Annual Report **1982**

Cover: European Asian Bank in Korea – the entrance to the new premises of the Seoul Branch.

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Report for the Year 1982

European Asian Bank

European Asian Bank

Ten Years of Growth
1973–1982

DM millions	1973	1974	1975	1976	1977	1978	1979	1980	1981	**1982**
Total assets	522	665	896	1,088	1,416	2,078	2,846	4,059	5,257	**6,215**
Business volume (Balance sheet total plus endorsement liabilities on rediscounted bills and liabilities arising from guarantees and warranty contracts)	618	796	1,117	1,392	1,858	2,585	3,638	5,141	6,504	**7,883**
Credit volume	370	572	720	845	1,101	1,329	2,022	2,915	4,133	**5,184**
Deposits	471	607	832	969	1,291	1,947	2,670	3,767	4,794	**5,640**
Capital and reserves	36	38	39	95	95	95	126	205	300	**300***
Net interest income	10.9	15.6	19.7	23.3	28.3	30.2	43.9	77.7	117.6	**149.4**
Net commissions and other service income	7.7	8.1	8.7	8.3	10.2	13.7	15.7	22.7	32.4	**38.8**
Taxes	2.1	5.1	6.5	6.5	9.1	11.7	14.4	24.6	35.5	**42.3**
Dividend	–.–	–.–	2.8 (10%)	5.6 (10%)	5.6 (10%)	5.6 (10%)	6.3 (10%)	9.6 (10%)	12.6 (10%)	**14.7 (10%)****
Staff	389	443	457	482	564	701	765	958	1,182	**1,277**

***A capital increase implemented in February 1983 brings total capital and reserves to DM 355 million.**

****Effective dividend including tax credit: 15.6% (1981: 14.1%).**

Advisory Council

Dr. Wilfried Guth, Frankfurt/Main
Chairman
Mitglied des Vorstandes der
Deutsche Bank AG

Dr. Enrico Barbier, Milano
Condirettore Centrale
Banca Commerciale Italiana

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Chief Executive (International)
Midland Bank plc

Fopbertus Hoogendijk, Amsterdam
Lid Raad van Bestuur
Amsterdam-Rotterdam Bank N.V.

Paul-Emmanuel Janssen, Bruxelles
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et Membre du Comité de Direction
Société Générale de Banque S.A.

Léopold Jeorger, Paris
Directeur Général-Adjoint
Société Générale

Dr. Guido Schmidt-Chiari, Wien
Vorsitzender-Stellvertreter
des Vorstandes der
Creditanstalt-Bankverein

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Deutsche Bank AG

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Direkteur
Amsterdam-Rotterdam Bank N.V.

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Direttore di Sede
Banca Commerciale Italiana
(from April 1, 1982)

Louis C. Buttay, Paris
Directeur Central
Société Générale

Dr. Ulrich Cartellieri, Frankfurt/Main
Stellv. Mitglied des Vorstandes der
Deutsche Bank AG
(from April 1, 1982)

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et Membre du Comité de Direction
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Creditanstalt-Bankverein
(from April 1, 1982)

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General Manager (International)
Midland Bank plc

Hilmar Kopper, Frankfurt/Main
Mitglied des Vorstandes der
Deutsche Bank AG
(until March 31, 1982)

Dr. Guido Schmidt-Chiari, Wien
Vorsitzender-Stellvertreter
des Vorstandes der
Creditanstalt-Bankverein
(until March 31, 1982)

Dr. Giorgio Winteler, Milano
Direttore di Sede
Banca Commerciale Italiana
(until March 31, 1982)

Werner Flechsig, Hamburg*
Birgit Joost, Hamburg*
Marie Keir, Hamburg*
(from April 1, 1982)
Ursula Koehn-Graeff, Hamburg*
(until March 31, 1982)
Jeffrey B. P. Ng, Hamburg*
(from April 1, 1982)
Christa Roehl, Hamburg*
(until March 31, 1982)

* elected by the staff

Board of Managing Directors

Michael Boehm

J. Nikolaus Korsch

Tjark H. Woydt

Report of the Board of Managing Directors

The Asia-Pacific Region in 1982 – Developments and Prospects

Even under the difficult conditions prevailing in 1982 the Asia-Pacific region continued to be a relatively bright spot in the global economy. Although this part of the world is still confronted with numerous political and economic problems, it has managed to retain a comparatively high degree of stability and progress. Most important of all, the region as a whole has been able to preserve its international creditworthiness during a period of growing world-wide concern about the debt situation of developing countries.

Measured against their outstanding economic achievements over the previous decade, however, 1982 was not a spectacular year for the independent Asia-Pacific nations. The prolonged global recession acted as a severe brake upon growth in all open economies of the region, especially through the marked deceleration in export earnings. The environment for international trade was characterized by shrinking or stagnant markets for manufactured goods and a slump in commodity prices.

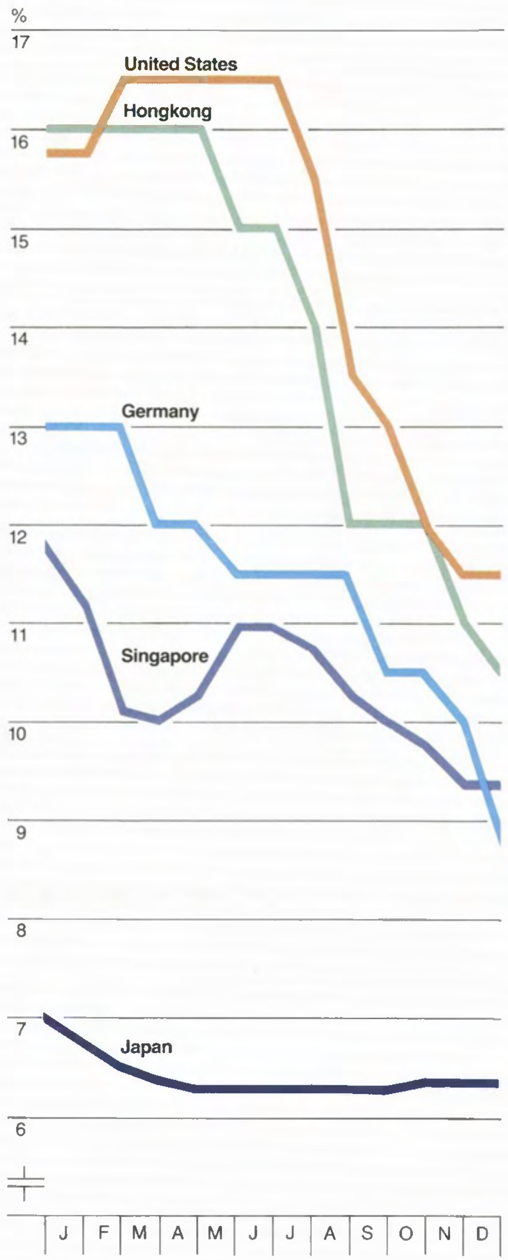
In addition to the fall in world trade volume and increasing trade frictions, the burden of record interest rates in the Euromarkets forced various countries in the area to introduce or intensify economic and financial adjustment programmes. As a result of these adverse external influences, the average growth rate in the developing countries on the Asian seaboard decreased in 1982 by at least one percentage point to an estimated 4%. This still represents a respectable performance against a background of zero or negative growth in most of the industrial world.

Nearly all Asian developing countries have made further headway in their search for new export outlets and in the strengthening of regional ties, but the level of economic activity in the United States, Western Europe and Japan continues to have a crucial impact on demand for their exports of light consumer goods and industrial raw materials. While the United States is still the biggest market for products from Asia's four newly industrializing countries (Hongkong, Korea, Singapore and Taiwan), it is Japan which represents the largest customer for the commodity exporters such as Indonesia and Malaysia. To the latter group a revival of the Japanese economy is thus equally as important as a US recovery.

With the gradual reduction of international interest rates since July 1982 *(see chart)* and with inflation well under control, two factors in the 1983 economic equation for the Asia-Pacific area have decisively improved. The basic question is now whether the first faint signals of recovery which were appearing in the US economy at the start of 1983, will become stronger in the months ahead and finally spread to the rest of the world, thereby giving a new impulse to the region's business. The Asia-Pacific economies have further modernized and streamlined their industries and are therefore well placed to benefit from any improvement in their major markets.

Development of prime lending rates during 1982

at end of month



The great economic potential of the Asia-Pacific region and its rapidly expanding domestic markets are the main reasons for the continuing interest of European investors. Illustrated here are:

- a modern pharmaceutical factory near Karachi which was recently inaugurated by Hormone Laboratories (Pakistan) Ltd., a subsidiary of the Dutch Akzo Group;
- an assembly line for Mercedes-Benz trucks in the new plant of P. T. German Motor MFG Indonesia, located near Jakarta.

Hongkong

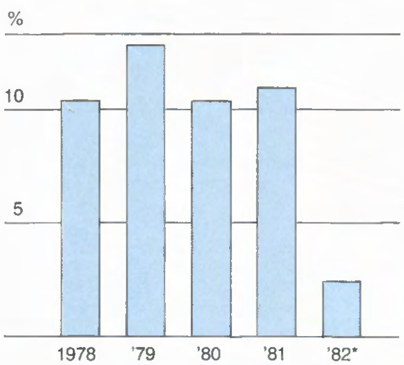
Selected economic indicators

AREA:
1,063 sq.km

POPULATION:
5.2 million

GDP:
US$ 24.3 billion (1981)

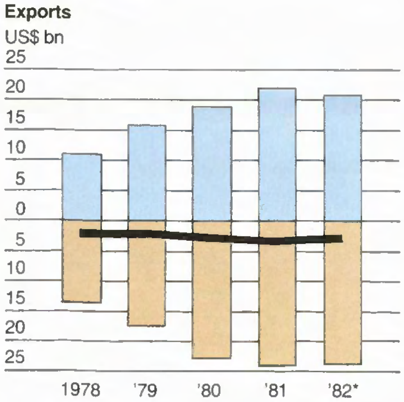
Economic growth (real)



Consumer price inflation

Foreign trade

Exports



Imports

▬ Trade deficit *Estimates

After six years of double-digit growth Hongkong's economy was faced in 1982 with markedly reduced prospects because of the unforeseen coincidence of adverse economic and political factors. In October the official forecast for growth in real *gross domestic product* (GDP) was halved to 4% from the 8% given in the February budget. The export-oriented manufacturing sector was belatedly hit by world recession, while the overheated local property market continued its downward slide throughout the year and created testing conditions for some investors and lenders.

The economic problems were accentuated by uncertainties about the outcome of the current negotiations between the Chinese and British governments over Hongkong's political status when the lease on the New Territories expires in 1997. Despite the joint announcement of the common desire to preserve the prosperity and stability of Hongkong, there was considerable, if temporary, nervousness in the stock and foreign exchange markets. The *Hongkong dollar* touched an all-time low at 6.975 against the US dollar in October but later stabilized at around 6.50/6.60 – a level which appeared to be more representative of the city state's economic fundamentals. Under the prevailing circumstances, these were still reasonably comfortable, as reflected in the low 1982 unemployment rate of about 4%. Whereas employment fell in manufacturing, it rose in the service sector.

Domestic exports, traditionally the main engine of growth, showed a downward trend in real terms during 1982, an important exception being deliveries to China which continued to prove the fastest-growing market for Hongkong-made goods. Imports experienced an even greater slowdown than exports, causing a smaller visible trade gap than in the previous year. In the face of weak external demand the biggest stimulus to the domestic economy came from *public sector construction* which was expected to grow by an inflation-adjusted 27% as a result of the public works and housing programmes and the construction of the Mass Transit Railway Island Line. The twin effects of higher government spending and the slump in land sales revenue produced a budget deficit instead of the surplus originally forecast. However, Hongkong can easily accommodate such irregular budget deficits since it has HK$ 23 billion in free fiscal reserves accumulated from past surpluses.

Stable import prices of food and other basic necessities contributed to a decrease in the *inflation rate* to 10.8% from almost 15% in 1981. Notwithstanding this welcome improvement, the annual rise in the local cost of living remained higher than that of competing Asian suppliers. Apparently the rapid money supply expansion in recent years was still playing a negative role.

The decline in international interest rates, particularly those in the United States, permitted a further lowering of the local *prime lending rate* to 10.5% by the end of 1982, down from the 20% reached in October 1981. This drop, together with static or falling rents, relieved at least some of the cost pressures on manufacturing and other businesses.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = HK$ 6.500
(as against HK$ 5.692 12 months before)

The festive opening of a new sub-branch in Hongkong.

Forms of transport, past and present: the MTR – Hongkong's impressive underground railway – and the rickshaws, which will pass away with their present owners, as the government has stopped issuing new licences.

