

**Explanation of the Shareholder Rights mentioned in
Section 121 (3) Sentence 3 No. 3
of the *Aktiengesetz* (AktG – German Stock Corporation Act)**

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 writing, 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. The petitioners must have held such minimum number of shares for an uninterrupted period of at least three months on the date the request for additions to the agenda is filed with the Company, and provide corresponding evidence to the Company; furthermore, they have to evidence that they will hold the shares until the time the decision on their request is passed (section 122 (2) sentence 1, (1) sentence 3 in conjunction with section 142 (2) sentence 2 AktG). Each new item must be submitted together with a statement of reasons or a proposed resolution (section 122 (2) sentence 2 AktG).

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 Sunday, 7 August 2011, 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

Unless they have already been announced on the occasion of the convening of the Annual General Meeting, any additions to the agenda that require announcement will be announced without undue delay following receipt of the relevant request in the German electronic Federal Gazette and forwarded without undue delay to such media of which it may be expected that they will disseminate such information in the entire European Union. Furthermore, such additions – as well as any permitted request for additions as such – will be made available on the Company's internet site at

<http://www.ikb.de/hv>.

Counter-motions and proposals for election from shareholders

Counter-motions

Pursuant to section 126 (1) AktG, shareholders of the Company may send so-called counter-motions against a resolution proposal submitted by the Board of Managing Directors and/or the Supervisory Board with regard to a specific item of the agenda to the Company. The correspond-

ing counter-motions must be sent exclusively to the following address, indicating the name of the relevant shareholder filing the counter-motion:

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

Counter-motions must be received at this address no later than 14 days prior to the Annual General Meeting, i.e. by Tuesday, 23 August 2011, 24.00 hrs CEST. Any counter-motions sent to another address will not be considered. Counter-motions 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/hv>.

The name of the shareholder, the shareholder's statement of reasons for the motion, and any statements by the administration will be published on the Company's internet site together with the counter-motion.

Counter-motions do not have to be made available if they include no statement of reasons. Furthermore, the obligation to make counter-motions and the pertaining statements of reasons available does not apply pursuant to section 126 (2) sentence 1 AktG

- to the extent the Board of Managing Directors would become subject to criminal liability by making the counter-motions available (section 126 (2) sentence 1 no. 1 AktG),
- if the relevant counter-motion would result in the Annual General Meeting passing a resolution violating any provisions of law or the Articles of Association (section 126 (2) sentence 1 no. 2 AktG),
- if the statement of reasons includes evidently false or misleading information with regard to material issues, or if it includes any insults (section 126 (2) sentence 1 no. 3 AktG),
- if a counter-motion of the shareholder based on the same facts has already been made available to a General Meeting of the Company pursuant to section 125 (section 126 (2) sentence 1 no. 4 AktG),
- if the same counter-motion of the shareholder, including substantially the same statement of reasons, was made available to at least two General Meetings of the Company pursuant to section 125 AktG during the last five years, and less than 5% of the represented share capital voted in favour of such counter-motion (section 126 (2) sentence 1 no. 5 AktG),
- if the relevant shareholder indicates that he will refrain from attending the Annual General Meeting without having any representative attend the meeting for him instead (section 126 (2) sentence 1 no. 6 AktG); or
- if the shareholder failed to file any counter-motion communicated by him, or have such counter-motion filed, in two General Meetings during the last two years (section 126 (2) sentence 1 no. 7 AktG).

Pursuant to section 126 (2) sentence 2 AktG, the statement of reasons of a counter-motion does not have to be made available if it contains more than 5,000 characters.

Pursuant to section 126 (3) AktG, the Board of Managing Directors has furthermore the option to combine several counter-motions and the pertaining statements of reasons if several shareholders file counter-motions regarding the same item on which a resolution is to be passed.

The right to file any counter-motions regarding items of the agenda in the Annual General Meeting remains unaffected by section 126 AktG. Said provision only sets forth the conditions under which the Company is obliged to make available counter-motions of shareholders announced prior to the General Meeting.

Please note furthermore that counter-motions within the meaning of section 126 AktG may be submitted for resolution in the Annual General Meeting only if they are also filed within the context of the Annual General Meeting.

