

**Supplement No. 1 dated 7 December 2016
to the Base Prospectus dated 25 August 2016**



Deutsche Industriebank

IKB Deutsche Industriebank Aktiengesellschaft ("IKB")

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

Debt Issuance Programme (the "**Programme**")

for the issuance of notes in bearer form (the "**Notes**")

This supplement no. 1 (the "**Supplement**") constitutes a supplement for the purposes of Article 16.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended, (the "**Prospectus Directive**") and Article 13 of the Luxembourg Law on Prospectuses for Securities (*loi relative aux prospectus pour valeurs mobilières*) dated 10 July 2005, as amended, (the "**Prospectus Act**") to the Base Prospectus dated 25 August 2016 (the "**Base Prospectus**"), which has been prepared in connection with the Programme established by IKB (the "**Issuer**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and all documents incorporated by reference in the Base Prospectus.

Copies of the Base Prospectus, this Supplement and all documents incorporated by reference in the Base Prospectus, will be obtainable free of charge to each investor upon request. These documents can be requested from the Issuer via its website (www.ikb.de) or by letter to IKB Deutsche Industriebank Aktiengesellschaft at the following address: Wilhelm-Böttzkes-Straße 1, 40474 Düsseldorf, Federal Republic of Germany. Copies of the Base Prospectus, this Supplement and all documents incorporated by reference in the Base Prospectus will also be viewable on, and obtainable free of charge from, the website of the Luxembourg Stock Exchange (www.bourse.lu).

To the extent that there is any inconsistency between (a) any statements in this Supplement and (b) any other statement in the Base Prospectus, the statements in (a) above will prevail.

The Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

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A. Introduction

On 25 November 2016, IKB published its 6-Month Report 2016/2017 as of and for the six months period ended 30 September 2016 (the "**6-Month Report 2016/2017**"). Following the publication of the 6-Month Report 2016/2017, the sections entitled "A. SUMMARY", "B. RISK FACTORS", "D. DESCRIPTION OF THE ISSUER" and "I. DOCUMENTS INCORPORATED BY REFERENCE" contained in the Base Prospectus shall be amended as follows to provide updated information with regard to the Issuer and certain risks relating to the Issuer.

B. Amendments to the section commencing on page 7 of the Base Prospectus which is entitled "A. SUMMARY"

1. Amendments to the subsection commencing on page 7 of the Base Prospectus which is entitled "1. ENGLISH VERSION OF SUMMARY"

The subsection commencing on page 9 of the Base Prospectus which is entitled "Section B – The Issuer – B.12 – Selected Historical Key Financial Information" shall be replaced in its entirety as follows:

Element	Section B – The Issuer		
B.12	Selected Historical Key Financial Information	Summary of Selected Financial Information	
		<p>Unless specified otherwise below, the following table sets out the key financial information of IKB in accordance with the German Commercial Code (Handelsgesetzbuch; "HGB") extracted from the consolidated financial statements as of and for the financial year ended 31 March 2016 and from the consolidated interim financial statements as of and for the six months period ended 30 September 2016. The consolidated financial statements of IKB as of and for the financial year ended 31 March 2016 were audited by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft ("PwC") and PwC has issued an unqualified auditors' opinion on such consolidated financial statements.</p>	
		Consolidated Balance Sheet	
		30 Sept.	31 Mar.
	in € million	2016	31 Mar.
		(unaudited)	2015
	Assets		
	Cash reserve	159	34
	Receivables from banks	1,591	2,122
	Receivables from customers	10,033	9,888
	Bonds and other fixed-income securities	4,698	5,052
	Equities and other non-fixed-income securities	471	470
	Assets held for trading	-	-
	Equity investments	4	11
	Investments in associates	15	15
	Lease assets	919	941
	Prepaid expenses	236	275
	Deferred tax assets	253	254
	Remaining assets	470	498
	Total assets	18,848	19,559
			21,654
		Some totals may be subject to discrepancies due to rounding differences.	

Element	Section B – The Issuer				
	in € million	30 Sept. 2016 (unaudited)	31 Mar. 2016	31 Mar. 2015	
Equity and liabilities					
	Liabilities to banks	6,882	7,897	8,893	
	Liabilities to customers	7,855	7,498	8,165	
	Securitised liabilities	790	774	756 ¹⁾	
	Liabilities held for trading	-	-	280	
	Deferred income	120	147	113	
	Provisions	351	348	398	
	Subordinated liabilities	822	922	971	
	Profit participation capital	32	32	32	
	Fund for general banking risks	585	585	580	
	Remaining Other liabilities	389	345	465	
	Equity	1,022	1,011	1,000	
	Total equity and liabilities	18,848	19,559	21,654	
	Contingent liabilities and Other obligations	2,913	2,568	2,236	
Some totals may be subject to discrepancies due to rounding differences.					
Consolidated Income Statement					
	in € million	1 April – 30 Sept. 2016 (un- audited)	31 Mar. 2016	1 April – 30 Sept. 2015 (un- audited)	31 Mar. 2015
Expenses					
	Lease expenses	-92	-211	-99	-208
	Interest expenses	-282	-647	-342	-937
	Commission expenses	-7	-14	-7	-13
	Net trading results	-	-	-	-
	General administrative expenses	-135	-288	-138	-303
	Depreciation and write-downs of intangible and tangible fixed assets	-154	-322	-163	-359
	Other operating expenses	-459	-985	-399	-1,098
	Expenses for the addition to the fund for general banking risks	-	-7	-	-5
	Depreciation and write-downs of receivables, specific securities and additions to loan loss provisions	-18	-9	-	-65
	Depreciation and write-downs of equity investments, investments in affiliated companies and long-term investments	-8	-14	-4	-16
	Expenses of assumption of losses	-	0	-	0
	Extraordinary expenses	-17	-34	-2	-5
	Income taxes	-20	1	5	-119
	Other taxes not reported under "Other operating expenses"	-1	-2	-1	-1
	Net income for the financial year	-10	-10	-23	-5
	Total expenses	-1,202	-2,542	-1,173	-3,132

Element	Section B – The Issuer				
	in € million	1 April – 30 Sept. 2016 (un- audited)	31 Mar. 2016	1 April – 30 Sept. 2015 (un- audited)	31 Mar. 2015
Income					
Lease income	270	586	292	628	
Interest income	393	862	446	1,104	
Current income	2	4	2	52	
Income from profit-pooling, profit transfer and partial profit transfer agreements	-	-	-	-	
Commission income	25	43	21	56	
Net trading results	-	6	0	8	
Income from reversals of write-downs on receivables and certain securities and from the reversal of loan loss provisions	166	-	14	-	
Income from reversals of write-downs of equity investments, investments in affiliated companies and long-term investment securities	347	281	95	416	
Other operating income	270	759	302	866	
Income from the reversal of the fund for general banking risks	-	-	-	-	
Extraordinary income	-	1	1	2	
Income from assumption of losses	-	-	-	-	
Net loss for the financial year	-	-	-	-	
Total income	1,202	2,542	1,173	3,132	
Net income for the year	10	10	23	5	
Loss carryforward from the previous year	-2,361	-2,372	-2,372	-2,376	
Withdrawals from capital reserves	-	-	-	-	
Withdrawals from revenue reserves	-	-	-	-	
Withdrawals from profit participation capital	-	-	-	-	
Withdrawals from silent partnership contributions	-	-	-	-	
Allocations to revenue reserves	-	-	-	-	
Replenishment of profit participation capital	-	-	-	-	
Net accumulated losses	-2,351	-2,361	-2,348	-2,372	
Some totals may be subject to discrepancies due to rounding differences.					
Consolidated Cash Flow Statement					
in € million		2015/16	2014/15		
Cash flow from operating activities		-739.5	-1,327.3		
Cash flow from investing activities		788.6	1,349.7		
Cash flow from financing activities		-50.0	-10.0		
Cash funds at beginning of period		34.6	22.2		
Cash funds at end of period		33.7	34.6		
Some totals may be subject to discrepancies due to rounding differences.					

Element	Section B – The Issuer																											
	<p>Summary of Regulatory Indicators</p> <p>Regulatory capital situation of IKB Group in accordance with CRR/CRD IV²⁾³⁾:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">in € million</th> <th style="text-align: center;">30 Sept. 2016</th> <th style="text-align: center;">31 Mar. 2016</th> <th style="text-align: center;">31 Mar. 2015</th> </tr> </thead> <tbody> <tr> <td>Total risk-weighted assets (RWA)</td> <td style="text-align: right;">13,066</td> <td style="text-align: right;">12,763</td> <td style="text-align: right;">13,340</td> </tr> <tr> <td>Own funds</td> <td style="text-align: right;">2,162</td> <td style="text-align: right;">2,190</td> <td style="text-align: right;">2,228</td> </tr> <tr> <td>CET 1 ratio</td> <td style="text-align: right;">11.2%</td> <td style="text-align: right;">11.6%</td> <td style="text-align: right;">10.9%</td> </tr> <tr> <td>T 1 ratio</td> <td style="text-align: right;">13.4%</td> <td style="text-align: right;">13.8%</td> <td style="text-align: right;">13.3%</td> </tr> <tr> <td>Own funds ratio</td> <td style="text-align: right;">16.5%</td> <td style="text-align: right;">17.2%</td> <td style="text-align: right;">16.7%</td> </tr> </tbody> </table> <p>Some totals may be subject to discrepancies due to rounding differences.</p> <p>1) The treatment of bonds issued by IKB Group companies, held by another IKB Group company and not acquired on the market was altered as at 31 March 2016. Deviating from the past presentation in the consolidated financial statements, bonds issued within the IKB Group are no longer reported as own bonds under "Bonds and other fixed-income securities", and are instead offset against each other in the consolidation of intercompany balances. Thus, the carrying amounts for "Bonds and other fixed-income securities" and for "Securitised liabilities" were each reduced by € 755.6 million in 2015. As a result of this change in reporting, the information relating to 2015 was restated and is no longer comparable with the information published in 2015.</p> <p>2) Figures taking into consideration the phase-in and phase-out provisions of the CRR. The CET 1 ratios were calculated in accordance with the current legal status of the CRR as at 30 September 2016, 31 March 2016 and 31 March 2015 respectively, including transitional provisions and the interpretations published by the supervisory authorities. The possibility that future EBA/ECB standards and interpretations or other supervisory actions will lead to a retrospective change in the CET 1 ratio cannot be ruled out.</p> <p>3) Figures after approval of the accounts and taking into consideration the addition to the fund for general banking risk in CET 1 at the relevant reporting date.</p>				in € million	30 Sept. 2016	31 Mar. 2016	31 Mar. 2015	Total risk-weighted assets (RWA)	13,066	12,763	13,340	Own funds	2,162	2,190	2,228	CET 1 ratio	11.2%	11.6%	10.9%	T 1 ratio	13.4%	13.8%	13.3%	Own funds ratio	16.5%	17.2%	16.7%
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	Material adverse change in the prospects of the Issuer	There has been no material adverse change in the prospects of IKB AG that has occurred since the date of the last audited consolidated financial statements as of and for the financial year ended 31 March 2016.																										
	Significant change in the financial position	Not applicable. There has been no significant change in IKB AG's financial position since the date of the last unaudited consolidated financial statements as of and for the six months period ended 30 September 2016.																										

