

**Capital Raising GmbH**

Norderfriedrichskoog, Federal Republic of Germany

EUR 200,000,000 Perpetual Fixed Rate Capital Notes

with the payment of interest and principal  
conditional upon receipt of  
profit participations and repayment under  
a Silent Participation in the commercial enterprise of

**IKB Deutsche Industriebank AG**

Düsseldorf and Berlin, Federal Republic of Germany

Application has been made to list the EUR 200,000,000 Perpetual Fixed Rate Capital Notes (the "Capital Notes") on the Official Segment of the stock market of Euronext Amsterdam N.V. Listing is expected to occur on 20 December 2002. Application has also been made to list the Capital Notes on the official market (amtlicher Markt) of the Frankfurt Stock Exchange.

The Capital Notes are expected to be assigned a rating of "A" by Fitch Ratings and "A3" by Moody's Investors Service, Inc. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

This Prospectus Supplement, taken together with the Offering Circular for the Capital Notes dated 19 December 2002, constitutes the prospectus for the purposes of the listing and issuing rules of Euronext Amsterdam N.V.

**BNP PARIBAS**

**Deutsche Bank**

The date of this Prospectus Supplement is 19 December 2002



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## Taxation in The Netherlands

The following summary outlines certain tax consequences to holders of Capital Notes. This summary is intended only as a general guide and does not refer to all information which could be of relevance to the acquisition, the holding and the sale or redemption of Capital Notes. The summary is based on the current law and practise of the Netherlands, which is subject to changes that could prospectively or retrospectively affect the stated tax consequences. **Prospective holders of Capital Notes who may be in any doubt as to their respective tax position should consult their own professional advisors.**

### *Residents of the Netherlands*

The summary of certain Dutch taxes set out below is only intended for the following investors:

- (a) individuals who are resident or deemed to be a resident of the Netherlands and, with respect to individual income taxation, individuals who have elected to be taxed as a resident of the Netherlands for the purposes of Dutch taxation (***Dutch Individuals***), but excluding individuals who derive benefits from the Capital Notes that are taxable as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which would for instance be the case where the activities with respect to Capital Notes exceed normal active asset management (*normaal, actief vermogensbeheer*);
- (b) corporate entities that are resident or deemed to be resident of the Netherlands for purposes of Dutch taxation (***Dutch Corporate Entities***), and which are either:
  - (i) a corporation;
  - (ii) another entity with a capital divided into shares;
  - (iii) a cooperative (association); or
  - (iv) another legal entity that has an enterprise or an interest in an enterprise to which the Capital Notes are attributable,

but which are not:

- (a) a qualifying pension fund (*pensioenfonds*);
- (b) a qualifying investment fund (*beleggingsinstelling*); or
- (c) another entity that is exempt from Dutch corporate income tax.



## **Taxes on Income and Capital Gains**

### *Dutch Individuals not engaged or deemed to be engaged in an enterprise*

Generally, a Dutch Individual who holds Capital Notes that are not attributable to an enterprise from which he derives profits as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), will not be subject to taxes on income and capital gains with respect to the Capital Notes in the Netherlands. Instead, the individual is taxed at a flat rate of 30 per cent. on deemed income from "savings and investments" (*sparen en beleggen*). This deemed income amounts to 4 per cent. of the average of the individual's "yield basis" (*rendementsgrondslag*), generally, at the beginning of the calendar year and the individual's "yield basis" at the end of the calendar year (minus a tax-free amount). The yield basis would include the fair market value of the Capital Notes.

### *Dutch Individuals engaged or deemed to be engaged in an enterprise and Dutch Corporate Entities*

Any benefits derived or deemed to be derived from the Capital Notes (including any capital gains realised on the disposal thereof), that are attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), or that are derived by a Dutch Corporate Entity, are generally subject to (corporate) income tax in the individual's or entity's hands at statutory rates.

## **Gift and inheritance taxes**

A liability to gift tax (*recht van schenking*) will arise in the Netherlands with respect to an acquisition of the Capital Notes by way of a gift made by individuals who are resident or deemed to be resident of the Netherlands or a Dutch Corporate Entity.

A liability to inheritance tax (*recht van successie*) will arise in the Netherlands with respect to an acquisition or deemed acquisition of the Capital Notes by way of an inheritance or bequest on the death of an individual who is, or has elected to be, resident or deemed to be resident of the Netherlands.

For the purposes of Dutch gift and inheritance taxes, an individual who holds Dutch nationality will be deemed to be resident of the Netherlands if he has been resident of the Netherlands at any time during the ten years preceding the date of the gift or his death. Inheritance tax will be due in the case of a gift of the Capital Notes by an individual who, at the time of the gift, was a non-Dutch resident shareholder, if such an individual dies within 180 days of the date of the gift while (at the time of his death) being resident or deemed to be resident of the Netherlands. For the purposes of Dutch gift tax, an individual not holding Dutch nationality will be deemed to be resident of the Netherlands if he has been resident of the Netherlands at any time during the twelve months preceding the date of the gift.



## ***Non-residents of the Netherlands***

### **Taxes on Income and Capital Gains**

A holder of Capital Notes will not be subject to any Netherlands taxes on income or capital gains in respect of the Capital Notes, including such tax on any payment under the Capital Notes or in respect of any gain realised on the disposal, deemed disposal or exchange of the Capital Notes, provided that:

- (i) such holder is neither a resident nor deemed to be a resident of the Netherlands, nor, if he is an individual, has elected to be taxed as a resident of the Netherlands; and
- (ii) such holder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Capital Notes are attributable;
- (iii) if such holder is an individual, such income or capital gain do not form "benefits from miscellaneous activities in the Netherlands" (*"resultaat uit overige werkzaamheden in Nederland"*), which would for instance be the case if the activities in the Netherlands with respect to the Capital Notes exceed "normal active asset management" (*"normaal, actief vermogensbeheer"*).

