

**Disclosures concerning shareholders' rights pursuant to § 122 (2), § 126 (1), § 127 and § 131 of the German Stock Corporation Act (AktG)**

**1. Shareholder motions and election proposals pursuant to § 126 (1) and § 127 AktG**

Pursuant to § 126 (1) AktG, shareholders in the company may forward countermotions in respect of a proposal made by the Executive Board and Supervisory Board for a specific agenda item. Such motion must include the name of the shareholder and a substantiation and should be sent in writing to the following address:

Douglas Holding AG

c/o Haubrok Corporate Events GmbH

Landshuter Allee 10

80637 Munich

Germany

Fax: +49 (0)89 21027298

Countermotions received from shareholders at the aforementioned address at least 14 days prior to the date of the Annual General Meeting, i.e. no later than midnight on March 8, 2011, will be published, together with any statement by the management, without delay on the internet at "www.dhag-hv.com", provided that the further requirements governing the obligation to publish such documents set out in § 126 AktG are met. Shareholder countermotions sent to other addresses will not be considered.

In specific cases, the company is not obliged to publish countermotions and their substantiations on the internet. Pursuant to § 126 (2) Sentence 1 AktG, this is the case when

- publication would make the Executive Board liable for prosecution
- the countermotion would lead the Annual General Meeting to adopt a resolution in contravention of the law or the company's Articles of Incorporation,
- the substantiation includes manifestly incorrect or misleading information in material aspects, or it includes defamations,
- a shareholder countermotion addressing the same matter has already been published pursuant to § 125 AktG in connection with an Annual General Meeting of DOUGLAS HOLDING AG,

- the same shareholder counterproposal accompanied by basically the same substantiation has already been published pursuant to § 125 AktG for at least two Annual General Meetings of the company and received votes from less than one twentieth of the share capital present at the respective Annual General Meetings,
- the shareholder indicates that it will not participate in or have itself represented at the Annual General Meeting, or
- the shareholder did not propose the counterproposal previously communicated or have such counterproposal proposed at two Annual General Meetings in the past two years.

The substantiation accompanying a legitimate counterproposal does not require publication in cases where it exceeds 5,000 characters in length. The shareholder should therefore present the arguments in favor of the counterproposal with suitable brevity. The company's Executive Board reserves the right to summarize counterproposals and their respective substantiations in cases where several shareholders have submitted counterproposals concerning the same proposed resolution.

Pursuant to § 127 AktG, the above comments in respect of § 126 (1) AktG (including the address stated) apply by analogy to proposals submitted by shareholders concerning the election of the auditor (Agenda Item 7), apart from the fact that the election proposal does not require substantiation. With the exception of the cases set out in § 126 (2) AktG, the Executive Board also does not have to publish election proposals received from shareholders in cases where these do not include the disclosures required by § 124 (3) Sentence 3 AktG (disclosure of name, profession practiced and town of residence of the auditor thereby proposed).

Counterproposals or election proposals may also be proposed to the Annual General Meeting in cases where they are not previously forwarded to the company within the deadline set out in § 126 (1) AktG. Any counterproposal or election proposal previously forwarded to the company must be expressly proposed to the Annual General Meeting, even in cases where such counterproposal or election proposal has already been previously published.

## **2. Petitions for additions to the agenda pursuant to § 122 (2) AktG**

Pursuant to § 122 (2) AktG, shareholders whose combined shares represent at least 5 % of the share capital or a prorated amount of EUR 500k are entitled to request that items be included in the agenda and announced. As the prorated amount of EUR 500k at DOUGLAS HOLDING AG is lower than 5 % of the share capital, the prorated amount of EUR 500k is therefore sufficient. Each new item must be accompanied by a corresponding substantiation or proposed resolution. The respective shareholder must provide documentary evidence that it has held the shares for at least three months prior to the date of the Annual General Meeting, i.e. at least since December 23, 2010). The petition must have been received by the company in writing or by fax, including proof of the

shareholder's status, at the following address at least 30 days prior to the Annual General Meeting, i.e. no later than February 20, 2011 (midnight):

DOUGLAS HOLDING AG

c/o Haubrok Corporate Events GmbH

Landshuter Allee 10

80637 Munich

Germany

Fax: +49 (0)89 21027298

### **3. Shareholders' right to information**

Pursuant to § 131 (1) AktG, any shareholder may request the Executive Board to provide information on company matters at the Annual General Meeting, provided that such information is necessary for the appropriate assessment of the respective agenda item. Such request for information must be made in German. The information thereby desired must constitute a key element of the information necessary for the appropriate assessment of the respective agenda item. The decision as to whether such information is provided is therefore based on the perspective of an "objective shareholder" who is only familiar with the company's circumstances on the basis of facts generally available. The duty on the part of the Executive Board to provide information also includes the company's legal and business relationships with associated companies and the situation of the group and the companies included in the consolidated financial statements. Matters relating to associated companies are covered by the obligation to provide information in cases where, on account of their significance, they become matters for the company itself.

Where the requirements of § 131 (3) AktG are met, the Executive Board may forego answering individual questions:

- to the extent that the provision of such information would, based on reasonable commercial assessment, place the company or an associated company at a not inconsiderable disadvantage (in particular, the Chairman of the Meeting is authorized by § 17 (2) Sentence 2 of the company's Articles of Association to set a suitable limit for the time allocated to shareholders' questions and statements);
- to the extent that the questions refer to values stated for tax purposes or the amount of individual taxes;

- concerning the difference between the value at which items are recognized in the annual balance sheet and any higher value of such items, unless the Annual General Meeting is required to adopt the annual financial statements;
- concerning accounting policies to the extent that the disclosure of such policies in the notes to the financial statements suffices to provide a true and fair view of the net asset, financial and earnings position of the company as defined in § 264 (2) of the German Commercial Code (HGB); this does not apply in cases where the Annual General Meeting is required to adopt the annual financial statements;
- to the extent that the Executive Board would render itself liable to prosecution by providing such information;
- to the extent that – in the case of a bank or financial institution – disclosures need not be made concerning the accounting policies applied and allocations in the annual financial statements, management report, consolidated financial statements or group management report;
- to the extent that the information has been consistently available at the company's internet site for at least seven days prior to the beginning of the Annual General Meeting, and is also available at the Annual General Meeting.

Where a shareholder has been provided with information in its capacity as a shareholder outside of the Annual General Meeting, such information must be provided upon request to each other shareholder at the Annual General Meeting, even in cases where the provision of such information is not necessary for the appropriate assessment of the given agenda item, unless the information thereby requested involves information in connection with group accounting pursuant to § 131 (4) Sentence 3 AktG.

Any shareholder refused information may request that the question and the reason for which the information was refused should be documented in the minutes of the meeting.