

**First Supplement dated 7 March 2014
to the Base Prospectus dated 20 February 2014**

*This document constitutes a supplement (the "**Supplement**") which has been drawn up in accordance with Art. 16 subparagraph 1 and 2 of the Securities Prospectus Act (Wertpapierprospektgesetz – WpPG) which implements Directive 2003/71/EC of the European Parliament as amended by Directive 2010/73/EU and 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 (the "**Base Prospectus**").*



Deutsche Industriebank

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 regarding this Supplement has been granted with a certificate of approval attesting that the Supplement has been drawn up in accordance with the Securities Prospectus Act (*Wertpapierprospektgesetz – WpPG*). 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 Supplement will be published in electronic form on the website of the Issuer (www.ikb.de).

Right to withdraw

On 6 March 2014, IKB published a press release, according to which the Common Equity Tier 1 capital ratio has been determined to be 9.1 per cent. This significant new fact within the meaning of Sec. 16 paragraph 1 German Securities Prospectus Act (WpPG) shall be supplemented by this Supplement.

Furthermore, certain information (as further described in this Supplement) shall be supplemented on occasion of this Supplement.

In accordance with Article 16 paragraph 3 of the 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 Supplement is published have the right, exercisable within a time limit of two working days after the publication of this Supplement, to withdraw their acceptances *provided that* the new factor, mistake or inaccuracy referred to in Article 16 paragraph 1 of the Securities Prospectus Act arose before the final closing of the offer to the public and the delivery of the notes.

Revocations should be sent to IKB Deutsche Industriebank AG, CTO-11, Wilhelm-Bötzkens-Straße 1, D-40474 Düsseldorf.

**RESPONSIBILITY STATEMENT PURSUANT TO § 5(4) SECURITIES PROSPECTUS ACT
(WERTPAPIERPROSPEKTGESETZ – WpPG)**

IKB AG with its registered office in Düsseldorf is solely responsible for the information given in this Supplement. The Issuer hereby declares that, the information contained in this 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 Supplement.

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

The Issuer hereby confirms that the Base Prospectus 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 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 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 Supplement and the Base Prospectus should each be read in conjunction only and together constitute one prospectus for the purpose of the Prospectus Directive, and for a particular issue of or tranche of notes under the relevant Base Prospectus and should be read in conjunction with any applicable final terms.

Save as disclosed herein and in the Base Prospectus, 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 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 "Significant change in the financial or trading position", after the first paragraph, the following paragraph shall be supplemented:

"IKB applied to BaFin for the recognition of the addition to the fund for general banking risks and the interim group profits in its calculation of the Common Equity Tier 1 capital ratio in the third quarter of the financial year. With BaFin granting its approval, IKB will report a Common Equity Tier 1 capital ratio of 9.1 per cent. as at 31 December 2013. This ratio has been calculated in line with the Capital Requirement Regulation (CRR, Basel III) that took effect as at 1 January 2014.

As of 31 December 2013, IKB's financial position has changed as follows:

in million €	1 Apr. 2013 to 31 Dec. 2013	1 Apr. 2012 to 31 Dec. 2012	Change
Net interest and lease income	227	172	55
Net fee and commission income	22	-4	27
Net trading results	6	-1	7

Administrative expenses	-211	-220	9
Net other income*	-36	68	-104
Net risk provisioning	-79	-5	-74
Tax income/expense	109	-6	115
Consolidated net income	39	4	35

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

* incl. EUR 265 million addition to fund for general banking risks

As at 31 December 2013, IKB's risk-weighted assets amounted to EUR 13.9 billion in accordance with Basel II, this risk position as per the eligibility requirements of the CRR (Basel III) amounted to EUR 14.8 billion, total assets amounted to EUR 25.8 billion. EUR 265 million were allocated to the fund for general banking risks (section 340g HGB)."

2. In Element B.13 "Recent developments which are to a material extent relevant to the evaluation of the Issuer's solvency", under the heading "Comprehensive assessment of the European Central Bank", after the last sentence, the following shall be supplemented:

"IKB applied to BaFin for the recognition of the addition to the fund for general banking risks and the interim group profits in its calculation of the Common Equity Tier 1 capital ratio in the third quarter of the financial year. With BaFin granting its approval, IKB will report a Common Equity Tier 1 capital ratio of 9.1 per cent. as at 31 December 2013. This ratio has been calculated in line with the Capital Requirement Regulation (CRR, Basel III) that took effect as at 1 January 2014."