2. Amendments to the subsection commencing on page 29 of the Base Prospectus which is entitled "2. GERMAN TRANSLATION OF THE SUMMARY"

The subsection commencing on page 31 of the Base Prospectus which is entitled "Abschnitt B – Die Emittentin – B.12 – Ausgewählte wesentliche historische Finanzinformationen" shall be replaced in its entirety as follows:

Element	Abschnitt B – Die Emittentin																																																																																																																										
B.12	Ausgewählte wesentliche historische Finanzinformationen	<p data-bbox="576 293 1391 685">Zusammenfassung ausgewählter Finanzinformationen</p> <p data-bbox="576 338 1391 685">Sofern nachstehend nicht anders angegeben, enthält die nachstehende Tabelle die wesentlichen Finanzdaten der IKB nach Handelsgesetzbuch ("HGB"), die dem Konzernabschluss zum und für das am 31. März 2016 abgeschlossene Geschäftsjahr sowie dem Halbjahreskonzernabschluss zum und für den am 30. September 2016 abgeschlossenen 6-Monats-Zeitraum entnommen wurden. Der Konzernabschluss der IKB zum und für das am 31. März 2016 abgeschlossene Geschäftsjahr wurde von der PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft ("PwC") geprüft, und PwC hat einen uneingeschränkten Bestätigungsvermerk mit Bezug auf den Konzernabschluss erteilt.</p> <p data-bbox="576 703 762 730">Konzernbilanz</p> <table border="1" data-bbox="584 745 1391 1339"> <thead> <tr> <th data-bbox="584 745 983 837">in Mio. €</th> <th data-bbox="983 745 1145 837">30. Sept. 2016 (ungeprüft)</th> <th data-bbox="1145 745 1299 837">31. März 2016</th> <th data-bbox="1299 745 1391 837">31. März 2015</th> </tr> </thead> <tbody> <tr> <td colspan="4" data-bbox="584 837 1391 869">Aktiva</td> </tr> <tr> <td data-bbox="584 869 983 900">Barreserve</td> <td data-bbox="983 869 1145 900">159</td> <td data-bbox="1145 869 1299 900">34</td> <td data-bbox="1299 869 1391 900">35</td> </tr> <tr> <td data-bbox="584 900 983 931">Forderungen an Kreditinstitute</td> <td data-bbox="983 900 1145 931">1.591</td> <td data-bbox="1145 900 1299 931">2.122</td> <td data-bbox="1299 900 1391 931">2.300</td> </tr> <tr> <td data-bbox="584 931 983 963">Forderungen an Kunden</td> <td data-bbox="983 931 1145 963">10.033</td> <td data-bbox="1145 931 1299 963">9.888</td> <td data-bbox="1299 931 1391 963">11.090</td> </tr> <tr> <td data-bbox="584 963 983 1025">Schuldverschreibungen und andere festverzinsliche Wertpapiere</td> <td data-bbox="983 963 1145 1025">4.698</td> <td data-bbox="1145 963 1299 1025">5.052</td> <td data-bbox="1299 963 1391 1025">5.774¹⁾</td> </tr> <tr> <td data-bbox="584 1025 983 1088">Aktien und andere nicht festverzinsliche Wertpapiere</td> <td data-bbox="983 1025 1145 1088">471</td> <td data-bbox="1145 1025 1299 1088">470</td> <td data-bbox="1299 1025 1391 1088">483</td> </tr> <tr> <td data-bbox="584 1088 983 1120">Handelsbestand</td> <td data-bbox="983 1088 1145 1120">-</td> <td data-bbox="1145 1088 1299 1120">-</td> <td data-bbox="1299 1088 1391 1120">271</td> </tr> <tr> <td data-bbox="584 1120 983 1151">Beteiligungen</td> <td data-bbox="983 1120 1145 1151">4</td> <td data-bbox="1145 1120 1299 1151">11</td> <td data-bbox="1299 1120 1391 1151">23</td> </tr> <tr> <td data-bbox="584 1151 983 1182">Anteile an assoziierten Unternehmen</td> <td data-bbox="983 1151 1145 1182">15</td> <td data-bbox="1145 1151 1299 1182">15</td> <td data-bbox="1299 1151 1391 1182">14</td> </tr> <tr> <td data-bbox="584 1182 983 1214">Leasingvermögen</td> <td data-bbox="983 1182 1145 1214">919</td> <td data-bbox="1145 1182 1299 1214">941</td> <td data-bbox="1299 1182 1391 1214">1.030</td> </tr> <tr> <td data-bbox="584 1214 983 1245">Rechnungsabgrenzungsposten</td> <td data-bbox="983 1214 1145 1245">236</td> <td data-bbox="1145 1214 1299 1245">275</td> <td data-bbox="1299 1214 1391 1245">75</td> </tr> <tr> <td data-bbox="584 1245 983 1276">Aktive latente Steuern</td> <td data-bbox="983 1245 1145 1276">253</td> <td data-bbox="1145 1245 1299 1276">254</td> <td data-bbox="1299 1245 1391 1276">243</td> </tr> <tr> <td data-bbox="584 1276 983 1308">Übrige Aktiva</td> <td data-bbox="983 1276 1145 1308">470</td> <td data-bbox="1145 1276 1299 1308">498</td> <td data-bbox="1299 1276 1391 1308">319</td> </tr> <tr> <td data-bbox="584 1308 983 1339">Summe der Aktiva</td> <td data-bbox="983 1308 1145 1339">18.848</td> <td data-bbox="1145 1308 1299 1339">19.559</td> <td data-bbox="1299 1308 1391 1339">21.654</td> </tr> </tbody> </table> <p data-bbox="576 1370 1031 1397">Summendifferenzen sind Rundungsdifferenzen.</p> <table border="1" data-bbox="584 1429 1391 2016"> <thead> <tr> <th data-bbox="584 1429 983 1520">in Mio. €</th> <th data-bbox="983 1429 1145 1520">30. 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Handelsbestand	-	-	271																																																																																																																								
Beteiligungen	4	11	23																																																																																																																								
Anteile an assoziierten Unternehmen	15	15	14																																																																																																																								
Leasingvermögen	919	941	1.030																																																																																																																								
Rechnungsabgrenzungsposten	236	275	75																																																																																																																								
Aktive latente Steuern	253	254	243																																																																																																																								
Übrige Aktiva	470	498	319																																																																																																																								
Summe der Aktiva	18.848	19.559	21.654																																																																																																																								
in Mio. €	30. Sept. 2016 (ungeprüft)	31. März 2016	31. März 2015																																																																																																																								
Passiva																																																																																																																											
Verbindlichkeiten gegenüber Kreditinstituten	6.882	7.897	8.893																																																																																																																								
Verbindlichkeiten gegenüber Kunden	7.855	7.498	8.165																																																																																																																								
Verbriefte Verbindlichkeiten	790	774	756 ¹⁾																																																																																																																								
Handelsbestand	-	-	280																																																																																																																								
Rechnungsabgrenzungsposten	120	147	113																																																																																																																								
Rückstellungen	351	348	398																																																																																																																								
Nachrangige Verbindlichkeiten	822	922	971																																																																																																																								
Genussrechtskapital	32	32	32																																																																																																																								
Fonds für allgemeine Bankrisiken	585	585	580																																																																																																																								
Übrige Verbindlichkeiten	389	345	465																																																																																																																								
Eigenkapital	1.022	1.011	1.000																																																																																																																								
Summe der Passiva	18.848	19.559	21.654																																																																																																																								
Eventualverbindlichkeiten und Andere Verpflichtungen	2.913	2.568	2.236																																																																																																																								

