



## **IKB Deutsche Industriebank Aktiengesellschaft**

**Düsseldorf**

**ISIN DE0008063306**

Dear Shareholder,

We kindly invite you to our Annual General Meeting which will be held on

**Thursday, 4 September 2014, 10.00 a.m.,**

in 40474 Düsseldorf, CCD. Stadthalle, Congress-Center Düsseldorf, Rotterdamer Strasse.

### **Agenda**

- 1 Submission of the adopted annual financial statements, the approved consolidated financial statements and the combined management report for IKB Deutsche Industriebank Aktiengesellschaft and the Group for the financial year 2013/2014 and the report of the Supervisory Board**

The above documents are available for viewing by the shareholders at the Company's premises and on the Company's website at

<http://www.ikb.de/en/investor-relations/financial-reports>

from the time the Annual General Meeting is convened. On request, each shareholder will be provided with a copy immediately. The documents will also be available at the Annual General Meeting. No resolution regarding item 1 of the agenda has been provided for, since the presentation of the above records is merely a compulsory informational part of the agenda of an annual general meeting under applicable law.

- 2 Ratification of the members of the Board of Managing Directors**

The Board of Managing Directors and the Supervisory Board propose the ratification of the members of the Board of Managing Directors for the financial year 2013/2014.

- 3 Ratification of the members of the Supervisory Board**

The Board of Managing Directors and the Supervisory Board propose the ratification of the members of the Supervisory Board for the financial year 2013/2014.

- 4 Election of the auditor**

Upon recommendation by its Risk and Audit Committee, the Supervisory Board proposes

- (a) to elect PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditor of the financial statements and auditor of the consolidated financial statements for the financial year 2014/2015;
- (b) to elect PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditor for a potential review or a potential audit of the interim financial statements resp. consolidated interim financial statements and the interim management report resp. Group interim management report for the first half of the financial year 2014/2015;
- (c) to elect PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditor for any potential reviews or potential audits of all other interim financial statements resp. consolidated interim financial statements and interim management reports resp. Group interim management reports prepared prior to the Annual General Meeting 2015.

## **5 Elections to the Supervisory Board**

In accordance with Sec. 96 para. 1, Sec. 101 para. 1 of the German Stock Corporation Act (*Aktiengesetz - AktG*), Sec. 1, Sec. 4 para. 1 of the German One-Third Employee Participation Act (*Drittelbeteiligungsgesetz - DrittelbG*) and in line with Art. 8 para. 1 of the Articles of Association of IKB Deutsche Industriebank Aktiengesellschaft, the Supervisory Board consists of eight members to be elected by the Annual General Meeting and four members to be elected by the employees. The Annual General Meeting is not bound to nominations.

Upon proposal of its Nomination Committee, the Supervisory Board proposes

- (a) to re-elect to the Supervisory Board Mr Stefan A Baustert, Management Consultant, resident in Krefeld, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2016/2017;
- (b) to re-elect to the Supervisory Board Mr Arndt G Kirchoff, Managing Partner and CEO of KIRCHHOFF Holding GmbH & Co. KG, resident in Attendorn, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2016/2017;
- (c) to re-elect to the Supervisory Board Mr Bruno Scherrer, Senior Advisor of Lone Star Funds, resident in London, United Kingdom, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2016/2017.

The nominations will be voted on per individual i.e. separate elections per nomination. Mr Bruno Scherrer is intended as candidate for the office of Chairman of the Supervisory Board.

## 6 Creation of new Authorised Capital 2014 with authorisation to exclude the subscription right and corresponding amendment of the Articles of Association

According to Art. 5 para. 4 of the Articles of Association, the Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to increase the Company's share capital by 4 September 2018 by issuing new bearer shares once or several times against cash contributions and/or non-cash contributions by a total of up to € 560,000,000.00 (Authorised Capital 2013).

In addition, the Extraordinary General Meeting of 25 March 2009 had adopted a resolution to authorise the Board of Managing Directors to increase the Company's share capital, with the approval of the Supervisory Board, by 24 March 2014 by issuing up to 96,679,686 new bearer shares once or several times against cash contributions and/or non-cash contributions by a total of up to € 247,499,996.16 (Authorised Capital 2009). This resolution of the Annual General Meeting had, however, been contested by shareholders and the corresponding amendment of the Articles of Association not, therefore, entered in the Commercial Register. The term of the Authorised Capital 2009 has meanwhile expired without the authorisation ever having become effective.

In order to give the Board of Managing Directors sufficient flexibility, also in the future, to finance the Company's growth, the intention is to create new Authorised Capital 2014 of up to € 250,732,700.16 in addition to the existing Authorised Capital 2013.

The Board of Managing Directors and the Supervisory Board propose that the following resolutions be adopted:

- (a) The Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to increase the Company's share capital by 3 September 2019 by issuing new bearer shares once or several times against cash contributions and/or non-cash contributions by a total of up to € 250,732,700.16 (Authorised Capital 2014). The number of shares must increase in the same proportion as the share capital. The shareholders shall in principle be granted a subscription right. The subscription right can also be granted in such manner that new shares are acquired by a bank or a company operating according to Sec. 53 para. 1 sentence 1 or Sec. 53b para. 1 sentence 1 or para. 7 German Banking Act (*Kreditwesengesetz - KWG*) (financial institution) or a syndicate of such banks resp. financial institutions subject to the obligation to offer them to the Company's shareholders for subscription.

The Board of Managing Directors shall, however, be authorised, with the approval of the Supervisory Board, to exclude the statutory subscription right of the shareholders in the following cases:

- to compensate for fractional amounts;
- in the event of a capital increase against cash contributions, if the issue price is not materially lower than the stock exchange price of the existing shares at the time of the final determination of the issue price by the Board of Managing Directors and the pro rata amount of the shares issued under exclusion of the subscription right does not exceed a total of 10% of the share capital, either at the time the resolution concerning this authorisation is adopted or at the time of its utilisation. If other authorisations are utilised

to issue or sell shares of the Company or to grant rights allowing or obliging the subscription of shares of the Company during the term of the Authorised Capital 2014 until its utilisation, and the subscription right is excluded thereby according to or pursuant to Sec. 186 para. 3 sentence 4 AktG, this must be applied against the 10% limit specified above;

- to the extent required in order to grant the holders of convertible bonds, convertible profit-sharing certificates or warrants, issued or to be issued in the future by IKB Deutsche Industriebank Aktiengesellschaft or its direct or indirect wholly owned affiliated companies, a subscription right to new shares, to which they would be entitled after exercising the conversion and option right resp. after meeting the conversion obligation;
- in the event of a capital increase against non-cash contributions to acquire a company, parts of a company or an interest in a company.

The Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to determine the further details to perform capital increases from the Authorised Capital 2014.

- (b) At the end of Art. 5 of the Articles of Association a new para. 9 shall be inserted with the following wording:

“The Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to increase the Company’s share capital by 3 September 2019 by issuing new bearer shares once or several times against cash contributions and/or non-cash contributions by a total of up to € 250,732,700.16 (Authorised Capital 2014). The number of shares must increase in the same proportion as the share capital. The shareholders shall in principle be granted a subscription right. The subscription right can also be granted in such manner that new shares are acquired by a bank or a company operating according to Sec. 53 para. 1 sentence 1 or Sec. 53b para. 1 sentence 1 or para. 7 KWG (financial institution) or a syndicate of such banks resp. financial institutions subject to the obligation to offer them to the Company’s shareholders for subscription.

