



PAUL HARTMANN Aktiengesellschaft
Heidenheim an der Brenz

SIN 747 404
ISIN DE0007474041

Our Company's shareholders are hereby invited to the

96th Ordinary Annual General Meeting
of
PAUL HARTMANN Aktiengesellschaft

on

Friday, May 7, 2010 at 10:00 a.m. CEST
in the PAUL HARTMANN AG Communications Centre,
Paul Hartmann Strasse 16,
89522 Heidenheim an der Brenz.

Shareholders who are entered in the share register will receive the invitation to the Annual General Meeting and the Agenda direct from us.

Shareholders whose custody banks have been entered in the share register on their behalf will receive said documentation via their custody banks.

Agenda

PAUL HARTMANN Aktiengesellschaft
 96th Ordinary Annual General Meeting
 on Friday, May 7, 2010,
 10 a.m. CEST,
 at the Communications Center of
 PAUL HARTMANN AG,
 Paul Hartmann Strasse 16,
 89522 Heidenheim
 Germany

1. Presentation and acceptance of the approved annual financial statements and Management Report of PAUL HARTMANN Aktiengesellschaft, presentation and acceptance of the approved consolidated annual financial statements and Group Management Report as well as the presentation of the Supervisory Board Report for the 2009 financial year.

The aforementioned documents are available online at www.hartmann.info using the following path: "Investor Relations / Annual General Meeting", at our headquarters: PAUL HARTMANN Aktiengesellschaft, Paul Hartmann Strasse 12, 89522 Heidenheim, Germany, as well as during the Annual General Meeting. Upon request, we will send them to shareholders free of charge and without delay.

2. Resolution on the allocation of the unappropriated profits

The Management Board and Supervisory Board suggest to use the unappropriated profits for the year of shown in the approved annual financial statements of Dec. 31, 2009 as follows:

- | | |
|---|-------------------|
| • disbursement of a cash dividend of EUR 4.90 per unit share on the 3,551,742 unit shares eligible for a dividend | EUR 18,228,999.79 |
| • allocation to other revenue reserves | EUR 17,403,535.80 |
| | EUR 825,463.99 |

The cash dividend is due on May 10, 2010.

3. Resolution on the approval of the actions of the Management Board members

The Management Board and Supervisory Board suggest approving the actions of the Management Board members in financial 2009 for said year.

4. Resolution on the approval of the actions of the members of the Supervisory Board

The Management Board and Supervisory Board suggest approving the actions of the Supervisory Board members in financial 2009 for said year.

5. Resolution on the amendments of the Statutes

a. Resolution on the amendment of section 1 para. 1 of the Statutes ("Company")

For several years, the Company has been increasingly using the company name 'PAUL HARTMANN AG' in ordinary business operations. In the future, this shall be the Company's sole name. The statutory company name "Paul Hartmann Aktiengesellschaft" has already become less important and shall be avoided in the future.

Consequently, the Management Board and Supervisory Board

suggest rephrasing section 1 para. 1 of the Statutes as follows:

“(1) The joint stock corporation shall bear the name PAUL HARTMANN AG.

b. Resolution on the amendment of section 2 of the Statutes (“Object of the Company”)

Section 2 of the Statutes describes the Company’s object. The Company’s Ordinary Annual General Meeting passed the current wording of the Company’s object on July 11, 2003. Due to the Company’s new orientation resulting from the “FOCUS” strategy, it does not fully correspond to the present field of activities of the PAUL HARTMANN AG anymore.

Consequently, the Management Board and Supervisory Board suggest rephrasing section 2 of the Statutes as follows:

"Section 2 Object of the Company

(1) The Company’s object shall be to produce and/or sell products from the fields of health and wellness in the broadest sense as well as offering services in the social welfare and health sector. Services that may only be provided by authorized persons are excluded.

