



**Pfleiderer Aktiengesellschaft
Neumarkt**

German Securities Identification Code: 676 474
ISIN: DE0006764749

**Extraordinary Shareholders' Meeting of Pfleiderer Aktiengesellschaft
on Thursday April 7, 2011, starting at 9:00 a.m.
at the Conference Center in the Ludwig Erhard Haus, Fasanenstrasse 85,
10623 Berlin**

Information

**pursuant to Section 121 (3) clause 3 no. 3 of the German Stock Corporation Act
(AktG) relating to shareholders' rights
in accordance with Section 122 (2), Section 126 (1), Section 127 and Section 131
(1) AktG**

1. Calls for additional agenda items pursuant to Section 122 (2) AktG

Shareholders in the Company whose holdings jointly total one twentieth of its share capital (equivalent to 2,932,935 shares) or the proportionate amount of EUR 500,000 (equivalent to 195,313 shares) may in accordance with Section 122 (2) AktG call for items to be placed on the agenda of the Annual Shareholders' Meeting and circulated. Each new item must be accompanied by the reasons for its inclusion or a draft resolution. Calls for items to be added to the agenda must be submitted to the Executive Board of Pfleiderer Aktiengesellschaft no later than 24:00 on Monday, March 7, 2011.

They should be sent to the following address:

Executive Board of Pfleiderer Aktiengesellschaft
"Extraordinary Shareholders' Meeting"
Ingolstädter Strasse 51
92318 Neumarkt
Germany

The applicants must demonstrate that they were shareholders in the Company at least three months before the day on which their submission was received by the Company.

Additions to the agenda that require to be circulated and are not on the agenda sent out with invitations to the Meeting are announced without delay in the electronic *Federal Gazette (Bundesanzeiger)* on receipt of the submission and passed for publication to such media as can be assumed to disseminate information throughout the European Union. Once received, they are also made accessible without delay on the Company's website at www.pfleiderer.com under "Investor Relations / Annual Shareholders' Meeting". They are also sent to shareholders who ask for the Notice convening the Annual Shareholders' Meeting or who are entered in the Company's share register no later than 00:00 on March 24, 2011.

The provisions of the German Stock Corporation Act upon which these rights are based are as follows:

Section 121 General (excerpt)

- (4) The invitation is to be announced in the business newspapers. If shareholders are known by name, the Annual Shareholders' Meeting may be convened by registered letter, provided that the Articles of Incorporation do not rule otherwise; the date of mailing is deemed to be the date of the announcement. Sections 125 through 127 apply analogously.
- (4a) Listed companies that do not exclusively issue registered shares and that do not send out shareholder invitations directly in accordance with Subsection 4 clause 2 and 3, the invitation must be sent out for publication, at the latest upon the day of the announcement, to such media outlets as may be assumed to disseminate said information throughout the European Union.

Section 122 Invitation upon the call of a minority

- (1) A Shareholders' Meeting is to be convened if shareholders, whose holdings jointly total one twentieth of the share capital, call for the invitation in writing, detailing the purpose of the Meeting and giving their reasons; the call is to be addressed to the Executive Board. The Articles of Incorporation may link this right to call for the convening of a Shareholders' Meeting to some other format or to the possession of a lesser amount of share capital. Section 142 (2) clause 2 applies analogously.
- (2) In the same manner, shareholders whose holdings jointly total one twentieth of the share capital or reach a notional interest of EUR 500,000, may call for items to be placed on the Agenda and circulated. Each new item must be accompanied

by the reasons for its inclusion or a draft resolution. The call as defined in (1) above must be received by the Company at least 24 days, or 30 days in the case of listed companies, prior to the Annual Shareholders' Meeting, with the day of receipt not being counted.

- (3) In the event that the call is not complied with, the Court may empower the shareholders, who have requested the call, to convene a Shareholders' Meeting, or to circulate the item. Likewise, the Court may determine the Chairmanship of the Shareholders' Meeting. Notice of the authorization must be indicated in the invitation or the announcement. Appeals are permissible against such decisions.
- (4) The Company carries the costs of the Shareholders' Meeting, as well as the legal costs in the event of application of Subsection 3, if the Court has sustained the call.

