

Agenda item 7

The Management Board and the Supervisory Board propose that the general meeting passes the following resolution:

RESOLUTION

Extension of the authorization to issue convertible bonds excluding the subscription rights of the shareholders

The current authorization to issue convertible bonds in section 8.3 of the articles of association shall be extended as follows: The terms and conditions may, in addition or instead of a conversion or subscription right, also provide for the mandatory conversion at the end of the term or at any other time. The Management Board may, with the consent of the Supervisory Board, maintain or exclude the subscription rights for shareholders. The issuance of convertible bonds is limited to the extent that all conversion or subscription rights, and in case of a mandatory conversion stipulated in the terms and conditions, the mandatory conversion, are covered by conditional capital.

This authorization replaces the resolution of the general meeting of 12 May 2009 regarding the authorisation to issue convertible bonds. The articles of association will be amended in section 8.3 according to the wording of the comparison of the articles of association, which will be annexed to the minutes of the general meeting.

EXPLANATION

The authorisation of the Management Board, resolved on in the general meeting on 12 May 2009 (item 11 of the agenda), to issue convertible bonds served the purpose to give as much flexibility as possible for the funding of the Company and to enable the Management Board to issue convertible bonds if need arises in the respective market situation.

"Buffer Convertible Capital Securities" (BCCS) are convertible bonds, which are converted automatically into ordinary shares if a conversion event (such as the core capital ratio falling below 7%) occurs during the term of the bond (mandatory conversion). The European Banking Authority (EBA) stated in its recommendation of 8 December 2011, that alongside shares also BCCS shall be considered for the fulfillment of the core capital ratio requirement of 9% as of 30 June 2012, if they are structured in accordance with the provisions published by the EBA. The Management Board shall therefore have the possibility to issue BCCS in accordance with the respective market situation.

The authorisation as resolved in the general meeting on 12 May 2009 (item 11 of the agenda) stipulates that only *holders* of convertible bonds shall have a conversion or subscription right for shares of the Company. According to the wording of the authorization, the Management Board is not authorized to issue convertible bonds, which provide for the *mandatory conversion* in addition or instead of the conversion or subscription right of the holder of convertible bonds.

The new authorisation shall provide the Management Board with all options possible within the legal framework to issue convertible bonds, which provide for *the mandatory conversion* in addition to or instead of conversion or subscription rights of the holder of convertible bonds. The exclusion of the subscription rights will be elaborated in a separate report.