

Volkswirtschaft und Information

COMMERZBANK
AKTIENGESELLSCHAFT

1969



1870-1970
100 Years

COMMERZBANK

AKTIENGESELLSCHAFT

	Dec. 31, 1968	Dec. 31, 1969	Change
Balance Sheet total . . .	DM 15,432m.	DM 17,406m.	12.8 %
Deposits	DM 14,400m.	DM 16,102m.	11.8 %
Total volume of lendings .	DM 9,680m.	DM 12,582m.	30.0 %
Capital and reserves . . .	DM 660m.	DM 840m.	27.3 %
Branches	636	688	8.2 %
Customers	1,300,200	1,506,000	15.8 %
Staff	13,409	14,350	7.0 %

COMMERZBANK
AKTIENGESELLSCHAFT



REPORT
FOR THE YEAR 1969



*New Frankfurt building. A model today, reality in a few years:
the new Commerzbank administrative building in the heart of Frankfurt.
The "Zwei-Scheiben-Haus" with its 29 floors and a height of around
330 ft., together with the 3-storey pedestal can accommodate more
than 2,000 employees.*

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As in previous years, our Report is available in German, English and French.



Commerzbank's statutes lay down that the Annual General Meeting must be held in a German stock market centre. Frankfurt has been chosen as the venue for the Annual General Meeting on 14th May, 1970. Our picture: The Stock Exchange.

Eighteenth Ordinary General Meeting of Shareholders

at 10 a. m. on Thursday, 14th May, 1970

in the Cantate-Saal, at 21 Grosser Hirschgraben, Frankfurt a. M.

AGENDA

- 1. To receive the established Annual Statement of Accounts, the Report of the Board of Management and the Report of the Supervisory Board, as well as the Consolidated Annual Accounts and the Group Report for the Year 1969.**

- 2. To resolve as to the utilisation of the Profit.**

The Board of Management and Supervisory Board propose that the Profit of DM 62,500,000.— for the Year 1969 be utilised to pay a Dividend of DM 8.50 as well as an Anniversary Bonus of DM 1.50 per Share of DM 50.— nominal. New Shares resulting from the Capital Increase of October 1969 rank for Dividend to the Extent of 25 per cent.

- 3. To resolve as to discharging the Board of Management and the Supervisory Board from responsibility for the Year 1969.**

It is proposed that such discharge from responsibility be accorded.

- 4. To elect the Auditors for the Year 1970.**

The Supervisory Board proposes that the Deutsche Revisions- und Treuhand-Aktiengesellschaft, Treuarbeit, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, of Düsseldorf, be elected.

Supervisory Board

DR. HANNS DEUSS, Düsseldorf

Chairman

KONSUL DR. FRANZ HILGER, Düsseldorf

Deputy Chairman

HELMUT LORENZ-MEYER, Hamburg

Deputy Chairman

GENERALKONSUL PROFESSOR DR. PHILIPP MÖHRING, Karlsruhe

Deputy Chairman

PROFESSOR DR. DR. h. c. mult. DR. E. h. mult. OTTO BAYER, Leverkusen

DR. ARTHUR CHOINOWSKI, Augsburg, until May 19, 1969

GENERALKONSUL DR. HANS GERLING, Köln (*Cologne*)

EHRENSENATOR DR.-ING. E. h. FRANZ GRABOWSKI, Wetzlar

RUDOLF AUGUST OETKER, Bielefeld

HANS REINTGES, Bad Soden

EHRENSENATOR HUGO RUPF, Heidenheim (Brenz)

TONI SCHMÜCKER, Essen

DR. HANS KARL VELLGUTH, Düsseldorf

HERIBERT WERHAHN, Neuss

DR. GERD WOLLBURG, Augsburg, since May 19, 1969

As Representatives of the Staff:

ROLF BECKMANN, Düsseldorf

EWALD FAJKUS, Frankfurt a. M.

GERD GREUEL, Hamburg

HEINZ GRÜSSEN, Düsseldorf

ROLF KANNEGIESSER, Wuppertal-Elberfeld

LOTHAR SCHRÖDER, Hamburg

HARRY ZATER, Hamburg

Board of Management

DR. RUDOLF BEHRENBECK, Frankfurt a. M., since Sept. 16, 1969

DR. HELMUT BRANDS, Düsseldorf

ROBERT DHOM, Frankfurt a. M.

PAUL LICHTENBERG, Frankfurt a. M./Düsseldorf

WILL MARX, Frankfurt a. M./Hamburg, until April 30, 1969

WALTER MEIER-BRUCK, Hamburg, until Dec. 31, 1969

HEINZ NIEDERSTE-OSTHOLT, Düsseldorf

DR. HEINRICH POLKE, Hamburg, until Dec. 31, 1969

ARMIN RECKEL, Hamburg

ERNST RIECHE, Frankfurt a. M.

BOLKO GRAF VON ROEDERN, Düsseldorf, deceased on Febr. 26, 1970

DR. KURT SURETH, Frankfurt a. M., deceased on August 5, 1969

GERHARD FUCHS, Düsseldorf, Deputy Member, until June 30, 1969

DR. WOLFGANG JAHN, Düsseldorf, Deputy Member, since May 19, 1969

DR. RABAN FRHR. v. SPIEGEL, Hamburg, Deputy Member, since May 19, 1969

Assistant General Managers

(Direktoren mit Generalvollmacht)

HERBERT BURCHARDT

HORST SÄUBERLICH

for the Western Region (*Geschäftsbereich West*)

HEINZ ALBRECHT

for the Southern Region (*Geschäftsbereich Süd*)

DR. PETER DEUSS

for the Northern Region (*Geschäftsbereich Nord*)

Report of the Board of Management

I.

1969 will go down in history as the year in which man first set foot on the moon. The landings were celebrated as triumphs of industrial progress and technical precision; the organisational achievement is no less admirable. Hardly any progress, however, was made in the solution of mankind's acute political and social problems.

Despite the continuing smouldering of international conflicts, the world economy continued to expand. The general business revival, already marked in 1968, grew still stronger. Seldom before had the economic trend in most industrial countries been so uniformly upwards. In this world-wide boom atmosphere there was bound to be an intensification of inflationary strains. The monetary authorities found that drastic counter-measures were demanded of them. The United States in particular devoted far more attention than previously to stability, and to combating its obstinate balance of payments deficit. In Western Europe, too, there were some rises in bank rate, substantial in several cases, as in Great Britain and France where it rose to 8 per cent.

World wide boom
conditions ...

The restrictive monetary and financial policy caused interest on money and capital to shoot to new record heights; this was particularly evident on the Euro-markets. Nevertheless, apart from North America, there was only a slight brake on world economic activity at the beginning of 1970. Meanwhile the restrictive policy is beginning to have a greater effect. This is a welcome development as it may defeat the international inflationary psychosis. On the other hand we consider an extensive recession unlikely. It is true that, after the longest boom period in its history, the United States must put up with temporary stagnation, but Western Europe continues to enjoy good future growth prospects; Japan exhibits a scarcely diminished economic vitality which ought to allow a lasting relaxation in import restrictions, after the balance of payments had shown a basic improvement.

... compel
restrictions

World trade moved towards new heights in 1969; it expanded by approximately 15 per cent. The primary producing countries again had a share in this advance. It is true that this hardly alleviated the structural problems of the developing countries. Indeed the international disparity in levels of prosperity increased still further.

The past decade as a whole was characterised by a growing degree of integration in the world economy, in both trade and services as well as on money markets. This had been preceded by a progressive liberalisation of international trade, the transition to convertibility and the start of the Common Market in Europe. There was also a welcome trend towards closer cooperation among the central banks.

The second half of the sixties brought renewed setbacks, however. These emanated from the United States, which restricted the free movement of capital to protect the dollar. This trend was accentuated by the partial reawakening of economic nationalism in Europe. Nevertheless the industrial countries became more closely integrated during this period, not least in the financial spheres, where the Euro-money and capital markets functioned as connecting links. Integration was promoted by the multinational combines which had meanwhile developed, too, out of German and other continental European enterprises.

II.

The two-stage revaluation of the D-mark means an abrupt break in the economic development of the Federal Republic. To begin with, the exchange rate was set free from 30th September to 27th October, 1969, when the parity of the D-mark was raised by 9.3 per cent. At the same time the Border Tax Law of November 1968 was abrogated.

At first the unexpectedly large change in parity had only a gradual effect on the trade sector, although fewer orders were received from abroad. The revaluation had all the more decisive consequences in the monetary sphere: the reversal in the flow of foreign exchange, and especially its speed, exceeded all expectations.

The drying up of the German money markets provided new data on the economic situation as a whole. They have perhaps even more serious consequences for the country's foreign trade than the immediate results of the new parity.

When the new government coalition that had emerged from the Federal elections of 28th September decided to revalue, the economy was under great cyclical strain. In addition to the long-sustained export boom and steady investments at home, consumer demand revived powerfully. This had been preceded in September by a wages explosion of hitherto unknown size, after the scarcity of labour had encouraged wildcat strikes and the premature termination of wage agreements.

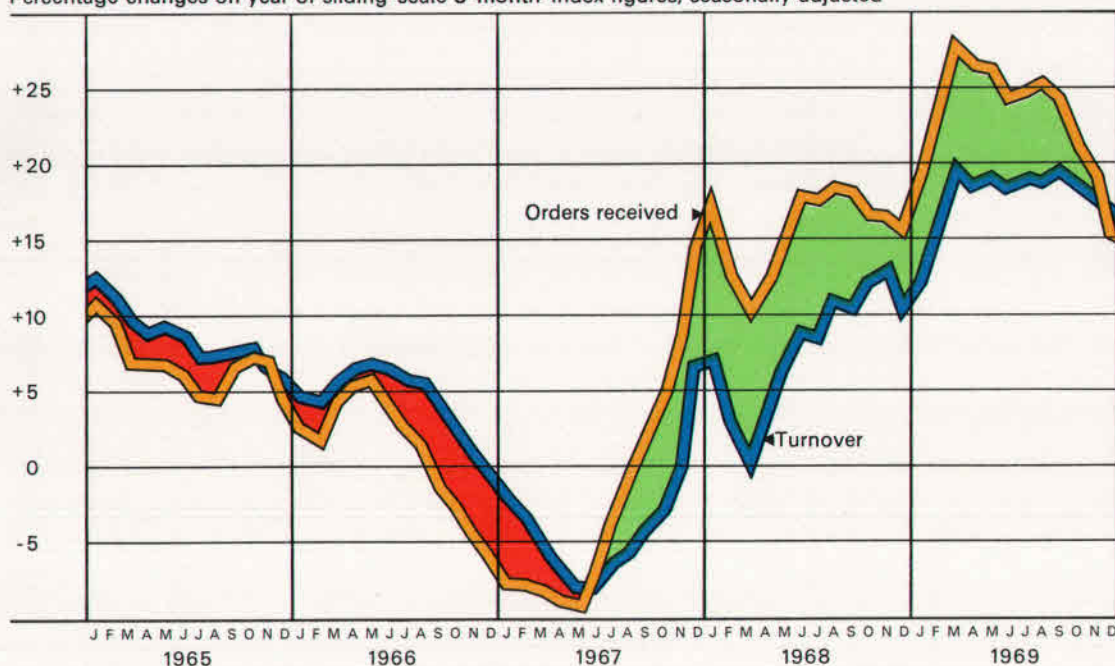
Employees' incomes as a whole rose noticeably more quickly than in the previous year, while the growth in profits, after a sharp rise, was clearly levelling off again. Over the whole year the amount paid in wages and salaries is calculated to have increased by 12 per cent, i. e. at least one and a half times as much as the growth of earnings from business and capital. At the beginning of 1970 real earnings per employee were up on the previous year's level by about 13 per cent. Companies' labour costs rose even more sharply, as on 1st January, 1970 the rule requiring continued payments of workers' wages was introduced and the contribution rates to statutory pension insurance were raised once again.

Industrial production showed remarkable elasticity in keeping up with the vigorous expansion in demand. This increase in output was possible, because considerable new capacity had already become available as a result of the latest wave of investments. Industry was also successful in obtaining additional foreign labour; a new record level was reached in the late autumn with 1.6 million "guest workers"—7 per cent of the working population in the Federal Republic.

Adaptability
of industrial
production

Orders received and turnover in industry

Percentage changes on year of sliding-scale 3-month-index figures, seasonally adjusted



In contrast with earlier boom periods, building activity in 1969 was not among the driving forces of economic expansion. The retail trade, too, was comparatively late in being caught by the upswing. In both sectors market conditions have shown less improvement than in the producing industry including handicrafts and a wide range of services.

There was a substantial acceleration in the process of concentration within the German economy. In no previous year had such intensive and successful efforts been made towards co-operation and interlocking capital arrangements. Outstanding were the amalgamation of the Ruhr mining companies into a unit company; the takeover of the Wintershall Group by Badische Anilin- & Soda-Fabrik AG; the collaboration of Siemens and AEG-Telefunken, particularly in the construction of power stations; the pooling of pipe production by August Thyssen-Hütte and Mannesmann. The turn of the year saw the redistribution of holdings in heavy chemicals. Particular importance attaches also to the build-up of efficient groups in vehicle construction and in the brewing industry.

Process of
concentration
accelerates

In general the wave of concentration is aimed at rationalisation and international competitiveness. An even stronger drive towards mergers with the same objectives is to some extent under way in neighbouring countries.

Altogether the real expansion of the German economy by some 8 per cent surpassed all expectations. Nominally the gross national product reached DM 601,000 m., it had thus more than doubled during the past decade. Almost two-thirds of the increase represents actual increases in output, though the remaining third is due to the rise in prices interrupted only by the recession.

Vigorous economic
growth . . .

Change from previous year	1966	1967	1968	1969 ¹⁾
Gross national product nominal	+ 6.6%	+ 0.8%	+ 8.9%	+ 11.6%
real	+ 2.9%	- 0.3%	+ 7.2%	+ 8.0%
Industrial production	+ 1.8%	- 2.4%	+ 11.7%	+ 12.5%
Mass incomes (net)	+ 6.8%	+ 2.3%	+ 5.2%	+ 9.5%
Cost of Living ²⁾	+ 3.5%	+ 1.4%	+ 1.6%	+ 2.7%

¹⁾ Provisional; ²⁾ yearly average

Industry still entered 1970 with very full even though no longer lengthening order books. The investment trend, which had continued to gain strength up to the third quarter of 1969, influenced as it was by high earnings and plentiful liquidity, began to slacken again. This was the start of the late phase in the general business cycle.

... overshadowed
by undesirable
trends

Although in the last two years the West German economy with its rapid upswing achieved the highest growth rates in Europe and could thus quickly make up for the losses of the 1967 recession, in retrospect there is disappointment at certain undesirable trends. What we have in mind particularly here is the renewed threat to the stability of monetary values. Thus the upward trend of prices in the course of 1969—measured against the cost of living index—accelerated from +2 per cent to +3,5 per cent.

The high credit balance in the country's foreign trade, containing in itself the germ of price rises, was again the centre of attention, as it had been in 1968. It also became evident that economic trends in the Federal Republic, a country closely involved in foreign trade and payments, are much more difficult to forecast than might be assumed from the self-confidence of many predictions. Claims of this kind were affected above all by the uncertainty over the American economic situation. Consequently the months of discussion over revaluation took place not only in the hothouse atmosphere of the election campaign, but also on the unstable basis of wide differences in economic expectations.

III.

Sustained foreign
trade surpluses . . .

The question as to whether the Federal Republic was in balance in its foreign trade and payments proved to be an important point of controversy. In fact the 1969 credit balance in foreign trade again amounted to close on DM 16,000m. and, excluding December 1968 and January 1969 because of their special features created by the Border Tax Law, reached almost the order of magnitude of the previous year. This export surplus was offset by rising outpayments in other sectors, so that the basic balance ran heavily into a deficit.

... exceeded by
capital exports

In the months of January to October, long-term net capital exports alone totalled DM 16,000m., after the banks had felt strongly encouraged to act as pioneers in this field, not only by the high domestic financial surplus but also by appeals from official quarters. In November and December, after revaluation had been effected, there was a further net outflow of capital totalling even DM 7,000m.—some of it the result of prior commitments.

The export of capital temporarily exceeded even half the domestic capital formation. Extensive purchases of foreign securities and high lendings abroad coincided with rising direct investments of the German economy. Specifically, private share purchases registered represented the equivalent of DM 1,600m.; the acquisition of foreign investment units totalled as much

as DM 2,000m. in 1969 with commitments from current savings agreements making a substantial contribution; investments in foreign bonds—chiefly DM-bonds, but at the same time convertible and option loans expressed in dollars as well—likewise produced the highest post-war result with a total of more than DM 5,000m. New longer-term loans to foreign countries shot up to as much as DM 10,000m. This extensive build-up of German financial investments abroad contrasted with only a comparatively modest volume of capital imports.

Direct investments alone led to a considerable influx of capital, but with an annual total of DM 1,000m. accounted for no more than a fraction of the new investments made in the middle sixties. In contrast, German industry and trade for the first time invested over DM 2,000m. outside the Federal Republic in the form of holdings and material assets, and thus clearly outstripped the new commitments of foreign countries with which they had drawn level in 1968.

Direct investments have gained

It is true, however, that the basic disparity of capital assets showed few signs of easing. We also regret that up to now investments abroad have been undertaken chiefly by the large industrial concerns but less by medium-sized companies. We think it remarkable on the other hand that leading German companies have meanwhile felt strong enough to compete in the United States itself.

In the sphere of short-term monetary transactions, a "run" on the D-mark, under suspicion of revaluation, set in again in the spring of 1969. The accelerated fulfilment of DM-liabilities and the speculative holding of DM-claims in particular led to an influx of foreign exchange. The change in parity then brought about an abrupt reversal. From the end of September to the end of the year there was all told an outflow of almost DM 20,000m.—an unprecedented event. At the beginning of the new year the outflow of foreign exchange was still continuing, though at a slower rate.

Hectic reversal of foreign exchange flow

DM million	Change					Position on 31. 12. 69
	1965	1966	1967	1968	1969	
Monetary reserves ¹⁾	- 1,520	+ 1,770	+ 313	+ 7,555	- 14,388	+ 27,449
Banks' foreign position ²⁾ . .	+ 478	+ 574	+ 4,823	- 2,455	- 4,282	- 3,903
Overall exchange position . .	- 1,042	+ 2,344	+ 5,136	+ 5,100	- 18,670	+ 23,546
Basic balance ³⁾	- 5,518	- 285	+ 6,677	- 98	- 15,849	—

¹⁾ of the Deutsche Bundesbank, incl. reserve position in the IMF;

²⁾ balance of short-term assets and liabilities; ³⁾ current items and long-term capital transactions.

The currency reserves reflect the dramatics of this development: at the end of April and the beginning of May, when revaluation seemed clearly imminent, they increased by almost DM 17,000m. within two weeks; then, after a temporary return to normal, they rose again by many thousands of millions in the late summer. The last quarter was then marked by the foreign exchange loss referred to above. In 1969 as a whole the central currency position dwindled by some DM 10,000m.; besides there was the revaluation loss of DM 4,000m. The Bundesbank accordingly utilised its credits with the International Monetary Fund so as not to make excessive demands on its own gold reserves.

The outflow of foreign currency painfully restricts the domestic supply of liquidity it is true, but should not be looked upon as a danger signal from the point of view of monetary policy. It is the natural consequence of the reorientation of financial currents: following the decision of the French cabinet to devalue (by 11.1 per cent from 10th August) and of the Federal

Disparities between interest rates again fully effective

Government to revalue, in the eyes of world opinion the most important parities no longer seem false at present, and investment decisions are taken largely by reference to yields. This makes the international disparities between interest rates fully operative again. It is an open question, of course, whether this situation is likely to last long, especially since the American balance of payments still gives cause for concern.

IV.

Bundesbank
policy before . . .

The excessive demand suggested a drastic tightening of restrictive screw, yet until the autumn the Bundesbank, with an eye to the "open flank of foreign trade and payments", could skim off only gently the country's abundant liquidity. All the same, the international rise in interest rates allowed the German bank-rate to be raised in three stages to 6 per cent—a rate last in force during the Korean crisis.

In 1969 Government and central bank again found themselves compelled to neutralise the inflow of foreign money. As early as the end of 1968, at the height of the monetary crisis of the moment, a 100 per cent minimum reserve obligation had been laid down on additional non-residents' deposits; though it was temporarily lifted in the spring of 1969, it was soon reintroduced—a sign of the quickly changing situation. The inflow of foreign exchange was consequently reflected not so much in non-residents' bank deposits as in domestic credit balances.

Applying a flexible swap-policy, the Bundesbank further managed to stimulate the export of money, so that the short-term foreign position of German credit institutions remained favourable even at the peak of the wave of speculation. The direct measures to cut down on domestic liquidity on the other hand meant no more than a slight restriction on the banks' margin of credit operations, since they still had exceptionally high home and foreign deposits available. Specifically, the rediscount quotas with the Bundesbank were reduced and the minimum reserves increased.

. . . and after
revaluation

After the change in parity the restrictions began to bite fully. As a result the Bundesbank had cause to reduce the minimum reserve burden on 1st November and to waive the special rates for foreign liabilities. Further relief was granted for December as end-of-month assistance. An increase in the rate of secured credit to 9 per cent was intended to plug this refinancing possibility as a source of money exports—in the interest of a liquidity supply at home. On the other hand the Bundesbank decided at first to forgo adjusting bank rate to free interest rates.

It was only in March 1969 that restrictions were further tightened: bank rate was increased to 7½ per cent and the rate of secured advances to 9½ per cent. At the same time, the Bundesbank put an additional 30 per cent minimum reserve obligation on the increase in foreign deposits.

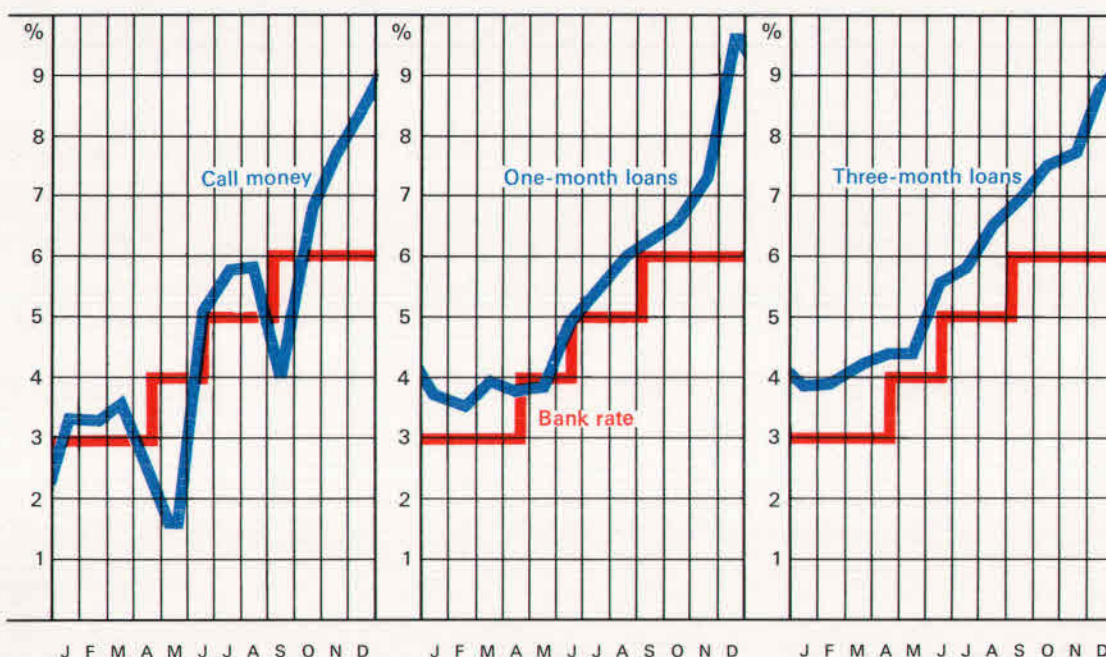
Unrestricted
convertibility

Among the larger industrial countries full convertibility remains a reality only in the Federal Republic. Its citizens and companies enjoy unlimited freedom of movement in all financial transactions with foreign countries. The Bundesbank thus faces the problem of industry being partly beyond its control even in a crisis situation. In the circumstances it was again regretted in 1969 that big companies could avoid a restrictive policy at home by borrowing abroad. It is true though that the opposite trend, that is, the investment of funds in foreign markets with better yields, was more topical after revaluation.

A curtailment of trade and industry's freedom of action could indeed relieve the banks from being the immediate objects of monetary policy. Nevertheless we are emphatically against any weakening of convertibility. Apart from considerations of principle, any encroachment on the free movement of capital would seem unwise not least because, in consequence of the Federal Republic's close trading interdependence with foreign countries, lasting results would be subject to a considerable time-lag.

As an inconvenient consequence of its close financial relations with the outside world, the Federal Republic had to accept an adjustment to the high level of interest rates abroad. On the other hand, the tidying-up operation in the field of monetary policy represented by revaluation at last made it possible again to forgo the ban on the payment of interest on foreign deposits which had existed for a number of years. The only remaining relic from the period of "imported liquidity", the coupon tax, will also be abolished.

Bank rate and money market interest rates 1969 monthly average



In 1969 the money market was a true reflection of the flow of payments from and to foreign countries. Unusually high liquidity in the first six months was followed since autumn by the most severe strain in the post-war period. In the extremity of their movements both market situations came close to throttling trade entirely. But whereas the Bundesbank had worked against liquidity by swap transactions, it allowed the market forces free movement at a time when drastic rigidity was setting in, so that, once currency speculation had subsided, the "exotic" Euro-market rates asserted themselves in the Federal Republic.

Money market
plays hot and cold

The severity of the strains led credit institutions to refinance themselves from the Bundesbank to an exceptional extent. Borrowings by rediscount and loans against security for a time even exceeded the banks' minimum reserve obligation.

The demand for credit at home and from abroad showed growing strength in 1969. Long-term investment funds were particularly sought after. Altogether the credit institutions' domestic non-bank lendings, including bills discounted, rose by DM 51,000m. to DM 432,000m., by far the greatest increase yet. Lendings to the private sector rose far more than credits to the public authorities.

Very lively demand
for credit

Change in DM '000 m.	At short and medium term			At long term (4 years or more)		
	1967	1968	1969	1967	1968	1969
Bank lendings*) to:						
Business and private customers . . .	+ 3.0	+ 7.8	+ 25.1	+ 14.8	+ 20.3	+ 24.7
Public authorities	+ 5.0	+ 1.0	- 6.1	+ 5.9	+ 8.5	+ 7.5
Domestic non-banks, total	+ 8.1	+ 8.9	+ 19.0	+ 20.8	+ 28.8	+ 32.2

*) incl. purchases of Treasury Bills.

The high demand for funds from abroad was reflected in an increase from DM 11,000m. to DM 19,000m. in commercial bank credits to foreign debtors. Besides, almost DM 20,000m., though chiefly at shorter term, was made available to foreign banks by German institutions at the end of 1969.

