



IKB Deutsche Industriebank Aktiengesellschaft

Düsseldorf

ISIN DE0008063306

Dear shareholder,

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

Thursday, 26 August 2010, 10.00 a.m.,

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

Agenda

- 1 Submission of the adopted annual financial statements and the management report, the approved consolidated financial statements and the Group management report for the financial year 2009/2010 (including the reports of the Board of Managing Directors on the disclosures in line with section 289 (4), section 315 (4) of the *Handelsgesetzbuch* (HGB – German Commercial Code)) and the report of the Supervisory Board**

The above documents are available on the internet at

http://www.ikb.de/content/en/ir/financial_reports/index.jsp

from the time the Annual General Meeting is convened. They will also be available for viewing at the Annual General Meeting. No resolution regarding item 1 of the agenda has been provided for, since the presentation of the above records is a merely informational part of the agenda of an annual general meeting under applicable law.

- 2 Resolution on the ratification of the members of the Board of Managing Directors**

The ratification of the members of the Board of Managing Directors in office for the financial year 2009/2010 shall be voted on personally, i.e. by way of the ratification of individual members.

The Board of Managing Directors and the Supervisory Board propose

- to ratify Mr Hans Jörg Schüttler for his term in office as a member of the Board of Managing Directors from 1 April 2009 to 31 March 2010,
- to ratify Dr Dieter Glüder for his term in office as a member of the Board of Managing Directors from 1 April 2009 to 31 March 2010,

- (c) to ratify Dr Reinhard Grzesik for his term in office as a member of the Board of Managing Directors from 1 April 2009 to 3 July 2009,
- (d) to ratify Mr Claus Momburg for his term in office as a member of the Board of Managing Directors from 1 April 2009 to 31 March 2010,
- (e) to ratify Dr Michael H. Wiedmann for his term in office as a member of the Board of Managing Directors from 1 April 2009 to 31 March 2010.

3 Resolution on the ratification of the members of the Supervisory Board

The ratification of the members of the Supervisory Board in office for the financial year 2009/2010 shall be voted on personally, i.e. by way of the ratification of individual members.

The Board of Managing Directors and the Supervisory Board propose

- (a) to ratify Mr Stefan A. Baustert for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (b) to ratify Mr Wolfgang Bouché for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (c) to ratify Mr Olivier Brahin for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (d) to ratify Dr Lutz-Christian Funke for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (e) to ratify Mr Ulrich Grillo for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (f) to ratify Mr Arndt G. Kirchhoff for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (g) to ratify Dr Karsten von Köller for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (h) to ratify Mr Jürgen Metzger for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (i) to ratify Dr Claus Nolting for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (j) to ratify Dr Thomas Rabe for his term in office as a member of the Supervisory Board from 23 June 2009 to 31 March 2010,
- (k) to ratify Dr-Ing. E.h. Eberhard Reuther for his term in office as a member of the Supervisory Board from 1 April 2009 to 27 April 2009,
- (l) to ratify Mr Bruno Scherrer for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (m) to ratify Dr Carola Steingraber for her term in office as a member of the Supervisory Board from 1 April 2009 to 27 August 2009,
- (n) to ratify Ms Carmen Teufel for her term in office as a member of the Supervisory Board from 27 August 2009 to 31 March 2010,

- (o) to ratify Dr Andreas Tuczka for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (p) to ratify Mr Ulrich Wernecke for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010,
- (q) to ratify Mr Andreas Wittmann for his term in office as a member of the Supervisory Board from 1 April 2009 to 31 March 2010.

4 Election of the auditor

Upon recommendation of its Finance and Audit Committee, the Supervisory Board proposes

- (a) to elect PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditor of the annual financial statements and the consolidated financial statements for the financial year 2010/2011 and
- (b) to elect PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditor for the review of the condensed financial statements and the interim management report for the first half of the financial year 2010/2011.

5 Elections to the Supervisory Board

In accordance with section 96 (1), section 101 (1) of the *Aktiengesetz* (AktG – German Stock Corporation Act), sections 1, 4 (1) of the *Drittelbeteiligungsgesetz* (DrittelbG – German One-third Employee Participation Act) and in line with Article 8 (1) of the Articles of Association of IKB Deutsche Industriebank Aktiengesellschaft, the Supervisory Board consists of ten members elected by the Annual General Meeting and five elected by the employees. The Annual General Meeting is not bound to election proposals.

Upon proposal of its Nomination Committee, the Supervisory Board proposes

- (a) to re-elect Mr Olivier Brahin, Head of European Real Estate Investments of Lone Star Management Europe Ltd., resident in London/United Kingdom, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2012/2013;
- (b) to re-elect Dr Lutz-Christian Funke, Director (*Direktor*) Corporate Management/Head of Directors' staff, German and European Matters (*Bundes- und Europaangelegenheiten*), Corporate Strategy (*Unternehmensstrategie*), Strategic Investments (*Strategische Beteiligungen*), Economics (*Volkswirtschaft*) and Communication of KfW Bankengruppe, resident in Oberursel, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2012/2013;
- (c) to re-elect Mr Ulrich Grillo, Chairman of the Executive Board of Grillo-Werke AG, resident in Mülheim an der Ruhr, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2012/2013;

- (d) to re-elect Dr Andreas Tuczka, Head of European Financial Institutions of Lone Star Management Europe Ltd., resident in London/United Kingdom, whose term in office ends as of the end of this Annual General Meeting, for the period until the end of the Annual General Meeting that resolves on the ratification of the members of the Supervisory Board for the financial year 2012/2013.

The current mandates of the candidates proposed for election can be found in the Annex to this invitation.

6 Authorization to acquire treasury shares for the purpose of securities trading in accordance with section 71 (1) no. 7 AktG

The authorization to acquire treasury shares for the purpose of securities trading in accordance with section 71 (1) no. 7 AktG resolved by the Annual General Meeting on 27 August 2009 expires on 26 February 2011.