(2) The Company shall be entitled to conduct all business operations and measures which seem suitable to serve the Company’s object, including assigning sales licenses as well as licenses to commercial property rights and know-how. For the object stated in the preceding clause, the Company may also found or acquire further businesses or share an interest in them as well as spin off its operations into affiliated companies in part or in full both in Germany and abroad. It is also entitled to limit its fields of activity to only some of the fields listed in section 2 para. 1. It may either group together under its management companies in which it has a stake or restrict itself to managing the percentage of the stake.”

c. Resolution on the amendment of the title of section 11 of the Statutes (“Resolution”) and the addition of a new section 11 para. 3 to the Statutes

The Company’s Statutes have hitherto not contained any regulations regarding the formation of Supervisory Board committees. Insofar as their formation was not stipulated by law, the Supervisory Board has previously established them on the basis of its Rules of Procedure. In the future, this shall also be regulated in the Statutes.

Consequently, the Management Board and Supervisory Board suggest

- wording the title of section 11 of the Statutes as follows:
“Section 11 Resolution, Committees”
- adding the following section 11 para. 3 to the Statutes:
“(3) In addition to the committee set up pursuant to section 27 para. 3 of the German Co-Determination Act (Mitbestimmungsgesetz, MitbestG), the Supervisory Board may form further committees and elect them from among its own ranks. Within the legal framework, decision-making powers of the Supervisory Board may be delegated to the committees. The regulation of section 11 para. 2 shall apply to the passing of resolutions in the committees, to the extent legally permissible, in accordance with the stipulation that the rule that the Super-

visory Board Chairperson has two votes in the committees shall only apply if he or she is also the chairperson of said committee. Otherwise, the Supervisory Board may regulate the committees' activities in its Rules of Procedure.

d. Resolution on the amendment of section 13 of the Statutes ("Remuneration")

For many years now, the remuneration of the Supervisory Board has hardly changed. It currently consists of a fixed component of EUR 5,000 per Supervisory Board member and a variable component that corresponds to 5 % of the sum the shareholders receive as a dividend for the financial year. The Chairperson and Deputy Chairperson of the Supervisory Board as well as the Chairperson of the Audit Committee receive special consideration with regard to both components. The variable component must not exceed two-and-a-half times the amount of the fixed component. In addition, attendance money is paid for plenary meetings and, following a decision of the Ordinary Annual General Meeting on July 11, 2003, also for meetings of the Audit Committee.

The suggested revision is based on the following considerations:

- Since financial 1985, the fixed remuneration per Supervisory Board member has been DM 10,000 p.a. In the meantime this amount has been converted to EUR 5,000. It seems appropriate to raise this amount to EUR 6,000.
- At PAUL HARTMANN AG there has hitherto not been a remuneration component that relates to the company's long-term success whereas such an element has become increasingly common over the last decade. The Management Board and Supervisory Board recommend introducing it as of now. The intention is that decisions will not be taken focusing on the short-term profit maximization but on the Company's long-term prospects.
- The variable component of 5 % of the total dividend (limited, however, to a maximum of two-and-a-half times the fixed remuneration) has also remained unchanged since 1985. We suggest reducing this component's percentage of previously 5 % to 2 % in the future. Moreover, we suggest limiting it to a lower multiple (twice rather than the current two-and-a-half times the amount) in order to counterbalance the total dividend, which has increased in recent years as well as the remuneration, which is supplemented by the long-term component. Furthermore, the reduction of the short-term variable component of the remuneration is aimed to help prevent the Supervisory Board from championing ambitious and risky or short-term profit and disbursement targets in its role as a monitoring body.
- Aside from the Chairperson and the Deputy Chairperson of the Supervisory Board, the Chairperson of the Audit Committee has also hitherto received special remuneration. This rule manifests an inequality in regard to other committees (especially the Board of Directors Committee). Moreover, committee members have thus far not been remunerated separately. The Management Board and Supervisory Board suggest also offering the Chairperson of the Board of Directors Committee as well as members of the Audit Committee and/or the Board of Directors Committee an additional payment on the fixed remuneration. This regulation, however, shall not apply to the chairpersons and members of other committees

(at present the Permanent Committee and Nomination Committee).

