88	541,033
Allocations to special item with partial reserve character		1,199,105.00	—
Other expenses		144,817,960.46	187,986
Consolidated net income for the year		837,772,681.23	547,074
	Total Expenses	22,518,399,399.26	20,052,935

	DM	DM	1991 DM1,000
Consolidated net income for the year		837,772,681.23	547,074
Profit brought forward from the previous year		–11,856,929.99	69,422
		825,915,751.24	616,496
Withdrawals from revenue reserves			
c) from reserve for the Bank's own shares		247,500.00	898
Allocations to revenue reserves			
a) to other revenue reserves			
Parent Bank	350,000,000.00		100,000
b) consolidated companies	50,594,975.02		45,823
		400,594,975.02	145,823
Profit attributable to minority interests	6,539,160.76		5,131
Loss incurred by minority interests	1,804,800.57		96
		4,734,360.19	5,035
Consolidated profit		420,833,916.03	466,536

Income	DM	DM	1991 DM1,000
Interest and similar income from lending and money-market transactions		17,210,431,919.54	16,155,666
Current income from			
a) fixed-interest securities and Government-inscribed debt	1,528,733,467.43		1,214,752
b) other securities	143,563,003.42		148,862
c) investments (subsidiaries, associated companies, and trade investments)	244,395,674.20		250,724
		1,916,692,145.05	1,614,338
Commissions and other service charges received		1,498,266,579.59	1,388,431
Income from leased equipment		334,003,128.74	365,594
Other income, including income from the writing back of provisions for possible loan losses		1,523,234,119.90	464,873
Income from the writing back of provisions, unless it has to be shown under other income		35,663,026.44	54,923
Income from the writing back of special item with partial reserve character		108,480.00	9,110
	Total Income	22,518,399,399.26	20,052,935

Frankfurt am Main, March 2, 1993

COMMERZBANK
AKTIENGESELLSCHAFT

THE BOARD OF MANAGING DIRECTORS

Kohlhaussen Coenen Frowein Gloystein Hochheuser Lemmer Müller Müller-Gebel
Reimnitz Richolt Ruedorffer Terrahe

The annual accounts, the financial statement and the report for the Group, which we have examined with due care, comply with German law.

Frankfurt am Main, March 3, 1993

C&L TREUARBEIT
DEUTSCHE REVISION
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Windmöller
Wirtschaftsprüfer
(German public accountant)

Rönnberg
Wirtschaftsprüfer
(German public accountant)

Commerzbank Capital Markets Corporation, New York

Commerzbank Capital Markets Corporation (CCMC), established in 1970 in New York as EuroPartners Securities Corp. and run since 1988 as a wholly-owned Commerzbank subsidiary, is an internationally active investment bank offering a broad range of services. It is a member of the New York Stock Exchange and effects securities transactions and trading business, maintaining its own custody and self-clearing service. CCMC offers international portfolio management for institutional and private investors. In addition, it is active in the USA as a market maker for German securities. It provides counselling in the area of corporate finance and serves as an underwriter for US stock and bond issues.

Despite strong currency fluctuations and a difficult bourse environment, 1992 was a successful year for CCMC in all segments of its business. Total assets expanded by 38% to US$204m. At end-1992, the bank had a staff of 56.

Earnings performance

In both its commission-earning business and its trading activities, CCMC achieved encouraging results. In particular, the bank managed to increase the number of German securities it placed with institutional investors in the United States.

Endowed with a share capital of US$20.2m, CCMC achieved a pre-tax operating result of US$4.5m in 1992. After tax, net income for the year amounted to US$2.5m.

Accounts

Assets	US$1,000
Cash, central bank and postal cheque balances	4
Claims on banks a) payable on demand b) with agreed periods of notice	31,815 (9,742) (22,073)
Loans and advances to customers	30,794
Securities	137,961
Office furniture and equipment	1,775
Other assets	2,125
Total Assets	204,474

Liabilities and Shareholders' Equity	US$1,000
Liabilities to banks a) payable on demand b) subordinated loan	133,392 (118,392) (15,000)
Liabilities to customers payable on demand	47,574
Share capital	20,152
Distributable profit	1,115
Deferred items	192
Other liabilities	2,049
Liabilities and Shareholders' Equity	204,474

Profit and Loss Account

Expenses	US$1,000
Interest and commissions paid	5,430
Personnel expenditure and other operating expenses	9,202
Taxes	2,046
Write-downs, adjustments and additions to loan loss reserves	342
Net income for the year	2,540
Total Expenses	19,560

Income	US$1,000
Interest and commissions received	13,645
Income from securities trading and investments	5,753
Other income	162
Total Income	19,560

US$100 = DM161.40

Commerzbank International S.A., Luxembourg

Within the overall strategy of the Commerzbank Group, Commerzbank International S.A. (CISAL) is involved in all forms of business typical of the Euromarkets and serves private customers from all over the world.

On December 31, 1992, the bank had total assets of DM19.4bn, down from DM20.9bn a year earlier; its total lending amounted to DM10.9bn. At year-end, CISAL had a staff of 155, compared with 150 in 1991.

In the year under review, the bank's private customer business continued to expand. This was reflected in both a strong increase in securities transactions as well as a rise in customers' deposits to DM6.0bn. In addition, CISAL raises funds in the interbank market.

Earnings performance

The earnings of the various business segments were once again satisfactory. The bank has used a substantial part of its higher operating result to cover country risks and has, therefore, not shown a profit. Provisions and valuation reserves now stand at DM2,340m, as against DM2,056m a year previously. CISAL's equity capital remains unchanged at DM1,028m.

Accounts

Assets	DM1,000
Claims on banks	9,230,515
Bills of exchange	100,725
Loans and advances to customers	6,567,976
Securities	2,477,184
Investments	468,439
Land and buildings	34,360
Office furniture and equipment	2,347
Deferred items	536,420
Other assets	30,083
Total Assets	19,448,049

Liabilities and Shareholders' Equity	DM1,000
Liabilities to banks	8,787,903
Liabilities to customers	5,954,923
Bonds outstanding	489,018
Subordinated loans and bonds	321,360
Share capital	225,000
Reserves	803,400
Provisions, write-downs and adjustments	2,340,188
Deferred items	502,888
Other liabilities	23,369
Distributable profit	–
Total Liabilities and Shareholders' Equity	19,448,049

Profit and Loss Account

Expenses	DM1,000
Interest and commissions paid	1,406,739
Personnel expenditure and other operating expenses	28,471
Taxes	27,844
Write-downs and adjustments	303,937
Depreciation	1,941
Other expenses	3,831
Net income for the year	–
Total Expenses	1,772,763

Income	DM1,000
Interest and commissions received	1,548,253
Other income	224,510
Total Income	1,772,763

Commerzbank (Nederland) N.V., Amsterdam

Commerzbank (Nederland) N.V. offers Dutch and multinational firms a broad range of products. In addition to lending, money-market and foreign-exchange transactions, it is especially active in the financing and handling of foreign trade business. For reasons of efficiency, the bank closed its Rotterdam branch as per January 31, 1993, and is thus concentrating its business activities on Amsterdam.

