



Homag Group AG

ISIN: DE0005297204
Security identification number: 529720

Extraordinary General Meeting on March 5, 2015, 10:30 a.m.

Explanations on shareholder rights in accordance with Sec. 122 (2), Sec. 126 (1), Sec. 127 and Sec. 131 (1) AktG [“Aktiengesetz”]: German Stock Corporation Act].

1. Motions to add items to the agenda pursuant to Sec. 122 (2) AktG

Shareholders whose aggregate shareholding reaches one twentieth of the total capital stock or the proportionate amount of EUR 500,000.00 (which corresponds to 500,000 of Homag Group AG's no-par value shares) are entitled in accordance with Sec. 122 (2) AktG to requisition that items be added to the agenda and published. Since, in the case of Homag Group AG, the proportionate amount of EUR 500,000.00 is lower than 5% of the capital stock, it is sufficient to reach the proportionate amount of EUR 500,000.00. Every new item to be published and included on the agenda must be accompanied by grounds for the motion or a draft resolution. The requisition must be made in writing and addressed to the management board, and must be received by the Company at least 30 days prior to the extraordinary general meeting (not including the day of the extraordinary general meeting and the day of receipt), i.e. 24:00 hours (CEST) until Monday February 2, 2015 at the latest. Please send such requisitions to the following address:

**Homag Group AG
Hauptversammlungsservice
Homagstraße 3-5
72296 Schopfloch**

The bringers of the motion must additionally demonstrate that they have held the required minimum shareholding for at least three months prior to the day of the extraordinary general meeting, and that they will hold the shares until the decision is made on the motion (cf. Sec. 142 (2) Sentence 2 AktG in conjunction with Sec. 122 (1) Sentence 3 and (2) Sentence 1 AktG). Entitlement to transfer from a bank, financial services institute or company active in accordance with Sec. 53 (1) Sentence 1 or Sec. 53b (1) Sentence 1 or (7) KWG [“Gesetz über das Kreditwesen”: German Banking Act] is deemed equal to ownership. The period of ownership of a legal predecessor is allocated to shareholder if it acquires the share free of charge from a trustee as universal successor, upon dissolution of an alliance or a portfolio transfer pursuant to Sec. 14 VAG [“Gesetz über die Beaufsichtigung der privaten Versicherungsunternehmen”: German Insurance Supervisory Act] or Sec. 14 BauSparkG [“Bausparkengesetz”: German Building and Loan Associations Act] (cf. Sec. 70 AktG).

To the extent that they were not already published prior to convening the meeting, new agenda items to be published will be published immediately upon receipt of the requisition in the *Bundesanzeiger* [German Federal Gazette] and made available for publication to such media as can be assumed will disseminate the information throughout the European Union. They can be also downloaded from the Company's website at:

www.homag-group.com/annual_general_meeting

The provisions of the German Stock Corporation Act governing this shareholder right are as follows:

§ 122 Convening a meeting upon the requisition of a minority (excerpt)

(1) ¹A general meeting must be convened if the shareholders whose shares reach on aggregate one-twentieth of the capital stock requisition such a meeting in writing, stating the purpose and grounds; such requisition must be addressed to the management board. ²The articles of incorporation and bylaws may provide that the right to requisition a general meeting is to depend on holding a lower proportion of the capital stock. ³Sec. 142 (2) Sentence 2 applies mutatis mutandis.

(2) ¹Correspondingly, shareholders whose shares reach on aggregate one-twentieth of the total capital stock or the proportionate amount of EUR 500,000 are entitled to requisition that items be added to the agenda and published. ²Every new item must be accompanied by grounds for the motion or draft resolution. ³The requisition within the meaning of Sentence 1 must be received by the company no later than 24 days, for publically listed companies no later than 30 days, prior to the general meeting, not including the day of receipt.

§ 142 Appointment of special auditors (excerpt)

(2) ¹If the general meeting rejects a proposal to appoint special auditors to audit any matter relating to the formation of the company or to the management of the company's business occurring within the past five years, the court shall upon application by the shareholders whose aggregate holdings reach one hundredth of the capital stock or a proportionate amount of EUR 100,000, appoint special auditors, if there appear to be facts which give reason to suspect that improprieties or serious breaches of law or the articles of incorporation and bylaws have occurred in this matter; the same applies to matters dating back no more than ten years in the past provided the company was publically listed at the time the matter occurred. ²The parties making the application must furnish evidence that they have held such shares for not less than three months prior to the date of the general meeting and that they will hold the shares until the decision is made on the motion. ³Sec. 149 applies mutatis mutandis for an agreement to avoid such a special audit.

2. Countermotions and nominations for election from shareholders pursuant to Sec. 126 (1) and Sec. 127 AktG

Shareholders are entitled to bring to the company countermotions on one or several propositions of the management board and the supervisory board on specific items of the agenda (cf. Sec. 126 (1) AktG). The same applies to nominations for the election of supervisory board members or auditors (cf. Sec. 127 AktG). Counter-motions must be accompanied by grounds for the motion, nominations need not.