India

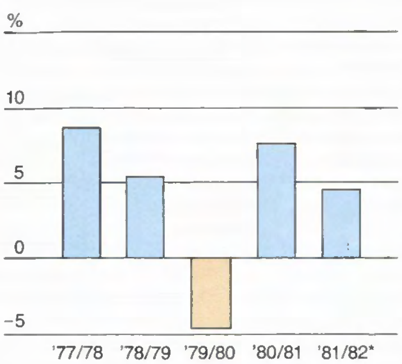
Selected economic indicators

AREA:
3,287,782 sq.km

POPULATION:
683.8 million

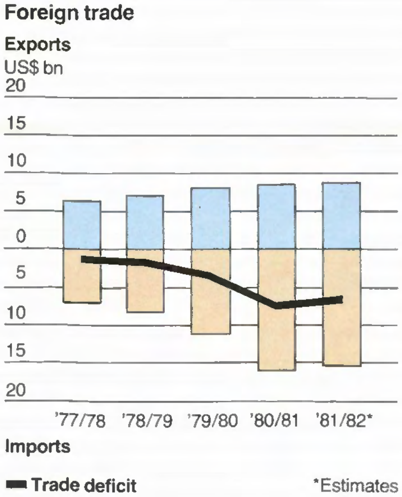
GDP:
US$ 163.5 billion (1981/82)*

Economic growth (real)



Consumer price inflation

Foreign trade



*Estimates

With an export/GDP ratio of under 10%, India has been less exposed to the international recession than most other Asian countries. During the financial year ending March 1982 the economy's recovery from the setbacks of 1979/80 was consolidated. *Real GNP*, which declined by around 5% in 1979/80 and then increased by 7.5% in 1980/81, is estimated to have risen by a further 4.5% in 1981/82 . Although weather conditions were not entirely favourable for agriculture, *foodgrain production* reached a record level of about 132 million tonnes – albeit still some 5 million tonnes below target.

With essential infrastructure sectors such as coal, railways and ports performing well in 1981/82, *industry* responded with an 8.6% increase in overall output. Among key industries which recorded above-average gains were steel, fertilizers, cement and sugar. However, a slackening in the growth rate of manufacturing became apparent during the first months of the current financial year 1982/83. The prolonged textile workers' strike in Bombay affected production not only inside the textile industry but also in several dependent industries. Moreover, the power supply situation, which had been relatively comfortable for the larger part of 1981/82, worsened because of the erratic 1982 monsoon. In order to run irrigation pumps, the state electricity boards had to organize a substantial diversion of power from the industrial to the agricultural sector.

India's *balance of payments* position, which began to deteriorate in 1979, remained under severe strain. In dollar terms, exports expanded by 2.5% in 1981/82 to US$ 8.7 billion and imports contracted by 4.3% to US$ 15.2 billion leaving a visible trade gap of US$ 6.5 billion compared with the deficit of US$ 7.4 billion in 1980/81. Thanks to the resumption of *oil* production and refinery operations in Assam as well as a sharp increase in the production from the Bombay High offshore field, it was possible to cut back the costly imports of crude and petroleum products. While the Soviet Union has recently become the biggest buyer of Indian goods, the United States and Western Europe have remained the largest suppliers of non-oil imports.

To finance the sizeable current account deficit, the government drew heavily on foreign exchange reserves, made use of the US$ 5.5 billion IMF Extended Fund Facility negotiated in November 1981 and tapped other non-concessional credit sources. Despite the difficult balance of payments situation, the process of slowly opening up the economy was maintained by means of further selective *liberalization* of import and foreign investment regulations.

Besides the easier supply conditions, a tight credit policy also helped to achieve a certain decline in the *inflation rate* as measured by the consumer price index, which was 6.7% higher in October 1982 than a year ago. *Bank credit restrictions* were relaxed somewhat from November 1982 onward to encourage exports and the utilization of existing industrial capacity.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = Rs. 9.687
(as against Rs. 9.137 12 months before)

In a country the size of India the transport sector naturally plays a vital role in the development of the economy. Bombay Tyres International Ltd., a large local tyre manufacturing unit, which was recently acquired by the Modi Group, has embarked upon a substantial modernization programme in technical collaboration with Continental Gummi-Werke AG of Hanover (Germany), to serve the growing needs of the road transport sector.
Seen here (left to right) are P. K. Gupta, General Manager-Finance, Bombay Tyres International Ltd.; Udayan Bose, Eurasbank Regional Director, International Finance Group, South Asia; R. M. Rai, Chief Executive, Bombay Tyres International Ltd.; and Douglas Neilson, Manager of Eurasbank Bombay, discussing the company's expansion plans.

Indonesia

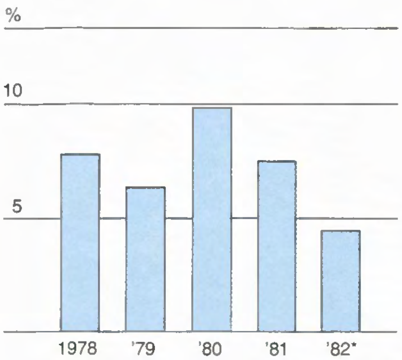
Selected economic indicators

AREA:
1,904,569 sq.km

POPULATION:
150.5 million

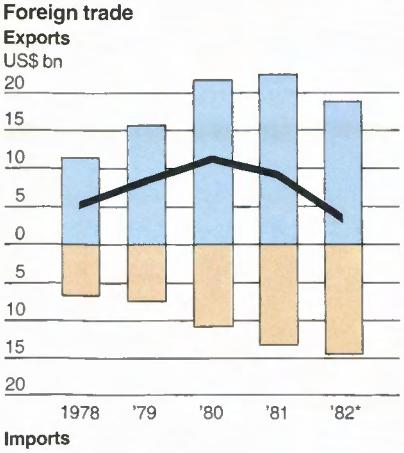
GDP:
US$ 85.0 billion (1981)

Economic growth (real)



Consumer price inflation

Foreign trade



As the largest *oil exporter* east of the Persian Gulf, Indonesia has been increasingly affected by the continued oil surplus in international markets. Under a production ceiling agreed by OPEC in early 1982, the country restricted itself to lifting only 1.3 million barrels of oil a day, down from 1.6 million in 1981. Weak demand from its main customers such as Japan caused the actual export volume of crude petroleum to fall to its lowest level since 1972.

In addition to the substantial decline in oil sales, 1982 saw a further drop in *non-oil exports* for a variety of not purely external reasons, since it was influenced in part by the government's own efforts to encourage industrial processing rather than raw commodity exports. The decrease in aggregate timber exports, for instance, was largely due to stringent restrictions placed on log exports, which on the positive side led to a significant rise in the volume of Indonesian plywood exports. A major export item showing higher earnings in 1982 was liquefied natural gas (LNG), but this increase could not stem a 15% loss in the combined income from exports of oil, LNG and other commodities.

Indonesia's economy was still sufficiently resilient to take the strain of the serious export downturn and register positive *overall growth*, though the rate reached only half of the annual average of 8% achieved in the 1977–81 period. Whilst construction appears to have maintained its growth momentum in 1982, some *manufacturing industries* encountered a slowdown.

Adverse weather conditions reduced the growth stimulus of the agricultural sector. Whereas *rice output* rose by 13% and 10% in the two previous years, milled-rice production for 1982 was estimated to exceed 23 million tonnes, an increase of barely 3% over 1981. The importance of rice to Indonesia is reflected by the 17% weighting of this staple food in the nationwide cost-of-living index. *Inflation* in 1982 continued its downward trend and returned to single-digit figures.

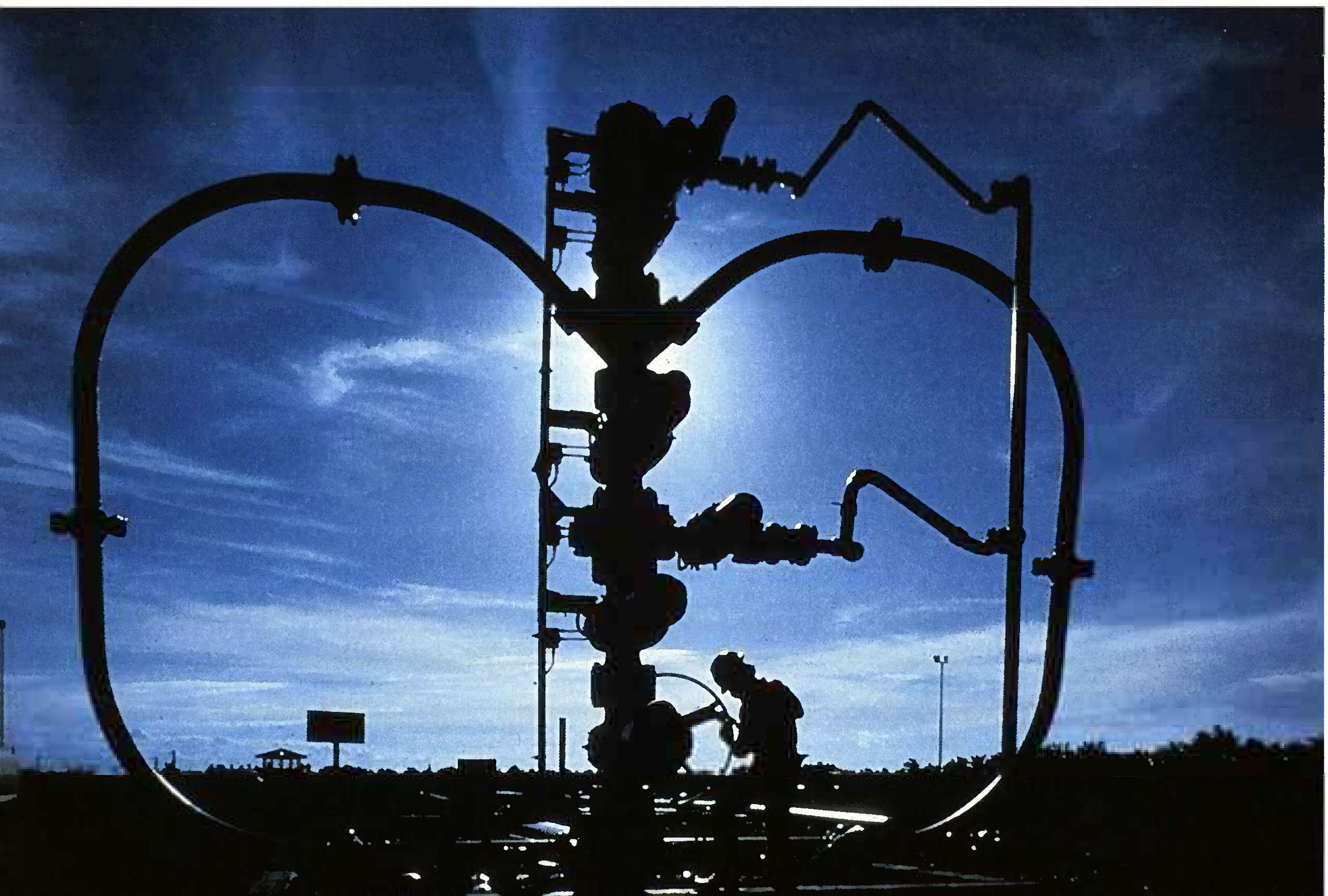
As proceeds from taxes on oil companies normally account for some 70% of government revenue, the slump in oil exports also had far-reaching effects on the *national budget*. The lean budget for the fiscal year starting in April 1983 envisages only a nominal rise of 7.9% in development spending, compared with the sharp 35% increase during the current year, and includes a major cut in subsidies and a freeze on government salaries.

Faced with the sharp fall in *official reserves* to about US$ 4 billion from US$ 6.1 billion a year ago, the government tightened controls over a broad range of import goods for which domestic substitutes are available. This move followed the earlier introduction of a controversial counter-purchase policy requiring foreign suppliers to the government to purchase an equivalent amount of Indonesian goods. Although the monetary authorities allowed the rupiah to weaken in terms of the US dollar, the worsening balance of payments outlook gave rise to speculation about the likelihood of a one-off downward adjustment in the exchange rate.

Besides lower inflation and higher rice production, the continued interest on the part of *foreign investors* was probably one of the most encouraging features of the year under review. According to the Investment Coordinating Board, foreign businessmen committed in 1982 a total of US$ 1.31 billion for new projects or the expansion of existing ventures, up from US$ 1.19 billion approved during the previous year. The largest portion of new investment was channelled into the metallurgy and pharmaceutical industries on the island of Java.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = Rp 692.50
(as against Rp 644.00 12 months before)

Indonesia has become the world's largest exporter of liquefied natural gas (LNG). The picture shows a major LNG plant at Arun, North Sumatra.



Japan

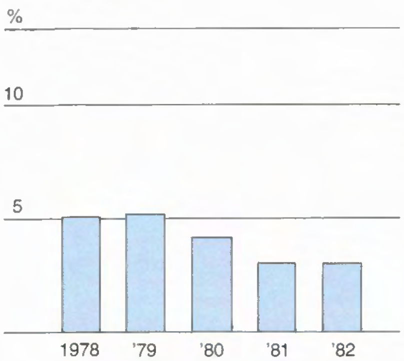
Selected economic indicators

AREA:
377,619 sq.km

POPULATION:
117.7 million

GDP:
US$ 1,127.6 billion (1981)

Economic growth (real)

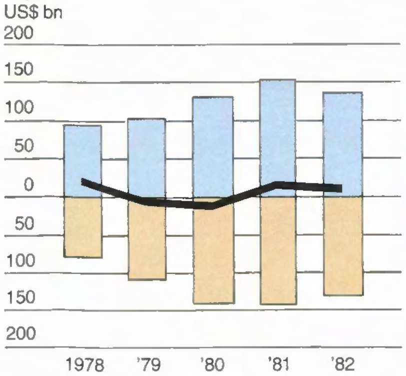


Consumer price inflation

Foreign trade

Exports

US$ bn



Imports

▬ Trade balance

In 1982 even the otherwise dynamic Japanese economy found it difficult to escape from the grip of world-wide stagnation. Asia's leading industrialized country achieved a *growth rate* of 3% – low by its previous standards and in comparison to the Asia-Pacific region in general but still high in comparison with other industrialized countries. Consumer spending showed no significant increase, exports dropped, and fixed investment suffered a gradual downward revision. As a result, the economy felt no strong growth impulse.