Element	Abschnitt B – Die Emittentin			
	Summendifferenzen sind Rundungsdifferenzen.			
	Konzern-Gewinn- und Verlustrechnung			
in Mio. €	1. April – 30. Sept. 2016 (unge- prüft)	31. März 2016	1. April – 30. Sept. 2015 (unge- prüft)	31. März 2015
Aufwendungen				
Leasingaufwendungen	-92	-211	-99	-208
Zinsaufwendungen	-282	-647	-342	-937
Provisionsaufwendungen	-7	-14	-7	-13
Nettoaufwand des Handelsbestands	-	-	-	-
Allgemeine Verwaltungsaufwendungen	-135	-288	-138	-303
Abschreibungen und Wertberichtigungen auf immaterielle Anlagewerte und Sachanlagen	-154	-322	-163	-359
Sonstige betriebliche Aufwendungen	-459	-985	-399	-1.098
Aufwendungen aus der Zuführung zum Fonds für allgemeine Bankrisiken	-	-7	-	-5
Abschreibungen und Wertberichtigungen auf Forderungen und bestimmte Wertpapiere sowie Zuführungen zu Rückstellungen im Kreditgeschäft	-18	-9	-	-65
Abschreibungen und Wertberichtigungen auf Beteiligungen, Anteile an verbundenen Unternehmen und wie Anlagevermögen behandelte Wertpapiere	-8	-14	-4	-16
Aufwendungen aus Verlustübernahme	-	0	-	0
Außerordentliche Aufwendungen	-17	-34	-2	-5
Steuern vom Einkommen und vom Ertrag	-20	1	5	-119
Sonstige Steuern, soweit nicht unter dem Posten "Sonstige betriebliche Aufwendungen" ausgewiesen	-1	-2	-1	-1
Jahresüberschuss	-10	-10	-23	-5
Summe der Aufwendungen	-1.202	-2.542	-1.173	-3.132

Element	Abschnitt B – Die Emittentin				
	in Mio.€	1. April – 30. Sept. 2016 (unge- prüft)	31. März 2016	1. April – 30. Sept. 2015 (unge- prüft)	31. März 2015
Erträge					
Leasingerträge	270	586	-99	628	
Zinserträge	393	862	-342	1.104	
Laufende Erträge	2	4	-7	52	
Erträge aus Gewinngemeinschaften, Gewinnabführungs- oder Teilgewinnabführungs- verträgen	-	-	-	-	
Provisionserträge	25	43	21	56	
Nettoertrag des Handelsbestands	-	6	0	8	
Erträge aus Zuschreibungen zu Forderungen und bestimmten Wertpapieren sowie aus der Auflösung von Rückstellungen im Kreditgeschäft	-	-	14	-	
Erträge aus Zuschreibungen zu Beteiligungen, Anteilen an verbundenen Unternehmen und wie Anlagevermögen behandelten Wertpapieren	166	281	95	416	
Sonstige betriebliche Erträge	347	759	302	866	
Erträge aus der Auflösung des Fonds für allgemeine Bankrisiken	-	-	-	-	
Außerordentliche Erträge	-	1	1	2	
Erträge aus Verlustübernahme	-	-	-	-	
Jahresfehlbetrag	-	-	-	-	
Summe der Erträge	1.202	2.542	1.173	3.132	
Jahresüberschuss/-fehlbetrag	10	10	23	5	
Verlustvortrag aus dem Vorjahr	-2.361	-2.372	-2.372	-2.376	
Entnahmen aus der Kapitalrücklage	-	-	-	-	
Entnahmen aus Gewinnrücklagen	-	-	-	-	
Entnahmen aus Genussrechtskapital	-	-	-	-	
Entnahmen Stille Einlage	-	-	-	-	
Einstellungen in Gewinnrücklagen	-	-	-	-	
Wiederauffüllung des Genussrechtskapitals	-	-	-	-	
Bilanzverlust	-2.351	-2.361	-2.348	-2.372	
Summendifferenzen sind Rundungsdifferenzen.					
Konzern-Kapitalflussrechnung					
in Mio. €		2015/16	2014/15		
Cashflow aus laufender Geschäftstätigkeit		-739,5	-1.327,3		
Cashflow aus Investitionstätigkeit		788,6	1.349,7		

Element	Abschnitt B – Die Emittentin																																			
	<table border="1"> <tr> <td>Cashflow aus der Finanzierungstätigkeit</td> <td style="text-align: right;">-50,0</td> <td style="text-align: right;">-10,0</td> </tr> <tr> <td>Finanzmittelfonds am Anfang der Periode</td> <td style="text-align: right;">34,6</td> <td style="text-align: right;">22,2</td> </tr> <tr> <td>Finanzmittelfonds am Ende der Periode</td> <td style="text-align: right;">33,7</td> <td style="text-align: right;">34,6</td> </tr> </table> <p>Summendifferenzen sind Rundungsdifferenzen.</p> <p>Regulatorische Kapitalausstattung</p> <p>Regulatorische Kapitalsituation der IKB-Gruppe unter CRR/CRD IV²⁾ 3):</p> <table border="1"> <thead> <tr> <th style="text-align: left;">in Mio. €</th> <th style="text-align: right;">30. Sept. 2016</th> <th style="text-align: right;">31. März 2016</th> <th style="text-align: right;">31. März 2015</th> </tr> </thead> <tbody> <tr> <td>Total Risk Weighted Assets (RWA)</td> <td style="text-align: right;">13.066</td> <td style="text-align: right;">12.763</td> <td style="text-align: right;">13.340</td> </tr> <tr> <td>Own Funds</td> <td style="text-align: right;">2.162</td> <td style="text-align: right;">2.190</td> <td style="text-align: right;">2.228</td> </tr> <tr> <td>CET 1 Ratio</td> <td style="text-align: right;">11,2%</td> <td style="text-align: right;">11,6%</td> <td style="text-align: right;">10,9%</td> </tr> <tr> <td>T 1 Ratio</td> <td style="text-align: right;">13,4%</td> <td style="text-align: right;">13,8%</td> <td style="text-align: right;">13,3%</td> </tr> <tr> <td>Own Funds Ratio</td> <td style="text-align: right;">16,5%</td> <td style="text-align: right;">17,2%</td> <td style="text-align: right;">16,7%</td> </tr> </tbody> </table> <p>Summendifferenzen sind Rundungsdifferenzen.</p> <p>1) Die Behandlung von durch Konzernunternehmen emittierten Schuldverschreibungen, die ein anderes Konzernunternehmen im Bestand hält und die nicht über den Markt erworben wurden, ist zum 31. März 2016 geändert worden. Konzernintern emittierte Schuldverschreibungen werden im Unterschied zur bisherigen Darstellung im Konzernabschluss nicht mehr als eigene Schuldverschreibungen unter der Position "Schuldverschreibungen und andere festverzinsliche Wertpapiere" ausgewiesen, sondern im Rahmen der Schuldenkonsolidierung gegeneinander aufgerechnet. Hierdurch haben sich die Buchwerte für "Schuldverschreibungen und andere festverzinsliche Wertpapiere" sowie für "Verbriefte Verbindlichkeiten" in 2015 um jeweils € 755,6 Mio. reduziert. Aufgrund dieser Ausweisänderung wurden die Angaben für 2015 gegenüber den in 2015 veröffentlichten Werten angepasst.</p> <p>2) Angaben unter Berücksichtigung der Ein- und Ausphasungsregelungen der CRR. Die CET 1-Quoten wurden nach aktuellem Rechtsstand der CRR zum 30. September 2016, 31. März 2016 bzw. 31. März 2015 inklusive Übergangsvorschriften sowie der bekannten Interpretationen der Aufsicht und deren Auslegung ermittelt. Es ist nicht auszuschließen, dass zukünftige EBA-/EZB-Standards/Interpretationen bzw. sonstige aufsichtliche Handlungen retrograd zu einer abweichenden CET 1-Quote führen können.</p> <p>3) Angaben nach Bilanzfeststellung und unter stichtagsgleicher Zurechnung der Dotierung des Fonds für allgemeine Bankrisiken im CET 1.</p>	Cashflow aus der Finanzierungstätigkeit	-50,0	-10,0	Finanzmittelfonds am Anfang der Periode	34,6	22,2	Finanzmittelfonds am Ende der Periode	33,7	34,6	in Mio. €	30. Sept. 2016	31. März 2016	31. März 2015	Total Risk Weighted Assets (RWA)	13.066	12.763	13.340	Own Funds	2.162	2.190	2.228	CET 1 Ratio	11,2%	11,6%	10,9%	T 1 Ratio	13,4%	13,8%	13,3%	Own Funds Ratio	16,5%	17,2%	16,7%		
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	Wesentliche Verschlechterung der Aussichten der Emittentin	Seit dem Datum des letzten geprüften Konzernabschlusses zum und für das am 31. März 2016 abgeschlossene Geschäftsjahr sind keine wesentlichen Veränderungen in den Aussichten der IKB AG eingetreten.																																		
	Wesentliche Veränderung in der Finanzlage	Entfällt. Seit dem Datum des letzten ungeprüften Konzernabschlusses zum und für den am 30. September 2016 abgeschlossenen 6-Monats-Zeitraum sind keine wesentlichen Veränderungen in der Finanzlage der IKB AG eingetreten.																																		

C. Amendments to the section commencing on page 55 of the Base Prospectus which is entitled "B. RISK FACTORS"

Amendments to the subsection commencing on page 55 of the Base Prospectus which is entitled "1. RISK FACTORS RELATING TO THE ISSUER"

- 1. The subsection commencing on page 55 of the Base Prospectus which is entitled "1.1 Risks Relating to the Economic and Financial Market Situation – *IKB's financial condition may be adversely affected by general economic and business conditions.*" shall be replaced in its entirety as follows:**

IKB's financial condition may be adversely affected by general economic and business conditions.

The profitability of IKB's business could be adversely affected by a worsening of general economic conditions and deteriorating individual markets. Factors such as interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity and other asset prices could significantly affect the financial strength of IKB's counterparts. For example:

- an economic downturn or a significant change in interest rates could adversely affect the credit quality of IKB's assets by increasing the risk that a greater number of IKB's customers would be unable to meet their obligations;
- a market downturn or worsening of the economy could cause IKB to incur mark to market losses in its portfolios; and
- a market downturn would likely lead to a decline in the volume of transactions that IKB executes and, therefore, lead to a decline in fees, commissions and interest income.