Credit limitation
not advisable

At the beginning of the current year there was renewed discussion on whether a quantitative limitation on credit was a suitable instrument for damping down economic activity. At that point in time the problem was no longer acute since the shortage of liquidity had appreciably restricted the banks' margin of credit in the meantime.

In terms of principle the discussion was still useful, because it again revealed the weaknesses of a credit quota system: for one thing the banks are obliged to meet their credit commitments as required; for another, it is quite impossible to vary credit limits as quickly as experience has taught us that market conditions can change. On the other hand, with its existing machinery the Bundesbank is in a position to control the utilisation of credit not only in line with the market but also effectively; this is particularly true for the more forceful and well-timed application of the discount policy, for which there has been greater scope again since revaluation.

V.

Saving through
securities
forges ahead

With a sustained high level of private capital formation, saving through securities gained distinctly in importance, since an appreciable section of the population had by then accumulated an adequate basic amount in their savings accounts. The growth rate in savings bank deposits levelled out correspondingly.

in DM million	1967	1968	1969	Change	
				from 1967 to 1968	from 1968 to 1969
Growth of savings deposits ¹⁾ . . .	17,809	22,329	21,864	+ 25.4 %	- 2.1 %
Sales of bonds (net) ²⁾	12,837	20,035	18,321	+ 56.1 %	- 8.6 %
Sales of shares in the market					
German shares ³⁾	148	1,281	1,054	+ 765.5 %	- 17.7 %
Foreign shares ⁴⁾	627	576	1,598	- 8.1 %	+ 177.4 %
Investment saving ⁵⁾	783	2,611	5,501	+ 233.5 %	+ 110.7 %

¹⁾ Institutions reporting monthly, incl. savings bonds; ²⁾ market price, German securities incl. resales from abroad, plus net German investments in foreign loans, excl. medium-term bonds; ³⁾ actual amount according to Commerzbank issue statistics, changes in foreign portfolio investments allowed for; ⁴⁾ changes in German portfolio investments; ⁵⁾ German and foreign unit trusts.

Altogether the proportion of private savings remained at about 12 per cent of available income, but fell off towards the end of the year—evidently as a result of the upward trend in prices.

Public interest in share investment had grown. The unit trust idea in particular caught on more and more, and savings schemes with regular payments gained an increasingly firm hold. The savings represented by the purchase of units doubled to more than DM 5,000m., equivalent to one-eighth of the total longer-term capital formation by private households. Unit trust savers invested just under a third each in German share funds and fixed-interest-security funds, while approximately 40 per cent was devoted to units in foreign funds, a sizeable contribution to the private export of capital.

A record year
for investment

Marketing practices for foreign funds turned the question of saver protection into an acute problem. The much-discussed foreign investment law has now been in force since 1st November, 1969. It provides adequate protection, without lapsing into protectionism. At the same time tax and administrative discrimination against home funds was abolished.

The issue market for fixed-interest securities in 1969 was also marked by strong capital exports. Foreign borrowers procured the record amount of approximately DM 6,500m. by floating loans negotiable on the stock exchange and by private placings. At times their demand for capital was so heavy that strict self-limitation by the leading underwriting banks became unavoidable. The Central Capital Market Committee, active since 1957, appointed a "Foreign Loans Sub-Committee" for this purpose, which is taking active control in close collaboration with the Bundesbank and Federal Ministry for Economic Affairs and thus makes government control unnecessary.

Bond market
dominated by
foreign loans

In contrast with the foreign search for capital, industry at home did not take advantage of the favourable market situation, which lasted until late summer. Then, when its need for capital became more urgent in the fourth quarter, new issues could only have been placed with difficulty at a rising effective rate of interest. At the turn of the year it was even necessary, regardless of the long interest-date, to impose a general moratorium of several weeks on new issues. The average yield of German-issued outstanding long-term securities exceeded 8 per cent in the first quarter of 1970, compared with 6.5 per cent one year ago.

The Bundesbank's suspension of open market purchases of long-term government securities in February 1969 signalled the turn of the interest trend. We regret that it did not resume these transactions within the framework of a controlled liquidity policy, when bonds began to suffer an extremely sharp fall. This exposed the Bundesbank itself to the criticism of again directing the full force of the restrictive policy at the stock market.

Open market-
transactions
suspended

On the share market, too, the occasionally very favourable opportunities for new issues, were utilised by a few companies only, despite repeated recommendations from the banks. A flexible issue policy, quickly reacting to the market's favourable tone by issuing new shares, would not only be in the companies' own interests, but might also lead to a better balance in price movements. Up till now the market's mood has always fluctuated too violently between the two extremes of "shortage of stock" and "overloading".

Share market:
more flexible issue
policy desirable

In the longer term, too, the supply of shares is wanted to show a steady growth so that the commendable sociopolitical concept which aims at wider investment saving, may be realised without hectic side effects. It would therefore be desirable for more companies to find their

way to the stock exchange. We see in the preparation and completion of such transactions, which seem advisable for many greatly expanded family companies, an essential task of the all-purpose bank.

We expect that in Germany, too, in the course of the new decade the demand for shares, spasmodic hitherto, will turn into a steady stream, now that the scope of institutional investors for investment has been broadened. The successful launching of life assurance linked to unit trusts, with policies based on investments, at the beginning of 1970 is highly significant in this connection.

Stock exchange
reform on a
voluntary basis

Efforts to modernise the German stock exchange system had visible results. Turnover disclosure improved, and regular informative interim reports became widely accepted. Forward operations are now to be resumed as well, to begin with in the form of option dealings. It is gratifying that it has proved possible for all these improvements to be carried out on a voluntary basis.

It is now for the Government to add a finish to the 1965 law on company law reform by proper tax provisions. This is not only a matter of the tax on profits—on which attention is now centred—but also of multiple taxation of the substance.

VI.

Fiscal policy at last
anti-cyclical

In contrast with all earlier phases of the upswing, the Federal Government and the Länder followed a compensatory fiscal policy and thus supported the Bundesbank's course of restriction. In the autumn especially, thanks to steeply rising taxes and dues, the public authorities were in a position to reduce bank liquidity by thousands of millions, either by neutralisation in the central bank system or by the redemption of shorter term treasury bonds. It was gratifying to note that the local authorities also pursued a cautious investment policy.

As long as the national economy continues to be under excessive strain, the Government wishes to impose a strong curb on its optional expenditure, above all through the instrument of the budget freeze. Moreover, the seasonal adjustment reserve provided for in the Stability Law is now being resorted to for the first time. Surpluses of the order of as much as DM 5,000m. are being expected in social insurance during 1970, but only part of them will in fact be withdrawn from monetary circulation.

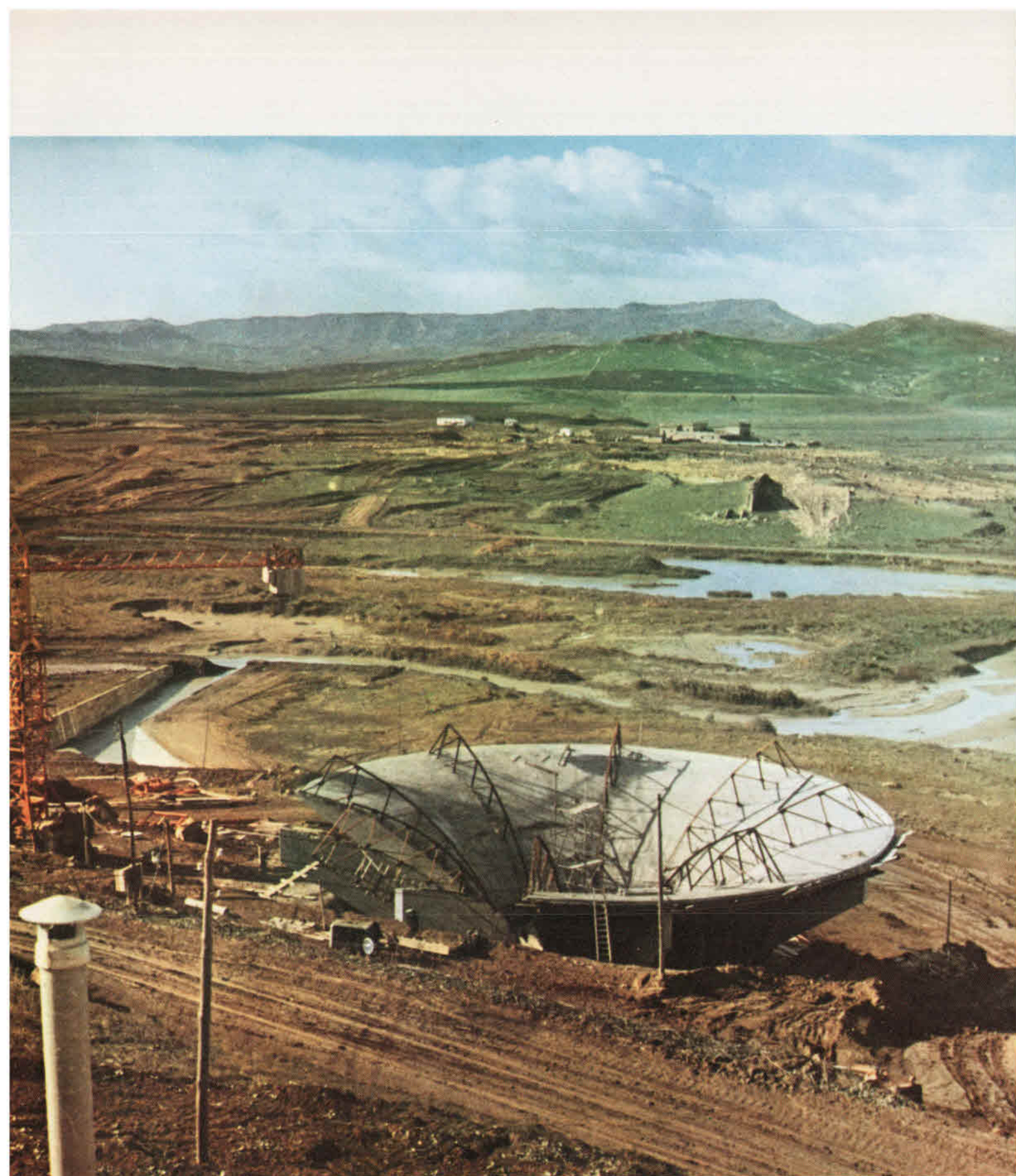
Tax reform—
the major target

A fundamental tax reform, on which a great deal of preparatory work has already been done, ranks as the major legislative target of the parliamentary session ending in 1973. It is widely feared throughout the economy that there will be a shift of emphasis under the new government, chiefly at the expense of property owners. It would be a matter of deep regret if not only the accumulation of business capital but also the progressive creation of private capital were to be hampered in this way.

VII.

American balance
of payments still the
centre of attention

At the end of the year under review, tension on the international currency scene had distinctly lessened. The growing balance of payments deficit of the United States, which had increasingly overshadowed monetary development in the Western world during the sixties, was merely concealed, but not cured, by borrowing abroad. Thus United States banks alone, through their foreign subsidiaries, had borrowed on an average some 14,000m. dollars during the second half of 1969, twice as much as the year before, chiefly at the expense of European money markets.



In 1969 the European Investment Bank once again turned to the German capital market. Commerzbank shared in the leadership of the underwriting syndicate. Our picture shows a development project at Ogliastro (Sicily), financed through loans from the European Investment Bank.

Even in the era of the new Special Drawing Rights, the American balance of payments, for so long a source of world-wide inflation, must be watched with particular care. Contrary to the original intention, the Special Drawing Rights were brought into force before there were signs of the danger of bottlenecks in international liquidity. Moreover, the apportionment of this reserve asset for the first three years strikes us as being on rather too generous a scale.

Special Drawing Rights—alternative to raising the price of gold

On the other hand we see the Special Drawing Rights as a workable alternative to raising the price of gold, a measure which has been frequently demanded but is exceedingly problematical. It does not therefore seem wrong to see a connection between the introduction of the new reserve asset and the decline of the free gold price, even though the chief cause should probably be sought in the world-wide shortage of liquidity and the rise in interest rates.

Among the reform efforts, the idea is now taking shape of a more flexible adjustment of exchange rates—modelled on the “crawling peg”—as a possible way out of the present dilemma of politically frozen parities, though swift and spectacular changes in the international monetary system are hardly likely.

VIII.

EEC with new impetus

Today, after further setbacks and some critical developments, the European Communities, which had entered 1969 in an atmosphere of disillusionment and resignation, are entitled to look forward once again to progress in economic and monetary cooperation. We are particularly pleased to note that at the same time there has been a fundamental improvement in the prospects of an enlargement of the Six to take in Great Britain, Ireland, and the Scandinavian countries. The completion on time of the transitional period at the end of the year may thus at the same time represent the beginning of a more fruitful phase.

The EEC now faces the following priority tasks: solving the problems of agriculture and harmonising economic policies, thus obviating the need for further isolated parity changes. We also attach special importance to the standardisation of tax laws and to the establishment, step by step, of a European currency system. We welcome the “Outlines of a Step-by-Step Plan” submitted by the Federal Government as a realistic concept to bring about the gradual expansion of the economic union into a monetary union without the pressure of a timetable. However desirable the end, the experience provided by the rushed EEC agricultural policy is in any case a clear warning. Only a European currency matured on the firm foundations of a common economic policy can assume and maintain its assigned function as a second pillar in the international monetary system.

Our Bank's Progress

We scored fresh success in 1969. Substantial growth of business was achieved in all important sectors. Unlike the previous years, 1969 was marked by a lively, and ultimately even frantic, demand for credit.

General trends

The Balance Sheet total rose by DM 2,000m., or 12.8 per cent, in the course of the year. Indeed our volume of business including rediscounted bills increased by as much as 14.6 per cent.

The salient data of the balance sheet included:

- Balance Sheet total DM 17,400m.
- Deposits DM 16,100m.
- Total Lendings DM 12,600m.

The year's earnings were again satisfactory. The recovery of the interest margin accompanying the rise in the demand for credit was a favourable factor, but the distinct increase in the interest surplus resulted above all from the expansion of business.

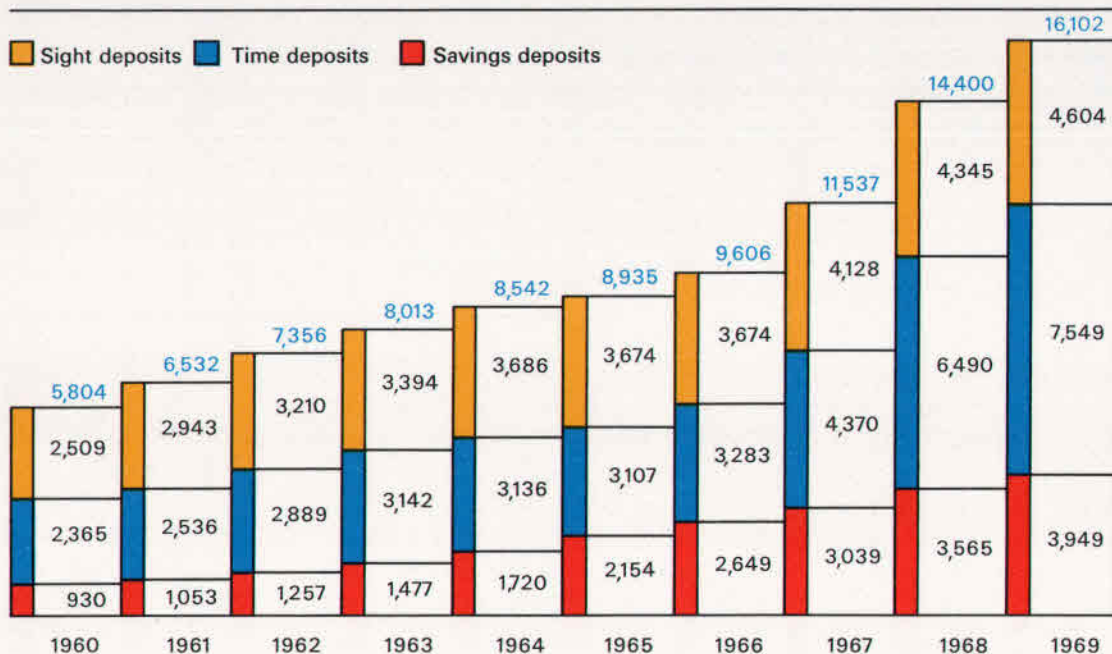
Earnings position

Additional earnings were again secured in foreign business and exchange transactions as well as in underwriting operations and stock exchange commissions. The substantial increase in income was paralleled, it is true, by a further rise in current salaries and material costs and in special charges. The high depreciation on the securities portfolio, which had become necessary as a result of the slump in the bond market, as well as the big rise in global value adjustments permitted by tax regulations—in connection with the growth in total lendings—also had a pronounced effect.

The overall comparable net profit, excluding special receipts, again showed a rise. In relation to the higher capital ranking for dividend, the profit per share after payment of all taxes was only just maintained at the previous level. It should be remembered here that in 1969 we increased the capital in two stages by DM 75m. to DM 350m., of which DM 312.5m., or some 14 per cent more than in the previous year—expressed in terms of a full year—ranks for dividend.

Private business	<p>Efforts were stepped up during the year to build up business with our private customers. Our general advertising was directed particularly at housewives and young people.</p> <p>We continued to attach considerable importance to the granting of private loans. We report on this sector in the section "Credit Business".</p> <p>The "Combined Savings with Commerzbank Bonus", introduced at the end of 1967, expanded further. By the closing date the total covered by contracts had been raised to DM 170 m., comprising 33,000 individual contracts.</p>
Promotion of Savings and Savings Schemes	<p>Our Combined Savings may be coupled with premium saving, a scheme we value as a suitable incentive for the private capital formation. Although the legislature has not yet finally decided on the complete harmonisation of all measures for the promotion of savings, it did incorporate two important improvements of the law on Premium Savings in the 1969 tax bill; for one thing, additional premiums are now granted to people with low incomes; for another, the change from account saving to saving through securities has been permitted once again and the Securities-Saving by Instalments Contract has been newly introduced.</p> <p>A doubling of the DM 312-Law is now imminent, linked with a change in the system: from the point of view of social justice the planned change-over from the existing tax exemption of savings to state allowances should be welcomed.</p> <p>We continue to offer very successfully the savings schemes of ADIG Allgemeine Deutsche Investment Gesellschaft. The emphasis is on accumulation accounts, which do not require any fixed monthly payments by the contracting party and allow complete freedom of movement. It is noticeable nevertheless that the majority of savers make regular payments, mostly by transfer from a current or savings account. Commerzbank customers opened and participated in more than 17,000 new ADIG accumulation accounts and schemes during the last business year, twice as many as in the previous year.</p>
Cheque cards and deposit guaranty	<p>For private payments the cheque card has firmly established itself. Its validity was extended to other European countries, so that the German bank customer can now cash his cheques in conjunction with the cheque card at about 150,000 bank branches in Europe outside Germany. Meanwhile this "Euro-cheque" system has also been made available to foreign customers at the counters of banks in the Federal Republic. Since the middle of 1969, German cheque users have been insured by their credit institutions against the misuse of lost cheque cards.</p> <p>The expansion of the voluntary provision of deposit guaranty in private banking is of more fundamental significance. Within the framework of a scheme providing joint and several protection, all private balances are now guaranteed up to DM 10,000, thus doing away with any need for statutory regulation.</p>
Trend in Deposits	<p>Deposits accepted from non-banks customers—in Balance Sheet terminology "Banking liabilities to other creditors"—were altogether 8.3 per cent up at the end of the year. Deposits of other banks, which have had to include building society balances since the previous year, increased by 30.2 per cent.</p> <p>Whilst on an annual basis non-bank customers' sight deposits were slightly down, their short-term balances grew by leaps and bounds, reflecting the growing awareness for interest rates in the economy.</p>

Deposits at year-end in DM million



The growth of account saving has levelled off noticeably, especially in the second half of the year, a trend which could be observed throughout the Federal Republic. On an annual basis savings balances entrusted to us grew by only 10.8 per cent; more than two thirds of the total increase of DM 385m. was accounted for in the first six months.

Account Saving

The above average growth of 15.4 per cent in accounts with an agreed period of notice shows that the saver, too, had become more interest-minded. He no longer regarded the yield offered as sufficiently attractive compared with the steep rise in the rate of interest on capital at the end of 1969. As a result major savings accounts were increasingly converted into time deposits that enjoyed more favourable rates of interest. We made allowance for this development by raising all longer term interest rates on savings by one whole per cent as from 1st January, 1970.

Since we were increasingly able to persuade stronger savers to invest in securities, especially in unit trusts, and large balances were switched into time deposits, the average balance per Commerzbank savings book, which in previous years had steadily risen to more than DM 3,500, fell to DM 3,465.

Size of account	Number of Accounts	Amount in DM m.
up to DM 1,000	697,112	162.9
over DM 1,000 up to DM 10,000	366,852	1,290.9
over DM 10,000 up to DM 50,000	62,946	1,175.0
over DM 50,000	7,928	1,320.4
	1,134,838	3,949.2

Premium-bearing savings deposits and securities held by us had meanwhile reached approximately DM 500,000m.

Investment policy We expanded our volume of business, including bills rediscounted, by DM 2,295 million. This increase was completely absorbed by the expansion in the credit business. Moreover we switched part of the liquidity reserves accumulated in the previous year—in anticipation of another sharp rise in the home demand for credit—into loans.

Treasury bills and non-interest-bearing Treasury bonds have almost completely disappeared from the balance sheet, since the Federal Government consistently reduced its indebtedness on the money market, which enables the banks to give an especially liquid form to their investments and to make them realisable at any time. Most of these securities were issued in 1967 as part of the economic policy programmes.

To finance the growing credit business we fell back chiefly on our balances with home and foreign institutions, which had greatly increased in the previous year and which we substantially reduced by close on DM 1,000m. This item was thus restored to its usual level within the liquidity range.—The securities portfolio increased more or less in step with the balance sheet total.

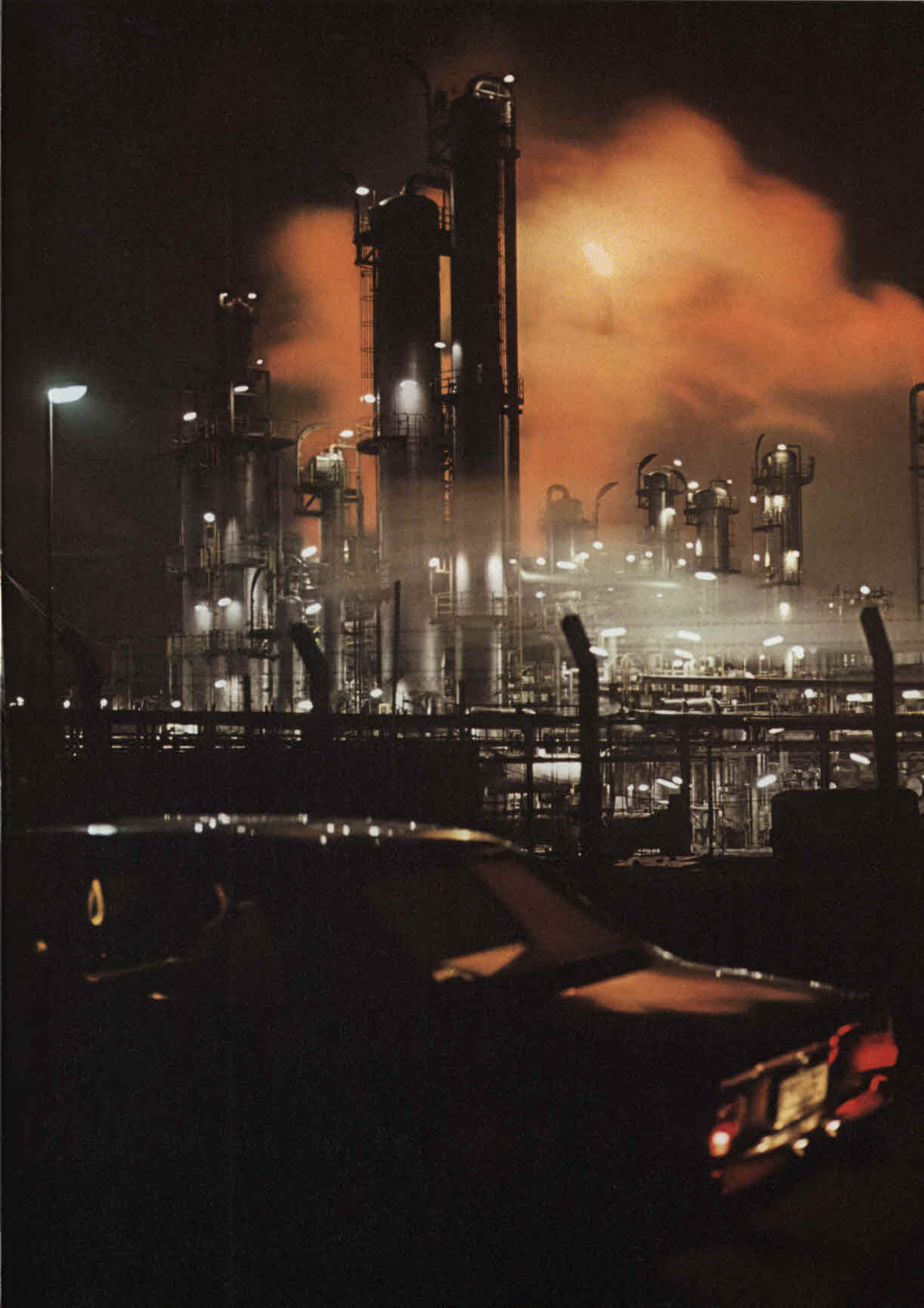
Credit business In no other year since the war had the demand for credit risen so suddenly and steeply as during the year under review, the more so as requests for credit from foreign government agencies and business concerns, which have made increasing use of the Federal Republic's financing potential since the middle sixties, were added to the requirements of domestic industry and trade.

The demand for longer term funds from borrowers both at home and abroad was particularly marked. To begin with, the demand for funds to finance investment programmes had been expressed mainly in a request for credit lines; in the last quarter pressure increased perceptibly.

Total lendings Including loans to financial institutions at home and abroad, credits granted by us in the first nine months—according to the position on 30th September, 1969—rose from DM 9,700m. to DM 10,900m., and increased further to DM 12,600m. in the last three months, i.e. by DM 2,900m. or 30.0 per cent on an annual basis. Not only absolutely but also comparatively, this was the most substantial growth in total lendings during the last decade.

The doubling of bank rate in 1969 and the massive decrease in liquidity which set in after the change in parity, were bound to bring about a fundamental change in the basis of the credit business for all concerned. While we maintained an attitude of growing reserve in accepting new bills, especially from large customers, we continued to meet our customer's legitimate requests for higher book credits.

Book credits Altogether we raised short and medium-term book and acceptance credits to non-bank customers, in most cases briefly designated "debtors", by more than 33%; over half the DM 1,500m. increase affected the fourth quarter alone. In the case of long-term loans with agreed periods of four years and over, the growth of plus 79 per cent was still steeper; the last quarter again accounted for about half the year's increase of close on DM 1,000m.



