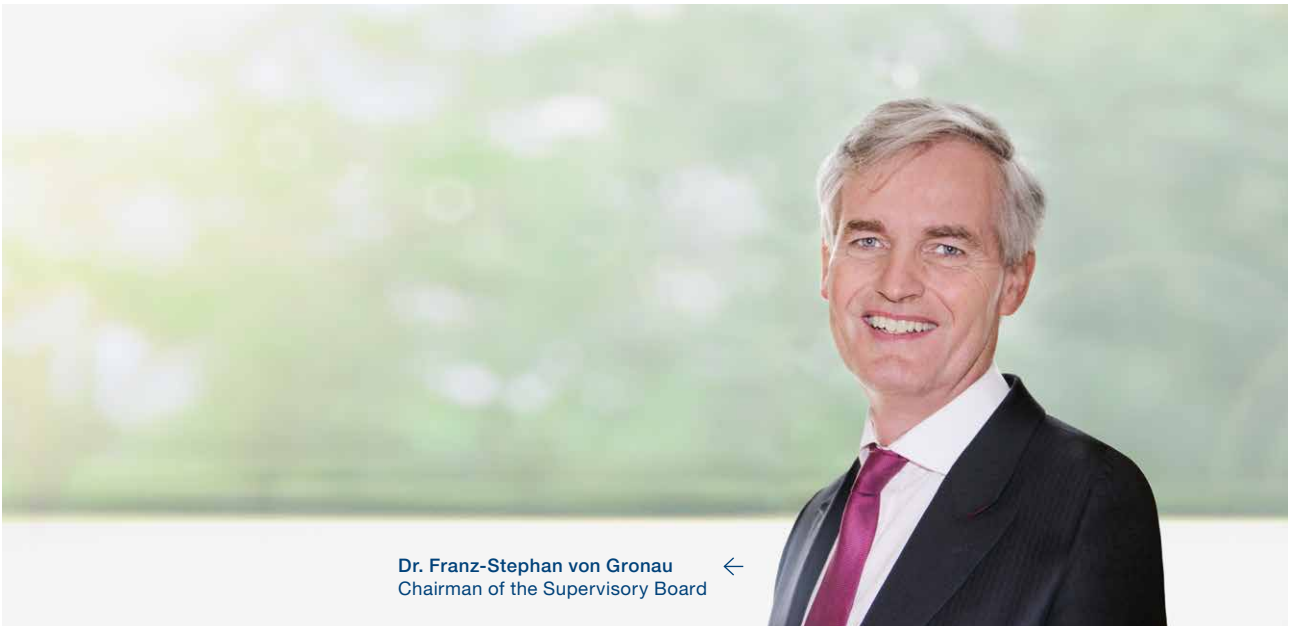


# REPORT OF THE SUPERVISORY BOARD 2015



## DEAR SHAREHOLDERS,

The Supervisory Board of euromicron AG once again discharged the tasks incumbent on it under the law, the Articles of Association, its bylaws and the corporate governance principles in fiscal year 2015.

### Composition of the Supervisory Board

There were no changes to the composition of the Supervisory Board in 2015. The Chairman of the Supervisory Board is Dr. Franz-Stephan von Gronau, his deputy is Mr. Josef Martin Ortoft, and a further member is Dr. Andreas de Forestier. All three members of the Supervisory Board were elected for 5 years (until the 2016 Ordinary General Meeting) at the General Meeting on June 9, 2011. There were no conflicts of interest on the Supervisory Board in the year under review.

## Cooperation of the Executive Board and Supervisory Board

The Supervisory Board continuously monitored how the Executive Board managed the company and regularly advised the Executive Board. In this regard, the Executive Board met its obligations to provide information and regularly, promptly and comprehensively informed the Supervisory Board in writing and orally about matters of relevance to the company and Group relating to strategy, planning, development of business, the risk situation and risk management at the company. The Executive Board also reported on compliance and any deviations in business development from the original planning and important business transactions of the company and its subsidiaries.

The company's business development was discussed and reviewed on the basis of the Executive Board's reporting at every meeting of the Supervisory Board. In addition, the Supervisory Board obtained additional information from the Executive Board upon request. All information from the Executive Board was examined for plausibility, critically appraised and queried by the Supervisory Board. The members of the Supervisory Board had the opportunity to take an intensive look at the reports by the Executive Board and contribute their own suggestions. The business transactions and measures that are of fundamental importance to the company and for which the Executive Board therefore requires the consent of the Supervisory Board pursuant to the bylaws were discussed by the Supervisory Board with the Executive Board directly and promptly and examined in detail by it. The Supervisory Board consented to each of the submitted business transactions and measures. In addition, the half-yearly and quarterly financial reporting was discussed with the Executive Board.