- 2. The subsection commencing on page 56 of the Base Prospectus which is entitled "1.1 Risks Relating to the Economic and Financial Market Situation – *IKB has been and may continue to be affected by low growth rates in all major industrialised countries as well as volatile financial markets due to high debt levels among European sovereigns and on-going crisis management by major central banks*" shall be replaced in its entirety as follows:**

IKB has been and may continue to be affected by low growth rates in all major industrialised countries as well as volatile financial markets due to ongoing unconventional monetary policy by all major central banks.

A renewed slowdown in the European economy or other regions of the global economy cannot be excluded and remains a risk, especially as debt levels remain high and the sustainability of European sovereign debt levels remains a concern. Also, volatile commodity markets and global capital flows continue to impose risks on emerging markets. In most industrialized countries and especially European countries, national debt levels have increased substantially over recent years. Although fiscal consolidation has reduced the budget deficits, weak growth remains an impediment to a noteworthy reduction in debt ratios. In most member countries of the European Economic and Monetary Union, the level of sovereign debt exceeds 60% of gross domestic product, which is the limit set by the Treaty of Maastricht. In some countries (e.g. Italy), sovereign debt exceeds well over 100% of the gross domestic product. Weak economic growth remains a major constraint for a speedy stabilization and an ultimate reduction in sovereign debt levels. For countries including Italy, weak credit extension and a general reluctance towards structural reforms continue to be an impediment to a noteworthy acceleration in growth. While the Eurozone is showing signs of

an overall economic stabilization, uncertainty remains over the strength and sustainability of the recovery. Moreover, multiple geopolitical crises as well as the forthcoming exit of Great Britain from the EU could fundamentally increase the downside risks facing the global and European economy. As a result, risk premiums could show renewed signs of volatility. However, the European Central Bank's ("**ECB**") programme of quantitative easing should prevent any major widening in risk premiums among Eurozone members. The programme aims at easing monetary policy by way of purchasing government bonds, asset-backed securities, as well as covered and selected corporate bonds. The programme should also secure lower interest rates for the Eurozone states, thereby enhancing debt sustainability over time. However, risks remain that sustained weak economic growth will increase the risk of a re-escalation of the Eurozone sovereign debt crisis, thereby undermining the recapitalisation of banks and other financial services providers. Together with increased uncertainty over growth prospects for emerging markets, risks to the global growth outlook in general and Germany's export prospects in particular remain.

Further risk could emanate from a change in monetary policy. The US Fed is expected to continue increasing its key lending rate over the next twelve to 24 months, which bears the risk of a general repricing of assets across financial markets. Noteworthy changes in Eurozone interest rates could also lead to changes in the portfolio composition of major financial institutions, thereby altering and possibly adversely affecting prices of certain financial assets.

In the absence of a sustained recovery, regulatory and political actions by European governments and the European Central Bank in response to escalating debt and high unemployment levels may significantly influence money and capital markets, thereby increasing the spectrum of uncertainty regarding the level of future interest rates, risk premiums and the regulatory framework for financial institutions. Furthermore, a possible departure of any one or more countries from the euro could have unpredictable consequences on the financial system and the greater economy, potentially leading to declines in business levels, write-downs of assets and losses across IKB's businesses. IKB's ability to protect itself against these risks is limited.

The occurrence of any of the risks set out above could have material adverse effects on IKB's business operations and financial condition.

3. The subsection commencing on page 57 of the Base Prospectus which is entitled "1.2 Risks Relating to IKB and its Business – IKB faces liquidity risks, which it may fail to mitigate if it is unable to raise sufficient funding." shall be replaced in its entirety as follows:

IKB faces liquidity risks, which it may fail to mitigate if it is unable to raise sufficient funding.

Liquidity and refinancing risk is the risk of IKB no longer being in the position to meet its payment obligations on schedule (liquidity risk) or to raise refinancing funds on the market at appropriate conditions (refinancing risk).

In addition to secured financing on the interbank market, business involving deposits and promissory note loans with corporate clients, retail customers and institutional investors forms a key element of IKB's refinancing. IKB also actively utilises programme loans and global loans from government development banks for its customers. In addition, IKB issues bearer bonds.

Depending on the development of its new business, IKB expects its liquidity requirements to amount to between € 5 billion and € 7 billion during the course of the next twelve months. As previously, the main options currently available for refinancing these requirements are

accepting customer deposits and promissory note loans, secured borrowing on the interbank market (cash and term deposits), participating in ECB tenders and issuing bearer bonds. Further options for IKB are selling balance sheet assets and collateralised refinancing structures.

Liquidity planning is based on a range of assumptions such as the above and other factors that can determine liquidity, both on the assets side and the liabilities side. The occurrence or non-occurrence of such assumptions or factors may result in liquidity bottlenecks. For example, this may include market developments that prevent IKB from extending liabilities covered by the deposit protection fund (*Einlagensicherungsfonds*) or participating in ECB tenders to a sufficient extent or at all.

- 4. In the subsection commencing on page 60 of the Base Prospectus which is entitled "1.2 Risks Relating to IKB and its Business – IKB's business performance could be adversely affected if its capital is not managed effectively." the second paragraph shall be replaced in its entirety as follows:**

Since 1 January 2014, IKB has calculated its regulatory capital resources in accordance with the provisions of the CRR/CRD IV. It applies the standardised approach for credit risk for counterparty default risk, the base indicator approach for operational risk, and the standard regulatory methods for market price risk (option risk: delta plus method or scenario matrix method). IKB continues to use the regulatory netting approach to determine the net basis of measurement for derivatives, taking account of existing netting agreements. The table set out in the Section entitled "*D. Description of the Issuer – 2.2.4 Summary of Regulatory Indicators*" provides an overview of the regulatory risk items, equity base and ratios as applicable.

- 5. In the subsection commencing on page 61 of the Base Prospectus which is entitled "1.2 Risks Relating to IKB and its Business – IKB's business entails compliance risks." the third paragraph shall be replaced in its entirety as follows:**

As part of the risk inventory and the annual update to the risk analysis (Anti Money Laundering and Fraud Prevention), the business activities of IKB indicate possible risks regarding money laundering or terrorist financing.

- 6. The subsection commencing on page 63 of the Base Prospectus which is entitled "1.2 Risks Relating to IKB and its Business – Risk related to structured credit products." shall be replaced in its entirety as follows:**

Risks related to structured credit products

The risks from IKB's remaining structured credit products in terms of the book value amount to € 79.3 million. This amount can be divided into transactions related to the strategic core business of IKB, i.e. securitisations of IKB's own loans amounting to € 17.2 million and € 62.1 million remaining risk from mortgage investments (including subprime) which were transferred to the special purpose vehicle Rio Debt Holdings in 2008.

7. In the subsection commencing on page 65 of the Base Prospectus which is entitled "1.2 Risks Relating to IKB and its Business – *There is a risk of additional taxes due to a dissenting view of the tax authorities on the application of the German Corporate Income Tax Act (Körperschaftsteuergesetz; "KStG") and the German Trade Tax Act (Gewerbesteuerengesetz; "GewStG").*" the following paragraph shall be added as new second paragraph:

After receipt of a negative decision on the appeal against corporation tax IKB AG filed a lawsuit at the end of October 2016. IKB AG has not yet received a decision of the tax authorities with regard to its appeal against the trade tax assessment.

8. In the subsection commencing on page 65 of the Base Prospectus which is entitled "1.2 Risks Relating to IKB and its Business – *There is a risk of additional taxes due to a dissenting view of the tax authorities on the application of the German Corporate Income Tax Act (Körperschaftsteuergesetz; "KStG") and the German Trade Tax Act (Gewerbesteuerengesetz; "GewStG").*" the third paragraph (former second paragraph) shall be replaced in its entirety as follows:

The current outcome of the risk assessment does not differ from the outcome as at 31 March 2016. A provision has not yet been recognised for trade tax or the corresponding interest. There is a possibility that this risk will need to be reassessed as proceedings continue. The risk with respect to trade tax becoming finally payable currently amounts to around € 117 million plus interest of 0.5% per month and to € 1 million for cost allocations for chamber of commerce and industry membership fees. The potential risk of interest with respect to trade tax amounted to € 38 million as at 30 September 2016 plus approximately € 0.6 million for each additional month. If this risk were to occur, IKB would be able to release a part of the fund for general banking risks (Section 340g HGB) and, as far as this risk is considered, IKB would not show a loss in the financial statements. If this risk were to occur and as far as this risk is considered, IKB would still meet the current minimum capital requirements of the banking supervisory authorities.

- D. Amendments to the section commencing on page 89 of the Base Prospectus which is entitled "D. DESCRIPTION OF THE ISSUER"

1. Amendments to the subsection commencing on page 89 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT"

- a. In the subsection commencing on page 89 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.1 General Information / History and Development" the subsection entitled "2.1.1 Auditors" shall be replaced in its entirety as follows:

2.1.1 Auditors

IKB's statutory auditor is at present PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Moskauer Straße 19, 40277 Düsseldorf, Federal Republic of Germany ("PwC"). PwC is a member of the Chamber of Public Accountants (*Wirtschaftsprüferkammer*).

- b. In the subsection commencing on page 90 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.2 Business Overview" the subsection entitled "2.2.3 Principal Markets/Competitive Position – *Geographical Markets*" shall be replaced in its entirety as follows:

Geographical Markets

The primary market for IKB AG's business is Germany. In addition to Germany, IKB's key international markets are France, Italy, Spain and for the leasing business Eastern Europe.