The Board of Managing Directors and the Supervisory Board propose the following resolution:

The Board of Managing Directors is authorized to acquire and sell treasury shares for the purpose of securities trading until the end of 25 August 2015. The number of shares acquired for this purpose cannot exceed 5% of the share capital at the end of any one day. Together with the treasury shares acquired for other reasons that are in the possession of the Company or that are attributable to it in accordance with sections 71a et seq. AktG, the treasury shares acquired on the basis of this authorization cannot exceed 10% of the share capital at any time. The purchase price per share (not including incidental costs of acquisition) cannot be more than 20% higher or lower than the arithmetic mean of the share prices of the Company in the Xetra trading (or a similar successor system) determined last on the last three trading days before the date of acquisition of the shares.

The authorization to acquire treasury shares for the purpose of securities trading granted by the Annual General Meeting on 27 August 2009 and limited until 26 February 2011, that is currently in place, is revoked from the time that the new authorization takes effect.

7 Authorization to acquire and use treasury shares in accordance with section 71 (1) no. 8 AktG, excluding subscription rights

The authorization to acquire treasury shares in accordance with section 71 (1) no. 8 AktG resolved by the General Meeting on 27 August 2009 expires on 26 February 2011.

The Board of Managing Directors and the Supervisory Board propose the following resolution:

- (a) The Company is authorized until the end of 25 August 2015 to acquire treasury shares in a volume of up to 10% of the share capital for purposes other than securities trading. Together with the treasury shares acquired for trading purposes and other reasons that are in the possession of the Company or that are attributable to it in accordance with sections 71a et seq. AktG, the treasury shares acquired on the basis of this authorization cannot exceed 10% of the share capital of the Company at any time.

The shares can be acquired on the stock exchange or by way of a public bid to all shareholders.

If the shares are purchased on the stock exchange, the purchase price per share (not including incidental costs of acquisition) cannot be more than 10% higher or lower than the arithmetic mean of the share prices of the Company in Xetra trading (or a similar successor system) determined last on the last three trading days before the date of acquisition of the shares.

If the shares are purchased by way of a public bid to all shareholders of the Company, the purchase price offered per share (not including incidental costs of acquisition) cannot be more than 10% higher or lower than the arithmetic mean of the share prices of the Company in Xetra trading (or a similar successor system) determined last on the last three trading days before the date of decision by the Board of Managing Directors to make the bid. If the number of shares offered exceeds the prescribed maximum number of shares that the Company can buy back, acceptance shall be effected on a proportionate basis. In this context, preferred acceptance of lower numbers of up to 100 shares offered per shareholder can be provided for.

The authorization can be exercised in full or in partial amounts on one or several occasions, separately or in combination with the acquisition options described above by the Company, but also by its direct and indirect wholly owned subsidiaries or by third parties for the account of the Company.

- (b) The Board of Managing Directors is authorized to use the treasury shares acquired on the basis of the authorization under (a) above for the following purposes:
- (i) sale on the stock exchange or by way of an offer to all shareholders;
 - (ii) sale by any method other than on the stock exchange or an offer to all shareholders if the sale is effected for cash payment and at a price that is not significantly less than the arithmetic mean of the share prices of the Company in Xetra trading (or a similar successor system) determined last on the last three trading days before the date of the sale. In this context, the number of shares to be sold (together with other authorizations to issue or sell shares of the Company or rights that allow or oblige their holder to subscribe for shares of the Company, provided that these other authorizations are exercised according to or analog section 186 (3) sentence 4 AktG within the term of this authorization and until it is exercised) cannot exceed 10% of the share capital existing at the time this authorization becomes effective and is exercised;
 - (iii) transfer to third parties for non-cash consideration as part of business combinations or upon acquisition of companies, parts of companies or participations in companies;
 - (iv) delivery to any bearers of convertible bonds, convertible profit participation certificates or warrants with conversion or option rights or conversion duties issued by the Company or its direct and indirect wholly owned subsidiaries in accordance with the conversion or option terms and conditions;
 - (v) issue as employee shares to employees of the Company and its subsidiaries in which it holds an interest of at least 50%;
 - (vi) withdrawal, without the requirement of a further resolution by the Annual General Meeting for the withdrawal or the performance of the withdrawal.

The withdrawal shall lead to a capital reduction. In deviation from this, the Board of Managing Directors can determine that the share capital remains unchanged by the withdrawal and that the portion in the share capital of the other shares increases instead as a result of the withdrawal in accordance with section 8 (3) AktG. In such event, the Supervisory Board shall be authorized to adjust the number of shares stated in the Articles of Association.

The authorizations can be exercised on one or several occasions, in full or in part, individually or jointly by the Company, but also by its direct and indirect wholly owned subsidiaries or by third parties for the account of the Company. The use of treasury shares in line with the authorizations under (ii) and (iii) requires the approval of the Supervisory Board, however, the use of treasury shares in line with the authorization (iii) only requires the approval of the Supervisory Board if the subject of the respective transaction exceeds 5% of the liable equity of the Company pursuant to the *Kreditwesengesetz* (KWG – German Banking Act). The subscription right of shareholders shall be excluded if treasury shares are used in line with the authorizations under (i) (with the exception of the offer to all shareholders) (ii), (iii), (iv) and (v). The Board of Managing Directors shall inform the Annual General Meeting of the reasons for and purpose of the acquisition of treasury shares, the number of acquired shares and the amount of share capital for which they account, their portion in the share capital and the value of the shares in each case.

- (c) The authorization to acquire and use treasury shares in accordance with section 71 (1) no. 8 AktG granted by the General Meeting on 27 August 2009 and limited until 26 February 2011, that is currently in place, is revoked from the time that the new authorization takes effect.