Faced with sluggish demand, industry was forced to adjust output accordingly. *Industrial production* stagnated in 1982 and the deflationary effects spread throughout the economy. *Capital spending* by small- and medium-scale industries remained negligible, whilst investment by large enterprises held steady. In the automotive, steel and electrical machinery industries there were first signs of a reduction in investment, and prospects for the near future are not encouraging. In addition the government was hamstrung by a serious budget deficit and could not introduce a powerful package of fiscal measures designed to stimulate the economy.

A more detailed analysis of the development of foreign trade shows that *exports* fell by 8.7% as a result of contracting world markets, growing protectionism abroad and the relatively restricted range of export products – this itself further provoking protectionist tendencies in Japan's key western markets. A 7.9% decrease in *imports* kept the trade balance in the black, though the surplus was reduced. The current account improved by roughly US$ 2 billion to US$ 6.9 billion. Japan's largest single market remained the United States, absorbing over 25% of its overseas sales followed by the EEC with a share of 12%. While the United States supplied 18% of the country's imports the EEC provided only 6% of the total. According to Japanese statistics the considerable trade surplus with both trading partners contracted slightly in 1982. *Asia-Pacific countries'* share of foreign trade represented well over 20% in both exports and imports. Trade patterns between Japan and these countries were still less complex than those with the industrialized West. The Asia-Pacific region remains above all a supplier of basic raw materials, energy and low grade manufactured goods, while Japan is a crucial source for its neighbours' requirements of machinery, chemicals and other materials, capital investment and technology. These relationships, however, are gradually changing as the other countries in the region are starting to catch up with Japan.

High overseas interest rates prompted a substantial capital outflow and the US dollar/yen exchange rate rose to a 1982 high of 278.50 in November. The Bank of Japan intervened on the foreign exchange markets in support of the *yen* by drawing substantially upon its foreign reserves. However, domestically the yen was very stable recording an outstandingly low annual *inflation rate* of 2.7%.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = ¥ 235.75
(as against ¥ 219.90 12 months before)

Tokyo: Keith C. Barnes (r.), who heads Eurasbank's newly-opened Representative Office in Japan, is here seen visiting the busy Asakusa district with its colourful Kaminari Gate.

Korea

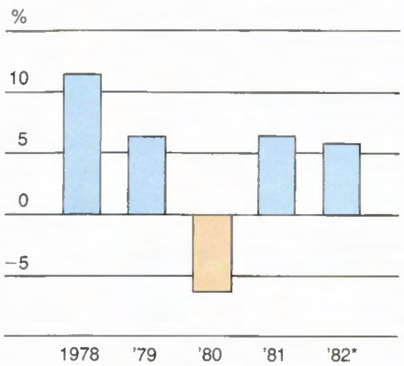
Selected economic indicators

AREA:
98,966 sq.km

POPULATION:
38.7 million

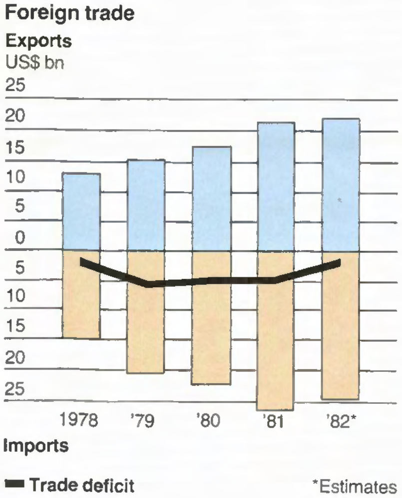
GDP:
US$ 65.7 billion (1981)

Economic growth (real)



Consumer price inflation

Foreign trade



A sharp cut in the inflation rate and a marked improvement in the balance of payments position were the two outstanding achievements of the Korean economy during the year under review. Inflation had been relatively high by Asian standards throughout most of the past three decades, but has now been pulled back into the single-digit range, with *consumer prices* rising by only 7.2% compared with more than 20% in 1981. The country's external debt burden gave even greater significance to the reduction in the *current account deficit.* Declining imports – resulting mainly from slack consumer and industry demand, oil conservation measures and good local harvests – helped to trim the current account shortfall to US$ 2.0 billion from US$ 4.4 billion in the previous year.

Economic growth in 1982 came largely from government-stimulated spending on construction projects such as housing and power plants, rather than from exports which had been the traditional source of expansion. *GNP growth* was expected to be around 6%. Though somewhat lower than the original forecast, this rate constituted one of the highest in the region.

Considering the difficult *export climate,* overseas shipments of Korean goods held up reasonably well, finishing the year with a 3% rise in US dollar terms. The brightest spot was the export development of heavy industrial goods and chemicals, suggesting that the shift to a more sophisticated industrial base since the mid-1970s has already started to produce the desired results. Sales of ships abroad almost doubled during the first ten months of 1982 but a fall in new ship orders clouded the outlook for 1983. The new heavy industries, supported by increased revenues from overseas construction, more than compensated for the export losses suffered by light industry products such as textiles and clothing, plywood and rubber tyres. The export of rubber tyres alone dropped by 30% because of falling demand in the Middle East.

In 1982 Southeast Asia became an attractive new market for Korean *overseas construction business.* New contracts in the region surged by 129% to almost US$ 2 billion, and included a US$ 320 million 71-storey office and hotel project in Singapore. Total overseas construction contracts awarded to Korean builders in 1982 amounted to US$ 13.4 billion, representing a slight decline of 2.2% from the 1981 value. The Middle East – with US$ 11.3 billion or 85% of total new orders – remained Korea's biggest market but was down 10% from the previous year.

The *won's* depreciation against the US dollar during 1982 was less than 7%. The local currency came under temporary pressure in mid-year following a massive fraud case in the unofficial kerb loan market. As part of a broader government programme of financial reform as well as an economic stimulation package *bank interest rates* were slashed by up to four points in June, bringing the lending rate down to a uniform 10%.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = won 748.80
(as against won 700.50 12 months before)

A partial view of the interior of the Seoul Branch's new offices.

Malaysia

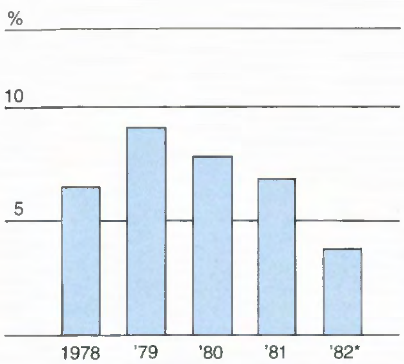
Selected economic indicators

AREA:
330,433 sq.km

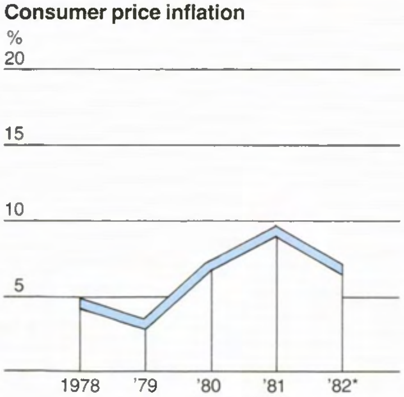
POPULATION:
14.4 million

GDP:
US$ 24.7 billion (1981)

Economic growth (real)

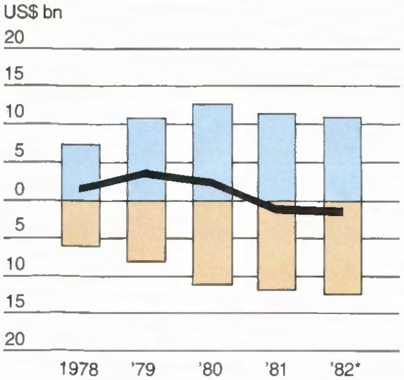


Consumer price inflation



Foreign trade

Exports
US$ bn



Imports

▬ Trade balance

*Estimates

The fall in export earnings significantly affected Malaysia's economic activity and balance of payments during the year under review. Rubber and tin production, two traditional pillars of the economy, slipped by around 8% and 17% respectively. Growth in *overall economic output* slowed to 3.9%, compared with a rate of 6.9% in 1981. *Manufacturing*, which was the leading growth sector during the 1976–80 period, registered only a small increase in value added, as a result of lower external demand, rising production costs and shortages of skilled labour.

Construction was however again one of the more buoyant sectors of the economy, even though construction activity weakened somewhat in the second half of 1982. Resource constraints and uncertainty over the length of the recession led the government to review its expenditure programme and to defer projects of lower priority, so that public sector spending would not be as expansionary as in the previous year. Nevertheless, a number of large on-going projects, including the construction of the Penang bridge and the North-South highway, sustained infrastructural building activities at a relatively lively pace.

Exports of crude oil – Malaysia's top foreign exchange earner since 1980 – suffered less than those of rubber and tin. To compensate for the deterioration in the world market price, the state oil corporation Petronas reversed its earlier conservation policy and boosted oil production by 15% to almost 300,000 barrels per day. Japan, Singapore and the United States remained the major importing countries.

Foreign investor confidence in the long-term potential of the Malaysian economy was reflected in the initiation of new non-oil industrial projects. According to figures published by the Malaysian Industrial Development Authority, foreign investments approved in the first seven months of 1982 amounted to M$ 396.3 million, equivalent to a 64% rise over the same period of 1981. Japan again topped the list of foreign investors, followed by Australia and the United Kingdom. The chemical industry alone attracted more than one half of foreign equity.

Although the government introduced an austerity drive under the impact of the country's depressed export performance, it continued to take recourse to large *external borrowing*. The total official external debt outstanding at the end of 1982 was projected at M$ 11.8 billion, representing an increase of some 50% against the year-earlier level. Despite the burden of substantial overseas borrowing in recent years, Malaysia's debt service ratio for 1982 was still expected to be less than 5%.

A slower rate of monetary expansion and the overall easing of import prices contributed to a deceleration in the *domestic inflation rate*. The increase in the consumer price index for Peninsular Malaysia was estimated at 6.5%, down from 9.6% in 1981. The monetary authorities continued to apply strict minimum requirements for commercial bank lending to priority sectors such as the bumiputra community, smale-scale enterprises, agricultural food production and housing.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = M$ 2.320
(as against M$ 2.243 12 months before)

The fast pace of industrialization of the Malaysian economy has resulted in increasing imports of capital goods required for the infrastructural development of the country. One of our customers, the United Motor Works Group, belongs to the leading local assemblers and distributors of heavy equipment.
At the recently extended UMW complex of Shah Alam: Heah Kok Soon, UMW Director of Finance, with Gerd Riedel, Manager of Eurasbank Kuala Lumpur Branch.

Pakistan

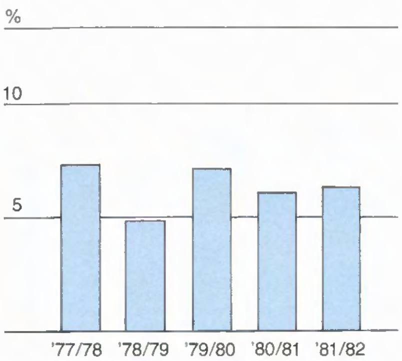
Selected economic indicators

AREA:
803,943 sq.km

POPULATION:
84.6 million

GDP:
US$ 28.2 billion (1980/81)

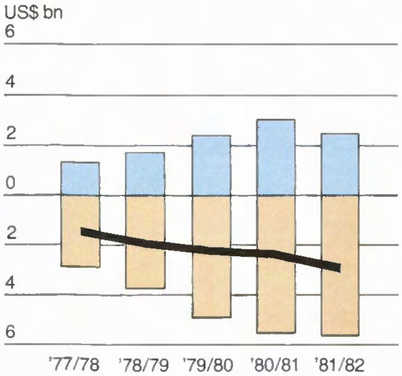
Economic growth (real)



Consumer price inflation

Foreign trade

Exports



Imports

Trade deficit

The Pakistan economy continued to register an encouraging growth performance in the financial year ending June 1982. A further increase in agricultural output and a notable rise in industrial production maintained *real economic growth* at a level of about 6% for the fifth consecutive year. The value added in the manufacturing sector increased by 12.1% as compared to 9.9% in 1980/81, and the declining trend in the production of cotton cloth has now been reversed.

In sharp contrast to the stagnation in previous years, *gross domestic fixed investment* in 1981/82 showed a marked rise in real terms. However, over a quarter of total gross investment had to be financed from external sources. Disbursements of foreign economic assistance rose to US$ 1.1 billion, and total debt relief provided by the Aid-to-Pakistan Consortium and by Islamic and other countries amounted to US$ 275 million in 1981/82.

A decline in the *export value* of major items such as rice, raw cotton, footwear, sports goods and surgical instruments as well as a slowdown in the inflow of *home remittances* from Pakistanis working abroad contributed to a widening current account deficit. In order to check this adverse tendency, the government decided to end the 10-year link of the rupee with the appreciating US dollar in favour of a managed float as from January 8, 1982. The subsequent *depreciation* in the exchange rate vis-à-vis the American currency reached almost 30% by the end of 1982. This helped to bring about some improvement in exports and remittances. Of 25 projects so far given approval to set up in the country's first *export processing zone* near Karachi, four are expected to start trial production by mid-1983. The combined annual export potential of all these new industrial projects has been estimated at some US$ 115 million net.