- c. In the subsection commencing on page 90 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.2 Business Overview" the fifth paragraph of the subsection entitled "2.2.3 Principal Markets / Competitive Position – *Competitors*" shall be replaced in its entirety as follows:

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

- d. In the subsection commencing on page 90 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.2 Business Overview" the subsection entitled "2.2.4 Summary of Regulatory Indicators" shall be replaced in its entirety as follows:

2.2.4 Summary of Regulatory Indicators

IKB has calculated its regulatory capital resources in accordance with the provisions of the CRR/CRD IV since 1 January 2014. It applies the standardized approach for credit risk for counterparty default risk, the standard method for the calculation of the credit valuation adjustment charge, the base indicator approach for operational risk, and the standard regulatory methods for market price risk (option risk: delta plus method or scenario matrix method). IKB continues to recognize contractual netting agreements to reduce risk of derivative positions. The following table provides an overview of the regulatory risk items, equity base and ratios.

Table: Regulatory capital situation at the IKB Group in accordance with CRR / CRD IV¹⁾

Figures in € million	30 Sep. 2016	31 Mar. 2016²⁾	31 Mar. 2015²⁾
Counterparty default risk	12,139	11,970	12,736
thereof: CVA charge	108	153	123
Market risk equivalent	204	182	153
Operational risk	722	611	451

Figures in € million	30 Sep. 2016	31 Mar. 2016 ²⁾	31 Mar. 2015 ²⁾
Total risk-weighted assets (RWA)	13,066	12,763	13,340
Common Equity Tier 1 (CET 1)	1,470	1,479	1,453
Additional Tier 1 (AT 1)	281	282	326
Total Tier 1 (T 1)	1,751	1,761	1,779
Tier 2 (T 2)	411	429	448
Own funds	2,162	2,190	2,228
CET 1 ratio	11.2%	11.6%	10.9%
T 1 ratio	13.4%	13.8%	13.3%
Own funds ratio	16.5%	17.2%	16.7%

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

- 1) Figures taking into consideration the phase-in and phase-out provisions of the CRR. The CET 1 ratios were calculated in accordance with the current legal status of the CRR as at 30 September 2016, 31 March 2016 and 31 March 2015 respectively, including transitional provisions and the interpretations published by the supervisory authorities. The possibility that future EBA/ECB standards and interpretations or other supervisory actions will lead to a retrospective change in the CET 1 ratio cannot be ruled out.
- 2) Figures after approval of the accounts and taking into consideration the addition to the fund for general banking risk in CET 1 at the relevant reporting date.

The increase in risk-weighted assets as at 30 September 2016 is primarily attributable to new business which overcompensated scheduled and unscheduled repayments.

At 11.2% at Group level and 15.1% at individual IKB AG level, IKB's Common Equity Tier 1 ("**CET 1**") capital ratios significantly exceed the statutory minimum requirements including the capital conservation buffer and the countercyclical capital buffer.

IKB's Board of Managing Directors expects it to be possible to meet the statutory minimum requirements in the future. Although the CRR has been binding since 1 January 2014, there remains uncertainty with regard to the interpretation of the new regulation. This is also reflected in the large number of interpretation issues raised with the EBA, which are extremely important when it comes to interpreting the regulation. Furthermore, the final versions of many technical regulatory standards to be announced by the EBA are not yet available or their publication has been delayed compared with the EBA's original timetable. Further uncertainty is due to the fact that the results of the international banking regulation process and the development of a unified European bank supervision are not always foreseeable. This relates in particular to the implementation of the regulations arising from the Banking Recovery and Resolution Directive ("**BRRD**") with national implementation in the form of the German Recovery and Resolution Act ("**SAG**") and preparations for the Supervisory Review and Evaluation Process (SREP) in accordance with the EBA guidelines and the specific application of German regulation. In addition, in the draft regulation of the European Central Bank ("**ECB**") on the exercise of options and discretions available in European Union law, the ECB advocates the abolition or severe restriction of national options

in applying the provisions of the Capital Requirement Regulation. It is not yet clear whether this regulation will be adopted by the German regulatory authorities for institutions not monitored directly by the ECB in the interests of a level playing field. In addition, the Basel Committee on Banking Supervision (BCBS) has put up a large number of working papers for discussion, or already adopted them, collected under the working title Basel IV. In particular, these include the papers on revisions to the standardised approach for credit risk (BCBS 347), the standardised approach for measuring counterparty credit risk exposures (BCBS 279), revisions to the securitisation framework (BCBS 303), the fundamental review of the trading book (BCBS 305), the standardised approaches for calculating operational risk capital (BCBS 355), interest rate risk in the banking book (BCBS 368) and capital floors when designing a framework based on standardised approaches (BCBS 306). The exact effect on future capital requirements cannot be quantified at the date of this Base Prospectus. The binding date on which harmonised EU-wide banking supervisory legislation will come into force has also still yet to be defined.

- e. **The subsection commencing on page 95 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.3 Organisational Structure/Description of the Group" shall be replaced in its entirety as follows:**

2.3 Organisational Structure / Description of the Group

IKB AG is the parent company of a group of companies consisting, *inter alia*, of strategic companies, property finance companies, private equity companies and companies that provide leasing financing. Furthermore, IKB AG holds shares in funding companies and special purpose entities.

Branches and Subsidiaries

The IKB business is conducted primarily in Germany but also includes activities abroad. Apart from its operations in Düsseldorf, in Germany IKB AG maintains branches in Frankfurt/Main, Hamburg, Berlin, Munich and Stuttgart. In addition, IKB AG maintains branches in London, Luxembourg, Madrid, Milan and Paris. In London no new business is executed.

Consolidated Entities

As at 30 September 2016, the consolidated entities were as follows:

A. Consolidated Subsidiaries

1. German subsidiaries	Share of capital in %
Aleanta GmbH, Düsseldorf	100.0
IKB Beteiligungen GmbH, Düsseldorf	100.0
IKB Beteiligungsgesellschaft 1 mbH, Düsseldorf	100.0
IKB Beteiligungsgesellschaft 2 mbH, Düsseldorf	100.0
IKB Beteiligungsgesellschaft 3 mbH, Düsseldorf	100.0
IKB Beteiligungsgesellschaft 4 mbH, Düsseldorf	100.0
IKB Beteiligungsgesellschaft 5 mbH, Düsseldorf	100.0

1. German subsidiaries	Share of capital in %
IKB Data GmbH, Düsseldorf	100.0
IKB Equity Capital Fund GmbH, Düsseldorf ¹⁾	100.0
IKB Grundbesitzgesellschaft Düsseldorf GmbH & Co. KG, Düsseldorf	94.9
IKB Grundbesitzgesellschaft Frankfurt GmbH & Co. KG, Düsseldorf ¹⁾	94.9
IKB Grundstücksgesellschaft Düsseldorf GmbH, Düsseldorf	100.0
IKB Grundstücks GmbH, Düsseldorf	100.0
IKB Grundstücks GmbH & Co. Objekt Holzhausen KG, Düsseldorf	100.0
IKB Invest GmbH, Düsseldorf ¹⁾	100.0
IKB Leasing Beteiligungsgesellschaft mbH, Düsseldorf ¹⁾	100.0
IKB Leasing GmbH, Hamburg ¹⁾	100.0
IKB Projektentwicklung GmbH & Co. KG i.L., Düsseldorf ³⁾	100.0
IKB Struktur GmbH, Düsseldorf ¹⁾	100.0
Istop 1 GmbH, Düsseldorf ¹⁾	100.0
Istop 2 GmbH, Düsseldorf ¹⁾	100.0
Istop 4 GmbH, Düsseldorf ¹⁾	100.0
Istop 5 GmbH, Düsseldorf ¹⁾	100.0
Istop 6 GmbH, Düsseldorf ¹⁾	100.0
MATRONA GmbH, Düsseldorf ¹⁾	100.0
Projektbeteiligung TH GmbH & Co. KG, Düsseldorf ¹⁾	89.8
Tempelhofer Hafen GmbH & Co. KG, Düsseldorf ¹⁾	94.9
UTA Truck Lease GmbH, Neu-Isenburg ¹⁾	100.0
2. Foreign subsidiaries	Share of capital in %
AO IKB Leasing geschlossene Aktiengesellschaft, Moscow, Russia ¹⁾	
IKB Leasing France S.A.R.L., Marne La Vallée, France ¹⁾	
STILL LOCATION S.à.r.l., Marne La Vallée, France ¹⁾	
IKB International S.A. i.L., Munsbach, Luxembourg ²⁾	
IKB Lux Beteiligungen S.à.r.l., Munsbach, Luxembourg	