- Since financial 2000, attendance money has been paid for plenary meetings and, following a decision of the Ordinary Annual General Meeting in 2003, also for meetings of the Audit Committee. As of now, all committees shall be treated equally with respect to attendance money. In regard to the work involved in each meeting, including preparation and follow-ups, the payment that has remained unchanged since 2003 shall be raised appropriately to EUR 1,500 per meeting.
- The amendment of section 13 is aimed to structure the remuneration regulations for the Supervisory Board more clearly. In the future, section 13 shall cover fixed remuneration in para. 1, variable short-term remuneration in para. 2, variable long-term remuneration in para. 3 and attendance money in para. 5. The other paragraphs of section 13 will contain a special provision for Supervisory Board members who join or retire from the Supervisory Board in the course of the financial year (para. 4) and technical regulations regarding the processing of payments (para. 6) and (this remains unchanged) the power of the Annual General Meeting to take decisions about any further types of remuneration of the Supervisory Board by resolution (para. 8).
- The PAUL HARMANN AG has taken out a D&O liability insurance policy against damages to asset without retention for the officers and directors of the stock corporation. The insurance premium, which is paid by the PAUL HARTMANN AG, can be considered remuneration for the directors and officers the insurance covers. In accordance with section 113 para. 1 of the German Stock Corporation Act (Aktiengesetz, AktG) this must be stipulated in the Statutes or approved by the Ordinary Annual General Meeting. The plan is to regulate this in section 13 para. 7 of the Statutes.
- In order to avoid difficulties of application of a new regulation entering into force in the course of a financial year, the new regulation shall be valid for the entire financial year of 2010 in accordance with para. 9.

Consequently, the Board of Management and the Supervisory Board suggest rephrasing section 13 of the Statutes as follows:

“Section 13 Remuneration

(1) Every member of the Supervisory Board shall be entitled to fixed remuneration of EUR 6,000 in addition to a reimbursement of his/her expenses. Every member shall receive an extra payment of EUR 2,500 for membership in the Audit Committee and Board of Directors Committee each. The Chairperson of the Supervisory Board shall receive three times the aforementioned amount, the Deputy Chairperson and the Chairpersons of the Audit Committee and Board of Directors Committee shall each receive twice the aforementioned amount. If a member of the Supervisory Board is the Chairperson of several committees, only the highest possible multiple shall apply.

(2) In addition, members of the Supervisory Board shall receive a variable, annual remuneration of a total of 2 % of the amount the shareholders receive as a dividend for the financial year. At most, this sum amounts to a maximum of double the fixed remuneration per Supervisory Board member in accordance with section 13 para. 1 clauses 1 and 3 and shall be divided accordingly.

(3) Every Supervisory Board member shall, furthermore, receive an annual payment pegged to the long-term success of the Company in the amount of EUR 25 for every initial tenth of a percentage point by which the consolidated earnings per share has grown over a period of three years. The increase is calculated by comparing the consolidated earnings per share in the third financial year preceding the year of remuneration. The amount shall be staggered in accordance with section 13 para. 1 clause 3. This component of the remuneration must not exceed the fixed remuneration as per section 13 para. 1 clauses 1 and 3.

The consolidated earnings per share as calculated in line with the International Financial Reporting Standards (IFRS) and as stated the consolidated annual financial statements (excluding minority interests) shall form the basis for determining the performance-based remuneration. In the event of a retrospective change to the consolidated earnings per share, only the new amount shall be valid. Should changes of the accounting standards result in an increase/reduction in the consolidated earnings per share, the consolidated earnings per share taken when calculating remuneration shall be defined uniformly following the new standards in order to ensure comparability.

(4) If a person is a Supervisory Board member only for part of a financial year, this member will be remunerated for the pro-rated period of time in accordance with section 13 para.1 to 3.

(5) Furthermore, every Supervisory Board member shall receive attendance money of EUR 1,500 for attending each meeting of the Supervisory Board or one of its committees. The staggered system outlined in section 13 para. 1 clause 3 shall apply to Supervisory Board meetings. In the case of committee meetings, the chairperson of the committee in question shall receive double the attendance money.

(6) All remuneration is stated as a net amount. Insofar as Supervisory Board members are entrepreneurs in the sense of the German Sales Tax Act and obliged to file a V.A.T. return, the amounts will increase by the statutory V.A.T. valid at the time.

The Company shall pay the remuneration by bank credit transfer.

(7) At its own expense, the Company can insure Supervisory Board members against civil and penal claims related to the execution of their mandates and take out a suitable legal costs insurance policy as well as a D&O liability insurance policy against damages to asset without retention; said insurance can also include the costs of the legal defense in the event of litigation.