The bank's balance-sheet total expanded by 9% to Dfl2.1bn in 1992. Claims on customers went up by 6% to Dfl982m.

At year-end, the bank had a staff of 101, as against 107 in 1991.

Earnings performance

Earnings performance was again encouraging in 1992. Thanks to improvements in the structure of the balance sheet, the bank managed to lift its interest income much more strongly than its average business volume. In view of the continuing expansion of the bank's lending business, a total of Dfl11.4m (Dfl10m in 1991) was transferred to the global loan loss reserves.

At the Annual General Meeting, the bank will propose that a 14% dividend be paid on the share capital from its net income for the year of Dfl7.0m. Its equity capital now stands at Dfl108.7m.

Accounts

Assets	Dfl1,000
Cash on hand	8
Bills of exchange	86
Claims on banks	961,721
Loans and advances to customers	981,905
Bonds and notes	29,131
Land and buildings	7,831
Office furniture and equiment	4,007
Deferred items	82,097
Other assets	2,036
Total Assets	2,068,822

Liabilities and Shareholders' Equity	Dfl1,000
Liabilities to banks	1,145,013
Liabilities to customers	674,783
Share capital	50,000
Disclosed reserves	58,706
Deferred items	91,642
Other liabilities	41,608
Distributable profit	7,070
Total Liabilities and Shareholders' Equity	2,068,822
Endorsement liabilities	2,358
Guarantees	334,076

Profit and Loss Account

Expenses	Dfl1,000
Interest and commissions paid	205,179
Write-downs and adjustments	11,400
Personnel expenditure and other operating expenses	13,859
Depreciation on fixed assets	1,665
Taxes	42
Net income for the year	7,012
Total Expenses	239,157

Income	Dfl1,000
Interest and commissions received	236,562
Current income from securities and investments	1,824
Other income	771
Total Income	239,157

Dfl100 = DM89.05

Commerzbank (South East Asia) Ltd., Singapore

Commerzbank (South East Asia) Ltd. - COSEA - makes available all the instruments of the international capital and credit markets to corporate clients. In addition, it offers private customers investments in fixed-term deposits, equities and bonds as well as full-scale portfolio management.

In view of the economic conditions, the bank continued to pursue its cautious business policy. Loans to customers were reduced by 21% to S$959m; overall, its balance sheet total shrank by 30% to S$1,689m, partly due to the transfer of some activities to the Parent Bank's Singapore Branch. However, customers' deposits registered an encouraging 29% increase to reach S$300m.

Earnings performance

COSEA operated successfully in all business segments. It shows net income of S$7.6m for 1992, which, with the previous year's profit carried forward included, will enable the bank to pay a 20% dividend on its share capital of S$45m. The remaining S$1.1m will be carried forward to new account. At end-1992, the bank's equity capital was unchanged at S$82.5m.

The Parent Bank's Singapore Branch expanded its business activities further, achieving positive results in all segments. Foreign commercial and treasury business proved to be especially encouraging.

Accounts

Assets	S$1,000
Cash on hand	24
Claims on banks	530,083
a) payable on demand	(23,354)
b) with agreed periods of notice	(506,721)
Loans and advances to customers	958,968
with agreed periods of notice of	
a) less than four years	(519,128)
b) four years or more	(439,840)
Securities	179,458
Land and buildings	1,433
Office furniture and equipment	1,382
Deferred items	16,642
Other assets	526
Total Assets	1,688,516

Liabilities and Shareholders' Equity	S$1,000
Liabilities to banks	1,285,644
a) payable on demand	(624,998)
b) with agreed periods of notice	(660,646)
Liabilities to customers	299,844
a) payable on demand	(12,583)
b) with agreed periods of notice	(287,261)
Share capital	45,000
Reserves	37,500
a) legal reserve	(4,500)
b) from capital increase	(33,000)
Provisions	2,103
Other liabilities	8,320
Distributable profit	10,105
Total Liabilities and Shareholders' Equity	1,688,516

Profit and Loss Account

Expenses	S$1,000
Interest and commissions paid	102,612
Personnel expenditure and other operating expenses	6,268
Taxes	1,918
Write-downs of and adjustments to claims and securities, and additions to provisions for possible loan losses	3,561
Depreciation on buildings, office furniture and equipment	590
Other expenses	62
Net income for the year	7,577
Total Expenses	122,588

Income	S$1,000
Interest and commissions received	118,602
Other income	3,986
Total Income	122,588

S$100 = DM98.20

Commerzbank (Switzerland) Ltd, Zurich

Based in Zurich with a branch in Geneva, Commerzbank (Switzerland) Ltd is a specialized institution in the area of portfolio management and investment counselling which concentrates on international private customers. Its range of services also includes trading in money-market instruments, foreign exchange, securities and precious metals as well as lending and underwriting business.

The bank achieved very encouraging results last year. Its retail activities registered a solid expansion. The number of customers and the volume of assets managed increased considerably.

With the structure of the balance sheet virtually unchanged, total assets advanced by 10% to Sfr581m. The bank continues to cover the greater part of its funding by means of interbank borrowing. The number of employees remained fairly constant at 82, compared with 81 in 1991.

Earnings performance

Once again, there was strong expansion of both commission earnings and net interest income. In foreign-exchange and securities business as well, the previous year's good results were improved upon. After making adequate provision for all perceivable risks, the bank will post net income of Sfr7.9m for 1992 (Sfr2.9m in 1991).

With 1991's profit brought forward included, the bank has Sfr8.3m at its disposal, enabling it to make a higher – 6% – dividend payment of Sfr3m and allocate Sfr5m to the legal reserve. The remainder will be carried forward to new account, after which the bank's equity capital will amount to Sfr71.2m.