2. Foreign subsidiaries		Share of capital in %
IKB Finance B.V., Amsterdam, Netherlands		100.0
IKB Leasing Austria GmbH, Vienna, Austria	1)	100.0
IKB Leasing Polska Sp. z o.o., Poznan (Posen), Poland	1)	100.0
IKBL Asset spółka z ograniczona odpowiedzialnoscia & Co. spółka komandytowa, Poznan (Posen), Poland	1)	100.0
IKBL ASSET Spolka z ograniczona odpowiedzialnoscia, Poznan (Posen), Poland	1)	100.0
IKB Leasing Finance IFN SA, Bucharest, Romania	1)	100.0
IKB Leasing S.R.L., Bucharest, Romania	1)	100.0
IKB Leasing SR, s.r.o., Bratislava, Slovakia	1)	100.0
IKB Leasing CR s.r.o., Prague, Czech Republic	1)	100.0
IKB Leasing Kft., Budapest, Hungary	1)	100.0
IKB Pénzügyi Lízing Zrt., Budapest, Hungary	1)	100.0
IKB Funding LLC II, Wilmington, United States of America	1)	100.0
IKB Funding LLC I, Wilmington, United States of America	1)	100.0
IKBL Renting and Service S.r.l., Lainate (MI), Italy	1)	100.0
IKB Finance B.V., Amsterdam, Netherlands		100.0
IKB Funding LLC II, Wilmington, United States of America	1)	100.0
IKB Funding LLC I, Wilmington, United States of America	1)	100.0
IKB International S.A. i.L., Munsbach, Luxembourg	2)	100.0
IKB Leasing Austria GmbH, Vienna, Austria	1)	100.0
IKB Leasing ČR s.r.o., Prague, Czech Republic	1)	100.0
IKB Leasing Finance IFN SA, Bucharest, Romania	1)	100.0
IKB Leasing France S.A.R.L., Marne La Vallée, France	1)	100.0
IKB Leasing Kft., Budapest, Hungary	1)	100.0
IKB Leasing Polska Sp. z.o.o., Poznan (Posen), Poland	1)	100.0
IKB Leasing SR s.r.o., Bratislava, Slovakia	1)	100.0
IKB Leasing S.R.L., Bucharest, Romania	1)	100.0
IKB Lux Beteiligungen S.à.r.l., Munsbach, Luxembourg		100.0
IKB Pénzügyi Lizing Zrt., Budapest, Hungary	1)	100.0
STILL LOCATION S.à.r.l., Marne La Vallée, France	1)	100.0

2. Foreign subsidiaries		Share of capital in %
IKBL Renting and Service S.r.l, Lainate (MI), Italy	1)	100.0
IKB Leasing geschlossene Aktiengesellschaft, Moscow, Russia	1)	100.0

3. Special Purpose Vehicles in accordance with Section 290 paragraph 2 No. 4 German Commercial Code

Bacchus 2008-2 Plc, Dublin, Ireland

RIO DEBT HOLDINGS (IRELAND) LIMITED, Dublin, Ireland

B. Associated Companies

		Share of capital in %
Linde Leasing GmbH, Wiesbaden	1)	30.0

Notes:

- 1) Indirect shareholding.
- 2) In Liquidation (bank licence returned).
- 3) In Liquidation.

- f. **The subsection on page 99 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.4 Information on Business Trends – 2.4.3 Recent Developments – Delisting" shall be replaced in its entirety as follows:**

Delisting

Trading of IKB AG's shares listed on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (segment Entry Standard for Corporate Bonds) was discontinued from 12 April 2016. Trading of IKB AG's shares on the Düsseldorf Stock Exchange (*Börse Düsseldorf AG*) (segment Primary Market (*Primärmarkt*)) was discontinued on 4 October 2016.

- g. **The subsection on page 99 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.4 Information on Business Trends – 2.4.3 Recent Developments – Offer to the Shareholders" shall be replaced in its entirety as follows:**

Offer to the Shareholders

On 8 August 2016, LSF6 Europe Financial Holdings, L.P., the main shareholder of IKB AG ("**LSF6**"), announced its offer to the shareholders of IKB AG to purchase any and all shares in IKB AG not yet held by LSF6 at an offer price of EUR 0.55 in cash per share (the "**Offer**"). This Offer expired on 5 September 2016. According to a press release of LSF6 dated 8 August 2016, with this Offer LSF6 wanted to give the shareholders of IKB AG the possibility to exit their investment in IKB AG before trading of the IKB AG shares was discontinued with effect as of 4 October 2016. The results of the Offer were communicated by LSF6 to IKB AG on 12 September 2016.

- h. The following subsection which shall be entitled "Extraordinary General Meeting" shall be added as a new seventh subsection to the end of the subsection commencing on page 98 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.4 Information on Business Trends – 2.4.3 Recent Developments":**

Extraordinary General Meeting

By way of a letter dated 12 September 2016 addressed to the Board of Managing Directors of IKB AG the main shareholder of IKB AG, LSF6, informed about its intention to implement a squeeze-out procedure according to Sections 327a *et seq.* German Stock Corporation Act (*Aktiengesetz*; "**AktG**") and requested that all measures necessary for a resolution according to Sections 327a *et seq.* AktG be taken (the "**Squeeze-out Procedure**"). Such letter in particular included the request that an Extraordinary General Meeting be convened and that the resolution be adopted to transfer the shares of the minority shareholders in return for appropriate cash compensation. In an additional letter of 17 October 2016 to the Board of Managing Directors of IKB AG LSF6 put its request of 12 September 2016 into concrete terms and determined the cash compensation at EUR 0.49 for each bearer share.

The Regional Court (*Landgericht*) Düsseldorf appointed Baker Tilly Roelfs AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, as expert auditor to audit the adequacy of the cash compensation. In this capacity, Baker Tilly Roelfs AG Wirtschaftsprüfungsgesellschaft audited and confirmed the adequacy of the cash compensation. It issued an audit report on this pursuant to Section 327c (2), sentences 2 to 4 AktG on 19 October 2016. In a written report of 19 October 2016 pursuant to Section 327c (2), sentence 1 AktG (so-called transfer report), LSF6 outlined the requirements for the transfer of the shares of the minority shareholders and explained and justified the adequacy of the cash compensation it had determined.

Based on the decision of the Board of Managing Directors of IKB AG, on 2 December 2016 an Extraordinary General Meeting was held to resolve on the Squeeze-out Procedure. By resolution of the Extraordinary General Meeting, the Squeeze-out Procedure was adopted.

- i. In the subsection commencing on page 99 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.5 Administrative, Management and Supervisory Bodies" the subsection entitled "2.5.1 Board of Managing Directors" shall be replaced in its entirety as follows:**

2.5.1 Board of Managing Directors

According to Section 6 of the Articles of Association, the Board of Managing Directors must consist of two or more members. The actual number of Managing Directors is determined by the Supervisory Board. There are currently four members.

The following table sets out the members of the Board of Managing Directors, the date they were appointed to their present position, their respective areas of responsibility and their principal activities outside IKB AG.

Name	Date Appointed	Responsibilities	Principal Activities outside IKB AG
Dr. Michael Wiedmann	H. 5 January 2015	Sales Credit Products	IKB Invest GmbH (Member of the

Name	Date Appointed	Responsibilities	Principal Activities outside IKB AG
(Chairman)		Industry Groups Financial Markets Treasury Investments Legal Department Corporate Development	Advisory Board) IKB Leasing GmbH (Member of the Advisory Board)
Claus Momburg	12 November 1997	Credit Management Governance Compliance	Risk and Tempelhofer Hafen GmbH & Co. KG (Chairman of the Advisory Board) IKB Invest GmbH (Deputy Chairman of the Advisory Board) IKB Leasing GmbH (Member of the Advisory Board) IKB Data GmbH (Member of the Advisory Board)
Dr. Jörg Oliveri del Castillo-Schulz	1 February 2016	Information Technology Credit and Treasury Operations Human Resources and Services Process Organisation and Management (PRO)	IKB Leasing GmbH (Chairman of the Advisory Board) IKB Data GmbH (Chairman of the Advisory Board)
Dirk Volz	1 December 2015	Credit Risk Controlling Finance Economic Research Group Audit Taxation	IKB Beteiligungen GmbH (Managing Director) IKB Invest GmbH (Chairman of the Advisory Board) IKB Leasing GmbH (Deputy Chairman of the Advisory Board)

Name	Date Appointed	Responsibilities	Principal Activities outside IKB AG
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IKB Data GmbH
(Member of the
Advisory Board)

The business address of the Board of Managing Directors is Wilhelm-Bötckes-Straße 1, 40474 Düsseldorf, Federal Republic of Germany.

- j. **In the subsection commencing on page 99 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.5 Administrative, Management and Supervisory Bodies" the subsection entitled "2.5.2 Supervisory Board" shall be replaced in its entirety as follows:**

2.5.2 Supervisory Board

According to Section 8 of the Articles of Association, the Supervisory Board consists of nine members. In accordance with the German One-Third Participation Act (*Drittelbeteiligungsgesetz*; "**DrittelbG**"), two thirds of the Supervisory Board consist of representatives elected by IKB AG's shareholders, while the other third consists of representatives elected by the employees. Members are elected for three-year terms and re-election is possible. The members of the Supervisory Board elect the chairman and the deputy chairman of the Supervisory Board. The chairman, who is typically a representative of the shareholders, has the deciding vote in the event of a deadlock.

The following table sets out the members of the Supervisory Board, the end of the term for which they have been appointed and the principal activities outside IKB AG.

Name	End of Term	Principal Activities outside IKB AG
Dr. Karl-Gerhard Eick (Chairman)	2019	Management Consultant
Dr. Claus Nolting (Deputy Chairman)	2018	Lawyer
Sven Boysen	2018	Chairman of the Works Council Hamburg, Corporate Customer Analyst Branch Northern Germany
Marc Coker	2017	Managing Director & General Counsel Europe of Hudson Advisors UK Ltd.
Benjamin Dickgießer	2018	Director of Lone Star Europe Acquisitions LLP
Dr. Lutz-Christian Funke	2019	Head of Office of Corporate Management Affairs and Corporate Communications of KfW Group
Arndt G. Kirchhoff	2017	Managing Partner & CEO of KIRCHHOFF Holding GmbH & Co. KG
Bernd Klein	2018	Member of the Works Council Düsseldorf, Specialist Contracts and Collateral

Name	End of Term	Principal Activities outside IKB AG
Nicole Riggers	2017	Exempt Chairperson of the Works Council Düsseldorf, Chairperson of the General Works Council

The business address of the Supervisory Board is Wilhelm-Bötzkes-Straße 1, 40474 Düsseldorf, Federal Republic of Germany.