(8) The Ordinary Annual General Meeting shall define any further types of remuneration of the Supervisory Board by resolution.

(9) The new remuneration regulations in accordance with section 13 shall apply as of financial 2010."

e. Resolution on the amendment of the title of article 14 ("Place, Eligibility") and section 14 para. 2 of the Statutes and addition of a new section 14 para. 3 to the Statutes

The Law on the German Implementation of the Shareholders' Rights Guideline (ARUG) from July 30, 2009 entered into force on September 1, 2009.

The amendments to section 123 of the German Stock Corporation Act (AktG) has led to changes regarding the relevant deadlines for the invitation to the Ordinary Annual General Meeting as well as to

the form of registration for said Meeting. The changes are stated in section 14 para. 2 of the Statutes.

In accordance with amended section 121 para. 3 of the German Stock Corporation Act, it is possible to considerably slim down the invitation procedure for the annual general meeting of companies that are not publicly listed. The Company intends to avail itself of these possibilities. We therefore suggest eliminating clause 3 of section 14 para. 2 of the Statutes.

Furthermore, section 134 para. 3 of the German Stock Corporation Act has changed the required form for voting by proxy at the Annual General Meeting. This change shall, we propose, also be incorporated into section 14 of the Statutes.

For the first time, the newly suggested section 14 para. 3 clause 2 of the Statutes also regulates the required form for granting someone the power of attorney, revoking the latter and furnishing proof that it has been granted. We propose that the Company have the option to handling this flexibly in line with the respective requirements.

Given the future weight of the regulations on the power of attorney in section 14, the title of section 14 shall be rephrased and the regulations on the power of attorney which have hitherto been part of paragraph 2 shall be grouped together in a separate paragraph 3.

Consequently, the Management Board and the Supervisory Board suggest

- rephrasing the title of section 14 of the Statutes as follows:
“Section 14 Place, Eligibility, Power of Attorney”
- rephrasing section 14 para. 2 of the Statutes as follows:
“(2) The shareholders who are entered in the share register and have registered for the Ordinary Annual General Meeting in time shall be entitled to attend said Meeting. The Company must receive registration either in writing or via electronic media (“Textform”) at least six days prior to the Ordinary Annual General Meeting, sent to the address stated for this purpose in the invitation. It reserves the right to shorten the deadline (in days) in the invitation. The day of the Ordinary Annual General Meeting as well as that of receipt shall not be included in calculating the deadline. It is possible to register either in German or in English.”
- adding the following section 14 para. 3 to the Statutes:
“(3) Shareholders can choose to be represented by an authorized representative. Granting power of attorney, revoking it and furnishing proof thereof to the Company shall be provided in writing, in text form, via fax or electronically in a way the Company shall explain in detail. It shall provide the shareholders with details of how to grant the power of attorney in an attachment to the invitation to the Ordinary Annual General Meeting or in another suitable way. Section 135 of the German Stock Corporation Act shall not be affected.”

f. Resolution on the amendment of section 18 of the Statutes

Section 18 of the Statutes has hitherto only regulated the Company’s statutory announcements. In order to avoid the need to amend the Statutes again in case of future legislative changes, the Company would like to make clear that it will not publish the

changes in the electronic Federal Gazette if otherwise permissible by law.

Section 18 of the Statutes shall, furthermore, be complemented by the additional option of forwarding information to the shareholders electronically as far as this is permissible by law. The Company aims only to make use of this option in agreement with the shareholders.

Consequently, the Management Board and Supervisory Board suggest rephrasing section 18 of the Statutes as follows:

“Section 18 Announcements, Information

(1) The Company exclusively makes its statutory announcements in the electronic Federal Gazette, unless another form of announcement is required by law.

(2) To the extent that this is permissible by law, the Company may also forward information to its shareholders electronically.”

g. Adaptation of the Statutes to reformed German spelling

Following a decision by the German Federal Minister of Education, schools and authorities shall use the new official German spelling. Even though we are not legally obliged to do so, the Company would also like to change its Statutes over to the reformed spelling.