Accounts

Assets	Sfr1,000
Cash, central bank and postal cheque balances	157
Claims on banks	392,741
a) payable on demand	(3,420)
b) with agreed periods of notice	(389,321)
Loans and advances to customers	75,515
Securities	94,466
Investments	500
Office furniture and equipment	4,339
Deferred items	74
Other assets	13,223
Total Assets	581,015

Liabilities and Shareholders' Equity	Sfr1,000
Liabilities to banks	394,915
a) payable on demand	(12,489)
b) with agreed periods of notice	(382,426)
Liabilities to customers	85,329
a) payable on demand	(66,783)
b) with agreed periods of notice	(18,546)
Share capital	50,000
Legal reserve	21,200
Deferred items	321
Other liabilities	25,975
Distributable profit	3,275
Total Liabilities and Shareholders' Equity	581,015

Profit and Loss Account

Expenses	Sfr1,000
Interest and commissions paid	32,111
Personnel expenditure and other operating expenses	18,583
Taxes	1,624
Write-downs, adjustments and additions to loan loss reserves	8,033
Net income for the year	7,925
Total Expenses	68,276

Income	Sfr1,000
Interest and commissions received	46,603
Other income	21,673
Total Income	68,276

Sfr100 = DM110.38

RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main

With new loan commitments of DM7.4bn, compared with DM6.7bn in 1991, Rheinhyp achieved its best result to date last year. Thanks in particular to brisk demand for commercial property credits and an ever greater number of real-estate financing transactions in eastern Germany, new mortgage lending was raised by 13.7% to DM2.7bn. At DM4.6bn, new credits to public authorities exceeded the exceptionally high level of the previous two years. With loans included which were prolonged during the year after renegotiation of their interest charges, the bank's new lending totalled DM8.9bn, as against DM7.7bn a year earlier.

The bank funded its activities primarily by issuing DM1.8bn of mortgage bonds and DM2.8bn of public-sector mortgage bonds.

Earnings performance

Rheinhyp's earnings performance was once again encouraging in 1992. Its partial operating result increased by DM23.9m, or 10.5%, to DM252.0m. Net income for the year is shown at DM130.5m. During 1992, the bank issued DM210m of profit-sharing certificates.

At the Annual General Meeting on April 30, 1993, shareholders will be asked to approve both an increase of the share capital out of retained earnings on a one-for-ten basis and the payment of an unchanged dividend of DM14 plus a bonus of DM1 per DM50 share on the bank's augmented share capital of DM115m. In order to boost its equity capital, the bank proposes to allocate another DM80m to reserves. Once the resolution to this effect has been passed, the bank's equity capital will amount to DM1.5bn.

Accounts

Assets	DM1,000
Loans at agreed periods of four years or more of which:	39,134,970
a) mortgage loans	(20,799,303)
b) communal loans	(18,249,718)
Securities, bonds and notes	825,877
Claims on banks and on other debtors	3,831,724
Own bonds (nominal value DM483,036,000)	455,417
Investments	102,004
Land and buildings	38,461
Office furniture and equipment	8,335
Other assets	169,061
Total Assets	44,565,849

Liabilities and Shareholders' Equity	DM1,000
Bonds issued	35,449,243
Bonds to be delivered	91,389
Loans taken up at a long term	2,577,621
Liabilities to banks and to other creditors	2,735,864
Accrued interest on bonds issued and on loans taken up	1,609,066
Profit-sharing certificates outstanding	410,000
Subscribed capital	104,500
Capital reserve	90,597
Revenue reserves	816,927
Other liabilities	590,157
Distributable profit	90,485
Total Liabilities and Shareholders' Equity	44,565,849

Profit and Loss Account

Expenses	DM1,000
Interest and non-recurrent expenses	3,058,874
Write-downs, adjustments and additions to loan loss reserves	61,265
Personnel expenditure and other operating expenses	85,906
Taxes	82,655
Other expenses	6,636
Net income for the year	130,485
Total Expenses	3,425,821

Income	DM1,000
Interest and similar income	3,409,125
Income from investments	7,889
Sundry income	7,334
Income from the writing-back of special item with partial reserve character	96
Other income	1,377
Total Income	3,425,821

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Managing Directors
Deutscher Lloyd Lebens-
versicherung AG and Deutscher
Lloyd Versicherungs AG
Munich
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Management Spokesman
Wacker-Chemie GmbH
Munich
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Managing Directors
Krones AG Hermann Kronseder
Maschinenfabrik
Neutraubling
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Departmental Head
(Associated Companies)
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Munich
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SKF GmbH
Schweinfurt
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Managing Directors
Fichtel & Sachs AG
Schweinfurt
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Nuremberg,
Managing Partner
Metz-Werke GmbH & Co. KG
Fürth (Bavaria)
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Erich Netzsch GmbH & Co.
Holding KG
Selb
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INA Wälzlager Schaeffler KG
Herzogenaurach
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SIGRI Great Lakes Carbon GmbH
Wiesbaden
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Managing Directors
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Nuremberg
DIPL.-ING. GEORG SCHÄFER
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FAG Kugelfischer
Georg Schäfer KGaA
Schweinfurt
DR.-ING. HEINZ-LUDWIG SCHMITZ
Chairman of the Board of
Managing Directors
Renk AG
Augsburg
FRANZ JOSEF SCHWARZ
Chairman of the Boards of
Managing Directors
WWK Lebensversicherung a. G. and
WWK Allgemeine Versicherung AG
Munich
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Burda Holding GmbH & Co. KG
Munich
DR. HERBERT WÖRNER
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Bosch-Siemens Hausgeräte GmbH
Munich
ROLAND WOHLLEBEN
Schwarzenfeld

Berlin-Brandenburg

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Firmengruppe Eduard Winter
Berlin
THOMAS BAHNER
General Manager
Leiser Fabrikations-
und Handels-Gesellschaft
Augsburg
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Regional Manager
Deutsches Rotes Kreuz,
Landesverband Berlin
Berlin
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SAT Fluggesellschaft mbH,
Germania Fluggesellschaft mbH
Bremen
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Wirtschaftsförderung
Brandenburg GmbH
Potsdam-Neufahrland
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Berlin
SIEGFRIED ERNST
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Berlin
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Managing Directors
Zoologischer Garten Berlin AG
Berlin
OBERSTUDIENDIREKTOR
DIPL. HDL. KLAUS GEHRMANN
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Oberstufenzentrum
Banken und Versicherungen
Berlin