The Board of Managing Directors shall, however, be authorised, with the approval of the Supervisory Board, to exclude the statutory subscription right of the shareholders in the following cases:

- to compensate for fractional amounts;
- in the event of a capital increase against cash contributions, if the issue price is not materially lower than the stock exchange price of the existing shares at the time of the final determination of the issue price by the Board of Managing Directors and the pro rata amount of the shares issued under exclusion of the subscription right does not exceed a total of 10% of the share capital, either at the time the resolution concerning this authorisation is adopted or at the time of its utilisation. If other authorisations are utilised to issue or sell shares of the Company or to grant rights allowing or obliging the subscription of shares of the Company during the term of the Authorised Capital 2014 until its utilisation, and the subscription right is excluded thereby according to or pursuant to Sec. 186 para. 3 sentence 4 AktG, this must be applied against the 10% limit specified above;

- to the extent required in order to grant the holders of convertible bonds, convertible profit-sharing certificates or warrants, issued or to be issued in the future by IKB Deutsche Industriebank Aktiengesellschaft or its direct or indirect wholly owned affiliated companies, a subscription right to new shares, to which they would be entitled after exercising the conversion and option right resp. after meeting the conversion obligation;
- in the event of a capital increase against non-cash contributions to acquire a company, parts of a company or an interest in a company.

The Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to determine the further details to perform capital increases from the Authorised Capital 2014.”

## **7 Authorisation to issue convertible bonds and/or bonds with warrants and to exclude the subscription right and create contingent capital with corresponding amendment of the Articles of Association**

By resolution of the Annual General Meeting of 26 August 2010, the Board of Managing Directors was authorised, with the approval of the Supervisory Board, to issue by 25 August 2015 bearer convertible bonds and/or bonds with warrants once or several times and to grant the holders conversion resp. option rights to subscribe to up to 74,874,422 shares of the Company with a pro rata amount of the share capital totalling up to € 191,678,520.32. The Company’s share capital was increased on a contingent basis in this context by up to € 191,678,520.32 by issuing up to 74,874,422 new shares with profit participation rights as of commencement of the financial year in which they were issued (Contingent Capital 2010).

In addition, the Extraordinary General Meeting of 25 March 2009 had adopted a resolution to authorise the Board of Managing Directors to issue by 24 March 2014 bearer profit participation certificates resp. convertible bonds and/or bonds with warrants once or several times and to grant the holders conversion resp. option rights to subscribe to shares of the Company with a pro rata amount in the share capital of up to a nominal € 618,749,990.40. A resolution was also adopted in this connection to increase the Company’s share capital on a contingent basis by up to € 618,749,990.40 by issuing up to 241,699,215 new shares with profit participation rights as of commencement of the financial year in which they were issued (Contingent Capital 2009). This resolution of the Annual General Meeting was, however, contested by shareholders and the corresponding amendment of the Articles of Association not, therefore, entered in the Commercial Register. The term of the authorisation of 25 March 2009 has meanwhile expired.

In order to give the Board of Managing Directors sufficient flexibility, also in the future, to finance the Company’s growth, the intention is to create, in addition to the existing authorisation of 26 August 2010 and the Contingent Capital 2010 related thereto, a new authorisation for the issue of convertible bonds and/or bonds with warrants and a corresponding Contingent Capital 2014 of up to € 619,054,179.84.

The Board of Managing Directors and the Supervisory Board propose that the following resolutions be adopted:

- (a) The Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to issue by 3 September 2019 bearer bonds with warrants and/or convertible bonds resp. combinations of such instruments (hereinafter collectively

referred to as: “bonds”) once or several times, also at the same time, in different tranches, of an aggregate principal amount of up to € 2,500,000,000.00 with or without maturity cap and to grant the holders of bonds option or conversion rights to a total of up to 241,818,039 new bearer shares with a pro rata amount in the share capital of up to € 619,054,179.84 according to the specifications in the respective terms and conditions of the bonds (hereinafter: “Terms and Conditions for Bonds”). The respective Terms and Conditions for Bonds can also provide for mandatory conversions on maturity or at other times including the obligation to exercise the option resp. conversion right. The bonds can be issued against cash contribution and/or non-cash contribution.

The bonds can also be issued by companies with domestic or foreign registered offices, in which the Company holds a majority interest either directly or indirectly (hereinafter: “Group companies”). In the event of an issue through a Group company, the Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to guarantee the bonds and to grant the holders of bonds with warrants option rights resp. the holders of convertible bonds conversion rights to shares of the Company and to make other declarations and to take the action required for a successful issue.

In the event of bonds with warrants being issued, one or several warrants shall be attached to each bond with warrants which authorise the holder, according to the specifications in the Terms and Conditions for Bonds to be determined by the Board of Managing Directors, to subscribe to shares of the Company. The Terms and Conditions for the bonds with warrants issued by the Company can also provide, according to the specifications of this authorisation, for the option premium also being met by transfer of partial bonds with warrants and, if applicable, an additional cash contribution. The pro rata amount of the share capital applicable to the shares to be subscribed on each partial bond with warrants may not exceed the nominal amount of this partial bond with warrants. If fractional shares arise, it may be provided that such fractions, according to the specifications of the Terms and Conditions for Bonds, can be added up for the subscription of whole shares against additional payment, if applicable.

In the event of convertible bonds being issued, the holders of convertible bonds shall be given the right or, if a conversion obligation is provided for, they shall assume the obligation to exchange their convertible bonds, according to the specifications of the Terms and Conditions for Bonds, into shares of the Company. The exchange ratio shall be derived from dividing the nominal amount resp. the issue price of a partial bond with warrant, if the issue price is below the nominal amount, by the fixed conversion price for a share of the Company. The exchange ratio can in any case be rounded up or down to a whole number. Furthermore, it may be provided that fractional shares are combined and/or compensated in cash. An additional cash contribution can also be provided for. The Terms and Conditions for Bonds can also determine that the exchange ratio is variable and the conversion price is to be determined on the basis of future stock exchange prices within a specific variation range.

The option premium or conversion price to be determined in each case must, notwithstanding Sec. 9 para. 1 and Sec. 199 AktG, amount, between start of trading and the date the terms and conditions are finally determined, to at least 80% of the volume-weighted average stock exchange price of the Company’s shares in the OTC market on the Frankfurt Stock Exchange at the time the terms and conditions of the bonds are determined.

The option premium resp. conversion price can, notwithstanding Sec. 9 para. 1 AktG, be adjusted by reason of a dilution protection clause as specified in the Terms and Conditions for Bonds with value-preserving effect if the Company increases the share capital by expiry of the option resp. conversion period, while granting a subscription right to its shareholders, or issues or guarantees further bonds without hereby granting the holders of existing option or conversion rights resp. obligations a subscription right. The Terms and Conditions for Bonds can also provide for an adjustment of the option premium resp. conversion price with value-preserving effect for other measures by the Company which can result in a dilution of the value of the option resp. conversion rights or obligations.

The Terms and Conditions for Bonds can provide for the Company's right, if options are exercised or in the event of conversion, not to grant shares or only partially but instead to pay an amount of money. The Terms and Conditions of Bonds can furthermore allow the Company the right to grant the creditors of bonds shares of the Company in whole or in part instead of payment of the amount of money due. The fulfilment of the subscription resp. conversion rights of the holders of bonds resp. the fulfilment of claims following mandatory conversion or mandatory exercise of options can furthermore be effected by granting own shares of the Company and by issuing new shares from the Company's authorised capital and/or contingent capital to be approved at a later date and/or authorised capital and/or an ordinary capital increase.

The Board of Managing Directors shall be authorised, with the approval of the Supervisory Board, to determine resp. stipulate, in agreement with the corporate bodies of the respective Group company issuing the bonds, the precise calculation of the exact option premium or conversion price and the further details for issuing and structuring the bonds and the Terms and Conditions for Bonds, in particular the interest rate, issuing price, term and denomination, subscription resp. exchange ratio, creation of a conversion obligation resp. obligation to exercise options, determination of an additional cash contribution, settlement or combination of fractional shares, cash contribution instead of the granting of shares, granting of existing shares instead of issuing new shares and the option resp. conversion period.