- k. In the subsection commencing on page 99 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.5 Administrative, Management and Supervisory Bodies" the subsection entitled "2.5.3 Advisory Board" shall be replaced in its entirety as follows:

2.5.3 Advisory Board

In accordance with Section 12 of the Articles of Association, the Supervisory Board has formed an advisory board (*Beraterkreis*, the "**Advisory Board**") for purposes of business consultation and the close exchange of information regarding topics of economics and economic policy. The members of the Advisory Board assist IKB AG's Board of Managing Directors by providing advice relating to issues of general economic interest and matters of general principles. The Advisory Board does not have any supervisory functions.

The following table sets out the members of the Advisory Board as at the date of this Base Prospectus.

Name	Function
Norbert Basler (<i>Chairman</i>)	Chairman of the Supervisory Board of Basler AG, Ahrensburg
Dr. Michael Kaschke (<i>Deputy Chairman</i>)	Chairman of the Board of Managing Directors of Carl Zeiss AG, Oberkochen
Stefan A. Baustert	Member of the Board of Managing Directors of QSC AG
Dr. Matthias Becker	Managing Director of Hüls AG & Co. KG, Stadtlohn
Dr. h.c. Josef Beutelmann	Chairman of the Supervisory Board of Barmenia Versicherungs-Gesellschaften, Wuppertal
Jan-Frederic Bierbaum	Managing Partner of Bierbaum Unternehmensgruppe GmbH & Co. KG, Borken
Anton Börner	General Partner of Börner + Co. KG, Ingolstadt

Name	Function
Klaus Bräunig	Managing Director of the German Association of the Automotive Industry (Verband der Automobilindustrie – VDA), Berlin
Thilo Brodtmann	Managing Director of German Engineering Federation (Verband Deutscher Maschinen- und Anlagenbau e.V. – VDMA), Frankfurt am Main
Stefan Dräger	Chairman of the Board of Managing Directors of Drägerwerk AG & Co. KGaA, Lübeck
Prof. Klaus Hekking	Chairman of the Board of Managing Directors of Association of Private Higher Education Institutions (Verband der Privaten Hochschulen e.V.), Heidelberg
Dr. Ekkehard Köhler	Managing Partner of Bleistahl Prod. GmbH & Co. KG, Wetter
Christian Lewandowski	Chairman of the Board of Managing Directors of Gegenbauer Holding SE & Co. KG, Birkenwerder
Dr. Harald Marquardt	Chairman of the Board of Management of MARQUARDT GmbH, Rietheim-Weilheim
Gerd Peters	Managing Director of HOYER GmbH, Hamburg
Joachim Rumstadt	Chairman of the Board of Management of Steag GmbH, Essen
Dr. Michael Schädlich	Chairman of the Advisory Board of Altenloh, Brinck und Co. GmbH & Co. KG, Ennepetal
Dr. Georg-Maria Scheid	Attorney, Holthoff-Pförtner Rechtsanwälte, Essen
Prof. Dr. Christoph M. Schmidt	President of the Rhineland-Westphalia Institute for Economic Research (Rheinisch-Westfälisches Institut für Wirtschaftsforschung), Essen
Arne Schulle	Managing Director of Baerlocher GmbH, Unterschleißheim

Name	Function
Dr. Eric Schweitzer	Chairman of the Board of Managing Directors of ALBA Group plc & Co. KG, Berlin
Dr. Martin Wansleben	Managing Director of German Chambers of Industry and Commerce (DIHK Deutscher Industrie- und Handelskammertag), Berlin
Christian Weber	Generally Authorised Representative of Karlsberg Brauerei KG Weber, Homburg
Christian Wolf	Managing Director of Hans Turck GmbH & Co. KG, Mülheim an der Ruhr
Kurt Zech	Managing Director of Zech Group GmbH, Bremen
Michael Zieseimer	Member of the Supervisory Board of Endress+Hauser Management AG, Reinach BL, Switzerland

- I. **The subsection commencing on page 104 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.6 Major Shareholders" shall be replaced in its entirety as follows:**

2.6 Major Shareholders

As at the date of this Base Prospectus, according to Section 5 of its Articles of Association, IKB AG's share capital amounted to € 1,621,465,402.88, represented by 633,384,923 bearer shares with no par value (*Stückaktien*), each of which confers one vote.

The following table shows the major shareholders of IKB AG as at 18 October 2016.

Shareholder	Percentage Shareholding in IKB AG's Share Capital
LSF6 Europe Financial Holdings L.P.	95.88
Institutional and private shareholders	4.12

Except for the major shareholders set out in the table above, there are no other persons that have major holdings within the meaning of Article 8 or Article 9 of the Luxembourg law of 11 January 2008 on transparency requirements for issuers of securities, as amended.

LSF6 Europe Financial Holdings L.P. ("**LSF6**") is an investment company of Lone Star Funds (together with its consolidated subsidiaries and investment vehicles, "**Lone Star**"), a global investment firm that acquires distressed debt and equity assets including corporate, commercial and single family residential real estate, and consumer debt as well as banks and real estate rich operating companies requiring rationalisation.

On 8 August 2016, LSF6 announced its offer to the shareholders of IKB AG to purchase any and all shares in IKB AG not yet held by LSF6 at an offer price of EUR 0.55 in cash per share (the "**Offer**"). This offer expired on 5 September 2016. According to a press release of LSF6 dated 8 August 2016, with this offer LSF6 wanted to give the shareholders of IKB AG the possibility to exit their investment in IKB AG before trading of the IKB AG shares in the general open market (*allgemeiner Freiverkehr*) of the Düsseldorf Stock Exchange was discontinued with effect as of 4 October 2016. The results of the Offer were communicated by LSF6 to IKB AG on 12 September 2016

On 29 February 2016, with the approval of the Supervisory Board, the Board of Managing Directors of IKB AG applied for the revocation of the listing of IKB AG's shares from the Primary Market (*Primärmarkt*) and from the general open market (*allgemeiner Freiverkehr*) of the Düsseldorf Stock Exchange (*Börse Düsseldorf AG*) and terminated the inclusion of IKB AG's shares in the Entry Standard of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The revocation of the listing of IKB AG's shares from the Primary Market (*Primärmarkt*) of the Düsseldorf Stock Exchange (*Börse Düsseldorf AG*) became effective as of the end of 31 March 2016. From (and including) 1 April 2016, IKB AG's shares were included in the general open market (*allgemeiner Freiverkehr*) of the Düsseldorf Stock Exchange (*Börse Düsseldorf AG*). The inclusion of IKB AG's shares in the general open market (*allgemeiner Freiverkehr*) of the Düsseldorf Stock Exchange (*Börse Düsseldorf AG*) ceased with effect as of the end of 4 October 2016. The termination of the inclusion of IKB AG's shares in the Entry Standard of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) became effective as of the end of 11 April 2016. The trading of the shares of IKB AG on any non-regulated market (*Freiverkehr*) other than the respective non-regulated markets of the Düsseldorf Stock Exchange (*Börse Düsseldorf AG*) and Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) has not been initiated by IKB AG and, thus, such trading or any delisting are not subject to IKB AG's influence.

- m. **In the subsection commencing on page 106 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.8 Financial Information" the subsection entitled "2.8.1 Historical Financial Information" shall be replaced in its entirety as follows:**

2.8.1 Historical Financial Information

The Annual Report 2014/2015 and the Annual Report 2015/2016 (together, the "**Annual Reports of IKB**") and the 6-Month Report 2016/2017 of IKB are partially incorporated by reference in, and partially form an integral part of, this Base Prospectus.

IKB's currency of presentation is the euro, and its financial year ends on 31 March of each year. IKB AG prepares its nonconsolidated financial statements in accordance with the German Commercial Code (*Handelsgesetzbuch*; "**HGB**"). IKB has also prepared its consolidated financial statements as of and for the financial years ended 31 March 2015 and 31 March 2016 and as of and for the six months period ended 30 September 2016 in accordance with HGB.

- n. In the subsection commencing on page 106 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.8 Financial Information" the subsection entitled "2.8.3 Legal Proceedings" shall be replaced in its entirety as follows:

2.8.3 Legal Proceedings

Proceedings Relating to IKB's Former Off-Balance Sheet Financing Vehicles

In one case relating to the financing vehicle Rhineland Funding, certain investors ("JPCs") in collateral debt obligations issued by Wells Fargo/Wachovia ("**Wells Fargo**") sued Wells Fargo, claiming that Wells Fargo had fraudulently induced them into making these investments. Wells Fargo subsequently attempted to bring IKB into the lawsuit on the ground that IKB, which served as the JPCs' investment advisor, was also to blame for the investments made by the JPCs and the damages suffered by the JPCs. Wells Fargo's claim against IKB is one for "contribution", which if successful, would require that IKB contribute some amount to the damages awarded to the JPCs if Wells Fargo were found liable. IKB has sought to dismiss Wells Fargo's claim against it. The court has not yet issued a ruling but is expected to do so before the end of IKB's financial year 2016/2017.

Similar claims may be brought against IKB as a result of its activities in relation to Rhineland Funding and/or Rhinebridge.

State Aid Proceedings

In connection with the rescue measures taken by KfW with the support of the banking associations for the benefit of IKB, the European Commission qualified the measures as aid and approved them by way of a ruling on state aid proceedings dated 21 October 2008 under strict conditions. IKB implemented the measures set out in the restructuring plan on time to the extent that they were permitted by law and could be carried out.

By way of a letter dated 23 October 2012, the European Commission issued an opinion thereon and stated that IKB had largely met the obligations arising from its ruling dated 21 October 2008. The European Commission therein restricted its monitoring of the conditions arising from its ruling to the full winding-up of IKB International S.A. and IKB's former 50% equity interest in Movesta Lease and Finance GmbH.

