

**2016 General Meeting  
on July 28, 2016**

**Explanatory report of the Executive Board  
on the disclosures in accordance with Section 289 (4) and (5) and Section 315 (4)  
HGB (German Commercial Code)**

**Explanatory report in accordance with Section 289 (4) and Section 315 (4) HGB**

We hereby explain the disclosures required pursuant to Section 289 (4) HGB in the management report of euromicron Aktiengesellschaft communication & control technology (hereinafter called „euromicron AG“) and the disclosures required pursuant to Section 315 (4) HGB in the group management report of euromicron AG:

1. Composition of subscribed capital

The capital stock of the company is EUR 18.347.554,88 and is divided into 7.176.398 no-par value registered shares.

2. Restrictions on voting rights or transfer of shares

The Executive Board is not aware of any other restrictions relating to voting rights or the transfer of shares. Euromicron AG currently does not hold any own shares, from which the Company derives no rights, particularly no voting rights.

3. Capital holdings that exceed 10% of the voting right sort transfer of shares

No shareholder held more than ten percent of the voting rights in euromicron AG directly or indirectly at December 31, 2015.

4. Naming of the holders of shares with special rights that confer controlling powers and description of the special rights

There are no shares with special rights that confer controlling powers.

5. Nature of the voting right control if employees hold a capital interest and do not directly exercise their control rights

Employees that hold a capital interest exercise their control rights like other shareholders according to law and the company's Articles of Association.

6. Provisions in the company's Articles of Association on the appointment and removal of members of the Executive Board

The provisions in the company's Articles of Association on the appointment and removal of members of the Executive Board correspond to the statutory stipulations.

The provisions in the Articles of Association on amending the Articles of Association correspond in principle to the statutory stipulations, although resolutions to amend the Articles of Association by the General Meeting require a majority of at least three quarters of the capital stock represented in adoption of the resolution only if the law makes this mandatory.

7. Power of the Executive Board to issue or buy back shares

The power of the Executive Board to issue or buy back shares, in particular the authorization granted to the Executive Board by the General Meeting on May 14, 2014, to increase the capital stock of the company up to May 13, 2019, with the consent of the Supervisory Board ("authorized capital") and the authorization to acquire treasury shares, which was adopted by the General Meeting on June 9, 2011, and is limited in time up to June 9, 2016, are stated in the management report and in the group management report.

8. Material agreements by the company that are subject to the condition of a change in control as the result of a takeover bid and the resultant effects

There are no material agreements by the company that are subject to the condition of a change in control as the result of a takeover bid.

9. Compensation agreements by the company that are concluded with members of the Executive Board or employees in the event of a takeover bid

There are no compensation agreements by the company that are concluded with members of the Executive Board or employees in the event of a takeover bid.