Section 124 Announcement of calls for additions to the Agenda; suggestions relating to the adoption of a resolution (excerpt)

- (1) In the event that the minority had called, in accordance with Section 122 (2), that items be included in the Agenda, these are then to be already publicized with the invitation or alternatively immediately after receipt of the call. Section 121 (4) applies analogously; furthermore Section 121 (4a) applies accordingly for listed companies. Publication and transmission must be undertaken in the same way as in the case of the invitation.

Section 125 Notices to shareholders and Supervisory Board members (excerpt)

- (1) At least 21 days prior to the Meeting, the Executive Board must inform the banks and the shareholder associations, who at the time of the last Shareholders' Meeting exercised voting rights on behalf of shareholders or that requested that notice be given of the invitation to a Shareholders' Meeting. The day of the notification is not to be counted. If the Agenda has to be amended pursuant to Section 122 (2), the amended Agenda must be published in the case of listed companies. Mention of the opportunities to exercise voting rights by way of proxy or through a shareholder association must be indicated in the notification. With listed companies, details of membership in other statutory supervisory boards must be included for those nominated for election to the Supervisory Board; details relating to their membership in comparable monitoring boards of German or foreign companies should be included.
- (2) The same notification must also be made by the Executive Board to the shareholders who make request for it or are listed as shareholders in the

Company Share Register at the start of the 14th day prior to the Shareholders' Meeting. The Articles of Incorporation may limit the transmission to communication by electronic means.

- (5) Financial services institutions and those companies that are active pursuant to Section 53 (1) clause 1 or Section 53b (1) clause 1 or (7) of the German Banking Act (KWG) are to be equated with credit institutions.

Section 142 Appointment of special auditors (excerpt)

(2) Should the Annual Shareholders' Meeting turn down a request for the appointment of special auditors to audit an action taken at the time of formation or by management that is not more than five years old, the Court must appoint special auditors upon the request of shareholders whose joint holding of shares totals one percent of the share capital or a notional interest of EUR 100,000 if there is evidence justifying the suspicion that the action involved improbity or gross violation of the law or the Articles of Incorporation; this applies also to actions lying no further back than ten years, provided the company was quoted on the Stock Exchange at the time of the action. The applicants must demonstrate that they have been holders of the shares for at least three months prior to the day of the Annual Shareholders' Meeting and that they will hold the shares at least until the decision relating to the request. Section 149 applies accordingly to an agreement for the prevention of such a special audit.

2. Counter-proposals and nominations pursuant to Sections 126 (1) and 127 AktG

Section 126 (1) AktG provides that shareholders in the Company may send the Company counter-proposals in opposition to the proposals put by the Executive and/or Supervisory Boards under certain agenda items, while Section 127 AktG provides that they may nominate candidates for the Supervisory Board and for election as statutory auditors.

Counter-proposals pursuant to Section 126 (1) AktG must be accompanied by supporting arguments. Nominations pursuant to Section 127 AktG need not be so accompanied. The Executive Board need not publicize nominations of candidates for the Supervisory Board and for election as statutory auditors unless these contain their names, professions and places of residence. The Executive Board also does not need to publicize nominations of candidates for the Supervisory Board unless these are accompanied by information on the candidates' membership of other statutory supervisory boards.

Counter-proposals and nominations should be sent to the following address:

Pfleiderer Aktiengesellschaft
"Extraordinary Shareholders' Meeting"
Ingolstädter Strasse 51
D-92318 Neumarkt
Fax: +49 (0) 9181 28 606
E-mail: Hauptversammlung@pfleiderer.com

Counter-proposals and nominations from shareholders in the Company, including the shareholder's name, supporting arguments and any opinion expressed by the Executive Board, are only made available on the Company's website at www.pfleiderer.com under "Investor Relations / Annual Shareholders' Meeting" if they are received by the Company no later than 24:00 on Wednesday, March 23, 2011.

