

**Fourth Supplement dated 11 December 2014
to the Base Prospectus dated 20 February 2014**

*This document constitutes a supplement (the "**Fourth Supplement**") which has been drawn up in accordance with Sec. 16 paragraphs 1 and 2 of the German Securities Prospectus Act (Wertpapierprospektgesetz – WpPG) (the "**German Securities Prospectus Act**") which implements Directive 2003/71/EC of the European Parliament as amended by Directive 2010/73/EU of the Council of 4 November 2003 (the "**Prospectus Directive**") into German law.*

*This Supplement is supplemental to and must be read in conjunction with the base prospectus of IKB Deutsche Industriebank Aktiengesellschaft ("**IKB AG**" or the "**Issuer**" or, together with its consolidated subsidiaries and special-purpose entities, "**IKB**") dated 20 February 2014 (as supplemented by the first supplement to the base prospectus dated 7 March 2014 (the "**First Supplement**"), the second supplement to the base prospectus dated 26 March 2014 (the "**Second Supplement**") and the third supplement to the base prospectus dated 24 June 2014 (the "**Third Supplement**"), the "**Base Prospectus**") and prepared in connection with the Issuer's Debt Issuance Programme (the "**Programme**").*



IKB Deutsche Industriebank Aktiengesellschaft

(incorporated as a stock corporation under the laws of the Federal Republic of Germany)

The Issuer has requested the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") to provide the competent authorities in the Grand Duchy of Luxembourg, the Republic of Austria and the United Kingdom of Great Britain and Northern Ireland within one day after approval of this Fourth Supplement that this Fourth Supplement has been granted a certificate of approval attesting that the Fourth Supplement has been drawn up in accordance with the German Securities Prospectus Act (the "**Notification**"). The Issuer may request the BaFin to provide the competent authorities in additional host Member States within the European Economic Area with a Notification.

This Fourth Supplement will be published in electronic form on the website of the Issuer (www.ikb.de).

Right to withdraw

On 28 November 2014, IKB published its 6–Month Report 2014/2015 (binding German language and non-binding English language translation thereof). Due to this significant new fact within the meaning of Sec. 16 paragraph 1 German Securities Prospectus Act the Base Prospectus shall be supplemented by this Fourth Supplement.

Furthermore, in connection with this Fourth Supplement, the Base Prospectus shall be supplemented by certain other information (as further described in this Fourth Supplement).

In accordance with Sec. 16 paragraph 3 of the German Securities Prospectus Act, where the Base Prospectus relates to an offer of notes to the public, investors who have already agreed to purchase or subscribe for notes before this Fourth Supplement is published have the right, exercisable within a time limit of two working days after the publication of this Fourth Supplement, to withdraw their acceptances *provided that* the new factor, mistake or inaccuracy referred to in Sec. 16 paragraph 1 of the German Securities Prospectus Act arose before the final closing of the offer to the public and the delivery of the notes.

Withdrawals should be sent to IKB Deutsche Industriebank AG, CTO-11, Wilhelm-Bötzkes-Straße 1, 40474 Düsseldorf, Germany.

RESPONSIBILITY STATEMENT PURSUANT TO SEC. 5 PARAGRAPH 4 GERMAN SECURITIES PROSPECTUS ACT

IKB AG with its registered office in Düsseldorf is solely responsible for the information given in this Fourth Supplement. The Issuer hereby declares that the information contained in this Fourth Supplement is, to the best of its knowledge, in accordance with the facts and no material circumstances have been omitted.

IMPORTANT NOTICE

Terms defined or otherwise attributed meanings in the Base Prospectus have the same meaning when used in this Fourth Supplement.

This Fourth Supplement shall only be distributed in connection with the Base Prospectus.

The Issuer hereby confirms that the Base Prospectus (as supplemented by this Fourth Supplement) contains all information which is material in the context of the Programme and the issue and offering of notes thereunder, that the information contained therein is accurate in all material respects and is not misleading; that there are no other facts, the omission of which would make the Base Prospectus (as supplemented by this Fourth Supplement) as a whole or any such information misleading in any material respect and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained therein.

No person has been authorised to give any information which is not contained in or not consistent with the Base Prospectus or this Fourth Supplement or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorised by the Issuer.

This Fourth Supplement and the Base Prospectus together constitute one prospectus for the purpose of the Prospectus Directive, and should be read, in connection with a particular issue of or tranche of notes under the Base Prospectus, together and in conjunction with any applicable final terms.

Save as disclosed herein, there has been no other significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus since the date of this Fourth Supplement.

Supplemental and replacement information pertaining to the Base Prospectus

I. Supplemental and replacement information pertaining to the Section "A.1. ENGLISH VERSION OF SUMMARY":

1. In Element B.12 "Selected Historical Key Financial Information" and under the sub-heading "Summary of Selected Financial Information" the first paragraph shall be replaced in its entirety as follows:

"Summary of Selected Financial Information

Unless specified otherwise below, the following table sets out the key financial information of IKB in accordance with German Commercial Code (HGB) extracted from the consolidated financial statements as of and for the financial year ended 31 March 2014 and for the financial year ended 31 March 2013 and from the consolidated interim financial statements as of 30 September 2014. The consolidated financial statements of IKB as of and for the financial years ended 31 March 2014 and 31 March 2013 were audited by PricewaterhouseCoopers

Aktiengesellschaft Wirtschaftsprüfungsgesellschaft (PwC) and PwC has issued an unqualified auditors' report in each case.

Consolidated Balance Sheet

in € million	30 Sept. 2014 (unaudited)	30 Sept. 2013 (unaudited)	31 Mar. 2014	31 Mar. 2013	31 Mar. 2012
Assets					
Cash reserve	16.3	23.6	22.2	86.9	19.0
Receivables from banks	2,179.6	2,031.3	2,235.4	2,219.2	2,579.6
Receivables from customers	11,510.2	13,366.5	12,263.2	14,707.1	16,044.6
Bonds and other fixed-income securities	7,778.4	7,623.5	7,506.6	7,855.1	10,578.0
Equities and other non-fixed-income securities	566.4	494.8	567.8	496.7	1,125.0
Assets held for trading	304.6	254.1	318.1	265.9	222.4
Equity investments	25.1	24.8	25.4	26.8	37.7
Investments in associates	12.7	11.3	45.0	15.0	18.8
Investments in affiliated companies	2.2	12.6	2.3	2.1	2.3
Assets held in trust	-	-	-	0.3	0.9
Lease assets	1,089.2	1,280.6	1,170.1	1,365.3	1,411.0
Intangible assets	12.9	16.3	15.2	19.0	17.5
Tangible assets	25.4	11.1	26.0	12.8	15.4
Other assets	105.9	234.9	130.5	285.2	266.9
Prepaid expenses	108.5	105.9	121.7	71.9	48.6
Deferred tax assets	248.0	230.8	248.8	148.2	152.0
Excess of plan assets over post-employment benefit liability	37.2	32.9	33.2	39.9	30.6
Total assets	24,022.6	25,755.0	24,731.5	27,617.4	32,570.3

Some totals may be subject to discrepancies due to rounding differences.

in € million	30 Sept. 2014 (unaudited)	30 Sept. 2013 (unaudited)	31 Mar. 2014	31 Mar. 2013	31 Mar. 2012
Equity and liabilities					
Liabilities to banks	9,718.4	11,427.7	10,169.1	11,863.1	13,209.2
Liabilities to customers	9,310.9	9,893.2	9,629.5	10,881.5	10,020.9
Securitised liabilities	1,274.2	800.7	1,071.9	987.1	5,352.2
Liabilities held for trading	306.4	269.9	333.9	242.1	138.9
Liabilities held in trust	-	-	-	0.3	0.9
Other liabilities	367.8	545.8	552.2	511.3	488.7
Deferred income	144.5	177.0	154.2	145.8	150.2
Provisions	264.8	372.8	260.5	457.5	421.9
Subordinated liabilities	974.2	978.7	971.3	1,373.6	1,471.9
Profit participation capital	32.2	32.2	32.2	32.2	35.8
Fund for general banking risks	574.0	298.6	574.0	170.8	189.7
thereof: trading-related special reserve according to section 340e(4) HGB	0.9	0.2	0.9	0.2	0.1
Equity	1,055.2	958.4	982.7	952.1	1,090.0
Total equity and liabilities	24,022.6	25,755.0	24,731.5	27,617.4	32,570.3
Contingent liabilities	1,849.4	1,740.8	1,602.0	1,486.1	986.3
Other obligations	778.5	993.7	822.0	1,211.0	1,609.8

Some totals may be subject to discrepancies due to rounding differences.

Consolidated Income Statement

in € million	1 Apr. – 30 Sept. 2014 (unaudited)	1 Apr. – 30 Sept. 2013 (unaudited)	2013/14	2012/13	2011/12
Expenses					
Lease expenses	-100.6	-94.0	-205	-179.0	-160.0
Interest expenses	-495.0	-555.5	-1,073.9	-1,669.5	-2,134.9
Commission expenses	-5.3	-6.6	-13.0	-42.8	-112.8
Net trading results	-	-	-	-	-
General administrative expenses	-148.6	-134.1	-274.7	-293.9	-292.1
Depreciation and write downs of intangible and tangible assets	-183.1	-205.6	-402.5	-423.1	-418.8

a) on leasing assets	-178.2		-200.2	-413.0	-408.9
b) on intangible and tangible assets	-4.9		-5.4	-10.1	-9.9
Other operating expenses	-50.2	-262.3	-302.1	-564.5	-104.2
Expenses for the addition to the fund for general banking risks	-	-127.8	-402.5	-	-
Depreciation and write-downs of receivables, specific securities and additions to loan loss provisions	-23.8	-59.0	-87.5	-70.6	-16.0
Depreciation and write downs of equity investments, investments in affiliated companies and long-term investments	-14.8	-7.8	-40.3	-47.7	-316.5
Extraordinary expenses	-2.3	-2.3	-4.8	-11.6	-17.6
Income taxes	-15.4	111.2	134.7	-4.1	-5.2
Other taxes not reported under "Other operating expenses"	-0.8	-0.9	-2.1	-1.9	-2.7
Net income for the year	-72.7	-7.5	-32.2	-	-
Total expenses	-1,112.6	-1,352.2	-2,705.9	-3,308.7	-3,580.9

Some totals may be subject to discrepancies due to rounding differences.

in € million	1 Apr. – 30 Sept. 2014 (unaudited)	1 Apr. – 30 Sept. 2013 (unaudited)	2013/14	2012/13	2011/12
Income					
Lease income	313.3	336.9	679.9	686.6	661.5
Interest income	579.6	650.3	1,279.5	1,725.1	2,247.6
Current income	11.9	2.2	21.5	60.3	6.1
Commission income	22.1	21.0	42.0	47.8	54.3
Net trading results	1.6	4.8	5.9	1.2	0.7
Income from reversals of write-downs of equity investments, investments in affiliated companies and long-term investment securities	115.3	69.1	187.6	156.8	54.5
Other operating income	67.7	267.9	487.7	465.5	130.8
Income from the reversal of the fund for general banking risks	-	-	-	19.0	-
Extraordinary income	1.1	-	1.8	3.3	1.3
Income from assumption of losses	-	-	-	0.1	-
Net loss for the year	-	-	-	143.0	424.1
Total income	1,112.6	1,352.2	2,705.9	3,308.7	3,580.9
Net income for the year	72.7	7.5	32.2	-143.0	-424.1
Loss carryforward from the previous year	-2,376.2	-2,408.4	-2,408.4	-2,290.8	-1,880.4
Withdrawals from revenue reserves	-	-	-	21.9	-
Withdrawals from profit participation capital	-	-	-	3.6	13.1
Withdrawals from silent partnership contributions	-	-	-	-	0.6
Net accumulated losses	-2,303.4	-2,400.9	-2,376.2	-2,408.4	-2,290.8

Some totals may be subject to discrepancies due to rounding differences.

Consolidated Cash Flow Statement

in € million	2013/14	2012/13	2011/12
Cash flow from operating activities	34.5	-562.2	601.6
Cash flow from investing activities	303.1	727.9	-661.3
Cash flow from financing activities	-402.3	-98.1	-6.1
Cash funds at beginning of period	86.9	19.0	84.8
Cash funds at end of period	22.2	86.9	19.0

Some totals may be subject to discrepancies due to rounding differences.

Summary of Regulatory Indicators

Pursuant to the requirements of Basel III, the regulatory indicators of IKB are as follows:

in € million	30. Sept. 2014 ¹⁾ (unaudited)	31 Mar. 2014 ¹⁾	1 Jan. 2014 ²⁾
Total risk-weighted assets (RWA)	13,459	14,069	14,327

Own funds	2,337	2,271	2,181
CET 1 ratio in %	11.4	10.4	9.4
T 1 ratio in %	14.2	12.9	11.9
Own funds ratio in %	17.4	16.1	15.2

Some totals may be subject to discrepancies due to rounding differences.

1) All figures after approval of the accounts and taking into consideration the phase-in and phase-out provisions of the CRR for 2014.

2) The figures as at 1 January 2014 are based on a statement of reconciliation from the old legal situation in accordance with the old version of the German Solvency Regulation (SolV) to the new regulations in accordance with CRR.

*The relevant numbers are extracted from the combined management report (Lagebericht) in the annual report (Geschäftsbericht) 2013/2014.

2. In Element B.12 "Material adverse change in the prospects of the Issuer" the only paragraph shall be replaced in its entirety as follows:

"There has been no material adverse change in the prospects of IKB AG that has occurred since the date of the last audited consolidated financial statements as at and for the fiscal year ending 31 March 2014."