Shareholders must in principle be granted a subscription right to the bonds. The subscription right can also be granted in such manner that the bonds are acquired by a bank or a company operating according to Sec. 53 para. 1 sentence 1 or Sec. 53b para. 1 sentence 1 or para. 7 KWG (financial institution) or a syndicate of such banks or financial institutions with the obligation to offer them to the Company's shareholders for subscription. The Board of Managing Directors shall, however, be authorised, with the approval of the Supervisory Board, to exclude the subscription right of the shareholders

- if this is necessary to settle fractional amounts arising from the subscription ratio;
- if the bonds are issued against cash contribution and the issuing price for a bond does not fall materially below its theoretical fair market value determined according to recognised methods of financial mathematics. According to Sec. 186 para. 3 sentence 4 AktG, the sum total of the shares applicable to these bonds issued without subscription rights may not exceed 10% of the share capital, neither at the time of adoption of the resolution on this authorisation nor at the time of their utilisation. If other authorisations are utilised to issue or sell shares of the Company or to grant rights allowing or obliging the subscription of shares of the Company during the term of this authorisation until its utilisation, and the subscription right is

excluded thereby according to or pursuant to Sec. 186 para. 3 sentence 4 AktG, this must be applied against the 10% limit specified above;

- in order to grant subscription rights as compensation for dilution to the holders of conversion/option rights to resp. obligations on the shares of the Company to the extent to which they would be entitled to them after exercising such rights;
  - if bonds are issued against non-cash contributions.
- (b) The share capital of the Company shall be increased on a contingent basis by up to € 619,054,179.84 by issuing up to 241,818,039 new bearer shares with profit participation rights as of commencement of the financial year in which they are issued (Contingent Capital 2014).

The purpose of the Contingent Capital 2014 is to grant subscription and/or conversion rights to the holders of bonds with warrants and/or convertible bonds which are issued by the Company or a Group company according to the authorisation of the Company's Annual General Meeting of 4 September 2014. The new shares shall be issued at the option resp. conversion price to be determined in each case according to the authorisation described above in item 7 a of the agenda.

The contingent capital increase shall only be implemented to the extent that the holders resp. creditors of subscription resp. conversion rights utilise such rights or the holders obliged to exercise their conversion rights fulfil their obligation to do so and if a cash settlement is not granted or own shares or shares created from authorised capital are not applied for service. The Board of Managing Directors shall be authorised to determine the further details for implementing a contingent capital increase.

- (c) At the end of Art. 5 of the Articles of Association a new para. 10 is inserted with the following wording:

"The share capital of the Company is increased on a contingent basis by up to € 619,054,179.84 by issuing up to 241,818,039 new bearer shares with profit participation rights as of commencement of the financial year in which they are issued (Contingent Capital 2014).

The purpose of the Contingent Capital 2014 is to grant subscription and/or conversion rights to the holders of bonds with warrants and/or convertible bonds which are issued by the Company or a Group company according to the authorisation of the Company's Annual General Meeting of 4 September 2014. The new shares shall be issued at the option premium resp. conversion price to be determined in each case in the resolution of the Company's Annual General Meeting of 4 September 2014 to item 7 a of the agenda.

The contingent capital increase shall only be implemented to the extent that the holders resp. creditors of subscription resp. conversion rights utilise such rights or the holders obliged to exercise their conversion rights fulfil their obligation to do so and if a cash settlement is not granted or own shares or shares created from authorised capital are not applied for service. The Board of Managing Directors shall be authorised to determine the further details for implementing a contingent capital increase."

## **8 Approval to conclude Controlling and Profit and Loss Transfer Agreements with IKB Beteiligungsgesellschaft 1 mbH, IKB Beteiligungsgesellschaft 2 mbH, IKB Beteiligungsgesellschaft 3 mbH, IKB Beteiligungsgesellschaft 4 mbH and IKB Beteiligungsgesellschaft 5 mbH**

IKB Deutsche Industriebank Aktiengesellschaft has, as controlling company, concluded Controlling and Profit and Loss Transfer Agreements with its wholly owned subsidiaries IKB Beteiligungsgesellschaft 1 mbH, IKB Beteiligungsgesellschaft 2 mbH, IKB Beteiligungsgesellschaft 3 mbH, IKB Beteiligungsgesellschaft 4 mbH and IKB Beteiligungsgesellschaft 5 mbH as controlled companies. The material content of these agreements is as follows:

- The respective controlled company is directed by the controlling company. The controlling company has the right to give instructions to the management of the respective controlled company with regard to the direction of the respective controlled company.
- The respective controlled company is obliged to transfer its entire profit in full to the controlling company according to Sec. 301 AktG as amended from time to time.
- The respective controlled company may, with the approval of the controlling company, allocate amounts from net income to other earnings reserves only to the extent that this is admissible under commercial law and justified in economic terms based on reasonable commercial assessment. Other earnings reserves set up during the term of the respective agreement must be reversed at the request of the controlling company and applied to offset the net loss or transferred as profit. The transfer of amounts from the reversal of capital reserves or other earnings reserves, set up before the respective agreement commenced, is excluded.
- The controlling company can request an advance transfer of profits if and to the extent that this is legally admissible.
- The controlling company is obliged vis-à-vis the respective controlled company to assume losses according to Sec. 302 AktG as amended from time to time.
- Claims to the transfer of profit resp. offset of net loss shall arise as of the cut-off date of the annual financial statements of the respective controlled company and shall be due at this time. Interest of 5% p.a. shall be paid on them at this time.
- The agreements enter into force upon entry of their existence in the commercial register of the respective controlled company. They apply, except for the right of the controlling company to give instructions, with retroactive effect as of commencement of the financial year of the respective controlled company, in which the entry is made in the commercial register.
- The agreements cannot be terminated subject to a period of notice before expiry of five full years. Notice of termination is three months to the end of the financial year of the respective controlled company. If the agreements are not terminated, they shall be extended in each case, subject to the same period of notice, by one calendar year.
- Each party to the agreement has the right to terminate the respective agreement in an exceptional case for good cause without observing a period of notice. Good cause can in particular be deemed the sale or contribution of the respective

controlled company by the controlling company, the merger, splitting or winding up of the controlling company or the respective controlled company.

The Controlling and Profit and Loss Transfer Agreements shall only take effect with the approval of the Annual General Meeting (Sec. 293 para. 1 sentence 1 AktG).

The Board of Managing Directors and the Supervisory Board propose that the following resolutions be adopted:

- (a) The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 concluded between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 1 mbH as controlled company is approved.
- (b) The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 concluded between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 2 mbH as controlled company is approved.
- (c) The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 concluded between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 3 mbH as controlled company is approved.
- (d) The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 concluded between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 4 mbH as controlled company is approved.
- (e) The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 concluded between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 5 mbH as controlled company is approved.

The following documents are available for viewing by the shareholders at the Company's premises and on the Company's website at

<http://www.ikb.de/en/investor-relations/general-meeting>

from the time the Annual General Meeting is convened:

- Controlling and Profit and Loss Transfer Agreements between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and the controlled companies
- Annual financial statements and management reports of IKB Deutsche Industriebank Aktiengesellschaft for the last three financial years
- Annual financial statements of IKB Beteiligungsgesellschaft 4 mbH and IKB Beteiligungsgesellschaft 5 mbH for the respective abridged financial year to 31 March 2014
- Joint reports by the Board of Managing Directors of IKB Deutsche Industriebank Aktiengesellschaft and the respective management of the controlled companies according to Sec. 293a AktG

On request, each shareholder will be provided with a copy immediately and free of charge. The documents will also be available at the Annual General Meeting. Apart from the above-mentioned there are no annual financial statements or management reports for the controlled companies because these companies (with in some cases different financial years) were only established in 2014. An examination of the Controlling and Profit and Loss Transfer Agreements by an expert auditor (contract auditor) is not required because

all shares of the controlled IKB companies are held directly by the controlling IKB Deutsche Industriebank Aktiengesellschaft (Sec. 293b AktG). The wording of the Controlling and Profit and Loss Transfer Agreements is also printed in the Annex to this convocation document.

### **Report of the Board of Managing Directors relating to item 6 of the agenda**

The Board of Managing Directors reports below according to Sec. 186 para. 4 sentence 2 in conjunction with Sec. 203 para. 2 sentence 2 AktG on the reasons why it should be authorised in certain cases, when utilising the Authorised Capital 2014, to exclude the subscription right of the shareholders. This report is available for viewing by the shareholders at the Company's premises and also on the Company's website at

<http://www.ikb.de/en/investor-relations/general-meeting>

from the time the Annual General Meeting is convened. On request, each shareholder will be provided with a copy immediately and free of charge. The report will also be available for viewing during the Annual General Meeting.