8 Authorization to use derivatives in the acquisition of treasury shares in accordance with section 71 (1) no. 8 AktG

The Board of Managing Directors and the Supervisory Board propose the following resolution:

Under the authorization to acquire treasury shares to be resolved under item 7 of the agenda, put or call options can also be used, in addition to the methods described therein, to acquire treasury shares. The Company can sell put options based on physical delivery to third parties and purchase call options from third parties if it is ensured by the option conditions that these options are fulfilled only with shares which were acquired subject to the principle of equal treatment (section 53a AktG) themselves. All share acquisitions using put or call options are limited to shares of a maximum volume of 5% of the share capital existing at the time of the resolution on this authorization by the Annual General Meeting. The terms of the options must end no later than on 25 August 2015.

The purchase price per share (not including incidental costs of acquisition) when exercising the options cannot be more than 10% higher or lower than the arithmetic mean of the share prices of the Company in Xetra trading (or a similar successor system) determined last on the last three trading days before the conclusion of the option transaction in question.

The disposal and withdrawal of treasury shares acquired by using derivatives can be carried out in line with the regulations stipulated under item 7 of the agenda.

9 Reduction of the existing Conditional Capital 2008 with a corresponding amendment of the Articles of Association

Pursuant to Article 5 (4) of the Articles of Association applicable as of the date hereof, the Company's share capital has been increased by way of a conditional capital increase by up to €229,102.08 by issuing up to 89,493 new no-par value bearer shares with an entitlement to profits as from the beginning of the financial year in which they are issued. Such conditional capital serves the purpose of granting subscription or conversion rights to the holders of warrant-linked and/or convertible bonds issued by the Company or a Group company on the basis of the authorization granted by the Company's Annual General Meeting on 28 August 2008. The issue of new shares is effected at the option or, respectively, conversion price to be fixed in accordance with the resolution passed by the Company's Annual General Meeting of 28 August 2008 with regard to item 10 (b) of the agenda at the time. The conditional capital increase is to be carried out only to the extent the holders of subscription or, respectively, conversion rights make use of such rights or the holders with a conversion duty fulfil such duty, and unless any cash compensation is granted or treasury shares or shares created from authorized capital are used to serve this purpose. The Board of Managing Directors is authorized to determine the further details of the implementation of a conditional capital increase (Conditional Capital 2008).

Originally, the Conditional Capital 2008 existed in an amount of up to €123,749,998.08. By issuing new shares in a total par value of €123,520,896.00, major part of it has been used already; the version of the Articles of Association was accordingly adapted by way of a resolution of the Supervisory Board. Of the remaining amount of €229,102.08, only €150,174.72 will be required to serve bonds already issued with new shares in case of any conversion. After the authorization to issue (further) bonds resolved in the Annual General Meeting on 28 August 2008 was revoked by way of a resolution of the General Meeting of 25 March 2009 to the extent no use had been made of it, the remaining, however, no longer fully required Conditional Capital 2008 is now to be adjusted to the actual requirements, thus granting the Company simultaneously more flexibility with regard to any capital measures in the future.

The Board of Managing Directors and the Supervisory Board propose the following resolution:

9.1 Reduction of the Conditional Capital 2008

The remaining conditional capital of up to €229,102.08, divided into up to 89,493 new no-par value bearer shares with entitlement to profits as from the beginning of the financial year in which they are issued pursuant to Article 5 (4) of the Articles of Association (Conditional Capital 2008) shall be reduced by €78,927.36 to an amount of up to €150,174.72, divided into up to 58,662 new no-par value bearer shares with entitlement to profits as from the financial year in which they are issued. Otherwise, the Conditional Capital 2008 pursuant to Article 5 (4) of the Articles of Association shall remain unchanged.

9.2 Amendment of the Articles of Association

Article 5 (4) sub-article 1 of the Articles of Association shall be restated as follows:

"The share capital of the Company shall be increased in a conditional capital increase by up to €150,174.72 by issuing up to 58,662 new no-par value bearer shares with entitlement to profits as from the financial year in which they are issued."

Otherwise, Article 5 (4) of the Articles of Association shall remain unchanged.

10 Authorization to issue convertible and/or warrant-linked bonds, excluding the subscription right, and conditional capital increase with corresponding amendment of the Articles of Association

The Board of Managing Directors and the Supervisory Board propose the following resolution:

10.1 Authorization to issue convertible and/or warrant-linked bonds

- (a) Period of authorization, subject matter, nominal amount, term, number of shares

The Board of Managing Directors is hereby authorized to issue until 25 August 2015, with the Supervisory Board's consent, on one or several occasions, convertible and/or warrant-linked bearer bonds or, respectively, a combination of such instruments (hereinafter jointly referred to as the "Bonds") with a total nominal amount of up to € 400,000,000, with or without limitation as to their term, and grant to the holders of Bonds conversion or, respectively, option rights for the subscription of up to 74,874,422 non-par value bearer shares (no-par value shares) of the Company representing a proportionate amount of the share capital of up to € 191,678,520.32 in total (hereinafter referred to as "Shares of the Company") as defined in more detail in the terms and conditions of the Bonds ("Authorization"). The Authorization may be used in whole or in part.

The Bonds may also provide for an obligation to effect a conversion or exercise an option at the end of the term or at any earlier time. Furthermore, the Company may be granted the right to grant the bondholders Shares of the Company instead of the payment of the full payable amount of money or parts thereof under the terms and conditions of the Bonds ("Terms and Conditions"). The Bonds may be issued for cash and/or non-cash consideration.

The Bonds may be issued in Euros as well as – providing for a limitation to the corresponding equivalent value in Euros – in a legal currency of any OECD member state. If the bonds are issued in a currency other than Euros, the corresponding equivalent value, calculated on the basis of the Euro reference rate of the European Central Bank on the date the resolution on the issue of the Bonds is passed, shall be used as a basis.

The Bonds may also be issued by companies in which the Company holds directly or indirectly a majority share. In such case, the Board of Managing Directors is authorized hereby to assume for the Company, with the Supervisory Board's consent, the guarantees required for the obligations under the Bonds, and grant to the holders of the Bonds conversion or, respectively, option rights on Shares of the Company.