Consequently, the Management Board and Supervisory Board suggest making the following editorial changes to the Statutes:

- replacing the word “daß” by “dass” in section 8 para. 3 and section 9 para. 2 of the Statutes.
- replacing the word “beschlussfähig” by “beschlusfähig” in section 11 para. 1 of the Statutes.
- changing the title of section 16 of the Statutes from “Beschlussfassung” to “Beschlussfassung”.
- replacing the word “gefaßt” by “gefasst“ in section 16 para. 1 of the Statutes.

6. Resolution on the authorization of the purchase of the Company’s own shares and their further use

The Management Board and Supervisory Board suggest passing the following resolution:

- a) The Company shall be authorized to acquire its own registered shares for purposes other than securities trading provided the following applies: In total, these shares must not exceed a maximum of 10 % of the capital stock existing at the time when the Ordinary Annual General Meeting passed its resolution on this authorization or, should the amount be lower, at the time when the authorization is exercised. The acquired shares and other own shares in the possession of the Company or classed as belonging to it in accordance with sections 71d and 71e of the German Stock Corporation Act shall not at any time account for more than 10 % of the capital stock.

The authorization to acquire its own shares may be exercised directly by the Company, by companies that are dependent on the Company or majority-owned by the Company or by third parties on account of the Company or third parties on account of a company that is either dependent on the Company majority-owned by the Company. The authorization may be exer-

cised in full or in part. In the latter case it may be exercised repeatedly. The authorization shall be valid until April 30, 2015.

The Management Board makes the choice whether the acquisition shall be done aa) via a stock exchange or bb) following a public offer to buy or cc) following a public invitation to all shareholders to issue offers for sale.

- aa) Should the Company purchase the shares on the stock exchange, the amount paid per share (excluding purchase expenses) must neither exceed nor fall short of the arithmetic mean of the closing price in Open Market floor trading (or an electronic trading system superseding it) at the Frankfurt Stock Exchange during the three trading days prior to the date of purchase by more than 10 %.
- bb) In the event of a public purchase offer made to all shareholders, the purchase price offered and paid per share (excluding purchase expenses) must neither exceed nor fall short of the arithmetic mean of the closing price in Open Market floor trading (or an electronic trading system superseding it) at the Frankfurt Stock Exchange during the three trading days prior to the deadline of purchase as described below by more than 20 %. The relevant deadline is the day on which the Company's Management Board takes its final decision about the official offer. In the case of an adaptation of the offer (which is permissible if, after the publication of the offer, share prices depart considerably from the relevant prices) the relevant deadline will be the day on which the Management Board officially takes its final decision about the adaptation.

A limit may be set to the volume of the public offer to buy. Insofar as a public offer to buy is oversubscribed, the purchase may be carried out according to the shares offered for subscription (offer ratios) in each case; here, the shareholders' right to offer their shares in proportion to their equity shares is excluded. The Company shall also be entitled to envisage rounding off the amounts according to commercial principles in order to avoid arithmetic fractions and, insofar as a shareholder does not offer more than 50 shares for subscription, preference to the purchase of these shares can be given. In the cases stated in this sub-paragraph, a further-reaching right to tender for the shareholders shall be excluded.

- cc) Should the Company purchase the shares after inviting all shareholders to make offers for sale, the Company's Management Board shall determine a purchase price range per share within which the shareholders may make their offers. The purchase price range may be adapted if, during the offer period, share prices deviate considerably from those at the time when the invitation to make offers for sale was published. The purchase price paid by the Company (excluding purchase expenses) and which the Company calculates on the basis of the offers for sale it receives, may neither exceed nor fall short of the arithmetic mean of the closing price in Open Market floor trading (or an electronic trading system superseding it) at the Frankfurt Stock Exchange prior to the date defined below by more than 20 %. The relevant date is the day on which the Board of Management officially takes its final decision to accept the offers for sale.

The Company is entitled to set a limit to the volume of shares it accepts. Should it, due to such a limitation of the volume, not accept all of several similar offers for sale, it may carry out the purchase in line with the ratio of shares offered for sale (offer ratios); here, the shareholders' right to offer their shares in proportion to their equity shares is excluded. The Company shall also be entitled to envisage rounding off the amounts according to commercial principles in order to avoid arithmetic fractions and, insofar as a shareholder does not offer more than 50 shares for subscription, preference to the purchase of these shares can be given. In the cases stated in this sub-paragraph, a further-reaching right to tender for the shareholders shall be excluded.