### ***Authorisation of the Board of Managing Directors***

It is the intention in the interests of the Company that the Board of Managing Directors will be in a position, also in the future, with the approval of the Supervisory Board, to take advantage of business opportunities flexibly while maintaining liquidity levels and to strengthen the Company's equity. The Board of Managing Directors and the Supervisory Board therefore propose that the Annual General Meeting adopts the resolution to create Authorised Capital 2014 in an amount totalling up to € 250,732,700.16. The shareholders must in principle be granted a subscription right when the Authorised Capital 2014 is utilised. The intention is, however, to authorise the Board of Managing Directors, with the approval of the Supervisory Board, to exclude the subscription right in certain individual cases specified in the proposed resolution.

### ***Compensation for fractional amounts***

It is the intention to authorise the Board of Managing Directors to exclude the subscription right for fractional amounts in order to provide for a practical subscription ratio with regard to the amount of the respective capital increase. This will facilitate the technical implementation of the capital increase, in particular where a capital increase involves a round figure. The fractional amounts of new shares created by the exclusion of the shareholders' subscription right will be sold in the best possible manner for the Company, either by sale on a stock exchange or otherwise. As any exclusion of the subscription right is limited here only to fractional amounts, a potential dilutive effect is minimal.

### ***Capital increase for cash***

The intention is for the Board of Managing Directors, with the approval of the Supervisory Board, to be authorised, in the event of a capital increase against cash contributions, to exclude the subscription right if the issue price of the new shares is not materially lower than the stock exchange price of the existing shares. This will allow management to place the new shares promptly and at a price close to the stock exchange price i.e. without the discount usually required for the issue of subscription rights. This allows higher issuing proceeds which are in the interests of the Company. This procedure is not precluded by the fact that the Company is not currently listed on an official stock exchange within the meaning of Sec. 3 para. 2 AktG. In conformity with Sec. 186 para. 3 sentence 4 AktG, the authorisation requires that the Company's shares have a stock exchange

price but they do not necessarily have to be admitted to trading on the regulated market (Sec. 32 et seq. German Stock Exchange Act (*Börsengesetz - BörsG*)). Inclusion in the OTC market suffices in this respect (Sec. 48 BörsG).

The shareholders' need for protection against dilution of their shareholding is provided by limitation of the amount of the capital increase and by the issue price of the shares which is close to the stock exchange price. The proposed authorisation allows the Board of Managing Directors to exclude a subscription right only if the shares issued according to Sec. 186 para. 3 sentence 4 AktG do not exceed a total of 10% of the share capital either at the time the authorisation is utilised or at the time the resolution concerning this authorisation is adopted. The sale of own shares and the issue of shares from other authorised capital must be applied to this limitation if the sale and issue occur during the term of this authorisation excluding the subscription right according to Sec. 186 para. 3 sentence 4 AktG. Shares which are issued resp. have to be issued to service participation certificates and/or bonds with conversion and/or option rights resp. a conversion obligation must also be applied to this limitation if the participation certificates and/or bonds are issued during the term of this authorisation excluding the subscription right according to Sec. 186 para. 3 sentence 4 AktG. Furthermore, shareholders in principle have the possibility, given the close proximity of the issue price to the stock exchange price and the limitation of the amount of the capital increase without a subscription right to maintain their proportionate shareholdings by purchasing shares through the stock exchange on approximately the same conditions.

#### ***Servicing of other subscription rights***

The intention is furthermore to authorise the Board of Managing Directors to exclude the subscription right if such exclusion is required to grant the holders or creditors of convertible bonds, convertible profit-sharing certificates or warrants (hereinafter: "bonds") a subscription right to new shares. Exclusion of the subscription right is intended to place the holders of bonds in the position in which they would have been if they had already exercised their rights under the bonds and were already shareholders. This facilitates placement of the bonds and therefore serves the interests of the shareholders in the Company having an optimum financial structure. To provide the bonds with such protection against dilution, the shareholders' subscription right on these shares must be excluded. This protection against dilution prevents the option premium resp. conversion price potentially having to be reduced for the bonds already issued. This ensures a higher inflow of funds as a whole.

#### ***Capital increase through non-cash contributions***

According to the proposed authorisation, the Board of Managing Directors may finally exclude the subscription right in certain cases when the share capital is increased against cash contributions. This allows the Board of Managing Directors to use shares of the Company in appropriate individual cases to acquire companies, parts of companies or interests in companies. The necessity of providing consideration in shares rather than cash can arise in the course of negotiations. This possibility therefore provides an advantage in the competition for interesting acquisitions and the necessary scope to take advantage of opportunities arising to acquire companies, parts of companies or interests in companies while maintaining liquidity levels. In terms of an optimum financial structure as well, the issue of shares may be expedient. The Company will not suffer any disadvantage as a result because the issue of shares against non-cash contributions requires that the value of the non-cash contribution is in reasonable proportion to the value of the shares. When determining the pricing ratio, the Board of Managing Directors will ensure that the interests of the Company and the shareholders are adequately safeguarded and an appropriate issue price is achieved for the new shares.

There are currently no concrete plans to utilise the Authorised Capital 2014. The Board of Managing Directors will in any case carefully consider whether the issue of new shares and any exclusion of the subscription right is in the interest of the Company and its shareholders. The Board of Managing Directors will report to the Annual General Meeting on each utilisation of the authorisation and the precise reasons for any exclusion of the subscription right. The approval of the Supervisory Board will be required for all cases of exclusion of the subscription right proposed here.

### **Report of the Board of Managing Directors on item 7 of the agenda**

The Board of Managing Directors reports below according to Sec. 186 para. 4 sentence 2 in conjunction with Sec. 221 para. 4 sentence 2 AktG on the reasons why, if convertible bonds and/or bonds with warrants resp. combinations of such instruments (hereinafter collectively: "bonds") are issued, it should be authorised in certain cases to exclude the subscription right of the shareholders. This report is available for viewing by the shareholders at the Company's premises and also on the Company's website at

<http://www.ikb.de/en/investor-relations/general-meeting>

from the time the Annual General Meeting is convened. On request, each shareholder will be provided with a copy immediately and free of charge. The report will also be available for viewing during the Annual General Meeting.

#### ***Authorisation of the Board of Managing Directors***

Adequate capital resources are a material basis for the development of the Company. Depending on market conditions, the issue of bonds allows the Company to utilise attractive financing options e.g. to borrow capital at low interest rates. The Board of Managing Directors and Supervisory Board, therefore, propose to the Annual General Meeting that the Board of Managing Directors be authorised to issue bonds against cash contributions and/or non-cash contributions and to create corresponding Contingent Capital 2014.

The pro rata amount in the share capital of the shares to be subscribed for each partial bond may correspond at most to the nominal amount resp. an issue price for the partial bond which is below the nominal amount. The conversion price resp. option premium may not fall below a minimum issue price, for which the basis of calculation is precisely specified. The connecting factor for the calculation is in each case the stock exchange price of the share at the time the bonds are placed. The conversion price resp. option premium can, notwithstanding Sec. 9 para. 1 AktG, be adjusted with value-preserving effect by reason of a dilution protection clause resp. adjustment clause as specified in the terms and conditions underlying the respective bond if the Company increases the share capital by expiry of the option resp. conversion period, while granting thereby a subscription right to its shareholders, or issues or guarantees further bonds without thereby granting the holders of existing option or conversion rights resp. obligations a subscription right. The Terms and Conditions for Bonds can also provide for an adjustment of the option resp. conversion price with value-preserving effect for other measures by the Company which can result in a dilution of the value of the option resp. conversion rights or obligations.

When issuing bonds, the shareholders must on principle be granted a subscription right. The intention is, however, to authorise the Board of Managing Directors, with the approval of the Supervisory Board, to exclude the subscription right in certain cases, specified individually in the proposed resolution.