Guarantees and letters of credit

The total of guarantees and indemnity bonds assumed by us rose from DM 1,300m. to DM 1,600m., i.e. once again more steeply than in previous years, partly owing to the vigorous growth in exports of German capital goods. This exceeds the former 1965 peak by almost a quarter.

Credit schemes for individuals

The lively demand for credit on the part of trade and industry and foreign applicants did not prevent us from purposefully expanding our credit business with private customers. Interest was high throughout the year, with renewed emphasis on the medium-sized procurement loan. We managed to raise the total of outstanding medium-sized procurement loans by three quarters to DM 379m., although current repayments had meanwhile reached a considerable size. There was almost no change in the additional DM 64m. outstanding in small personal loans with individual amounts of up to a maximum of DM 2,000. The stagnation of small personal loans was due not least to the easy overdraft facilities on private accounts, extensively used by our customers.

Besides the shorter-term interim financing of mortgages and building society savings loans, which has been an integral part of our business for years, and in addition to bank bridging loans linked with building society savings agreements, demand for the long-term personal loans introduced at the end of 1968 showed a particular increase.

Hire purchase and leasing

Our hire purchase business continues to operate through our subsidiary, Bank für Teilzahlungskredit GmbH, Düsseldorf. It has been linked with "Commerz- und Industrie-Leasing GmbH", a specialized institution, since the beginning of 1969.

Distribution of lendings

We continued our efforts to achieve a wide spread in our credit business as well as a balanced distribution with a view to branches of activity.

Breakdown of lendings to business enterprises and individuals*)	31. 12. 1968	31. 12. 1969
Mining and public utilities	2.9%	2.3%
Chemicals	6.1%	7.5%
Electrical engineering, precision instruments, optical goods, hardware and plastics	11.0%	10.7%
Production of iron, steel and other metals, foundries	8.7%	6.5%
Steel construction, mechanical engineering, vehicle and shipbuilding	13.2%	14.6%
Building	3.4%	4.1%
Foodstuffs, luxury food and fodder	4.9%	4.8%
Textiles, clothing and leather	5.0%	5.4%
Wood, paper and printing	3.6%	3.4%
Trade	18.1%	18.8%
Other borrowers ¹⁾	23.1%	21.9%
	100.0%	100.0%

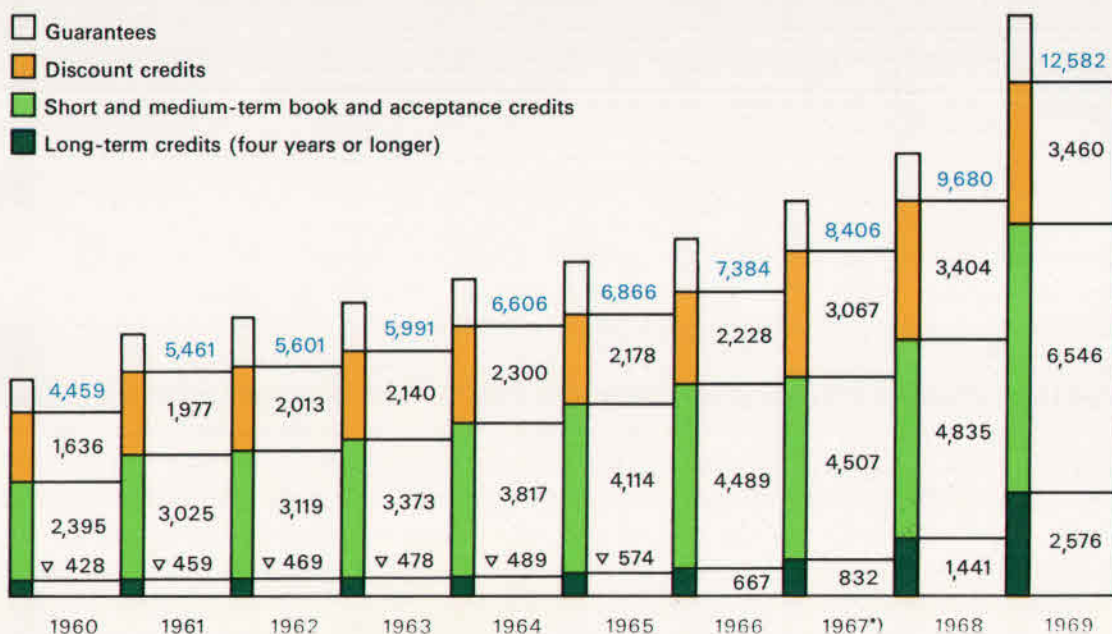
*) Excluding guarantees, but including loans granted on a trust basis; ¹⁾ especially private individuals.

Promissory note loans and procurement of capital

Our efforts to grant and place promissory note loans continued during the year, for German debtors even in comparatively small amounts. Particular mention should be made of large loans to foreign enterprises and institutions, including the Inter-American Development Bank.

We also met the brisk demand for investment finance beyond our own credit lines by procuring capital market resources from specialised institutions.

Total lendings at year-end in DM million



*) Because of new regulations on the drawing up of balance sheets, the figures from 1967 onwards are not fully comparable with earlier figures.

We attached continued importance to procuring private equity capital for medium-sized companies. It is still difficult, however, to find fully suitable objects for the many applicants seeking investment opportunities.

We made longer term export credits available to the German capital goods producing industry on an even larger scale, and promoted exports of plant and installations by direct credits to foreign customers to an increasing extent; this was mainly a matter of parallel credits, but in special cases it also included the financing of the entire transaction. These financial credits were complemented by arranging à-forfait-transactions. On the other hand the purchase without recourse of secured claims against foreign debtors made possible by the Federal authorities proved to be impracticable in the form proposed.

Finance abroad

The AKA ceilings again proved useful as an important refinancing basis for longer-term export credits. It is true that with the German bank rate being doubled, these sources have become considerably more expensive within a year, and this is a particularly heavy burden on the manufacturers of capital goods now, after the 1969 changes in parity. It accordingly stimulates once again industry's desire to introduce fixed discount rates for exports of plant and installations extending over several years, on the foreign model. The efforts to raise the largely exhausted AKA ceilings are especially topical, however.

We consistently pursued the expansion of our foreign business. New Representative Offices were opened in São Paulo and—in January 1970—in Singapore. We strengthened our presence in the Middle East by a 20 per cent holding in the newly-formed Commercial Bank of Dubai, after acquiring an equally large interest in the Rifbank, Beirut, during the previous year. Smaller holdings were acquired in the Development Bank of Singapore, in an international specialized institution for shipbuilding finance and in a financing institution for joint ventures

Organization abroad

in Yugoslavia (for details see page 42). During the first three months of 1970 we became one of the international partners of PICA, a private development company for Asia.

An important step in expanding our international organization is represented by the successful establishment, in the summer of 1969, of a subsidiary in Luxembourg, which is especially active on the Euro-finance markets. By the turn of the year "Commerzbank International S.A." had already built up a volume of business equivalent to more than DM 400m.

Progress of the International Commercial Bank Ltd. (ICB) in London has also been gratifying. By the end of 1969 this institution, in which we have equal holdings with four partners from the sterling and dollar areas, had built up a Balance Sheet total equivalent to roughly DM 2,400m. within just under 2½ years on its establishment.

The holding company "Société Financière pour les Pays d'Outre-Mer S.A." (SFOM), Geneva, which holds a controlling interest in eight African commercial banks, has meanwhile come to represent a consolidated volume of business equivalent to about DM 800m.

Altogether the portfolio of holdings, including the controlling interests held by SFOM, at this stage comprises shares in 37 foreign banks, financial institutions and investment companies. In addition we maintain eleven Commerzbank Representative Offices abroad.

Foreign trade
business

In 1969 foreign trade business of the Federal Republic was again characterized by a sharp upward movement, in which our share was once more above average. On the export side our turnover rose by almost a fifth, and on the import side even by more than a quarter.

The Bank's foreign position also remained favourable in the year under review. Our investments—balances abroad, credits to foreign borrowers and to a lesser extent foreign securities—for the first time exceeded the sum of DM 2,000m. Foreign investments in need of exchange rate guarantee were secured by forward cover.

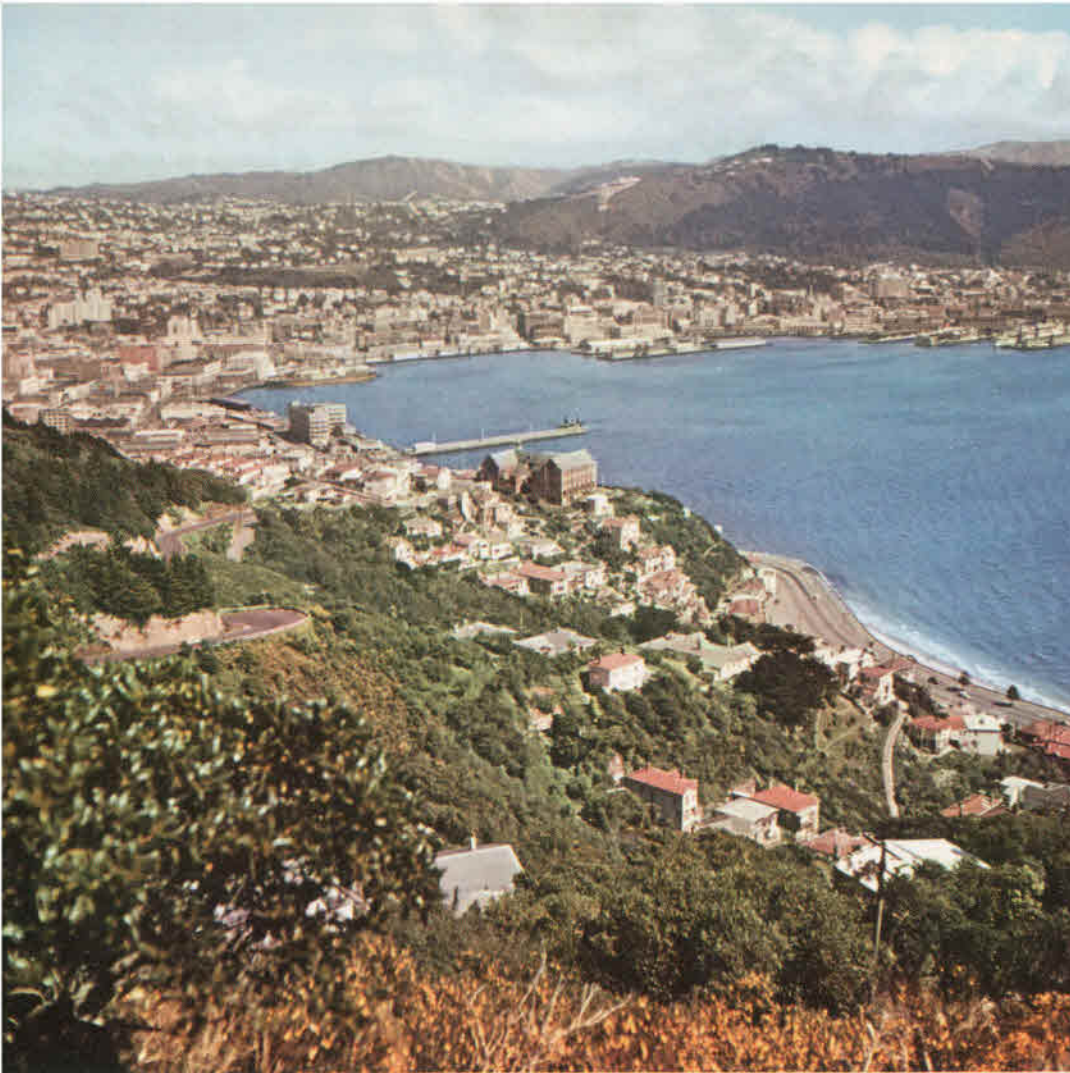
Foreign exchange
business

We have been highly active on the foreign exchange markets, especially during the periods of severe tension in the monetary field. Successful efforts were made to offer our foreign trade customers cover against exchange risks, very high as they occasionally are. Gold dealings by contrast were substantially quieter than in the previous years.

Issues

The issuing business in 1969 was characterized by a high volume of foreign DM-loans, since the international margin between interest rates encouraged the interest of foreign authorities in securing finance in the Federal Republic. A number of sizeable capital increases and several convertible bond loans were well to the fore among home issues. In contrast the public authorities plainly held back, and German home industrial bonds without conversion rights were, in fact, conspicuous by their absence from the 1969 loan calendar. The sole recourse to the bond market to finance German industry was a new Industriekreditbank loan, in which we were among the leading underwriters.

We consolidated our position in the field of foreign DM-loans as well as international dollar issues, and moved up among Western institutions active in the international issuing business. For the first time we even helped to guarantee and underwrite internal American convertible bond loans.



Commerzbank more than once had a share in the leadership of international underwriting syndicates for the Republic of Ireland and for New Zealand.

View of the capital, Wellington



View of the capital, Dublin

Altogether we were active in nine loans to home borrowers totalling DM 1,800m. and in 54 DM-loans to foreign issuers amounting to DM 6,000m. Capital increases through rights issues, in which we had an interest through the issuing syndicates, remained at only half the previous year's level with a total value of DM 700m. The dollar option loans issued by the foreign holding companies of three German groups, in the placing of which we also cooperated, represented an equally large amount.

Cooperation in issuing syndicates

Year	Domestic loans (incl. convertible bond loans)	Foreign DM-loans	Capital increases through rights issues*)
1965	25 totalling DM 3,800m.	13 totalling DM 1,300m.	43 totalling DM 2,200m.
1966	9 totalling DM 900m.	7 totalling DM 700m.	21 totalling DM 1,300m.
1967	32 totalling DM 4,200m.	8 totalling DM 700m.	21 totalling DM 400m.
1968	25 totalling DM 3,900m.	44 totalling DM 4,600m.	16 totalling DM 1,300m.
1969	9 totalling DM 1,800m.	54 totalling DM 6,000m.	28 totalling DM 700m.

In addition we participated in the placing of 301 foreign currency loans from 1965 to 1969.

*) final value

We were in charge of seven foreign DM-loans, viz. for New Zealand and the Republic of Ireland as well as for five foreign public utilities and industrial companies. We were also joint leaders in other instances, e.g. for the European Investment Bank. Finally we occupied a privileged position in the underwriting syndicate of the Asian Development Bank, which made its first appearance on the European capital market.

We were also active in the great majority of underwriting syndicates for Euro-issues denominated in dollars, including numerous convertible and optional bond loans. Altogether we participated in underwriting and placing 63 foreign currency loans. In some cases, however, where we felt the qualitative pre-requisites for a public issue were inadequate, we decided to forgo participation.

The individual issues and admissions to stock exchange dealing in which we participated are listed on pages 72 to 76.

Stock exchange business

Stock exchange business was very brisk at times. Whilst the demand for representative securities dwindled, many special securities attracted the attention of investors, especially in connection with moves towards concentration and hopes of compensation. With prices fluctuating, sales activity overall was greater than in the previous year. The Commerzbank-Index, which reflects the price trends of 60 leading securities, rose once more by 8 per cent during the year to 867 per cent of the starting position at the end of 1953; the year's high of 920 per cent was recorded on 17th November.

Once again we have been able to expand considerably business in securities with foreign customers.

Security accounts

At the end of 1969 we were looking after more than a quarter of a million security deposits for our customers worth over DM 20,000m. In terms of the rate of the day, the share investment was more than twice as large as holdings of fixed-interest-bearing securities.

Whilst interest in fixed-interest-bearing securities decreased with the progressive fall in prices, we succeeded once again in raising substantially the sale of investment units. Our associate, ADIG, with a growth in accruing resources of 43.2 per cent, again increased its part in the market of funds specializing in shares from 21.5 per cent to 23.5 per cent; at the same time it widened its range by issuing a purely fixed-interest-security fund, "Adirenta". It offered holders of Agefra and Anglo-Dutch units a conversion into certificates of "Adiropa"—the more comprehensive European unit trust, free of charge.

Saving through
unit trusts

Institutional investors are offered special unit trusts controlled by Commerzbank Fonds-Verwaltungsgesellschaft mbH (Cofonds), authorized as an investment company in the spring of 1969. Cofonds, a unit trust established by this company, has been designed as an instrument for the management of funds in favour of broader investors groups.

Cofonds

In Germany, too, we again broadened the organizational base of our business. 21 branches and 31 sub-branches were newly opened. As in previous years, almost half of these new branches are in the area of the South German head office.

Organization

At the end of the year Commerzbank AG was offering its services through 688 branches. In the Western Region, their number has doubled in the last eight years. It has risen more than one and a half times in the Northern Region, but in the Southern Region it represents three times the 1961 position.

Number of branches

	End of 1961	1965	1969
Western Region (Head Office Düsseldorf)	144	188	284
Southern Region (Head Office Frankfurt)	73	104	222
Northern Region (Head Office Hamburg)	115	144	182
	<u>332</u>	<u>436</u>	<u>688</u>

The concentration of central operations in Frankfurt is making headway. Work on the new head office building will begin in the spring of 1970.

We gained more than 200,000 new customers during the year, and now have over 1.5 million, including some 1.2 million private customers. We keep more than 2.25 million accounts and security deposits for them.

Customers and
accounts

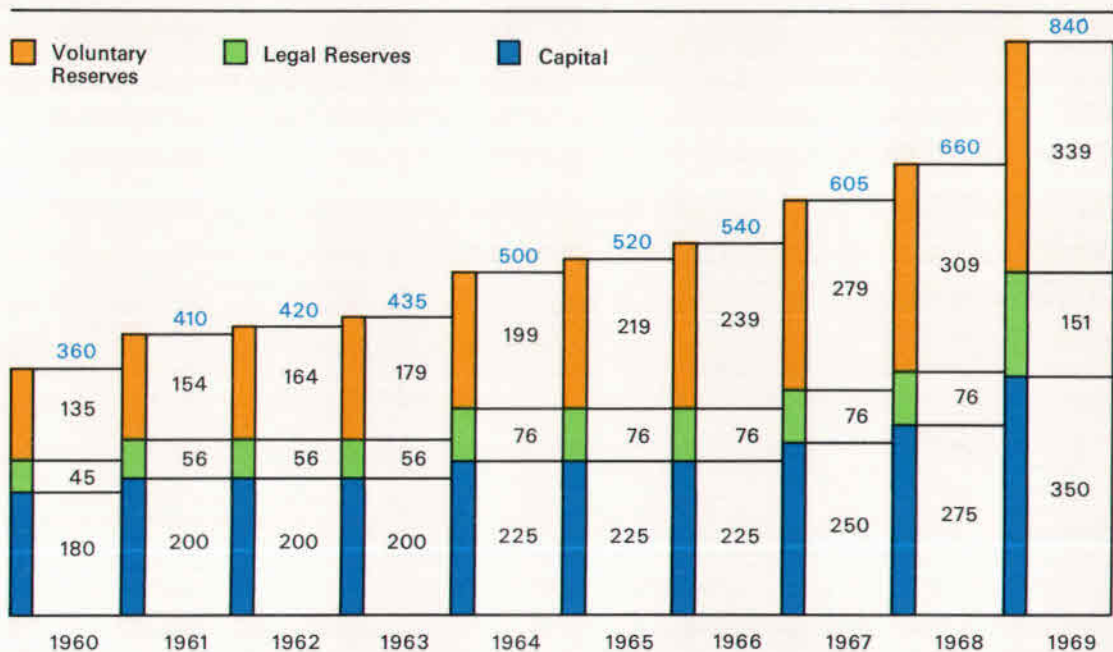
As in previous years the increase in staff could be kept to an order of magnitude that clearly lagged behind the general expansion of business. It is due to this that today, in spite of the considerable increase in consultancy work, there is one employee for more than 100 customers compared with some 40 customers at the end of the fifties.

The steady increase in business transactions has encouraged us to continue the rapid expansion of our electronic data processing facilities. More than half a million entries are made by our 15 computer centres on an average working day. With regional computer centres being superseded by EDP-long-distance processing terminals, we have come closer to centralised data storage and thus to an integrated information system.

Capital and reserves

The vigorous expansion of our business led us to increase the liable funds still further, in two stages. After the capital had been increased from DM 275m. to DM 300m., in pursuance of the resolution of the ordinary general meeting of 19th May, the extraordinary general meeting on 23rd October approved a further increase to DM 350m. Both these measures to raise capital were carried out at an issue price of 200 per cent, thus producing a total of DM 150m. in new capital and reserves for us. Allowing for the appropriation to the reserves from the 1969 annual surplus, Commerzbank entered 1970, its jubilee year, with a published total of DM 840m. in capital and reserves.

Capital and Reserves in DM million



Our Staff

The rising volume of work and the progressive extension of the branch network necessitated an increase in staff. At the closing date our employees numbered 14,350, about 7 per cent more than a year previously. The figure includes 1,634 apprentices and trainees. The proportion of female staff increased slightly to 36 per cent.

92 members of the staff retired. At the end of 1969 we were providing pensions for 2,465 former employees or their widows. In the course of the year two of the Bank's employees completed 50 years' service, 24 completed 40 years', and 45 completed 25 years' service with us.

34 members of our staff died in 1969.

Collectively agreed salary scales were raised by 6.5 per cent all round from 1st March, 1969. A further all round 6 per cent increase followed on 1st November. In both cases a minimum increase of DM 50 was agreed upon. In the new financial year, agreed salary scales have been raised by a further 7 per cent as from 1st March, 1970, with a minimum of DM 60. Moreover, staff employed by private banks have been guaranteed a capital benefit of DM 156 a year in the collective agreement. The remuneration of our employees covered by collective agreements continues to be above the contractual level. Our welfare service for employees and pensioners remains a matter of particular concern.

Once again, for the fourth time, our employees have been offered our own shares on preferential terms. We procured the necessary securities in the market. During the year under review 5,400 staff members took advantage of the opportunity of subscribing for staff shares, mainly within the scope of the 312-DM-Law. We are gratified at the growing interest in this offer. Every other employee or so is now at the same time a Commerzbank shareholder.

The proportion of trained staff is on the increase. We are supporting this trend by the institution of local and national training schemes. Increased efforts were also made in the training of juniors, and we continued to lay great stress on exchanges with associated banks abroad.

Our employees materially contributed to the success achieved during the year through their initiative and application. For this we express our sincere thanks and appreciation. Their willingness to serve has been rewarded with a special payment on the occasion of the Bank's centenary on 26th February, 1970.

Prospects

Economic Policy Contrary to all expectations, the first quarter of the current year was still marked by boom conditions. This increased the danger to the stability of the currency. Therefore economic policy ought to aim first and foremost at skimming off excess purchasing power. On the other hand investment trends slackening as they are, must not be damped down too severely; moreover, the flow of foreign trade, which has begun to return to normal, should not be disturbed yet again.

Now, at the start of spring, economic and monetary policy are consequently faced with a great many tasks, that are more difficult than they had first appeared to be after revaluation. Month after month the authorities were confronted by changing economic trends without having truly up to date statistics to help them. This slowed down the decision-making process. Weeks have been wasted until on March 6, 1970 the Deutsche Bundesbank—left alone from government—entered the breach with its draconic decisions.

The German economy's comparatively heavy dependence on outside funds makes it unavoidable that, as far as finance is concerned, investment trends are affected more quickly than in countries with traditionally greater internal financing and a stronger capital base of their own. This is where there are special dangers of a curb on monetary and fiscal policy which lasts too long.

A relaxation of the restrictions might be advisable even before the middle of the year. Since a better balance between supply and demand is beginning to emerge even now and additional production capacity is about to come into service, we consider an early reorientation of monetary policy a distinct possibility. In any case, the changed economic climate throughout the world may well result in a cooling down of the German industrial boom, too.

Competition Industry is preparing itself for the European market with increasing concentration. Company mergers are bound to affect competition. The question of controlling fusions has accordingly become a major subject of economic policy. Solutions must be found on this point as well as on the even greater problem of the extension of co-determination, which do not impair the growth and international competitive strength of the German economy. Allowance must also be made for the necessary harmonization of business legislation in the EEC.

Longer-term perspectives The seventies will be marked by structural change no less than the past decade. The number of people self-employed, especially in agriculture, is likely to continue falling steeply in the future. In mining, too, an additional release of labour may be expected. This calls for increased mobility of labour, which in turn creates special tasks both for national structural policy and for education.

For the Federal Republic we expect the high level investment activity to continue, especially in view of the considerable backlog in work on the infrastructure. The service sector's contribution to the national product may well exceed one-fifth in the new decade and thus approach American conditions. We also expect banking to continue growing at an above average rate in the future.

Overall, given its great international competitive strength, the forecast for the Federal Republic can be a favourable one. Real annual growth of about 4 to 5 per cent on average may indeed seem modest in comparison with other countries, especially Japan, but in view of the unfavourable demographic position it would represent a remarkable performance.

Providing lasting safeguards for the competitive strength of our economy requires above all effective investments in the field of training and further professional education. Indeed, the labour market situation equally demands such measures. Existing bottlenecks will only be overcome if everyone capable of earning a living finds an occupation commensurate with his ability which spurs him on to a high level of efficiency in his job.

We consider the creation of wealth on the part of employees as another major task of the seventies. This is not only conducive to social peace but also helps to promote the accumulation of savings within the economy. But the voluntary character of such measures should be preserved at all events.

*

We have entered the new business year well prepared. With capital and reserves of DM 840m. —some 25 per cent more than a year before—we can rely on a broad base for further growth.

Commerzbank
in 1970

The exceptional increase in the volume of credit which marked the fourth quarter of 1969 did not continue during the first few months of the new year; the steep increase in the cost of borrowing has made people less inclined of late to obtain their funds from outside sources. The expansion in foreign business continues vigorously, however. The underwriting business and stock exchange operations during the first three months suffered from the tightness of money.

In spite of the higher refinancing costs we do not expect the interest margin to narrow comparing one year with another, as the brisk resort to credit is likely to continue. Current salaries and material costs will, however, show a further rise.

As in mid-March 1970

A Hundred Years Commerzbank

Early in the new business year our institution could look back upon one hundred years of successful activity in the service of the German economy; on 26th February, 1870 "Commerz- und Disconto-Bank in Hamburg" as it was called until 1898, was founded. We have remembered the Anniversary at a festive meeting of the Bank's executive authorities together with the Regional Councils as well as the General Staff Council in Hamburg, the city where the Bank was founded.

Commerzbank
Endowment Fund

On the occasion of the Anniversary a "Commerzbank Endowment Fund" is being launched for purposes of public benefit. According to the Articles of Association, the Fund, which is being endowed with DM 5m. in the Anniversary year, is "to promote projects of public benefit in the fields of education and science, or charitable measures in so far as adequate public or private funds are not available for such purposes".

The funds are being allocated by a Board of Trustees consisting of five members, which decides every year on the distribution. The following have agreed to serve on the Board of Trustees:

Professor Dr. Otto Bayer, Chairman of the Supervisory Board of Farbenfabriken Bayer,
Dr. h. c. Karl Blessing, former President of Deutsche Bundesbank,
Dr. Hanns Deuß, Chairman of the Commerzbank Supervisory Board,
Professor Dr. Günter Schmölders, University of Cologne,
Dr. Raban Frhr. v. Spiegel, Deputy Member of the Commerzbank Board of Management.