3. In Element B.12 "Significant change in the financial or trading position" the only paragraph shall be replaced in its entirety as follows:

"On 23 October 2013, IKB was added to the list of banks which will participate in the comprehensive assessment ("CA") of the European Central Bank ("ECB"). As a benchmark for the asset quality review ("AQR"), which is part of the comprehensive assessment, the ECB determined the minimum ratio for the Common Equity Tier 1 capital to be 8%. The ECB's aim was to conduct a rigorous investigation of banks' balance sheets before it assumed responsibility for uniform banking supervision in the Eurozone on 4 November 2014.

On 26 October 2014 the ECB published the final results of its CA. IKB successfully passed the CA and more than fulfilled the capital requirements for the AQR, the baseline scenario and the adverse scenario of the stress test on the basis of the common equity tier 1 capital (CET 1) available as at 31 December 2013. Furthermore, IKB in the meantime has increased its CET 1 capital by more than €190 million since 31 December 2013."

4. In Element B.13 "Recent developments which are to a material extent relevant to the evaluation of the Issuer's solvency", the entire section shall be replaced as follows:

"Valin Funds

IKB founded an investment fund by the name of "Valin Mittelstand Senior Debt Fund S.A., SICAV-SIF" on 3 June 2014 and has, as of 30 September 2014, collected capital commitments from investors of a total €450 million. Investors are institutional investors from Germany and abroad with a choice of investing either directly into fund shares or rated debt securities issued by a securitisation vehicle. IKB itself is invested with €23.7 million. The fund's investment objective comprises senior loans for German Mittelstand clients with total revenues of €250 million and more. IKB acts as the fund's investment manager. The fund will start investing shortly.

Participation of IKB in the comprehensive assessment by the European Central Bank

On 26 October 2014, the ECB published the final results of its Europe-wide, multi-stage review of 130 European banks (comprehensive assessment). The ECB's aim was to identify risks and weaknesses at the banks before the single supervisory mechanism for the euro zone came into force on 4 November 2014. Key elements of the comprehensive assessment included an examination of the quality of bank assets as at 31 December 2013 as part of the AQR and a future-oriented stress test to examine banks' resilience in the event of a deterioration of economic conditions. The stress test encompassed two different scenarios. The baseline scenario simulates typical economic developments over a three-year period, while the adverse scenario assumes a serious economic crisis in the euro zone. For the purpose of the AQR, the ECB set a benchmark for common equity tier 1 capital (CET 1) of 8% as at 31 December 2013. For the stress test, the benchmark for the baseline scenario was also 8% for CET 1, while the benchmark for the adverse scenario was 5.5% for CET 1, albeit with a differing capital definition. Both the capital definition and the capital requirements that would result taking into account the pro rata phase-in regulations of the CRR for the three-year analysis horizon were applied in the stress test. The stress test data was adjusted to reflect the results of the AQR in a process known as join-up.

IKB successfully completed the comprehensive assessment. IKB entered the comprehensive assessment with a CET 1 ratio of 9.36% on 31 December 2013. The AQR results led to an adjustment in the CET 1 ratio of 31 basis points to 9.05% for the purpose of the comprehensive assessment. IKB achieved a CET 1 ratio of 8.69% in the baseline scenario and 6.53% in the adverse scenario of the stress test. The results achieved by IKB in the comprehensive assessment mean that even as of 31 December 2013 no capitalisation measures are required.

It should be noted that the methodology applied by the ECB for the purpose of the asset quality review differs from the accounting provisions of the German Commercial Code, in some cases significantly. The methodology on which the AQR is based serves solely to enable the ECB to assess capital resources. IKB examined the results of the AQR for their impact on accounting and came to the conclusion that no adjustments need to be made.

IKB remains under the direct supervision of the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin") and Deutsche Bundesbank even after 4 November 2014 as it has not been classified as a major institution within the meaning of Art. 6 (4) of Regulation (EU) No. 1024/2013 (Single Supervisory Mechanism Regulation).

Compilation of recovery plan according to Sec. 47 et seq. of the German Banking Act (Kreditwesengesetz – "KWG") and the German Circular on Minimum Requirements for the Contents of Recovery Plans for Credit Institutions (Mindestanforderungen an die Ausgestaltung von Sanierungsplänen – "MaSan")

BaFin requested IKB AG to compile a recovery plan according to sec. 47 et seq. KWG and MaSan. The recovery plan is a regulatory requirement which includes, according to the MaSan, a strategic analysis of the corporate structure and business activities, early warning indicators, six stress scenarios, measures to improve capital ratios, risk bearing capacity or liquidity, escalation and information processes regarding the board of managing directors, supervisory board, regulator and has to be updated every year on a regular basis. On 30 July 2014, IKB AG has submitted its recovery plan to BaFin.

Potential sale of IKB

Lone Star is currently in negotiations regarding a potential sale of IKB. The Board of Managing Directors remains open to supporting these plans."

5. In Element B.14 "Description of the Group and the Issuer's position within the Group – Statement of Dependency" the entire section shall be replaced as follows:

"Please see Element B.5.

Not applicable. The Issuer is not dependent on other entities of the IKB Group."

6. In Element B.17 "Rating of the Issuer or its debt securities", under the sub-heading "Rating of the Notes" the only paragraph shall be replaced in its entirety as follows:

"[Not applicable. The Notes have not been rated.]

[The Notes have been rated as follows:[●].]"

7. In Element D.2 "Key information on the key risks that are specific to the Issuer or its industry" under the sub-heading "Risks relating to IKB and its Business" the following sentence shall be added to the end of the last paragraph:

"From January 2017 onwards IKB AG may further be required to withhold U.S. withholding tax in case any foreign pass thru payments are made to a financial institution which is not compliant with the FATCA requirements or to any other person who does not deliver any necessary information, documentation and/or forms required by FATCA."

II. Supplemental and replacement information pertaining to the Section "A.2. GERMAN TRANSLATION OF THE SUMMARY":

1. In Element B.12 "Ausgewählte wesentliche historische Finanzinformationen" and under the sub-heading "Zusammenfassung ausgewählter Finanzinformationen" the first paragraph shall be replaced in its entirety as follows:

"Zusammenfassung ausgewählter Finanzinformationen

Sofern nachstehend nicht anders angegeben, enthält die nachstehende Tabelle die wesentlichen Finanzdaten der IKB nach Handelsgesetzbuch (HGB), die dem Konzernabschluss für das am 31. März 2014 und für das am 31. März 2013 abgeschlossene Geschäftsjahr sowie dem Halbjahreskonzernabschluss zum 30. September 2014 entnommen wurden. Die Konzernabschlüsse der IKB für die am 31. März 2014 und 31. März 2013 abgeschlossenen Geschäftsjahre wurden von der PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft (PwC) geprüft, und PwC hat jeweils einen uneingeschränkten Bestätigungsvermerk erteilt.

Konzernbilanz

in Mio. €	30.09.2014 (ungeprüft)	30.09.2013 (ungeprüft)	31.03.2014	31.03.2013	31.03.2012
Aktivseite					
Barreserve	16,3	23,6	22,2	86,9	19,0
Forderungen an Kreditinstitute	2.179,6	2.031,3	2.235,4	2.219,2	2.579,6
Forderungen an Kunden	11.510,2	13.366,5	12.263,2	14.707,1	16.044,6
Schuldverschreibungen und andere festverzinsliche Wertpapiere	7.778,4	7.623,5	7.506,6	7.855,1	10.578,0
Aktien und andere nicht festverzinsliche Wertpapiere	566,4	494,8	567,8	496,7	1.125,0
Handelsbestand	304,6	254,1	318,1	265,9	222,4
Beteiligungen	25,1	24,8	25,4	26,8	37,7
Anteile an assoziierten Unternehmen	12,7	11,3	45,0	15,0	18,8
Anteile an verbundenen Unternehmen	2,2	12,6	2,3	2,1	2,3
Treuhandvermögen	-	-	-	0,3	0,9
Leasingvermögen	1.089,2	1.280,6	1.170,1	1.365,3	1.411,0
Immaterielle Anlagewerte	12,9	16,3	15,2	19,0	17,5
Sachanlagen	25,4	11,1	26,0	12,8	15,4
Sonstige Vermögensgegenstände	105,9	234,9	130,5	285,2	266,9
Rechnungsabgrenzungsposten	108,5	105,9	121,7	71,9	48,6
Aktive latente Steuern	248,0	230,8	248,8	148,2	152,0
Aktiver Unterschiedsbetrag aus der Vermögensverrechnung	37,2	32,9	33,2	39,9	30,6
Summe der Aktiva	24.022,6	25.755,0	24.731,5	27.617,4	32.570,3

Summendifferenzen sind Rundungsdifferenzen.

in Mio. €	30.09.2014 (ungeprüft)	30.09.2013 (ungeprüft)	31.03.2014	31.03.2013	31.03.2012
Passivseite					
Verbindlichkeiten gegenüber Kreditinstituten	9.718,4	11.427,7	10.169,1	11.863,1	13.209,2
Verbindlichkeiten gegenüber Kunden	9.310,9	9.893,2	9.629,5	10.881,5	10.020,9
Verbriefte Verbindlichkeiten	1.274,2	800,7	1.071,9	987,1	5.352,2
Handelsbestand	306,4	269,9	333,9	242,1	138,9
Treuhandverbindlichkeiten	-	-	-	0,3	0,9
Sonstige Verbindlichkeiten	367,8	545,8	552,2	511,3	488,7
Rückstellungen	264,8	372,8	260,5	457,5	421,9
Nachrangige Verbindlichkeiten	974,2	978,7	971,3	1.373,6	1.471,9
Genussrechtskapital	32,2	32,2	32,2	32,2	35,8
Fonds für allgemeine Bankrisiken	574,0	298,6	574,0	170,8	189,7
davon: Sonderposten nach § 340e Abs. 4 HGB	0,9	0,2	0,9	0,2	0,1
Eigenkapital	1.055,2	958,4	982,7	952,1	1.090,0
Summe der Passiva	24.022,6	25.755,0	24.731,5	27.617,4	32.570,3
Eventualverbindlichkeiten	1.849,4	1.740,8	1.602,0	1.486,1	986,3
Andere Verpflichtungen	778,5	993,7	822,0	1.211,0	1.609,8

Summendifferenzen sind Rundungsdifferenzen.

Konzern-Gewinn- und Verlustrechnung

in Mio. €	01.04.2014- 30.09.2014 (ungeprüft)	01.04.2013- 30.09.2013 (ungeprüft)	2013/14	2012/13	2011/12
Aufwendungen					
Leasingaufwendungen	-100,6	-94,0	-205	-179,0	-160,0
Zinsaufwendungen	-495,0	-555,5	-1.073,9	-1.669,5	-2.134,9
Provisionsaufwendungen	-5,3	-6,6	-13,0	-42,8	-112,8
Nettoaufwand des Handelsbestands	-	-	-	-	-
Allgemeine Verwaltungsaufwendungen	-148,6	-134,1	-274,7	-293,9	-292,1
Abschreibungen und Wertberichtigungen auf immaterielle Anlagewerte und Sachanlagen	-183,1	-205,6	-402,5	-423,1	-418,8
a) auf Leasingvermögen	-178,2	-	-200,2	-413,0	-408,9
b) auf immaterielle Anlagewerte und Sachanlagen	-4,9	-	-5,4	-10,1	-9,9
Sonstige betriebliche Aufwendungen	-50,2	-262,3	-302,1	-564,5	-104,2
Aufwendungen aus der Zuführung zum Fonds für allgemeine Bankrisiken	-	-127,8	-402,5	-	-
Abschreibungen und Wertberichtigungen auf Forderungen und bestimmte Wertpapiere sowie Zuführungen zu Rückstellungen im Kreditgeschäft	-23,8	-59,0	-87,5	-70,6	-16,0
Abschreibungen und Wertberichtigungen auf Beteiligungen, Anteile an verbundenen Unternehmen und wie Anlagevermögen behandelte Wertpapiere	-14,8	-7,8	-40,3	-47,7	-316,5
Außerordentliche Aufwendungen	-2,3	-2,3	-4,8	-11,6	-17,6
Steuern vom Einkommen und vom Ertrag	-15,4	111,2	134,7	-4,1	-5,2
Sonstige Steuern, soweit nicht unter dem Posten "Sonstige betriebliche Aufwendungen" ausgewiesen	-0,8	-0,9	-2,1	-1,9	-2,7
Jahresüberschuss	-72,7	-7,5	-32,2	-	-
Summe der Aufwendungen	-1.112,6	-1.352,2	-2.705,9	-3.308,7	-3.580,9

Summendifferenzen sind Rundungsdifferenzen.

in Mio. €	01.04.2014- 30.09.2014 (ungeprüft)	01.04.2013- 30.09.2013 (ungeprüft)	2013/14	2012/13	2011/12
Erträge					
Leasingerträge	313,3	336,9	679,9	686,6	661,5
Zinserträge	579,6	650,3	1.279,5	1.725,1	2.247,6
Laufende Erträge	11,9	2,2	21,5	60,3	6,1
Provisionserträge	22,1	21,0	42,0	47,8	54,3
Nettoertrag des Handelsbestands	1,6	4,8	5,9	1,2	0,7
Erträge aus Zuschreibungen zu Beteiligungen, Anteilen an verbundenen Unternehmen und wie Anlagevermögen behandelten Wertpapieren	115,3	69,1	187,6	156,8	54,5
Sonstige betriebliche Erträge	67,7	267,9	487,7	465,5	130,8
Erträge aus der Auflösung des Fonds für allgemeine Bankrisiken	-	-	-	19,0	-
Außerordentliche Erträge	1,1	-	1,8	3,3	1,3
Erträge aus Verlustübernahme	-	-	-	0,1	-
Jahresfehlbetrag	-	-	-	143,0	424,1
Summe der Erträge	1.112,6	1.352,2	2.705,9	3.308,7	3.580,9
Jahresüberschuss	72,7	7,5	32,2	-143,0	-424,1
Verlustvortrag aus dem Vorjahr	-2.376,2	-2.408,4	-2.408,4	-2.290,8	-1.880,4
Entnahmen aus Gewinnrücklagen	-	-	-	21,9	-
Entnahmen aus Genussrechtskapital	-	-	-	3,6	13,1
Entnahmen Stille Einlage	-	-	-	-	0,6
Bilanzverlust	-2.303,4	-2.400,9	-2.376,2	-2.408,4	-2.290,8

Summendifferenzen sind Rundungsdifferenzen.