### **Settlement of fractional amounts**

The intention is to authorise the Board of Managing Directors to exclude the subscription right for fractional amounts in order to create a practical subscription ratio. This will facilitate the technical implementation of issuing bonds. Bonds that account for free fractions would, if a subscription right was excluded, be sold in the best possible manner for the Company either by sale on a stock exchange or otherwise. As any exclusion of the subscription right is limited here only to fractional amounts, a potential dilutive effect is minimal.

### **Issue price close to the theoretical fair market value**

The provision of Sec. 186 para. 3 sentence 4 AktG applies *mutatis mutandis* according to Sec. 221 para. 4 sentence 2 AktG to the exclusion of the subscription right when issuing bonds. The placement of bonds against cash contributions, excluding the subscription right of the shareholders, allows the Company to utilise a favourable capital market situation at short notice and therefore achieve a markedly higher inflow of funds than when issuing while preserving the subscription right. When granting a subscription right, successful placement would be jeopardised resp. would entail additional expense because of the uncertainty about utilising the subscription rights. Conditions as close as possible to the market which are favourable for the Company can only be established if the Company is not bound to them for an offering period that is too long. Otherwise a substantial haircut would be necessary to ensure the conditions are attractive and therefore the chances of success of the respective issue for the entire offering period.

The interests of the shareholders are preserved by the bonds being issued at a value which is not materially below the theoretical fair market value. The theoretical fair market value has to be determined according to recognised methods of financial mathematics. In determining the price, the Board of Managing Directors will, taking into account the respective situation in the capital market, keep the discount from the stock exchange price as low as possible. The calculated fair market value of a subscription right will therefore be reduced practically to nil so that the shareholders cannot incur any significant economic disadvantage from exclusion of the subscription right.

The dilution of the control of the shareholders is kept at a low level because in this case the volume of an exclusion of the subscription right is also limited. According to Sec. 186 para. 3 sentence 4 AktG, the total sum of the shares applicable to the bonds issued without subscription right will not exceed 10% of the respective share capital either at the time the authorisation is utilised or at the time the resolution on this authorisation is adopted. Shares that have been issued or sold since the adoption of the resolution on the authorisation to issue bonds by the Annual General Meeting until this authorisation is exercised from other sources, in direct or analogous application of Sec. 186 para. 3 sentence 4 AktG while excluding the subscription right, have to be applied to this limitation. Furthermore, rights that facilitate the subscription of shares of the Company or provide the obligation to subscribe to shares of the Company and have been issued since the adoption of the resolution on the authorisation to issue bonds by the Annual General Meeting until this authorisation is exercised in direct or analogous application of Sec. 186 para. 3 sentence 4 AktG have to be applied.

### **Servicing of other subscription rights**

An advantage of the exclusion of the subscription right customary in the market for the benefit of the holders of bonds already issued is that the conversion price resp. option premium for the bonds already issued and regularly provided with an anti-dilution mechanism does not have to be reduced. This allows the more attractive placement of the bonds in several tranches and facilitates a higher inflow of funds as a whole.

### ***Issue against non-cash contributions***

The intention is further that the subscription right can be excluded to issue bonds against non-cash contributions. This provides the Company when acquiring assets with the possibility of acting flexibly and fast while at the same time maintaining liquidity levels. In particular, this provides the possibility of utilising bonds in appropriate individual cases as acquisition currency e.g. in connection with company mergers, the acquisition of companies, interests in companies or other economic assets. There may be a necessity in negotiations to provide the consideration in whole or in part not in cash but in another form. The possibility of offering bonds as consideration, therefore, creates an advantage when competing for interesting acquisition targets and extends the scope for potential purchases while maintaining liquidity levels. This may also be expedient in terms of an optimum financial structure. The Board of Managing Directors shall in any case ensure that the value of the non-cash contributions is reasonably proportionate to the value of the bonds.

There are currently no concrete plans to utilise the authorisation to issue bonds. The Board of Managing Directors will in any case carefully consider whether the utilisation of the authorisation and any exclusion of the subscription right is in the interest of the Company and its shareholders. The Board of Managing Directors will report to the Annual General Meeting on each utilisation of the authorisation and the precise reasons for any exclusion of the subscription right. The approval of the Supervisory Board will be required for all cases of exclusion of the subscription right proposed here.

### **Participation in the Annual General Meeting and exercise of voting rights**

Only those shareholders who register prior to the Annual General Meeting are entitled to participate in the Annual General Meeting and to exercise their voting rights (Art. 14 para. 1 sentence 1 of the Articles of Association). Shareholders must also provide evidence of their entitlement to participate in the Annual General Meeting (Art. 14 para. 2 sentence 1 of the Articles of Association). This requires evidence of shareholdings at the start of the 21<sup>st</sup> day before the Annual General Meeting (Thursday, 14 August 2014, 00.00 hrs CEST) by the custodian bank or financial services institution (Art. 14 para. 2 sentence 2 of the Articles of Association). Registration and evidence of shareholdings must be provided in text form and in German or English (Art. 14 para. 1 sentence 1, para. 2 sentence 2 of the Articles of Association). The registration and evidence of shareholdings must be received by the Company no later than six days before the Annual General Meeting, i.e. by Thursday, 28 August 2014, 24.00 hrs CEST, at the following address:

IKB Deutsche Industriebank AG  
c/o Haubrok Corporate Events GmbH  
Landshuter Allee 10  
D-80637 München  
Telefax: +49 (0)89/210 27 298  
E-mail: meldedaten@haubrok-ce.de

In relation to the Company, only those shareholders who have provided evidence of their shareholdings within due time are deemed to be shareholders entitled to participate in the Annual General Meeting and to exercise their voting rights (Sec. 123 para. 3 sentence 6 AktG). The Company may therefore deny participation in the Annual General Meeting and the exercise of voting rights to shareholders who failed to provide such evidence or failed to provide it in due time. After

the registration for the Annual General Meeting, the shares will not be blocked in an account, but will remain freely available. Any disposals effected after the due date for provision of evidence will have no effects on the entitlement to participate in the Annual General Meeting and to exercise voting rights while, vice versa, any persons who do not yet own any shares on the due date for provision of evidence and only become shareholders afterwards will not be entitled to either participate in the Annual General Meeting or exercise voting rights.

Upon receipt of evidence of their shareholdings by the Company, tickets to the Annual General Meeting will be sent to the shareholders. In order to facilitate organisation of the Annual General Meeting, we request shareholders to assure that evidence of their shareholdings is submitted to the Company at an early stage.

### **Voting proxies**

Shareholders who do not wish to participate in the Annual General Meeting personally can arrange for their voting rights to be exercised by a proxy. For such action in proxy, registration in due time and timely provision of evidence of shareholdings are also required as described above. The shareholders will receive an authorisation form, together with the ticket for the Annual General Meeting. Please note that the Company, in case more than one person or institution is authorised, will have the right to reject one or more of these persons or institutions respectively (Sec. 134 para. 3 sentence 2 AktG).

Authorisations that are not granted to a bank or an association of shareholders or any other person or institution of equivalent status pursuant to Sec. 135 para. 8 and para. 10 in conjunction with Sec. 125 para. 5 AktG require text form for their legal effectiveness, revocation and evidence towards the Company (Sec. 134 para. 3 sentence 3 AktG, Art. 14 para. 3 sentence 2 of the Articles of Association). There are two procedures in effect to issue authorisations and to revoke them: on the one hand shareholders may issue authorisations to third parties or revoke these by way of written declaration to the Company. In such case, there is no need for separate evidence of authorisation. Such declaration must be sent to the following address:

IKB Deutsche Industriebank AG  
c/o Haubrok Corporate Events GmbH  
Landshuter Allee 10  
D-80637 München  
Telefax: +49 (0)89/210 27 298  
E-mail: [vollmacht@haubrok-ce.de](mailto:vollmacht@haubrok-ce.de)

On the other hand shareholders may issue and revoke authorisations by way of written declarations to the proxy. In such case, the Company will require written evidence for such authorisation. Such evidence may be presented at the admission desk on the day the Annual General Meeting is held. As an alternative, the written evidence may also be transmitted to the Company at the above address.