- (b) Conversion right/conversion duty; conversion ratio

If Bonds are issued with any conversion right or conversion duty, the holders of the Bonds shall be granted the right or, respectively, be obliged to exchange their Bonds into Shares of the Company pursuant to the Terms and Conditions to be set forth by the Board of Managing Directors. The pro-rata amount of the share capital represented by the Shares of the Company to be issued per Bond in case of any

conversion may not exceed the nominal amount of the relevant Bond or, respectively, the issue amount of the Bond, if such amount is less than its nominal amount.

The exchange ratio results from the division of a Bond's nominal amount by the conversion price for one Share of the Company. If the issue amount of the Bond is less than its nominal amount, the exchange ratio shall be determined by dividing the issue amount of a convertible bond by the conversion price for one Share of the Company. The Terms and Conditions may also provide for a variable determination of the exchange ratio as well as a determination of the conversion price on the basis of future stock exchange prices within a specific range. If convertible bonds are issued for non-cash consideration, the value of the relevant non-cash consideration shall be the conversion price, however, at least the lowest issue amount of the relevant shares to be granted.

(c) Option right/duty to exercise option

If Bonds are issued with any option right or duty to exercise an option, one or several warrants which entitle the relevant holder to subscribe for Shares of the Company as set forth in more detail in the Terms and Conditions to be determined by the Board of Managing Directors shall be attached to each Bond. The pro-rata amount of the share capital represented by the Shares of the Company to be issued in the exercise of the options may not exceed the nominal amount of the Bonds.

(d) Conversion/option price

The conversion or, respectively, option price to be set forth in the Terms and Conditions shall amount to at least 80% of the volume-weighted average price of the Shares of the Company in the XETRA trading system of the Frankfurt Stock Exchange (or any comparable successor system) on the date of determination of the conditions of the Bonds between trading start and the time of final determination of the conditions. Sections 9 (1) and 199 AktG shall remain unaffected.

(e) Other determinations to be made in the Terms and Conditions

The Board of Managing Directors is authorized to determine the further details of the Terms and Conditions with the Supervisory Board's consent, in particular:

- interest rate, issue amount, term and denomination of the Bonds;
- conversion or, respectively, option period;
- conversion or, respectively, option price;
- conversion rights and conversion obligations;
- option rights and obligations to exercise options;
- whether the Shares of the Company to be delivered shall be new shares created by way of a capital increase in full or in part, or existing Shares of the Company in full or in part;
- whether the equivalent value in cash of Shares of the Company may be paid in lieu of a delivery of such Shares of the Company;

- whether the conversion or option price, or the exchange ratio is to be determined at the time of issue of the Bonds or, based on future stock exchange prices within a specific range, during the term of the Bonds.

To the extent any subscription right is created that refers to fractions of Shares of the Company, it may also be set forth that such fractions may be added in order to subscribe for full Shares of the Company in accordance with the Terms and Conditions. Furthermore, an additional cash payment or a cash compensation payable for fractional rights may be determined.

Furthermore, the Terms and Conditions may provide for a protection from dilution and adjustment mechanisms for specific cases, in particular for the following cases:

- changes in the Company's capital effected during the term of the Bonds (e.g. capital increases, capital reductions or share splits);
- dividend payments;
- the issue of additional Bonds with conversion rights or obligations, or, respectively, option rights or obligations to exercise options which provide for an entitlement to subscribe for Shares of the Company;
- extraordinary events which occur during the term of the Bonds, such as, for example, a change of control at the Company.

Measures of protection from dilution or adjustment provided for in the Terms and Conditions may particularly include a change of the conversion or, respectively, option price, the granting of rights to subscribe for Shares in the Company or convertible or warrant-linked bonds, or the granting or adjustment of cash components.

(f) Subscription right, exclusion of subscription rights

In the issue of the Bonds, a right to subscribe for the Bonds shall in principle be granted to the shareholders. The Bonds may also be taken over by credit institutions or entities operating pursuant to section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the *Gesetz über das Kreditwesen* (KWG – German Banking Act), with the obligation to offer them to the shareholders for subscription.

However, the Board of Managing Directors is authorized hereby to exclude the shareholders' subscription right, with the Supervisory Board's consent, in any issue of Bonds

- (i) if such Bonds are issued for cash payment and the Board of Managing Directors, following due consideration, comes to the conclusion that the issue price does not fall materially below the Bonds' theoretical market value determined on the basis of accepted actuarial methods. However, this applies only to the extent the total shares to be issued in order to serve the option or conversion rights connected with the Bonds (together with other authorizations to issue or sell shares of the Company or rights that allow or oblige their holder to subscribe for shares of the Company, provided that these other authorizations are exercised according to or analog section 186 (3) sentence 4 AktG within the term of this authorization and until it is exercised) do not exceed 10% of the Company's share capital at the time the resolution is passed or – if such value is lower – the share capital existing at the time this authorization is exercised;

- (ii) in order to exclude fractional amounts resulting from the subscription ratio from the shareholders' subscription right;
- (iii) to the extent such Bonds are issued for non-cash consideration;
- (iv) to the extent this is required in order to grant a subscription right to holders of option rights or conversion rights issued by the Company or Group companies to the extent they would be entitled to following the exercise of the rights.

10.2 Creation of new conditional capital

The Company's share capital shall be increased by way of a conditional capital increase by up to € 191,678,520.32 by issuing up to 74,874,422 new no-par value bearer shares with entitlement to profits as from the beginning of the financial year in which they are issued (Conditional Capital 2010).

The Conditional Capital 2010 serves the purpose of granting subscription and/or conversion rights to holders of warrant-linked and/or convertible bonds issued by the Company or a Group company for cash considerations in accordance with the authorization granted by the Company's Annual General Meeting held on 26 August 2010. The issue of new shares shall be effected at the relevant option or conversion price to be determined in accordance with the authorization described above under item 10.1 of the agenda.