3. In Element D.2 "Key information on the key risks that are specific to the Issuer or its industry", under the heading "Risks relating to IKB and its Business", the risk factor "The special audit currently being conducted in respect of IKB AG may require significant financial and personnel resources and could have an adverse effect on its reputation and prospects." shall be replaced by "The special audit currently being conducted in respect of IKB AG could have an adverse effect on its reputation and prospects and the analysis and evaluation of the special auditor's report may require significant financial and personnel resources."

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

1. In Element B.12 "Wesentliche Veränderung in der Finanz- bzw. Handelsposition", after the last sentence, the following paragraph shall be supplemented

"Die IKB hat bei der BaFin die Erlaubnis zur Anerkennung der Dotierung des Fonds für allgemeine Bankrisiken und der Zwischengewinne im dritten Geschäftsquartal des Geschäftsjahres der IKB bei der Ermittlung der Common Equity Tier 1 Kapitalquote beantragt. Mit erteilter Erlaubnis der BaFin wird die IKB zum 31. Dezember 2013 eine Common Equity Tier 1 Kapitalquote von 9,1% ausweisen. Diese Quote wurde auf Basis der Capital Requirement Regulation (CRR, Basel III), die zum 1. Januar 2014 in Kraft trat ermittelt.

Die Finanzlage der IKB hat sich zum 31. Dezember 2013 wie folgt verändert:

in Mio. €	1.4.2013 bis 31.12.2013	1.4.2012 bis 31.12.2012	Veränderung
Zins- und Leasingüberschuss	227	172	55
Provisionsüberschuss	22	-4	27

Nettoergebnis des Handelsbestandes	6	-1	7
Verwaltungsaufwendungen	-211	-220	9
Sonstiges Ergebnis*	-36	68	-104
Risikovorsorgesaldo	-79	-5	-74
Steuerertrag/-aufwand	109	-6	115
Konzernüberschuss	39	4	35

Summendifferenzen sind Rundungsdifferenzen.

* inkl. Dotierung des Fonds für allgemeine Bankrisiken in Höhe von EUR 265 Mio.

Zum 31.12.2013 betragen die risikogewichteten Aktiva nach Basel II EUR 13,9 Mrd., diese Risikoposition betrug gemäß den Anrechnungsbestimmungen der CRR (Basel III) EUR 14,8 Mrd., die Bilanzsumme der IKB betrug EUR 25,8 Mrd.”

2. In Element B.13 “Letzte Entwicklungen, die für die Bewertung der Zahlungsfähigkeit der Emittentin in hohem Maße relevant sind” under the heading “Comprehensive Assessment der Europäischen Zentralbank”, after the last sentence, the following shall be supplemented:

“Die IKB hat bei der BaFin die Erlaubnis zur Anerkennung der Dotierung des Fonds für allgemeine Bankrisiken und der Zwischengewinne im dritten Geschäftsquartal des Geschäftsjahres der IKB bei der Ermittlung der Common Equity Tier 1 Kapitalquote beantragt. Mit erteilter Erlaubnis der BaFin wird die IKB zum 31. Dezember 2013 eine Common Equity Tier 1 Kapitalquote von 9,1% ausweisen. Diese Quote wurde auf Basis der Capital Requirement Regulation (CRR, Basel III), die zum 1. Januar 2014 in Kraft trat ermittelt.”

3. In Element D.2 “Zentrale Angaben zu den zentralen Risiken, die der Emittentin eigen sind”, under the heading “Risikofaktoren bezüglich der IKB und ihrer Geschäftstätigkeit”, the risk factor “Die zur Zeit bezüglich der IKB AG durchgeführte Sonderprüfung könnte erhebliche finanzielle und personelle Ressourcen erfordern und könnte sich negativ auf den Ruf und die Erfolgsaussichten der IKB auswirken.” shall be replaced by “Die zur Zeit bezüglich der IKB AG durchgeführte Sonderprüfung könnte sich negativ auf den Ruf und die Erfolgsaussichten der IKB auswirken und die Analyse und Auswertung des Berichts der Sonderprüfung könnte erhebliche finanzielle und personelle Ressourcen erfordern.”.

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

1. In Section B.2 “Risk Factors relating to the Notes”, under the heading “Specific Risk Factors relating to Subordinated Notes”, the following phrase shall be deleted:

“(otherwise than in accordance with the provisions of § 10 (7) sentence 5 German Banking Act (Kreditwesengesetz) or any equivalent provision of the CRD IV or the CRR, once enacted)”).