Konzern-Kapitalflussrechnung

in Mio. €	2013/14	2012/13	2011/12
Cashflow aus laufender Geschäftstätigkeit	34,5	-562,2	601,6
Cashflow aus Investitionstätigkeit	303,1	727,9	-661,3
Cashflow aus der Finanzierungstätigkeit	-402,3	-98,1	-6,1
Finanzmittelfonds am Anfang der Periode	86,9	19,0	84,8
Finanzmittelfonds am Ende der Periode	22,2	86,9	19,0

Summendifferenzen sind Rundungsdifferenzen.

Regulatorische Kapitalausstattung

Gemäß den Vorgaben von Basel III ist die regulatorische Kapitalausstattung der IKB wie folgt:

in Mio. €	30.09.2014 ^{1)*} (ungeprüft)	31.03.2014 ^{1)*}	01.01.2014 ^{2)*}
Total risk-weighted assets (RWA)	13.459	14.069	14.327
Own funds	2.337	2.271	2.181
CET 1 ratio in %	11,4	10,4	9,4
T 1 ratio in %	14,2	12,9	11,9
Own funds ratio in %	17,4	16,1	15,2

Summendifferenzen sind Rundungsdifferenzen.

1) Alle Angaben nach Bilanzfeststellung und unter Berücksichtigung der Ein- und Ausphasungsregelungen der CRR des Jahres 2014.

2) Die Werte zum 1. Januar 2014 basieren auf einer Überleitungsrechnung von der alten Rechtslage gemäß SolvV (a.F.) auf die neuen Regularien gemäß CRR.

* Die relevanten Zahlen sind entnommen aus dem zusammengefassten Lagebericht im Geschäftsbericht 2013/2014.

2. In Element B.12 "Wesentliche Verschlechterung der Aussichten der Emittentin" the only paragraph shall be replaced in its entirety as follows:

"Seit dem Datum des letzten Konzernabschlusses für das zum 31. März 2014 endende Geschäftsjahr sind keine wesentlichen Veränderungen in den Aussichten der IKB AG eingetreten."

3. In Element B.12 "Wesentliche Veränderung in der Finanzlage bzw. Handelsposition" the only paragraph shall be replaced in its entirety as follows:

"Am 23. Oktober 2013 wurde die IKB in die Liste der Banken aufgenommen, die an dem Comprehensive Assessment der Europäischen Zentralbank ("EZB") teilnehmen. Als Benchmark für den Asset Quality Review ("AQR"), der Teil des Comprehensive Assessments ("CA") ist, hat die EZB eine Mindestquote von 8% Common Equity Tier 1 Kapital festgelegt. Ziel der EZB war eine rigorose Durchleuchtung der Bankbilanzen, bevor sie ab dem 4. November 2014 die einheitliche Bankenaufsicht im Euro-Raum übernommen hat.

Am 26. Oktober 2014 hat die EZB die Ergebnisse des CA veröffentlicht. Die IKB hat das CA erfolgreich abgeschlossen und die Kapitalanforderungen für das AQR, das Baseline Szenario und das Adverse Szenario des Stress Tests bereits auf der Grundlage des per 31. Dezember 2013 vorhandenen harten Kernkapitals mehr als erfüllt. Darüber hinaus hat die IKB ihr hartes Kernkapital (Common Equity Tier 1 – CET 1) mittlerweile seit dem 31. Dezember 2013 um über 190 Mio. € gesteigert."

4. In Element B.13 "Letzte Entwicklungen, die für die Bewertung der Zahlungsfähigkeit der Emittentin in hohem Maße relevant sind", the entire section shall be replaced as follows:

"Valin Funds

Am 3. Juni 2014 hat die IKB den Investmentfonds Valin Mittelstand Senior Debt Fund S.A., SICAV-SIF, aufgelegt und bis zum 30. September 2014 Kapitalzusagen von Investoren in Höhe von 450 Mio. € erhalten. Investoren sind deutsche und ausländische institutionelle Anleger, die die Wahl haben, direkt in Anteile des Fonds oder in Schuldverschreibungen mit Rating, die von einem konzernfremden Verbriefungsvehikel begeben werden, zu investieren. Die IKB ist mit 23,7 Mio. € investiert. Die Anlagestrategie des Fonds sieht vor, Senior Loans deutscher Mittelstandsunternehmen mit einem Jahresumsatz von mindestens 250 Mio. € für das Portfolio zu erwerben. Die IKB fungiert als Investment Manager. Der Fonds wird seine Investitionstätigkeit in Kürze aufnehmen.

Teilnahme der IKB am Comprehensive Assessment der Europäischen Zentralbank

Die EZB hat am 26. Oktober 2014 die finalen Ergebnisse ihrer europaweiten mehrstufigen Überprüfung von 130 europäischen Banken (Comprehensive Assessment) veröffentlicht. Ziel der EZB war die Aufdeckung von Risiken und Schwachstellen der Banken, bevor sie ab dem 4. November 2014 die einheitliche Bankenaufsicht im Euro-Raum übernimmt. Wesentliche Elemente des Comprehensive Assessments waren die Prüfung der Qualität der zum 31. Dezember 2013 vorhandenen Bankaktiva im Rahmen des AQR sowie ein zukunftsgerichteter Stresstest, der die Widerstandsfähigkeit der Banken unter verschärften Rahmenbedingungen untersuchen sollte. Der Stresstest umfasste zwei unterschiedliche Szenarien. Im Basisszenario (Baseline Scenario) des Stresstests wird ein typischer Konjunkturverlauf über einen Zeitraum von drei Jahren simuliert, während das Stressszenario (Adverse Scenario) von einer schweren Wirtschaftskrise im Euro-Raum ausgeht. Die EZB hat eine Benchmark von 8 % für die harte Kernkapitalquote (CET 1-Quote) für den AQR, bezogen auf den Stichtag 31. Dezember 2013, festgelegt. Für den Stresstest gilt im Baseline Scenario ebenfalls eine Benchmark von 8 % CET 1 und im Adverse Scenario eine Benchmark von 5,5 % CET 1, allerdings mit einer abweichenden Kapitaldefinition. Für den Stresstest galten sowohl die Kapitaldefinition als auch die Kapitalanforderungen, die sich unter Berücksichtigung der ratierlichen Phase-in-Regelungen der CRR für den dreijährigen Betrachtungshorizont ergeben. Die Aufsatzwerte des Stresstests wurden durch den sogenannten Join-up-Prozess um die Ergebnisse des AQR angepasst.

Die IKB hat das Comprehensive Assessment erfolgreich abgeschlossen. Die IKB ist zum 31. Dezember 2013 mit einer CET 1-Quote von 9,36 % in das Comprehensive Assessment gestartet. Durch die AQR-Ergebnisse kam es für Zwecke des Comprehensive Assessments zu einer Adjustierung der CET 1-Quote um 31 Basispunkte auf 9,05 %. Im Baseline Scenario des Stresstests erreichte die IKB eine CET 1-Quote von 8,69 % und im Adverse Scenario eine CET 1-Quote von 6,53 %. Aufgrund der erreichten Comprehensive-Assessment-Ergebnisse sind auch bereits per 31. Dezember 2013 keine Kapitalmaßnahmen notwendig.

Hervorzuheben ist, dass die von der EZB für die Zwecke des Asset Quality Reviews zugrunde gelegte Methodik zum Teil deutlich von handelsrechtlichen Rechnungslegungsgrundsätzen abweicht. Die dem AQR zugrunde liegende Methodik dient ausschließlich der Beurteilung der Kapitalausstattung durch die EZB. Die IKB hat die ihr mitgeteilten Prüfungsergebnisse aus dem AQR auf Auswirkungen auf die Rechnungslegung untersucht und ist zu dem Ergebnis gekommen, dass keine Anpassungen vorzunehmen sind.

Die IKB verbleibt auch nach dem 4. November 2014 unter der direkten Aufsicht der Bundesanstalt für Finanzdienstleistungsaufsicht ("**BaFin**") und der Deutschen Bundesbank, da sie nicht als bedeutendes Institut im Sinne des Art. 6 Abs. 4 der Verordnung (EU) Nr. 1024/2013 (Single Supervisory Mechanism-/SSM-Verordnung) eingestuft wurde.

Erstellung eines Sanierungsplans gemäß §§ 47 ff. Kreditwesengesetz ("**KWG**") und den Mindestanforderungen an die Ausgestaltung von Sanierungsplänen ("**MaSan**")

Die BaFin hat die IKB AG aufgefordert, einen Sanierungsplan gemäß §§ 47 ff. KWG und MaSan zu erstellen. Der Sanierungsplan ist eine regulatorische Anforderung, die gemäß MaSan eine strategische Analyse der Geschäftsstruktur und der Geschäftstätigkeit, Frühwarnindikatoren, sechs Stressszenarien, Maßnahmen zur Verbesserung der Kapitalquoten, Risikotragfähigkeit oder Liquidität, Eskalations- und Informationsprozesse betreffend den Vorstand, Aufsichtsrat und die Aufsichtsbehörde beinhaltet und jedes Jahr regelmäßig überarbeitet werden muss. Die IKB hat am 30. Juli 2014 ihren Sanierungsplan der BaFin vorgelegt.

Potenzieller Verkauf der IKB

Lone Star befindet sich aktuell in Verhandlungen bezüglich eines potenziellen Verkaufs der IKB. Der Vorstand behält es sich vor, diese Pläne zu unterstützen."

5. In Element B.14 "Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe – Angabe zur Abhängigkeit" the entire section shall be replaced as follows:

"Bitte siehe Element B.5.

Nicht anwendbar. Die Emittentin ist nicht von anderen Unternehmen der IKB Gruppe abhängig."

6. In Element B.17 "Kreditratings der Emittentin oder ihrer Schuldtitel", under the sub-heading "Rating der Schuldtitel" the only paragraph shall be replaced in its entirety as follows:

"[Nicht anwendbar. Für die Schuldverschreibungen existiert kein Rating.]

[Die Schuldverschreibungen wurden wie folgt gerated: [●].]"

7. In Element D.2 "Zentrale Angaben zu den zentralen Risiken, die der Emittentin eigen sind" under the sub-heading "Risikofaktoren bezüglich der IKB und ihrer Geschäftstätigkeit" the following sentence shall be added to the end of the last paragraph:

"Ab Januar 2017 könnte die IKB AG auch dann US Quellensteuern einbehalten müssen, wenn sie sogenannte „foreign pass thru“ Zahlungen an Finanzinstitute leisten würde, die sich nicht FATCA-konform verhalten, oder an andere Personen, die nicht die nach FATCA und/oder den zugehörigen Umsetzungsregelungen erforderlichen Informationen, Dokumentationen und/oder Formblätter bereitstellen."

III. Supplemental and replacement information pertaining to the Section "B. RISK FACTORS":

1. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to the Economic and Financial Market Situation" and under the sub-heading "IKB has been and may continue to be affected by low growth rates in all major industrialised countries as well as volatile financial markets due to high debt levels among European sovereigns and an ongoing crisis management by major central banks" the first and the second paragraph shall be replaced in their entirety as follows:

"A renewed escalation of the Eurozone sovereign debt crisis cannot be excluded and remains a significant risk. In most industrialized countries and especially European countries, national debt levels have increased substantially over recent years. Although fiscal consolidation has reduced the budget deficits in recent times, weak or even negative economic growth has caused debt ratios to continue to increase. In most member countries of the European Economic and Monetary Union, the level of sovereign debt exceeds 60% of gross domestic product, which is the limit set by the Treaty of Maastricht. In some countries (e.g., Greece and Italy), sovereign debt exceeds 100% of gross domestic product while others such as Spain are likely to hit that level in the foreseeable future. Weak economic growth remains a major constraint for a speedy stabilization and an ultimate reduction in sovereign debt levels. For many countries of the Eurozone, weak credit extension is a primary impediment to growth, a situation unlikely to be reversed in the short-term. While the Eurozone is showing signs of an overall economic stabilization, latest indicators suggest increased uncertainty over the strength of the recovery. Moreover, multiple geopolitical crises have fundamentally increased the downside risks facing the global and European economy. As a result, risk premiums have shown renewed signs of widening, but the ECB's commitment to intervene in the markets should prevent any major divergence in intra-Eurozone interest rates. The European Central Bank's ("ECB") Outright Monetary Transaction Programme (OMT) as well as the willingness to engage in broad based "Quantitative Easing" by the ECB should secure low and falling interest rates for the Eurozone governments, thereby enhancing the capability of these states to ensure a stable debt ratio over time. However, risks remain high and weaker than expected economic growth will likely cause a re-escalation of the Eurozone sovereign debt crisis, thereby undermining the recapitalisation of banks and other financial services providers. Together with increased uncertainty over growth prospects for emerging markets, risks to the global growth outlook in general and Germany's export prospects in particular remain to the downside.