The conditional capital increase shall be effected only to the extent the holders of subscription or, respectively, conversion rights issued for cash considerations use such rights or holders subject to a conversion obligation fulfil such obligation, and unless any cash compensation is granted or treasury shares or shares created from authorized capital are used to serve this purpose. The Board of Managing Directors is authorized to determine the further details of the implementation of a conditional capital increase.

10.3 Amendment of the Articles of Association

Article 5 of the Articles of Association will be supplemented with an additional paragraph with the following wording, to be inserted at the end of the Article:

"The Company's share capital shall be increased by way of a conditional capital increase by up to € 191,678,520.32 by issuing up to 74,874,422 new no-par value bearer shares with entitlement to profits as from the beginning of the financial year in which they are issued (Conditional Capital 2010).

The Conditional Capital 2010 serves the purpose of granting subscription and/or conversion rights to holders of warrant-linked and/or convertible bonds issued by the Company or a Group company for cash considerations in accordance with the authorization granted by the Company's Annual General Meeting held on 26 August 2010. The issue of new shares shall be effected at the relevant option or conversion price to be determined in the resolution of the Annual General Meeting of 26 August 2010 regarding item 10.1 of its agenda.

The conditional capital increase shall be effected only to the extent the holders of subscription or, respectively, conversion rights issued for cash considerations use such rights or holders subject to a conversion obligation fulfil such obligation, and unless any cash compensation is granted or treasury shares or shares created from authorized capital are used to serve this purpose. The Board of Managing Directors is authorized to determine the further details of the implementation of a conditional capital increase."

11 Resolution on the amendment of Article 2 of the Articles of Association

Since IKB continues to extend its product range within the interest of a balanced business model, Article 2 (Object of the Company) is to be revised. The Board of Managing Directors can already perform banking transactions of all kinds and render associated financial and other services, including in particular consulting and brokerage services, under the applicable Articles of Association (Article 2 (2) of the applicable Articles of Association). In the proposed revised version, the current reference to SMEs included in Article 2 (1) of the applicable Articles of Association would be dropped in order to clarify the bank's existing options for action.

The Board of Managing Directors and the Supervisory Board propose the following resolution:

Article 2 of the Articles of Association shall be deleted as a whole and redrafted as follows:

“Article 2

The object of the Company shall be the performance of banking transactions of all kinds except any activity as central counterparty as defined in the *Kreditwesengesetz* (KWG – German Banking Act) as well as rendering financial and other associated services, including in particular consulting and brokerage services.

The Company shall be entitled to undertake all transactions and actions likely to serve the objects of the Company. It may implement its business activities wholly or partly through subsidiaries, affiliates or joint ventures and may form, acquire or take participating interest in other companies at home or abroad.”

Report of the Board of Managing Directors to the Annual General Meeting in accordance with section 71 (1) no. 8 sentence 5, section 186 (4) sentence 2 AktG on items 7 and 8 of the agenda

In accordance with section 71 (1) no. 8 sentence 5, section 186 (3) sentence 4, (4) sentence 2 AktG, the Board of Managing Directors shall issue the following report on items 7 and 8 of the agenda on the reasons for the proposed authorization of the Board of Managing Directors to exclude the subscription rights of shareholders when disposing of treasury Shares of the Company. This report will be available on the internet at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

from the time the Annual General Meeting is convened. It shall also be available for inspection in the assembly hall for the duration of the Annual General Meeting. The report has the following content:

The authorization granted by the Annual General Meeting of the Company on 27 August 2009 to acquire treasury shares in accordance with section 71 (1) no. 8 AktG expires on 26 February 2011 and is to be replaced by the proposed new authorization that runs until the end of 25 August 2015.

The Board of Managing Directors and the Supervisory Board propose to the Annual General Meeting to grant the Company an authorization to acquire treasury shares so that it can use the benefits associated with such an acquisition in the interests of the Company and its shareholders. The Board of Managing Directors shall report to the Annual General Meeting on every utilisation of this authorization.

As a result of the proposed authorization, the Company will be able until the end of 25 August 2015 to acquire treasury shares in a volume of up to 10% of the current share capital. This shall ensure compliance with the maximum legal limit. The shares can only be acquired on the stock exchange or by way of a public bid to all shareholders. If the number of shares offered at the stipulated price exceeds the number of shares the Company is seeking, acceptance of offers to sell must be allocated. In this context, it should be possible to provide for preferred acceptance of small offers or small parts of offers of up to a maximum of 100 shares. This option serves to avoid fractional amounts in determining the ratios to be acquired and small residual amounts and thereby to facilitate technical settlement.

It will be permitted to sell the acquired treasury shares on the stock exchange or by way of offer to all shareholders.

- The proposed authorization provides for the treasury shares to also be sold to third parties in any way other than on the stock exchange or an offer to all shareholders if the sale is against cash and at a price not significantly less than the arithmetic mean of the share price of the Company in Xetra trading (or a similar successor system) on the Frankfurt stock exchange determined on the last three trading days before the sale date. This is to enable the Company to offer shares to institutional investors, financial investors or other cooperation partners, thereby achieving the highest possible disposal amount and strengthening equity as much as possible by setting a price in line with market conditions. This type of disposal involves an exclusion of shareholders' subscription rights, however, this is permitted by law as it is in line with the simplified exclusion of shareholders' subscription rights under section 186 (3) sentence 4 AktG. This authorization can only be used for up to 10% of the share capital including authorizations to utilise authorized capital and authorizations to issue convertible and/or warrant-linked bonds and authorizations to issue convertible and/or option certificates while excluding shareholders' subscription rights under section 186 (3) sentence 4 AktG. This ensures that the maximum legal limit of 10% of share capital is not exceeded for such a simplified exclusion of shareholders' subscription rights (section 186 (3) sentence 4 AktG). The Board of Managing Directors shall report to the Annual General Meeting every time this authorization is utilised.
- Under this authorization, the treasury shares acquired can be sold to third parties while excluding shareholders' subscription rights if this is effected for the purpose of the acquisition of companies, parts of companies or participations in companies. In such cases, the Board of Managing Directors is to be enabled to offer shares in the Company as compensation in a combination of companies or for the acquisition of such companies, parts of companies or participations in companies without having to perform a capital increase for this purpose. Such use of the treasury shares requires the approval of the Supervisory Board if the subject of the respective transaction exceeds 5% of the liable equity of the Company under the *Kreditwesengesetz* (KWG – German Banking Act).