If a bank, a shareholder association or any person or institution of equivalent status pursuant to Sec. 135 para. 8 and para. 10 in conjunction with Sec. 125 para. 5 AktG are intended to be authorised, the person or institution to be authorised may require a special form of authorisation. Please agree therefore in due time with the relevant person or institution to be authorised on the required form of the authorisation. In such case, Sec. 135 para. 5 sentence 4 AktG will apply to the provision of evidence of authorisation by the proxy.

## **Proxies appointed by the Company**

In addition, we offer our shareholders the possibility to authorise proxies appointed by the Company and subject to instructions prior to the Annual General Meeting. Shareholders who wish to authorise such proxies appointed by the Company must also register for the Annual General Meeting as stated above and must provide evidence for their entitlement to participate. The shareholders must use the relevant authorisation form to empower the proxies appointed by the Company and to issue instructions. The shareholders will receive such form together with the ticket for the Annual General Meeting. This should be ordered as early as possible in order to ensure timely receipt of the ticket and authorisation form. Any issuing of authorisation and related instructions as well as any revocation of the authorisation must be sent to the following address only:

IKB Deutsche Industriebank AG  
c/o Haubrok Corporate Events GmbH  
Landshuter Allee 10  
D-80637 München  
Telefax: +49 (0)89/210 27 298  
E-mail: vollmacht@haubrok-ce.de

The proxies appointed by the Company will vote exclusively in line with the instructions issued by shareholders. Authorisations will be void if precise instructions are not issued. The proxies appointed by the Company will abstain in motions at the Annual General Meeting that were not previously announced. Please note that proxies appointed by the Company cannot accept authorisations and instructions to exercise the right to speak and ask questions, to table motions or to object to resolutions by the Annual General Meeting.

## **Requests for additions to the agenda**

Such shareholders whose shares together amount to at least 5% of the share capital of the Company or the proportional amount of € 500,000.00 may request in writing, by indicating purpose and reasons, that items be put on the agenda and be announced (Sec. 122 para. 2 AktG). Any request for additions to the agenda must be addressed to the Board of Managing Directors at the following address:

IKB Deutsche Industriebank AG  
– Vorstand –  
c/o Haubrok Corporate Events GmbH  
Landshuter Allee 10  
D-80637 München

Such request must be received by the Company with any legally required information and evidence no later than 24 days prior to the Annual General Meeting i.e. by Sunday, 10 August 2014, 24.00 hrs CEST.

## **Counter-motions and proposals for election**

Counter-motions and proposals for election from shareholders regarding items of the agenda as defined by Sec. 126 and Sec. 127 AktG must be directed exclusively to the following address:

IKB Deutsche Industriebank AG  
c/o Haubrok Corporate Events GmbH  
Landshuter Allee 10  
D-80637 München  
Telefax: +49 (0)89/210 27 298  
E-mail: [gegenantraege@haubrok-ce.de](mailto:gegenantraege@haubrok-ce.de)

They must be received at this address no later than 14 days prior to the Annual General Meeting  
i.e. by Wednesday, 20 August 2014, 24.00 hrs CEST.

Düsseldorf, July 2014

IKB Deutsche Industriebank Aktiengesellschaft

The Board of Managing Directors

## **Annex to item 8 of the agenda**

The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 1 mbH as controlled company has the following wording:

### **“CONTROLLING AND PROFIT AND LOSS TRANSFER AGREEMENT**

by and between

**IKB Deutsche Industriebank AG,**

Wilhelm-Bötzkjes-Str. 1

40474 Düsseldorf

HR B 1130

– hereinafter referred to as “**Controlling Company**” –

and

**IKB Beteiligungsgesellschaft 1 mbH,**

Wilhelm-Bötzkjes-Str. 1

40474 Düsseldorf

HR B 72158

– hereinafter referred to as “**Controlled Company**” –

#### **Art. 1**

##### **Direction and instruction**

- (1) The Controlled Company is directed by the Controlling Company.
- (2) The Controlling Company has the right to give instructions to the management of the Controlled Company with regard to the direction of the Controlled Company. The right of the Controlling Company to give instructions can be granted generally or in relation to individual cases. An instruction to maintain, amend or terminate this agreement may not be given.
- (3) The Controlled Company shall be obliged within the scope of statutory provisions to comply with the instructions of the Controlling Company.

#### **Art. 2**

##### **Profit transfer**

- (1) The Controlled Company undertakes during the term of the agreement to transfer its entire profit in full to the Controlling Company. The extent of the profit transfer shall be governed, in addition to and taking precedence over para. (2), by Sec. 301 German Stock Corporation Act (*Aktiengesetz – AktG*) as amended from time to time.

- (2) The Controlled Company may, with the approval of the Controlling Company, allocate amounts from net income to other earnings reserves (Sec. 272 (3) German Commercial Code (*Handelsgesetzbuch – HGB*)) only to the extent that this is admissible under commercial law and justified in economic terms based on reasonable commercial assessment. Other earnings reserves, according to Sec. 272 (3) HGB, set up during the term of this agreement, must be reversed at the request of the Controlling Company and applied to offset the net loss or transferred as profit. The transfer of amounts from the reversal of capital reserves or other earnings reserves according to sentence 2, set up before this agreement commenced, is excluded.
- (3) The Controlling Company can request an advance transfer of profits if and to the extent that this is legally admissible.

### **Art. 3**

#### **Assumption of losses**

The provisions of Sec. 302 of the German Stock Corporation Act as amended from time to time shall apply accordingly to the assumption of losses.

### **Art. 4**

#### **Due date of payments**

The claim to the transfer of profit according to Art. 2 and the claim to the offset of the net loss according to Art. 3 shall arise as of the cut-off date of the annual financial statements of the Controlled Company and shall be due on this date. Interest of 5% p.a. shall be paid on this as of this date.

### **Art. 5**

#### **Entry into force and term of the agreement**

- (1) This agreement is concluded subject to the approval of the Annual General Meeting of the Controlling Company and the approval of the shareholders' meeting of the Controlled Company. It shall enter into force upon entry in the commercial register of the Controlled Company. This agreement and its minimum term, except for the right to give instructions according to Art. 1, shall apply with retroactive effect as of commencement of the financial year of the Controlled Company, in which the entry is made in the commercial register.
- (2) The agreement is concluded for an indefinite period of time. It can only be terminated, however, after expiry of five years (full years) subject to a period of notice of 3 months given in writing to the end of the financial year of the Controlled Company (minimum term). At the end of the minimum term, the agreement shall be extended in each case by one calendar year unless terminated prior to expiry by either party giving written notice of termination of 3 months.
- (3) This shall not affect the right to terminate the agreement for good cause without complying with a period of notice. Good cause can in particular be deemed the sale or contribution of the Controlled Company by the Controlling Company, the merger, splitting or winding up of the Controlling Company or the Controlled Company.

**§ 6**  
**Final provisions**

- (1) This agreement is governed by German law.
- (2) Amendments to and modifications of this agreement shall only be valid when given in writing unless a different form is prescribed. This shall also apply to this written form clause.
- (3) If individual provisions of this agreement are or shall become invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions of this agreement. An invalid or unenforceable provision shall be replaced by another such provision which is valid resp. enforceable and most closely corresponds in a legally admissible manner to that which the parties intended in economic resp. legal terms by the invalid or unenforceable provision or would have intended if they had considered the invalidity or unenforceability. This shall also apply in the case of a gap in this agreement.”

The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 2 mbH as controlled company has the following wording:

**“CONTROLLING AND PROFIT AND LOSS TRANSFER AGREEMENT**

by and between

**IKB Deutsche Industriebank AG,**

Wilhelm-Bötzkkes-Str. 1

40474 Düsseldorf

HR B 1130

– hereinafter referred to as „**Controlling Company**“ genannt –

and

**IKB Beteiligungsgesellschaft 2 mbH,**

Wilhelm-Bötzkkes-Str. 1

40474 Düsseldorf

HR B 72182

– hereinafter referred to as „**Controlled Company**“ genannt –

**Art. 1**  
**Direction and instruction**

- (1) The Controlled Company is directed by the Controlling Company.