Further risk could emanate from a change in monetary policy. The US Fed is generally expected to increase its key lending rate during 2015. An ultimate change in the Fed's policy will likely cause a general repricing of assets across financial markets. Noteworthy changes in Eurozone interest rates could also lead to changes in the portfolio composition of major financial institutions, thereby altering and possibly adversely affecting prices of certain financial assets."

2. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to IKB and its Business" and under the sub-heading "IKB is exposed to country risk" the third sentence of the only paragraph shall be replaced in its entirety as follows:

"In addition to the Federal Republic of Germany, IKB's home country and core business, the key international markets for IKB's low level activities (other than leasing) are France, Italy and Spain."

3. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to IKB and its Business" and under the sub-heading "Risks related to structured credit products." the only paragraph shall be replaced in its entirety as follows:

"The risks from IKB's remaining structured credit products in terms of the book value amount to €373 million. This amount can be divided into items solely referencing corporate and state risks amounting to €200 million, €107 million assigned to the strategic core businesses of IKB primarily derived from the securitisation of own loans and finally €66 million remaining risk from mortgage investments (including subprime) which were transferred to the special purpose vehicle Rio Debt Holdings."

4. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to IKB and its Business" and under the sub-heading "The special audit in respect of IKB AG could have an adverse effect on its reputation and prospects." the only paragraph shall be replaced in its entirety as follows:

"Upon request of IKB AG's shareholders a special auditor has been appointed to examine whether members of IKB AG's board of managing directors or the supervisory board breached their duties in connection with the causes of the crisis at IKB. The special auditor submitted his final report to IKB AG in late February 2014. In September 2014, the report has been submitted to the commercial register and published on IKB's website. The possibility that the facts and assessments included in the report will lead to the initiation of legal proceedings against IKB by third parties cannot be ruled out."

5. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to IKB and its Business" and under the sub-heading "IKB could fail to retain or attract senior management or other key employees." in the only paragraph the following sentence shall be added after the second sentence as a new third sentence:

"The failure to attract or retain a sufficient number of appropriately skilled personnel could prevent IKB from successfully implementing its restructuring, which could have a material adverse effect on its financial condition and result of operations."

6. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to IKB and its Business" and under the sub-heading "If IKB AG does substantially not comply to FATCA reporting requirements, a tax withholding on any payments deriving from US sources could be levied." the sub-heading shall be replaced in its entirety and the following paragraph shall be added as new first paragraph as follows:

"If IKB AG does substantially not comply with FATCA reporting requirements, a tax withholding on any payments deriving from U.S. sources could be levied."

If IKB AG does substantially not comply with the reporting requirements under the U.S. Foreign Account Tax Compliance Act ("FATCA"), a tax withholding on any payments (interest, dividend or in a subsequent step also gross proceeds, as the case may be) deriving from US sources could be levied. Moreover, from January 2017 onwards, IKB AG may further be required to withhold U.S. withholding tax in the case of foreign passthru payments to be made to a financial institution which is not compliant with FATCA or to any other person who does not deliver any necessary information, documentation and/or forms required by FATCA."

7. In Section B.2 "RISK FACTORS RELATING TO THE ISSUER" under the heading "Risk Factors relating to IKB and its Business" and under the new sub-heading "If IKB AG does substantially not comply with FATCA reporting requirements, a tax withholding on any payments deriving from US sources could be levied." the third and fourth sentence of the third paragraph shall be replaced in their entirety with the two following paragraphs:

"FATCA may also affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from payments on the Notes as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the Terms and Conditions of the Notes, be required to pay additional amounts with respects to any Notes as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected."

IV. Supplemental and replacement information pertaining to the Section "D. DESCRIPTION OF THE ISSUER":

1. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.1 General Information / History and Development" and under the sub-heading "2.1.1 Auditors" the third, fourth and fifth sentence of the second paragraph shall be deleted.

2. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.3 Business Overview" and under the sub-heading "2.3.2 Principal Activities" the paragraph entitled "Credit Products" shall be replaced in its entirety as follows:

"The Credit Products segment comprises the activities from IKB AG's lending and leasing business. This includes in particular regular loans, acquisition finance loans, public programme loans as well as IKB's new business approach Commodity Trade Finance ("CTF") loans and IKB Leasing business. In addition, the business operations in respect of collateralised loan obligations, which relate to the loans of this segment, are included in this segment."

3. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.3 Business Overview" and under the sub-heading "2.3.2 Principal Activities" the four paragraphs entitled "Significant New Activities" shall be replaced in their entirety as follows:

"In 2011, IKB AG launched its online service, "IKB direkt", for retail customers. IKB has created a further source of refinancing with this offering of overnight and fixed term deposits. Since then IKB is constantly expanding its retail platform on an ongoing basis. By now IKB offers an income plan to private investors, accounts for underage persons and the combination of overnight and term deposits. In addition to that, IKB AG has recently repealed its brand "IKB direkt" in order to offer retail and corporate solutions under the same brand.

Since July 2012 IKB is engaged in the field of issuing securities such as fixed interest bonds, floating rate bonds and step-up bonds, inter alia for retail customers.

IKB has created the legal and organisational framework for a diversified asset management by means of the Valin platform structured as SICAV. Due to IKB's Unique Selling Proposition ("USP") in the field of medium-sized companies and the specific asset know-how in various definable asset classes, it is intended to extend the Valin platform systematically by launching several sub funds. A Valin Mezzanine sub fund is already active in the market and a Valin Senior Debt sub fund will start investing shortly.

IKB has launched its new CTF business approach. In this context, the initial focus is on IKB's role as a participating provider of financing on the side of arranger banks that have been active in this area for a long time. The CTF business is to be established alongside the existing SME credit business."

4. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.3 Business Overview" and under the sub-heading "2.3.3 Principal Markets / Competitive Position" and under the sub-heading "Competitors" the second paragraph shall be deleted in its entirety.

5. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.3 Business Overview" and under the sub-heading "2.3.3 Principal Markets / Competitive Position" and under the sub-heading "Competitors" the last sentence of the third paragraph (new second paragraph following the amendment to be made to the Prospectus in accordance with IV. 4. of this Supplement) shall be deleted in its entirety.

6. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.3 Business Overview" and under the sub-heading "2.3.3 Principal Markets / Competitive Position" and under the sub-heading "Competitors" the ninth (new eighth paragraph following the amendment to be made to the Prospectus in accordance with item IV. 4. of this Supplement) shall be replaced in its entirety as follows:

"IKB places value on high standards even in this environment of intense competition. IKB was once central to the development of the industrial loan as a financing instrument. Nowadays, internationally-oriented small and medium-sized enterprises expect a comprehensive range of financing and support. IKB's offering is rounded out by capital market activities and advisory services. IKB's tight-knit network of regional advisory, product and industry expertise allows it to provide quick decisions and offer flexible solutions, thereby gaining new customers, expanding active customer relationships, and ensuring that IKB continues to enjoy operating profitability in the longer term."

7. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.3 Business Overview" and under the sub-heading "2.3.4 Summary of Regulatory Indicators" the entire table "*Table: Regulatory capital situation at the IKB in accordance with CRR / CRD IV*" shall be replaced as follows:

Table: Regulatory capital situation at the IKB in accordance with CRR / CRD IV

Figures in €million	30 Sept. 2014	31 Mar. 2014 ¹⁾	1 Jan. 2014 ²⁾
Credit risk (incl. counterparty credit risk)	12,857	13,528	13,784
Market risk equivalent	151	252	254
Operational risk	451	289	289
Total risk-weighted assets (RWA)	13,459	14,069	4,327
Common equity Tier 1 (CET 1)	1,538	1,464	1,340
Additional Tier 1 (AT 1)	370	346	367
Total Tier 1	1,908	1,810	1,707
Tier 2	429	461	474
Own funds	2,337	2,271	2,181
CET 1 ratio	11.4%	10.4%	9.4%

Tier 1 ratio	14.2%	12.9%	11.9%
Own funds ratio	17.4%	16.1%	15.2%

Some totals may be subject to discrepancies due to rounding differences.

Source: Combined management report (*Lagebericht*) in the annual report (*Geschäftsbericht*) 2013/2014.

1) All figures after approval of the accounts and taking into consideration the phase-in and phase-out provisions of the CRR for 2014.

2) The figures as at 1 January 2014 are based on a statement of reconciliation from the old legal situation in accordance with the old version of the German Solvency Regulation (SolvV) to the new regulations in accordance with CRR.

in €million	31 Dec. 2013	31 Mar. 2013
Credit risk (including counterparty credit risk)	13,363	15,016
Market risk equivalent	254	460
Operational risk	289	287
Total risk-weighted assets (RWA)	13,906	15,763
Tier 1 capital	1,826	1,542
Tier 2 capital	524	672
Tier 3 capital	-	-
Deductions ¹⁾	-14	-44
Own funds	2,336	2,170
Tier 1 ratio in %	13.1	9.6
Overall capital ratio in %	16.8	13.8

Some totals may be subject to discrepancies due to rounding differences.

Source: Combined management report (*Lagebericht*) in the annual report (*Geschäftsbericht*) 2013/2014.

1) Deductions relate solely to securitisation positions.

8. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.5 Information on Business Trends" and under the sub-heading "2.5.3 Recent Developments" and under the sub-heading "Valin Funds" the first paragraph shall be replaced as follows:

"IKB founded an investment fund by the name of "Valin Mittelstand Senior Debt Fund S.A., SICAV-SIF" on 3 June 2014 and has, as of 30 September 2014, collected capital commitments from investors of a total €450 million. Investors are institutional investors from Germany and abroad with a choice of investing either directly into fund shares or rated debt securities issued by a securitisation vehicle. IKB itself is invested with €23.7 million. The fund's investment objective comprises senior loans for German Mittelstand clients with total revenues of €250 million and more. IKB acts as the fund's investment manager. The fund will start investing shortly."

9. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.5 Information on Business Trends" and under the sub-heading "2.5.3 Recent Developments" and under the sub-heading "Participation by IKB in the comprehensive assessment of the European Central Bank" the fifth, sixth and seventh sentence of the third paragraph shall be replaced as follows:

"The risk assessment and the asset quality review began in the form of comprehensive data inquiries in October and November 2013 and was completed in summer 2014. The third element, a forward-

looking stress test that examines bank's resilience under a common base line and adverse economic scenarios has started in April 2014. The overall results of all comprehensive assessment elements were published on 26 October 2014."

10. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.5 Information on Business Trends" and under the sub-heading "2.5.3 Recent Developments" the section entitled "CDOs arranged by Lehmann Brothers" shall be deleted in its entirety.

11. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.5 Information on Business Trends" and under the sub-heading "2.5.3 Recent Developments" the section entitled "IKB Funding Trust I" shall be deleted in its entirety.

12. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.5 Information on Business Trends" and under the sub-heading "2.5.3 Recent Developments" under the sub-heading "Compilation of recovery plan according to Sections 47 et seq. of the German Banking Act (Kreditwesengesetz, "KWG") and the German Circular on Minimum Requirements for the Contents of Recovery Plans for Credit Institutions (Mindestanforderungen an die Ausgestaltung von Sanierungsplänen, "MaSan") the last sentence of the second paragraph shall be replaced in its entirety as follows:

"On 30 July 2014, IKB has submitted its recovery plan to BaFin."

13. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.6 Administrative, Management and Supervisory Bodies" and under the sub-heading "2.6.4 Conflicts of Interest" the second and third sentence of the only paragraph shall be deleted.

14. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.7 Major Shareholders" all references to "31 March 2014" shall be replaced by references to "30 September 2014".

15. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.9 Financial Information" and under the sub-heading "2.9.1 Historical Financial Information" the only two paragraphs shall be replaced in their entirety by the following paragraphs:

"IKB's Annual Report 2013/2014 and the Annual Report 2012/2013 are fully incorporated in, and form an integral part of, this Base Prospectus. The financial information incorporated by reference into this Base Prospectus is based on the audited consolidated financial statements of IKB and its consolidated subsidiaries and special-purpose entities.

IKB's currency of presentation is the euro, and its financial year ends on 31 March of each year. IKB AG prepares unconsolidated financial statements in accordance with the German Commercial Code (*Handelsgesetzbuch* – "HGB"). IKB has prepared its consolidated financial statements for the financial years ending 31 March 2013 and ending 31 March 2014 in accordance with HGB. IKB has prepared its consolidated financial statements for the financial year ending 31 March 2012 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union."

16. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.9 Financial Information" and under the sub-heading "2.9.3 Legal Proceedings" and under the sub-heading "Court Appointment of a Special Auditor" the following sentence shall be added as a new last sentence to the end of the first paragraph:

"After the final and binding dismissal of IKB's remedies the special auditor took up his activities again."

17. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.9 Financial Information" and under the sub-heading "2.9.3 Legal Proceedings" and under the sub-heading "Court Appointment of a Special Auditor" the fourth paragraph shall be replaced as follows:

"On 12 August 2014 IKB AG obtained knowledge that the Düsseldorf Regional Court rejected IKB's petition. IKB did not appeal and thus the decision became final on 12 September 2014. The special audit report subsequently has been submitted to the commercial register in its original version. Shareholders are entitled to request a copy of the report. The Board of Managing Directors will be required to include the special audit report as an agenda item when convening the next Annual General Meeting."

18. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.9 Financial Information" and under the sub-heading "2.9.3 Legal Proceedings" and under the sub-heading "Court Appointment of a Special Auditor" the following paragraph shall be added after the fifth paragraph as a new sixth paragraph:

"The Supervisory Board fully discussed and analysed the report in its meeting on 17 June 2014 and adopted a resolution to assert claims for damages against former members of the Board of Managing Directors for the failure to publish an ad-hoc announcement required by law in July 2007."

19. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.9 Financial Information" and under the sub-heading "2.9.3 Legal Proceedings" and under the sub-heading "Court Appointment of a Special Auditor" the last sentence of the penultimate paragraph and the last paragraph shall be deleted in their entirety.

20. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.9 Financial Information" and under the sub-heading "2.9.3 Legal Proceedings" and under the sub-heading "Derivatives business" the only paragraph shall be replaced as follows:

"In the financial year 2014/15, several customers criticised the consulting services provided by IKB AG in connection with certain swap products. Corresponding suits are pending in four cases. The provisional total value in dispute is approximately €11.48 million. IKB AG defends itself against the accusations. Of the originally six cases in which legal proceedings were initiated, proceedings have since been settled in two cases. Four cases have been appealed."

21. In Section D.2 "IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT" under the heading "2.10 Material Contracts", under the sub-heading "2.10.1 Financing Agreements" and under the sub-heading "Funding Trust Agreement" the fourth paragraph shall be deleted in its entirety.

22. In Section D.4 "DOCUMENTS ON DISPLAY" the following document shall be added as sixth item to the overview of documents:

- IKB's and IKB AG's compiled annual report for the financial year 2013/2014, including the management report and the audited consolidated financial statements and the audited annual financial statements as at and for the financial year ending 31 March 2014, prepared in accordance with the provisions of the German Commercial Code (HGB).

23. In Section D.4 "DOCUMENTS ON DISPLAY" the following document shall be added as last item to the overview of documents:

- IKB's 6-Month Report 2014/2015 as at and for the period ended 30 September 2014 prepared in accordance with the German Commercial Code (HGB).

V. Supplemental and replacement information pertaining to the Section "I. FINANCIAL INFORMATION"

1. The following sections are added to the end of the table of contents set out on page F-1:

"COMBINED ANNUAL FINANCIAL STATEMENTS OF THE GROUP AND IKB DEUTSCHE INDUSTRIEBANK AG FOR THE 2013/14 FINANCIAL YEAR.....	F-197
Consolidated balance sheet of IKB Deutsche Industriebank AG as at 31 March 2014	F-198
Balance sheet of IKB Deutsche Industriebank AG as at 31 March 2014.....	F-200
Consolidated income statement of IKB Deutsche Industriebank AG for the period from 1 April 2013 to 31 March 2014	F-202
Income statement of IKB Deutsche Industriebank AG for the period from 1 April 2013 to 31 March 2014.....	F-204
Consolidated cash flow statement.....	F-206
Notes on the consolidated cash flow statement.....	F-207
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COMBINED INTERIM FINANCIAL STATEMENTS OF IKB DEUTSCHE INDUSTRIEBANK AG AND THE GROUP AS OF 30 SEPTEMBER 2014	F-252
Consolidated balance sheet of IKB Deutsche Industriebank AG as at 30 September 2014.....	F-253
Balance sheet of IKB Deutsche Industriebank AG as at 30 September 2014	F-255
Consolidated income statement of IKB Deutsche Industriebank AG for the period from 1 April 2014 to 30 September 2014.....	F-257
Income statement of IKB Deutsche Industriebank AG for the period from 1 April 2014 to 30 September 2014	F-259
Notes to the single-entity and consolidated financial statements (condensed)	F-261
Review Report.....	F-276"

2. The following section is inserted on page F-252 after the section "Combined Annual Financial Statements of the Group and IKB Deutsche Industriebank AG for the 2013/2014 Financial Year" which ends on page F-251:

**COMBINED INTERIM FINANCIAL STATEMENTS
OF IKB DEUTSCHE INDUSTRIEBANK AG AND THE GROUP
AS OF 30 SEPTEMBER 2014**

Consolidated balance sheet of IKB Deutsche Industriebank AG as at 30 September 2014

in €million	30 Sep. 2014	31 Mar. 2014
Assets		
Cash reserve	16.3	22.2
a) Cash on hand	-	-
b) Balances with central banks	16.3	22.2
thereof: with Deutsche Bundesbank	16.3	22.2
c) Balances in postal giro accounts	-	-
Debt instruments of public sector entities and bills of exchange eligible for refinancing of central banks	-	-
Receivables from banks	2,179.6	2,235.4
a) Repayable on demand	2,077.2	2,128.9
b) Other receivables	102.4	106.5
Receivables from customers	11,510.2	12,263.2
thereof: mortgage loans	1,359.0	1,465.2
thereof: public sector loans	868.2	1,010.9
Bonds and other fixed-income securities	7,778.4	7,506.6
a) Money market securities	-	-
b) Bonds and notes	7,189.4	6,820.3
ba) Public sector issuers	3,910.7	3,609.8
thereof: eligible as collateral for Deutsche Bundesbank	3,910.7	3,479.7
bb) Other issuers	3,278.7	3,210.5
thereof: eligible as collateral for Deutsche Bundesbank	2,697.3	2,783.1
c) Own bonds	589.0	686.3
Nominal amount	598.8	695.3
Equities and other non-fixed-income securities	566.4	567.8
Assets held for trading	304.6	318.1
Equity investments	25.1	25.4
thereof: banks	-	0.2
Investments in associates	12.7	45.0
thereof: financial services institutions	12.7	12.2
Investments in affiliated companies	2.2	2.3
Assets held in trust	-	-
Equalisation claims on the public sector including debt securities arising from their exchange	-	-
Lease assets	1,089.2	1,170.1
Intangible assets	12.9	15.2
a) Internally generated industrial and similar rights and assets	-	-
b) Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	12.5	15.0
c) Goodwill	-	-
d) Advance payments made	0.4	0.2
Tangible assets	25.4	26.0
Called unpaid capital	-	-
Other assets	105.9	130.5
Prepaid expenses	108.5	121.7
Deferred tax assets	248.0	248.8
Excess of plan assets over post-employment benefit liability	37.2	33.2
Total assets	24,022.6	24,731.5

in €million	30 Sep. 2014	31 Mar. 2014
Equity and liabilities		
Liabilities to banks	9,718.4	10,169.1
a) Repayable on demand	201.8	1,247.8
b) With agreed lifetime or notice period	9,516.6	8,921.3
Liabilities to customers	9,310.9	9,629.5
a) Savings deposits	-	-
b) Other liabilities	9,310.9	9,629.5
ba) Repayable on demand	1,067.7	891.1
bb) With agreed lifetime or notice period	8,243.2	8,738.4
Securitised liabilities	1,274.2	1,071.9
a) Bonds issued	1,274.2	1,071.9
b) Other securitised liabilities	-	-
Liabilities held for trading	306.4	333.9
Liabilities held in trust	-	-
Other liabilities	367.8	552.2
Deferred income	144.5	154.2
Deferred tax liabilities	-	-
Provisions	264.8	260.5
a) Provisions for pensions and similar obligations	4.0	3.2
b) Tax provisions	81.9	69.3
c) Other provisions	178.9	188.0
Subordinated liabilities	974.2	971.3
Profit participation capital	32.2	32.2
Fund for general banking risks	574.0	574.0
thereof: trading-related special reserve according to section 340e(4) HGB	0.9	0.9
Equity	1,055.2	982.7
a) Called-up capital	1,621.5	1,621.5
Subscribed capital	1,621.5	1,621.5
Less uncalled unpaid contributions	-	-
Contingent capital	191.7	191.7
b) Capital reserves	1,750.7	1,750.7
c) Revenue reserves	4.9	4.9
ca) Legal reserve	2.4	2.4
cb) Reserve for shares in a parent or majority investor	-	-
cc) Statutory reserves	-	-
cd) Other revenue reserves	2.5	2.5
d) Difference in equity from currency translation	-18.5	-18.2
e) Net accumulated losses	-2,303.4	-2,376.2
Total equity and liabilities	24,022.6	24,731.5
Contingent liabilities	1,849.4	1,602.0
a) Contingent liabilities from rediscounted and settled bills of exchange	-	-
b) Liabilities from guarantees and indemnity agreements	1,849.4	1,602.0
c) Liability arising from the provision of collateral for third-party liabilities	-	-
Other obligations	778.5	822.0
a) Repurchase obligations from non-genuine repurchase agreements	-	-
b) Placement and underwriting obligations	-	-
c) Irrevocable loan commitments	778.5	822.0

Balance sheet of IKB Deutsche Industriebank AG as at 30 September 2014

in € million	30 Sep. 2014	31 Mar. 2014
Assets		
Cash reserve	16.3	22.2
a) Cash on hand	-	-
b) Balances with central banks	16.3	22.2
thereof: with Deutsche Bundesbank	16.3	22.2
c) Balances in postal giro accounts	-	-
Debt instruments of public sector entities and bills of exchange eligible for refinancing of central banks	-	-
Receivables from banks	2,079.4	2,108.6
a) Repayable on demand	1,985.7	2,017.6
b) Other receivables	93.7	91.0
Receivables from customers	13,405.6	14,232.2
thereof: mortgage loans	1,359.0	1,465.2
thereof: public sector loans	868.2	1,010.9
Bonds and other fixed-income securities	6,851.2	6,526.9
a) Money market securities	-	-
b) Bonds and notes	6,846.0	6,524.3
ba) Public sector issuers	3,529.3	3,609.8
thereof: eligible as collateral for Deutsche Bundesbank	3,529.3	3,479.7
bb) Other issuers	3,316.7	2,914.5
thereof: eligible as collateral for Deutsche Bundesbank	2,582.1	2,304.8
c) Own bonds	5.2	2.6
Nominal amount	5.6	3.2
Equities and other non-fixed-income securities	-	-
Assets held for trading	304.6	318.1
Equity investments	11.6	11.3
thereof: banks	0.2	0.2
Investments in affiliated companies	137.1	137.0
thereof: banks	-	-
Assets held in trust	-	-
Equalisation claims on the public sector including debt securities arising from their exchange	-	-
Intangible assets	35.2	39.6
a) Internally generated industrial and similar rights and assets	-	-
b) Purchased concessions, industrial and similar rights and assets	10.4	12.6
c) Goodwill	24.8	27.0
d) Advance payments made	-	-
Tangible assets	5.9	6.2
Called unpaid capital	-	-
Other assets	68.3	112.1
Prepaid expenses	172.7	202.7
Deferred tax assets	251.7	251.7
Excess of plan assets over post-employment benefit liability	37.0	33.1
Total assets	23,376.6	24,001.7

in €million	30 Sep. 2014	31 Mar. 2014
Equity and liabilities		
Liabilities to banks	9,703.3	10,161.2
a) Repayable on demand	196.3	1,247.4
b) With agreed lifetime or notice period	9,507.0	8,913.8
Liabilities to customers	9,434.0	9,628.7
a) Savings deposits	-	-
b) Other liabilities	9,434.0	9,628.7
ba) Repayable on demand	1,147.5	878.3
bb) With agreed lifetime or notice period	8,286.5	8,750.4
Securitised liabilities	729.8	699.5
a) Bonds issued	729.8	699.5
b) Other securitised liabilities	-	-
Liabilities held for trading	306.4	333.9
Liabilities held in trust	-	-
Other liabilities	473.0	445.5
Deferred income	175.7	201.2
Deferred tax liabilities	-	-
Provisions	224.9	221.9
a) Provisions for pensions and similar obligations	0.5	-
b) Tax provisions	78.9	65.4
c) Other provisions	145.5	156.5
Subordinated liabilities	499.1	496.3
Profit participation capital	32.2	32.2
Fund for general banking risks	574.0	574.0
thereof: trading-related special reserve according to section 340e(4) HGB	0.9	0.9
Equity	1,224.2	1,207.3
a) Called-up capital	1,621.5	1,621.5
Subscribed capital	1,621.5	1,621.5
Less uncalled unpaid contributions	-	-
Contingent capital	191.7	191.7
b) Capital reserves	1,750.7	1,750.7
c) Revenue reserves	2.4	2.4
ca) Legal reserve	2.4	2.4
cb) Reserve for shares in a parent or majority investor	-	-
cc) Statutory reserves	-	-
cd) Other revenue reserves	-	-
e) Net accumulated losses	-2,150.4	-2,167.3
Total equity and liabilities	23,376.6	24,001.7
Contingent liabilities	2,771.1	2,527.1
a) Contingent liabilities from rediscounted and settled bills of exchange	-	-
b) Liabilities from guarantees and indemnity agreements	2,771.1	2,527.1
c) Liability arising from the provision of collateral for third-party liabilities	-	-
Other obligations	682.9	766.8
a) Repurchase obligations from non-genuine repurchase agreements	-	-
b) Placement and underwriting obligations	-	-
c) Irrevocable loan commitments	682.9	766.8