2. In Section B.2 “Risk Factors relating to IKB and its Business” in the risk factor “IKB’s business performance could be adversely affected if its capital is not managed effectively”, the fourth and fifth sentence shall be replaced by the following:

“As at 31 December 2013, IKB’s Common Equity Tier I capital ratio was 9.1 per cent. as reported on a consolidated basis using the Basle III methodology (subject to permission by BaFin with respect to the allocations to the fund for general banking risks and the interim profits of the third quarter of IKB’s financial year for the purpose of determining the Common Equity Tier 1 capital ratio). In addition, since ratification of the new Basel III methodology, IKB is required to comply with any Tier I capital ratio requirements thereunder and IKB is participant in the comprehensive assessment of the European Central Bank.”

3. In Section B.2 “Risk Factors relating to IKB and its Business” the heading of the risk factor “The special audit currently being conducted in respect of IKB AG may require significant financial and personnel resources and could have an adverse effect on its reputation and prospects.” shall be replaced by “The special audit currently being conducted in respect of IKB AG could have an adverse effect on its reputation and prospects and the analysis and evaluation of the special auditor’s report may require significant financial and personnel resources.” and the text after the heading shall be replaced by the following:

“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. This special audit could have an adverse effect on IKB's reputation and prospects. The analysis and evaluation of the special auditor’s report may require significant financial and personnel resources.”

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

1. In the Section 2.1.1 “Auditors”, in the second paragraph, the following sentence shall be deleted:

“As of 20 February 2014, the special auditor has, to the best of IKB's knowledge, not finalised and/or presented his audit report. Based on the special auditor’s letter from December 2013 directed to the Düsseldorf Regional Court IKB expects the auditor to have completed the special audit soon.”

2. In the Section 2.3.3 “Principal Markets / Competitive Position”, under the heading “Competitors”, in the fourth paragraph, after the words “CRD IV”, the words “/CRR” shall be supplemented and the fifth paragraph shall be replaced by the following:

“IKB belongs to those credit institutions who have to undergo an extensive audit executed by the coherent supervision of the EZB. Those credit institutions are encouraged to fulfil the strict minimum Common Equity Tier 1 capital ratio of 8 % already in 2013 instead of 2019. The implementation of the regulatory measures resulted and will continue to result in a large financial effort.

IKB applied to BaFin for the recognition of the addition to the fund for general banking risks and the interim group profits in its calculation of the Common Equity Tier 1 capital ratio in the third quarter of the financial year. With BaFin granting its approval, IKB will report a Common Equity Tier 1 capital ratio of 9.1 per cent. as at 31 December 2013. This ratio has been calculated in line with the Capital Requirement Regulation (CRR, Basel III) that took effect as at 1 January 2014.”

3. The text in Section 2.3.4 “Summary of Regulatory Indicators”, after the last paragraph, the following sentence shall be supplemented:

“IKB applied to BaFin for the recognition of the addition to the fund for general banking risks and the interim group profits in its calculation of the Common Equity Tier 1 capital ratio in the third quarter of the financial year. With BaFin granting its approval, IKB will report a Common Equity Tier 1 capital ratio of 9.1 per cent. as at 31 December 2013. This ratio has been calculated in line with the Capital Requirement Regulation (CRR, Basel III) that took effect as at 1 January 2014.”

4. In the Section 2.5.3 “Recent Developments” under the subheading “Participation by the Bank in the comprehensive assessment of the European Central Bank”, after the last paragraph, the following sentence shall be supplemented:

“IKB applied to BaFin for the recognition of the addition to the fund for general banking risks and the interim group profits in its calculation of the Common Equity Tier 1 capital ratio in the third quarter of the financial year. With BaFin granting its approval, IKB will report a Common Equity Tier 1 capital ratio of 9.1 per cent. as at 31 December 2013. This ratio has been calculated in line with the Capital Requirement Regulation (CRR, Basel III) that took effect as at 1 January 2014.”

5. In the Section 2.9.3 “Legal Proceedings” under the subheading “Court Appointment of a Special Auditor”, the last sentence shall be replaced by the following:

“IKB assumes that the special audit report will be submitted to the commercial register after completion of the special audit or after completion of court proceedings to be asserted if necessary, as the case may be.”

6. In the Section 2.9.4 “Significant Changes in the Financial Position”, after the last sentence, the following sentence shall be supplemented:

“IKB applied to BaFin for the recognition of the addition to the fund for general banking risks and the interim group profits in its calculation of the Common Equity Tier 1 capital ratio in the third quarter of the financial year. With BaFin granting its approval, IKB will report a Common Equity Tier 1 capital ratio of 9.1 per cent. as at 31 December 2013. This ratio has been calculated in line with the Capital Requirement Regulation (CRR, Basel III) that took effect as at 1 January 2014.”