- (2) The Controlling Company has the right to give instructions to the management of the Controlled Company with regard to the direction of the Controlled Company. The right of the Controlling Company to give instructions can be granted generally or in relation to individual cases. An instruction to maintain, amend or terminate this agreement may not be given.
- (3) The Controlled Company shall be obliged within the scope of statutory provisions to comply with the instructions of the Controlling Company.

**Art. 2**  
**Profit transfer**

- (1) The Controlled Company undertakes during the term of the agreement to transfer its entire profit in full to the Controlling Company. The extent of the profit transfer shall be governed, in addition to and taking precedence over para. (2), by Sec. 301 German Stock Corporation Act (*Aktiengesetz – AktG*) as amended from time to time.
- (2) The Controlled Company may, with the approval of the Controlling Company, allocate amounts from net income to other earnings reserves (Sec. 272 (3) German Commercial Code (*Handelsgesetzbuch – HGB*)) only to the extent that this is admissible under commercial law and justified in economic terms based on reasonable commercial assessment. Other earnings reserves, according to Sec. 272 (3) HGB, set up during the term of this agreement, must be reversed at the request of the Controlling Company and applied to offset the net loss or transferred as profit. The transfer of amounts from the reversal of capital reserves or other earnings reserves according to sentence 2, set up before this agreement commenced, is excluded.
- (3) The Controlling Company can request an advance transfer of profits if and to the extent that this is legally admissible.

**Art. 3**  
**Assumption of losses**

The provisions of Sec. 302 of the German Stock Corporation Act as amended from time to time shall apply accordingly to the assumption of losses.

**Art. 4**  
**Due date of payments**

The claim to the transfer of profit according to Art. 2 and the claim to the offset of the net loss according to Art. 3 shall arise as of the cut-off date of the annual financial statements of the Controlled Company and shall be due on this date. Interest of 5% p.a. shall be paid on this as of this date.

**Art. 5**  
**Entry into force and term of the agreement**

- (1) This agreement is concluded subject to the approval of the Annual General Meeting of the Controlling Company and the approval of the shareholders' meeting of the Controlled Company. It shall enter into force upon entry in the commercial

register of the Controlled Company. This agreement and its minimum term, except for the right to give instructions according to Art. 1, shall apply with retroactive effect as of commencement of the financial year of the Controlled Company, in which the entry is made in the commercial register.

- (2) The agreement is concluded for an indefinite period of time. It can only be terminated, however, after expiry of five years (full years) subject to a period of notice of 3 months given in writing to the end of the financial year of the Controlled Company (minimum term). At the end of the minimum term, the agreement shall be extended in each case by one calendar year unless terminated prior to expiry by either party giving written notice of termination of 3 months.
- (3) This shall not affect the right to terminate the agreement for good cause without complying with a period of notice. Good cause can in particular be deemed the sale or contribution of the Controlled Company by the Controlling Company, the merger, splitting or winding up of the Controlling Company or the Controlled Company.

## **§ 6**

### **Final provisions**

- (1) This agreement is governed by German law.
- (2) Amendments to and modifications of this agreement shall only be valid when given in writing unless a different form is prescribed. This shall also apply to this written form clause.
- (3) If individual provisions of this agreement are or shall become invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions of this agreement. An invalid or unenforceable provision shall be replaced by another such provision which is valid resp. enforceable and most closely corresponds in a legally admissible manner to that which the parties intended in economic resp. legal terms by the invalid or unenforceable provision or would have intended if they had considered the invalidity or unenforceability. This shall also apply in the case of a gap in this agreement.”

The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 3 mbH as controlled company has the following wording:

#### **“CONTROLLING AND PROFIT AND LOSS TRANSFER AGREEMENT**

by and between

**IKB Deutsche Industriebank AG,**

Wilhelm-Bötzkes-Str. 1

40474 Düsseldorf

HR B 1130

– hereinafter referred to as „**Controlling Company**“ genannt –

and

**IKB Beteiligungsgesellschaft 3 mbH,**

Wilhelm-Bötzkes-Str. 1

40474 Düsseldorf

HR B 72175

– hereinafter referred to as „**Controlled Company**“ genannt –

**Art. 1**

**Direction and instruction**

- (1) The Controlled Company is directed by the Controlling Company.
- (2) The Controlling Company has the right to give instructions to the management of the Controlled Company with regard to the direction of the Controlled Company. The right of the Controlling Company to give instructions can be granted generally or in relation to individual cases. An instruction to maintain, amend or terminate this agreement may not be given.
- (3) The Controlled Company shall be obliged within the scope of statutory provisions to comply with the instructions of the Controlling Company.

**Art. 2**

**Profit transfer**

- (1) The Controlled Company undertakes during the term of the agreement to transfer its entire profit in full to the Controlling Company. The extent of the profit transfer shall be governed, in addition to and taking precedence over para. (2), by Sec. 301 German Stock Corporation Act (*Aktiengesetz – AktG*) as amended from time to time.
- (2) The Controlled Company may, with the approval of the Controlling Company, allocate amounts from net income to other earnings reserves (Sec. 272 (3) German Commercial Code (*Handelsgesetzbuch – HGB*)) only to the extent that this is admissible under commercial law and justified in economic terms based on reasonable commercial assessment. Other earnings reserves, according to Sec. 272 (3) HGB, set up during the term of this agreement, must be reversed at the request of the Controlling Company and applied to offset the net loss or transferred as profit. The transfer of amounts from the reversal of capital reserves or other earnings reserves according to sentence 2, set up before this agreement commenced, is excluded.
- (3) The Controlling Company can request an advance transfer of profits if and to the extent that this is legally admissible.

**Art. 3**

**Assumption of losses**

The provisions of Sec. 302 of the German Stock Corporation Act as amended from time to time shall apply accordingly to the assumption of losses.

**Art. 4**  
**Due date of payments**

The claim to the transfer of profit according to Art. 2 and the claim to the offset of the net loss according to Art. 3 shall arise as of the cut-off date of the annual financial statements of the Controlled Company and shall be due on this date. Interest of 5% p.a. shall be paid on this as of this date.

**Art. 5**  
**Entry into force and term of the agreement**

- (1) This agreement is concluded subject to the approval of the Annual General Meeting of the Controlling Company and the approval of the shareholders' meeting of the Controlled Company. It shall enter into force upon entry in the commercial register of the Controlled Company. This agreement and its minimum term, except for the right to give instructions according to Art. 1, shall apply with retroactive effect as of commencement of the financial year of the Controlled Company, in which the entry is made in the commercial register.
- (2) The agreement is concluded for an indefinite period of time. It can only be terminated, however, after expiry of five years (full years) subject to a period of notice of 3 months given in writing to the end of the financial year of the Controlled Company (minimum term). At the end of the minimum term, the agreement shall be extended in each case by one calendar year unless terminated prior to expiry by either party giving written notice of termination of 3 months.
- (3) This shall not affect the right to terminate the agreement for good cause without complying with a period of notice. Good cause can in particular be deemed the sale or contribution of the Controlled Company by the Controlling Company, the merger, splitting or winding up of the Controlling Company or the Controlled Company.

**§ 6**  
**Final provisions**

- (1) This agreement is governed by German law.
- (2) Amendments to and modifications of this agreement shall only be valid when given in writing unless a different form is prescribed. This shall also apply to this written form clause.
- (3) If individual provisions of this agreement are or shall become invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions of this agreement. An invalid or unenforceable provision shall be replaced by another such provision which is valid resp. enforceable and most closely corresponds in a legally admissible manner to that which the parties intended in economic resp. legal terms by the invalid or unenforceable provision or would have intended if they had considered the invalidity or unenforceability. This shall also apply in the case of a gap in this agreement."