Any countermotions (including grounds for the motion) or nominations by shareholders are to be submitted to the following address only:

**Homag Group AG
Hauptversammlungsservice
Homagstraße 3-5
72296 Schopfloch, or**

Fax: +49 (0) 7443/13-8-2461, or

Mail: HV@homag-group.de

Countermotions and nominations sent to any other address will not be considered.

In accordance with Sec. 126 (1) AktG, the Company will provide access to countermotions, including the name of the shareholder, the grounds for the motion and any opinion from the management board to all entitled parties pursuant to Sec. 125 (1) to (3) AktG (including shareholders who have requested such access) subject to the conditions contained therein, as well as on the Company's website:

www.homag-group.com/annual_general_meeting

provided that the shareholder has submitted a countermotion (including grounds for the motion) against the proposal of the management board and supervisory board on a specific point of the agenda to the above address at least 14 days prior to the Company's extraordinary general meeting (excluding the day of the extraordinary general meeting and the day of receipt). This must therefore be received by 24:00 hours (CEST) on Wednesday, February 18, 2015 at the latest.

The company is authorized to refrain from publishing a countermotion and its grounds subject to the conditions given in Sec. 126 (2) AktG. Access need not be provided to the statement of grounds if it contains more than 5,000 characters in total.

This does not affect the right of every shareholder to bring a countermotion against the various items on the agenda during the extraordinary general meeting itself, without first submitting them to the company. Please note that countermotions submitted to the company in advance and within the deadline are only considered by the extraordinary general meeting if they are moved verbally at the meeting.

Nominations by shareholders do not have to be accompanied by a statement of grounds pursuant to Sec. 127 AktG. The management board also does not need to provide access to nomination proposals by shareholders except in the cases provided for in Sec. 126 (2) AktG in conjunction with Sec. 127 AktG if the proposals do not contain the information prescribed in Sec. 124 (3) Sentence 4 AktG (information as to the name, profession and place of residence of the nominated supervisory board candidates or auditor) and Sec. 125 (1) Sentence 5 AktG (information as to membership of supervisory board candidates in other statutory supervisory boards).

Nominations by shareholders requiring publication (including the name of the shareholder) will also be made accessible without delay upon receipt at the Company's website at:

www.homag-group.com/annual_general_meeting

provided that the shareholder has submitted a nomination proposal to the above address at least 14 days prior to the Company's general meeting (excluding the day of the general meeting and the day of receipt). This must therefore be received by 24:00 hours (CEST) on Wednesday, February 18, 2015 at the latest.

The provisions of the German Stock Corporation Act governing these shareholder rights are as following:

§ 126 Motions by shareholders

- (1) *¹Applications by shareholders including the name of the shareholder, a statement of grounds and any opinion by management thereon need only be disclosed to the entitled parties provided for in Sec. 125 (1) to (3) and in accordance with said requirements, if within 14 days prior to the general meeting the shareholder submits to the company a countermotion against the proposal of the management board and supervisory board on a specific point of the agenda stating the grounds for the countermotion to the address notified for this purpose in the invitation convening the general meeting. ²The day of*

receipt is not included. ³Publically listed companies must provide access on their website.

⁴Sec. 125 (3) applies mutatis mutandis.

(2) ¹Access need not be provided to a counter-motion and its grounds if

1. the management board would by reason of providing such information become criminally liable
2. the counter-motion would result in a resolution of the general meeting which would be in breach of law or the articles of incorporation and bylaws
3. the grounds contain statements which are manifestly false or misleading or which are defamatory
4. access to a counter-motion of the shareholder based on the same facts has already been provided to a general meeting of the company pursuant to Sec. 125
5. access has already been provided pursuant to Sec. 125 to the same counter-motion of the shareholder on essentially identical grounds to at least two general meetings of the company within the past five years and at said general meetings less than one-twentieth of the capital stock represented voted in favor of said counter-motion
6. the shareholder indicates that he will neither attend nor be represented at the general meeting, or
7. within the past two years at two general meetings the shareholder failed to move or cause to be moved on his/her behalf a counter-motion communicated by him.

²Access need not be provided to the statement of grounds if it contains more than 5,000 characters in total.

(3) If several shareholders make counter-motions in respect of the same resolution, the management board can combine the counter-motions and their statements of grounds.

§ 127 Nominations by shareholders

¹Sec. 126 applies mutatis mutandis to a nomination by a shareholder for the election of supervisory board members or auditors. ²The nomination proposal need not be accompanied by a statement of grounds.

³Nor need the management board provide access to the nomination proposal if it does not contain the disclosures pursuant to Sec. 124 (3) Sentence 3* and Sec. 125 (1) Sentence 5.

§ 124 Publication of the requisitions to add agenda items; proposals for resolutions (excerpt)

(3) ⁴The nomination for the election of supervisory board members or auditors must contain their names, professions and places of residence.