The provisions of the Stock Corporation Act underlying these shareholders' rights read as follows:

Section 124 Announcement of calls for additions to the Agenda; suggestions relating to the adoption of a resolution (excerpt)

- (3) With regard to each agenda item, on which the Annual Shareholders' Meeting is due to pass a resolution, the Executive Board and the Supervisory Board (for the election of Supervisory Board Members and auditors, only the Supervisory Board) shall make proposals for the adoption of a resolution in the announcement of the Meeting. For companies as defined by Section 264d HGB, the proposal by the Supervisory Board to elect the statutory auditors shall be based on the recommendation of the Audit Committee. Clause 1 above does not apply if the Annual Shareholders' Meeting is bound to election proposals for the election of Supervisory Board Members pursuant to Section 6 of the Montan Codetermination Act, or if the subject matter of the resolution has been added to the agenda at the call of a minority. The proposal for the election of Supervisory Board Members or auditors shall specify their names, practiced profession and place of residence. If the Supervisory Board also has to include representatives of the employees, the resolutions of the Supervisory Board regarding proposals for the election of Supervisory Board Members shall only require the majority of votes for the representatives of the shareholders; Section 8 of the Montan Co-Determination Act shall remain unaffected.

Section 125 Notices to shareholders and Supervisory Board Members (excerpt)

- (1) At least 21 days prior to the Meeting, the Executive Board must inform the banks and the shareholder associations, who at the time of the last Shareholders' Meeting exercised voting rights on behalf of shareholders or that requested that

notice be given of the invitation to a Shareholders' Meeting. The day of the notification is not to be counted. If the Agenda has to be amended pursuant to Section 122 (2), the amended Agenda must be published in the case of listed companies. Mention of the opportunities to exercise voting rights by way of proxy or through a shareholder association must be indicated in the notification. With listed companies, details of membership in other statutory supervisory boards must be included for those nominated for election to the Supervisory Board; details relating to their membership in comparable monitoring boards of German or foreign companies should be included.

Section 126 Motions from shareholders

- (1) Motions from shareholders, including the name of the shareholder, the supporting arguments and a possible opinion by management shall be made available to the those entitled as specified in Section 125 (1) to (3) subject to the requirements stipulated therein if the shareholder has sent a counter-proposal to the Executive Board's and Supervisory Board's proposal on a specific item in the agenda, with reasoning, to the address notified for this purpose in the invitation, at least 14 days prior to the Company's Meeting. The day of receipt is not to be counted. For listed companies, accessibility shall take place via the Company's website. Section 125 (3) shall apply accordingly.
- (2) A counter-proposal and its supporting arguments are not required to be made accessible
 1. if the Executive Board would be held criminally liable for making it accessible,
 2. if the counter-proposal would lead to a resolution of the Annual Shareholders' Meeting in breach of the law or the Articles of Incorporation,
 3. if the supporting arguments contain obviously false or misleading details in significant points or if they contain libelous remarks,
 4. if a counter-proposal by the shareholder that is based on the same matter has already been made accessible for an Annual Shareholders' Meeting of the Company, pursuant to section 125,
 5. if the same counter-proposal by the shareholder, with largely the same supporting arguments, has already been made accessible for at least two Annual Shareholders' Meeting of the Company pursuant to Section 125

during the past five years and fewer than one-twentieth of the represented share capital voted in favor of it in the Annual Shareholders' Meeting.

6. if the shareholder indicates that he/she shall not participate in the Annual Shareholders' Meeting and shall not allow himself/herself to be represented, or
7. if the shareholder has failed to submit, or allowed to submit, a counter-proposal that he/she has notified, in the last two years, in two Shareholders' Meetings.

The supporting arguments are not required to be made accessible if they comprise more than 5,000 characters.

- (3) If several shareholders should submit counter-proposals regarding the same resolution matter, the Executive Board shall be entitled to summarize the counter-proposals and their supporting arguments.

Section 127 Nominations by shareholders

For the proposal by a shareholder for the election of Supervisory Board Members or statutory auditors, Section 126 shall apply, *mutatis mutandis*. The nomination does not need to be justified. The Executive Board shall also not be required to make the nomination accessible if the proposal does not contain the details pursuant to Section 124 (3) clause 3 and Section 125 (1) clause 5.

3. Right to information pursuant to Section 131 (1) AktG

Section 131 (1) AktG provides that shareholders in the Company may at the Annual Shareholders' Meeting call for information from the Executive Board about the Company's affairs, its legal and commercial links with affiliated companies, the situation of the Group and of companies included in the consolidated financial statements, together with information necessary for the proper assessment of items on the agenda.

The Executive Board may decline to answer individual questions on the grounds specified in Section 131 (3) AktG, for example because to provide the information would be likely, on a reasonable commercial judgment, to put the Company or an affiliated company at a not inconsiderable disadvantage.