Although a newly discovered *oilfield* came into production, about 90% of the nation's petroleum requirements had still to be met from foreign supplies which accounted for over one quarter of the total import bill. Exploratory efforts have therefore been further stepped up. Nine international oil companies are already operating in Pakistan.

Inflationary pressures lessened somewhat in 1981/82. The 12-month average of the consumer price index increased by 11.5% as against 13.9% in the preceding year. Nevertheless, the State Bank of Pakistan continued the practice of fixing ceilings on *commercial bank credit* to private and public sector enterprises. The maximum rate for commercial loans remained unchanged at 14% per annum.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = Rs. 12.85
(as against Rs. 9.90 12 months before)

Philippines

1982 turned out to be a difficult year for the Philippine economy, even though the government was successful in holding down the volume of oil imports by developing indigenous energy and in partially countering recession through fiscal stimulation. *Overall growth* decelerated for the third consecutive year and was estimated at a mere 2.6%. There was some further progress in slowing inflation, but the *balance of payments deficit* doubled to US$ 1.14 billion.

In view of the unexpected downturn in revenues, a drastic cutback in public spending had to be announced for 1983 in order to prune the budget deficit and to preserve the government's future ability to borrow. The austerity measures included a new 3% surtax on imports and a self-imposed limit of US$ 2 billion for new *foreign borrowings,* as compared with the ceiling of US$ 2.3 billion negotiated for 1982 with the International Monetary Fund.

The *industrial sector* as a whole registered only sluggish expansion in 1982. Growth was centred mainly in private and government construction and the upgraded provision of utilities (electricity, gas, water). Mining suffered a further drop in output of 1.5%, with the depressed level of metal prices forcing unprofitable mines to close. The *agricultural sector* on the other hand achieved a growth rate of about 3.5%, notwithstanding the weak export prices of important commercial crops which hurt private incomes. The coconut industry alone supports directly or indirectly about one third of the population.

The unfavourable external influences have not deterred the government from moving ahead with its programme of longer-term *structural adjustments* which are aimed at increasing the efficiency of manufacturing industry, thus making it the nation's leading source of higher incomes, exports and employment. These plans are proceeding with the assistance of the World Bank, which is soon expected to grant a US$ 300 million structural adjustment loan. However, even the rapidly expanding exports of manufactures have not prevented a further serious deterioration in the Philippines' terms of trade since 1979.

The 1982 value of *merchandise exports* fell by as much as 13% to US$ 5 billion. Practically all traditional export products, except for a few – abaca, bananas, unmanufactured tobacco, pineapple and copra – posted declines in foreign exchange earnings. Only *electronics* performed well, although this young industry has now also started to feel the recession and lost some of the dynamism of previous years. Nonetheless, semi-conductor devices have now overtaken sugar, coconut oil and copper concentrates to become the country's leading foreign exchange earner, followed by *manpower exports.* Remittances from the numerous Filipino citizens working abroad totalled some US$ 700 million in 1982. The government has launched a campaign to boost the repatriation of the salaries of overseas workers to about US$ 1.5 billion by the end of 1983, which would help to improve the current account position.

The imbalance in the external sector led to a 12% depreciation of the *peso* vis-à-vis the US dollar during the year under review. This has represented the highest annual decline in the exchange rate since the major devaluation in 1970.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = P 9.171
(as against P 8.200 12 months before)

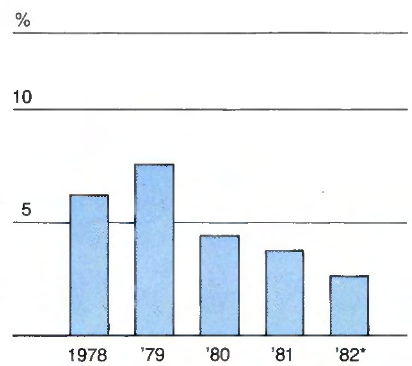
Selected economic indicators

AREA:
300,000 sq.km

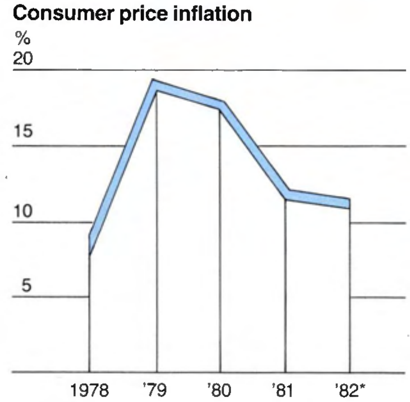
POPULATION:
49.5 million

GDP:
US$ 38.9 billion (1981)

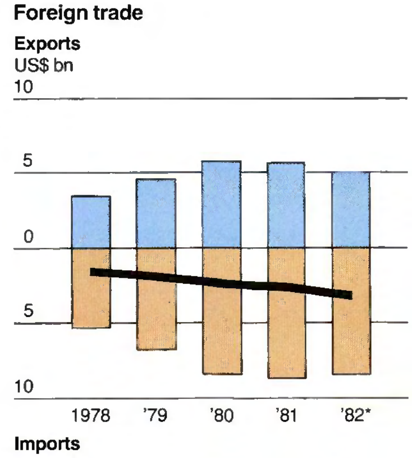
Economic growth (real)



Consumer price inflation



Foreign trade



*Estimates

Singapore

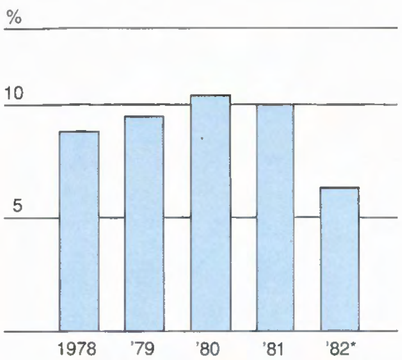
Selected economic indicators

AREA:
618 sq.km

POPULATION:
2.4 million

GDP:
US$ 12.9 billion (1981)

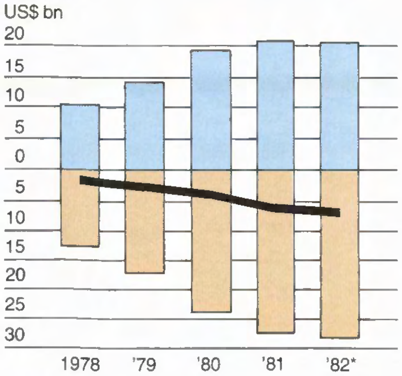
Economic growth (real)



Consumer price inflation

Foreign trade

Exports
US$ bn



Imports

▬ Trade deficit *Estimates

With an external trade volume equivalent to an extraordinary 400% of GDP, Singapore cannot insulate itself from the global economic downturn. Nevertheless, its economy still outperformed most other countries in the world. *Real GDP* is estimated to have expanded by over 6% in 1982, in spite of the virtual stagnation in *total exports*.

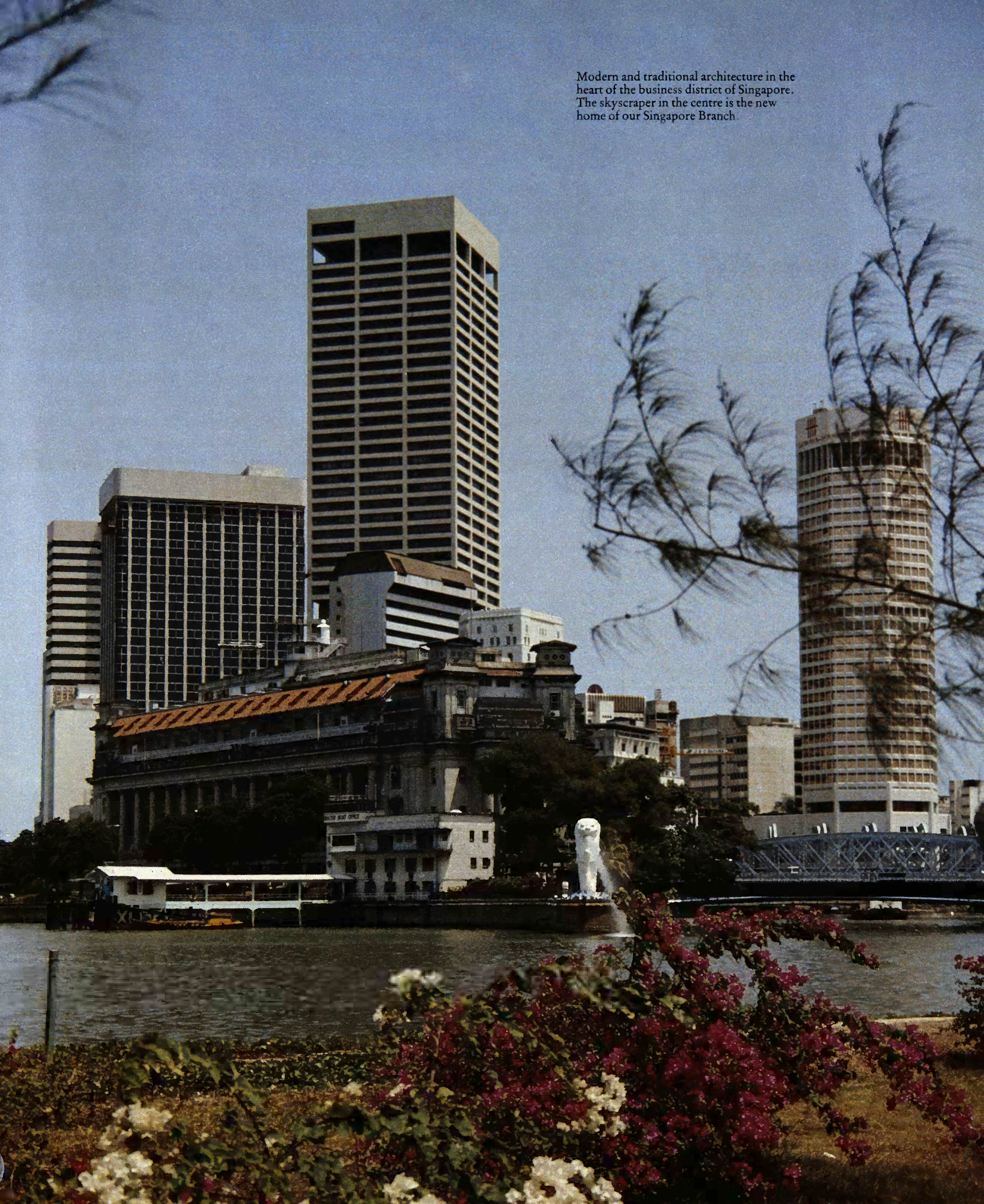
Scarcely less remarkable was the substantial reduction in the *inflation rate*. Consumer prices rose by only 3.9% in 1982, after an increase of 8.2% in the previous year. A major factor contributing to the relative price stability was the *Singapore dollar's* general firmness in the foreign exchange markets, reflecting in no small measure the continuing high volume of capital inflows. On average, the local unit eased by little more than 1% against the US dollar whilst strengthening vis-à-vis most other major currencies. This appreciation ranged from 2% against the Swiss franc to 13% against the pound sterling. Against the German mark and the Japanese yen the Singapore dollar gained 6% and 10% respectively. In its latest annual report the Monetary Authority of Singapore reiterated that the main emphasis of the anti-inflation policy followed since 1981 has shifted from interest rate and money supply targets to the maintenance of a strong exchange rate, in view of the openness of the Singapore economy and its high dependence on imports. This policy shift has inevitably had some adverse effect on export competitiveness and has aggravated the problems of those manufacturers exporting to Western Europe.

Manufacturing was hit hard by the slump in overseas demand and the lack of new orders, and output contracted by an estimated 5.1% in 1982. The pinch of the recession was felt particularly in the textile, timber, chemical, rubber and electronics industries.

Financial and business services as well as construction remained the leading growth sectors in the economy. *Construction* proved to be the star performer by more than doubling its growth rate to a handsome 35%. Much of the vigorous construction activity was prompted by the government in an attempt to soften the repercussions of recession. Of the approvals granted by the Ministry of National Development in the second quarter of 1982, 63% were for public sector development, principally for housing purposes. Following extensive feasibility studies, the government has decided to go ahead with the construction of a 47 kilometre mass rapid transit (MRT) system.

World recession and cautious international lending has also led to slower growth of the Singapore-based *Asian dollar market*. After passing the US$ 100 billion mark in August 1982, total assets of the 137 Asian Currency Units dipped back to just below this level in October and November. The November figure of US$ 99.58 billion represented only a 21% increase over November 1981, contrasting strongly with the 54% rise in November 1981 over the year-earlier level. For the first time since its inception five years ago, the floating-rate *CD* sector of the Asian dollar market saw fewer new issues. The total amount of paper floated in 1982 dropped by 16% to US$ 820 million.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = S$ 2.109
(as against S$ 2.048 12 months before)


Modern and traditional architecture in the heart of the business district of Singapore. The skyscraper in the centre is the new home of our Singapore Branch.

