

REPORT OF THE EXECUTIVE BOARD TO THE ANNUAL GENERAL MEETING:

In respect of agenda item 5

Stock corporations have the possibility of acquiring treasury stock up to an amount of 10% of the equity capital on the basis of a resolution passed by the Annual General Meeting, as well as the possibility of disposing of such stock.

The acquisition of treasury stock for the purpose of trading in treasury stock or of maintaining the share price on an ongoing basis is not permitted. When acquiring and disposing of treasury stock, companies are required to comply with the principle of equal treatment of shareholders pursuant to § 53a of the German Stock Corporation Act (AktG).

The proposed resolution will allow the company to acquire treasury stock up to an amount of 10% of the current equity capital of Euro 117,837,936.00. In this respect, the purchase price in the case of such shares being acquired via the stock exchange must be within $\pm 10\%$ of the average closing price of the stock in the Xetra trading system (or in any successor system replacing the Xetra system) at the Frankfurt Stock Exchange in the three trading days preceding such purchase. In the event of the shares being acquired by means of a public purchase offer, the purchase price must be within $\pm 10\%$ of the average closing price of the stock in the Xetra trading system (or in any successor system replacing the Xetra system) at the Frankfurt Stock Exchange on the fifth to third trading day (in both cases inclusive) preceding the publication of the purchase offer.

The proposed resolution allows the company to collect or to dispose of the shares thereby acquired without any further resolution being required from the Annual General Meeting. In the event of such shares being collected, the share capital of the company is to be reduced accordingly.

Furthermore, the proposed resolution also authorizes the treasury stock thereby acquired to be disposed of in return for cash consideration in ways other than via the stock exchange and to the exclusion of shareholders' subscription rights. Such transaction is dependent on the shares being disposed of in return for cash consideration at a price which does not fall significantly short of the stock market price of equivalent shares in the company at the time of such disposal. This authorization takes advantage of the possibility of simplified exclusion of subscription rights permitted by § 71 (1) No. 8 of the German Stock Corporation Act (AktG) with corresponding application of § 186 (3) Sentence 4 of the German Stock Corporation Act (AktG). The need to protect shareholders from any dilution of their holdings is accounted for to the extent that the price at which such shares are disposed of may not fall significantly short of the respective stock market price. The possibility of such disposal is in the interests of the company.