



**2014 General Meeting
on May 14, 2014**

**Report of the Executive Board on item 6 of the agenda in accordance with
Section 203 (2) Sentence 2 AktG in conjunction with Section 186 (4) Sentence 2
AktG (German Stock Corporation Law)**

Under item 6 b), aa on the agenda, the Executive Board requests to be allowed to exclude the subscription right of shareholders in corresponding application of Section 186 (3) Sentence 4 AktG (German Stock Corporation Law) for shares to an arithmetic amount of up to 10% of the capital stock, as part of which the 10% limit as a whole, i.e. also with the addition of any other authorizations resulting in direct or indirect application of Section 186 (3) Sentence 4 AktG (German Stock Corporation Law), must not be exceeded. The possibility of excluding the subscription right pursuant to this authorization will enable management to exploit favorable stock market situations at short notice and, by quickly placing new shares, achieve higher proceeds without the substantial time and cost involved in handling a subscription right. The requested exclusion of subscription rights serves the interests of the Company in being able to issue shares to institutional investors, for example. As a result, new shareholder groups can be acquired in Germany and abroad. In making use of the authorization, the Executive Board shall set the issue amount for each new share so that the markdown on the stock market price is expected to be no more than 3%, but shall be no more than 5% of the stock market price of the Company's shares at the time the authorization is utilized. This stipulation protects shareholders against impermissible dilution of their stake.

The authorization to exclude the subscription right of shareholders requested under item 6 b), bb on the agenda will enable the Executive Board to have shares in the company at its disposal to acquire companies or holdings in companies at short notice. euromicron Aktiengesellschaft is in fierce competition with other companies nationally and internationally and must be able at all times to act quickly and flexibly in the interests of its shareholders. That also includes the possibility of acquiring companies or holdings in them to improve the Company's competitive situation. It can be expected that such an acquisition cannot be paid for in cash without jeopardizing the Company's liquidity. Consequently, the consideration in comparable transactions is often shares in the acquiring company. The authorization proposed here is intended to give euromicron Aktiengesellschaft the necessary flexibility to seize opportunities to acquire companies or holdings in them quickly and flexibly when they arise.

The authorization to exclude the subscription right for fractional amounts requested under item 6 on the agenda, b), final paragraph, enables a capital increase with a clean subscription ratio. That makes it easier to handle the subscription right of shareholders. The new shares which are excluded from the subscription right of shareholders as free fractional shares will be sold on the stock market or utilized otherwise in the best possible way for the Company. Since any exclusion of the subscription right only effects fractional amounts in this case, a potential dilution effect is low.

The Executive Board may make use of the authorizations to exclude the subscription right granted to it only to such an extent that the proportional amount of the total shares issued with exclusion of the subscription right does not exceed 20% of the capital stock, either at the time the resolution on this authorization is adopted or at the time it is used. As a result, the total scope of a share issue with the exclusion of subscription rights from authorized capital is restricted. In addition, if – during the term of the authorized capital and until when it is utilized – use is made of other authorizations to issue or sell shares in the Company or to issue rights that enable or obligate subscription to shares in the Company and the subscription right is excluded as part of that, they shall be counted toward the above 20% limit. This will additionally protect shareholders against dilution of their existing stakes.

The Executive Board shall always examine carefully whether use of the authorization to issue new shares and, if applicable, to exclude the subscription right is in the interests of the Company and its shareholders. It will report to the General Meeting on any use of the authorization.

Frankfurt/Main, March 2014
euromicron Aktiengesellschaft
– The Executive Board –