By communication dated 12 July 2013, the European Commission informed the Federal Government of Germany that it was discontinuing its still ongoing monitoring of compliance with these conditions. Nevertheless, IKB will continue and conclude the winding up of IKB International S.A. and the former 50% equity investment in Movesta Lease and Finance GmbH that is still outstanding owing to legal reasons.

Derivatives Business

Several customers criticised the consulting services provided by IKB in connection with certain swap products. Corresponding suits are pending in three cases. Two additional cases are pending out of court. IKB will continue to defend itself against the accusations.

Tax Procedures

In August 2015, IKB AG received tax assessment notices in which a dissenting view of the tax authorities was implemented with respect to the application of Section 8c of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*) / Section 10a of the German Trade Tax Act (*Gewerbsteuergesetz*) in connection with the capital increase implemented by IKB

AG during the course of the financial year 2008/2009 and the subsequent sale of KfW's shares in IKB AG to Lone Star in the financial year 2008/2009. IKB AG has filed appeals against the tax assessments. IKB AG paid the corporation tax and the solidarity surcharge for 2009, including interest attributable to the corporation tax in time. Payment was made in the amount of around € 140 million from the tax provision recognised as at 31 March 2015 and in the amount of € 1 million from net other operating income (other interest). With respect to the trade tax base assessment (*Gewerbsteuerermessbetragsbescheid*) IKB AG was granted a suspension of enforcement (*Aussetzung der Vollziehung*) by the tax authorities upon its application. The trade tax and the associated interest were therefore not yet payable.

After receipt of a negative decision on the appeal against corporation tax IKB AG filed a lawsuit at the end of October 2016. IKB AG has not yet received a decision of the tax authorities with regard to its appeal against the trade tax assessment.

The current outcome of the risk assessment does not differ from the outcome as at 31 March 2016. A provision has not yet been recognised for trade tax or the corresponding interest. There is a possibility that this risk will need to be reassessed as proceedings continue. The risk with respect to trade tax becoming finally payable currently amounts to around € 117 million plus interest of 0.5% per month and to € 1 million for cost allocations for chamber of commerce and industry membership fees. The potential risk of interest with respect to trade tax amounted to € 38 million as at 30 September 2016 plus approximately € 0.6 million for each additional month. If this risk were to occur, IKB would be able to release a part of the fund for general banking risks (Section 340g HGB) and, as far as this risk is considered, IKB would not show a loss in the financial statements. If this risk were to materialise and as far as this risk is considered, IKB would still meet the current minimum capital requirements of the banking supervisory authorities.

In April 2016, Aleanta GmbH (which is a wholly owned subsidiary of IKB AG without a profit transfer agreement and which is therefore not included in the income tax group), in the context of an audit of a company to which it is the legal successor (Olessa GmbH), received an initial written notice to the effect that the tax authorities are considering evaluating the retroactive merger of Olessa GmbH with Aleanta GmbH in the 2010/11 financial year as a case of Section 42 of the German Fiscal Code (*Abgabenordnung*) with the consequence that Aleanta GmbH would have to pay an additional amount of approximately € 27 million for outstanding payments and interest thereon amounting to € 6 million as at 31 March 2016 in addition. The tax audit is not finished yet, and Aleanta GmbH has sent comments on the matter and the current assessment of the audit. If the tax authorities set respective tax assessments in place, Aleanta will file appeals against these tax assessments.

- o. In the subsection commencing on page 106 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.8 Financial Information" the subsection entitled "2.8.4 Significant Changes in the Financial Position" shall be replaced in its entirety as follows:**

2.8.4 Significant Changes in the Financial Position

There has been no significant change in the financial position since the date of the last unaudited consolidated financial statements as of and for the six months period ended 30 September 2016.

- p. **In the subsection commencing on page 110 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.9 Material Contracts" the following paragraph shall be added to the end of the subsection entitled "2.9.1 Financing Agreements – *Silent Participation*":**

In 2016, IKB AG negotiated with each silent partner an amendment to the Silent Partnership Agreements. The draft amendment agreements were submitted to and approved by the Annual General Meeting of IKB AG in September 2016. Pursuant to the amendment agreements, IKB AG would be entitled to transfer to the relevant silent partner any or all fixed rate notes (*Teilschuldverschreibungen*) that IKB AG may acquire from capital markets investors in order to effect a reduction of the nominal contribution amount of the respective silent participation of the relevant silent partner. The proposed amendment agreements have not yet been entered into and it is stipulated that they shall enter into force and become effective on the date of their execution.

- q. **In the subsection commencing on page 110 of the Base Prospectus which is entitled "2. IKB DEUTSCHE INDUSTRIEBANK AKTIENGESELLSCHAFT – 2.9 Material Contracts" the subsection entitled "2.9.3 Other Agreements" shall be replaced in its entirety as follows:**

2.9.3 Other Agreements

Acquisition of IKB's Headquarter Building from AXA

In October 2015, IKB AG as purchaser and AXA Immoselect Hauptverwaltungsgebäude GmbH & Co Objekt Düsseldorf Uerdinger Straße KG ("**AXA**") as seller entered into a property purchase and transfer agreement regarding the sale and transfer of IKB AG's headquarter building and the associated real property located in Düsseldorf ("**IKB HQ**"). With the registration of the transfer of the IKB HQ to IKB AG in the land register on 15 March 2016, the lease agreement with AXA as lessor of the IKB HQ ceased to exist.

Sale and Transfer of IKB's Headquarter Building and Associated Property

In July 2016, IKB AG as seller and IKB Grundbesitzgesellschaft Düsseldorf GmbH & Co. KG as purchaser entered into a property purchase and transfer as well as lease back agreement regarding the sale and transfer and lease back of IKB HQ. With the registration of the transfer of IKB HQ to IKB Grundbesitzgesellschaft Düsseldorf GmbH & Co. KG in the land register and with economic effect as of 1 August 2016, IKB AG as lessee and IKB Grundbesitzgesellschaft Düsseldorf GmbH & Co. KG as lessor entered into a lease agreement regarding the IKB HQ.

Letting to Helaba and Berkshire Hathaway

In March 2013, a long-term subletting agreement was entered into with Landesbank Hessen-Thüringen Girozentrale A.ö.R. ("**Helaba**") concerning parts of IKB HQ. In March 2016, IKB AG entered into a long-term letting agreement with Berkshire Hathaway International Insurance Limited concerning further parts of IKB HQ. With the sale and transfer of IKB HQ in July 2016, these rental agreements were transferred to IKB Grundbesitzgesellschaft Düsseldorf GmbH & Co. KG.

XCOM AG

In 2010, IKB AG entered into a cooperation with XCOM AG, which obliges XCOM AG (and its affiliate Bank für Investments und Wertpapiere AG) to provide IT- and banking services for IKB's online private banking platform until 30 September 2016. In 2015, IKB AG entered into

a new cooperation with Fidelity Information Services GmbH engaging the latter to provide IT- and banking services for IKB's online private banking platform. This cooperation has been set up for a fixed first term until 31 March 2022. The contractual relationship with XCOM AG has been extended so that the cooperation with Fidelity Information Services GmbH will not start until May 2017.

2. Amendments to the subsection commencing on page 113 of the Base Prospectus which is entitled "4. DOCUMENTS ON DISPLAY"

The following wording shall be added as last bullet point to the list of the bullet points:

- IKB's and IKB AG's compiled interim report for the six months period ended 30 September 2016, including the management report and the unaudited consolidated financial statements and the unaudited nonconsolidated interim financial statements as of and for the six months period ended 30 September 2016, prepared in accordance with the provisions of the German Commercial Code (HGB).

E. Amendments to the section commencing on page 588 of the Base Prospectus which is entitled "I. DOCUMENTS INCORPORATED BY REFERENCE"

1. The following text shall be added as subsection "B.1" to the table commencing on page 588 of the Base Prospectus which is entitled "Table of Documents Incorporated by Reference":

B.1 6-Month Report 2016/2017 (English Translation) of IKB containing the Combined Interim Financial Statements of IKB Deutsche Industriebank AG and the Group as of and for the six months period ended 30 September 2016:

Consolidated balance sheet of IKB Deutsche Industriebank AG as at 30 September 2016 Pages 34 – 35

Balance sheet of IKB Deutsche Industriebank AG as at 30 September 2016 Pages 36 – 37

Consolidated income statement of IKB Deutsche Industriebank AG for the period from 1 April to 30 September 2016 Pages 38 – 39

Income statement of IKB Deutsche Industriebank AG for the period from 1 April to 30 September 2016 Pages 40 – 41

Notes to the combined annual financial statements of the Group and IKB Deutsche Industriebank AG Pages 42 – 61

2. The first paragraph below the table commencing on page 588 of the Base Prospectus which is entitled "Table of Documents Incorporated by Reference" shall be replaced in its entirety as follows:

The Annual Reports 2014/2015, 2015/2016 and the 6-Month Report 2016/2017 of IKB are available on the Issuer's website (www.ikb.de) under "Investor Relations", "Financial Reports" (*Finanzberichte*). In addition, such documents together with this Base Prospectus and any Final Terms (for notes listed on the Luxembourg Stock Exchange) will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

F. Withdrawal Right

Any investor who may wish to exercise any withdrawal right arising pursuant to Article 16.2 of the Prospectus Directive or Article 13.2 of the Prospectus Act as a result of the publication of this Supplement must exercise that right on or before 9 December 2016. Such withdrawal, if any, is not required to contain any reasons for the withdrawal and is to be addressed in writing to IKB Deutsche Industriebank Aktiengesellschaft, Wilhelm-Bötzkes-Straße 1, 40474 Düsseldorf, Federal Republic of Germany. In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.