A long way since
its foundation

Commerzbank has travelled a long way since its foundation a hundred years ago: from a financial institution with a local sphere of activity to a bank of international stature, active in every continent.

Until the end of the First World War, that is during its first fifty years, the Commerzbank was active mainly in North Germany. The focal points of the business were in Hamburg, the foundation city, and in Berlin, the German capital, where in 1905 the Berliner Bank with a larger network of city branches was taken over. The decisive steps on the way to becoming a supra-regional bank with a branch system were taken in the years 1920 to 1932 with the take-over of three well-known regional institutions: Mitteldeutsche Privat-Bank AG in Magdeburg (1920), Mitteldeutsche Creditbank in Frankfurt (1929) and Barmer Bank-Verein in Düsseldorf (1932).

Especially successful
in the last twenty
years

The last two decades span the most successful period in the Bank's history. They are marked by thrusts in three directions: widening of the credit supply to industry and the private sector, increased efforts to attract the investor, especially in the field of securities, and the purposeful build-up of foreign business.

Commerzbank Balance Sheet trend (in Mark 1,000)

Year	Share Capital	Reserves	Creditors	Bills of Exchange	Securities and Participations	Debtors	Dividend
1870	5,998	1	2,212	3,047	57	4,715	5%
1900	50,000	6,961	62,920	20,131	25,033	100,314	6½%
1932	80,000	30,000	1,325,842	339,308	119,716	975,420	—
1952	50,000	23,000	1,629,987	427,650	76,534	831,379	6%
1958	150,000	103,000	5,025,015	1,430,429	671,589	1,997,231	14%
1969	350,000	490,000	13,099,769	2,891,688	1,828,225	8,299,565	17+3%



After the end of war, when the dense network of branches in Central and East Germany had been lost, the Bank admittedly had to make a particularly difficult start. For all that we were again working with an overall Balance Sheet total of DM 1,581 m. as early as 1st January, 1952 when the successor institutions set up in the course of decentralization were allowed to submit first DM-Balance Sheets. Despite the currency cut of 20th June, 1948, this corresponded almost exactly to the Balance Sheet total which our "Commerz- und Privat-Bank", as it was then called, had shown after the completion of the concentration phase at the end of 1932.

From 1952 to 1958, when the three successor institutions were permitted to merge again into "Commerzbank Aktiengesellschaft", the volume of business had more than trebled. Since then, that is during the past eleven years, our Balance Sheet total has once again more than trebled. During the whole of the post-war period, as shown by the figures available, we have thus managed to increase the total volume of business to more than ten times the starting position—with a perceptible increase in our share of the market as compared with the other big banks. In all important service sectors, whose success is not directly reflected in the Balance Sheet, the turnover figures have increased at least to the same extent.

The way to
all-purpose bank

Our history is especially linked with four German money and capital centres. To begin with it was Hamburg, the foundation city, which was the definite focal point until the first few years of this century. Then the emphasis shifted more and more to Berlin, where Commerzbank rose to be one of the country's big banks. After the collapse of 1945 and the currency reform of 1948 Düsseldorf proved to be the most suitable point of concentration.

The future is orientated towards Frankfurt; we are concentrating our head office departments in that city, without relinquishing the advantages of proximity to customers through headquarters in Düsseldorf and Hamburg. With the increasing transfer of operations to Frankfurt we are taking account not only of the favourable geographical position of this ancient banking and stock exchange centre and its growing significance as an international financial centre, but also of the increasing weight of our business in South Germany.

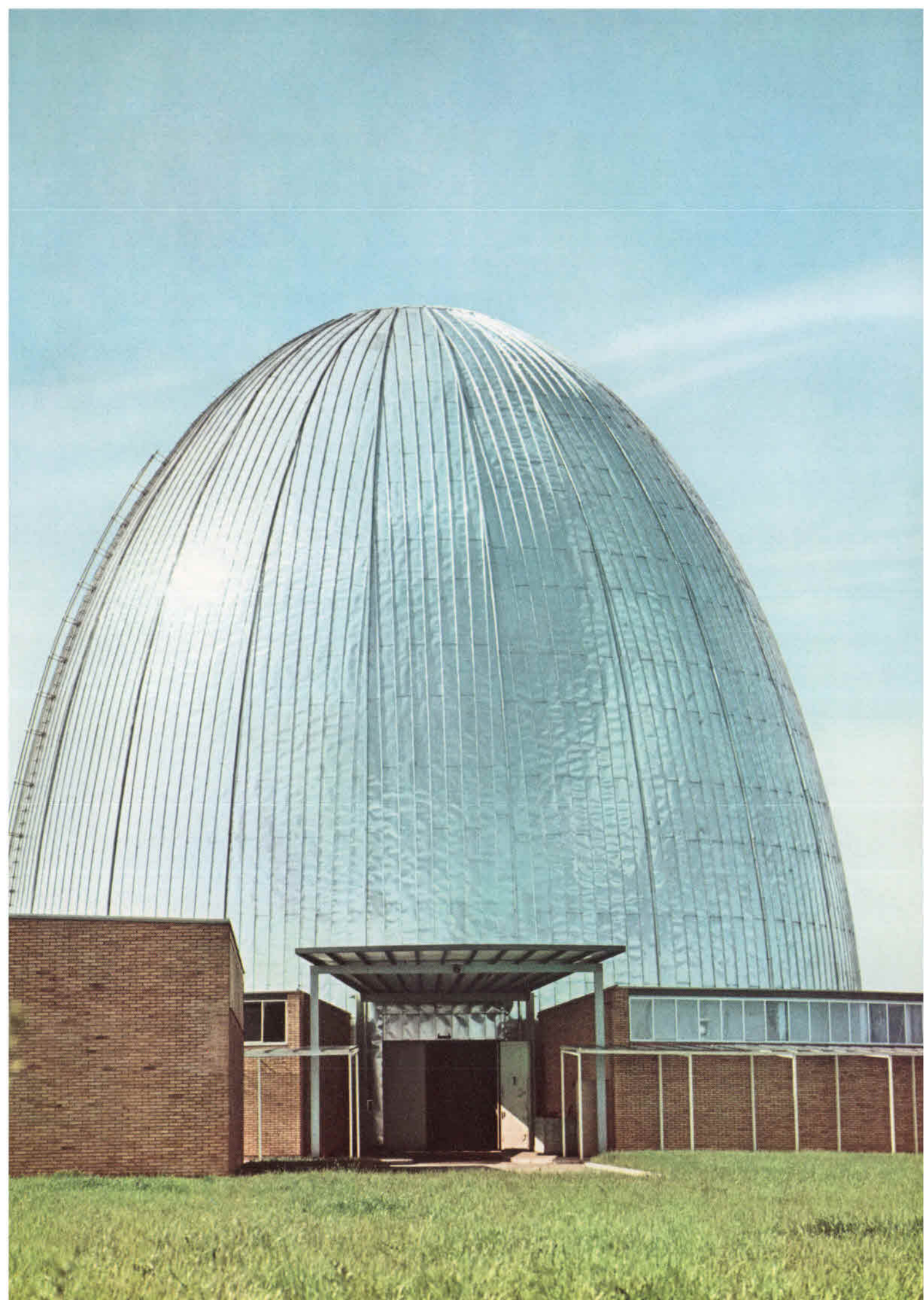
Our development to a bank of international stature was paralleled by the build-up to an all-purpose institution, combining the entire banking business under the roof and serving customers from all sectors of the economy and all walks of life.

Commemorative
publication:
"A Hundred Years
Commerzbank"

In the commemorative publication produced for the Anniversary in an edition of 200,000 copies, which we have also presented to our shareholders, we have traced the most important stages of our Bank's past—very turbulent at times, but so successful in the end. The topical section "Commerzbank Today" is intended to show the general public that we have entered the second century of our history well prepared.

Besides we have collected the outstanding events of our history in a pamphlet entitled "A Brief History of Commerzbank"; our shareholders and business friends abroad have been informed by foreign-language drafts.

In the commemorative publication we recall how the trials of a severe and ever-increasing competition have helped our growth. Given equal conditions for everyone in the market, we feel sure that Commerzbank will continue to thrive best in the climate of competition of the free-enterprise economy, and in conditions of convertibility.



Explanatory Notes on the Annual Accounts

Balance Sheet
Total

In the business year 1969 the Bank's Balance Sheet total rose by 12.8 per cent to DM 17,405.6 million. The changes as compared with the previous year are as follows:

ASSETS	DM million	LIABILITIES	DM million
Cash reserve, cheques, items for collection and bills	·/ 281.4	Creditors (Credit institutions)	+ 696.3
Debtors (Credit institutions)	·/ 514.4	a) demand	+ 330.5
Loans, bonds and securities	+ 168.8	b) time	+ 365.8
Debtors (Customers)	+ 2,498.7	Other creditors	+ 1,005.4
Participations	+ 90.8	a) demand	·/ 72.3
Property, office furniture and equipment	+ 32.1	b) time	+ 693.2
Sundries (including loans granted on a trust basis)	·/ 21.2	c) savings	+ 384.5
	<u>+ 1,973.4</u>	Contingency reserves	+ 7.1
		Special reserve items	+ 10.0
		Capital and Reserves	+ 180.0
		Sundries (including loans granted on a trust basis)	+ 74.6
			<u>+ 1,973.4</u>

Assets

Liquidity

At the end of 1969 the cash reserve, consisting of cash on hand, balances at the Deutsche Bundesbank and on postal giro account, amounted to DM 1,302.1 m. This is equivalent to 8.1 per cent of our total liabilities to banks and other creditors, as well as our own acceptances in circulation.

Our total liquid assets in cash reserve, cheques, matured bonds, interest and dividend coupons, as well as items received for collection, bills of exchange rediscountable at the Deutsche Bundesbank, debtors (credit institutions) (for a period of less than three months), Treasury bills and non-interest-bearing Treasury bonds as well as fixed-interest-bearing securities eligible as security for Deutsche Bundesbank advances amounted to DM 5,558.5 m., that is, 34.4 per cent of the above-mentioned liabilities as against 40.6 per cent in the previous year.

Debtors (Credit
institutions)

We reduced the claims on credit institutions by altogether DM 514.4m. to DM 2,366.6m. It shows balances from clearings, money market investments and loans to German and foreign banks. It is broken down as follows:

	1969	1968
	DM million	DM million
Employed cash reserves		
demand	638.3	539.7
time	905.2	1,865.9
Lendings	823.1	475.5
incl. at long term	(367.1)	(208.8)
Debtors (Credit institutions) total	<u>2,366.6</u>	<u>2,881.1</u>

Loans and bonds are shown at DM 1,061.8 m. as against DM 866.5 m. in the previous year. This represents an increase of 22.6 per cent. 67.7 per cent of the total is eligible as security for Deutsche Bundesbank advances.

Securities

Such of our investments in securities as need not be shown in other items, consist of German and foreign shares and investment units; at DM 548.3m. they are DM 26.5m. down on the previous year.

As in the past, all holdings of securities were valued in the Balance Sheet on the minimum value principle.

The total of advances, acceptance credits and discounts (excluding loans granted on a trust basis) showed an extraordinarily large increase by DM 2,901.9m. to DM 12,582.4m. in 1969, equivalent to a 30 per cent expansion of credit. This included:

Credit Business

	1969	1968
Debtors		
(Credit institutions)	DM 823.1 m. = 6.5%	DM 475.5 m. = 4.9%
(Customers)	DM 8,299.6 m. = 66.0%	DM 5,800.9 m. = 59.9%
Advances and acceptance credits	DM 9,122.7 m. = 72.5%	DM 6,276.4 m. = 64.8%
Discounts	DM 3,459.7 m. = 27.5%	DM 3,404.1 m. = 35.2%
Total lendings	<u>DM 12,582.4 m. = 100.0%</u>	<u>DM 9,680.5 m. = 100.0%</u>

Classified by size and number, these credits break down as follows:

	1969	1968
281,762 credits up to DM 20,000	90.5%	89.2%
18,817 credits over DM 20,000 up to DM 100,000	6.0%	7.0%
	<u>96.5%</u>	<u>96.2%</u>
8,897 credits over DM 100,000 up to DM 1,000,000	2.9%	3.2%
1,974 credits over DM 1,000,000	0.6%	0.6%
	<u>100.0%</u>	<u>100.0%</u>

Adequate individual value adjustments and contingency reserves were set aside for all discernible risks in the credit business. In addition the prescribed global value adjustment was made to the extent permitted by tax regulations.

Trends in individual categories of the credit business were as follows:

For short and medium-term advances and acceptance credits the heavy demand led to an exceptional rise by DM 1,711.3m. to DM 6,546.4m.; at DM 1,522.0m. the expansion largely represents lendings to non-bank customers.

Our customers' demand for long-term credits continued to grow in the year under review. Our long-term lendings rose by DM 1,135.0m., or 78.7 per cent, to DM 2,576.3m. in 1969. This included DM 464.6m. refinanced by raising long-term loans, most of them from Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation) as well as from other public agencies and banks. Where agreed with the lenders, the funds concerned were lent to borrowers on the lenders' terms.

Discounts increased only slightly as against the previous year. They rose by DM 55.6m. to DM 3,459.7m. Bills held comprised DM 103.9m. of bills purchased from banks to employ our funds. At the end of 1969, 83.6 per cent of the bills acquired were in the Bank's portfolio.

Equalization and
Covering Claims

Equalization Claims declined by DM 8.4m. to DM 83.6m.; DM 1.5m. represented contractual repayments and DM 0.4m special repayments. We also fulfilled our payment obligation pursuant to the Conversion Law (42. DVO/UG) by waiving equalization claims totalling DM 6.5m.

Covering Claims increased by DM 1.5m., accruing from the establishment of savings deposits under the Equalization of Burdens Law, whilst repayments totalled DM 2.7m.

Participations

We increased our participations by DM 90.8m. to DM 218.0m. during the year under review, with DM 91.0m. representing new acquisitions as well as capital increases, calls paid up and holdings rounded off. Disposals totalled DM 0.2m. The allowances for depreciation at DM 13,885.63 were negligible.

We acquired the following new holdings:

Associated Investment Holding S.A., Luxembourg
Beteiligungsgesellschaft für Industrieansiedlungsunternehmen
mit beschränkter Haftung, Hamburg
Bondtrade, Brussels/New York
The Commercial Bank of Dubai Ltd., Dubai
Commerzbank Fonds-Verwaltungsgesellschaft
mit beschränkter Haftung (COFO), Düsseldorf
Commerzbank International S.A., Luxembourg
Deutsche Gesellschaft für Anlageverwaltung
mit beschränkter Haftung, Frankfurt/M.
The Development Bank of Singapore Ltd., Singapore
Ad. F. Dreyer, Hamburg
Finanzierungsgesellschaft VIKING, Zurich (Switzerland)
The International Investment Corporation for Yugoslavia S.A., Luxembourg.

Our participations are listed on pages 51 to 53 with details of the size of our interest.

Our subsidiaries and associates continued to do well in 1969. Our income from them amounted to DM 9.5m.

All the companies in which we hold 25 per cent or more of the nominal capital are listed on pages 53/54 of this Report. These investments form part of the items Securities and Participations.

Our property as shown in the Balance Sheet, changed as follows during the year:

Land and
Buildings

	Bank Premises	Other Properties
Balance Sheet value at 31-12-1968	DM 173.7m.	DM 7.8m.
Book transfer	DM + 0.3m.	DM - 0.3m.
Additions	DM 23.3m.	DM 5.6m.
	DM 197.3m.	DM 13.1m.
Disposals	DM 1.4m.	DM 0.8m.
Depreciation	DM 6.8m.	DM 0.2m.
Balance Sheet value at 31-12-1969	DM 189.1m.	DM 12.1m.

The additions represent in the main purchases, new buildings and extensions at Baden-Baden, Bielefeld, Essen, Frankfurt/M., Mainz, Nuremberg and Wuppertal.

Office furniture and equipment procured for the further expansion of our branch network, current replacements, modernization and rationalization totalled DM 36.8m. After depreciation of DM 23.8m. and disposals of DM 0.5m. the resulting Balance Sheet value amounts to DM 79.5m.

Office furniture
and equipment

Sundry assets include holdings of gold bullion, coins and medals as well as various non-bank debtors.

Sundry assets

Liabilities

Liabilities The pattern of liabilities to credit institutions and banking liabilities to other creditors is illustrated by the following table:

	1969	1968
Liabilities to credit institutions:		
demand	DM 1,234.1 m. = 7.7%	DM 903.7 m. = 6.3%
time	DM 1,763.4 m. = 11.0%	DM 1,401.9 m. = 9.7%
Customers' drawings on credits opened with other institutions	DM 4.8 m. = •	DM 0.4 m. = •
	DM 3,002.3 m. = 18.7%	DM 2,306.0 m. = 16.0%
Banking liabilities to other creditors:		
demand	DM 3,369.7 m. = 20.9%	DM 3,442.0 m. = 23.9%
time	DM 5,780.9 m. = 35.9%	DM 5,087.7 m. = 35.3%
savings deposits	DM 3,949.2 m. = 24.5%	DM 3,564.7 m. = 24.8%
	DM 13,099.8 m. = 81.3%	DM 12,094.4 m. = 84.0%
Total liabilities	DM 16,102.1 m. = 100.0%	DM 14,400.4 m. = 100.0%

In the course of 1969 total liabilities rose by 11.8 per cent or DM 1,701.7 m. to DM 16,102.1 m. 59.1 per cent of the rise was in credit balances of non-bank customers.

Own acceptances The total of acceptance credits used by our customers rose from DM 161.5 m. to DM 207.3 m. DM 49.8 m. of our own acceptances was in circulation at the closing date.

Contingency reserves In accordance with actuarial calculations our provisions for pensions had to be raised by DM 9.0 m. to DM 145.2 m. They cover the present value of our pension liabilities and expectancies.

The remaining provisions cover taxes and liabilities of uncertain amount. They amounted to DM 95.7 m. at the close of the year, including that part of the global value adjustment which is not deductible from the assets in the Balance Sheet.

Special reserve items DM 10.0 m. was allocated to the Special reserve items during the year. This amount, which is to be applied later in accordance with Article 6 b of the Income Tax Law (EStG) is linked with profits from the disposal of land and securities. The DM 0.3 m. deriving from earlier years had been accumulated under Article 1, paragraph 1, item 2 of the Development Aid Tax Law.

By dint of the resolutions adopted at our Ordinary General Meeting of 19th May, 1969 and our Extraordinary General Meeting of 23rd October, 1969, our capital was increased by DM 25m. and DM 50m. respectively. It now amounts to DM 350m.

Capital and
Reserves

Both capital increases were effected by the issue of new shares at the price of DM 100 per share of DM 50 nominal (200%). The resulting premium of DM 75m. has been appropriated to the legal reserve.

The other reserves were increased by DM 30m. from the past year's surplus.

The Bank's capital and reserves are now composed as follows:

	1969	1968
Capital	DM 350m.	DM 275m.
Published reserves		
a) legal reserve	DM 151m.	DM 76m.
b) other reserves	DM 339m.	DM 309m.
	<u>DM 840m.</u>	<u>DM 660m.</u>

The endorsement liabilities on rediscounted bills of exchange rose from DM 246.9m. to DM 568.0m.

Appended notes
and other
observations

Liabilities arising from guarantees, including guarantees of bills and cheques, and from indemnities amounted to DM 1,607.4m. at the closing date. This was 23.8 per cent higher than at the end of 1968.

Contingent liabilities in respect of possible calls on shares not fully paid up and holdings in private limited companies, amounted to DM 11.6m. at the closing date.

Profit and Loss Account

The *Interest and similar receipts from lending and money market transactions* increased to DM 874.8m. during the year under review and *current receipts from fixed-interest securities, debt-register claims, other securities and participations* increased to DM 110.7m. These receipts of altogether DM 985.5m. are partly offset by *interest and similar expenses* amounting to DM 568.5m. The resulting net interest received totals DM 417.0m. and shows an improvement of DM 86.2m., or 26.1 per cent, over the previous year. This result was affected by both the continued growth in the volume of business and a slight improvement on an average over the year in the interest margin. Interest exempt from taxation or enjoying tax privileges as well as dividends from subsidiaries in a total are close to that of the previous year.

Commissions and other receipts from service transactions amounting to DM 117.9m. were slightly reduced by *commissions and similar expenses in respect of service transactions* of DM 2.0m. The surplus of DM 115.9m. is thus DM 13.6m., or 13.3 per cent, above the comparable receipts for 1968. The growth of this item is mainly attributable to the continued increase in our issue and security business as well as to the expansion of our foreign business.

Sundry receipts, including those from the writing back of contingency reserves in the credit business are shown at DM 108.8m. This covers gains on foreign exchange dealings, rents received from our real estate and miscellaneous receipts. It also includes the portion of payments received on depreciated claims, of receipts from value adjustments and contingency reserves no longer required in the credit business, and of the exchange profits on our own dealings in securities, where it was not offset by *Depreciation and value adjustments on claims and securities, as well as allocations to contingency reserves in the credit business*. After offsetting the amounts permitted by law the balance remaining in this item of expenditure amounted to DM 29.6m.

The Bank's total personnel costs comprised:

	1969	1968
<i>Salaries and wages</i>	DM 226.9m.	DM 198.4m.
<i>Compulsory social security contributions</i>	DM 18.8m.	DM 15.7m.
<i>Expenditure on retirement pensions and other benefits</i>	DM 26.6m.	DM 22.5m.
	<u>DM 272.3m.</u>	<u>DM 236.6m.</u>

We had to adjust the size of our staff to the larger branch network and the growth in the volume of business. When the collectively agreed salary scales were raised on 1. 3. 1969 and 1. 11. 1969, salaries outside these agreements were also brought into line. In the circumstances we consider the 15.1 per cent rise in our personnel costs as moderate. It is here in fact that we can observe the beneficial effect of rationalizing our banking operations, especially by the use of modern electronic data processing equipment, a policy we have promoted for a number of years.

We could only limit the rise in personnel costs by increasing *Expenditure on materials for the banking business* and *Sundry expenditure*. We feel this shift in expenditure was necessary in view of the growing tightness in the labour market. Expenditure under these heads during the year under review totalled DM 128.7m. as well as DM 3.5m. Altogether this was DM 30.2m., or 29.6 per cent, more than in the previous year. The growth in the volume of business, the larger branch network and the general rise in prices are the main factors that are making themselves felt here.

Depreciation and value adjustments on land and buildings, as well as on office furniture and equipment to the fiscally permitted extent amounted to DM 30.8m. as against DM 26.5m. in the previous year.

Taxes involved DM 77.5m. as against DM 59.8m. in the previous year. This included DM 71.3m. in respect of taxes on income, earnings and property. The other taxes shown at DM 6.2m. comprise DM 3.8m. of company tax incurred in connection with the two capital increases in 1969.

Allocations to Special Reserve Items are shown at DM 10.0m. We apply this amount in pursuance of Article 6b of the Income Tax Law (EStG). It is derived from book profits obtained from the sale of real estate and securities.

The remuneration of the Board of Management for the year under review amounted to DM 4,423,287, whilst pensions paid to former members of the Board and their surviving

dependants totalled DM 1,186,875. DM 1,190,265 was paid to members of the Supervisory Board, and DM 412,589 to those of the Advisory Board. The members of our Regional Councils received DM 814,430.

We acquired and resold some of our own shares during the year as part of our business in securities. The turnover amounted to 377,597 shares. The proceeds were reallocated to working funds. These figures do not include the business in our own shares handled as transactions for commission on the strength of customers' orders. We ourselves held no shares of our own at the closing date, but we had accepted altogether 62,499 of our own shares from borrowing customers as collateral security.

The following companies are affiliated to us:

Affiliates

Atlas-Vermögensverwaltungs-GmbH, Düsseldorf
Aussenhandel-Förderungsgesellschaft mbH, Düsseldorf
Bank für Teilzahlungskredit GmbH, Düsseldorf
Berliner Commerzbank Aktiengesellschaft, Berlin
Commercium Vermögensverwaltungs-GmbH, Hamburg
Commerzbank Fonds-Verwaltungsgesellschaft
mit beschränkter Haftung (COFO), Düsseldorf
Commerzbank International S.A., Luxembourg
Commerz- und Industrie-Leasing GmbH, Düsseldorf
Ad. F. Dreyer, Hamburg
Hamburgische Grundstücks Gesellschaft m. b. H., Hamburg
von der Heydt-Kersten & Söhne, Wuppertal-Elberfeld
Ilseder Bank, Sandow & Co., Peine
Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg
Kaiser-Brauerei Aktiengesellschaft, Hanover
Lübecker Flender-Werke Aktiengesellschaft, Lübeck
Norddeutsche Immobilien- und Verwaltungs-GmbH, Hamburg
C. Portmann, Frankfurt a. M.
Friedrich W. Thomas, Hamburg

As for our legal und business relations with these affiliates, we can report as follows:

Atlas-Vermögensverwaltungs-GmbH, Düsseldorf

The whole of the company's capital of DM 100,000 is held by us. The object of the enterprise is to administer, acquire and realize assets of all kinds. We are at the company's disposal as far as ordinary banking business is concerned.

Aussenhandel-Förderungsgesellschaft mbH, Düsseldorf

We hold the whole of the capital of DM 100,000. The company promotes foreign trade in all sectors. It maintains credit balances with us.

Bank für Teilzahlungskredit GmbH, Düsseldorf

The whole of the capital, which remains unchanged at DM 3.5m., is held by us. The company is having its payments handled by us. It obtains credits to finance the business, and keeps deposit accounts.

This subsidiary has branches at Bielefeld, Düsseldorf, Duisburg-Hamborn, Duisburg-Hochfeld, Munich and Stuttgart.

Berliner Commerzbank Aktiengesellschaft, Berlin

The capital of our Berlin subsidiary amounts to DM 17.5m. It is wholly owned by us. Business during 1969 was satisfactory. Out of the year's net earnings DM 1.0m. was allocated to the reserves, which now amount to DM 18.5m. DM 2.5m. was made available to pay a dividend which, at 14 per cent, was 2 per cent higher than in the previous year. The Balance Sheet total rose by DM 85.3m. to DM 858.6m. Liabilities to credit institutions and other creditors increased by DM 81.2m. to DM 799.6m., the growth of savings deposits by DM 31.7m. to DM 235.1m. being particularly noteworthy. The accruals of liabilities are fully invested in substantially increased lendings to non-bank customers.

The Bank maintains 42 offices in Berlin.

Commercium Vermögensverwaltungs-GmbH, Hamburg

The company's capital of DM 50,000 is held by us. The object of the enterprise is to administer property of all kinds. We keep a current account for the company, which also effects security transactions for commission with us.

Commerzbank Fonds-Verwaltungsgesellschaft mit beschränkter Haftung (COFO), Düsseldorf

We hold the whole of the company's capital of DM 1.0m. The enterprise is an investment company and runs several unit trusts.

Commerzbank International S.A., Luxembourg

This institution, operated in the form of a joint stock company in accordance with Luxembourg law, was established on 25th June, 1969. The capital amounts to Lfr. 100m. The shares are held by us and by subsidiary companies respectively.

Apart from being active on the Euro-money market, the bank handles the entire range of international banking business. The institution is fully integrated with us in regard to both staff and organization.