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Trumpf Unternehmensgruppe
Berlin
KLAUS GROTH
Managing Partner
Groth + Graalfs Group
Berlin
HANS ULRICH GRUBER
General Manager
Thyssen Handel Berlin GmbH
Berlin
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Managing Directors
Kaiser's Kaffee-Geschäft AG
Viersen
HEINZ HÄNEL
Managing Partner
Max Boeldicke GmbH & Co.
Berlin
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Managing Directors
Fritz Werner Werkzeugmaschinen AG
Berlin
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Schwartauer Werke GmbH & Co.
Kakao Verarbeitung Berlin
Berlin
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Managing Directors
Herlitz AG
Berlin
HANS KARL HERR
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Managing Directors
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und Vermögensanlage AG
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Berlin
JOACHIM KLEIN
Managing Partner
Umlauf & Klein Group
GmbH & Co.
Berlin
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Managing Partner
Ärzte-Treuhand
Vermögensverwaltung GmbH
Berlin
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Lawyer
Executive Manager
VME Verband der Metall- und Elektro-
Industrie in Berlin und Brandenburg e.V.
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Berlin
PROFESSOR DR. WERNER KNOPP
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Stiftung Preußischer Kulturbesitz
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Senftenberg

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Managing Directors
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Stuttgart
KLAUS OBERWELLAND
General Partner
August Storck KG
Berlin
KLAUS OSTERHOF
General Partner
"WAM" Osterhof KG
Berlin
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Berlin
MANFRED
FREIHERR VON RICHTHOFEN
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Landessportbund Berlin
Berlin
KARLHEINZ RIESER
General Manager
Berliner Instant Kaffeewerk GmbH & Co.
Berlin
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Oberkonsistorialrat
Protestant Church of
Berlin-Brandenburg
Berlin Consistory
Berlin
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Managing Directors
Willy Vogel AG
Berlin
DR. JÖRG SCHMITZ
Chairman of Administrative Board
Versorgungswerk
der Zahnärztekammer Berlin
Berlin
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Director
Management of
Pharmaceutical Division
Schering AG
Berlin
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Managing Partner
Firma KSR Kammgarn GmbH & Co.
Spinnerei Reinickendorf KG
Berlin
DIPL.-KAUFMANN KARLHEINZ STEINER
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Berlin
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Berlin
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Institut für Schiffahrts- und
Marinegeschichte
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General Partner and General Manager
Bernward Leineweber Kommandit-
gesellschaft Berlin
Herford/Westf.
PRÄLAT DR. JOHANNES TOBEI
Canon
Episcopal Diocese Authorities Berlin
Berlin

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Zuckerhandelsunion GmbH
Berlin
REINHARD WARKOCZ
Director
Finance Department
Siemens AG
Munich
HANS MICHAEL WIEBE
Managing Partner
Hans Michael Wiebe Textil-Gruppe
Berlin
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Member of the Supervisory Board
Schering AG
Berlin
JOCHEN WOLF
Minister for Urban Development,
Housing and Transport
Government of the Land of
Brandenburg
Potsdam

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Kellogg (Deutschland) GmbH
Bremen
KONSUL RITA DUBBERS-ALBRECHT
Managing Partner
J. H. Bachmann (GmbH & Co.)
Bremen
ALFRED DÜRING
General Manager
Flamingo-Fisch GmbH & Co. KG
Bremerhaven
CARL OTTO MERKEL
Managing Partner
Louis Delius GmbH & Co.
Bremen

Hamburg

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Managing Directors
Deutsche Shell AG
Hamburg
DR. KLAUS ASCHE
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Managing Directors
Holsten-Brauerei AG
Hamburg
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Member of the Supervisory Board
Jungheinrich AG
Hamburg
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Hans Schwarzkopf GmbH
Hamburg
PETER CREMER
Partner
Peter Cremer GmbH & Co.
Hamburg
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Chairman of the Advisory Board
Arnold Otto Meyer
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Großhansdorf
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Mineraloel und Chemie
Hamburg
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Hamburg
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Managing Directors
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Werke AG
Hamburg
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DKV Deutscher Kraftverkehr
Ernst Grimmke GmbH & Co. KG,
Düsseldorf
Hamburg
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Industrieverband Hamburg e.V.
Hamburg
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Jahreszeiten-Verlag
Hoffmann und Campe Verlag
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Managing Directors
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Hamburg-Harburg
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Managing Directors
ESSO AG
Hamburg
KARIN MARTIN
Member of the Board of
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Jungheinrich AG
Hamburg
WALTER MEIER-BRUCK
Hamburg
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Martin Merkel GmbH & Co. KG
Hamburg
MARTIN MÜLLER
Deputy Chairman of the
Supervisory Board
J. F. Müller & Sohn A.-G.
Hamburg
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versicherung AG, Volksfürsorge
Deutsche Sachversicherung AG
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Deutsche Angestellten-Krankenkasse
Hamburg

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dpa Deutsche Presse-Agentur GmbH
Hamburg
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Executive Manager
Van Ommeren Deutschland GmbH
German Country Coordinator
Van Ommeren-Gruppe
Hamburg
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Managing Directors
Helm AG
Hamburg
MARTIN SCHRÖDER
Member of the Boards of
Managing Directors
IDUNA/NOVA Versicherungen
Hamburg
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Deutsche BP AG
Hamburg
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General Manager
Hamburger Stahlwerke GmbH
Hamburg

Hesse

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Alzenau
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Deutsches Reisebüro GmbH
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Managing Directors
Wella AG
Darmstadt
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Deutsche ICI GmbH
Frankfurt am Main
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EKF Einkaufskontor Frankfurt GmbH
Hofheim-Wallau
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Frankfurt am Main-Höchst
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Offenbach
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Fulda
ALAIN HAGELAUER
Directeur Général Adjoint
Directeur Financier
Thomson S.A.
Paris

FRANÇOIS HERIARD DUBREUIL
Directeur Général
Rémy Cointreau S.A.
Paris
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Managing Director
Hoppe AG
Stadtallendorf
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Chairman of the Executive Board
Du Pont de Nemours (Deutschland)
GmbH
Bad Homburg v. d. H.
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Accounting Department
Heraeus Holding GmbH
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Fachhochschule Furtwangen,
Deputy Chairman
of the Supervisory Board
VDO Adolf Schindling AG
Schwalbach/Ts.
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Expert Maschinenbau GmbH
Lorsch
HENRIK LOTZ
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Dunlop GmbH
Hanau
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Managing Directors
Leybold AG
Hanau
KONSUL DR. HANS MESSER
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Frankfurt am Main Chamber of
Industry and Commerce
Frankfurt am Main
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General Manager
Behring-Institut GmbH
Marburg (Lahn)
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Managing Partner
Autokühler-Gesellschaft
m.b.H. & Co. KG,
AKG-Thermotechnik GmbH & Co. KG
Hofgeismar
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Managing Directors
Neckermann Versand AG
Frankfurt am Main
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Chairman of the Board of
Managing Directors
Ludwig-Schunk-Stiftung
Giessen
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Manager
Head of Finance Department
E. Merck, Darmstadt,
General Manager
Merck AG, Zug/Switzerland