Sri Lanka

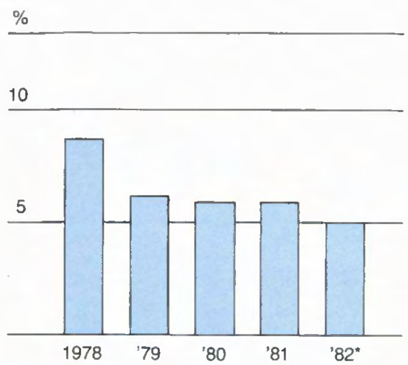
Selected economic indicators

AREA:
65,610 sq.km

POPULATION:
15.0 million

GDP:
US$ 4.4 billion (1981)

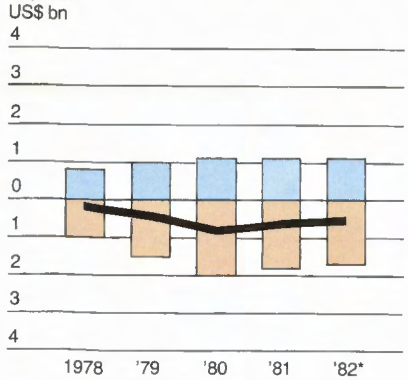
Economic growth (real)



Consumer price inflation

Foreign trade

Exports
US$ bn



Imports

▬ Trade deficit *Estimates

The outcome of the *1982 elections* pointed to an endorsement of the liberal economic policies introduced in 1977. These measures had been designed to overcome economic stagnation by allowing the private sector and market forces to play a greater role in the development process. Despite serious problems of adjustment, annual growth has subsequently averaged 6% and unemployment has shown a definite downward trend.

The government's strategy is symbolized by the *free trade zone* near Colombo, where foreign investors are offered attractive incentives and guaranteed repatriation of profits and capital. By August 1982, over 40 factories were already in operation, providing some 20,000 new jobs. Most of the export-oriented companies are still involved in the garments business, but new firms are now also going into rubber-based production, PVC containers, control and relay panels, and integrated circuits. The zone has now been leased in its entirety to investors.

Economic expansion experienced a slowdown in 1982, partly as a result of a drought in the first quarter of the year which depressed agricultural output. The losses were most evident in the tea sector where production fell by an estimated 10% to around 190 million kgs. Available indicators suggest that industrial production levels increased in both the private and the public sector. A primary area of growth was construction, since government spending on the *accelerated Mahaweli programme*, a huge hydro-power and irrigation complex, is currently running at its peak. The benefits from this major undertaking, which absorbed about 40% of the government's investment budget in 1982, will probably not be felt until the mid-1980s.

Sri Lanka continued to promote foreign exchange earnings such as tourism and workers' remittances in order to reduce its *current account deficit*, which exceeds 10% of GDP and is unsustainably large. Merchandise exports showed only marginal growth in US dollar terms during the first eight months of 1982. The expansion of *industrial exports* – now accounting for about 35% of total exports – remained encouraging, although most of these non-traditional products still have a high import content.

The *Sri Lanka rupee* lost relatively little ground to the US dollar in 1982 considering the pressures emanating from the unfavourable balance of payments. This exchange rate development contributed to the marked decline in the inflation rate. In early 1983 however, the rupee began to show more signs of weakening in the foreign exchange markets.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = Rs. 21.320
(as against Rs. 20.550 12 months before)

Taiwan

In 1982 the economy recorded a mixed *foreign trade performance*. The trade surplus climbed to US$ 3.3 billion despite a 6.2% fall in total trade. Exports slipped 1.8% to US$ 22.2 billion while imports dropped 10.9% to US$ 18.9 billion and the current account remained in the black by more than US$ 2 billion. Industrial products accounted for 92% of the exports whereas some 67% of the imports were raw materials. In spite of Taiwan's attempts to diversify its foreign markets, half of the foreign trade volume was accounted for by only two countries, the United States and Japan. In February the government imposed import restrictions on more than 1,500 Japanese products in view of the high trade imbalance. This ban, however, never really had much impact and was gradually lifted in the course of the year. Only seven items remained on this list by the end of 1982.

As only a few countries depend as much on foreign trade as does Taiwan – exports and imports each roughly equivalent to half of GNP – it comes as no surprise that the decline in trade in 1982 strongly influenced most sectors of the economy. *GNP growth* was limited to about 3.8%. *Capital expenditure* decreased by 2%, though public investment was still growing. Approvals given by the Ministry of Economic Affairs reveal a 10% fall in foreign investment and a 51% increase in overseas Chinese investment, resulting in a 4% net reduction in commitments in this category. Most of these funds went to the service industry, followed by electronics and the electrical appliance manufacturing industry. *Industrial production* stagnated since construction and mining output fell and this could only be partially offset by an advance in the manufacturing and utilities sectors.

Although Taiwan ran a budget deficit in 1981/82 for the second consecutive year – following a decade of budget surpluses – the *finances* of the country remained in good shape. The relatively low foreign debt burden enabled the country to maintain its high credit ratings and to receive international syndicated loans at very favourable rates. The government decided to grant foreign investors access to the *Taiwan Stock Exchange* in 1983 in order to attract additional long-term capital. In the first stage two trust funds will be launched, which will issue certificates to investors abroad.

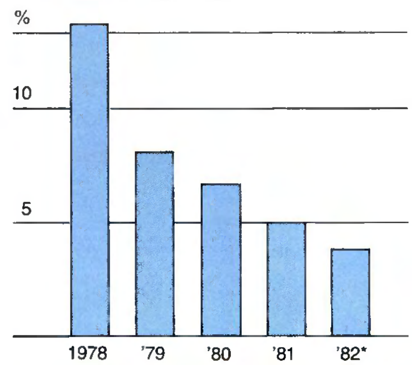
The *New Taiwan dollar* remained one of the strongest currencies in the region and finished 1982 barely 5% down against the US dollar, reflecting the satisfactory balance of payments situation and low inflation rate. *Consumer price inflation* of only 4% compared favourably with previous years. Interest rates also dropped but not to the same extent as inflation, so real interest rates can still be regarded as high.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = NT$ 39.910
(as against NT$ 37.840 12 months before)

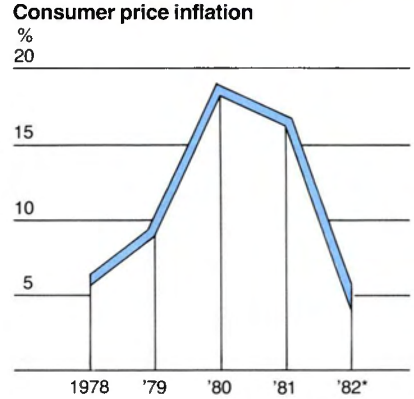
Selected economic indicators

AREA:
35,981 sq.km
POPULATION:
18.0 million
GDP:
US$ 46.2 billion (1981)

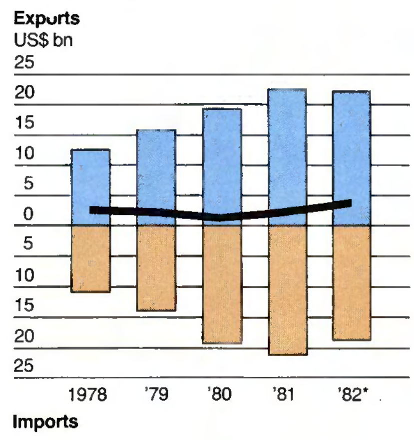
Economic growth (real)



Consumer price inflation



Foreign trade



*Estimates

Thailand

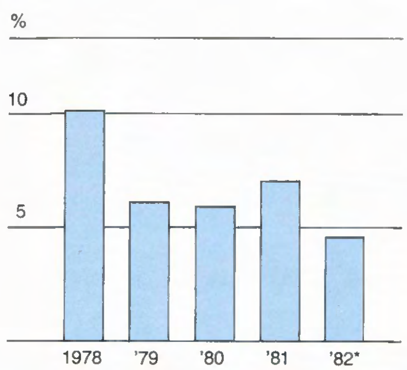
Selected economic indicators

AREA:
514,000 sq.km

POPULATION:
48.1 million

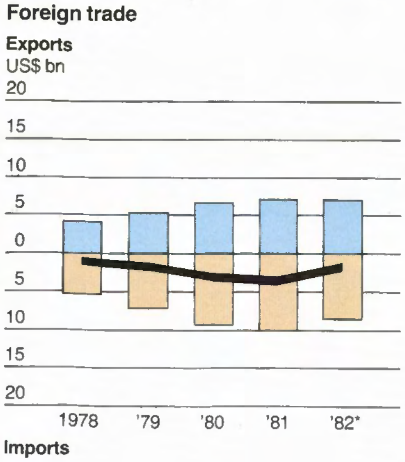
GDP:
US$ 36.8 billion (1981)

Economic growth (real)



Consumer price inflation

Foreign trade



*Estimates

Although overall economic activity slowed noticeably, Thailand came through 1982 in better shape than many other commodity-based economies. It was one of the few developing countries that managed to achieve a significant reduction in its current account deficit. This can partly be attributed to the broad *export base* which ranges from foodstuffs (rice, tapioca, maize, sugar, fish) to industrial raw materials (rubber, tin) and manufactured products (textiles, integrated circuits, precious stones).

The abundant 1981 harvests meant that Thailand had large quantities of agricultural commodities to sell in 1982, partially offsetting the effects of depressed world prices. Rice, the nation's leading foreign exchange earner, was a case in point: the volume of rice sales increased by about 20% to a record 3.6 million tonnes, making the Kingdom once again the world's largest rice exporter, ahead of the United States. After adjustment for the 1981 devaluation of the baht by approximately 10%, total export earnings in dollar terms remained nearly unchanged. *Imports,* on the other hand, declined in value by no less than 14%. The result was a narrower trade deficit, for the first time in several years. The trade gap shrank sharply to US$ 1.6 billion from US$ 3.0 billion in 1981. However, the contraction of imports reflected not only a "belt-tightening" policy but also sluggish domestic investment.

Besides the marked deterioration in the external terms of trade, the drop in *GDP growth* to below 5% – the lowest rate since 1972 – was also due to unfavourable internal developments. In addition to falling prices, 1982's adverse weather conditions kept growth in the agricultural sector at a mere 1% as against 6% in the previous year. The lower purchasing power of farming households, which form about 70% of the country's population, forced many *manufacturers* to cut back production and inventories. While agro-industries held up quite well, the textile industry – with the notable exception of garment exporters – and local assembly plants for cars, lorries and motorcycles were struck by a lack of demand and high interest rates. The latter also took their toll on the construction business.

Earlier optimism about the impact of *natural-gas discoveries* in the Gulf of Thailand was somewhat dimmed by the revelation that reserves in the only field now on stream might fall short of the original estimates. Actual daily production so far has failed to live up to expectations. Nevertheless, the government is pressing on with its ambitious project to industrialize the country's eastern seaboard with the use of gas as a feedstock.

Apart from the improved trade balance, the further deceleration in the *inflation rate* was the brightest spot in the economic picture of 1982. The rise in consumer prices slackened to 5.4% from 19.7% and 12.7% in 1980 and 1981 respectively. This allowed the central bank to exert downward pressure on local interest rates. But, with *prime rates* roughly 10 percentage points above inflation, they remained very high in real terms, and the much steeper fall in overseas interest rates prompted a substantial inflow of funds in the second half of the year.

Rate of exchange on Dec. 31, 1982 .... US$ 1 = baht 23.000
(same as 12 months before)

Bangkok – On the occasion of the Thai capital's bicentenary in 1982, the Bank contributed funds towards the preservation of mural paintings in this historically and architecturally significant temple.

Australia

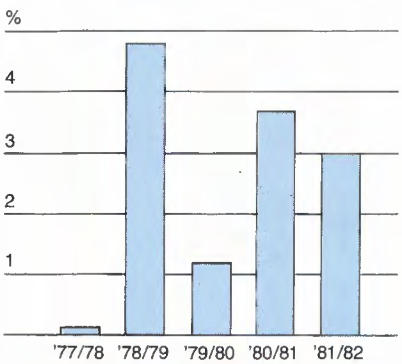
Selected economic indicators

AREA:
7,682,300 sq.km

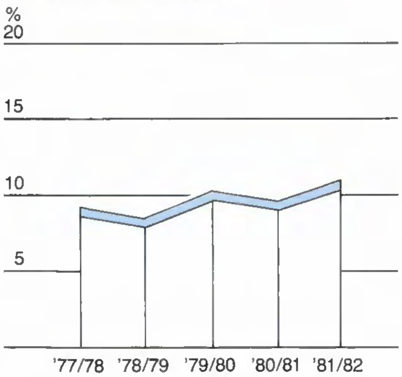
POPULATION:
14.9 million

GDP:
US$ 163.9 billion (1981/82)

Economic growth (real)

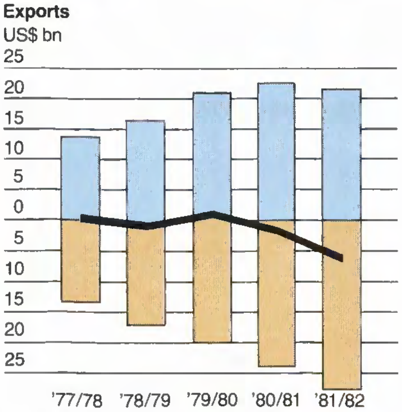


Consumer price inflation



Foreign trade

Exports



Imports

▬ Trade balance

The world recession has belatedly caught up with the Australian economy which had performed relatively well until late 1981 compared with the OECD area as a whole. In the first half of 1982 a significant *slowdown* in economic activity became increasingly apparent. After a 3% gain in GDP for the financial year ending June 1982, the government has predicted negative economic growth and a drop in private business investment for 1982/83. The causes of this downturn lie not only in depressed commodity prices but also in the high domestic wage inflation and the severe drought which has affected the country's vital farming sector.