National and international competition is increasingly demanding that shares can be offered as compensation in combinations of companies or for the acquisition of companies, parts of companies or participations in other companies instead of cash. The proposed authorization will give the Company the necessary flexibility to use its treasury shares as acquisition currency and thereby to react quickly and flexibly to offers that are advantageous to the Company to combine companies or to acquire companies, parts of companies or participations in other companies. This is reflected in the proposed authorization to exclude the subscription rights of shareholders.

- The authorization is also to allow the Company to use treasury shares to serve convertible and warrant-linked bonds and/or convertible and option certificates issued by the Company or its subsidiaries. In the interests of flexible handling it is logical to create the option to be able to satisfy obligations arising from convertible and warrant-linked bonds and/or convertible and option certificates with treasury shares. This method also precludes the dilutive effect arising on utilisation of conditional capital to serve the convertible and warrant-linked bonds and/or convertible and option certificates issued.
- Furthermore, the option to exclude the subscription rights of shareholders shall be provided for in the event that the acquired Shares of the Company are issued as employee shares to employees of the Company and its subsidiaries in which it holds an interest of at least 50%. Employee shares are an important instrument for attracting qualified employees to the Company and ensuring their loyalty. Employee shares can also promote employee focus on corporate strategy and their motivation to work systematically to increase enterprise value.
- Withdrawing the treasury shares acquired without the requirement of a further resolution by the Annual General Meeting ultimately allows the Company to adjust its equity quickly and flexibly in line with the respective requirements of the capital market by way of the share capital reduction entailed by withdrawing shares.

Report of the Board of Managing Directors to the Annual General Meeting in accordance with section 221 (4), section 186 (4) sentence 2 AktG on item 10 of the agenda

In accordance with section 221 (4) sentence 2, section 186 (3) sentence 4, (4) sentence 2 AktG, the Board of Managing Directors shall issue the following report on item 10 of the agenda on the reasons for the Authorization of the Board of Managing Directors, with the consent of the Supervisory Board, to issue convertible and/or warrant-linked bonds while excluding shareholders' subscription rights. This report will also be available on the internet at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

from the time the Annual General Meeting is convened. It shall also be available for inspection in the assembly hall for the duration of the Annual General Meeting. The report has the following content:

The proposed Authorization to issue Bonds with a total nominal amount of up to € 400,000,000 is intended to extend the abilities of IKB Deutsche Industriebank AG to finance its activities and open up a way for the Board of Managing Directors, with the consent of the Supervisory Board, to a flexibly and timely financing in the interests of the Company, in particular when favourable conditions in the capital markets occur.

The shareholders are generally entitled to their statutory subscription right in relation to the Bonds. In order to facilitate the processing, it may be provided for the Bonds to be issued to a credit institution or a consortium of several credit institutions, with an obligation to offer the Bonds to the shareholders for subscription in accordance with the proportion of their existing holdings of shares (indirect subscription right). In addition, the Board of Managing Directors is proposed to be entitled, with the consent of the Supervisory Board, to exclude the statutory subscription right of the shareholders under certain circumstances.

- As a result of the proposed exclusion of the subscription right for fractional amounts, the requested Authorization can be utilised by full amounts. This exclusion of subscription

rights is reasonable and customary practice, because the costs of trading of subscription rights in the case of fractional amounts usually are not reasonably proportionate to the related advantages for the shareholders. The dilution effect is not significant and can be disregarded due to the limitation to fractional amounts. Any Bonds excluded from the subscription right to this extent will be realised in the best possible way.

- The purpose of the exclusion of subscription rights in favour of the holders of option rights which have been issued or which may be issued in the future or the holders of conversion rights which have been issued or which may be issued in the future is putting such holders in a position as if they had already exercised their option and/or conversion rights and as if they already were shareholders. This protection against dilution prevents the possibility that the option and/or conversion price for any Bonds which have already been issued would be required to be reduced. As a result, this ensures that the aggregate funds received will be higher.
- In addition, the subscription right is intended to be excluded in order to issue the Bonds for non-cash consideration. This enables the Company to act flexibly, quickly and in way which also helps to protect liquidity when acquiring assets. In particular, this makes it possible to use Bonds as an acquisition currency in suitable individual cases, such as in connection with business combinations or the acquisition of companies, participations in companies or other assets. Also, it may become necessary in the course of negotiations to make the consideration available, in whole or in part, in forms other than cash. Thus, the ability to offer Bonds as a consideration creates an advantage when competing for interesting acquisition targets and extends the scope for potential purchases while helping to protect liquidity. This may also be desirable under the aspect of an optimised financing structure. The Board of Managing Directors will carefully consider in each individual case whether to make use of the Authorization to issue Bonds for non-cash consideration while excluding shareholders' subscription rights, and will only do so if this is in the interests of the Company and its shareholders, taking account of any applicable aspects. The Board of Managing Directors will in particular ensure that the value of the non-cash consideration is reasonable when compared to the value of the Bonds.
- Finally, it is proposed to authorize the Board of Managing Directors, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders if the Bonds are issued at a price which is not materially lower than such bonds' theoretical market value determined on the basis of accepted actuarial methods. This allows the Company to make use of favourable market situations on very short notice and quickly and, by determining market-based terms and conditions, to achieve more favourable conditions regarding interest rate and option and/or conversion price of the Bonds. This would not be possible if statutory subscription rights were granted. Section 186 (2) AktG does permit the publication of the subscription price (and, in the case of bonds, the terms and conditions) until the third-last day of the subscription period. However, in view of the volatility in the stock markets, the market risk existing for a period of several days would result in safety margins being applied when determining the terms and conditions of the Bonds and thus in terms and conditions which would be less market-based. Furthermore, where statutory subscription rights are granted, the successful placement of the Bonds with third parties will be jeopardised or will result in additional expenses due to the uncertainty of the exercise of such subscription rights. Finally, the term of the minimum subscription period of two weeks to be complied with where statutory subscription rights are granted hampers the response to favourable or unfavourable market conditions, which may lead to the raising of capital being less than optimum.