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General Manager AMP Europe
Langen and Steinach/Switzerland
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Hanau
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Frankfurt am Main
ERIC SWENDEN
Voorzitter Raad van Bestuur
N.V. Vandemoortele International
Kortrijk
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SP Reifenwerke GmbH
Hanau
REINHOLD WAGNER
Chairman of the Executive Board
Alcan Deutschland GmbH,
Director
Alcan Walz- und
Folienwalzprodukte Europa
Eschborn
REINHOLD WILD
Seeheim
ERNST-JÖRG ZEHELEIN
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Managing Directors
Milupa AG
Friedrichsdorf

Lower Saxony

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Managing Directors
Energieversorgung Weser-Ems AG
Oldenburg (Oldenb.)
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Partner
Holding Besserer + Ernst
GmbH & Co. KG
Goslar
DIPL.-RER. POL. JOCHEN BEYES
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Managing Directors
KWS Kleinwanzlebener Saatzucht AG
Einbeck
THOMAS BLADES
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Prakla Seismos GmbH
Hanover
DIPL.-KAUFMANN
HEINRICH BREITENFELDER
General Manager
Atlas Weyhausen GmbH
Delmenhorst
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Managing Directors
Daun & Cie. AG
Rastede
DR. WERNER ECKHARDT
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Ärzteversorgung Niedersachsen
Hanover
Springe

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Managing Directors
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GmbH & Co. KG
Hanover
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BEB Erdgas und Erdöl GmbH
Hanover
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Blaupunkt-Werke GmbH
Hildesheim
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General Manager
Reederei-Gruppe Hartmann
Leer
DIPL.-KAUFMANN AXEL HÖBERMANN
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Managing Directors
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Lüneburg
DIPL.-KAUFMANN
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Managing Directors
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Nordenham
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Hanover/Hildesheim
Chamber of Industry and Commerce
Hanover
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Managing Directors
Haftpflichtverband der Deutschen
Industrie Versicherungsverein a. G.
Hanover
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Managing Directors
VARTA AG and VARTA Batterie AG
Bad Homburg/Hanover
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Managing Directors
Haftpflichtverband der Deutschen
Industrie Versicherungsverein a. G.
Hanover
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Otto Bock Group
Duderstadt
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Managing Directors
Hannoversche Papierfabriken
Alfeld-Gronau AG
Alfeld (Leine)
DIPL.-ING. HERBERT VON NITZSCH
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Thyssen Nordseewerke GmbH
Emden
DR. VOLKER v. PETERSDORFF
Chairman
Leitender Ausschuss
Altersversorgungswerk der
Zahnärztekammer Niedersachsen
Hanover

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kabelmetal electro GmbH
Chairman of the Board of
Managing Directors
Alcatel Kabel Beteiligungs A.G.
Hanover
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Managing Partner
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Proprietor
E. Rädecke GmbH & Co.
Uelzen
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MB Video GmbH
Peine
DR. RUTBERT D. REISCH
Director
Departmental Head
Group Treasury
Volkswagen AG
Wolfsburg
DR. HELMUT ROLAND
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Managing Directors
Concordia Versicherungsgruppe
Hanover
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MANFRED RUSCHMEIER
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Managing Directors
Schmalbach-Lubeca AG
Brunswick
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Sartorius AG
Göttingen
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Oldenburg (Oldenb.)
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Haarmann & Reimer GmbH
Holzminden
DIPL.-ING. KARL-HEINZ SCHMIDT
General Partner
Paul Troester Maschinenfabrik
Hanover
BRUNO STEINHOFF
Proprietor
Steinhoff Group
Westerstede
REINHOLD STÖVER
Proprietor
Stöver Group
Wildeshausen
KLAUS THIMM
General Partner
Thimm KG Verpackungswerke
Northeim
DIPL.-KAUFMANN KLAUS TREIBER
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Managing Directors
Brauergilde Hannover AG and
Gilde Brauerei AG
Hanover
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H. W. Urban GmbH & Co.
Management KG
Berlin

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WOLFF METTERNICH ZUR GRACHT
Schloss Adelebsen

Mecklenburg-Western Pomerania

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Executive Manager
Deutsche Seereederei Rostock GmbH
Rostock

North Rhine-Westphalia

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Managing Directors
Adolf Ahlers AG
Herford
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Chairman of the Executive Board
Fritz Homann Lebensmittelwerke
GmbH & Co. KG
Dissen a.T.W.
THEO ALBRECHT
Managing Partner
Albrecht KG
Essen
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Bünde (Westphalia)
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General Partner
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BAKA Druck GmbH & Co. KG, Ratingen,
Karl Rauch Verlag KG
Düsseldorf
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GRAF VON BALLESTREM
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Managing Directors
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Essen
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Managing Partner
IBENA Textilwerke
Beckmann GmbH & Co.
Bocholt
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Managing Directors
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Paderborn
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STEINFURT
Privat-Forstmeister
Steinfurt
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Managing Directors
Ruhrverband
Essen
DIPL.-BETRIEBSWIRT
DIPL. RER. OEC. KLAUS BIERMANN
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Managing Directors
Signal Krankenversicherung a.G.,
Unfallversicherung a.G.,
Lebensversicherung AG
Dortmund

DIPL.-KAUFMANN
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Managing Partner
Wilhelm Böllhoff Beteiligungsge-
sellschaft GmbH & Co. KG
Bielefeld 14
DIPL.-ING. WILHELM BONSE-GEUKING
Member of the Board of
Managing Directors
VEBA OEL AG
Gelsenkirchen-Buer
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Ministerialrat a. D.
Executive Manager
Bergbau-Berufsgenossenschaft
Bochum
DIPL.-KAUFMANN
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Managing Directors
Rheinbraun AG
Cologne
HARALD BREME
Chairman of the Board of
Managing Directors
Schumag AG
Aachen
DIPL.-KAUFMANN
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Managing Directors
Hochtief AG vorm. Gebr. Helfmann
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Jauch & Hübener KG a.A.
Mülheim (Ruhr)
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Executive Manager
Verband der Metall-
und Elektro-Industrie
Nordrhein-Westfalens e.V. and
Landesvereinigung der Arbeitgeber-
verbände Nordrhein-Westfalens e.V.
Düsseldorf
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GEDORE Werkzeugfabrik
Otto Dowidat
Remscheid 12
DIPL.-KAUFMANN
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Sole General Manager and Partner
GELCO Bekleidungswerk
GmbH & Co. KG
Gelsenkirchen
ADOLF FLÖRING
Wermelskirchen
HEINZ FRÖMBLING
Partner and Member of the
Executive Boards
Frömbling-Unternehmens-
gruppe Osnabrück
Osnabrück
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Chairman of the Executive Board
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Aachen
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Executive Vice President
Rau Group
Hilter
DR. HANS-ULRICH GÜNTHER
Member of the Executive Board
Deilmann-Montan GmbH
Bad Bentheim