The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 4 mbH as controlled company has the following wording:

**“CONTROLLING AND PROFIT AND LOSS TRANSFER AGREEMENT**

by and between

**IKB Deutsche Industriebank AG,**

Wilhelm-Bötzkjes-Str. 1

40474 Düsseldorf

HR B 1130

– hereinafter referred to as „**Controlling Company**“ genannt –

and

**IKB Beteiligungsgesellschaft 4 mbH,**

Wilhelm-Bötzkjes-Str. 1

40474 Düsseldorf

HR B 72199

– hereinafter referred to as „**Controlled Company**“ genannt –

**Art. 1**

**Direction and instruction**

- (1) The Controlled Company is directed by the Controlling Company.
- (2) The Controlling Company has the right to give instructions to the management of the Controlled Company with regard to the direction of the Controlled Company. The right of the Controlling Company to give instructions can be granted generally or in relation to individual cases. An instruction to maintain, amend or terminate this agreement may not be given.
- (3) The Controlled Company shall be obliged within the scope of statutory provisions to comply with the instructions of the Controlling Company.

**Art. 2**

**Profit transfer**

- (1) The Controlled Company undertakes during the term of the agreement to transfer its entire profit in full to the Controlling Company. The extent of the profit transfer shall be governed, in addition to and taking precedence over para. (2), by Sec. 301 German Stock Corporation Act (*Aktiengesetz – AktG*) as amended from time to time.

- (2) The Controlled Company may, with the approval of the Controlling Company, allocate amounts from net income to other earnings reserves (Sec. 272 (3) German Commercial Code (*Handelsgesetzbuch – HGB*)) only to the extent that this is admissible under commercial law and justified in economic terms based on reasonable commercial assessment. Other earnings reserves, according to Sec. 272 (3) HGB, set up during the term of this agreement, must be reversed at the request of the Controlling Company and applied to offset the net loss or transferred as profit. The transfer of amounts from the reversal of capital reserves or other earnings reserves according to sentence 2, set up before this agreement commenced, is excluded.
- (3) The Controlling Company can request an advance transfer of profits if and to the extent that this is legally admissible.

### **Art. 3**

#### **Assumption of losses**

The provisions of Sec. 302 of the German Stock Corporation Act as amended from time to time shall apply accordingly to the assumption of losses.

### **Art. 4**

#### **Due date of payments**

The claim to the transfer of profit according to Art. 2 and the claim to the offset of the net loss according to Art. 3 shall arise as of the cut-off date of the annual financial statements of the Controlled Company and shall be due on this date. Interest of 5% p.a. shall be paid on this as of this date.

### **Art. 5**

#### **Entry into force and term of the agreement**

- (1) This agreement is concluded subject to the approval of the Annual General Meeting of the Controlling Company and the approval of the shareholders' meeting of the Controlled Company. It shall enter into force upon entry in the commercial register of the Controlled Company. This agreement and its minimum term, except for the right to give instructions according to Art. 1, shall apply with retroactive effect as of commencement of the financial year of the Controlled Company, in which the entry is made in the commercial register.
- (2) The agreement is concluded for an indefinite period of time. It can only be terminated, however, after expiry of five years (full years) subject to a period of notice of 3 months given in writing to the end of the financial year of the Controlled Company (minimum term). At the end of the minimum term, the agreement shall be extended in each case by one calendar year unless terminated prior to expiry by either party giving written notice of termination of 3 months.
- (3) This shall not affect the right to terminate the agreement for good cause without complying with a period of notice. Good cause can in particular be deemed the sale or contribution of the Controlled Company by the Controlling Company, the merger, splitting or winding up of the Controlling Company or the Controlled Company.

**§ 6**  
**Final provisions**

- (1) This agreement is governed by German law.
- (2) Amendments to and modifications of this agreement shall only be valid when given in writing unless a different form is prescribed. This shall also apply to this written form clause.
- (3) If individual provisions of this agreement are or shall become invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions of this agreement. An invalid or unenforceable provision shall be replaced by another such provision which is valid resp. enforceable and most closely corresponds in a legally admissible manner to that which the parties intended in economic resp. legal terms by the invalid or unenforceable provision or would have intended if they had considered the invalidity or unenforceability. This shall also apply in the case of a gap in this agreement.”

The Controlling and Profit and Loss Transfer Agreement of 10 June 2014 between IKB Deutsche Industriebank Aktiengesellschaft as controlling company and IKB Beteiligungsgesellschaft 5 mbH as controlled company has the following wording:

**“CONTROLLING AND PROFIT AND LOSS TRANSFER AGREEMENT**

by and between

**IKB Deutsche Industriebank AG,**

Wilhelm-Bötzkkes-Str. 1

40474 Düsseldorf

HR B 1130

– hereinafter referred to as “**Controlling Company**” –

and

**IKB Beteiligungsgesellschaft 5 mbH,**

Wilhelm-Bötzkkes-Str. 1

40474 Düsseldorf

HR B 72159

– hereinafter referred to as „**Controlled Company**“ genannt –

**Art. 1**  
**Direction and instruction**

- (1) The Controlled Company is directed by the Controlling Company.

- (2) The Controlling Company has the right to give instructions to the management of the Controlled Company with regard to the direction of the Controlled Company. The right of the Controlling Company to give instructions can be granted generally or in relation to individual cases. An instruction to maintain, amend or terminate this agreement may not be given.
- (3) The Controlled Company shall be obliged within the scope of statutory provisions to comply with the instructions of the Controlling Company.

**Art. 2**  
**Profit transfer**

- (1) The Controlled Company undertakes during the term of the agreement to transfer its entire profit in full to the Controlling Company. The extent of the profit transfer shall be governed, in addition to and taking precedence over para. (2), by Sec. 301 German Stock Corporation Act (*Aktiengesetz – AktG*) as amended from time to time.
- (2) The Controlled Company may, with the approval of the Controlling Company, allocate amounts from net income to other earnings reserves (Sec. 272 (3) German Commercial Code (*Handelsgesetzbuch – HGB*)) only to the extent that this is admissible under commercial law and justified in economic terms based on reasonable commercial assessment. Other earnings reserves, according to Sec. 272 (3) HGB, set up during the term of this agreement, must be reversed at the request of the Controlling Company and applied to offset the net loss or transferred as profit. The transfer of amounts from the reversal of capital reserves or other earnings reserves according to sentence 2, set up before this agreement commenced, is excluded.
- (3) The Controlling Company can request an advance transfer of profits if and to the extent that this is legally admissible.

**Art. 3**  
**Assumption of losses**

The provisions of Sec. 302 of the German Stock Corporation Act as amended from time to time shall apply accordingly to the assumption of losses.

**Art. 4**  
**Due date of payments**

The claim to the transfer of profit according to Art. 2 and the claim to the offset of the net loss according to Art. 3 shall arise as of the cut-off date of the annual financial statements of the Controlled Company and shall be due on this date. Interest of 5% p.a. shall be paid on this as of this date.

**Art. 5**  
**Entry into force and term of the agreement**

- (1) This agreement is concluded subject to the approval of the Annual General Meeting of the Controlling Company and the approval of the shareholders' meeting of the Controlled Company. It shall enter into force upon entry in the commercial

register of the Controlled Company. This agreement and its minimum term, except for the right to give instructions according to Art. 1, shall apply with retroactive effect as of commencement of the financial year of the Controlled Company, in which the entry is made in the commercial register.

- (2) The agreement is concluded for an indefinite period of time. It can only be terminated, however, after expiry of five years (full years) subject to a period of notice of 3 months given in writing to the end of the financial year of the Controlled Company (minimum term). At the end of the minimum term, the agreement shall be extended in each case by one calendar year unless terminated prior to expiry by either party giving written notice of termination of 3 months.
- (3) This shall not affect the right to terminate the agreement for good cause without complying with a period of notice. Good cause can in particular be deemed the sale or contribution of the Controlled Company by the Controlling Company, the merger, splitting or winding up of the Controlling Company or the Controlled Company.

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- (3) If individual provisions of this agreement are or shall become invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions of this agreement. An invalid or unenforceable provision shall be replaced by another such provision which is valid resp. enforceable and most closely corresponds in a legally admissible manner to that which the parties intended in economic resp. legal terms by the invalid or unenforceable provision or would have intended if they had considered the invalidity or unenforceability. This shall also apply in the case of a gap in this agreement.”