Commerz- und Industrie-Leasing GmbH, Düsseldorf

The DM 1,000,000 (50% paid-up) capital of this company, which in 1969 took up the leasing business in movable capital goods, is wholly owned by Bank für Teilzahlungskredit GmbH, Düsseldorf, a subsidiary of ours. Its banking business is channelled exclusively through us.

Ad. F. Dreyer, Hamburg

The limited-liability portion of the bank's capital amounts to DM 50,000. Together with the portion not limited by liability, it is held by us either directly or indirectly through our subsidiary, *Commercium Vermögensverwaltungs-GmbH*, Hamburg. The company handles all kinds of banking business. Payments are made exclusively through us.

Hamburgische Grundstücks Gesellschaft m. b. H., Hamburg

The whole of the company's capital of DM 20,000 is held by us. The object of the enterprise is to acquire, dispose of and administer property, and to handle the business involved. We are available for the purpose of handling bank payments.

von der Heydt-Kersten & Söhne, Wuppertal-Elberfeld

The whole of this private bank's limited-liability capital of DM 7.0m. is held by us. Organizationally it is an integral part of ourselves. Apart from its head office at Wuppertal-Elberfeld it has branches at Wuppertal-Vohwinkel and Langenberg. Besides handling the banking business we hold considerable credit balances for the company.

Ilseder Bank, Sandow & Co., Peine

We are the sole limited partner in this firm, which conducts banking business of all kinds and hold an interest amounting to DM 2.0m. Organizationally the firm is fully integrated into our Bank's office network.

Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg

We hold 90 per cent, that is, DM 45,000 of this company's capital of DM 50,000. The balance of the capital is held by our subsidiary, *Hamburgische Grundstücks Gesellschaft m. b. H.* The company's object is to acquire and manage real properties, and to build blocks of flats for rent.

Kaiser-Brauerei Aktiengesellschaft, Hanover

During the year under review we acquired a majority interest in this company's capital of DM 2.7m. after holding a tax-privileged participation for some considerable time. A 16 per cent dividend will be distributed for the business year 1968/69.

Lübecker Flender-Werke Aktiengesellschaft, Lübeck

The capital of this major German shipyard, of which we hold about 69 per cent, was increased by DM 5.0m. from DM 15.0m. to DM 20.0m., by capitalization of reserves during the year under review. At the same time we received a dividend of 8 per cent. The accounts for 1969 are not yet available, but we again expect a satisfactory result.

Norddeutsche Immobilien- und Verwaltungs-GmbH, Hamburg

The company's capital of DM 20,000 is held as to 75 per cent by Immobilien- und Wohnungs-Gesellschaft mbH, and as to 25 per cent by Hamburgische Grundstücks Gesellschaft m. b. H. The company confines itself to managing land and buildings. It channels its payments through us, and obtained credits to finance its business.

C. Portmann, Frankfurt a. M.

We are the sole limited partner in this private bank. The limited-liability capital amounts to DM 100,000. Banking business is done exclusively through us.

Friedrich W. Thomas, Hamburg

This firm engages in all forms of banking, chiefly deposit, credit and security business. Our limited-liability holding amounts to DM 500,000. The bank channels its payments through us. In the course of 1969 the account was overdrawn at times and in credit at other times. We handle for the firm in security business, and are also prepared to provide funds for financing purposes.

During the year under review none of these enterprises did any business that was likely to affect materially the Bank's position.

After allocating DM 30,000,000 to the Published Reserves the profit remaining amounts to
DM 62,500,000.

We propose that this amount be used to pay a dividend of DM 8.50 and an Anniversary bonus of DM 1.50 per DM 50.- nominal share.

The capital of DM 50,000,000 from the capital increase of October, 1969 ranks for profit as from 1st October, 1969.

Düsseldorf, 19th March, 1970

THE BOARD OF MANAGEMENT

Behrenbeck	Brands	Dhom	Lichtenberg
Niederste-Ostholt	Reckel	Rieche	
Deputy Members:	Jahn	Spiegel	

List of Commerzbank AG Participations

	Capital	Our Interest %
<i>a) domestic credit institutions</i>		
Absatzkreditbank Aktiengesellschaft, Hamburg	DM 2.00 m.	32.5
ADIG Allgemeine Deutsche Investment-Gesellschaft mbH, Munich/Düsseldorf	DM 2.50 m.	4.0
AKA Ausfuhrkredit-Gesellschaft mbH, Frankfurt a. M.	DM 34.08 m.	12.8
Anlage-Gesellschaft für französische Aktienwerte mbH, Düsseldorf	DM 0.50 m.	20.0
Anlage-Gesellschaft mbH für englische und holländische Aktienwerte, Düsseldorf	DM 0.50 m.	20.0
Bank für Teilzahlungskredit GmbH, Düsseldorf	DM 3.50 m.	100.0
Berliner Commerzbank Aktiengesellschaft, Berlin	DM 17.50 m.	100.0
Commerzbank Fonds-Verwaltungsgesellschaft mit beschränkter Haftung (COFO), Düsseldorf	DM 1.00 m.	100.0
Deutsche Hypothekenbank, Bremen	DM 25.00 m.	25.5
Deutsche Schiffahrtsbank Aktiengesellschaft, Bremen	DM 20.00 m.	9.1
Deutsche Schiffsbeleihungs-Bank Aktien-Gesellschaft, Hamburg	DM 13.00 m.	28.5
Ad. F. Dreyer, Hamburg	DM 0.05 m.	2.0
Gesellschaft zur Finanzierung von Industrieanlagen mbH, Frankfurt a. M.	DM 1.00 m.	12.8
Hamburgische Baukasse Aktiengesellschaft, Hamburg	DM 0.75 m.	20.0
von der Heydt-Kersten & Söhne, Wuppertal-Elberfeld	DM 7.00 m.	100.0
Ilseder Bank, Sandow & Co., Peine	DM 2.00 m.	100.0
Liquidations-Casse in Hamburg Aktiengesellschaft, Hamburg	DM 0.58 m.	25.0
Lombardkasse AG, Frankfurt a. M.	DM 1.00 m.	14.8
MASCHINENBANK Finanzierungs-Aktiengesellschaft, Frankfurt a. M.	DM 1.50 m.	15.0
C. Portmann, Frankfurt a. M.	DM 0.10 m.	100.0
Privatdiskont-Aktiengesellschaft, Frankfurt a. M.	DM 5.00 m.	9.0
Rheinische Hypothekenbank, Mannheim	DM 20.00 m.	25.0
Sächsische Bodencreditanstalt, Berlin/Frankfurt a. M.	DM 7.50 m.	25.1
Friedrich W. Thomas, Hamburg	DM 0.50 m.	100.0

	Capital	Our Interest %
<i>b) foreign credit institutions</i>		
Adela Investment Company S.A., Luxembourg/Lima (Peru) .	US \$ 51.11 m.	1.0
Associated Investment Holding Company S.A., Luxembourg .	US \$ 1.00 m.	5.0
Banco de Investimento do Brasil S.A. (B.I.B.), Rio de Janeiro	NCr \$ 33.00 m.	4.0
Banque Marocaine du Commerce Extérieur, Casablanca . .	Dirham 12.50 m.	2.8
Banque Nationale pour le Développement Economique, Rabat	Dirham 20.00 m.	1.0
Bondtrade, Brussels/New York	US \$ 3.32 m.	13.3
The Commercial Bank of Dubai Ltd., Dubai	QDR 10.00 m.	20.0
Commerzbank International S.A., Luxembourg	lfr 100.00 m.	99.9
Compagnie Internationale de Crédit à Moyen Terme S.A., Lausanne	sfr 5.00 m.	10.0
Deltec Panamerica S.A., Panama/Nassau (Bahamas)	5.15 m. shares	1.9
The Development Bank of Singapore Ltd., Singapore . . .	S \$ 100.00 m.	0.5
Finanzierungsgesellschaft VIKING, Zurich (Switzerland) . .	sfr 45.00 m.	6.7
The Industrial Finance Corporation of Thailand, Bangkok . .	Baht 50.00 m.	3.0
Interfonds Internationale Investmenttrust-Gesellschaft, Basle	sfr 1.00 m.	15.0
International Commercial Bank Ltd., London	£ 3.50 m.	20.0
The International Investment Corporation for Yugoslavia S.A., Luxembourg	US \$ 12.00 m.	1.4
Nigerian Industrial Development Bank Ltd., Lagos	N£ 2.25 m.	1.7
Pakistan Industrial Credit & Investment Corporation Limited, Karachi	pR 50.00 m.	0.4
Rifbank S.A.L., Beirut (Lebanon)	L£ 4.00 m.	20.0
Société Financière pour les Pays d'Outre-Mer S.A., Geneva .	sfr 40.00 m.	15.0
Teollistamisrahasto Oy-Industrialization Fund of Finland Ltd., Helsinki	Fmk 27.00 m.	0.6
Union Internationale de Banques, Tunis	tD 0.70 m.	4.0
World Banking Corporation Ltd., Nassau (Bahamas)	Bahama \$ 10.20 m.	2.5
<i>c) other domestic enterprises</i>		
Almüco Vermögensverwaltungsgesellschaft m.b.H., Munich .	DM 39.00 m.	25.0
Atlas-Vermögensverwaltungs-GmbH, Düsseldorf	DM 0.10 m.	100.0
Aufbau-Gesellschaft Wolfsburg mbH, Wolfsburg	DM 0.20 m.	7.1
Aussenhandel-Förderungsgesellschaft mbH, Düsseldorf . .	DM 0.10 m.	100.0
Bavaria-Filmkunst GmbH, Munich	DM 7.84 m.	12.2
Beteiligungsgesellschaft für Industrieansiedlungs- unternehmen mit beschränkter Haftung, Hamburg	DM 5.00 m.	15.0
Commercium Vermögensverwaltungs-GmbH, Hamburg . . .	DM 0.05 m.	100.0

	Capital	Our Interest %
Deutsche Gesellschaft für Anlageverwaltung mit beschränkter Haftung, Frankfurt a. M.	DM 50.00 m.	25.0
Deutscher Rhederei-Verein in Hamburg, Hamburg	DM 1.00 m.	29.9
Deutsche Tanker Finanz GmbH, Hamburg	DM 0.30 m.	16.7
Gesellschaft für die Freigabe deutscher Vermögenswerte in Österreich mbH, Frankfurt a. M.	DM 0.02 m.	25.0
Gesellschaft für Kreditsicherung mbH, Cologne	DM 0.30 m.	26.7
Hamburgische Grundstücks Gesellschaft m.b.H., Hamburg	DM 0.02 m.	100.0
Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg	DM 0.05 m.	90.0
Lübecker Flender-Werke Aktiengesellschaft, Lübeck	DM 20.00 m.	68.9
Textil-Beratungs-Gesellschaft mbH, Frankfurt a. M.	DM 0.10 m.	7.0
Treuhand- und Holding-Gesellschaft mbH, Frankfurt a. M.	DM 0.14 m.	50.0

d) other foreign enterprises

European Enterprises Development Company, E.E.D., S.A., Luxembourg	1.55 m. Shares	1.4
Groupement Immobilier Européen d'Etudes et de Participations, Paris	FF 1.25 m.	3.0
Selected Risk Investments S.A., Luxembourg	US \$ 15.00 m.	8.0
Tourinvest S.A., Luxembourg	lfr 70.00 m.	1.4

We also have interests in regional depository banks for securities, credit guarantee associations and house-building companies.

**Holdings in enterprises
where the Bank had an interest of 25 per cent or more on 31st December, 1969.**

We hold 25 per cent or more of the nominal capital of the companies listed below. These holdings of shares form part of the balance sheet items "Securities" and "Participations".

Holdings of more than 50 per cent of the capital

Atlas-Vermögensverwaltungs-GmbH, Düsseldorf
Aussenhandel-Förderungsgesellschaft mbH, Düsseldorf
Bank für Teilzahlungskredit GmbH, Düsseldorf
Berliner Commerzbank Aktiengesellschaft, Berlin
Commercium Vermögensverwaltungs-GmbH, Hamburg
Commerzbank Fonds-Verwaltungsgesellschaft mit beschränkter Haftung (COFO), Düsseldorf

Commerzbank International S.A., Luxembourg
Hamburgische Grundstücks Gesellschaft m.b.H., Hamburg
von der Heydt-Kersten & Söhne, Wuppertal-Elberfeld
Ilseder Bank, Sandow & Co., Peine
Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg
Kaiser-Brauerei Aktiengesellschaft, Hanover
Lübecker Flender-Werke Aktiengesellschaft, Lübeck
C. Portmann, Frankfurt a. M.
Friedrich W. Thomas, Hamburg

Holdings of 25 per cent or more of the capital

Absatzkreditbank Aktiengesellschaft, Hamburg
Almüco Vermögensverwaltungsgesellschaft m.b.H., Munich
Beton- und Monierbau Aktien-Gesellschaft, Düsseldorf
Brauerei Isenbeck AG, Hamm
Commerzbank Aktiengesellschaft von 1870, Hamburg
Dampfschiffahrts-Gesellschaft "Neptun", Bremen
Deutsche Gesellschaft für Anlageverwaltung mit
beschränkter Haftung, Frankfurt a. M.
Deutsche Hypothekenbank, Bremen
Deutsche Schiffsbeleihungs-Bank Aktien-Gesellschaft, Hamburg
Deutscher Rhederei-Verein in Hamburg, Hamburg
Dortmunder Stifts-Brauerei Carl Funke Aktiengesellschaft, Dortmund
Gesellschaft für die Freigabe deutscher Vermögenswerte
in Österreich mbH, Frankfurt a. M.
Gesellschaft für Kreditsicherung mbH, Cologne
Hannoversche Papierfabriken Alfeld-Gronau, vorm. Gebr. Woge, Alfeld (Leine)
Hotelbetriebs-Aktiengesellschaft, Berlin
Kämmerei Döhren Aktiengesellschaft, Hanover-Döhren
Karstadt Aktiengesellschaft, Hamburg/Essen
Kaufhof Aktiengesellschaft, Cologne
Liquidations-Casse in Hamburg Aktiengesellschaft, Hamburg
H. Maihak Aktiengesellschaft, Hamburg
Porzellanfabrik Kahla, Schönwald (Oberfranken)
Rheinische Hypothekenbank, Mannheim
Sächsische Bodencreditanstalt, Berlin/Frankfurt a. M.
Stern-Brauerei Carl Funke Aktiengesellschaft, Essen
Treuhand- und Holding-Gesellschaft mbH, Frankfurt a. M.

Report of the Supervisory Board

During the year under review the Supervisory Board performed the duties which are incumbent upon it under the law, and continuously supervised the conduct of the Bank's business. The Board, both itself and through committees appointed by it, reviewed important business transactions and discussed them in regular conference with the Board of Management.

The Annual Statement of Accounts and the Report for the period from 1st January to 31st December, 1969 as well as the books have been audited by the Auditors, Deutsche Revisions- und Treuhand-Aktiengesellschaft, Treuarbeit, Düsseldorf, and have been found to be in conformity with the law as well as with the Articles of Association. The Supervisory Board has taken note of the result of the audit, and has signified its agreement.

In view of the result of its examination of the Annual Statement of Accounts and the Report presented by the Board of Management, the Supervisory Board has no objections to raise. It has approved the Annual Statement of Accounts, which may accordingly be considered adopted. The Supervisory Board declares its agreement with the Board of Management's proposal for the utilisation of profit.

The Board of Management has further submitted to the Supervisory Board the Consolidated Annual Accounts, the Group Annual Report and the Report of the Group Auditors, Deutsche Revisions- und Treuhand-Aktiengesellschaft, Treuarbeit, Düsseldorf. The Supervisory Board has taken note of these documents and of the fact that the Group Auditors have given their confirmatory certificate without qualification.

The following members of the Board of Management went into well-earned retirement in 1969: Gerhard Fuchs (on 30th June, 1969), and Walter Meier-Bruck and Dr. Heinrich Polke (on 31st December, 1969). The Supervisory Board takes this opportunity of thanking them once again for their many years of service to the Bank. Will Marx has asked to be released from his duties as a member of the Board of Management and resigned on 30th April, 1969.

The Supervisory Board is particularly grieved at the untimely deaths of two members of the Board of Management, Dr. Kurth Sureth on 5th August, 1969 and Bolko Graf von Roedern on 26th February, 1970. They both deserve well of the Bank.

Dr. Wolfgang Jahn and Dr. Raban Frhr. v. Spiegel (on 19th May, 1969, deputy members) and Dr. Rudolf Behrenbeck (on 16th September, 1969) have been newly appointed to the Board of Management. Heinz Niederste-Ostholt and Armin Reckel, who had been deputy members of the Board, were appointed full members as from 19th May, 1969.

The Supervisory Board laments the loss of its former Chairman, the late Dr. Otto Schniewind who, to begin with, presided over the Supervisory Board of Commerzbank-Bankverein AG from 1952, and subsequently in the reunited Commerzbank AG until 1961. During this period our institution greatly benefited from Dr. Otto Schniewind's considerable ability and experience.

Düsseldorf, 2nd April, 1970

THE SUPERVISORY BOARD

Dr. Hanns Deuß

Chairman

ASSETS

Balance Sheet as

	DM	DM
1. Cash		113,219,001.82
2. Balance at the Deutsche Bundesbank		1,148,698,788.75
3. Balances on Postal Cheque Account		40,137,203.35
4. Cheques, Matured Bonds, Interest and Dividend Coupons as well as items received for collection		220,723,337.75
5. Bills of Exchange		2,891,688,485.61
including: a) rediscountable at the Deutsche Bundesbank	DM 2,362,117,724.77	
b) Own Drawings	DM 276,331.—	
6. Claims on Credit Institutions		
a) payable on demand	723,994,708.80	
b) for agreed periods, or at agreed periods of notice, of		
ba) less than three months	199,612,742.29	
bb) at least three months, but less than four years	1,075,901,187.82	
bc) four years or longer	367,129,573.57	2,366,638,212.48
7. Treasury Bills and Non-Interest-Bearing Treasury Bonds		
a) of the Federal Government and the Länder	2,837,687.50	
b) others	28,246,430.54	31,084,118.04
8. Loans and Bonds		
a) with agreed periods of up to four years		
aa) of the Federal Government and the Länder	DM 74,878,760.43	
ab) of credit institutions	DM 90,396,638.85	
ac) others	DM 13,286,500.—	
including: eligible as security for		
Deutsche Bundesbank advances	DM 139,685,677.06	
b) with agreed periods of more than four years		
ba) of the Federal Government and the Länder	DM 151,883,674.69	
bb) of credit institutions	DM 495,673,589.22	
bc) others	DM 235,749,911.11	
including: eligible as security for		
Deutsche Bundesbank Advances	DM 579,223,342.33	
9. Securities, so far as they are not to be shown in other items		
a) Shares marketable on the Stock Exchange and Investment fund units	513,048,064.65	
b) Other Securities	35,258,910.88	548,306,975.53
including: Holding of more than one-tenth of the shares in a joint-stock company or mining company, excluding participations	DM 340,814,405.43	
10. Claims on Customers for agreed periods, or at agreed periods of notice, of		
a) less than four years	6,090,421,045.86	
b) four years or longer	2,209,143,440.78	8,299,564,486.64
including: ba) secured by Mortgages on Real Estate	DM 37,467,792.51	
bb) Communal Loans	DM 39,221,298.73	
11. Equalization and Covering Claims on the Public Authorities		118,433,419.96
12. Loans on a Trust Basis		33,520,951.62
13. Participations		218,049,000.—
including: in Credit Institutions	DM 121,250,000.—	
14. Real Estate and Buildings		201,234,000.—
15. Office Furniture and Equipment		79,476,000.—
16. Outstanding contributions to the capital		—
17. Own shares		—
18. Shares of a Controlling or Majority-Holding Company		—
19. Own Debt Certificates		—
20. Other Assets		32,748,217.82
21. Transitory Items		165,242.96
22. Loss		—
	Total Assets	17,405,556,516.63
23. The Assets and the Rights of Recourse in respect of the Liabilities shown on the Liabilities Side include		
a) Claims on connected Enterprises		22,298,401.08
b) Claims which arise from Credits falling under Article 15, paragraph 1, items 1 to 6, and paragraph 2, of the Banking Law, so far as they are not shown in a)		32,075,274.89

at 31st December, 1969

LIABILITIES

	DM	DM	DM
1. Liabilities to Credit Institutions			
a) payable on demand		1,234,130,363.81	
b) for agreed periods, or at agreed periods of notice, of			
ba) less than three months	539,405,315.98		
bb) at least three months, but less than four years	845,149,796.55		
bc) four years or longer	378,796,622.29	1,763,351,734.82	
including due in less than			
four years DM 145,591,767.86			
c) Customers' drawings on credits opened at other institutions		4,802,037.99	3,002,284,136.62
2. Banking Liabilities to Other Creditors			
a) payable on demand		3,369,676,043.97	
b) for agreed periods, or at agreed periods of notice, of			
ba) less than three months	1,597,072,889.45		
bb) at least three months, but less than four years	4,097,992,373.31		
bc) four years of longer	85,843,779.73	5,780,909,042.49	
including: due in less than			
four years DM 72,888,517.41			
c) Savings Deposits			
ca) subject to legal period of notice	1,740,189,337.28		
cb) others	2,208,994,647.—	3,949,183,984.28	13,099,769,070.74
3. Bonds with agreed periods of			
a) up to four years		—.—	
b) more than four years		—.—	—.—
including: due in less than			
four years DM —.—			
4. Own Acceptances and Promissory Notes in Circulation			49,818,335.42
5. Loans on a Trust Basis			33,520,951.62
6. Provisions			
a) for Pensions		145,152,000.—	
b) others		95,676,750.99	240,828,750.99
7. Value Adjustments			
a) Individual Adjustments		—.—	
b) Prescribed Global Value Adjustments		—.—	—.—
8. Other Liabilities			9,647,283.14
9. Transitory Items			56,915,717.80
10. Special Reserve Items			
according to Article 1, paragraph 1, item 2, of the Development Aid			
Tax Law, Article 6b of the Income Tax Law			10,272,270.30
11. Capital			350,000,000.—
12. Published Reserves			
a) Legal Reserve		151,000,000.—	
(Allocation from agio DM 75,000,000.—)			
b) Other Reserves		339,000,000.—	490,000,000.—
(Allocation from the year's net earnings DM 30,000,000.—)			
13. Profit			62,500,000.—
Total Liabilities			17,405,556,516.63
14. Own Drawings in Circulation			—.—
including: discounted and credited to the borrowers in account DM —.—			
15. Endorsement Liabilities on Bills of Exchange in Circulation			568,032,046.36
16. Liabilities arising from Guarantees, including Guarantees of Bills and Cheques, and from Indemnity Agreements			1,607,405,432.16
17. Obligations in case of repurchase of items assigned en pension, so far as these Obligations have not to be shown on the Liabilities Side			26,006,627.75
18. Contingent Liability on Securities provided for Liabilities of Others			—.—
19. Savings Premiums under the Savings Premium Law			61,811,826.37
20. The Liabilities comprise those (including those in items 14–18) to connected Enterprises, namely			56,045,174.33

EXPENDITURE

Profit and Loss Account

	DM	DM
1. Interest and Similar Expenditure		568,467,625.72
2. Commissions and Similar Expenditure in respect of Service Transactions		1,970,873.76
3. Depreciation and Value Adjustments on Claims and Securities, as well as Allocations to Provisions in connection with Lending Business		29,644,691.—
4. Salaries and Wages		226,883,071.91
5. Compulsory Social Security Contributions		18,784,154.66
6. Expenditure on Retirement Pensions and Other Benefits		26,608,290.41
7. Expenditure on Materials for the Banking Business		128,661,679.33
8. Depreciation and Value Adjustments on Land and Buildings, as well as on Office Furniture and Equipment		30,786,849.41
9. Depreciation and Value Adjustments on Participations		13,885.63
10. Taxes		
a) on Income, Earnings and Property	71,315,614.04	
b) others	6,228,568.24	77,544,182.28
11. Expenditure arising from Assumption of Losses		—.—
12. Allocations to Special Reserve Items		10,000,000.—
13. Other Expenditure		3,533,391.77
14. Profits transferred in pursuance of a Pooling Agreement, and of an Agreement for Transfer and Partial Transfer of Profits		—.—
15. Year's Net Earnings		92,500,000.—
Total Expenditure		1,215,398,695.88

1. Year's Net Earnings	
2. Profit carried forward from the previous year	
3. Taken from Published Reserves	
a) from the Statutory Reserve	—.—
b) from Other Reserves	—.—
4. Allocations from the Year's Net Earnings to Published Reserves	
a) to the Statutory Reserve	—.—
b) to Other Reserves	30,000,000.—
5. Profit	

DM	DM
	92,500,000.—
	—.—
	92,500,000.—
	92,500,000.—
30,000,000.—	30,000,000.—
	62,500,000.—

for the Year 1969

RECEIPTS

[illegible]

Pension payments amounting to DM 9,181,271.35 were effected during the year. For the next five years we expect pension payments equivalent to 109%, 112%, 114%, 117% and 118% of that amount.

Düsseldorf, 19th March, 1970

COMMERZBANK
AKTIENGESELLSCHAFT

THE BOARD OF MANAGEMENT

Behrenbeck Brands Dhom Lichtenberg

Niederste-Ostholt Reckel Rieche

Deputy Members: Jahn Spiegel

According to our audit, which was duly carried out, the bookkeeping, the Annual Statement of Accounts and the Annual Report are in conformity with the provisions of the Law and the Bank's Articles of Association.