V. Supplemental and replacement information pertaining to the Section "E. TERMS AND CONDITIONS OF THE NOTES":

1. In the Section E.2 “TERMS AND CONDITIONS OF THE NOTES (GERMAN LANGUAGE VERSION)” under the heading 2.4 “OPTION IV Nachrang – Anleihebedingungen für nachrangige Schuldverschreibungen Fixed – Anleihebedingungen für nachrangige Schuldverschreibungen mit fester Verzinsung”, under the subheading 2.4.1 “Fixed – Anleihebedingungen für nachrangige Schuldverschreibungen mit fester Verzinsung”, in § 7(d), the words “§ 10 Absatz 5a KWG” shall be replaced by the words “Art. 63 in Verbindung mit Art. 78 Abs. 4 Buchst. b) CRR (Verordnung (EU) Nr. 575/2013 v. 26.6.2013 in der jeweiligen Fassung)”.

2. In the Section E.2 “TERMS AND CONDITIONS OF THE NOTES (GERMAN LANGUAGE VERSION)” under the heading 2.4 “OPTION IV Nachrang – Anleihebedingungen für nachrangige Schuldverschreibungen Fixed – Anleihebedingungen für nachrangige Schuldverschreibungen mit fester Verzinsung”, under the subheading 2.4.2 “Floater – Anleihebedingungen für nachrangige Schuldverschreibungen mit variable Verzinsung”, in § 7(d), the words “§ 10 Absatz 5a KWG” shall be replaced by the words “Art. 63 in Verbindung mit Art. 78 Abs. 4 Buchst. b) CRR (Verordnung (EU) Nr. 575/2013 v. 26.6.2013 in der jeweiligen Fassung)”.

3. In the Section E.2 “TERMS AND CONDITIONS OF THE NOTES (GERMAN LANGUAGE VERSION)” under the heading 2.4 “OPTION IV Nachrang – Anleihebedingungen für nachrangige Schuldverschreibungen Fixed – Anleihebedingungen für nachrangige Schuldverschreibungen mit fester Verzinsung”, under the subheading 2.4.3 “Zero – Anleihebedingungen für nachrangige Schuldverschreibungen ohne Verzinsung (Nullkupon)” in § 7(d), the words “§ 10 Absatz 5a KWG” shall be replaced by the words “Art. 63 in Verbindung mit Art. 78 Abs. 4 Buchst. b) CRR (Verordnung (EU) Nr. 575/2013 v. 26.6.2013 in der jeweiligen Fassung)”.

4. In the Section E.2 “TERMS AND CONDITIONS OF THE NOTES (ENGLISH LANGUAGE VERSION)”, under the heading 4.4 “OPTION IV Subordinated Notes – Terms and Conditions that apply to subordinated Notes”, under the subheading 4.4.1 “Fixed – Terms and Conditions that apply to Subordinated Notes with fixed interest rates”, in § 7(d), the words “§ 10 (5a) of the German Banking Act” shall be replaced by the words “Art. 63 in conjunction with Art. 78(4)(b) CRR (Regulation (EU) No. 575/2013 dated 26 June 2013 as amended from time to time)”.

5. In the Section E.2 “TERMS AND CONDITIONS OF THE NOTES (ENGLISH LANGUAGE VERSION)”, under the heading 4.4 “OPTION IV Subordinated Notes – Terms and Conditions that apply to subordinated Notes”, under the subheading 4.4.2 “Floater – Terms and Conditions that apply to Subordinated Notes with floating interest rates”, in § 7(d), the words “§ 10 (5a) of the German Banking Act” shall be replaced by the words “Art. 63 in conjunction with Art. 78(4)(b) CRR (Regulation (EU) No. 575/2013 dated 26 June 2013 as amended from time to time)”.

6. In the Section E.2 “TERMS AND CONDITIONS OF THE NOTES (ENGLISH LANGUAGE VERSION)”, under the heading 4.4 “OPTION IV Subordinated Notes – Terms and Conditions that apply to subordinated Notes”, under the subheading 4.4.3 “Zero – Terms and Conditions that apply to Subordinated Notes without periodic interest payments (Zero Coupon Notes)”, in § 7(d), the words “§ 10 (5a) of the German Banking Act” shall be replaced by the words “Art. 63 in conjunction with Art. 78(4)(b) CRR (Regulation (EU) No. 575/2013 dated 26 June 2013 as amended from time to time)”.

SIGNATURES

DÜSSELDORF

on 7 March 2014

IKB DEUTSCHE INDUSTRIEBANK AG


Jan Burchards


Svetlana Mints