§ 125 Notifications for shareholders and to supervisory board members (excerpt)

(1) ⁵In the case of publically listed companies nominations for the election of supervisory board members must be accompanied by information as to their membership in other statutory supervisory boards; information as to their membership in comparable domestic and foreign supervisory bodies of commercial entities should be provided.

* Note: The reference in the law to Sec. 124 (3) Sentence 3 AktG is an editing error by the legislator; reference to Sec. 124 (3) Sentence 4 AktG is intended.

3. Shareholders' right to information pursuant to Sec. 131 (1) AktG

At the extraordinary general meeting, every shareholder and shareholder representative is entitled to requisition information from the management board on the company's affairs and on the Company's legal and business relations with affiliates to the extent that the information is necessary for an appropriate assessment of an item on the agenda (cf. Sec. 131 (1) AktG). Requisitions for information must generally be made orally in German at the extraordinary general meeting during the general discussion. The requisitioned information must constitute a material element necessary for an appropriate assessment of an item on the agenda; this must be judged based on the perspective of an objective shareholder that is aware of the business situation only on account of generally known facts. The affairs of affiliated entities fall within the scope of the right to information if they concern the Company's affairs due to their materiality. The information must comply with the principles of conscientious and faithful accountability.

The management board can refuse to provide information subject to the conditions given in Sec. 131 (3) AktG.

The chairperson of the extraordinary general meeting is entitled under Sec. 19 (2) of the articles of incorporation and bylaws to set appropriate time limits on the right of shareholders to pose questions and hold speeches.

Shareholders' right to information can be exercised in the extraordinary general meeting without it requiring prior announcement or other notification.

The provisions of the German Stock Corporation Act governing these shareholder rights are presented below; these also detail the conditions under which it can be elected not to provide information:

§ 131 Shareholder's right to information

(1) ¹Each shareholder is to be informed of the company's affairs by the management board upon request at the general meeting to the extent that this is necessary for the appropriate assessment of an item on the agenda. ²The duty to disclose information extends to disclosing the company's legal and business relationships with an affiliate. ³If a company exercises the exemption options of Sec. 266 (1) Sentence 2, Sec. 276 or Sec. 288 HGB, every shareholder is entitled to demand to see the annual financial statements at the general meeting on the financial statements in the form they would have taken had the provisions not been exercised. ⁴The duty of a management board of a parent company to provide information (Sec. 290 (1) and (2) HGB) at the general meeting presenting the consolidated financial statements and group management report also includes a duty to disclose information on the situation of the group and of the entities included in the consolidated financial statements.

(2) ¹The information must comply with the principles of conscientious and faithful accountability. ²The articles of incorporation and bylaws or the rules of procedure can authorize the chairperson of the general meeting pursuant to Sec. 129 to set appropriate time limits on the right of shareholders to pose questions and hold speeches.

(3) ¹The management board can refuse to provide information,

- 1. to the extent that providing such information is, according to sound business judgment, likely to cause not insignificant damage to the company or an affiliate;*
- 2. to the extent that such information relates to tax carrying amounts or the amount of individual taxes*

3. on the difference between the value at which items are shown in the annual balance sheet and the higher value of such items, unless the general meeting is to approve the annual financial statements;

4. on accounting and valuation methods used, if disclosure of such methods in the notes to the financial statements suffices to provide a true and fair view of the company's net assets, financial position and results of operations within the meaning of Sec. 264 (2) HGB, unless the general meeting is to approve the financial statements;

5. insofar as the management board would by reason of providing such information become criminally liable

6. insofar as, in the case of a bank or a financial services institution, it is not required to present information on accounting and valuation methods used or offsetting performed in the annual financial statements, the management report, the consolidated financial statements or the group management report;

7. to the extent that the information is available on the website of the Company without interruption for at least seven days prior to the beginning of the general meeting and during the general meeting.

²Provision of the information may not be refused for any other reason.

(4) ¹If information has been provided to a shareholder in his/her capacity as a shareholder, outside the general meeting, such information must upon request be provided to any other shareholder at the general meeting, even if such information is not necessary for the appropriate assessment of an item on the agenda. ²The management board cannot refuse to provide information on the grounds of (3) Sentence 1 No. 1 to 4. ³Sentences 1 and 2 do not apply if a subsidiary (Sec. 290 (1) and (2) HGB), a joint venture (Sec. 310 (1) HGB) or an associate (Sec. 311 (1) HGB) discloses the information to a parent company (Sec. 290 (1) and (2) HGB) for the purpose of including the entity in the consolidated financial statements of the parent company and the information is required for this purpose.

(5) Where a shareholder has been refused the provision of information such a shareholder may request that his/her question and the grounds for refusing the information be recorded in the minutes of the meeting.

Schopfloch, January 2015

Homag Group AG
The management board



Ralph Heuwing



Harald Becker-Ehmck



Jürgen Köppel



Hans-Dieter Schumacher