## Focus of deliberations in 2015

The Supervisory Board, which consists of three members and so has not formed any committees, convened seven meetings and one telephone conference in fiscal 2015. In its four regular meetings on May 27, July 15, September 17 and December 8, 2015, the Supervisory Board discussed the company's planning, economic situation and strategic development, as well as the progress made in implementing the integration measures at the Group, in the presence of the Executive Board. The Supervisory Board also convened three extraordinary meetings on March 26, April 15 and April 29, 2015. The Supervisory Board also held a telephone conference on March 30, 2015. All members of the Supervisory Board took part in all of these meetings and telephone conferences.

The Supervisory Board has already stated its detailed opinion – in its report dated May 27, 2015, and at the Ordinary General Meeting on July 16, 2015 – on the effects of the accounting mistakes in fiscal years 2012 and 2013, which were communicated in the ad-hoc announcement dated March 23, 2015, and corrected in the 2014 consolidated financial statements. At the General Meeting, the Supervisory Board also reported on the adjustment to the comparative figures for 2014 that were contained in the quarterly financial statements and half-yearly financial statements for 2015 and were published in the ad-hoc announcement dated June 24, 2015. The internal investigations on the causes of the mistakes have now been completed.

The other focal subjects of the Supervisory Board meetings included the following:

- Adoption of the corporate planning for the fiscal years 2016 to 2020
- Implementation of the reorganization and integration process
- Divestments
- Human resources policy and personnel development
- Data protection and security
- The Group's financing structure and rating
- Risk management and the internal control system of the company
- Compliance activities and organization

In particular, the Supervisory Board discussed with the Executive Board the shedding of divisions that are no longer strategically relevant or profitable in order to achieve success on the path to making the euromicron Group an innovative technology provider. The Supervisory Board supports the Executive Board's strategy to review the existing portfolio of euromicron AG and shed enterprises that are loss-making or not strategically relevant.

We satisfied ourselves that the current Executive Board managed the company's business carefully in the past fiscal year and took necessary measures in good time. The Supervisory Board supports the existing compliance organization of the Executive Board and in particular the "e-learning" programs on the subject of the Code of Conduct and data protection for the entire Group. In addition, we were regularly given reports on risk management and risk controlling at the Group. One focus was to examine whether the risk management system was up-to-date and adequate.

The efficiency of the Supervisory Board's work and decision-making processes was regularly evaluated and optimized.

### Corporate governance

The latest version of the German Corporate Governance Code, the amendments to it published on June 12, 2015, and implementation of it at euromicron AG were a subject of the Supervisory Board meeting on December 8, 2015.

The Supervisory Board and Executive Board have analyzed the recommendations and suggestions of the "German Corporate Governance Code" (DCGK) and issued an updated declaration on conformance in accordance with Section 161 of the German Stock Corporation Law (AktG). The declarations on conformance are available at all times on the company's Internet site.

## Independent auditor

The independent auditor elected for the company and the Group by the 2015 General Meeting for fiscal year 2015 is PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main.

## Annual financial statements of euromicron AG and the group

The independent auditor, PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, audited the annual financial statements, which were prepared by the Executive Board in compliance with the rules of the German Commercial Code (HGB), and the management report for fiscal year 2015. The auditor issued an unqualified audit opinion for them. The consolidated financial statements of euromicron AG for the fiscal year 2015 and the group management report were prepared in accordance with Section 315a HGB on the basis of International Financial Reporting Standards (IFRS), as are applicable in the European Union. The consolidated financial statements and group management report for the past fiscal year were also issued with an unqualified audit opinion.

The financial statement documents and audit reports for euromicron AG and the Group were available to the Supervisory Board in good time before the balance sheet meeting on March 23, 2016. The Supervisory Board examined the financial statements and the management report, as well as the consolidated financial statements and group management report of euromicron AG and the auditor's reports and concurs with the auditor's findings following detailed discussion with the Executive Board. At the balance sheet meeting of the Supervisory Board on March 23, 2016, the auditors reported extensively on the main results of their audit of the single-entity and consolidated financial statements, as well as the company's internal control and risk management system and compliance structures, and answered supplementary questions by the Supervisory Board. There were no objections to this report.

In its meeting on March 23, 2016, the Supervisory Board therefore gave its consent to the result of the audit by the independent auditor and the annual financial statements of euromicron AG prepared by the Executive Board and the group management report. The annual and consolidated financial statements of euromicron AG were thus approved.

## Thanks

The Supervisory Board wishes to express its thanks to the members of the Executive Board, the employees and the employee representative bodies of the euromicron Group for their personal commitment and achievements in fiscal 2015. Thanks to their vigor and dedication, they all helped ensure that the euromicron Group developed stably.

Frankfurt/Main, March 23, 2016  
The Supervisory Board



**Dr. Franz-Stephan von Gronau**  
Chairman of the Supervisory Board