Düsseldorf, 23rd March, 1970

DEUTSCHE REVISIONS- UND TREUHAND-AKTIENGESELLSCHAFT
TREUARBEIT

WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT · STEUERBERATUNGSGESELLSCHAFT

Dr. Beumer
Certified Auditor

Simon
Certified Auditor

Business Trend 1952/1969

	Balance Sheet Total in DM '000m.	Volume of Lendings in DM '000m.	Capital Resources in DM million	Savings Deposits in DM million	Employees	Branches
1st January, 1952	1.6	1.3	55	75	4,812	108
31st December, 1952	1.9	1.6	73	115	5,297	109
31st December, 1953	2.5	2.1	89	178	5,935	114
31st December, 1954	3.2	2.5	101	324	6,651	139
31st December, 1955	3.7	3.0	152	387	7,160	149
31st December, 1956	4.4	3.2	179	382	7,401	155
31st December, 1957	5.3	3.4	226	458	7,537	168
31st December, 1958	5.6	3.5	253	587	7,690	185
31st December, 1959	6.4	4.0	338	789	8,371	217
31st December, 1960	6.9	4.5	360	930	9,465	266
31st December, 1961	7.8	5.5	410	1,053	10,507	332
31st December, 1962	8.7	5.6	420	1,257	10,657	372
31st December, 1963	9.3	6.0	435	1,477	10,740	392
31st December, 1964	9.8	6.6	500	1,720	11,021	402
31st December, 1965	10.3	6.9	520	2,154	11,402	436
31st December, 1966	11.0	7.4	540	2,649	12,076	461
31st December, 1967	12.9	8.4	605	3,040	12,760	550
31st December, 1968	15.4	9.7	660	3,565	13,409	636
31st December, 1969	17.4	12.6	840	3,949	14,350	688

Comparison of the Balance Sheet

ASSETS

	December 31, 1969 in DM '000	December 31, 1968 in DM '000
Cash	113,219	104,751
Balance at the Deutsche Bundesbank	1,148,699	996,291
Balances on Postal Cheque Account	40,137	36,489
Cheques, Matured Bonds, Interest and Dividend Coupons as well as items received for collection	220,723	179,760
Bills of Exchange	2,891,689	3,157,222
(including: rediscountable at the Deutsche Bundesbank)	(2,362,118)	(2,433,431)
Claims on Credit Institutions	2,366,638	2,881,073
of which:		
a) payable on demand	723,995	615,777
b) for agreed periods, or at agreed periods of notice, of		
ba) less than three months	199,613	614,884
bb) at least three months, but less than four years	1,075,901	1,441,592
bc) four years or longer	367,129	208,820
Treasury Bills and Non-Interest-Bearing Treasury Bonds	31,084	252,467
Loans and Bonds	1,061,869	866,508
of which:		
a) with agreed periods of up to four years	178,562	149,161
(including: eligible as security for Deutsche Bundesbank advances)	(139,686)	(116,062)
b) with agreed periods of more than four years	883,307	717,347
(including: eligible as security for Deutsche Bundesbank advances)	(579,223)	(501,978)
Securities, so far as they are not to be shown in other items	548,307	574,807
of which:		
a) Shares marketable on the Stock Exchange and Investment fund units	513,048	525,991
b) Other Securities	35,259	48,816
Claims on Customers for agreed periods, or at agreed periods of notice	8,299,565	5,800,902
of which:		
a) of less than four years	6,090,421	4,568,369
b) of four years or longer	2,209,144	1,232,533
Equalization and Covering Claims on the Public Authorities	118,433	128,030
Loans on a Trust Basis	33,521	44,138
Participations	218,049	127,215
Real Estate and Buildings	201,234	181,513
Office Furniture and Equipment	79,476	67,049
Other Assets	32,748	33,664
Transitory Items	165	256
Total Assets	17,405,556	15,432,135

as at 31st December, 1969 and 1968

LIABILITIES

	December 31, 1969 in DM '000	December 31, 1968 in DM '000
Liabilities to Credit Institutions	3,002,284	2,305,966
of which:		
a) payable on demand	1,234,130	903,646
b) for agreed periods, or at agreed periods of notice, of		
ba) less than three months	539,405	459,665
bb) at least three months, but less than four years	845,150	565,750
bc) four years or longer	378,797	376,512
c) Customers' drawings on credits opened at other institutions	4,802	393
Banking Liabilities to Other Creditors	13,099,769	12,094,345
of which:		
a) payable on demand	3,369,676	3,442,006
b) for agreed periods, or at agreed periods of notice, of		
ba) less than three months	1,597,073	1,026,396
bb) at least three months, but less than four years	4,097,992	3,980,671
bc) four years or longer	85,844	80,613
c) Savings Deposits		
ca) subject to legal period of notice	1,740,189	1,649,968
cb) others	2,208,995	1,914,691
Total Obligations	(16,102,053)	(14,400,311)
Own Acceptances and Promissory Notes in Circulation	49,818	6,366
Loans on a Trust Basis	33,521	44,138
Provisions	240,829	233,699
of which:		
a) for Pensions	145,152	136,248
b) others	95,677	97,451
Other Liabilities	9,647	7,394
Transitory Items	56,916	33,205
Special Reserve Items	10,272	272
Capital	350,000	275,000
Published Reserves	490,000	385,000
of which:		
a) Legal Reserve	151,000	76,000
b) Other Reserves	339,000	309,000
Profit	62,500	46,750
Total Liabilities	17,405,556	15,432,135
Endorsement Liabilities on Bills of Exchange in Circulation	568,032	246,906
Liabilities arising from Guarantees, including Guarantees of Bills and Cheques, and from Indemnity Agreements	1,607,405	1,298,382
Savings Premiums under the Savings Premium Law	61,812	60,906

Explanatory Notes on the Consolidated Annual Accounts

The Commerzbank Group comprises the following German companies:

Atlas-Vermögensverwaltungs-GmbH, Düsseldorf
Aussenhandel-Förderungsgesellschaft mbH, Düsseldorf
Bank für Teilzahlungskredit GmbH, Düsseldorf
Berliner Commerzbank Aktiengesellschaft, Berlin
Commercium Vermögensverwaltungs-GmbH, Hamburg
Commerzbank Fonds-Verwaltungsgesellschaft
mit beschränkter Haftung (COFO), Düsseldorf
Commerz- und Industrie-Leasing GmbH, Düsseldorf
Ad. F. Dreyer, Hamburg
Hamburgische Grundstücks Gesellschaft mbH, Hamburg
von der Heydt-Kersten & Söhne, Wuppertal-Elberfeld
Ilseder Bank, Sandow & Co., Peine
Immobilien- und Wohnungs-Gesellschaft mbH, Hamburg
Norddeutsche Immobilien- und Verwaltungs-GmbH, Hamburg
C. Portmann, Frankfurt a. M.
Friedrich W. Thomas, Hamburg

Commerzbank Aktiengesellschaft holds, directly or indirectly, a 100% interest in these enterprises. They have without exception been included in the consolidated annual accounts.

For details of our legal and business relations with these enterprises, and of the progress of business, we refer to the statements on pages 47 to 50 of Commerzbank Aktiengesellschaft's Report.

The Consolidated Annual Accounts as at 31st December, 1969, have been drawn up according to the models for presenting the annual accounts of credit institutions laid down by the decree of 20th December, 1967.

The valuation was carried out according to uniform principles throughout the Group. The accounting years of the companies included coincide with the calendar year, for one company, which has provided an interim financial statement.

We hold majority interests in Kaiser-Brauerei Aktiengesellschaft, Hanover, and in Lübecker Flender-Werke Aktiengesellschaft, Lübeck. We have not included these companies' annual accounts in the consolidated statement because of the lack of unified management and because their inclusion would consequently impair the indicative value of that statement.

Our subsidiary company, Commerzbank International S.A., Luxembourg, has equally been excluded from the Consolidated Annual Accounts in accordance with Article 329 of the Companies Law (AktG).

The following comments on the Consolidated Annual Accounts may be appropriate:

In connection with the capital consolidation, the book-values of participations were set off against the capital and reserves of the enterprises included in the Consolidated Annual Accounts. Consequently only the book-values of the non-consolidated companies are shown as participations in the Consolidated Balance Sheet.

Claims and liabilities among the companies included are set off against each other in the Consolidated Balance Sheet.

Balance Sheet
total

The Group's Balance Sheet total increased by 12.2 per cent to DM 18,511.7m. during the year under review; it exceeds the Balance Sheet total of Commerzbank Aktiengesellschaft by DM 1,106.1m. As compared with the previous year it shows the following changes:

ASSETS	DM million	LIABILITIES	DM million						
Cash, including cheques, items for collection and bills	*/. 265.4	Creditors (credit institutions)	+ 703.8						
Debtors (credit institutions)	*/. 545.2	<table><tr><td>a) demand</td><td>+ 324.4</td></tr><tr><td>b) time</td><td>+ 379.4</td></tr></table>	a) demand	+ 324.4	b) time	+ 379.4			
a) demand	+ 324.4								
b) time	+ 379.4								
Bonds and securities	+ 145.2	Other creditors	+ 1,021.0						
Debtors (customers)	+ 2,562.4	<table><tr><td>a) demand</td><td>*/. 60.4</td></tr><tr><td>b) time</td><td>+ 658.3</td></tr><tr><td>c) savings</td><td>+ 423.1</td></tr></table>	a) demand	*/. 60.4	b) time	+ 658.3	c) savings	+ 423.1	
a) demand	*/. 60.4								
b) time	+ 658.3								
c) savings	+ 423.1								
Participations	+ 92.9	Contingency reserves	+ 7.7						
Land, buildings, office furniture and equipment	+ 32.7	Special reserve items	+ 10.0						
Sundries (including loans granted on a trust basis)	*/. 15.6	Capital and reserves	+ 180.0						
	+ 2,007.0	Sundries (including loans granted on a trust basis)	+ 82.5						
		Difference in pursuance of Article 331, paragraph 1, item 3 of the Law on Limited Companies (AktG)	+ 2.0						
			+ 2,007.0						

Business progress and the position of the Group largely parallel the situation of Commerzbank Aktiengesellschaft, which has a 93.6 per cent interest in the non-offset Consolidated Balance Sheet total. A further 6.3 per cent relates to credit institutions within the Group and 0.1 per cent to other companies.

Assets

Liquidity The Group's total liquid funds—cash, cheques, matured bonds, interest and dividend coupons as well as items for collection, bills of exchange rediscountable at the Deutsche Bundesbank, debtors (credit institutions) (for a period of less than 3 months), Treasury bills and non-interest-bearing Treasury bonds as well as fixed-interest-bearing securities eligible as security for Deutsche Bundesbank advances—are equivalent to 34.6 per cent of the total liabilities to banks and other creditors as well as our own acceptances in circulation, compared with 40.8 per cent in the previous year.

Debtors (credit institutions) This item comprises balances from clearings with other banks, money market investments and loans to German and foreign banks. They are shown at DM 2,500.5m. in the balance sheet, DM 545.2m. down on the previous year.

Holdings of loans and bonds rose from DM 974.1m. to DM 1,143.4m; other securities, however, fell by DM 24.1m. to DM 560.7m. Securities

All security holdings were valued without exception on to the minimum value principle as in the past, 94.5 per cent were held by Commerzbank Aktiengesellschaft.

With the increased demand for credit during the year under review, debtors (customers) rose by DM 2,562.4m. to DM 8,871.9m. This comprises DM 6,476.0m. in short and medium-term claims and DM 2,395.9m. in long-term lendings (for agreed periods, or at agreed periods of notice, of four years or longer). Debtors
(customers)

Liabilities

Liabilities to credit institutions outside the Group amounted to DM 3,240.1m. at the closing date, that is, DM 703.8m. more than in the previous year. This item also includes the refinancing loans accepted for long-term business. Where agreed with the lenders, the funds concerned were lent to borrowers on these institutions' terms. Liabilities

Banking liabilities to other creditors amounted to DM 13,913.5m. as against DM 12,892.5m. at the end of 1968. The Group's customer deposits then rose by DM 1,021.0m. in the year under review.

The Difference in pursuance of Article 331, paragraph 1, item 3 of the Law on Limited Companies (AktG) amounts to DM 18.1m. It is the difference between the largely lower values ascribed to investments in associated companies and the capital, including published reserves, of the enterprises included. Its increase is due to the allocations to these companies' reserves. Difference

Contingent liabilities for calls on shares, not fully paid up, in companies in AG and GmbH form, amounted DM 12.3m. at the closing date. Sundries

Profit and Loss Account

After offsetting the expenses and receipts internal to the Group, the Consolidated Profit and Loss Account shows the year's net earnings at DM 94.4m. as against DM 78.5m. in the previous year. The profit brought forward of DM 2.7m. comprises the dividends distributed by the consolidated companies for the business year 1968.

After carrying DM 31.8m. to the published reserves, the consolidated profit remaining amounts to DM 65.3m., an increase by DM 16.1m. over the previous year.

No events of special importance for the Group have occurred during the current business year.

Düsseldorf, 19th March, 1970

THE BOARD OF MANAGEMENT

Behrenbeck	Brands	Dhom	Lichtenberg
Niederste-Ostholt	Reckel	Rieche	
Deputy Members:	Jahn	Spiegel	

ASSETS

Consolidated Balance Sheet as

	DM	DM
1. Cash		127,499,212.78
2. Balance at the Deutsche Bundesbank		1,238,048,247.83
3. Balances on Postal Cheque Account		44,653,478.20
4. Cheques, Matured Bonds, Interest and Dividend Coupons as well as items received for collection		238,191,920.21
5. Bills of Exchange		3,056,815,236.76
including: a) rediscountable at the Deutsche Bundesbank	DM 2,469,403,039.91	
b) Own Drawings	DM 2,648,046.10	
6. Claims on Credit Institutions		
a) payable on demand	725,173,958.62	
b) for agreed periods, or at agreed periods of notice, of		
ba) less than three months	286,034,121.19	
bb) at least three months, but less than four years	1,116,661,002.99	
bc) four years or longer	372,637,803.44	2,500,506,886.24
7. Treasury Bills and Non-Interest-Bearing Treasury Bonds		
a) of the Federal Government and the Länder	4,715,187.46	
b) others	28,246,430.54	32,961,618.—
8. Loans and Bonds		
a) with agreed periods of up to four years		
aa) of the Federal Government and the Länder	DM 87,074,036.68	
ab) of credit institutions	DM 109,006,398.85	
ac) others	DM 13,286,500.—	209,366,935.53
including: eligible as security for		
Deutsche Bundesbank advances	DM 170,490,713.31	
b) with agreed periods of more than four years		
ba) of the Federal Government and the Länder	DM 156,712,000.61	
bb) of credit institutions	DM 525,591,337.62	
bc) others	DM 251,734,798.15	934,038,136.38
including: eligible as security for		
Deutsche Bundesbank advances	DM 614,640,136.65	
9. Securities, so far as they are not to be shown in other items		
a) Shares marketable on the Stock Exchange and Investment fund units	524,861,213.52	
b) Other Securities	35,856,958.03	560,718,171.55
including: Holding of more than one-tenth of the shares in a joint-stock company or mining company, excluding participations	DM 340,814,405.43	
10. Claims on Customers for agreed periods, or at agreed periods of notice, of		
a) less than four years	6,476,000,905.77	
b) four years or longer	2,395,938,305.27	8,871,939,211.04
including: ba) secured by Mortgages on Real Estate	DM 37,783,591.79	
bb) Communal Loans	DM 174,846,257.29	
11. Equalization and Covering Claims on the Public Authorities		143,739,377.78
12. Loans on a Trust Basis		40,564,493.44
13. Participations		183,328,161.79
including: in Credit Institutions	DM 82,967,228.33	
14. Real Estate and Buildings		212,465,282.31
15. Office Furniture and Equipment		81,046,608.47
16. Outstanding contributions to the capital		—.—
17. Own shares		—.—
18. Shares of a Controlling or Majority-Holding Company		—.—
19. Own Debt Certificates		—.—
20. Other Assets		35,633,982.53
21. Transitory Items		168,551.20
22. Consolidated Loss		—.—
Total Assets		18,511,685,512.04
23. The Assets and the Rights of Recourse in respect of the Liabilities shown on the Liabilities Side include		
a) Claims on Connected Enterprises		—.—
b) Claims which arise from Credits falling under Article 15, paragraph 1, items 1 to 6, and paragraph 2, of the Banking Law, so far as they are not shown in a)		34,872,494.46

LIABILITIES

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EXPENDITURE

Consolidated Profit and Loss

	DM	DM
1. Interest and Similar Expenditure		597,642,352.46
2. Commissions and Similar Expenditure in respect of Service Transactions		2,101,771.01
3. Depreciation and Value Adjustments on Claims and Securities, as well as Allocations to Provisions in connection with Lending Business		31,391,149.97
4. Salaries and Wages		246,984,053.53
5. Compulsory Social Security Contributions		20,458,585.77
6. Expenditure on Retirement Pensions and Other Benefits		29,343,137.58
7. Expenditure on Materials for the Banking Business		137,661,473.77
8. Depreciation and Value Adjustments on Land and Buildings, as well as on Office Furniture and Equipment		33,918,512.65
9. Depreciation and Value Adjustments on Participations		13,885.63
10. Taxes		
a) on Income, Earnings and Property	75,304,722.16	
b) others	6,536,433.18	81,841,155.34
11. Expenditure arising from Assumption of Losses		—,—
12. Allocations to Special Reserve Items		10,000,000.—
13. Other Expenditure		4,848,910.44
14. Profits transferred in pursuance of a Pooling Agreement, and of an Agreement for Transfer and Partial Transfer of Profits		—,—
15. Year's Net Earnings		94,406,684.68
	Total Expenditure	1,290,611,672.83

	DM	DM
1. Year's Net Earnings		94,406,684.68
2. Profit carried forward from the previous year		2,660,000.—
		97,066,684.68
3. Taken from published Reserves		
a) from the Statutory Reserve	—,—	
b) from Other Reserves	—,—	—,—
		97,066,684.68
4. Allocations from the Year's Net Earnings to published Reserves		
a) to the Statutory Reserve	—,—	
b) to Other Reserves	31,773,000.—	31,773,000.—
5. Consolidated Profit		65,293,684.68

RECEIPTS

	DM	DM
1. Interest and Similar Receipts from Lending and Money Market Transactions		934,598,214.95
2. Current Receipts from		
a) fixed-interest Securities and Debt Register Claims	67,329,117.62	
b) Other Securities	40,699,012.70	
c) Participations	6,263,172.96	114,291,303.28
3. Commissions and Other Receipts from Service Transactions		125,593,688.23
4. Other Receipts, including those from the writing back of Provisions in connection with Lending Business		113,005,670.38
5. Receipts from Profit Pooling Agreements, from Agreements for Transfer and for Partial Transfer of Profits		—,—
6. Receipts from the writing back of Provisions, so far as they have not to be shown in 4		3,122,795.99
7. Receipts from the writing back of Special Reserve Items		—,—
8. Receipts arising from Assumption of Losses		—,—
<hr/>		
	Total Receipts	1,290,611,672.83

Düsseldorf, 19th March, 1970

COMMERZBANK
AKTIENGESELLSCHAFT

THE BOARD OF MANAGEMENT

Behrenbeck	Brands	Dhom	Lichtenberg
Niederste-Ostholt	Reckel	Rieche	
Deputy Members:	Jahn	Spiegel	

According to our audit, which was duly carried out, the Annual Statement of Accounts and the Report for the Group are in conformity with the provisions of the Law.

Düsseldorf, 23rd March, 1970

DEUTSCHE REVISIONS- UND TREUHAND-AKTIENGESELLSCHAFT

TREUARBEIT

WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT · STEUERBERATUNGSGESELLSCHAFT

Dr. Beumer
Certified Auditor

Simon
Certified Auditor

Issuing Business, Bonus Share Transactions, Stock Exchange Introductions and Other Syndicate Transactions in 1969

Domestic Public Entities' Bonds taken, issued and introduced on Stock Exchanges

- 7 % Bonds of the Federal Republic of Germany, 1969
- 6 % Bonds of the German Federal Railways, 1969
- 6 % Bonds of the German Federal Postal Administration, 1969
- 6½% Bonds of the German Federal Postal Administration, 1969
- 6 % Bonds of the Deutsche Genossenschaftskasse (*German Association of Credit Cooperatives*), 1968, Series 18, 20, 22
- 6½% Bonds of the Deutsche Genossenschaftskasse (*German Association of Credit Cooperatives*), 1968, Series 21
- 6 % Bonds of the Deutsche Genossenschaftskasse (*German Association of Credit Cooperatives*), 1969, Series 23
- 7 % Bonds of the Deutsche Genossenschaftskasse (*German Association of Credit Cooperatives*), 1969, Series 24, 25, 26, 27
- 6 % Bonds of the Land Niedersachsen (*Lower Saxony*), 1969

Other Domestic Bonds (including Convertible, Mortgage and Communal Bonds) taken, issued and introduced on Stock Exchanges

Allgemeine Elektrizitäts-Gesellschaft AEG-Telefunken
Braunschweig-Hannoversche Hypothekenbank
Deutsche Hypothekenbank (Actien-Gesellschaft)
Deutsche Hypothekenbank, Bremen
Deutsche Schiffahrtsbank Aktiengesellschaft
Deutsche Schiffsbeleihungs-Bank Aktien-Gesellschaft
Didier-Werke Aktiengesellschaft
Farbenfabriken Bayer Aktiengesellschaft
Industriekreditbank Aktiengesellschaft

Foreign Bonds (including Convertible Bonds) taken, issued and introduced on Stock Exchanges

- 8¼% US-\$ Bonds of the Aer Lingus, 1969
- 4¾% US-\$ Convertible Bonds of the AKU Algemene Kunstzijde Unie N.V., 1969
- 4¾% US-\$ Convertible Bonds of the Alusuisse International N.V., 1969
- 8 % US-\$ Convertible Bonds of the American Brands Overseas N.V., 1969
- 5½% US-\$ Convertible Bonds of the Amoco International Finance Corporation, 1969
- 5½% US-\$ Convertible Bonds of the Amsterdam-Rotterdam Bank N.V., 1969

6 % US-\$ Convertible Bonds of the APCO International N.V., 1969
 8 % DM Bonds of the Republic of Argentina, 1969
 6¼% US-\$ Convertible Bonds of the Asahi Chemical Industry Co. Ltd., 1969
 7 % DM Bonds of the Asian Development Bank, 1969
 6½% DM Bonds of the Commonwealth of Australia, 1969
 6¼% DM Bonds of the Commonwealth of Australia, 1969 (Private placement)
 7¼% DM Bonds of the Commonwealth of Australia, 1969
 6½% DM Bonds of the Republic of Austria, 1969
 7¼% DM Bonds of the Autopistas, Concesionaria Española, S.A., 1969
 7½% US-\$ Bonds of the Banco Nacional de Obras y Servicios Publicos S.A., 1969
 4¼% Ptas Convertible Bonds of the Banco Urquijo S.A., 1969
 6 % US-\$ Bonds with Warrants attached of the BASF Overzee N.V., 1969
 6 % US-\$ Bonds with Warrants attached of the Bayer International Finance N.V., 1969
 8 % US-\$ Bonds of the Bendix International Finance Corporation, 1969
 8 % US-\$ Bonds of the Borg-Warner Overseas Capital Corporation, 1969
 7½% DM Bonds of the Borg-Warner Overseas Capital Corporation, 1969
 4½% US-\$ Convertible Bonds of the Burroughs Corporation, 1969
 6½% DM Bonds of the Caisse Nationale de l'Energie, 1969 (Private placement)
 6½% DM Bonds of the Caisse Nationale des Autoroutes, 1969
 6 % US-\$ Convertible Bonds of the Carrier Overseas Finance Corporation, 1969
 6¼% US-\$ Bonds of the Cassa per il Mezzogiorno, 1969
 6¼% US-\$ Convertible Bonds of the Chesbrough-Pond's International Capital Corporation, 1969
 7 % US-\$ Bonds of the Chrysler Overseas Capital Corporation, 1969
 7 % DM Bonds of the Chrysler Overseas Capital Corporation, 1969
 8½% UA Bonds of the Comisión Federal de Electricidad (CFE), 1969
 7 % UA Bonds of the Copenhagen County Authority, 1969
 6¼% DM Bonds of the City of Copenhagen, 1969
 8 % US-\$ Bonds of the City of Copenhagen, 1969
 6¼% DM Bonds of the Courtaulds International Finance N.V., 1969
 7 % DM Bonds of the Kingdom of Denmark, 1969
 7 % US-\$ Convertible Bonds of the Daylin International N.V., 1969
 5½% US-\$ Convertible Bonds of the Denny's International N.V., 1969
 6½% DM Bonds of the District de la Région Parisienne, 1969
 7½% DM Bonds of The Electricity Council, 1969
 7½% DM Bonds of The Electricity Council, 1969 (Private Placement)
 7 % US-\$ Bonds of the Ente Nazionale Idrocarburi (E.N.I.), 1969
 5¼% US-\$ Convertible Bonds of the Equity Funding Capital Corporation N.V., 1969
 6 % DM Bonds of the European Investment Bank, 1969
 7½% US-\$ Bonds of the European Investment Bank, 1969
 7 % DM Bonds of the European Investment Bank, 1969
 7½% DM Finish Communal Bonds, 1969
 7 % DM Bonds of the Republic of Finland, 1969
 7½% DM Bonds of the Republic of Finland, 1969
 8 % US-\$ Bonds of the Ford International Capital Corporation, 1969

6¼% DM Bonds of The Gas Council, 1969
 6¼% DM Bonds of The Gas Council, 1969 (Private placement)
 5¼% US-\$ Convertible Bonds of the Georgia-Pacific Corporation, 1969
 5¼% US-\$ Convertible Bonds of the Gist-Brocades N.V., 1969
 6¼% DM Bonds of the Goodyear International Finance Corporation, 1969 (Private placement)
 6¼% US-\$ Convertible Bonds of the Granite Overseas Corporation N.V., 1969
 6½% US-\$ Convertible Bonds of the van der Grinten N.V., 1969
 6¼% US-\$ Convertible Bonds of the Hitachi Ltd., 1969
 7½% US-\$ Bonds of the Honda Motor Co., Ltd., 1969
 7 % DM Bonds of The Hydro-Electric Power Commission of Ontario, 1969
 7¼% DM Bonds of the Republic of Iceland, 1969
 7 % DM Bonds of the Inter-American Development Bank, 1969
 7 % DM Bonds of the International Standard Electric Corporation, 1969
 6¼% US-\$ Convertible Bonds of the International Standard Electric Corporation, 1969
 7¼% DM Bonds of Ireland, 1969
 7¼% US-\$ Istituto Mobiliare Italiano (IMI), 1969
 6½% US-\$ Convertible Bonds of the C. Itoh & Co., Ltd., 1969
 6½% US-\$ Convertible Bonds of the ITT Sheraton Finance N.V., 1969
 7¼% DM Bonds of the Jutland Telephone A/S, 1969
 6¼% DM Bonds of The Kansai Electric Power Company, Inc., 1969
 5 % US-\$ Convertible Bonds of the Walter Kidde Overseas Finance N.V., 1969
 6¼% DM Bonds of the City of Kobe, 1969
 6¼% US-\$ Convertible Bonds of the Komatsu Manufacturing Co., Ltd., 1969
 5¼% US-\$ Convertible Bonds of the Koninklijke Luchtvaart Maatschappij N.V. (KLM Royal Dutch Airlines), 1968
 6½% US-\$ Convertible Bonds of the Kubota, Ltd., 1969
 5 % US-\$ Convertible Bonds of the Leasco International N.V., 1969
 7 % US-\$ Bonds of the Leasco International N.V., 1969
 7 % UA Bonds of the Province of Manitoba, 1969
 5½% US-\$ Convertible Bonds of the MDS Capital Corporation 1969
 7 % DM Bonds of the City of Montreal, 1969
 7½% DM Bonds of The Mortgage Bank and Financial Administration Agency of the Kingdom of Denmark, 1969
 6¼% DM Bonds of the Mortgage Bank of Finland Oy, 1969
 5 % US-\$ Convertible Bonds of the Murphy Oil International Finance Corporation, 1969
 7¼% DM Bonds of the Nacional Financiera, S.A., 1969
 6½% US-\$ Convertible Bonds of the Nederlandsche Middenstandsbank N.V., 1969
 8¼% US-\$ Bonds of the Province of New Brunswick, 1969
 7¼% DM Bonds of the Province of Newfoundland, 1969
 6¼% DM Bonds of the New Zealand, 1969
 7½% US-\$ Bonds of the Nippon Electric Company, Ltd., 1969
 8 % UA Bonds of the North of Scotland Hydro-Electric Board, 1969
 6½% DM Bonds of the Occidental Overseas Capital Corporation, 1969 (Private placement)
 7½% US-\$ Bonds of the Occidental Overseas Capital Corporation, 1969
 8¼% US-\$ Bonds of the Occidental Overseas Capital Corporation, 1969