The overall increase in import volume (14%) in 1981/82 can be essentially attributed to the recent resource-based surge in investment. However, the weakening world demand for basic metals and the softening of the real oil price have led to a reappraisal of several *major projects* in such areas as aluminium smelting, coal liquefaction and oil from shale.

The impact of the worsening export performance was partially cushioned by the depreciation in the local currency's external value. For the first time the *Australian dollar* was worth less than its American counterpart. Besides Japan and the ASEAN countries, Korea is among those Asian markets of growing importance to the fifth continent, with its intake of Australian exports now already equal to that of the United Kingdom.

Despite the temporary economic deterioration, overseas' confidence in Australia's medium-term prospects has remained strong, as is reflected by the continuing *capital inflow* in the form of direct or portfolio investment and loan funds. This inflow has been more than sufficient to offset the widening deficit on the current account and has contributed to a strengthening of the official reserve position. Australia's foreign exchange holdings had fallen to US$ 915 million by January 1982 but recovered to almost US$ 5 billion by October 1982.

Rate of exchange on Dec. 31, 1982 .... A$ 1 = US$ 0.981
(as against US$ 1.128 12 months before)

New Zealand

After negligible growth since the mid-1970s, New Zealand recorded an *upturn* in economic activity during the fiscal year ending March 1982, with an estimated 4% rise in GDP. The economy reacted strongly to the stimulus provided by a fairly large budget deficit and the high fixed investment which was associated with a number of big resource-based development projects. However, the expansion in demand exacerbated the already existing price pressures. The annual *inflation rate* reached 17% in the March–June 1982 quarter and was thus twice as high as the average rate experienced by New Zealand's main trading partners. In June the government tried to solve the problem of soaring inflation by announcing a 12-month freeze on wages, prices and dividends. At the same time it introduced a new managed float for the *New Zealand dollar* to replace the previous method of small monthly devaluations.

Whilst the trade account continued to be virtually in balance, the current account of the *balance of payments* showed a widening deficit, partially under the influence of increasing interest payments on the country's large foreign debt. To diversify the economy away from its heavy dependence on pastoral exports and imported oil, New Zealand is planning more than 20 *major industrial projects* designed to exploit the abundant domestic reserves of gas, coal and hydro-power. Recent trends in world demand, however, have interrupted an envisaged second aluminium smelter and have led to the postponement of some forestry projects.

Efforts to intensify the already close links with *Australia*, which is now New Zealand's most important trading partner, were crowned by an agreement on closer economic relationship (CER). This accord provides for the progressive dismantling of obstacles to trade across the Tasman Sea.

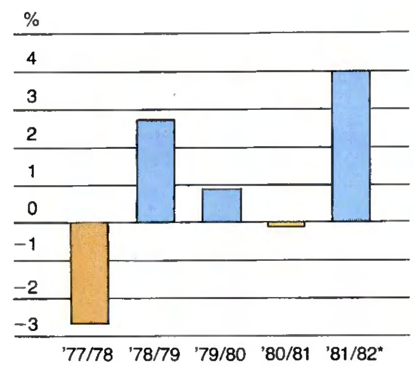
Rate of exchange on Dec. 31, 1982 .... NZ$ 1 = US$ 0.732
(as against US$ 0.824 12 months before)

Cotton harvesting in Queensland. The Bank's customers include Australian farmers.

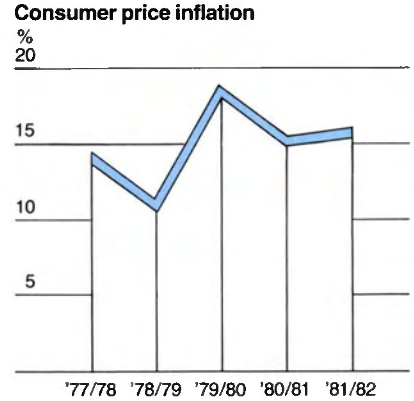
Selected economic indicators

AREA:
269,057 sq.km
POPULATION:
3.1 million
GDP:
US$ 24.0 billion (1981/82)*

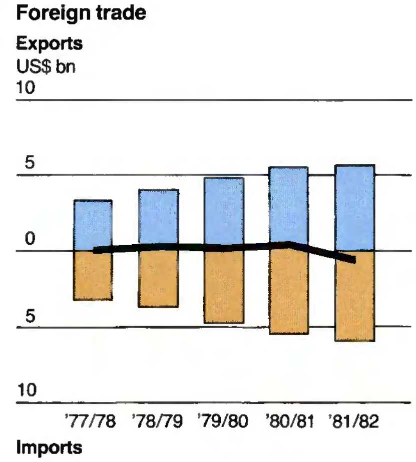
Economic growth (real)



Consumer price inflation



Foreign trade



*Estimates

Review of Business

In 1982 our Bank continued its progress in spite of an unfavourable economic environment, increasing the business volume by 21% to DM 7.9 billion, and total assets by 18% to DM 6.2 billion. This sustained expansion is most clearly demonstrated by the growth in short- and medium-term loans to customers, by 31% to DM 2.3 billion. The emphasis of our activities remained on short-term international trade finance. Long-term advances, mostly granted to local trading companies to finance their investments, rose by DM 0.2 billion to DM 0.6 billion. As regards the long-term Euro-credit market a continued policy of caution was dictated by unsatisfactory margins, our activities being confined to the immediate interests of our clientele. For the first time, the amount of total outstandings under facilities granted to customers exceeded claims on banks.

Customer deposits increased further, albeit at a less rapid pace than lending to customers. As in previous years, the Bank successfully tapped the capital markets with issues of Floating Rate Certificates of Deposit totalling US$ 10 million and S$ 25 million, and, through a subsidiary, Floating Rate Notes amounting to US$ 70 million. These issues serve to refinance our roll-over-loans on a long-term basis.

The year under review was marked by substantial investments in the expansion and modernization of our branch offices and in the continuing automation of our business.

Operating profits were again satisfactory. Notwithstanding further provisions, which fully reflect the current difficult economic situation, we can propose to our shareholders an unchanged nominal dividend of 10%. The effective distribution amounts to 15.6% including the German corporation tax credit.

The share capital of our Bank was raised by DM 24.5 million at a premium of 125% in February 1983, thus increasing the capital and published reserves to DM 354.7 million.

In 1982 we continued with the vigorous expansion of our overseas branch network. Including imminent new openings, the Bank is now represented in 15 key centres in the Asia-Pacific area:

– second base in Pakistan

The Government of the Islamic Republic of Pakistan has granted us a licence to establish a further branch, which will be opened in spring 1983 in Lahore, the country's second largest industrial city.

– ninth office in Hongkong

Hongkong Branch opened an eigth sub-branch in the industrial zone of Kwun Tong at the beginning of 1982.

– branch in Macau

In January 1983 we obtained a licence for the establishment of a branch, which will commence operations in spring 1983.

– representative office in Japan

Since August 1982 our new Representative Office in Tokyo has been intensifying our existing business connections with Japan.

– merchant bank in Australia

In response to the growing trade between Australia and Asia, we have set up a merchant bank with the State Bank of New South Wales. Each of the partners holds a 50% share of the capital of A$ 20 million. In April 1983 the joint venture will start business in Sydney under the name of European Asian of Australia Ltd.

The total staff of the Bank increased by 95 to 1,277 during the past year. Our training and educational programmes are systematically geared to the need to continuously adjust our services to market requirements. Again in 1982 we owed our Bank's success to the skills and commitment of our employees. Our special recognition and gratitude are due to them. Co-operation with staff representative bodies continued in an atmosphere of trust and constructive teamwork.

The broad international scope of the Bank's operations is reflected in its staff. Training programmes for senior staff members from our Asia-Pacific branches include temporary assignment to our Hamburg Head Office. Shown here are Eurasbankers from Indonesia, Pakistan and Germany discussing solutions to corporate finance needs. From the left: Caroline Patuwo, Jakarta Branch; Amin-ur-Rehman Khan, Karachi Branch; Erika Bellstedt, Bernd Ulrich Timm, Lutz-Henning Pabst, Hamburg Head Office; and Budhy G. W. Budhyarto, Jakarta Branch.

Notes on the Statement of Accounts for the Year

BALANCE SHEET

Liquidity

The cash reserve – cash in hand, balances with the Deutsche Bundesbank, foreign central banks and on postal cheque accounts – increased from DM 129.0 million to DM 154.9 million. Balances with the Deutsche Bundesbank and foreign central banks rose to DM 151.1 million.

The sum of liabilities to credit institutions and other creditors, including own acceptances in circulation and sundry liabilities, amounted to DM 5,823.4 million (DM 4,872.2 million last year). The relation of the cash reserve to this figure *(cash liquidity ratio)* was 2.7% (2.7% last year).

Total liquid funds – cash reserve, cheques on other banks, matured bonds, interest and dividend coupons, as well as items received for collection, bills rediscountable at the Bundesbank, demand claims on credit institutions, Treasury bills and non-interest-bearing Treasury bonds, bonds and debt instruments eligible as collateral for Bundesbank or foreign central bank advances – increased from DM 607.2 million to DM 835.1 million. The proportion of liabilities covered by liquid funds *(total liquidity)* was 14.3% (12.5% last year).

Securities

Treasury bills and non-interest-bearing Treasury bonds and debt instruments increased in total by DM 155.3 million. They served mainly to meet capital and liquidity regulations applicable to the Bank in Germany and in its various branch countries.

Securities with a face value of DM 106.1 million (DM 78.4 million last year) as well as DM 0.2 million of equalisation claims were pledged to the Deutsche Bundesbank and DM 6.7 million were sold to the Deutsche Bundesbank under a repurchase agreement.

Total credit extended

The volume of credit grew by DM 1,050.9 million (25.4%). The increase in claims on customers was DM 773.0 million (36.4%) and in discounts DM 117.3 million (35.4%).

The breakdown of the volume of credit as at the end of 1982 and 1981 is given on page 31.

Of bills in hand, DM 60.8 million were eligible for rediscount at the Deutsche Bundesbank. The remainder were, without exception, bills of undoubted quality for which the regulations governing rediscountability at the Bundesbank do not apply as far as they are held by our foreign branches.

Besides the above credits we extended *guarantee facilities and letters of credit* amounting to DM 1,474.1 million to our customers (DM 1,139.6 million last year).

Adjustments and provisions were made for all discernible risks in the lending business.

Trade investments

This item rose by DM 5.1 million to DM 11.5 million, mainly as a result of capital increases of European Asian Finance (HK) Ltd., Hongkong and of European Asian Capital B.V., Amsterdam. The trade investments involve obligations to pay up a maximum of DM 3.5 million and a contingent liability for the obligations of other partners in the Liquiditäts-Konsortialbank GmbH, Frankfurt/Main.

The liabilities for calls on shares, arising from trade investments, amounted to DM 0.3 million.

Volume of credit	– DM millions – End of 1982	End of 1981
Claims on customers		
short and medium term	DM 2,274.1 = 43.9%	DM 1,740.4 = 42.1%
long-term	DM 621.4 = 12.0%	DM 382.1 = 9.3%
	DM 2,895.5 = 55.9%	DM 2,122.5 = 51.4%
Discounts	DM 449.1 = 8.6%	DM 331.8 = 8.0%
Lending to credit institutions	DM 1,839.1 = 35.5%	DM 1,678.5 = 40.6%
Total volume of credit	DM 5,183.7 = 100.0%	DM 4,132.8 = 100.0%

Funds from outside sources	– DM millions – End of 1982	End of 1981
Liabilities to credit institutions		
demand deposits	DM 421.2 = 7.5%	DM 418.6 = 8.7%
term deposits	DM 2,937.4 = 52.1%	DM 2,370.7 = 49.5%
customers' drawings on credits opened at other institutions	DM 2.8 = 0.0%	DM 1.6 = 0.0%
	DM 3,361.4 = 59.6%	DM 2,790.9 = 58.2%
Liabilities to non-bank customers		
demand deposits	DM 418.6 = 7.4%	DM 354.1 = 7.4%
term deposits	DM 1,848.8 = 32.8%	DM 1,639.0 = 34.2%
savings deposits	DM 11.0 = 0.2%	DM 10.0 = 0.2%
	DM 2,278.4 = 40.4%	DM 2,003.1 = 41.8%
Total funds from outside sources	DM 5,639.8 = 100.0%	DM 4,794.0 = 100.0%

Trade investments
with book values exceeding
DM 0.1 million

European Asian Finance (HK) Ltd. (EAF), Hongkong

European Asian Capital B.V., Amsterdam

Export Credit Insurance Corporation of Singapore Ltd., Singapore

Liquiditäts-Konsortialbank GmbH, Frankfurt/Main

Others

AKA Ausfuhrkreditgesellschaft mbH, Frankfurt/Main

Credit Guarantee Corp. Malaysia Berhad, Kuala Lumpur

Deutsch-Indonesische Tabak-Handels-GmbH, Bremen

Deutsch-Indonesische Tabak-Handels-GmbH & Co. KG, Bremen

Society for Worldwide Interbank Financial Telecommunications S.C. (SWIFT), Brussels

European Asian Bank (Hongkong) Nominees Ltd., Hongkong

European Asian Bank (Singapore) Nominees Priv. Ltd., Singapore

European Asian Nominees (Malaysia) Sdn. Bhd., Kuala Lumpur

Gesellschaft zur Finanzierung von Industrieanlagen mbH, Frankfurt/Main

Malaysia Export Credit Insurance Berhad, Kuala Lumpur

Privatdiskont AG, Frankfurt/Main

Fixed assets

The item *land and buildings* increased to DM 4.2 million after additions of DM 0.4 million and ordinary depreciation of DM 0.1 million.