Consolidated income statement of IKB Deutsche Industriebank AG for the period from 1 April 2014 to 30 September 2014

in €million	2014/15	2013/14
Expenses		
Lease expenses	-100.6	-94.0
Interest expenses	-495.0	-555.5
Commission expenses	-5.3	-6.6
Net trading results	-	-
General administrative expenses	-148.6	-134.1
a) Personnel expenses	-88.1	-78.8
aa) Wages and salaries	-74.0	-67.0
ab) Social security, post-employment and other employee benefit costs	-14.1	-11.8
thereof: for pensions	-5.0	-3.1
b) Other administrative expenses	-60.5	-55.3
Depreciation and write-downs of intangible and tangible assets	-183.1	-205.6
a) On leasing assets	-178.2	-200.2
b) On intangible and tangible assets	-4.9	-5.4
Other operating expenses	-50.2	-262.3
Expenses for the addition to the fund for general banking risks	-	-127.8
Depreciation and write-downs of receivables, specific securities and additions to loan loss provisions	-23.8	-59.0
Depreciation and write-downs of equity investments, investments in affiliated companies and long-term investments	-14.8	-7.8
Expenses of assumption of losses	-	-
Extraordinary expenses	-2.3	-2.3
Income taxes	-15.4	111.2
Other taxes not reported under "Other operating expenses"	-0.8	-0.9
Net income for the year	-72.7	-7.5
Total expenses	-1,112.6	-1,352.2

in €million	2014/15	2013/14
Income		
Lease income	313.3	336.9
Interest income from	579.6	650.3
a) Lending and money market transactions	493.1	564.1
b) Fixed-income securities and government-inscribed debts	86.5	86.2
Current income from	11.9	2.2
a) Equities and other non-fixed-income securities	8.2	0.7
b) Equity investments	0.7	0.7
c) Associates	1.0	0.8
d) Investments in affiliated companies	2.0	-
Income from profit-pooling, profit transfer and partial profit transfer agreements	-	-
Commission income	22.1	21.0
Net trading results	1.6	4.8
Income from reversals of write-downs on receivables and certain securities and from the reversal of loan loss provisions	-	-
Income from reversals of write-downs of equity investments, investments in affiliated companies and long-term investment securities	115.3	69.1
Other operating income	67.7	267.9
Income from the reversal of the fund for general banking risks	-	-
Extraordinary income	1.1	-
Income from assumption of losses	-	-
Net loss for the year	-	-
Total income	1,112.6	1,352.2
Net income for the year	72.7	7.5
Loss carryforward from the previous year	-2,376.2	-2,408.4
Withdrawals from capital reserves	-	-
Withdrawals from revenue reserves	-	-
Withdrawals from profit participation capital	-	-
Withdrawals from silent partnership contributions	-	-
Allocations to revenue reserves	-	-
Replenishment of profit participation capital	-	-
Net accumulated losses	-2,303.4	-2,400.9

Income statement of IKB Deutsche Industriebank AG for the period from 1 April 2014 to 30 September 2014

in €million	2014/15	2013/14
Expenses¹⁾		
Interest expenses	-509.5	-570.8
Commission expenses	-2.2	-2.9
Net trading results	-	-
General administrative expenses	-125.4	-112.9
a) Personnel expenses	-71.2	-62.3
aa) Wages and salaries	-60.1	-53.1
ab) Social security, post-employment and other employee benefit costs	-11.1	-9.2
thereof: for pensions	-4.5	-2.9
b) Other administrative expenses	-54.2	-50.6
Depreciation and write-downs of intangible and tangible assets	-4.9	-4.9
Other operating expenses	-28.1	-231.5
Expenses for the addition to the fund for general banking risks	-	-127.8
Depreciation and write-downs of receivables, specific securities and additions to loan loss provisions	-23.7	-54.7
Depreciation and write-downs of equity investments, investments in affiliated companies and long-term investments*	-9.2	-13.7
Expenses of assumption of losses	-	-
Extraordinary expenses	-2.0	-2.1
Income taxes	-13.5	111.6
Other taxes not reported under "Other operating expenses"	-0.2	-0.2
Profit transfer on the basis of profit-pooling, profit transfer and partial profit transfer agreements	-	-
Net income for the year	-16.9	-
Total expenses	-735.6	-1,009.9

1) 30 September 2013 figures restated

in €million	2014/15	2013/14
Income¹⁾		
Interest income from	594.3	672.2
a) Lending and money market transactions	516.8	598.4
b) Fixed-income securities and government-inscribed debts	77.5	73.8
Current income from	2.2	-
a) Equities and other non-fixed-income securities	-	-
b) Equity investments	0.2	-
c) Investments in affiliated companies	2.0	-
Income from profit-pooling, profit transfer and partial profit transfer agreements	-	-
Commission income	21.2	19.8
Net trading results	1.6	4.8
Income from reversals of write-downs on receivables and certain securities and from the reversal of loan loss provisions	-	-
Income from reversals of write-downs of equity investments, investments in affiliated companies and long-term investment securities*	88.7	72.3
Other operating income	26.5	240.8
Income from the reversal of the fund for general banking risks	-	-
Extraordinary income	1.1	-
Income from assumption of losses	-	-
Net loss for the year	-	-
Total income	735.6	1,009.9
Net income for the year	16.9	-
Loss carryforward from the previous year	-2,167.3	-2,167.3
Withdrawals from capital reserves	-	-
Withdrawals from revenue reserves	-	-
Withdrawals from profit participation capital	-	-
Withdrawals from silent partnership contributions	-	-
Appropriation to revenue reserves	-	-
Replenishment of profit participation capital	-	-
Net accumulated losses	-2,150.4	-2,167.3

1) 30 September 2013 figures restated

Notes to the single-entity and consolidated financial statements (condensed)

Applied accounting principles

The interim financial report of IKB AG and the IKB Group ("Group") for the period ended 30 September 2014 is prepared in accordance with the provisions of the *Handelsgesetzbuch* (HGB – German Commercial Code) in conjunction with the *Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute* (RechKredV – German Bank Accounting Directive) and taking into account the relevant provisions of the *Aktiengesetz* (AktG – German Stock Corporation Act) and the standards promulgated by the German Standardisation Council (DSR) and endorsed by the German Federal Ministry of Justice in accordance with section 342(2) HGB. These financial statements should be read together with the audited single-entity and consolidated financial statements of IKB AG for the year ended 31 March 2014.

The interim financial report for the period ended 30 September 2014 comprises the balance sheet, the income statement and selected explanatory disclosures in the condensed notes to the financial statements in addition to a condensed Group management report. IKB has opted against the voluntary preparation of a (condensed) statement of changes in equity and a (condensed) cash flow statement. With respect to the events and items arising in the current interim reporting period that are relevant for an understanding of the material changes in items of the balance sheet and the income statement in comparison to the comparative figures shown, please refer to the information on the assets, financials and income in the interim management report of the Group in addition to the disclosures in the condensed notes to the interim financial statements.

The comparative figures for the previous year were calculated in line with German Commercial Code and disclosed in accordance with section 298(1) in conjunction with section 265(2) HGB.

The balance sheet and the income statement are structured in line with the formats for banks in accordance with section 2 RechKredV. The consolidated balance sheet and the consolidated income statement have been supplemented by items specific to the leasing industry. The income statement is structured in account format (format 2 RechKredV).

Amounts are disclosed in millions of euro. Minor deviations can occur in the figures in the notes due to the rounding of totals. Amounts under €50 thousand and zero amounts are shown in the single-entity and consolidated financial statements as "-".

The financial year of IKB begins on 1 April and ends on 31 March.

The same accounting policies were applied in preparing the interim financial statements as for the single-entity and consolidated financial statements for the year ended 31 March 2014.

(1) Consolidated group

In addition to IKB AG, 46 (31 March 2014: 43) subsidiaries have been included in consolidation in the consolidated financial statements as at 30 September 2014.

The company European Liquid Bond S.A., SICAV-FIS, was included in the consolidated financial statements as a subsidiary as at 30 June 2014. IKB AG achieved indirect control of the investment fund in June 2014. It was included in the consolidated financial statements as an associate as at 31 March 2014. The transfer did not have any impact on profit or loss.

IKB Beteiligungsgesellschaft 2 mbH was included in the consolidated financial statements by way of consolidation as a subsidiary as at 30 September 2014. Its purpose is the acquisition, holding and disposal of equity investments in companies and the management of its own assets.

The special-purpose entity German Mittelstand Equipment Finance S.A. was also included in the consolidated financial statements by way of consolidation for the first time as at 30 September 2014. The object of the company is the acquisition of lease receivables of IKB Group companies.

One associated company is included in the consolidated financial statements using the equity method (31 March 2014: two).

55 subsidiaries (31 March 2014: 56) and 17 associates (31 March 2014: 19) were not included in the consolidated financial statements by way of consolidation or using the equity method on account of their immateriality to the net assets, financial position and results of operations of the Group, and instead were recognised as other equity investments at amortised cost.

IKB AG has founded a fund company in Luxembourg named Valin Mittelstand Senior Debt Fund S.A., SICAV-SIF. It was entered in the commercial register on 16 June 2014. The consolidation of the fund company was waived in accordance with section 296(2) HGB as no sub-funds have been formed to date.

(2) Consolidation methods

The consolidated financial statements were prepared in accordance with the uniform accounting policies of IKB AG. The annual financial statements of the subsidiaries included that are neither credit nor financial services institutions have been reconciled to the structure of the RechKredV formats. If a Group company has a reporting date other than 30 September, the material transactions that occur between the balance sheet date and 30 September 2014 are taken into account. Selected companies are included using financial statements updated to the six-month reporting date of the Group.

The same principles of consolidation were applied in the interim financial statements as in the consolidated financial statements as at 31 March 2014:

Acquisition accounting for companies included in consolidation for the first time is in line with the revaluation method in accordance with section 301 HGB. Before the BilMoG came into effect, the book value method was used for companies included in consolidation for the first time.

Assets, liabilities and deferred income as well as revenues and expenses between the Group companies included are consolidated. Interim Group profits from internal transactions are eliminated if not immaterial.

Investments in associated companies are measured using the equity method in accordance with section 312 HGB (book value method). Uniform accounting policies are disregarded when using the equity method in the Group.

Notes on the balance sheet

(3) Structure of maturities of selected balance sheet items by remaining term

in €million	Group		IKB AG	
	30 Sep. 2014	31 Mar. 2014	30 Sep. 2014	31 Mar. 2014
Receivables from banks¹⁾	102.4	106.5	93.7	91.0
remaining term				
up to 3 months	65.3	74.0	56.6	58.5
between 3 months and 1 year	4.6	6.3	4.6	6.3
between 1 and 5 years	16.1	14.2	16.1	14.2
more than 5 years	16.4	12.0	16.4	12.0
Receivables from customers	11,510.2	12,263.2	13,405.6	14,232.2
remaining term				
up to 3 months	1,763.6	1,703.6	1,829.9	1,763.9
between 3 months and 1 year	1,675.4	1,869.9	1,845.7	2,044.5
between 1 and 5 years	5,876.4	6,371.1	7,252.0	7,818.7
more than 5 years	2,194.8	2,318.6	2,478.0	2,605.1
Liabilities to banks¹⁾	9,516.6	8,921.3	9,507.0	8,913.8
remaining term				
up to 3 months	2,471.6	1,481.5	2,462.1	1,480.6
between 3 months and 1 year	2,078.0	1,770.7	2,077.9	1,770.2
between 1 and 5 years	3,795.4	4,428.3	3,795.4	4,422.2
more than 5 years	1,171.6	1,240.8	1,171.6	1,240.8
Liabilities to customers¹⁾	8,243.2	8,738.4	8,286.5	8,750.4
remaining term				
up to 3 months	2,441.4	1,212.2	2,456.8	1,224.2
between 3 months and 1 year	1,974.0	3,068.2	2,002.0	3,068.2
between 1 and 5 years	2,765.3	3,222.9	2,765.3	3,222.9
more than 5 years	1,062.5	1,235.1	1,062.4	1,235.1

1) not including receivables or liabilities repayable on demand

€678.2 million (31 March 2014: €500.1 million) of bonds and other fixed-income securities are payable in the following year in the Group and €607.9 million (31 March 2014: €293.7 Mio. €) are payable in the following year at IKB AG. €537.5 million (31 March 2014: €149.9 million) of the bonds issued and reported under securitised liabilities are payable in the following year in the Group and €408.9 million (31 March 2014: €100.3 million) are payable in the following year at IKB AG.

(4) Trading financial instruments

Assets held for trading break down as follows:

in €million	Group		IKB AG	
	30 Sep. 2014	31 Mar. 2014	30 Sep. 2014	31 Mar. 2014
Derivative financial instruments	276.0	253.9	276.0	253.9
Receivables	9.9	48.2	9.9	48.2
Bonds and other fixed-income securities	19.3	17.2	19.3	17.2
Risk deduction	-0.6	-1.2	-0.6	-1.2
Total	304.6	318.1	304.6	318.1

Trading liabilities include the following items:

in € million	Group		IKB AG	
	30 Sept. 2014	31 Mar. 2014	30 Sept. 2014	31 Mar. 2014
Derivative financial instruments	290.5	266.5	290.5	266.5
Liabilities	15.9	67.4	15.9	67.4
Total	306.4	333.9	306.4	333.9

After taking into account a risk deduction, trading activities generated net income of € 1.6 million as at 30 September 2014 (31 March 2014: € 4.8 million).