Shareholder interests will be preserved by this exclusion of subscription rights via the fact that the Bonds will not be allowed to be issued at materially below their theoretical market value, so that the mathematical value of the subscription right will be reduced practically to nil. The resolution therefore provides that the Board of Managing Directors must be of the opinion, before issuing the Bonds, that the proposed issue amount will not lead to any appreciable dilution of the value of the shares. Should the Board of Managing Directors consider it appropriate in the respective situation to obtain professional advice, it may call upon support by experts, for example from underwriters or other banks participating in the issue, an independent investment bank or an expert consultant, who can confirm to the Board of Managing Directors in an appropriate manner that no appreciable dilution of the share value can be expected. Regardless of the examination by the Board of Managing Directors, as already mentioned, the determination of market terms and conditions will be guaranteed in the event of book building. Although the Bonds will be offered at a set issue amount according to the proposed Authorization, certain Bond conditions will nevertheless be determined on the basis of the purchase orders sent by investors, and thus the Bonds' overall value will be determined based on the market. For all of these reasons, the value of the shares will not be appreciably diluted by the exclusion of subscription rights. In addition, this type of subscription rights exclusion is limited to Bonds with rights to shares representing no more than 10% of the share capital at the time the resolution is passed or – if such value is lower – at the time of the exercise of the Authorization. Within that range, the legislator considers it not unreasonable to expect the shareholders to maintain the proportion of their holdings by buying on the market. One must count towards this 10% threshold other authorizations to issue or sell shares of the Company or rights that allow or oblige their holder to subscribe for shares of the Company, provided that these other authorizations are exercised according to or analog section 186 (3) sentence 4 AktG within the term of this authorization and until it is exercised.

Documentation and information

The following documents will be available on the internet at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

from the time the Annual General Meeting is convened:

- the contents of this invitation (section 124a sentence 1 no. 1 AktG) including the explanation contained therein that no resolution is to be passed on item 1 of the agenda (section 124a sentence 1 no. 2 AktG) and the figures contained therein on the total number of shares and of voting rights at the time of the Meeting being convened (section 124a sentence 1 no. 4 AktG),
- the documents designated in item 1 of the agenda 1 (section 124a sentence 1 no. 3 AktG),
- the Report reproduced above of the Board of Managing Directors to the Annual General Meeting on items 7 and 8 of the agenda, pursuant to section 71 (1) no. 8 sentence 5, section 186 (4) sentence 2 AktG,
- the Report reproduced above of the Board of Managing Directors to the Annual General Meeting on item 10 of the agenda, pursuant to section 221 (4), section 186 (4) sentence 2 AktG.

The aforementioned documents will also be available for inspection during the Annual General Meeting. Should permissible shareholder requests for additions to the agenda be made under sec-

tion 122 (2) AktG after the time of the Annual General Meeting being convened, the Company will, without undue delay after they are received, make these requests available in a similar manner (section 124a sentence 2 AktG).

Total number of shares and voting rights

The total number of shares at the time of the Annual General Meeting being convened is 633,326,261. The total number of voting rights that can be exercised at the time of the Annual General Meeting being convened is 633,326,261. There are no different classes of shares at IKB Deutsche Industriebank Aktiengesellschaft. The Company does not hold any treasury shares at the time of the Annual General Meeting being convened.

Participation in the Annual General Meeting and exercise of voting rights

According to Article 14 (1) of the Articles of Association, only those shareholders which register prior to the Annual General Meeting are entitled to participate in the Annual General Meeting and exercise their voting rights. Shareholders must also provide evidence of their entitlement to participate in the Annual General Meeting in line with Article 14 (2) of the Articles of Association. This requires evidence of shareholdings at the start of the 21st day before the Annual General Meeting (Thursday, 5 August 2010, 00.00 hrs CEST) by the custodian bank or financial services institute.

Registration and evidence of shareholdings must be provided in text form and in German or English. The registration and evidence of shareholdings must be received by the Company no later than six days before the Annual General Meeting, i. e. by Thursday, 19 August 2010, 24.00 hrs CEST, at the following address:

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

Pursuant to section 123 (3) sentence 6 AktG, in relation to the Company, only those who have provided evidence of their shareholdings within due time are deemed to be shareholders entitled to participate in the Annual General Meeting and exercise their voting rights. The Company may therefore deny participation in the Annual General Meeting, and the exercise of voting rights, to shareholders who failed to provide such evidence or failed to provide it in due time. After the registration for the Annual General Meeting, the shares will not be blocked in an account, but remain freely available. Any disposals effected after the due date for provision of evidence will have no effects on the entitlement to participate in the Annual General Meeting and to exercise voting rights while, vice versa, any persons who do not yet own any shares on the due date for provision of evidence and only become shareholders afterwards will not be entitled to either participate in the Annual General Meeting or exercise voting rights.

Upon receipt of evidence of shareholdings at the Company, tickets to the Annual General Meeting will be sent to the shareholders. In order to facilitate the organisation of the Annual General Meet-

ing, we request shareholders to procure that evidence of their shareholdings will be submitted to the Company at an early stage.