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General Manager and Partner
Papierwerke Halstrick KGaA
Raubach
ERIVAN KARL HAUB
Sole General Manager and Partner
Wilh. Schmitz-Scholl
and Tengelmann Waren-
handelsgesellschaft
Mülheim (Ruhr)-Speldorf
FRIEDRICH-WILHELM HEMPEL
Managing Partner
F. W. Hempel & Co.
Erze und Metalle (GmbH & Co. KG)
Düsseldorf
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General Manager
a b z – Zentraleinkaufsagentur
für Bekleidung GmbH
Essen
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Lawyer
Higher Regional Court
Düsseldorf
DIPL.-KAUFMANN DR. ERNST HÖFFKEN
Member of the Board of
Managing Directors
Thyssen Industrie AG
Essen
BRUNO P. HÖNER
Proprietor
Musterring International
Josef Höner GmbH & Co. KG
Rheda-Wiedenbrück
DIPL.-WIRTSCH.-ING.
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Managing Directors
Honsel-Werke AG
Meschede
DR. KLAUS-CHRISTIAN HÜBNER
Chief Financial Officer
Fried. Krupp AG
Essen
HANS-DIETHER IMHOFF
Deputy Chairman of the Board of
Managing Directors
VEW Vereinigte Elektrizitätswerke
Westfalen AG
Dortmund
PROFESSOR
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Chairman of the Executive Board
Uhde GmbH
Dortmund
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Member of the Board of
Managing Directors
Deutsche Renault AG
Brühl
DR. VOLKMAR KAYSER
Cologne
HEINZ KERPEN
Managing Partner
Kerpen-Verwaltungsgesellschaft mbH
Stolberg
DR. GÜNTHER KÖHLER
Member of the Boards of
Managing Directors
Victoria Versicherungs-
Gesellschaften
Düsseldorf
DIPL.-KAUFMANN WALTER KÖHLER
Member of the Supervisory Board
BARMAG AG
Remscheid 11

DIPL.-KAUFMANN HELMUT KOSTAL
General Manager
Leopold Kostal GmbH & Co. KG
Lüdenscheid
CHRISTIAN PETER KOTZ
Managing General Partner
Bergische Achsenfabrik Fr. Kotz & Söhne
Wiehl
DR. JÜRGEN KUCHENWALD
Member of the Board of
Managing Directors
Strabag Bau-AG
Cologne
NORBERT KÜHNE
Member of the Board of
Managing Directors
Ford-Werke AG
Cologne
GUSTAV-ADOLF KÜMPERS
General Manager and Partner
F. A. Kümpers GmbH & Co.,
Kümpers GmbH & Co.
Rheine
HANS-JOACHIM KÜPPER
Managing Partner
Küpper-Gruppe
Velbert/Heiligenhaus
KURT KÜPPERS
Managing Partner
Hülskens GmbH & Co.
Wesel
RICHARD KULOT
Chairman of the Executive Board
Ed. Scharwächter GmbH + Co. KG
Remscheid
ASS. GEORG KUNZE
Executive Manager and Director
Maschinenbau- und Metall-
Berufsgenossenschaft, Düsseldorf,
Hütten- und Walzwerks-
Berufsgenossenschaft
Essen
CHRISTIAN LEICHSENRING
Executive Manager
Berufsgenossenschaft der Feinmechanik
und Elektrotechnik
Cologne
ROLF LEISTEN
Member of the Board of
Managing Directors
Kaufhof Holding AG
Cologne
KLAUS-JÜRGEN MAACK
General Manager
ERCO Leuchten GmbH,
Majority Partner
Druckhaus Maack GmbH & Co. KG
Lüdenscheid
UDO VAN MEETEREN
Düsseldorf
DIPL.-KAUFMANN PAUL-JOSEF MEYER
Chairman of the Executive Board
Deutsche Kornbranntwein-
Verwertungsstelle GmbH
Münster
DR. JAN G. MÜLLER
Chairman of the Executive Board
Deutsche FIBRIT Gesellschaft
Ebers & Dr. Müller mbH
Krefeld
DIPL.-KAUFMANN
HEINZ NIEDERSTE-OSTHOLT
Düsseldorf

ULRICH NÖLKE
Principal Partner
Nölke Group
Versmold
ULRICH OTTO
General Partner
Gebr. Otto KG and
General Manager
Otto Beteiligungs- und
Verwaltungsgesellschaft mbH
Kreuztal
DR. CARL ULLRICH PEDDINGHAUS
General Partner
Paul Ferd. Peddinghaus
Gevelsberg
DIPL.-ING. VOLKMAR PETERS
Wellkisten- und Papierfabriken
Peters & Co. KG
Moers 2
DIPL.-KAUFMANN
THOMAS RADEMACHER
Member of the Board of
Managing Directors
VERSEIDAG AG
Krefeld
DIPL.-KAUFMANN
ULRICH REIFENHÄUSER
Member of the Executive Board
Reifenhäuser GmbH & Co.
Maschinenfabrik
Troisdorf
DIPL.-KAUFMANN
JOHANNES RICKEN
Chairman of the Board of
Managing Directors
Kautex-Werke Reinold Hagen AG
Bonn 3
ROBERT RÖSELER
Chairman of the Board of
Managing Directors
ara Schuhfabriken AG
Langenfeld (Rhineland)
DR. CARL-FRIEDRICH SCHADE
General Partner
Schade KG, Plettenberg,
Kunststoffwerk Voerde KG
Ennepetal-Voerde
THEO SCHÄFER
Managing Partner
Schäfer Werke KG, Fabriken für
Metall- und Kunststoffverarbeitung
Neunkirchen/Siegerland
HANS SCHAFSTALL
Managing Partner
Schafstall Holding GmbH & Co. KG
Mülheim/Ruhr
GEORG SCHEEDER
Chairman of the Board of
Managing Directors
KM-kabelmetal AG
Osnabrück
PETER-NIKOLAUS SCHMETZ
Managing Partner
Ferd. Schmetz GmbH Spezialfabrik
für Nähmaschinennadeln
Herzogenrath
HEINZ G. SCHMIDT
Member of the Board of
Managing Directors
Douglas Holding AG
Hagen
DR. MANFRED SCHOELLER
General Manager
Ewald Schoeller & Co GmbH & Cie KG
Langerwehe