(5) Fixed assets

Group:

in € million	Intangible assets	Tangible assets	Lease assets	Equity investments	Investments in associates	Investments in affiliated companies	Bonds and other fixed-income securities	Equities and other non-fixed-income securities	Total
Acquisition costs as at									
31 Mar. 2014	62.7	77.0	2,328.2	57.7	43.8	12.0	7,529.4	568.9	10,679.7
Additions to consolidated group	-	-	-	-	-	-	-	-	-
Additions	0.6	1.5	152.4	0.5	-	-	3,094.8	-	3,249.8
Reclassifications	-	-	-17.4	-	-32.7	-	101.1	-	51.0
Effects of currency translation	-	-	-1.4	-	-	-	22.4	-	21.0
Disposals from consolidated group	-	-	-	-	-	-	-	-	-
Disposals	-0.2	-0.7	-250.3	-9.7	-	-0.1	-2,792.6	-1.1	-3,054.7
Acquisition costs as at 30 Sep. 2014	63.1	77.8	2,211.5	48.5	11.1	11.9	7,955.1	567.8	10,946.8
Cumulative depreciation/ amortisation, write-downs and reversals thereof as at 31 Mar. 2014	-47.5	-51.0	-1,158.1	-32.3	1.2	-9.7	-176.9	-1.1	-1,475.4
Additions to consolidated group	-	-	-	-	-	-	-	-	-
Reversals of write-downs	-	-	0.9	-	0.4	-	9.5	-	10.8
Depreciation/amortisation and write-downs	-2.9	-2.0	-178.8	-0.2	-	-	-6.6	-0.3	-190.8
Reclassifications	-	-	-0.2	-	-	-	-	-	-0.2
Effects of currency translation	-	-	0.7	-	-	-	-9.7	-	-9.0
Disposals from consolidated group	-	-	-	-	-	-	-	-	-
Disposals	0.2	0.6	213.2	9.1	-	-	1.9	-	225.0
Cumulative depreciation/ amortisation, write-downs and reversals thereof as at 30 Sep. 2014	-50.2	-52.4	-1,122.3	-23.4	1.6	-9.7	-181.8	-1.4	-1,439.6
Residual book value as at 30 Sept. 2014	12.9	25.4	1,089.2	25.1	12.7	2.2	7,773.3	566.4	9,507.2
Residual book value as at 31 Mar. 2014	15.2	26.0	1,170.1	25.4	45.0	2.3	7,352.5	567.8	9,204.3

Deferred interests for the financial year and the previous year are shown in additions and disposals.

IKB AG:

in €million	Intangible assets	Tangible assets	Lease assets	Equity investments	Investments in associates	Investments in affiliated companies	Bonds and other fixed-income securities	Equities and other non-fixed-income securities	Total
Acquisition costs as at									
31 Mar. 2014	85.4	26.3	-	11.3	-	1,331.7	6,535.1	-	7,989.8
Additions	0.2	0.1	-	0.5	-	0.1	2,597.1	-	2,598.0
Reclassifications	-	-	-	-	-	-	101.1	-	101.1
Effects of currency translation	-	-	-	-	-	-	13.0	-	13.0
Disposals	-	-	-	-	-	-	-2,279.2	-	-2,279.2
Acquisition costs as at									
30 Sep. 2014	85.6	26.4	-	11.8	-	1,331.8	6,967.1	-	8,422.7
Cumulative depreciation/ amortisation, write-downs and reversals thereof as at									
31 Mar. 2014	-45.8	-20.1	-	-	-	-1,194.7	-114.0	-	-1,374.6
Reversals of write-downs	-	-	-	-	-	-	3.2	-	3.2
Depreciation/amortisation and write-downs	-4.6	-0.4	-	-0.2	-	-	-3.5	-	-8.7
Reclassifications	-	-	-	-	-	-	-	-	-
Effects of currency translation	-	-	-	-	-	-	-6.9	-	-6.9
Disposals	-	-	-	-	-	-	-	-	-
Cumulative depreciation/ amortisation, write-downs and reversals thereof as at									
30 Sep. 2014	-50.4	-20.5	-	-0.2	-	-1,194.7	-121.2	-	-1,387.0
Residual book value as at									
30 Sep. 2014	35.2	5.9	-	11.6	-	137.1	6,845.9	-	7,035.7
Residual book value as at									
31 Mar. 2014	39.6	6.2	-	11.3	-	137.0	6,421.1	-	6,615.2

Deferred interests for the financial year and the previous year are shown in additions and disposals.

The Group's "Investments in associates" were reduced by a reclassification of €32.7 million. This is due to the company European Liquid Bond S.A. SICAV-FIS, which was no longer accounted for using the equity method as at 30 June 2014 and was instead consolidated.

The item "Bonds and other fixed-income securities" predominantly includes European government bonds, bank bonds, issues by European industrial companies and structured products in the form of CDOs and ABS bonds. The transfer related to the reclassification of securities from the liquidity reserve to long-term investments.

Shares in special funds are also assigned to fixed assets in the item "Equities and other non-fixed-income securities" in the Group.

In total, there were unrealised losses at the balance sheet date from long-term investments of €91.0 million (31 March 2014: €110.1 million) based on the carrying amounts of €564.8 million (31 March 2014: €993.0 million) and the fair values of €473.8 million (31 March 2014: €882.9 million) in the Group.

At IKB AG, based on carrying amounts of €496.4 million (31 March 2014: €926.0 million) and fair values of €440.0 million (31 March 2014: €849.0 million) the unrealised losses amounted to a total of €56.4 million (31 March 2014: €77.0 million).

No write-downs have been recognised for these unrealised losses as the differences are not considered to be permanent impairment. The reported amounts do not include deferred interest.

Operating and office equipment are included in tangible assets in the Group. There is one asset (land/buildings) partially used for banking operations in the portfolio.

Amortisation on intangible lease assets in the Group amounted to €0.3 million (previous year: €0.3 million).

(6) Receivables from and liabilities to affiliated companies and other investees and investors

in €million	Group			
	30 Sep. 2014		31 Mar. 2014	
	Affiliated companies ¹⁾	Investees and investors	Affiliated companies ¹⁾	Investees and investors
Receivables from banks	-	-	-	-
Receivables from customers	17.7	30.3	17.6	30.3
Other assets	-	-	0.2	-
Liabilities to banks	-	-	-	-
Liabilities to customers	3.8	0.5	4.6	-
Securitised liabilities	-	-	1.2	-
Other liabilities	-	-	-	-

1) for affiliated companies not included in consolidation only

in €million	IKB AG			
	30 Sep. 2014		31 Mar. 2014	
	Affiliated companies	Investees and investors	Affiliated companies	Investees and investors
Receivables from banks	-	-	-	-
Receivables from customers	2,903.8	30.0	3,035.0	30.0
Other assets	8.4	-	27.8	-
Liabilities to banks	-	-	-	-
Liabilities to customers	162.1	0.5	38.4	0.5
Securitised liabilities	314.2	-	391.2	-
Other liabilities	26.7	-	36.3	-

(7) Subordinated assets

in €million	Group		IKB AG	
	30 Sep. 2014	31 Mar. 2014	30 Sep. 2014	31 Mar. 2014
Receivables from customers	666.7	787.4	661.7	772.4
Bonds and other fixed-income securities	0.8	0.7	0.8	0.7
Trading liabilities	8.0	1.0	8.0	1.0
Total	675.5	789.1	670.5	774.1

The subordinated assets reported in “Bonds and other fixed-income securities” are own bonds.

(8) Repurchase agreements

The carrying amount of assets reported in the balance sheet as at the reporting date and transferred in repurchase agreements is €3,343.0 million (31 March 2014: €3,617.9 million) in the Group and €2,910.1 million (31 March 2014: €3,164.9 million) at IKB AG.

(9) Other assets and other liabilities

Other assets include the following items:

in €million	Group		IKB AG	
	30 Sep. 2014	31 Mar. 2014	30 Sep. 2014	31 Mar. 2014
Foreign currency adjustment item ¹⁾	-	18.1	-	18.1
Receivables from leasing business	23.1	17.6	-	-
Receivables from tax authorities	41.0	42.9	35.1	36.2
Hire-purchase properties not yet realised	8.4	12.1	-	-
Receivables from derivatives ²⁾	6.9	7.5	8.9	9.5
Deferred interest on derivatives ²⁾	0.5	1.7	1.0	2.2
Trade accounts and other receivables	3.7	2.1	2.9	0.4
Receivables from affiliated companies	-	-	8.4	27.8
Other assets	22.3	28.5	12.0	17.9
Total	105.9	130.5	68.3	112.1

1) from spot exchange rate neutralization

2) restated prior-year figures for IKB AG and the Group owing to partial reclassification of other assets, receivables from derivatives and deferred interest on derivatives

Receivables from leasing business in the Group are essentially down-payments on hire purchase agreements not yet invoiced.

Other liabilities break down as follows:

in €million	Group		IKB AG	
	30 Sept. 2014	31 Mar. 2014	30 Sept. 2014	31 Mar. 2014
True sale securitisations	-	-	267.3	274.6
Synthetic securitisations	152.2	368.2	18.6	21.8
Foreign currency adjustment item ¹⁾	24.0	-	24.0	-
Obligations from derivatives ²⁾	105.2	98.5	105.2	98.5
Deferred interest on derivatives ²⁾	32.9	20.4	26.2	12.7
Liabilities to tax authorities	15.0	17.9	12.1	14.2
Prepaid expenses for subordinated liabilities	4.3	2.8	4.3	2.8
Trade payables	2.3	3.5	0.5	4.7
Other liabilities	31.9	40.9	14.8	16.2
Total	367.8	552.2	473.0	445.5

1) from spot exchange rate neutralisation

2) restated prior-year figures for IKB AG and the Group owing to partial reclassification of other liabilities, obligations from derivatives and prepaid expenses on derivatives

Under true sale securitisation transactions IKB AG reports liabilities from special-purpose entities offset by credit receivables not derecognised on account of the retention of credit risks in the same amount.

In synthetic securitisation transactions, IKB AG has transferred risks from structured securities contained in the balance sheet to a special-purpose entity consolidated in the Group. Other liabilities and provisions for expected losses from executory contracts have been recognised at the carrying amount of these securities. Lease receivables were sold to non-consolidated special-purpose entities in the Group. The transaction did not result in an accounting disposal, hence other liabilities are reported at the carrying amount of the leasing receivables.

Deferred interest on the derivative transaction is reported net.

(10) Deferred income and prepaid expenses

Prepaid expenses include discounts on liabilities recognised at nominal amount of €8.9 million (31 March 2014: €11.2 million) in the Group and €8.9 million (31 March 2014: €11.2 million) at IKB AG and prepaid expenses for derivatives business of €89.6 million (31 March 2014: €94.7 million) in the Group and €157.5 million (31 March 2014: €179.0 million) at IKB AG.

Deferred income includes discounts on receivables recognised at nominal amount of €20.8 million (31 March 2014: €22.2 million) in the Group and €20.8 million (31 March 2014: €22.2 million) at IKB AG and deferred income for derivatives business of €63.7 million (31 March 2014: €69.8 million) in the Group and €151.7 million (31 March 2014: €175.2 million) at IKB AG.

(11) Deferred tax assets

in € million	Group		IKB AG	
	30 Sep. 2014	31 Mar. 2014	30 Sep. 2014	31 Mar. 2014
Total reported amount of deferred tax assets	248.0	248.8	251.7	251.7
Total reported amount of deferred tax liabilities	-	-	-	-

Distribution restrictions break down as follows as at 30 September 2014:

Group:				
30 Sep. 2014 in € million	Gross income	Deferred tax assets	Deferred tax liabilities	Restriction on distribution
Unrealised gains on plan assets	24.7	-	-7.7	17.0
Recognition of deferred taxes	-	366.5	-110.8	255.7
Total	24.7	366.5	-118.5	272.7

IKB AG:				
30 Sep. 2014 in € million	Gross income	Deferred tax assets	Deferred tax liabilities	Restriction on distribution
Unrealised gains on plan assets	22.2	-	-6.9	15.3
Recognition of deferred taxes	-	281.5	-22.8	258.7
Total	22.2	281.5	-29.7	274.0

Notes on the income statement

(12) Other operating income

The "Other operating income" item essentially breaks down as follows:

in €million	Group		IKB AG	
	1 Apr. 2014 - 30 Sep. 2014	1 Apr. 2013 - 30 Sep. 2013	1 Apr. 2014 - 30 Sep. 2014	1 Apr. 2013 - 30 Sep. 2013
Income from the reversal of swap agreements	3.7	227.4	3.7	227.4
Income from currency translation	23.1	21.4	0.1	1.0
Reversal of provisions	3.1	2.0	1.4	1.3
Rental income	1.7	3.7	1.7	0.7
Compensation payments ¹⁾	11.4	0.2	-	-
Income from cost allocation	-	0.8	2.4	2.4
Income from agency arrangements	0.2	0.5	-	-
Income from discounting provisions	1.1	0.6	1.1	0.6

1) from out-of-court settlements

While interest swaps were reversed to a larger extent in the previous year, the extent of this was less in the current financial year.

(13) Other operating expenses

Other operating expenses essentially include:

in €million	Group		IKB AG	
	1 Apr. 2014 - 30 Sep. 2014	1 Apr. 2013 - 30 Sep. 2013	1 Apr. 2014 - 30 Sep. 2014	1 Apr. 2013 - 30 Sep. 2013
Expenses from the reversal of swap agreements	-12.0	-205.7	-12.0	-205.7
Addition to provisions	-1.4	-4.6	-0.3	-4.0
Expenses from currency conversion	-19.5	-23.7	-2.3	-
Rent/upkeep (not for operational purposes)	-3.2	-3.9	-4.2	-2.9
Expenses of interest on provisions	-1.2	-1.1	-1.2	-1.1

(14) Income taxes

Income taxes are calculated using the expected effective income tax rate for earnings before income taxes (DRS 16.24).