If a shareholder has been provided with information other than at the Annual Shareholders' Meeting by virtue of his being a shareholder, such information must also

be supplied to any other shareholder on request at the Annual Shareholders' Meeting even if it is not necessary for the proper assessment of items on the agenda.

Shareholders may exercise their right to information at the Annual Shareholders' Meeting. The Chairman of the Annual Shareholders' Meeting may make shareholders' rights to speak and put questions subject to reasonable time limits. He may particularly fix the overall duration of the Meeting, of the time allocated to individual topics, and of individual shareholders' rights to speak and put questions.

The provisions of the Stock Corporation Act underlying these shareholders' rights read as follows:

Section 131 Shareholders' right to information

- (1) Upon request, each shareholder shall be provided with information by the Executive Board in the Annual Shareholders' Meeting regarding matters of the Company, provided that this is necessary for a proper assessment of the agenda item. The obligation to provide information also extends to the legal and corporate relationships of the Company with an affiliated company. If a company should make use of the exemptions pursuant to Section 266 (1) clause 2, Section 276 or Section 288 HGB, any shareholder shall be entitled to demand that in the Annual Shareholders' Meeting regarding the company financial statements, the company financial statements be presented to him in the form that they would have had without the application of these provisions. The obligation to provide information on the part of the Executive Board of a parent company (Section 290 (1), (2) HGB) in the Annual Shareholders' Meeting, in which the consolidated financial statements and the Group management report are presented, shall also extend to the situation of the Group and the companies included in the consolidated financial statements.
- (2) The information shall correspond to the principles of conscientious and faithful accountability. The Articles of Incorporation or the rules of procedure pursuant to Section 129 may authorize the Chairman of the Meeting to reasonably limit the time for shareholders' rights to speak and put questions, and specify further details in this regard.
- (3) The Executive Board shall be entitled to refuse the information
 1. provided that the provision of the information, according to reasonable commercial judgment, is suitable for causing not insignificant disadvantage to the Company or an affiliate;

2. provided that it relates to tax valuations or the amount of individual taxes;
3. regarding the difference between the value with which the items have been reported in the annual financial statements and a higher value of these items, unless the Annual Shareholders' Meeting is adopting the annual financial statements;
4. regarding the accounting and valuation methods, provided that the specification of these methods in the notes to the financial statements is sufficient to provide a true and fair view of the Company's net assets, financial position and results of operations as defined by Section 264 (2) HGB; this shall not apply if the Annual Shareholders' Meeting is adopting the annual financial statements;
5. if the Executive Board would make itself criminally liable by disclosing the information;
6. if details regarding the accounting and valuation methods applied, as well as any offsetting in the annual financial statements, management report, consolidated financial statements or Group management report are not required to be disclosed for a bank or financial services institution;
7. if the information has already been available on the Company's website for at least seven days prior to the start and continues to be available throughout the Annual Shareholders' Meeting.

The information cannot be refused for other reasons.

- (4) If a shareholder has been provided with information other than at the Annual Shareholders' Meeting by virtue of his being a shareholder, such information must also be supplied to any other shareholder on request at the Annual Shareholders' Meeting even if it is not necessary for the proper assessment of items on the agenda. The Executive Board shall not be permitted to refuse the information pursuant to Subsection 3 clause 4 nos. 1 to 4. and (2) above shall not apply if a subsidiary (Section 290 (1), (2) HGB), a joint venture (Section 310 (1) HGB), or an associated company (Section 311 (1) HGB), discloses the information to a parent company (Section 290 (1), (2) HGB) for the purpose of including the Company in the consolidated financial statements of the parent company and the information is required for this purpose.

- (5) If a shareholder should be refused information, he shall be entitled to demand that his question and the reason for which the information has been refused, are recorded in the minutes of the meeting.

The provisions of the Company's Articles of Incorporation underlying these shareholders' rights read as follows:

Article 20 (excerpt)

- (2) The Chairman shall chair the Annual Shareholders' Meeting, determine the order of the topics and the order and type of votes. The Chairman may make shareholders' rights to speak and put questions subject to reasonable time limits. He may particularly fix the overall duration of the Meeting, of the time allocated to individual topics, and of individual shareholders' rights to speak and put questions.

Neumarkt, February 2011

Pfleiderer Aktiengesellschaft
The Executive Board