6½% DM Bonds of the Province of Ontario, 1969
 6¼% DM Bonds of the Province of Ontario, 1969 (Private placement)
 6 % US-\$ Convertible Bonds of the J. C. Penney Europe, Inc., 1969
 4¼% US-\$ Convertible Bonds of the Philip Morris International Finance Corporation, 1969
 6½% US-\$ Convertible Bonds of the Planning Research International N.V., 1969
 6¼% DM Bonds of the Quebec Hydro-Electric Commission, 1969
 7¼% DM Bonds of the Quebec Hydro-Electric Commission, 1969
 8 % US-\$ Bonds of the Quebec Hydro-Electric Commission, 1969
 7½% DM Bonds of the Redland International Finance N.V., 1969
 6¼% US-\$ Bonds with Warrants attached of the Rio Tinto-Zinc Finance N.V., 1969
 5¼% US-\$ Convertible Bonds of the SCM Overseas Capital Corporation, 1969
 5½% US-\$ Bonds with Warrants attached of the Siemens Western Finance N.V., 1969
 6¼% DM Bonds of the Republic of South Africa, 1969
 7¼% DM Bonds of the Studebaker-Worthington International, Inc., 1969
 7½% DM Bonds of the Tenneco International N.V., 1969
 7¼% DM Bonds of The Tokyo Electric Power Company Incorporated, 1969
 7 % US-\$ Bonds of the Transocean Gulf Oil Company, 1969
 8 % US-\$ Bonds of the Transocean Gulf Oil Company, 1969
 7½% DM Bonds of the TRW International Finance Corporation, 1969
 5 % US-\$ Convertible Bonds of the Tyco International Finance N.V., 1969
 7 % UA Bonds of the Watney Mann International Finance N.V., 1969
 6½% DM Bonds of the World Bank (IBRD), 1969
 6½% DM Bonds of the World Bank (IBRD), 1969 (Private placement)
 6 % DM Bonds of the World Bank (IBRD), 1969
 7 % DM Bonds of the City of Yokohama, 1969

Shares (including Bonus Shares)
taken, issued and introduced on Stock Exchanges

Aachener Straßenbahn und Energieversorgungs- Aktiengesellschaft	Compagnie Pêchiney S.A.
Allgemeine Deutsche Credit-Anstalt	Daimler-Benz Aktiengesellschaft
Allgemeine Elektrizitäts-Gesellschaft	Deutsche Centralbodenkredit-Aktiengesellschaft
AEG-Telefunken	Deutsche Lufthansa Aktiengesellschaft
American Express International Fund	Deutsche Schiffahrtsbank Aktiengesellschaft
Atlantic Richfield Company	Deutsche Schiffsbeleihungs-Bank
Badische Anilin- & Soda-Fabrik	Aktien-Gesellschaft
Aktiengesellschaft	Deutsche Werft Aktiengesellschaft
Banco Central S.A.	The Dorsey Corporation
Berliner Handels-Gesellschaft	Dortmunder Stiffts-Brauerei Carl Funke
Bill-Brauerei Aktiengesellschaft	Aktiengesellschaft
Brown, Boveri & Cie. Aktiengesellschaft	Energy International N.V.
	Erdölwerke FRISIA Aktiengesellschaft

Farbenfabriken Bayer Aktiengesellschaft
 Farbwerke Hoechst Aktiengesellschaft
 vormals Meister Lucius & Brüning
 FIAT S.p.A.
 Frankfurter Hypothekenbank
 Gebhard & Co., Aktiengesellschaft
 N.V. Gemeenschappelijk Bezit van Aandeelen
 Philips' Gloeilampenfabrieken
 Girmes-Werke Aktiengesellschaft
 Th. Goldschmidt Aktiengesellschaft
 Gramco Management Limited
 Großkraftwerk Franken Aktiengesellschaft
 Hannoversche Papierfabriken Alfeld-Gronau
 vorm. Gebr. Woge
 Henninger-Bräu KGaA
 Highveld Steel and Vanadium Corporation Limited
 Holsten-Brauerei
 Horten Aktiengesellschaft
 Hüttenwerke Kayser Aktiengesellschaft
 Hunter Douglas Limited
 Ilse Bergbau-Aktiengesellschaft
 Integrated Container Service Industries Corporation
 Istituto Finanziario Industriale S.p.A.
 Italamerica S.A.
 Kaiser Friedrich Quelle Aktiengesellschaft
 Kaiser's Kaffee-Geschäft Aktiengesellschaft
 Koninklijke Luchtvaart Maatschappij N.V.
 (KLM Royal Dutch Airlines)

Koninklijke Zout-Organon N.V.
 Lübecker Flender-Werke Aktiengesellschaft
 Maison Moët et Chandon
 McDonough Co.
 Mitsumi Electric Co., Ltd.
 Occidental Petroleum Corporation
 Olympus Optical Company, Ltd.
 OMAG Ostfriesische Maschinenbau
 Aktiengesellschaft
 Orenstein-Koppel Aktiengesellschaft
 Pegulan-Werke Aktiengesellschaft
 Pioneer Electronic Corporation
 F. Reichelt Aktiengesellschaft
 Rolinco N.V.
 Rotterdamsch Beleggingsconsortium N.V.
 Sanyo Electric Co., Ltd.
 Shareholders Excalibur Investment Corporation
 S.A.
 Siemens Aktiengesellschaft
 Schering Aktiengesellschaft
 Schultheiss-Brauerei Aktiengesellschaft
 Stahlwerke Südwestfalen Aktiengesellschaft
 Standard Elektrik Lorenz Aktiengesellschaft
 August Thyssen-Hütte Aktiengesellschaft
 VARTA Aktiengesellschaft
 Vereinsbank in Hamburg
 Westdeutsche Bodenkreditanstalt

Other Syndicate Transactions

Allgemeine Elektrizitäts-Gesellschaft
 AEG-Telefunken
 Badische Anilin- & Soda-Fabrik Aktiengesellschaft
 Colonia National Versicherung Aktiengesellschaft
 Deutsche Erdöl-Aktiengesellschaft
 Deutsche Lufthansa Aktiengesellschaft
 Deutsche Pfandbriefanstalt
 Hibernia Aktiengesellschaft
 Hoesch Aktiengesellschaft

Koninklijke Zout-Organon N.V.
 Rotterdamsch Beleggingsconsortium N.V./
 Rolinco N.V./Utilico N.V.
 Ruhrkohle-Beteiligungsgesellschaft
 mit beschränkter Haftung
 Saarbergwerke Aktiengesellschaft
 Strabag Bau-Aktiengesellschaft
 August Thyssen-Hütte Aktiengesellschaft

Advisory Councils

Central Council

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Chairman

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DR. FRIEDWART BRUCKHAUS, Wetzlar

DR.-ING. E. h. HELMUTH BURCKHARDT, Aachen

DR. HANS COENEN, Essen

DR. OSKAR JANSON, Düsseldorf

MAX KÜPPERS, Wesel

PROFESSOR DR.-ING. DR. HEINRICH MANDEL, Essen, since Oct. 1, 1969

DR. DR. EMIL PAULS, Basel (*Basle*)

HERBERT SCHELBERGER, Essen

DR. DR. h. c. WERNER SCHULZ, Köln (*Cologne*)

FRITZ SEYDAACK, Düsseldorf

THEODOR TELLE, Hannover (*Hanover*)

DR. GÜNTER WINKELMANN, Herne, since July 1, 1969

Regional Councils

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G. BAUKNECHT, Honorary Senator of the Stuttgart University, Managing Principal Partner in the Bauknecht Group, electrical engineers, Stuttgart

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WALTER ENGLERT, Director of Bausparkasse Gemeinschaft der Freunde Wüstenrot, gemeinnützige GmbH, Ludwigsburg

GEORG FAHRBACH, Honorary Senator of the Eberhard-Karl-University, Tübingen, and of the University Hohenheim, Chairman of the Board of Management of the Württembergische Hypothekenbank, Stuttgart

GERHARD FUCHS, Gernsbach (Murgtal)

DIPL.-KAUFMANN BERTO GIULINI, Director of Gebr. Giuliani GmbH, Ludwigshafen (Rhein)

FRIEDRICH HÄHL, Member of the Board of Management of Salamander AG, Kornwestheim

DIPL.-VOLKSWIRT WILHELM HAHN, Managing and Personally Liable Partner in Hahn & Kolb, machine tool and tool manufacturers, Stuttgart

OTTO HÖFLIGER, Honorary Senator of the Stuttgart University, Managing Partner of Höfliger + Karg, makers of automatic filling and packaging machines, Waiblingen (Württ.)

CARL v. MENGDEN, Bad Homburg v. d. H.

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DR. GERHOLD MORGNER, Legal Adviser of Fürstlich Fürstenbergische Gesamtverwaltung, Donaueschingen

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HELMUT NAGEL, Chairman of the Board of Management of Kodak AG, Stuttgart-Wangen

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WERNER PERINO, Member of the Board of Management of Deutsche Fiat AG, Heilbronn

DR.-ING. h. c. FERDINAND PORSCHE, Managing Partner in Dr.-Ing. h. c. F. Porsche KG, Stuttgart-Zuffenhausen

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ERICH SCHAD, Director of Carl Kaelble GmbH, motor builders and engineers, Backnang, and of Gmeinder & Co. GmbH, locomotive builders and engineers, Mosbach (Baden)

DR. CARL SCHAEFER, Honorary Senator of the Stuttgart and Karlsruhe Universities, Proprietor of G. W. Barth, engineers and ironfounders, Ludwigsburg, Member of the Supervisory Board of Bausparkasse Gemeinschaft der Freunde Wüstenrot, gemeinnützige GmbH, Ludwigsburg, President of the Ludwigsburg Chamber of Industry and Commerce, Ludwigsburg

DR.-ING. DR.-ING. E. h. GERHARD SCHAUDT, Honorary Senator of the Stuttgart University, Managing Partner in Schaudt-Maschinenbau GmbH, Stuttgart-Hedelfingen

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DIPL.-ING. CARL SIMON JUN., Managing Partner in M. Streicher, steelfounders, Stuttgart-Bad Cannstatt

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ROLF SCHWARZE of Messrs. C. Schwarze, Bremen

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 HERMANN HALTERMANN of Messrs. Johann Haltermann, Hamburg
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 WALTER MEIER-BRUCK, Hamburg
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 DR. HEINRICH POLKE, Hamburg
 WILHELM REINHOLD, Hamburg
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 DR. ERNST TANNEBERGER, Member of the Board of Management of Phoenix Gummiwerke AG, Hamburg-Harburg
 DR. HANS ULRICH VOSWINCKEL, Hamburg

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 WILHELM BORN, Wetzlar
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 DIPL.-KAUFMANN WALTHER KLEINBACH, Member of the Board of Management of Naxos-Union, manufacturers of abrasives and grinding machinery, Frankfurt a. M.
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 WILHELM NUBER, Frankfurt a. M.
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 MARTIN TAUSEND, Chairman of the Supervisory Board of Alfred Teves GmbH, Frankfurt a. M.

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 DIPL.-KAUFMANN DIETER BUSCH, General Manager of PREUSSAG AG, Hannover (*Hanover*)
 DIPL.-KAUFMANN HANS CONRADT, Member of the Board of Management of Kabel- und Metallwerke Gutehoffnungshütte AG, Hannover (*Hanover*)
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 PROFESSOR DR. MED. PAUL ECKEL, President of the Ärztekammer Niedersachsen, Member of the Board of Management of the Bundesärztekammer, Hannover (*Hanover*)
 LOTHAR ENGELN, Member of the Board of Management of Industrie- und Handels-AG Peine, Peine
 DR. RUDOLF GROGER, Member of the Supervisory Board of Haarmann & Reimer GmbH, Holzminden
 EBERHARD GRAF VON HARDENBERG, Schloss Söder near Hildesheim
 ECKART HEHN, Deputy Member of the Board of Management of Olympia Werke AG, Wilhelmshaven
 WOLFGANG INDERHEES, Member of the Board of Management of Kammgarnspinnerei Wilhelmshaven AG, Wilhelmshaven
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 DR. BERTHOLD LANGE, Member of the Board of Management of TEUTONIA Misburger Portland-Cementwerk, Anderten near Hannover (*Hanover*)
 DR. JUR. MICHAEL LENTZEN, Member of the Board of Management of Gothaer Allgemeine Versicherung AG, Göttingen
 DR. GUSTAV LINDEMANN of Messrs. Diedr. Lindemann, Hildesheim
 CHRISTIAN ANDREAS LOEWE, Managing Partner in Loewe Pumpenfabrik GmbH, Lüneburg
 HANS MAYER-UELLNER, Chairman of the Board of Management of Kämmerei Döhren AG, Hannover (*Hanover*)
 DIPL.-KAUFMANN DR. HANS MESTER, Member of the Board of Management of Energieversorgung Weser-Ems AG, Oldenburg (Oldb.)
 DR.-ING. GERHARD MEYER, Member of the Board of Management of Ilseder Hütte, Peine
 DIPL.-ING. WILHELM MILLEMANN, Hannover (*Hanover*)
 KONSUL DR. ERICH NAIN, Member of the Board of Management of Hannoversche Verkehrsbetriebe (Üstra) Aktiengesellschaft, Hannover (*Hanover*)
 DIETER NÜLLE, Director of Gebr. Leffers, Osnabrück
 DR. PAUL OTTO, Chairman of the Board of Management of G. Kromschröder AG, Osnabrück
 DIPL.-ING. HERMANN RODRIAN, Member of the Management of Klöckner-Werke AG Duisburg, Osnabrück
 BERGWERKSDIREKTOR VICTOR ROLFF, Chairman of Supervisory Board of Phywe Aktiengesellschaft, Göttingen
 DR. FRITZ RÜDIGER, Director of Messrs. Wohlenberg/VDF, lathe and cutting machine manufacturers, founders, Langenhagen
 DR. OTTO RÜHLMANN of Messrs. Wilh. Schweppe, Osnabrück
 HORST SARTORIUS, Director of Sartorius-Werke GmbH, Göttingen
 CHRISTIAN PRINZ ZU SCHAUMBURG-LIPPE, Chief Treasurer and General Agent of Fürst Philipp-Ernst zu Schaumburg-Lippe, Bückeburg

FELIX RICHARD SCHOELLER of Feinpapierfabrik Felix Schoeller jr. GmbH, Burg Gretesch near Osnabrück

HANS-HEINRICH SCHULTE of Messrs. Schulte & Bruns, Emden

EBERHARD GRAF VON SCHWERIN, Member of the Board of Management of Erdölwerke Frisia AG, Emden, Director of Frisia Mineralölgesellschaft mbH, Düsseldorf

DIPL.-VOLKSWIRT HANS STARK, Member of the Board of Management of Continental Gummi-Werke AG, Hannover (*Hanover*)

DR. GÜNTER WINDAUS, Director of Herzberger Papierfabrik Ludwig Osthusenrich KG, Herzberg (Harz)

DR. JULIUS WINTER, Member of the Supervisory Board of Gothaer Allgemeine Versicherung AG, Göttingen

PETER REICHSGRAF WOLFF METTERNICH ZUR GRACHT, Schloss Adelebsen

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DR. ANTON BERTGEN, Retired General Manager, Köln (*Cologne*)

CONSUL HANNS BISEGGER, Managing Major Partner of JOBIS Bekleidungsindustrie GmbH & Co. KG, Bielefeld

DR. WERNER BORMANN, Member of the Management of Landesversicherungsanstalt Rheinprovinz, Düsseldorf

KARL BRAUN, Member of the Board of Management of Kaufhof AG, Köln (*Cologne*)

FRITZ BREMSHEY, Personally Liable Partner in Bremshey & Co., Solingen-Ohligs

HERMANN GUSTAV BRINKHAUS, Managing Partner in H. Brinkhaus, Warendorf (Westf.)

FRIEDRICH BRÜNING, Member of the Supervisory Board of VEBA-Chemie AG, Gelsenkirchen-Buer

DR.-ING. DR. KARLHEINZ BUND, Chairman of the Board of Management of Steinkohlen-Elektrizität Aktiengesellschaft, Essen

WILHELM BUSCH, Emmerich

HELMUT CONZE, Managing Partner in Gebrüder Schniewind GmbH, Neviges

PROFESSOR DR.-ING. OTTO DÜNBIER, Bergrat a. D., General Manager of the Thyssen-Schachtbau-Group, Mülheim (Ruhr)

DR.-ING. CURT EDELING, Chairman of the Board of Management of Th. Goldschmidt AG, Essen

MANFRED EMCKE, Managing Partner in Vorwerk & Co., Wuppertal-Barmen

ROBERT ESSER, Partner in and Chairman of the Advisory Board of Gewerkschaft Robert Nachf. Bergwerks- und Industriebedarf GmbH, Bochum, and Eisengrosshandlung Robert Esser KG, Bochum

RICHARD THEODOR FLEITMANN, Board of Management of Vereinigte Deutsche Nickel-Werke Akt.-Ges. vormalig Westfälisches Nickelwalzwerk Fleitmann, Witte & Co., Schwerte (Ruhr)

ADOLF FLÖRING of Adolf Flöring Schuhfabrik GmbH, Wermelskirchen

ERNST GÜNTHER FROWEIN, Member of the Supervisory Board and Partner in Frowein & Nolden GmbH, Düsseldorf

HANS GEBHARD, Manufacturer of the Supervisory Board of Gebhard & Co. AG, Wuppertal and Krefeld

DR. WILHELM GIRARDET, Personally Liable Partner in Messrs. W. Girardet, printers and publishers, Essen

DR. WOLFGANG GOEDECKE, Ministerialrat a. D., Member of the Board of Management of Rheinische Hypothekenbank, Mannheim

ADOLF GRONEWEG, Proprietor and Sole Manager of VOX-KAFFEE-Werke Groneweg & Meintrup, Münster (Westf.)

DIPL.-KAUFMANN DR. RUDOLF GUTKNECHT, Chairman of the Board of Management of Aachener Straßenbahn und Energieversorgungs-AG, Aachen

GERRIT DE HAAS, Member of the Supervisory Board of Busch-Jaeger Dürener Metallwerke AG and of VARTA Aktiengesellschaft, Wuppertal-Barmen

DR. h. c. REINOLD HAGEN, Proprietor of Kautex-Werke Reinold Hagen, Hangelar near Siegburg

ERIVAN KARL HAUB, Sole Managing Partner in Messrs. Wilh. Schmitz-Scholl and Hamburger Kaffee-Import-Geschäft Emil Tengelmann, Mülheim (Ruhr)/Speldorf

EUGEN HECKING, Managing Partner in J. Hecking Bunt-Spinnerei und Weberei, Neuenkirchen near Rheine

DR. HERMANN HELLER, Gerichtsassessor a. D., Chairman of the Supervisory Board of Dortmunder Hansa-Brauerei AG, Dortmund

OTTO HENRICH, Bergwerksdirektor, Member of the Management of Klöckner-Bergbau AG and Klöckner-Werke AG, Castrop-Rauxel

DR. EWALD HILGER, Attorney at Law at the Regional Appeal Court, Düsseldorf, Partner in AMC Textilwerke GmbH, Remscheid-Lennep

WILHELM HOLLY, Member of the Board of Management of Hochtief Aktiengesellschaft für Hoch- und Tiefbauten, vorm. Gebr. Helfmann, Essen

FRITZ HOMANN, Director of Fritz Homann GmbH, Dissen

ALPHONS HORTEN, Director of Weck Glaswerk GmbH, Bonn-Bad Godesberg

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DR. HANS KÄDING, Member of the Board of Management of Ruhrchemie AG, Oberhausen-Holtien

ALFRED KAISER, Krefeld

DR.-ING. DR.-ING. E. h. ERICH KNOP, Regierungsbaumeister a. D., Managing Director of the Emschergenossenschaft and the Lippeverband, Essen

DR.-ING. E. h. HANS WERNER KOENIG, Bauassessor, Managing Director of the Ruhrverband and of the Ruhrtalsperrenverein, Essen

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MAX KRETZSCHMANN, Banker, Baden-Baden

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BEN GEORGE LASRICH, General Manager of International Harvester Company mbH, Neuss

DR. FERDINAND MARX, Attorney at Law and Notary, Chairman of the Supervisory Board of Harpener Aktiengesellschaft, Dortmund

DR. NIKOLAUS MAUS, Member of the Management of Farbenfabriken Bayer AG, Leverkusen; Member of the Board of Management of AGFA AG, Leverkusen

UDO VAN MEETEREN, Director of Michel Brennstoffhandel GmbH, Düsseldorf, and Direktor of Elektro-Metall Export GmbH, Düsseldorf

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DR. KARL GEORG MÜLLER, Member of the Board of Management of Ewald-Kohle AG, Recklinghausen

WERNER MÜLLER, Köln (*Cologne*)

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PAUL C. PEDDINGHAUS, Partner in Messrs. Paul Ferd. Peddinghaus, Gevelsberg

FRITZ PETERS, Personally Liable Partner in Wellpappenwerke Fritz Peters & Co. KG, Kapellen Krs. Moers

HANS PRUSSMANN, Member of the Board of Management of Bergbau-AG Oberhausen, Oberhausen

GERHARD RABICH, Member of the Board of Management of Victoria-Versicherungs-Gesellschaften, Düsseldorf/Berlin

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CARL-GEORG ROSENKRANZ, Personally Liable Partner in Messrs. Halstenbach & Co., Wuppertal-Barmen

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DR.-ING. RUDOLF H. SACK, Chairman of the Management of and Partner in Maschinenfabrik Sack GmbH, Düsseldorf-Rath

DR. CARL-FRIEDRICH SCHADE, Director of and Partner in Messrs. Wilhelm Schade, Plettenberg, and Kunststoffwerk Voerde KG, Ennepetal-Voerde

THEO SCHÄFER, Personally Liable Partner of Fritz Schäfer KG and Managing Partner of the Subsidiary Companies belonging to the Schäfer group, Neunkirchen near Siegen

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DIPL.-KAUFMANN DR. RICHARD SCHULTE, Chairman of the Board of Management of Vereinigte Elektrizitätswerke Westfalen AG, Dortmund

DIPL.-KAUFMANN KARL-LUDWIG SCHWEISFURTH, Manufacturer, Herten (Westf.)

GERD SEIDENSTICKER, Managing Partner in Seidensticker Herrenwäschefabriken GmbH, Bielefeld

FRIEDRICH SIEGERT, Partner in Messrs. de Haen-Carstanjen & Söhne, Düsseldorf

WALTER SIEPMANN, Managing Partner in Siepmann-Werke KG and in Stahl-Armaturen Persta GmbH KG, Belecke (Möhne)

DR. WILHELM STEINBACH, Member of the Board of Management of AG Eiserfelder Steinwerke, Eiserfeld (Sieg)

WERNER STOCKMEYER, Manufacturer, Managing Partner in Versmolder Fleischwaren- und Gemüsekonservenfabrik Stockmeyer KG, Versmold

DIPL.-VOLKSWIRT DR. ALEXANDER STRATMANN, Managing Partner in Gelenkwellenbau GmbH, Essen, Member of the Board of Management of Uni-Cardan AG, Lohmar

WILHELM STUT, Chairman of the Supervisory Board of Wilhelm Böhmer Gesellschaft für Elektrobedarf mbH, Dortmund

WILHELM TEMME, Hüttenwerksdirektor, Krefeld

WILHELM TERBERGER, Chairman of the Board of Management of Katag AG, Bielefeld

HEINRICH WÄLTERMANN, Managing Partner in Profilia-Werke Preckel & Wältermann GmbH & Co. KG, Ennigerloh (Westf.)

OTTO WALPERT, Member of the Management of Landesversicherungsanstalt Westfalen, Münster (Westf.)

KARL AUGUST WEISSHEIMER, Partner in Friedrich Weissheimer Malzfabrik, Andernach (Rhein)

DR. ALEXANDER WERTH, Principal Director of Ringsdorff-Werke GmbH, General Partner in Ringsdorff-Werke KG and in Dr. Sievers & Co. KG, Bonn-Bad Godesberg-Mehlem

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DR. ANTON WINGEN, Chairman of the Board of Management of Kohlensäure-Industrie AG, Düsseldorf

HERMANN WIRTZ, Partner in Dallli-Werke Mäurer & Wirtz and in Chemie Grünenthal GmbH, Stolberg (Rhld.)

FRANZ HEINRICH WITTHOEFFT, Partner in and Chairman of the Advisory Board of W. & O. Bergmann KG, Düsseldorf/Hamburg

GUSTAV WOLFF, Partner in and Sole Director of G. Wolff jr. GmbH and G. Wolff jr. KG, founders and engineers, Bochum-Linden

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DR. HERBERT ZIGAN, Chairman of the Board of Management of Landesversicherungsanstalt Rheinprovinz, Düsseldorf, Principal Director of Landesvereinigung der industriellen Arbeitgeberverbände Nordrhein-Westfalens e.V., Düsseldorf, Principal Director of Verband metallindustrieller Arbeitgeberverbände Nordrhein-Westfalens e.V., Düsseldorf

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GENERALKONSUL HANS KLENK, Senator of the Internationale Gutenberg-Gesellschaft, Proprietor of Hakle-Werke, Mainz

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JAKOB MÜLLER, Managing Partner in Jakob Müller Lederwarenfabrik GmbH, Kirn a. d. Nahe

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KONSUL DR. FRITZ RIES, Chairman of the Board of Management of Pegulan-Werke AG, Frankenthal (Pfalz)

HELMUT SCHNEIDER, Partner in and Director of Werner & Mertz GmbH, chemical works, Mainz, Erdal Gesellschaft mbH, Mainz, Solitaire GmbH, Mainz, Rex-Autopflege GmbH, Mainz, Klein & Rindt GmbH, Mainz

JOSEF SCHNUCH, Proprietor of Trierer Kalk-, Dolomit- und Zementwerke Josef Schnuch, Wellen (Obermosel)

KONSUL HELMUT SCHRÖDER, Chairman of the Supervisory Board of Margaret Astor AG, Mainz

COUNCIL FOR THE SAAR

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DIPL.-KAUFMANN FRITZ KARMANN, Manager of Karlsberg-Brauerei KG Weber, Homburg (Saar)

DR. FRIEDRICH SCHMEISSMEIER, Director of Gerlach-Werke GmbH, Homburg (Saar)

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HEINRICH HILGENBERG, Member of the Board of Management of Flensburger Schiffsbau-Gesellschaft, Flensburg

KONSUL HANS LEOPOLD HÖHL, Senator E. h., Member of the Board of Management of L. Possehl & Co. mbH, Lübeck

ERNSTHERMANN KÖLLN of Messrs. Peter Kölln, Elmshorn

EGON OLDENDORFF of Messrs. Egon Oldendorff, Lübeck

GEORG RIECKMANN, Director of Georg Rieckmann Herrenkleiderfabrik GmbH, Lübeck

KONSUL HEINZ SEIBEL of Messrs. J. W. Seibel, margarine manufacturers, Kiel, President of the Kiel Chamber of Industry and Commerce, Kiel

List of Branches

HEAD OFFICES

DÜSSELDORF

25, Breite Strasse

Telephone 82 71 · Telex 8 581 381

FRANKFURT A. M.