DIPL.-KAUFMANN
DR. ERNST F. SCHRÖDER
General Partner
Dr. August Oetker
Bielefeld
MICHAEL SCHRÖER
Chairman of the Supervisory Board
Langbein-Pfanhauser Werke AG
Düsseldorf
DIPL.-BETRIEBSWIRT HORST SCHÜBEL
Member of the Executive Board
Miele & Cie. GmbH & Co.
Gütersloh
HEINZ SCHÜRMANN
Executive Manager
VME Vereinigte Möbeleinkaufs-GmbH
& Co. KG
Bielefeld
DIPL.-ING.
DR.-ING. FRANZ SCHULENBERG
Deputy Chairman of
the Supervisory Board
GEA AG
Bochum
DIPL.-KAUFMANN PETER SEEGER
General Manager
W. & O. Bergmann GmbH & Co. KG
Düsseldorf
GERD SEIDENSTICKER
General Partner
Textilkontor Walter Seidensticker KG
Bielefeld
DIPL.-ING. WALTER SIEPMANN
Managing Partner
Siepmann-Werke GmbH & Co. KG
Warstein 2-Belecke
DIPL.-KAUFMANN KARL SINKOVIC
Member of the Board of
Managing Directors
Klöckner-Werke AG
Duisburg
DIPL.-KAUFMANN HENDRIK SNOEK
Managing Partner
Ratio Handel GmbH & Co. KG
Münster
HEINZ STICKLING
Managing Partner
Nobilia-Werke J. Stickling GmbH & Co.
Verl
DIPL.-KAUFMANN WALTER STUHLMANN
Member of the Board of
Managing Directors
GKN Automotive AG
Siegburg
HERMANN WILH. THYWISSEN
Lawyer
General Partner
C. Thywissen
Neuss
PROFESSOR DR. HELMUT VÖLCKER
Member of the Supervisory Board
STEAG AG
Essen
GUNTHER VOWINCKEL
General Manager
DEMINEX Deutsche Erdöl-
versorgungsgesellschaft mbH
Essen
DR. MICHAEL VON WALDTHAUSEN
General Manager
Sundwiger Eisenhütte
Maschinenfabrik GmbH & Co.
Hemer-Sundwig

DIPL.-KAUFMANN HEINZ WIEZOREK
General Manager
Coca-Cola GmbH
Essen
DIPL.-KAUFMANN MICHAEL WIRTZ
Managing Partner
Grünenthal GmbH and Partner
Dalli-Werke Mäurer & Wirtz
GmbH & Co. KG
Stolberg (Rhineland)
DIPL.-KAUFMANN
HANS-WERNER ZAPP
General Partner
Robert Zapp
Düsseldorf
KLAUS WALTER ZIMMERMANN
Düsseldorf

Rhineland-Palatinate – Saar

ERICH H. VON BAUMBACH
Chairman of the Supervisory Board
C. H. Boehringer Sohn
Ingelheim
DIPL.-KAUFMANN
WENDELIN VON BOCH-GALHAU
Member of the Board of
Managing Directors
Villeroy & Boch AG
Mettlach
DIPL.-KAUFMANN THOMAS BRUCH
General Manager
Globus Holding GmbH & Co. KG
St. Wendel
HELMUT FAHLBUSCH
Spokesman of the Board of
Managing Directors
Schott Glaswerke
Mainz
DIPL.-ING. HARALD FISSLER
Chairman of the Executive Board
VESTA AG, Luxembourg, and
VESTA AG & Co. oHG
Idar-Oberstein
DIPL.-ING. PETER FRIEDRICH
Deputy Chairman of the Board of
Managing Directors
Eckes AG
Nieder-Olm
DIPL.-KAUFMANN HARALD GRUNERT
Chief Financial Officer
BASF AG
Ludwigshafen
PROFESSOR DR. FRANZ CARL LOCH
Sanitätsrat
President
Ärztekammer des Saarlandes
Saarbrücken
KARL HEINZ RÖTHEMEIER
General Manager
Verlagsgruppe Rhein Main
GmbH & Co. KG
Mainz
DR. WOLFGANG SCHUPPLI
Lawyer
Wiesbaden
DIPL.-VOLKSWIRT RUDI SÖLCH
Administrative Director
ZDF
Mainz
KILIAN VON DER TANN
Spokesman of the Board of
Managing Directors
KSB AG
Frankenthal (Palatinate)
DIPL.-KAUFMANN ERHARD UDER
Chairman of the Executive Board
DSD Dillinger Stahlbau GmbH
Saarlouis
DIPL.-VOLKSWIRT
DR. GÜNTER VEIGEL
Member of the Board of
Managing Directors
Pfalzwerke AG
Ludwigshafen
DIPL.-VOLKSWIRT DR. RICHARD WEBER
Managing Partner
Karlsberg Brauerei KG Weber
Homburg (Saar)
GEORG WEISWEILER
Lawyer
General Manager
Gerlach-Werke GmbH
Homburg (Saar)
DIPL.-KAUFMANN
MICHAEL ZIESLER
Member of the Board of
Managing Directors
Saarbergwerke AG
Saarbrücken

Saxony

DIPL.-KAUFMANN VOLKER BERNSTORFF
Member of the Board of
Managing Directors
Regionale Energie-Geschäftsbesorgung
Leipzig AG
Markkleeberg
DIPL.-ING.
ALBRECHT BOLZA-SCHÜNEMANN
Chairman of the Board of
Managing Directors
KBA-PLANETA AG
Radebeul
GERD G. HEUSS
General Manager
Volkswagen Sachsen GmbH,
Management Spokesman
Sächsische Automobilbau GmbH
Mosel
DR.-ING. KLAUS-EWALD HOLST
Chairman of the Board of
Managing Directors
Verbundnetz Gas AG
Böhlitz-Ehrenberg

Saxony-Anhalt

DR. JÜRGEN DASSLER
Chairman of the Board of
Managing Directors
Leuna-Werke AG
Leuna
DIPL.-ING. WERNER NEDON
General Manager
MIDEWA GmbH
Halle
DR. KLAUS VOGT
Member of the Board of
Managing Directors
SKET Maschinen- und Anlagenbau AG,
General Manager
SKET Schwermaschinenbau GmbH
Magdeburg