- b) In addition to selling the Company's shares on the stock exchange or offering them to all shareholders, the Management Board shall, with the consent of the Supervisory Board, furthermore, be authorized to use the Company's shares which are acquired on the basis of the authorization according to item a) above for the following purposes:
 - aa) The Management Board may use the shares in other ways than selling them on the stock exchange or by offering them to all shareholders, if it sells the shares against cash contributions at a price which is not significantly lower than the prices of shares of the same type owned by the Company according to section 186 para. 3 clause 4 of the German Stock Corporation Act. In this case, the amount of shares for sale together with new shares issued since granting of this authorization in the context of a capital increase and excluding subscription right in accordance with section 186 para. 3 clause 4 of the German Stock Corporation Act must not exceed by more than 10 % the capital stock existing at the time when the resolution was passed or (should said amount be lower) at the time when the authorization was exercised.
 - bb) Particularly, in the context of the acquisition of companies or parts of companies, portfolio holdings (including the increase of existing shareholdings) and mergers, the Management Board may sell the shares against contributions in kind.
 - cc) The Management Board may withdraw the shares without said withdrawal or the execution of the withdrawal requiring a further resolution by the Ordinary Annual General Meeting. The withdrawal will lead to the capital being reduced by that part of the capital stock which corresponds to the withdrawn shares. The Supervisory Board will be authorized to amend the Statutes in line with the scale of the capital reduction. Subject to the approval of the Supervisory Board, the Management Board may otherwise determine that, in accordance with section 8 para. 3 of the German Stock Corporation Act, the capital stock shall not be affected by the withdrawal and instead the withdrawal shall lead to the stake the other unit shares hold in the Company's capital stock rising accordingly. In this case, the Management Board will be authorized to adjust the statement of the number of unit shares in the Statutes. The withdrawal may be restricted to a part of the purchased shares. The Management Board shall be permitted to make repeated use of the authorization to withdraw

shares.

- c) The authorizations under item b) shall also apply to the use of the Company's own shares which the Company has already held at the time when the resolution was passed.
- d) The authorizations under item b) may be used once or repeatedly, in full or in part, individually or all at the same time. The authorizations shall also apply to the use of Company shares purchased in accordance with section 71d clause 5 of the German Stock Corporation Act or by a company that is either dependent on the Company or in which the Company holds a majority of shares or by third parties for the Company's account or by third parties for the account of a firm that is either dependent on the Company or majority-owned by the Company.
- e) Shareholders' subscription rights are excluded insofar as the Company's own shares are used in accordance with the authorizations under items b), aa) and bb). Subject to the approval of the Supervisory Board, the Management Board may, furthermore, exclude shareholders' subscription rights for fractional amounts in case of the sale of its own shares as result of an offer made to all shareholders.

7. Resolution on the appointment of the annual auditor for the financial year of 2010

The Supervisory Board suggests appointing Pricewaterhouse-Coopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Stuttgart, to audit the annual financial statements and the consolidated annual financial statements for financial 2010.

Conditions for participation and voting rights

In line with section 14 para. 2 of the Statutes, those shareholders shall be authorized to participate in the Annual General Meeting, either in person or through a proxy, who have registered by the deadline of April 30, 2010, midnight CEST at the address stated below and for whom the registered shares are entered in the share register. The registration shall be in German or in English. Shareholders who wish to register by email shall state their name in full, their address and the number of shares in PAUL HARTMANN AG they held as are entered in the share register. The right to participate and vote assumes that the shareholder is registered as such in the share register on the day of the Annual General Meeting. And as regards the number of voting rights, it is the shareholding entered in the share register on the day of the Annual General Meeting that applies. For organizational reasons, no entries can be made into the share register between the deadline of midnight on April 30, 2010, 24:00 CEST and the date of the Annual General Meeting, i.e., May 7, 2010, inclusive.

If a bank is entered in the share register then it is only empowered to exercise the voting rights for shares that it does not own on the basis of due authorization from the respective shareholder.