For the German group of IKB AG, income taxes are calculated on the basis of the earnings incurred as at the interim reporting date as a more exact estimate (DRS 16.25).

Other disclosures

(15) Consolidated group as at 30 September 2014

	Equity interest in %
A. Consolidated subsidiaries	
1. Other domestic companies	
Aleanta GmbH, Düsseldorf	100
Equity Fund GmbH, Düsseldorf	1) ¹⁾ 100
IKB Leasing GmbH, Hamburg	1) ¹⁾ 100
IKB Leasing Beteiligungsgesellschaft mbH, Düsseldorf	1) ¹⁾ 100
IKB Beteiligungen GmbH, Düsseldorf	100
IKB Beteiligungsgesellschaft 2 mbH	100
IKB Data GmbH, Düsseldorf	100
IKB Equity Capital Fund GmbH, Düsseldorf	1) ¹⁾ 100
IKB Grundstücks GmbH & Co. Objekt Holzhausen KG, Düsseldorf	100
IKB Grundstücks GmbH, Düsseldorf	100
IKB Invest GmbH, Düsseldorf	1) ¹⁾ 100
IKB Projektentwicklung GmbH & Co. KG i.L., Düsseldorf	3) ³⁾ 100
Istop 1 GmbH, Düsseldorf	1) ¹⁾ 100
Istop 2 GmbH, Düsseldorf	1) ¹⁾ 100
Istop 4 GmbH, Düsseldorf	1) ¹⁾ 100
Istop 5 GmbH, Düsseldorf	1) ¹⁾ 100
Istop 6 GmbH, Düsseldorf	1) ¹⁾ 100
IKB Struktur GmbH, Düsseldorf	1) ¹⁾ 100
Projektbeteiligung TH GmbH & Co. KG, Düsseldorf	1) ¹⁾ 89.8
Tempelhofer Hafen GmbH & Co. KG, Düsseldorf	1) ¹⁾ 94.9
MATRONA GmbH, Düsseldorf	1) ¹⁾ 100
Zweite Equity Suporta GmbH, Düsseldorf	1) ¹⁾ 100
2. Other foreign companies	
European Liquid Bond S.A., SICAV-FIS, Luxembourg, Luxembourg	1) ¹⁾ 100
IKB Capital Corporation i.L., New York, United States of America	3) ³⁾ 100
IKB Finance B.V., Amsterdam, Netherlands	1) ¹⁾ 100
IKB Funding LLC II, Wilmington, United States of America	1) ¹⁾ 100
IKB Funding LLC I, Wilmington, United States of America	1) ¹⁾ 100
IKB International S.A. i.L., Luxembourg, Luxembourg	2),3) ^{2),3)} 100
IKB Leasing Austria GmbH, Vienna, Austria	1) ¹⁾ 100
IKB Leasing CR s.r.o., Prague, Czech Republic	1) ¹⁾ 100
IKB Leasing Finance IFN SA, Bucharest, Romania	1) ¹⁾ 100
IKB Leasing France S.A.R.L., Marne La Vallée Cedex 4, France	1) ¹⁾ 100
IKB Leasing Kft., Budapest, Hungary	1) ¹⁾ 100
IKB Leasing Polska Sp.z.o.o, Poznan (Posen), Poland	1) ¹⁾ 100
IKB Leasing SR, s.r.o., Bratislava, Slovakia	1) ¹⁾ 100
IKB Leasing S.R.L., Bucharest, Romania	1) ¹⁾ 100
IKB Lux Beteiligungen S.à.r.l, Luxembourg, Luxembourg	100
IKB Pénzügyi Lízing Zrt., Budapest, Hungary	1) ¹⁾ 100
STILL LOCATION S.à.r.l., Marne La Vallée Cedex 4, France	1) ¹⁾ 100
IKBL Renting and Service S.r.l., Lainate (MI), Italy	1) ¹⁾ 100
IKB Leasing geschlossene Aktiengesellschaft, Moscow, Russia	1) ¹⁾ 100
3. Special-purpose entities in accordance with section 290(2) no. 4 HGB	
Bacchus 2008-1 Plc, Dublin, Ireland	
Bacchus 2008-2 Plc, Dublin, Ireland	
German Mittelstand Equipment Finance No. 1 S.A., Luxembourg, Luxembourg	
German Mittelstand Equipment Finance S.A., Luxembourg, Luxembourg	
RIO DEBT HOLDINGS (IRELAND) LIMITED, Dublin, Ireland	
B. Associates	
Linde Leasing GmbH, Wiesbaden	1) ¹⁾ 30.0

1) Indirect investment

2) in liquidation (banking licence returned)

3) in liquidation

(16) Related party transactions

Transactions with related parties were conducted at standard market terms. There were no significant transactions at non-standard market conditions that would have been reportable in line with section 314(1) no. 13 HGB for the IKB Group or section 285 no. 21 HGB for IKB AG.

(17) Derivative financial instruments not recognised at fair value

Group:

in €million	Group				
	Nominal 30 Sept. 2014	Fair value		Assets	Liabilities
		positive	negative		
Interest-related derivatives	42,990.6	1,723.7	3,343.6	33.5	139.3
Credit-related derivatives	1,545.0	20.9	46.1	19.2	59.8
Currency-related derivatives	1,272.3	5.5	36.3	6.9	34.3
Derivatives assigned to several categories	1,769.7	122.5	117.8	37.4	37.6
Total	47,577.6	1,872.6	3,543.8	97.0	271.0

IKB AG:

in €million	IKB AG				
	Nominal 30 Sept. 2014	Fair value		Assets	Liabilities
		positive	negative		
Interest-related derivatives	44,101.0	1,748.8	3,352.8	101.9	236.7
Credit-related derivatives	1,545.0	20.9	46.1	19.2	59.8
Currency-related derivatives	1,272.3	5.5	36.3	6.9	34.3
Derivatives assigned to several categories	1,769.7	122.5	117.8	39.3	39.3
Total	48,688.0	1,897.7	3,553.0	167.3	370.1

(18) Unrealised gains and losses

The table below shows the unrealised gains/losses of the key financial balance sheet items and off-balance sheet derivatives of the IKB Group.

IKB Group in €million	30 Sep. 2014			31 Mar. 2014		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference ¹⁾
Receivables from banks	2,179.6	2,183.0	3.4	2,235.4	2,229.6	-5.8
Receivables from customers	11,510.2	11,949.3	439.1	12,263.2	12,625.7	362.5
Bonds and other fixed-income securities	7,778.4	8,290.1	511.7	7,506.6	7,698.5	191.9
Equities and other non-fixed-income securities	566.4	579.6	13.2	567.8	571.8	4.0
Derivative financial instruments not recognised at fair value	97.0	1,872.6	1,775.6	122.1	1,412.0	1,289.9
Subtotal	22,131.6	24,874.6	2,743.0	22,695.1	24,537.6	1,842.5
Liabilities to banks	9,718.4	9,914.6	-196.2	10,169.1	10,327.3	-158.2
Liabilities to customers	9,310.9	9,543.2	-232.3	9,629.5	9,842.7	-213.2
Securitised liabilities	1,274.2	1,224.3	49.9	1,071.9	1,006.7	65.2
Subordinated liabilities	974.2	603.0	371.2	971.3	573.3	398.0
Profit participation capital	32.2	28.4	3.8	32.2	25.5	6.7
Silent partnership contributions	0.0	69.2	-69.2	0.0	64.8	-64.8
Derivative financial instruments not recognised at fair value	271.0	3,543.8	-3,272.8	227.1	2,847.1	-2,620.0
Subtotal	21,580.9	24,926.5	-3,345.6	22,101.1	24,687.4	-2,586.3
Total			-602.60			-743.8

1) During the financial year IKB implemented changes in the calculation of fair values. Applying the current measurement methods to the portfolio as at 31 March 2014, unrealised losses would be around €40.2 million lower.

Also, in addition to its net asset surplus included in the consolidated financial statements, the IKB Leasing Group has a net asset value (unrealised gains from leasing business) of €150.5 million (31 March 2014: €161.0 million). The net asset value is calculated using the model of Bundesverband Deutscher Leasingunternehmen.

The unrealised profit or loss is calculated by comparing the net book value and the fair value. The recognition of specific and general allowances has no influence on unrealised gains or losses as recognised specific and general allowances are also taken into account in the calculation of fair value. The carrying amount is taken as being equal to fair value for receivables and liabilities repayable on demand as well as prepaid expenses/deferred income.

The fair values of receivables as determined for reporting purposes in the notes are calculated on the basis of the discounted cash flow method. Fair value is calculated using assumptions that would arise between independent business partners using similar parameters for their purchase price calculation. Discounting is carried out using term-differentiated swap rates on the balance sheet date plus a credit spread derived using IKB's internal risk measurement methods. The credit spread for the loan fluctuates according to changes in the measured standard risk costs, which are determined by the customer's internal rating, the collateral situation and the remaining term of the loan on the measurement date. In addition, the pre-tax returns of third parties derived from accounted equity, the administrative expenses of IKB and the funding costs observed on the market of banks with a rating of A or AA are also taken into account.

Receivables from promotional loans offset by individual financing loans under equity and liabilities are measured without taking into account funding costs. The present value of individual financing loans under liabilities is calculated by discounting the interest and principal repayment cash flows using matched-term, risk-free swap rates.

Securities are measured at the quoted or market price on the reporting date if a liquid price is available. If there are no closing rates, the market value is calculated on the basis of price information from market data providers and tested for plausibility using suitable methods. If there are no quoted prices or price information from contractual providers for securities available, their value is determined on the basis of own measurement models by discounting forecast cash flows. The discounting rate is calculated using the risk profile of similar securities. Among others, parameters not observed on the market are used among others for this. The fair values for fund units recognised in the IKB Group are the total net asset value relating to the units held.

The fair value of derivatives is calculated in line with the measurement hierarchy of section 255(4) HGB. The fair values of derivatives not traded on exchanges are determined on the basis of financial and mathematical measurement models and market measurement parameters (among others including interest rates, interest rate volatilities, exchange rates). The amount, timing and certainty of cash flows are among others dependent on, among other factors, the development of interest and exchange rates, contractual regulations on payment dates for the respective derivative and the credit standing of the respective counterparty.

To calculate the fair values for liabilities to customers and banks the contractual cash flows are discounted using a matched-term swap rate plus IKB's specific funding costs. The funding costs are derived from the costs of similar issues.

The method for calculating the fair values of promissory note loans and derivatives was changed in the financial year in the context of a system change to a new portfolio management system. This change in measurement method only affects unrealised gains and losses. Applying the amended measurement as at 31 March 2014 would have increased unrealised gains and losses by € 10.8 million.

In the context of regular model validation activities, adjustments were made to standard market methods for calculating the fair values of loans measured as fixed assets. The adjustments resulted in an increase in fair values of € 51.1 million as at 30 September 2014. The valuation changes would have resulted in an increase in the fair value of receivables of € 29.4 million as at 31 March 2014. The changes had no effect on the balance sheet or income statement.

(19) Executive bodies

Board of Managing Directors

Hans Jörg Schüttler
(Chairman)

Dr Dieter Glüder

Claus Momburg

Dr Michael H. Wiedmann

Supervisory Board

Bruno Scherrer (Chairman)

Dr Karsten von Köller (Deputy Chairman)

Stefan A. Baustert

Dr Karl-Gerhard Eick

Dr Lutz-Christian Funke

Arndt G. Kirchhoff

Bernd Klein*

Rainer Lenz*

Dr Claus Nolting

Nicole Riggers*

Carmen Teufel*

Dr Andreas Tuczka (until 27 October 2014)

*elected by the employees

Düsseldorf, 25 November 2014

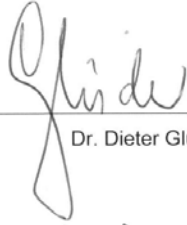
IKB Deutsche Industriebank AG
The Board of Managing Directors



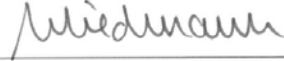
Hans Jörg Schüttler



Claus Momburg



Dr. Dieter Glüder



Dr. Michael H. Wiedmann

Review Report

Review Report of the auditor for the condensed interim financial statements of IKB Deutsche Industriebank AG for the period from 1 April to 30 September 2014

To IKB Deutsche Industriebank Aktiengesellschaft, Düsseldorf

We have reviewed the condensed consolidated interim financial statements – comprising the condensed balance sheet, condensed income statement and selected explanatory notes, which are combined with the selected explanatory notes of the condensed interim financial statements – and the interim group management report of IKB Deutsche Industriebank Aktiengesellschaft, Düsseldorf, for the period from 1 April to 30 September 2014. The preparation of the condensed consolidated interim financial statements in accordance with German commercial law and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim management reports is the responsibility of the Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with German commercial law and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with German commercial law nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim management reports.

We issue this report on the basis of the engagement agreed with the company, which comprises the attached General Terms of Engagement for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften as of 1 January 2002, which are also applicable to third parties.

Düsseldorf, 26 November 2014

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Mark Maternus
Wirtschaftsprüfer
(German Public Auditor)

ppa. Michael Meteling
Wirtschaftsprüfer
(German Public Auditor)

SIGNATURES

DÜSSELDORF

11 December 2014

IKB DEUTSCHE INDUSTRIEBANK AG

signed by: Jan Burchards

signed by: Stefanie Lindemann