Schleswig-Holstein

HEINZ ANNUSS
General Partner
Annuss Fleisch KG
Niebüll
DR. GERD BALKE
General Manager
Lego GmbH
Hohenwestedt
DR. HANS HEINRICH DRIFTMANN
General Partner
Peter Kölln, Köllnflockenwerke
Elmshorn
DR. RUDOLF HARTMANN
General Manager
Grace GmbH
Norderstedt
KAREL KLAISNER
Klaisner Consulting
Hamburg
DR. KLAUS MURMANN
Chairman of the Board of
Managing Directors
Sauer Getriebe AG
Neumünster
HENNING OLDENDORFF
General Partner
Egon Oldendorff
Lübeck
DR. LUTZ PETERS
Managing Partner
Schwartauer Werke GmbH & Co.
Bad Schwartau
HANS SCHUR
Member of the Board of
Managing Directors
Schur International a/s
Horsens/Denmark

Board of Managing Directors

Central Departments

- International Commercial Banking and Export Finance
- Global Trading and Sales
- Investment Banking
- Corporate Banking
- Private Banking
- Loan Management
- Research and Corporate Communications
- Data Processing
- Organization and Operations
- Personnel
- Coordination and Planning
- Accounting
- Legal Matters and Taxes
- Internal Auditing

Domestic Branches, Subsidiaries, and Holdings

20 Main Branches
160 Regional Branches
750 Branch Offices

More than 50 Subsidiaries and Holdings including:

- RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main
- Commerz-Credit-Bank AG Europartner, Saarbrücken
- Commerzbank Investment Management GmbH, Frankfurt am Main
- Commerz Finanz-Management GmbH, Frankfurt am Main
- Commerz International Capital Management GmbH, Frankfurt am Main
- CommerzLeasing GmbH, Düsseldorf
- Commerz Immobilien GmbH, Frankfurt am Main
- Commerz Grundbesitz - Investmentgesellschaft mbH, Wiesbaden
- PMC Personal Management Consult GmbH, Frankfurt am Main
- ADIG-Investment GmbH, Munich/ Frankfurt am Main
- DBV Holding AG, Wiesbaden
- Leonberger Bausparkasse AG, Leonberg

Foreign Branches, Subsidiaries, and Holdings

16 Branch Offices
22 Representative Offices
6 Subsidiaries:

- Commerzbank (Budapest) Rt., Budapest
- Commerzbank International S.A., Luxembourg
- Commerzbank (Nederland) N.V., Amsterdam
- Commerzbank (South East Asia) Ltd., Singapore
- Commerzbank (Switzerland) Ltd, Zurich with branch office in Geneva
- Commerzbank Capital Markets Corporation, New York

Some 30 Holdings including:

- Commerz Securities (Japan) Co. Ltd., Hong Kong/Tokyo
- Hispano Commerzbank (Gibraltar) Ltd., Gibraltar
- Korea International Merchant Bank, Seoul
- P.T. Finconesia Financial Corporation of Indonesia, Jakarta
- Unibanco – União de Bancos Brasileiros S.A., São Paulo

Abroad

Commerzbank (Budapest) Rt.[3] Budapest Capital: Ft 1.0bn 100.0%	Commerzbank International S.A. Luxembourg Capital: DM1.0bn 100.0%	Commerzbank (Nederland) N.V. Amsterdam Capital: Dfl115.8m 100.0%	Commerzbank (South East Asia) Ltd. Singapore Capital: S$92.9m 100.0%
Commerzbank (Switzerland) Ltd Zurich Capital: Sfr74.5m 100.0%	Commerzbank Capital Markets Corporation New York Capital: US$21.3m 100.0%	Commerz Securities (Japan) Company Ltd. Hong Kong/Tokyo Capital: DM31.8m 50.0%	Banco Central Hispanoamericano S.A. Madrid Capital: ptas637.0bn 4.7%[2]
Korea International Merchant Bank Seoul Capital: won84.0bn 20.9%	P.T. Finconesia Financial Corporation of Indonesia, Jakarta Capital: Rp16.7bn 7.2%	Unibanco – União de Bancos Brasileiros S.A. São Paulo Capital: NCz$7,474.6bn 10.2%	

Asset management companies

Commerz International Capital Management GmbH Frankfurt am Main Capital: DM12.4m 100.0%	CICM (Ireland) Ltd. Dublin Capital: DM3.9m 75.0%	CICM Fund Management Ltd. Dublin Capital: DM0.5m 75.0%	Commerz International Capital Management (Japan) Ltd., Tokyo Capital: ¥200.0m 100.0%
Hispano Commerzbank (Gibraltar) Ltd. Gibraltar Capital: Gib£5.0m 49.9%			

Financing companies

CB Finance Company B.V. Amsterdam Capital: Dfl23.0m 100.0%	Commerzbank Overseas Finance N.V. Curaçao Capital: DM7.7m 100.0%	Commerzbank U.S. Finance, Inc. Wilmington/Delaware Capital: US$0.1m 100.0%

MAJOR FINANCIAL HOLDINGS OF COMMERZBANK AG

At home

	Capital	
RHEINHYP Rheinische Hypothekenbank AG, Frankfurt am Main	DM1.1bn	97.4%
Commerz-Credit-Bank AG Europartner, Saarbrücken	DM62.5m	65.0%
Deutsche Schiffsbank AG, Bremen/Hamburg	DM182.0m	40.0%
Leonberger Bausparkasse AG, Leonberg	DM317.9m	40.0%
DBV Holding AG, Wiesbaden	DM753.2m	48.3%

Asset management companies

	Capital	
ADIG Allgemeine Deutsche Investment-Gesellschaft mbH, Munich/Frankfurt am Main	DM97.5m	39.2%[1]
Commerzbank Investment Management GmbH, Frankfurt am Main	DM7.2m	100.0%
Commerz Grundbesitz-Investmentgesellschaft mbH, Wiesbaden	DM10.0m	75.0%
Commerz Immobilien GmbH, Frankfurt am Main	DM25.3m	100.0%

Leasing and holding companies

	Capital	
CommerzLeasing GmbH, Düsseldorf	DM49.3m	100.0%
Commerz Beteiligungsgesellschaft mbH, Bad Homburg v.d.H.	DM1.0m	100.0%
Commerz Unternehmensbeteiligungs-AG, Frankfurt am Main	DM61.6m	50.0%
Wirtschaftspartner Beteiligungsgesellschaft mbH, Berlin	DM41.6m	20.9%

Tertiary-sector partners

	Capital	
Commerz Finanz-Management GmbH, Frankfurt am Main	DM0.6m	100.0%
PMC Personal Management Consult GmbH, Frankfurt am Main	DM0.5m	100.0%
Karl Baumgartner + Partner Consulting KG, Sindelfingen		37.6%
MIPA Müller Verwaltungs-GmbH, Düsseldorf	DM4.6m	31.3%[2]

Capital = equity capital [1]) partly indirect [2]) indirect [3]) founded in 1993