Voting proxies

Shareholders who do not wish to participate in the Annual General Meeting personally can arrange for their voting rights to be exercised by an agent such as a bank or a shareholder association. Authorizations that are not granted to a bank or an association of shareholders or any other person or institution as specified in section 135 (8) and (10) in conjunction with section 125 (5) AktG require text form (section 126b of the *Bürgerliches Gesetzbuch* (BGB – German Civil Code)) in accordance with section 134 (3) sentence 3 AktG and Article 14 (3) sentence 2 of the Articles of Association. The same applies to the revocation of the authorization as well as to the evidence of authorization to be provided to the Company. Evidence of authorization must either be presented on the date of the Annual General Meeting or sent to the Company at the following address:

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

If a bank, a shareholder association or any person or institution of equivalent status pursuant to section 135 (8) and (10) in conjunction with section 125 (5) AktG are intended to be authorized, please agree with the relevant person or institution to be authorized the required form of the authorization in due time, since such authorization might require a special form. In such case, section 135 (5) sentence 4 AktG will apply to the provision of evidence of authorization by the proxy.

Shareholders will receive a form of authorization, together with a ticket to the Annual General Meeting. Please note that the Company, in case more than one person or institution is authorized pursuant to section 134 (3) sentence 2 AktG, will have the right to reject one or more of these persons or institutions, respectively.

In addition, we offer to authorize proxies appointed by the Company for our shareholders prior to the Annual General Meeting. The proxies appointed by the Company shall vote in line with the instructions issued by shareholders. Authorizations shall be totally void if corresponding instructions are not issued. Shareholders who wish to take advantage of the option to authorize a proxy appointed by the Company require a ticket to the Annual General Meeting. This should be ordered as early as possible in order to ensure timely receipt of the ticket. Please note that proxies appointed by the Company cannot accept authorizations and instructions to utilise the right to speak or ask questions, to table motions or to object to resolutions by the Annual General Meeting and that they will abstain in motions by shareholders at the Annual General Meeting that were not previously announced.

Request for additions to the agenda

Pursuant to section 122 (2) AktG, such shareholders whose shares together reach at least 5% of the share capital of the Company or the proportional amount of € 500,000.00 may request in writ-

ing, by indicating purpose and reasons, that items be put on the agenda and be announced. Since in the case of IKB Deutsche Industriebank Aktiengesellschaft the proportional amount of €500,000.00 is less than 5% of the share capital, it will suffice for a request for additions to the agenda that the proportional amount of €500,000.00 is reached. This amount corresponds to 195,313 no-par value shares of the Company, with a pro-rata portion of the share capital in the amount of €2.56 per share. Each new item must be submitted together with a statement of reasons or a proposed resolution.

Any request for additions to the agenda has to be addressed to the Board of Managing Directors and must be received by the Company, in written form with any legally required information and evidence, no later than 30 days prior to the Annual General Meeting, i. e. by Monday, 26 July 2010, 24.00 hrs CEST, at the following address:

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

More detailed information on the shareholders' rights under section 122 (2) AktG can be found on the Company's internet site at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

Counter-motions and proposals for election from shareholders

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

IKB Deutsche Industriebank AG
c/o Haubrok Corporate Events GmbH
Landshuter Allee 10
D-80637 Munich
Germany
Fax: +49 (0)89/210 27 298
e-mail: gegenantraege@haubrok-ce.de

They must be received at this address no later than 14 days prior to the Annual General Meeting, i. e. by Wednesday, 11 August 2010, 24.00 hrs CEST. A counter-motion as defined by section 126 AktG must, and a proposal for election as defined by section 127 AktG may, be provided with a statement of reasons. Counter-motions and proposals for election from shareholders regarding items of the agenda which are received on time and permissible in other respects as well, subject to evidence of the petitioner being a shareholder, will be made available on the Company's internet site at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

The name of the shareholder, the shareholder's statement of reasons for the counter-motion or proposal for election, as the case may be, and any statements by the administration will be pub-

lished on the Company's internet site together with the counter-motion and proposal for election, respectively. The right to table counter-motions and make proposals for election regarding items of the agenda during the Annual General Meeting is not affected by sections 126, 127 AktG. More detailed information on the shareholders' rights under sections 126, 127 AktG can be found on the Company's internet site at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

Shareholders' right to obtain information

According to section 131 (1) AktG, each shareholder may, at the Annual General Meeting, request information from the Board of Managing Directors on matters relating to the Company, the legal and business relations of the Company with an affiliated entity as well as on the situation of the Group and the enterprises integrated in the consolidated financial statements, provided that such information is required for an appropriate evaluation of one or several items of the agenda. We would like to point out that the Board of Managing Directors is entitled to refuse to provide information if the requirements set out in section 131 (3) AktG are met. More detailed information on the shareholders' rights under section 131 (1) AktG can be found on the Company's internet site at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

Transmission of the Annual General Meeting in the internet

The opening speeches by the Chairman of the Meeting and the Chairman of the Board of Managing Directors can be watched by all interested parties on the internet. This can be accessed on the Company's internet site at

http://www.ikb.de/content/en/ir/gm_information/index.jsp

Düsseldorf, July 2010

IKB Deutsche Industriebank Aktiengesellschaft

The Board of Managing Directors

Annex to item 5 of the agenda

The candidates proposed for election to the Supervisory Board under item 5 of the agenda are members of a legally required supervisory board (a) or a comparative German or international control body (b) at the following companies:

Olivier Brahin

- (a) COREALCREDIT BANK AG
- (b) -

Dr Lutz-Christian Funke

- (a) Dedalus GmbH & Co. KGaA (Deputy Chairman)
- (b) -

Ulrich Grillo

- (a) Praktiker Bau- und Heimwerkermärkte Holding AG
mateco AG
- (b) Grillo Zinkoxid GmbH
HDF Hamborner Dach- und Fassadentechnik GmbH & Co. KG (Chairman)
Praktiker Deutschland GmbH
RHEINZINK GmbH & Co. KG
Zinacor S.A. (Belgium)

Dr Andreas Tuczka

- (a) -
- (b) -