A holder of Capital Notes will not be subject to taxation in the Netherlands by reason only of the execution, delivery and/or enforcement of the Documents and the issue of the Capital Notes or the performance by the Issuer of its obligations thereunder or under the Capital Notes.

### **Gift, Estate and Inheritance Taxes**

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition of Capital Notes by way of a gift by, or on the death of, a holder of Capital Notes who is neither resident nor deemed to be resident of the Netherlands, unless:

- (i) such holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Capital Notes are or were attributable; or
- (ii) in the case of a gift of Capital Notes by an individual who at the date of the gift was neither resident nor deemed to be resident of the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands.

## **RESIDENTS OF THE NETHERLANDS AND NON-RESIDENTS OF THE NETHERLANDS**

### **Other taxes and duties**

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or holding of the Capital Notes.



## **Additional Information**

### ***Issue Date***

The Capital Notes will be issued on 19 December 2002. The rights attached to the Capital Notes take effect as per the issue date of the Capital Notes.

### ***Authorisations***

The issue of the Capital Notes by the Issuer has been duly authorised by a resolution of its board of directors passed on 9 December 2002.

The entering into of the Silent Partnership Agreement by IKB Deutsche Industriebank AG has been duly authorised by resolutions of its Board of Directors passed on 8 July 2002 and was approved by the annual general meeting of IKB Deutsche Industriebank AG's shareholders on 30 August 2002.

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer and/or IKB Deutsche Industriebank AG under the laws of the Federal Republic of Germany have been given for the issue of Capital Notes and for the Issuer and IKB Deutsche Industriebank AG, as the case may be, to undertake and perform their respective obligations under each of the Subscription Agreement, the Agency Agreement, the Underwriting Agreement with BNP Paribas and Deutsche Bank AG London dated 17 December 2002, the Silent Partnership Agreement, the Receivables Purchases Agreement, the Fiduciary Agreement and the Agreement on the Reimbursement of Expenses.

### ***No material change***

Save as described herein, there has been no material adverse change in the financial position or prospects of IKB Deutsche Industriebank AG since 31 March 2002 or the Issuer since 31 December 2001.

### ***Listing and Documents for Inspection***

Application has been made to list the Capital Notes on the Official Segment of the stock market of Euronext Amsterdam N.V. ("Euronext Amsterdam"). The Capital Notes are also expected to be listed on the Frankfurt Stock Exchange. At the date hereof it is not intended to list the Capital Notes on any other stock exchange.

So long as the Capital Notes are listed on Euronext Amsterdam there will be a paying agent in the city of Amsterdam. The Issuer has appointed Deutsche Bank AG, Amsterdam Branch, as initial paying agent in Amsterdam.

For so long as the Capital Notes are listed on Euronext Amsterdam interest and redemption shall be made payable in Amsterdam in euros at the offices of the paying agent.

The most recently published consolidated and non-consolidated audited annual financial statements and consolidated un-audited quarter-annual interim financial statements of IKB Deutsche Industriebank AG, and the most recently published



audited annual accounts of the Issuer, will also be available at the offices of the paying agent.

IKB Deutsche Industriebank AG does not publish non-consolidated interim financial statements.

In addition the following documents will be available for inspection, free of charge, at the offices of the paying agent in Amsterdam:

- (a) the articles of association of the Issuer;
- (b) the articles of association of IKB Deutsche Industriebank AG;
- (c) the authorisations referred to above;
- (d) the Agency Agreement;
- (e) the Silent Partnership Agreement;
- (f) the Receivables Purchases Agreement;
- (g) the Fiduciary Agreement; and
- (h) the Agreement on the Reimbursement of Expenses.

#### ***Incorporation by reference***

The articles of association of the Issuer are incorporated herein by reference.

#### ***Notices***

Notices with regard to the Capital Notes will be given by the Issuer so long as any Capital Notes are listed on the Official Segment of the Stock Market of Euronext Amsterdam and Euronext Amsterdam so requires, by publication in the Euronext Official Daily List (*Officiële Prijscourant*) of Euronext Amsterdam and in one daily newspaper of wide circulation in The Netherlands.

#### ***Paying Agent in Amsterdam***

Deutsche Bank AG, Amsterdam Branch  
Herengracht 450-454  
NL-1017 CA Amsterdam

#### ***Clearing***

The Capital Notes have been accepted for clearance through Clearstream Banking AG, Frankfurt am Main, Clearstream Banking, société anonyme, Luxembourg, and Euroclear Bank S.A./N.V., Brussels.

German Security Code (WKN)      749 072  
ISIN    DE 000 749 072 4  
Fondscode    14332



***Other***

The Issuer will comply with the requirements set forth in Article 2.1.20 section a-g of Schedule B of the Listing and Issuing Rules (*Fondsenreglement*) of Euronext Amsterdam for so long as the Capital Notes are listed on Euronext Amsterdam.

***Governing law***

This Prospectus Supplement and the Offering Circular for the Capital Notes dated 19 December 2002 shall be governed by the laws of the Federal Republic of Germany.