Proposals for election

The above applies *mutatis mutandis* to any proposals for election regarding a member of the Supervisory Board or an auditor to be elected in the Annual General Meeting. Unlike in the case of counter-motions, however, no statement of reasons has to be included in a proposal for election. In addition to the cases described in section 126 (2) AktG, proposals for elections do not have to be made available in the event they do not include the information pursuant to section 124 (3) sentence 4 and section 125 (1) sentence 5 AktG. According to said provisions, an admissible proposal for election of an individual must include the name, the profession practised and the place of residence of the proposed individual, and a proposal for election of a company/partnership must include the name as well as the registered office of the proposed company/partnership (section 124 (3) sentence 4 AktG). Furthermore, proposals for election of members of the Supervisory Board must include information on any membership of the proposed persons in other supervisory boards to be established by operation of law as well as information on any membership of them in similar German and foreign control bodies of commercial enterprises (section 125 (1) sentence 5 AktG).

Upon request of shareholders whose combined shares reach 10% of the represented share capital, a resolution on proposals for the election of members of the Supervisory Board pursuant to section 127 AktG will be passed prior to the proposal of the Supervisory Board in accordance with section 137 AktG to the extent a corresponding motion is filed in the Annual General Meeting.

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.

Pursuant to Article 15 (3) of the Articles of Association of IKB Deutsche Industriebank Aktiengesellschaft, the chairman of the Annual General Meeting may set a reasonable time limit with regard to the shareholders' right to speak or ask questions. In particular, the chairman is entitled to set forth a reasonable time period for the course of the meeting as well as the discussion of the items of the agenda and the individual question or speech at the beginning or in the course of the meeting. When setting forth the time period available for any individual questions or speeches, the chairman may decide on the basis of whether any request to speak is a first-time request or a repeated request, as well as on any other appropriate criteria. However, the shareholders' right to obtain an

answer to questions already asked under the conditions pursuant to section 131 (1) AktG remains unaffected by the above limitation of the right to speak or ask questions.

Pursuant to section 131 (3) AktG, the Board of Managing Directors may refuse to provide any information

- to the extent the provision of information is, in the judgment of a reasonable businessman, apt to cause a significant disadvantage for the Company or any affiliate (section 131 (3) sentence 1 no. 1 AktG),
- to the extent such information refers to tax bases or the amount of individual taxes (section 131 (3) sentence 1 no. 2 AktG),
- on the difference between the value of items reported in the balance sheet for a financial year and any higher value of such items, unless the Annual General Meeting approves the annual financial statements (section 131 (3) sentence 1 no. 3 AktG),
- on the accounting and valuation methods to the extent an indication of such methods in the notes to the financial statements is sufficient in order to provide a description of the Company's asset, financial and income situation in accordance with the actual circumstances within the meaning of section 264 (2) of the *Handelsgesetzbuch* (HGB – German Commercial Code); this does not apply if the Annual General Meeting approves the annual financial statements (section 131 (3) sentence 1 no. 4 AktG),
- to the extent the Board of Managing Directors would become subject to criminal liability by providing the information (section 131 (3) sentence 1 no. 5 AktG),
- to the extent the information is consistently available on the Company's internet site for a period of at least seven days prior to the start of the Annual General Meeting and in the Annual General Meeting (section 131 (3) sentence 1 no. 7 AktG).

If any information has been provided to a shareholder outside of the Annual General Meeting by reason of him being a shareholder, such information must also be provided to any other shareholder upon his request in the Annual General Meeting, even if such information is not required to reach an appropriate assessment of an item of the agenda. In such case, the Board of Managing Directors may not refuse to provide such information pursuant to section 131 (3) sentence 1 nos. 1 to 4 AktG.

If the provision of any information is refused to a shareholder, he may request, pursuant to section 131 (5) AktG, that his question and the reason for the refusal of information shall be included in the minutes of the meeting.

Suspension of shareholders' rights pursuant to section 28 of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act) or section 59 of the *Wertpapiererwerbs- und Übernahmegesetz* (WpÜG – German Securities Acquisition and Takeover Act)

Please note that pursuant to section 28 WpHG or section 59 WpÜG, respectively, the above rights do not exist if a shareholder or a person to whom voting rights under the shares of such shareholder are attributed fails to fulfil the obligations pursuant to section 21 (1) or (1a) WpHG or pursuant to section 35 (1) or (2) WpÜG.

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