Office furniture and equipment rose to DM 13.6 million, after additions of DM 8.0 million, disposals of DM 0.2 million, ordinary depreciation of DM 3.6 million and special depreciation of DM 0.4 million.

Other asset items

The items *sundry assets* amounting to DM 8.7 million and *transitory items* of DM 6.8 million essentially consist of rental and other security deposits, refundable taxes as well as advance rent payments.

Funds from outside sources

Total funds from outside sources rose by DM 845.8 million (17.6%) to DM 5,639.8 million during the year under review. The proportion of deposits from non-bank customers slightly decreased.

An analysis of developments in funds from outside sources during 1982 is given on page 31.

Own acceptances and promissory notes in circulation rose by DM 104.7 million to DM 180.3 million. The amount includes mainly acceptance credits of our foreign branches to finance customer credits in accordance with foreign money market practices.

Provision for special purposes

Provisions for pensions were increased by DM 0.2 million in accordance with the actuarial computation based upon the changed provisions in article 6 a item 3 of the German Income Tax Law.

Other provisions shown at DM 58.9 million (DM 55.1 million last year) include, besides provisions for tax and other liabilities of uncertain magnitude, that part of the statutory general provision for credit losses which cannot be offset against asset items.

Other liability items

Sundry liabilities amounting to DM 3.3 million and *transitory items* totalling DM 3.2 million cover liabilities outside the banking business such as sundry accounts payable, payroll taxes, social security contributions and rent, commission and interest payments received in advance.

The special items including reserves were written back in accordance with the Developing Countries Tax Law by DM 0.7 million to DM 8.5 million.

Contingent liabilities

Endorsement liabilities on rediscounted bills rose by DM 85.9 million to DM 193.7 million.

Liabilities arising from guarantees given, bills of exchange, cheques guaranteed and warranty contracts increased by DM 334.5 million to DM 1,474.1 million.

PROFIT AND LOSS ACCOUNT

Earnings from the volume of business

Interest revenue from lending and money market transactions and current revenue from securities increased from DM 692.3 million to DM 712.7 million. Against this revenue was *interest and similar expense* of DM 563.3 million (DM 574.7 million last year). This development reflects lower interest levels for various currencies. The net interest income, which increased to DM 149.4 million, was – on translation into DM – adversely affected by the weakening of major operating currencies of the foreign branches.

Earnings from services

Net commissions and other revenue from service transactions rose by DM 6.4 million to DM 38.8 million.

Other revenue

Other revenue, shown at DM 2.3 million, *including that from the writing back of provisions for possible loan losses,* is compensated in accordance with the relevant regulations by the depreciation and adjustments on claims and securities and allocations to provisions for possible loan losses. This also includes revenue from rentals and taxes repaid in respect of previous years.

Depreciation and adjustments on claims and securities, and allocations to provisions for possible loan losses

The amounts set aside for existing and potential risks in the loan business were considerably higher than the corresponding figures for the previous year. Additionally, measures were taken to strengthen the Bank's overall reserve position.

Staff and other administrative expense

Staff expense rose by DM 8.2 million to DM 45.5 million (22.0%) due to additional staff in connection with the further expansion of the Bank as well as both collectively agreed and voluntary increases in payments. The number of employees grew by 95 to 1,277 in 1982.

Expenditure on material for the banking business increased from DM 19.6 million to DM 27.3 million (39.3%).

Taxes

Taxes on income, earnings and property increased by DM 6.4 million to DM 39.8 million.

Other taxes amounting to DM 2.5 million include turnover tax on interest levied in foreign countries.

Remaining expense

Total remuneration of the Board of Managing Directors amounted to DM 771,080.10.

Payments to former members of the Board of Managing Directors or their surviving dependants aggregated DM 203,140.08.

Emoluments of the Supervisory Board – including fixed payments and those subject to the annual dividend paid – totalled DM 138,900.

Proposed appropriation of profits

The profit and loss account for the Bank shows:

Revenue	DM 758.1 million
Expense	DM 743.4 million
Year's net earnings	DM 14.7 million
Disposable profit	DM 14.7 million

It will be proposed to the shareholders that the disposable profit of DM 14.7 million be used to pay a dividend of 10% on the share capital of DM 147.0 million. In view of the tax credit resulting from the German Corporate Tax Law, this represents an increase to 15.6% in the total yield for shareholders.

Hamburg, February 1983

THE BOARD OF MANAGING DIRECTORS

Report of the Supervisory Board

During the course of the year the Supervisory Board was kept regularly informed at numerous discussions and meetings about the development of the Bank's business, as well as its liquidity and profitability situation.

Matters which by law and under the Bank's Articles of Association require the approval of the Supervisory Board were duly submitted to us and discussed with the Board of Managing Directors. Substantial transactions, principally major loans, were regularly discussed with the Board of Managing Directors.

The Report and Accounts for the year ending December 31, 1982, as well as the Bank's books, have been audited by TREUVERKEHR AG Wirtschaftsprüfungsgesellschaft – Steuerberatungsgesellschaft, Frankfurt/Main, the auditors appointed by the Annual General Meeting, and were found to satisfy the statutory requirements as well as to conform with the Bank's Articles of Association. The Supervisory Board has approved the auditors' report which contains no qualifications.

The Supervisory Board has received the Report and Accounts together with the proposed appropriation of profits and has raised no objections.

The Supervisory Board has approved the Accounts presented to it by the Board of Managing Directors and they are thus confirmed. The Supervisory Board also consents to the Board of Managing Directors' proposals concerning the appropriation of profits.

Hamburg, March 1983

THE SUPERVISORY BOARD

Chairman

Balance Sheet
as at December 31, 1982

Profit and Loss Account
for the period from January 1 to December 31, 1982

European Asian Bank AKTIENGESELLSCHAFT

ASSETS

	DM	DM	31. 12. 1981 in DM 1,000
Cash in hand		3,627,796.78	5,669
Balances with the Deutsche Bundesbank		58,211,303.94	65,052
Balances with foreign Central Banks		92,941,519.85	58,120
Balances on postal cheque accounts		139,665.21	159
Cheques on other banks, matured bonds, interest and dividend coupons, and items received for collection		2,047,399.81	1,033
Bills discounted		255,397,048.87	223,977
including: a) rediscountable at the Deutsche Bundesbank DM 60,848,617.38			
b) own drawings DM 1,663,801.—			
Claims on credit institutions			
a) payable on demand	218,482,344.05		204,395
b) with agreed life, or subject to agreed period of notice, of			
ba) less than three months	384,876,469.82		602,860
bb) at least three months, but less than four years	1,786,173,423.84		1,622,938
bc) four years or longer	52,882,202.34		55,537
		2,442,414,440.05	2,485,730
Treasury bills and non-interest-bearing Treasury bonds			
a) of the Federal Republic and the State Governments	—.—		—
b) others	30,147,817.43	30,147,817.43	45,732
Bonds and debt instruments			
a) with a life of up to four years			
aa) of the Federal Republic and the State Governments DM —.—			—
ab) of credit institutions DM 15,197,403.34			35,812
ac) others DM 23,852,340.78	39,049,744.12		23,453
including: eligible as collateral for Bundesbank advances DM 5,277,600.—			
foreign Central Bank advances DM 33,772,144.12			
b) with a life of more than four years			
ba) of the Federal Republic and the State Governments DM 67,909,500.—			27,602
bb) of credit institutions DM 211,173,882.84			102,405
bc) others DM 69,878,157.49	348,961,540.33		27,796
		388,011,284.45	217,068
including: eligible as collateral for Bundesbank advances DM 117,640,307.07			
foreign Central Bank advances DM 211,968,638.24			
Securities, so far as they have not to be included in other items			
a) shares marketable on a stock exchange and investment fund certificates	1,222,719.58		3,053
b) other securities	—.—		–
		1,222,719.58	3,053
including: holdings of more than one tenth of the shares in a joint stock corporation or mining company, excluding investments in subsidiaries and associated companies DM —.—			
Claims on customers with agreed life, or subject to agreed period of notice, of			
a) less than four years	2,274,135,624.74		1,740,376
b) four years or longer	621,429,783.19		382,093
		2,895,565,407.93	2,122,469
including:			
ba) secured by mortgages on real estate DM 1,305,486.06			
bb) communal loans DM 1,813,072.—			
Equalisation Claims on Federal and State authorities under the Currency Reform Laws of 1948		183,663.59	191
Loans on a trust basis at third party risk		120,000.—	–
Trade investments		11,529,437.—	6,362
including: in credit institutions DM 11,217,384.95			
Land and buildings		4,203,635.38	3,976
Office furniture and equipment		13.647,787.71	9,917
Sundry assets		8,741,041.08	4,527
Transitory items		6,777,522.14	3,913
TOTAL ASSETS		6,214,929,490.80	5,256,948

The assets and the rights of recourse in respect of the liabilities shown below the liabilities side include		
a) claims on associated companies	103,109,458.35	81,672
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)	19,367,722.32	14,139

BALANCE SHEET as at December 31, 1982

LIABILITIES

	DM	DM	DM	31. 12. 1981 in DM 1,000
Liabilities to credit institutions				
a) payable on demand		421,196,725.34		418,566
b) with agreed life, or subject to agreed period of notice, of				
ba) less than three months	651,732,204.42			622,497
bb) at least three months, but less than four years	1,851,108,682.84			1,520,006
bc) four years or longer	434,548,110.44	2,937,388,997.70		228,227
including: due in less than four years DM 1,225,348.63				
c) customers' drawings on credits opened at other institutions		2,791,290.63		1,639
			3,361,377,013.67	2,790,935
Banking liabilities to other creditors				
a) payable on demand		418,527,438.73		354,101
b) with agreed life, or subject to agreed period of notice, of				
ba) less than three months	713,375,257.58			597,810
bb) at least three months, but less than four years	892,271,162.16			840,464
bc) four years or longer	243,147,187.22	1,848,793,606.96		200,728
including: due in less than four years DM 82,651,729.73				·
c) savings deposits				
ca) subject to legal period of notice	3,803,866.70			3,223
cb) others	7,238,251.30	11,042,118.—		6,751
			2,278,363,163.69	2,003,077
Own acceptances and promissory notes in circulation			180,348,773.90	75,647
Loans on a trust basis at third party risk			120,000.—	–
Provisions for special purposes				
a) for pensions		6,455,162.—		6,241
b) others		58,925,108.93		55,093
			65,380,270.93	61,334
Sundry liabilities			3,290,090.59	2,528
Transitory items			3,238,041.02	2,056
Special items including reserves in accordance with the Developing Countries Tax Law			8,511,337.—	9,170
Capital			147,000,000.—	147,000
Published reserves				
a) statutory reserve fund		148,500,800.—		148,501
b) other reserves		4,100,000.—		4,100
			152,600,800.—	152,601
Disposable profit			14,700,000.—	12,600
TOTAL LIABILITIES			6,214,929,490.80	5,256,948

Own drawings in circulation	238,014,659.39	106,929
including those discounted for borrowers' account DM —.—		
Endorsement liabilities on rediscounted bills of exchange	193,725,243.91	107,807
Liabilities arising from guarantees of various kinds and warranty contracts	1,474,084,634.92	1,139,606
Savings premiums under the Savings Premium Law	1,517.60	2
Comprised among the liabilities are those (including those shown below the balance sheet) to associated companies	300,620,040.11	143,758

EXPENSE

	DM	DM	1981 in DM 1,000
Interest and similar expense		563,281,907.60	574,666
Commissions and similar expense in respect of service transactions		711,520.86	897
Depreciation and adjustments on claims and securities, and allocations to provisions for possible loan losses		59,652,388.43	42,959
Salaries and wages		38,459,563.34	30,225
Social security contributions		2,616,023.11	2,042
Expenditure on retirement pensions and other benefits		4,454,806.61	4,993
Expenditure on material for the banking business		27,321,980.76	19,637
Depreciation and adjustments on land and buildings, and on office furniture and equipment		4,109,780.44	3,357
Taxes			
a) on income, earnings and property	39,763,456.94		33,385
b) others	2,491,795.81		2,079
		42,255,252.75	35,464
Other expense		545,087.97	1,396
Year's net earnings		14,700,000.—	12,600
TOTAL EXPENSE		758,108,311.87	728,236

Year's net earnings
Taken from published reserves
Allocations from the year's net earnings to published reserves
Disposable profit

In the year under review the Bank effected payment of DM 707,368.62 representing pensions and contributions to the German Bank Officials' Insurance Association in Berlin. The payments to be effected in the next five years will probably reach 105%, 113%, 121%, 126% and 132% of that amount.