17-19, Grosse Gallusstrasse

Telephone 2 86 21 · Telex 4 11 246

HAMBURG

7-9, Ness

Telephone 36 13 11 · Telex 2 12 391

BRANCHES

- Aachen
with sub-branches
Adalbertstrasse
Burtscheid
Markt
- Aalen
- Ahlen (Westph.)
- Ahrensburg (Holst.)
with sub-branch
Nord
- Ahrweiler
- Alfeld (Leine)
- Alsfeld
- Altena (Westph.)
with sub-branch
Lennestrasse
- Altenhundem (Lenne)
- Andernach
- Aschaffenburg
- Augsburg
with sub-branch
Donauwörther Strasse
- Backnang
- Baden-Baden
- Bad Hersfeld
- Bad Homburg v. d. H.
- Bad Honnef
- Bad Kreuznach
- Bad Nauheim
- Bad Neuenahr
- Bad Oeynhausen
- Bad Oldesloe
- Bad Salzuflen
- Bad Soden a. Ts.
- Bad Vilbel
- Balingen (Württ.)
- Bamberg
- Baunatal
- Bayreuth
- Beckum (Westph.)
- Bensheim
- Bergisch Gladbach
- Bergneustadt
- Biberach a. d. Riss
- Bielefeld
with sub-branches
Bethelack
Heeper Strasse
Herforder Strasse
Jöllenbecker Strasse
Sieker
Stapenhorststrasse
Wellensiek
- Bigge (Krs. Brilon/W.)
- Bingen
- Bocholt
- Bochum
with sub-branches
Ehrenfeld
Hamme
Laer
Linden
Querenburg
- Böblingen
- Bonn
with sub-branches
Bundeskanzlerplatz
Markt
Tannenbusch
- Bonn-Bad Godesberg
with sub-branch
Römerplatz
- Bonn-Beuel
- Bonn-Duisdorf
- Borken (Westph.)
- Bottrop
- Brackwede
- Braunschweig (*Brunswick*)
with sub-branches
Am Hauptbahnhof
Celler Strasse
Dankwardstrasse
Heidberg
Jasperallee
- Bremen
with sub-branches
Dobben
Findorff
Gröpelingen
Hemelingen
Neustadt
Steintor
West
Woltmershausen
- Bremen-Vegesack
- Bremerhaven
with sub-branches
Geestemünde
Lehe
- Bremervörde
- Bruchsal
- Brühl (Bez. Köln)
- Brunsbüttel
- Bückeburg
- Büderich (near Düsseldorf)
- Bünde
- Burgdorf
- Butzbach
- Celle
- Cloppenburg
- Coesfeld
- Cuxhaven
- Dachau
- Darmstadt
with sub-branches
Arheilgen
Karlstrasse
- Delmenhorst
- Detmold
- Diepholz
- Diez (Lahn)
- Dillenburg
- Dinslaken
- Dormagen
- Dorsten
- Dortmund
with sub-branches
Aplerbeck
Hörde
Hombruch
Kaiserstrasse
Königswall
Mengede
Münsterstrasse
Ruhrallee
- Dülken
- Dülmen
- Düren
- Düsseldorf
with sub-branches
Am Hafen
Am Hauptbahnhof
Brehmplatz
Eller
Friedrichstrasse
Garath
Gerresheim
Grafenberger Allee
Heerdt
Heinrichstrasse
Holthausen
Kaiserswerth
Königsallee
Nordstrasse
Oberbilk
Oberkassel
Rath
Reisholzer Strasse
Schadowstrasse
Wersten
Worringer Platz
- Düsseldorf-Benrath

Branches (continued)

- Duisburg
with sub-branches
Hamborn-Marxloh
Hochfeld
Lutherplatz
Meiderich
Wanheimerort
- Duisburg-Hamborn
- Duisburg-Ruhrort
- Ebingen
- Eckernförde
- Eickel (Wanne-Eickel)
- Einbeck
- Eiserfeld
- Elmshorn
- Elten-Feldhausen
- Emden
with sub-branch
Rathausplatz
- Emmerich
Emsdetten*
- Enger
- Ennepetal
- Ennigloh
- Erkelenz
- Erkrath
- Erlangen
- Eschwege
- Eschweiler
- Essen
with sub-branches
Altenessen
Borbeck
Bredeney
Essen-Süd
Essen-West
Holsterhausen*
Kupferdreh
Rüttenscheid
Steele
Viehofer Platz
Wasserturm
- Esslingen
- Ettlingen
- Euskirchen
- Fellbach (Württ.)
- Flensburg
with sub-branches
Mürwik
Norderstrasse
Südermarkt
- Frankenthal (Pfalz)
- Frankfurt a. M.
with sub-branches
Adickesallee
Alt-Bornheim
Am Eschenheimer Tor
Am Opernplatz
Berliner Strasse
Bockenheim
Bornheim
Dornbusch
Galluswarte
Hanauer Landstrasse
Hauptwache
Kaiserstrasse
Oederweg
Platz der Republik
Rödelheim
Sachsenhausen
Schwanheim
Taunusstrasse
Zeil
and paying office
Airport-Hotel
- Frankfurt a. M.-Höchst
- Frechen
- Freiburg i. Br.
- Friedberg (Hess.)
- Friedrichsfeld (Ndrh.)
- Friedrichshafen
- Fürth (Bay.)
with sub-branch
Komotauer Strasse
- Fulda
- Garmisch-Partenkirchen
- Gelsenkirchen
with sub-branches
Am Stern
Buer-Erle
Horst
Neustadt
- Gelsenkirchen-Buer
- Gevelsberg
- Giessen
- Gifhorn
- Gladbeck
- Glückstadt
- Goch
- Göggingen
(near Augsburg)
- Göppingen
- Göttingen
with sub-branches
Eichendorffplatz
Weender Landstrasse
- Goslar
- Greven (Westph.)
- Grevenbroich
- Gross Gerau
- Gütersloh
- Gummersbach
- Haan (Rhld.)
- Hagen
with sub-branches
Haspe
Mittelstrasse
Wehringhausen
- Halver
- Hamburg
with sub-branches
Altstadt
Am Hafen
Barmbek
Billstedt
Blankenese
Bramfeld
Dehnhaide
Eidelstedt
Eilbek
Eimsbüttel
Eppendorfer Landstrasse
Esplanade
Fuhlsbüttel
Gänsemarkt
Grindelberg
Grossneumarkt
Hamm
Hammerbrook
Hoheluft
Lokstedt
Messberg
Mundsburg
Neugraben
Osdorf
Osterstrasse
Othmarschen
Rahlstedt
Rothenburgsort
St. Georg
St. Pauli
Schnelsen
Uhlenhorst
Volksdorf
Wandsbek
Wilhelmsburg
Winterhude
Glinde (Schlesw.-H.)*
Reinbek (Schlesw.-H.)
and paying office
Grossmarkthalle
- Hamburg-Altona
- Hamburg-Bergedorf
- Hamburg-Harburg
- Hameln
- Hamm (Westph.)
with sub-branch
Marktplatz
- Hanau (Main)
- Hannover (*Hanover*)
with sub-branches
Am Klagesmarkt
Am Kröpcke
Am Küchengarten
Am Steintor
Berenbostel
Buchholz
Celler Strasse
Hemmingen-Westerfeld
Herrenhausen
Hildesheimer Strasse
Laatzen
Langenhagen
Sallstrasse
Südstadt
Vahrenheide
Vahrenwald
Wülfel
and paying office
Langenhagen Skala
- Hasslinghausen
- Heide (Holstein)
- Heidelberg
with sub-branch
Neuenheim
- Heidenheim (Brenz)
- Heilbronn
- Heiligenhaus
- Helmstedt
with sub-branch
Gröpern
- Hemer
- Hennes
- Herford
with sub-branches
Alter Markt
Mindener Strasse
- Herne
- Herten
- Herzberg
- Hilden
- Hildesheim
with sub-branches
Dammstrasse
Marienburger Platz
Zingel
- Hof (Saale)
- Hofheim (Taunus)
- Hohenlimburg
with sub-branch
Else
- Holzminden
- Homberg (Ndrh.)
- Homburg (Saar)
- Hoya (Weser)
- Hüls (near Krefeld)
- Hüttental-Weidenau
- Husum

Branches (continued)

- Idar-Oberstein
with sub-branch
Idar
- Ingolstadt
- Iserlohn
with sub-branch
Schillerplatz
- Itzehoe
- Jülich*
- Kaiserslautern
- Kaltenkirchen
- Kamen
- Kamp-Lintfort
- Karlsruhe
with sub-branches
Durlach
Mühlburg
- Kassel
with sub-branches
Altmarkt
Bettenhausen
Friedrich-Ebert-Strasse
with paying office
DEZ Niederzwehren
- Kaufbeuren
with sub-branch
Neugablonz
- Kelkheim (Ts.)
- Kempen (Ndrh.)
- Kiel
with sub-branches
Arndtplatz
Gaarden
Holtenauer Strasse Nord
Holtenauer Strasse Süd
Kirchhofallee
Seefischmarkt
- Kirchheim (Teck)
- Kirchweyhe
- Kirn (Nahe)
- Kleve
- Koblenz
with sub-branch
Bahnhofsplatz
- Köln (*Cologne*)
with sub-branches
Barbarossaplatz
Braunsfeld
Chlodwigplatz
Ehrenfeld
Eigelstein
Hohenzollernring
Hohe Strasse
Kalk
Lindenthal
Neumarkt
Neusser Strasse
Sülz
Weidenpesch
Zollstock
- Köln-Mülheim
- Konstanz (*Constance*)
with sub-branch
Petershausen
- Korbach
- Krefeld
with sub-branches
Hochstrasse
Zentrum
- Krefeld-Uerdingen
- Kreuztal
- Lahr
- Landau (Pfalz)
- Landshut
- Langen (Hess.)
- Langenfeld
- Leer (Ostfr.)
- Leeste
- Lehrte
- Leichlingen
- Lemgo
- Leonberg
- Letmathe
- Leverkusen
- Limburg (Lahn)
- Lingen (Ems)
- Lippstadt
- Lobberich
- Löhne
- Lörrach (Baden)
- Ludwigsburg
- Ludwigshafen (Rhein)
- Lübbecke
- Lübeck
with sub-branches
Am Schlachthof
Fackenburger Allee
Geniner Strasse
Marli
Travemünde
and paying offices
Nordlandkai
Skandinavienkai
- Lüchow
- Lüdenscheid
with mobile sub-branch
- Lüdinghausen
- Lüneburg
- Lünen
- Mainz
with sub-branches
Am Dom
Rheinallee
- Mainz-Kastel
- Mannheim
with sub-branches
Kaiserring
Käfertal
Lindenhof
Neckarau
Neckarstadt
Sandhofen
Waldhof
- Marburg (Lahn)
- Marl-Hüls
- Mayen
- Memmingen
- Meppen
Meschede*
- Mettmann
- Millingen
- Minden
- Misburg*
- Möllen (Ndrh.)
- Mönchengladbach
with sub-branches
Am Hauptbahnhof
Rheindahlen 1
Rheindahlen 2
- Moers
- Monschau
- Mühldorf a. Inn
- Mühlheim a. M.
- Mülheim (Ruhr)
with sub-branch
Speldorf
- München (*Munich*)
with sub-branches
Baldeplatz
Grosshadern
Hauptbahnhof/
Marsstrasse
Herkomerplatz
Hohenzollernstrasse
Ingolstädter Strasse
Laim
Leopoldstrasse
Lindwurmstrasse
Müllerstrasse
Neuaubing
Nymphenburger Strasse
Pasing
Reichenbachplatz
Riesenfeldstrasse
Rosenheimer Platz
Rotkreuzplatz
Schleissheimer Strasse
Schwanthalerstrasse
Sendlinger Strasse
Thalkirchner Strasse
Thomasiusplatz
- Münster
with sub-branches
Hammer Strasse
Hansaring
- Neheim-Hüsten
- Neuenkirchen (near Rheine)
- Neuenrade
- Neu-Isenburg
- Neumünster
- Neuss
with sub-branch
Dreikönigenstrasse
- Neustadt (Weinstrasse)
- Neu-Ulm
- Neuwied
- Niebüll
- Nienburg (Weser)
- Norden
- Nordenham
- Norderstedt
- Nordhorn
- Northeim (Han.)
- Nürnberg (*Nuremberg*)
with sub-branches
Friedrich-Ebert-Platz
Fürther Strasse
Gibitzenhof
Landgrabenstrasse
Plärrer
Stresemannplatz
and paying office
Flughafen
- Oberhausen
with sub-branches
Buschhausen
Osterfeld
- Oberhausen-Sterkrade
- Obertshausen
- Oberursel (Taunus)
- Oer-Erkenschwick
- Offenbach a. M.
with sub-branches
Spremlinger Landstrasse
Waldstrasse
- Offenburg
- Oldenburg (Oldb.)
with sub-branch
Grossmarkt
- Olpe
- Opladen
- Osnabrück
with sub-branches
Bramscher Strasse
Fledder*
Johannisstrasse
Lotter Strasse
Schützenstrasse
- Osterath

Branches (continued)

- Osterholz-Scharmbeck
- Osterode (Harz)
- Paderborn
- Papenburg
- Passau
- Peine
- Pforzheim
- Pfungstadt
- Pinneberg
- Pirmasens
- Plettenberg
- Pullach-Höllriegelskreuth
- Radevormwald
- Rastatt
- Ratingen
- Recklinghausen with sub-branch Recklinghausen-Süd
- Rees
- Regensburg
- Remscheid with sub-branches Alleestrassen Hasten
- Remscheid-Lennep
- Rensch.-Lüttringhausen
- Rendsburg
- Reutlingen
- Rheda
- Rhede (near Bocholt)
- Rheine with sub-branch Schotthock
- Rheinhausen
- Rheydt with sub-branches Friedrich-Ebert-Strasse Odenkirchen
- Rietberg
- Rüdesheim
- Rüsselsheim
- Saarbrücken with sub-branch Mainzer Strasse
- Saarburg (near Trier)
- Saarlouis
- Salzgitter-Lebenstedt
- St. Wendel
- Sarstedt
- Schleswig
- Schneverdingen
- Schöningen
- Schwabach
- Schwäbisch Gmünd
- Schweinfurt
- Schwelm
- Schwenningen
- Schwerte (Ruhr)
- Schwetzingen
- Sennestadt
- Siegburg
- Siegen
- Siegen-Kaan-Marienborn
- Sindelfingen
- Singen a. H.
- Sinsheim
- Soest
- Solingen with sub-branch Höhscheid
- Solingen-Ohligs
- Solingen-Wald
- Spremlingen
- Stade
- Stadt Allendorf
- Steinhagen
- Stolberg
- Straubing
- Stuttgart with sub-branches Degerloch Feuerbach Hauptstätter Strasse Marienplatz Ostendplatz Rosenbergplatz Rotebühlplatz Schlossstrasse Vaihingen a. F. Wangen Weilimdorf Zuffenhausen
- Stuttgart-Bad Cannstatt
- Trier
- Troisdorf
- Tübingen
- Uelzen
- Uetersen
- Ulm
- Unna
- Unterföhring (near Munich)
- Varel (Oldb.)
- Vechta
- Velbert
- Verden*
- Versmold
- Viersen
- Villingen
- Vlotho
- Waldbröl
- Walsrode
- Walsum
- Wanne (Wanne-Eickel)
- Warburg
- Wattenscheid with sub-branch Höntrop
- Wedel (Holstein)
- Weiden i. d. Oberpfalz with paying office DEZ
- Weil (Rhein)
- Weinheim (Bergstrasse)
- Wengern (Ruhr)
- Werdohl
- Wermelskirchen
- Wesel
- Wesseling
- Westerholt
- Westerland (Sylt)
- Wetter (Ruhr)
- Wetzlar
- Wiedenbrück
- Wiehl (Bez. Köln)
- Wiesbaden with sub-branches Biebrich Bismarckring Bleichstrasse Kirchgasse Rheinstrasse Wilhelmstrasse
- Wilhelmshaven with sub-branch Gökerstrasse Winsen*
- Wissen
- Witten with sub-branch Annen
- Wolfenbüttel
- Wolfsburg with sub-branches Detmerode Tiergartenbreite
- Worms
- Würselen
- Würzburg
- Wunstorf
- Wuppertal-Barmen with sub-branches Langerfeld Oberbarmen Ronsdorf Unterbarmen Werth Wichlinghausen
- Wuppertal-Elberfeld with sub-branch Friedrich-Ebert-Strasse
- Xanten
- Zirndorf*

* Opening shortly

• State at end of 1948

• New openings until 1958

• New openings until mid-1970

Affiliated and Associated Banks

VON DER HEYDT-KERSTEN & SÖHNE, WUPPERTAL-ELBERFELD

with sub-branches at Langenberg and Wuppertal-Vohwinkel

ILSEDER BANK, SANDOW & CO., PEINE

BANK FÜR TEILZAHLUNGSKREDIT GMBH, DÜSSELDORF

with branch office at Munich

and 6 sub-branches at Bielefeld, Düsseldorf, Duisburg, Munich and Stuttgart

COMMERZ- UND INDUSTRIE-LEASING GMBH, DÜSSELDORF

Subsidiary

BERLINER COMMERZBANK

AKTIENGESELLSCHAFT

Head Office and Main Branch at 125, Potsdamer Strasse, 1 BERLIN 30

Exchange Office at 1, Rankestrasse, 1 Berlin 30

with sub-branches:	Halensee	Lichtenrade	Reinickendorf
	Hermannplatz	Lichterfelde	Savignyplatz
Albrechtstrasse	Hermannstrasse	Mariendorf	Schmargendorf
Am Flughafen Tempelhof	Hermisdorf	Märienfelde	Schöneberg
Amtsgerichtsplatz	Hohenzollerndamm	Mehringdamm	Spandau
Berliner Strasse	Kochstrasse	Moabit	Steglitz
Buckow	Kottbusser Tor	Müllerstrasse	Tegel
Charlottenburg	Kurfürstendamm	Neukölln	Tempelhof
Friedenau	Kurfürstenstrasse	Nonnendammallee	Wedding
Gedächtniskirche	Kurt-Schumacher-Platz	Otto-Suhr-Allee	Wilmerdorf
Grossmarkt	Lankwitz	Reichsstrasse	Wittenau*

* Opening shortly

Representative Offices Abroad

ARGENTINA, PARAGUAY AND URUGUAY

Joachim N. Soszna, 456, Avenida Corrientes, Depto. 73, Buenos Aires (Argentina)

BRAZIL

Günther Eberhard, 123, Avenida Rio Branco, Conj. 706/707, Rio de Janeiro (Brazil)
(also Delegate for Brazil)

Peter C. Queitsch, 250, Rua Direita, sala 1406, São Paulo

FAR EAST

Manfred Rasche, Palace Hotel Building, Tokyo (Japan)

NEAR AND MIDDLE EAST, UAR (EGYPT)

Friedhelm Jost, Starco Building, Beirut (Lebanon)

SOUTH-EAST ASIA

Heinz-Ludwig Haake and Hansjörg Braun, Hotel Malaysia, Tanglin Circus, Singapore 10

SOUTHERN AFRICA

W. P. Kahrass & Co. (Pty.), Ltd., Palace Buildings,
Corner of Pritchard and Rissik Streets, Johannesburg (Republic of South Africa)
Keller & Neuhaus Trust Co. (Pty.), Ltd., Kaiserstreet, Windhoek (South-West Africa)

SPAIN AND PORTUGAL

Günter Schönberner, Calle Cedaceres, 11-6 piso, Madrid 14 (Spain)

UNITED STATES OF AMERICA

Harald E. Käding, 55 Broad Street, New York, N.Y. 10004 (USA)

VENEZUELA

Jürgen Carlson, Avenida Urdaneta, Pelota a Punceres, Edificio "Icauca", Caracas (Venezuela)

The Main Participations Abroad

COMMERZBANK INTERNATIONAL S.A., LUXEMBOURG

INTERNATIONAL COMMERCIAL BANK LTD., LONDON

SOCIÉTÉ FINANCIÈRE POUR LES PAYS D'OUTRE-MER (SFOM), GENEVA

London



Geneva



Luxembourg





Beirut

New York



Johannesburg



Buenos Aires

Caracas



Singapore

Windhoek



Madrid

Rio de Janeiro



São Paulo



Tokyo

Commerzbank Representative Offices abroad

Further Participations in Foreign Financial Institutions

INTERNATIONAL INSTITUTIONS

Adela Investment Company S.A., Luxembourg/Lima
Compagnie Internationale de Crédit à Moyen Terme S.A., Lausanne
Deltec Panamerica S.A., Nassau (Bahamas)
European Enterprises Development Company E.E.D., S.A., Luxembourg
Finanzierungsgesellschaft Viking S.A., Zurich
Groupement Immobilier Européen d'Études et de Participations (GIEP), Paris
Private Investment Company for Asia (PICA) S.A., Tokyo
Tourinvest S.A., Luxembourg
United Overseas Bank S.A., Geneva*)
World Banking Corporation Ltd., Nassau (Bahamas)

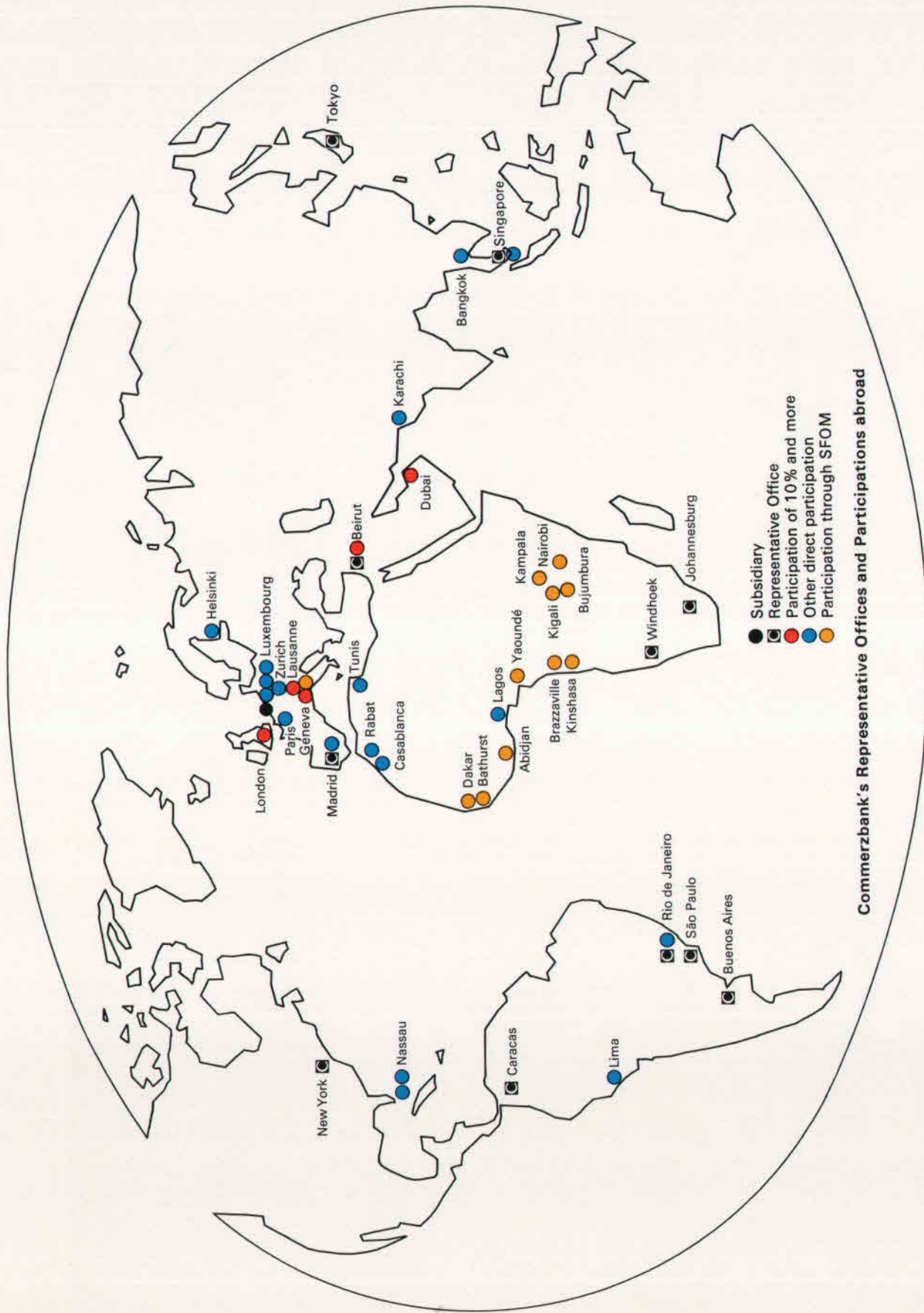
EUROPE

Finland: Teollistamisrahasto Oy (Industrialization Fund of Finland Ltd.), Helsinki
Luxembourg: International Investment Corporation for Yugoslavia S.A., IICY, Luxembourg
Spain: Banco Urquijo S.A., Madrid

OVERSEAS

Brazil: Banco de Investimento do Brasil S.A. (B.I.B.), Rio de Janeiro
Burundi: Banque Commerciale du Burundi S.A.R.L., Bujumbura*)
Cameroon: Banque Internationale pour le Commerce et l'Industrie du Cameroun S.A., Yaoundé*)
Congo (Brazzaville): Banque Internationale pour le Commerce et l'Industrie du Congo S.A., Brazzaville*)
Congo (Kinshasa): Société Congolaise de Banque S.C.A.R.L. (Socobanque), Kinshasa*)
Dubai: The Commercial Bank of Dubai Ltd., Dubai
Ivory Coast: Banque Internationale pour le Commerce et l'Industrie de la Côte d'Ivoire S.A., Abidjan*)
Kenya, Uganda: Commercial Bank of Africa Ltd., Nairobi*)
Lebanon: Rifbank S.A.L., Beirut
Morocco: Banque Marocaine du Commerce Extérieur, Casablanca
Morocco: Banque Nationale pour le Développement Économique, Rabat
Nigeria: Nigerian Industrial Development Bank Ltd., Lagos
Pakistan: PICIC Pakistan Industrial Credit & Investment Corporation Ltd., Karachi
Rwanda: Banque Commerciale du Rwanda S.A.R.L., Kigali*)
Senegal, Gambia: Banque Internationale pour le Commerce et l'Industrie du Sénégal, Dakar
with branch office in Bathurst (Gambia*)
Singapore: The Development Bank of Singapore Ltd.
Thailand: Industrial Finance Corporation of Thailand (IFCT), Bangkok
Tunisia: Union Internationale de Banques, Tunis

*) through Société Financière pour les Pays d'Outre-Mer (SFOM), Geneva



- Subsidiary
- Representative Office
- Participation of 10% and more
- Other direct participation
- Participation through SFOM

Commerzbank's Representative Offices and Participations abroad