Shareholders who are entered in the share register can also have their voting right exercised at the Annual General Meeting by a proxy, for example a bank or a shareholders association. In such a case, the proxy must himself register in due time for the Annual General Meeting or have the shareholder register him.

The Company offers its shareholders free of charge the opportunity to have their votes exercised in line with their instructions at the Annual General Meeting by voting proxies appointed by the Company. These proxies can be authorized using a special form sent to the shareholders. The voting proxies exercise the voting rights solely on the basis of instructions issued by the shareholder. Should an individual vote be held on a point on the agenda, then, to the extent that no instruction was issued otherwise, the instruction issued shall apply to each individual sub-item voted on on that point. The authorization for the voting proxy appointed by the Company empowering him to exercise the voting rights and the instruction must be sent to the Company at the address below and have been received there by the deadline of midnight April 30, 2010 (i. e. 24:00 CEST).

Total number of shares and voting rights at the point in time of the convention of the Annual General Meeting

At the point in time when the Annual General Meeting was convened the Company's capital stock is EUR 91,327,569.38 and is sub-divided into 3,572,424 registered unit shares. Each unit share bears one vote. The total number of voting rights at the time when the Annual General Meeting was convened was thus 3,572,424. No voting rights can be exercised on the 20,682 own shares held by the Company.

Motions for the Agenda and proposed nominations for elections

Motions for the Agenda and proposed nominations for elections shall be sent to the following address:

PAUL HARTMANN AG
 CAT-IR section
 Paul Hartmann Strasse 12
 89522 Heidenheim
 Germany
 or to
 Postfach 13 60
 89504 Heidenheim
 Germany
 Tel.: ++49 7321 36-1105
 Fax: ++49 7321 36-3606
 E-mail: hauptversammlung@hartmann.info

Motions for the Agenda and proposed nominations for elections sent to another address shall not be considered.

We will post motions and proposed nominations for elections as submitted by a shareholder that we are dutybound to inform the other shareholders of, along with the name of the shareholder, the reasons given, and possibly a statement by management on these, on the Internet at <http://de.hartmann.info/> in the "Investor Relations > General Meeting" section.

Registrations and/or orders for admission tickets/voting cards as well as authorizations and instructions for the voting proxies appointed by the Company or other inquiries and communications relating to the Annual General Meeting shall likewise be sent to the above address.

Report pursuant to sections 71 para 1 item 8 sentence 5, and 186 para 4 sentence 2, German Stock Corporation Act ((AktG) on Agenda item 6

The Management Board issues the following report on Agenda item 6 in line with sections 71 para 1 item 8 sentence 5, and 186 para 4 sentence 2, German Stock Corporation Act (AktG). The report shall be available for examination in the business premises of PAUL HARTMANN Aktiengesellschaft at Paul Hartmann Strasse 12, 89522 Heidenheim, as of the day on which the Annual General Meeting is convened, and at the Annual General Meeting for examination by the shareholders. Moreover, it can be downloaded from the Internet by clicking <http://de.hartmann.info> and accessing the directory "Investor Relations / General Meeting". On request the report will be made available to and send to every shareholder free of charge.

a) General

Agenda item 6 includes the proposal to authorize the Company in line with section 71 para 1 no. 8 German Stock Corporation Act up until April 30, 2015 to acquire the Company's own shares of a total proportionate stake in the current capital stock of up to 10 % and to sell these again. In the case of the acquisition of own shares and their sale, the principle of equal treatment of the shareholders shall be upheld as per section 53a AktG.

The authorization is intended to enable the Company in the interests of the Company and its shareholders to acquire own shares up to a total of 10 % of the capital stock directly through the Company, through dependent or majority-owned companies of the Company or through third parties for the Company's account or through third parties for the account of a dependent or majority-owned company of the Company. The acquisition of own shares in line with section 71 para 1 no. 8 AktG may not serve the purpose of trading in own shares. Pursuant to section 71 para 2 AktG, the shares acquired on the basis of this new authorization to be approved may not at any time together with own shares that the Company has already acquired and still owns or are attributable to it in line with sections 71d and 71e AktG, exceed more than 10 % of the capital stock. At the point in time of the convention of the Annual General Meeting, the Company held 20,682 own shares. The acquisition is, moreover, only permissible if the Company at the point in time of the acquisition has been able to establish an accrual on a par with the scale of the expenses for the acquisition without reducing the capital stock or an accrual that is mandatory under law or the Statutes which may not be used to make payments to shareholders.