Hamburg, February 23, 1983

EUROPEAN ASIAN BANK AG
Board of Managing Directors

Boehm *Korsch* *Woydt*

for the period from January 1 to December 31, 1982

REVENUE

	DM	DM	1981 in DM 1,000
Interest and similar revenue from lending and money market transactions		681,438,059.59	677,158
Current revenue from			
a) fixed-interest securities and debt register claims	31,275,284.23		15,009
b) other securities	21,189.01		92
c) trade investments	21,687.50		15
		31,318,160.74	15,116
Commissions and other revenue from service transactions		39,535,156.39	33,272
Other revenue, including that from the writing back of provisions for possible loan losses		2,281,163.12	1,701
Revenue from the writing back of provisions for special purposes, so far as it has not to be shown under "other revenue"		2,877,340.03	348
Revenue from the writing back of special items including reserves		658,432.—	641
TOTAL REVENUE		758,108,311.87	728,236

DM	1981 in DM 1,000
14,700,000.—	12,600
—.—	—
—.—	—
14,700,000.—	12,600

According to our audit, carried out in accordance with our professional duties, the accounting, the Annual Statement of Accounts and the Report comply with German law and with the Company's Articles of Association.

Hamburg, February 28, 1983

TREUVERKEHR AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Dr. Nebendorf
Wirtschaftsprüfer
(Chartered Accountant)

Brackert
Wirtschaftsprüfer
(Chartered Accountant)

European Asian Bank in Brief

Background

The Hamburg-based European Asian Bank stands in a continuous and independent tradition of banking in Asia which stretches back for nearly a century. In 1972 the Bank was re-established in its present form under the joint ownership of seven of the largest international banks in Europe.

Amsterdam-Rotterdam Bank Netherlands	
Banca Commerciale Italiana Italy	
Creditanstalt-Bankverein Austria	
Deutsche Bank AG Federal Republic of Germany	
Midland Bank plc Britain	
Société Générale de Banque Generale Bankmaatschappij Belgium	
Société Générale France	

Members of ebic (European Banks International)

Affiliates

European Banking Company SA	Brussels
European Banking Company Limited	London
European American Bancorp (EAB)	New York – Chicago – Los Angeles – San Francisco – Miami – Bermuda – Cayman Islands – Nassau (Bahamas) – Panama
European Arab Bank	Brussels – Cairo – Frankfurt – London – Manama (Bahrain)
Euro-Pacific Finance Corporation	Brisbane – Melbourne – Sydney

Services

European Asian Bank is a specialist bank for business in the Asia-Pacific region, operating a branch network which now spans 12 countries from Pakistan to Korea, plus representative offices in Sydney and Tokyo. The Bank provides a wide range of local and international banking services, including:

- local currency financing in

  baht (Thailand)
  Hongkong dollar
  Indian rupee
  Pakistan rupee
  ringgit (Malaysia)
  rupiah (Indonesia)
  Singapore dollar
  Sri Lanka rupee
  New Taiwan dollar
  won (Korea);

- all types of documentary transactions;
- international trade finance;
- money transfers;
- foreign exchange facilities;
- local and foreign currency bonds and guarantees;
- onshore and offshore financing in Asia- and Eurocurrencies;
- medium- and long-term financing for projects in the region, also linked with European and US export finance;
- tailor-made financial schemes adapted to local conditions;
- deposit accounts in local and foreign currencies;
- certificates of deposit (CDs) in local and foreign currencies;
- securities transactions and portfolio management;
- contact and advisory services: international trade contacts, foreign direct investment advice.

In Australia, the Bank's own services are complemented by the Sydney-based European Asian of Australia Limited, a new merchant bank set up jointly with the State Bank of New South Wales.

European Asian Bank *Directory*

Management and Senior Officers – Head Office, Branches and Affiliates

Head Office
European Asian Bank AG
Business address:
Neuer Wall 50
D-2000 Hamburg 36
Postal address:
P.O. Box 10 19 20
D-2000 Hamburg 1
Fed. Rep. of Germany
Tel.: (0 40) 36 14 6-0
Telex: 2 15 224-0 ea d

Board of Managing Directors
Michael Boehm
J. Nikolaus Korsch
Tjark H. Woydt

The Bank's Headquarters in the City of Hamburg.

Corporate Banking
Jan Imbeck
General Manager
Lutz-Henning Pabst
General Manager
Erika Bellstedt
Manager
Holger F. des Coudres
Manager
Rolf Doerges
Manager
Heinz J. Pollender
Manager
Bernd Ulrich Timm
Manager
Hans-Peter Hecker
Senior Asst. Manager
Bernd Lindner
Senior Asst. Manager

International Finance Dept.
John A. Miles
Director
Georges Legros
Asst. Director

Correspondent Banking
Jan Imbeck
General Manager

Treasury
Marcus C. Davison
Treasurer

Investment Advice/ Portfolio Management
Dieter Haarmann
Manager

Legal and Tax Affairs
Dr. Guenther Sattelhak
Counsel
Gunnar Kaul
Asst. Counsel

Economic Research Public Relations
Michael Niss
Manager

Administration
Hermann Schellbach
General Manager
Klaus Hentschel
Senior Asst. Manager
Christa Roehl
Senior Asst. Manager

Personnel
Uwe Rummert
Manager

Accounting and Control
Gunnar Kruse
Chief Accountant and Controller
Heinrich Wende
Senior Asst. Manager

Internal Audit
Peter Palmer-Barnes
Inspector
Erich Steen
Senior Asst. Manager

Hamburg Branch
European Asian Bank AG
Hamburg Branch
Business address:
Neuer Wall 50
D-2000 Hamburg 36
Postal address:
P. O. Box 10 19 20
D-2000 Hamburg 1
Fed. Rep. of Germany
Tel.: (0 40) 36 14 6-0
(0 40) 37 20 91 (forex)
Telex: 2 15 224-0 ea d
2 163 235 eur d (forex)
Manager:
Reinhold Hippel
Manager – Loans:
Peter Lang
Manager – Operations:
Heinz-Georg Moschkau
Senior Asst. Manager:
Peter Ruge
Senior Asst. Manager:
Helmut Fleischer
Senior Asst. Manager:
Juergen Jesse

Foreign Exchange/ Money Market Operations
Detlef Keitsch
Manager
Gerd Rollar
Senior Asst. Manager

HONGKONG

European Asian Bank
Hongkong Branch
– Main Office –
New World Tower
16–18 Queen's Road C.
G.P.O. Box 3193
Hongkong
Tel.: 5-26 31 51, 5-24 93 55
5-26 30 60 (forex)
Telex: 73 498 euras hx
65 355 euras hx (forex)

Aberdeen Sub-Branch
Tel.: 5-54 64 27

Hung Hom Sub-Branch
Tel.: 3-63 93 52

Kwai Chung Sub-Branch
Tel.: 0-28 34 11

Kwun Tong Sub-Branch
Tel.: 3-41 13 84

Mongkok Sub-Branch
Tel.: 3-81 53 94

San Po Kong Sub-Branch
Tel.: 3-27 81 91

Telford Gardens Sub-Branch
Tel.: 3-757 16 11

Tsimshatsui Sub-Branch
Tel.: 3-66 43 57

Joint Chief Managers:
Horst Kaiser
Juergen L. von Schlabrendorff
Manager: Frederick Leung Un
Manager – Loans: Michael Jones
Manager – Foreign Exchange:
Jochem W. Rollar
Manager – Sub-Branches: Hau Hin Law

Regional Treasurer: Manfred Schauer

Affiliate
European Asian Finance (HK) Ltd.
New World Tower
16–18 Queen's Road C.
Hongkong
Tel.: 5-25 91 02
Telex: 63 841 eafhk hx
73 498 euras hx
Managing Director:
Michael Hanson-Lawson
Managers:
Christopher Howe
Rogers D. LeBaron

INDIA

European Asian Bank
Bombay Branch
Tulsiani Chambers
Post Bag 9995
Nariman Point
Bombay-400 021
Tel.: 22 32 62
Telex: 11 4042 eura in
Manager: Douglas T. Neilson
Manager – Operations & Marketing:
Harkirat Singh

International Finance Group
for South Asia
Regional Director: Udayan Bose
Project Manager: Vijay V. Meghani

INDONESIA

European Asian Bank
Jakarta Branch
Eurasbank Building
80 Jl. Imam Bonjol
P.O. Box 135
Jakarta
Tel.: 33 10 92
33 30 35/33 15 02 (forex)
Telex: 44 114 euras ia
45 841 euras ia (forex)
46 513 euras ia (forex)
Manager: Klaus Zeidler
Dep. Managers:
Budhy G. W. Budhyarto
Heinz Poehlsen
Manager – Operations:
Archibald B. Davidson
Asst. Managers – Loans:
Mohammad D. Achberia
Gunawan Hutauruk
Asst. Manager – Accounting:
Rasidjah Djunaedi

JAPAN

European Asian Bank
Tokyo Representative Office
Business address:
Toranomon Mori Building No. 30
2-2 Toranomon 3-chome
Minato-ku
Tokyo 105
Postal address:
C.P.O. Box 577
Tokyo 100-91
Tel.: (03) 434-2641
Telex: j 23 860 eurastyo
Representative: Keith C. Barnes

KOREA

European Asian Bank
Seoul Branch
51-1 Namchang-Dong
Chung-Ku
C.P.O. Box 8904
Seoul 100
Tel.: 754-3071
777-9010 (forex)
Telex: 26 353 euras k
25 999 euras k (forex)
Manager: Kevin H. Cain
Dep. Manager: Edgar Heider
Senior Asst. Manager – Loans:
Kun Il, Chung

MACAU

European Asian Bank
Macau Branch
(to be opened in 1983)

MALAYSIA

European Asian Bank
Kuala Lumpur Branch
Yee Seng Building
15 Jalan Raja Chulan
P.O. Box 2211
Kuala Lumpur
Tel.: 22 94 55, 20 68 11
20 16 81 (forex)
Telex: euras ma 30 464
euras ma 31 071 (forex)
Manager: Gerd Riedel
Senior Asst. Manager – Internal:
Cheah Yoke Loong
Senior Asst. Manager – Loans:
Wong Ah Meng

PAKISTAN

European Asian Bank
Karachi Branch
Unitowers
I. I. Chundrigar Road
P.O. Box 4925
Karachi
Tel.: 22 86 11-13
22 14 03, 20 19 52
Telex: 2862 eur pk
Manager: Jost E. C. Hildebrandt
Dep. Manager: Amin-ur-Rehman Khan
Manager – Foreign Dept.:
Irudiyanadan N. Francis
Manager – Customer Services:
Dhunji P. Randeria

European Asian Bank
Lahore Branch
Mall View Plaza
Bank Square
Lahore
Tel.: 52 889, 52 971, 53 061
Telex: 44 387 eurl pk
Manager: Qamar Khan

PHILIPPINES

European Asian Bank
Manila Offshore Branch
17th Floor, Filinvest Financial Center
8753 Paseo de Roxas
MCC P.O. Box 2286
Makati, Metro Manila
Tel.: 817 29 61
817 28 61 (forex)
Telex: 63 625 euras pn
63 931 euras pn (forex)
Manager: Eric D. C. Thomson
Dep. Manager: Johnny S. Lim

SINGAPORE

European Asian Bank
Singapore Branch
Business address:
50 Raffles Place
Singapore 0104
Postal address:
Maxwell Road P.O. Box 3941
Singapore 9059
Tel.: 224 46 77
224 41 44 (forex)
Telex: rs 21 189 euras
rs 21 190 euras (forex)
Joint General Managers:
Hans-Martin Konrad
Juergen R. Zieler
Dep. Manager: Hin Guan Bobby Teo
Manager – Loans: Andreas Veith
Manager – Foreign Exchange:
Leng-Kok Steven Tan
Manager – Operations:
Nicolaas S. A. Luijten

International Finance Singapore
Regional Director: Edward W. Coll

SRI LANKA

European Asian Bank
Colombo Branch
90 Union Place
P.O. Box 314
Colombo 2
Tel.: 54 70 62-67
54 80 60 (forex)
Telex: 21 506 euras ce
Manager: Bernard Houtekier
Manager – Operations: Viggo Ruf

TAIWAN

European Asian Bank
Taipei Branch
180 Chung Hsiao East Road
Sec. 4
P.O. Box 87-340
Taipei
Tel.: 772-25 80-89
Telex: 23 748 eurastpi
10 614 eurasfx (forex)
Manager: David Black
Dep. Manager: Santiago S. Cua, Jr.
Manager – Operations: Bernd Sperber
Manager – Loans: Weih Heng Chang
Manager – Foreign Dept.:
Huan Chang Chen

THAILAND

European Asian Bank
Bangkok Branch
28/1 Surasak Road
G.P.O. Box 1237
Bangkok – 10500
Tel.: 233-86 60-67
233-86 68 (forex)
Telex: 87 949 euras th
87 950 euras th
Manager: Rainer Mueller
Dep. Manager: Patrick D. O'Brien
Manager – Operations: Fried Schroeder

AUSTRALIA & NEW ZEALAND

European Asian Bank
Representative Office for
Australia and New Zealand
Business address:
12th Floor, 20 Martin Place
Sydney, New South Wales 2000
Postal address:
Box 3364 G.P.O.
Sydney, New South Wales 2001
Tel.: 241 38 67
Telex: eur aa 71 199
Senior Representative: D. M. R. (Ray) Payne
Representative: J. (Jan) Marth

Affiliate
European Asian of Australia Ltd.
Business address:
19th Level, Trans City House
15 Castlereagh Street
Sydney, New South Wales 2000
Postal address:
Box 545 G.P.O.
Sydney, New South Wales 2001
Tel.: 235 13 11
Telex: eaal aa 74 374
General Manager: Frederick J. A. Brown
Dep. General Manager:
Gerry J. van Wyngen
Manager – Loans: Erdmann Vogt

European Asian Bank