

Remuneration Report

Remuneration of Management Board Members

The total remuneration of Management Board members includes fixed and variable components. Management Board members receive stock options in Dr. Höhle AG as a variable remuneration component with long-term incentive effect.

The tasks of the respective Management Board member, his personal performance, as well as the economic situation, profit and future outlook of the company are some of the criteria used in evaluating the suitability of remuneration.

The Supervisory Board regularly reviews the structure and amount of the remuneration of Management Board members.

Fixed Remuneration (not based on performance)

in T€	Salary		Other Remuneration		Total	
	07/08	06/07	07/08	06/07	07/08	06/07
Norbert Haimerl	170	157	15	15	185	172
Heiko Runge	170	157	11	10	181	167
Total	340	314	26	25	366	339

Performance-Based Remuneration

in T€	Profit Sharing Bonus *	
	07/08	06/07
Norbert Haimerl	137	95
Heiko Runge	137	95
Total	274	190

*) inclusive the deferred amount of the previous year

Pensions

in T€	Annual Remuneration Upon Reaching Pensionable Age		Addition to Pension Accruals	
	as at 30.09.2008	as at 30.09.2007	2007/2008	2006/2007
Norbert Haimerl	36	36	17	18
Heiko Runge	36	36	14	15
Total	72	72	31	33

In addition, benefits in the amount of T€ 12 were paid to surviving dependents of former

Management Board members.

Stock Options

As remuneration components, the Management Board members receive Dr. Höhle AG stock options with long-term incentive effect. The ability to exercise the options is linked to the achievement of specified targets. Dr. Höhle AG stock options may only be exercised when the stock price reaches a defined annual value.

Management Board members hold each 10.000 options from the stock option programme dated 26 February 2004. The waiting period concerning exercising has already been completed for some of the options. These stock options, however, were not exercisable given a stock price of € 7.25 at the end of the 2007/2008 financial year. The exercise waiting period concerning the remaining part of the options has not yet been completed.

Payments upon Termination of Management Board Activity

The Supervisory Board appoints the Dr. Höhle AG Board of Management for a maximum period of office of five years, respectively.

In the event of a change in the ownership structure of Dr. Höhle AG (change of control), Management Board members are entitled to terminate their Board of Management Service Agreement within a period of three months after obtaining knowledge of the change in the ownership structure with a three-month notice period, and to resign from office at that time. A change in the ownership structure is defined as any direct or indirect assumption of control over Dr. Höhle AG by a third party within the meaning of the German Securities Purchase and Takeover Act (Wertpapiererwerbs- und Übernahmegesetzes [WpÜG]). In the event of resignation, the respective Management Board member is entitled to a severance payment in the amount of two annual gross salaries (including performance-based compensation), up to a maximum of T€ 400. Calculation of the annual gross salary is based on the average salary for the past three financial years prior to leaving the company.

Compensation of Supervisory Board Members

The total compensation for Supervisory Board members is comprised of fixed and variable components. It is based on the tasks and responsibility of the respective Supervisory Board member and on the economic performance of the Höhle Group.

No further compensation, e.g. for consulting or intermediary services, is granted.

Fixed Compensation (not based on performance)

in T€	Total	
	as at 30.09.2008	as at 30.09.2007
Dr. Hans-Joachim Vits	8	8
Prof. Dr. Karl Höhle	6	6
Eckhard Pergande	4	4
Total	18	18

Performance-Based Compensation

in T€	Total	
	as at 30.09.2008	as at 30.09.2007
Dr. Hans-Joachim Vits	8	8
Prof. Dr. Karl Höhle	6	6
Eckhard Pergande	4	4
Total	18	18