The Management Board shall decide on exercising the proposed authorization and using the own shares acquired in the framework of its due discretion. It will comply with the reporting duties to the next Annual General Meeting as per section 73 para 3 sentence 1 AktG.

b) Acquisition of own shares and exclusion of offering rights

Alongside a purchase via an exchange, the Company is also to be authorized to purchase own shares by a public purchase offer or a public request to the shareholders to submit sell offers.

In the case of a public purchase offer or a public request to the shareholders to submit sell offers the shareholders can decide how many shares and, after a price range has been set, at what price they wish to offer their shares. To the extent that a public purchase offer is oversubscribed or in the

case of a public request to the shareholders to submit sell offers seeing several equal offers, whereby the Company is not in a position to purchase all the shares offered, acceptance shall be by ratios. In this context, privileged acceptance of smaller offers or small parts of offers up to a maximum 50 units can be envisaged. This option is intended to avoid both arithmetic fractions when defining the purchase ratios and small residual amounts, thus facilitating technical handling of the buyback; moreover, this option prevents a factual disadvantaging of small shareholders. Incidentally, the scaling-down of shareholdings can be effected in terms of the ratio of shares for which a purchase offer is issued (purchase ratio) rather than the shareholding ratios, as the purchase method can then be handled technically in an economically meaningful manner. In addition, the idea is to enable rounding by commercial principles to avoid arithmetic fractions of shares. To this extent, the number of the shares to be purchased from individual shareholders who have been made purchase offers can be rounded as is necessary to enable the technical handling of the shares to be purchased such that entire share lots are bought. With the agreement of the Supervisory Board, the Management Board considers the innate exclusion of a possible greater right by shareholders to receive offers to be justified by the matter at hand and vis-à-vis the shareholders.

c) Application of own shares bought back and exclusion of subscription rights

The own shares bought back may, or so the proposed authorization of the Company envisages, either be withdrawn (with or without reducing the capital stock) or sold again by public offer to all shareholders or via an exchange. As a result, shareholder rights to equal treatment are upheld during the sale of the shares. In the case of a sale of own shares via an exchange, shareholders have no subscription right but pursuant to section 71 para 1 no. 8 sentence 4 AktG the sale of own shares via an exchange suffices to fulfill the principle of equal treatment as per section 53a AktG.

The Company can withdraw the own shares acquired on the basis of this resolution issuing authorization without an additional resolution by the Annual General Meeting. In this way, the Company can respond appropriately and flexibly to the particular conditions on the capital markets. The Supervisory Board can in such a case adjust the version of the Statutes in line with the scale of capital reduction effected. The proposed authorization envisages not only the instrument of withdrawal, but also that the Management Board in line with section 237 para 3 no. 3 AktG and subject to approval by the Supervisory Board, can withdraw the shares without reducing the capital. By withdrawing the own shares without reducing the capital stock, in line with section 8 para 3 AktG the arithmetic share of the other unit shares in the Company's capital stock automatically rises. In such a case, the Management Board shall therefore in line with section 237 para 3 no. 3 AktG be authorized to change the Statutes as will be necessary, because the withdrawal will reduce the number of unit shares outstanding.

In the event of a sale of own shares by public offering to all shareholders, the Management Board shall, with the approval of the Supervisory Board, be authorized to exclude shareholders' subscription rights to fractional amounts. This exclusion of subscription rights to fractional amounts is necessary in order to render it technically feasible to conduct sale of own shares acquired by means of a sell offer. The own shares excluded as free fractional amounts from shareholders' subscription rights will be realized by the method most to the benefit of the Company, either by sale on an exchange or sale in some other way.

In line with the statutory regulations laid down in section 71 para 1 no. 8 sentence 5 and in section 186 para 3, 4 AktG, the proposed authorization envisages that the own shares acquired may, in addition to being sold via an exchange or a public offer to all shareholders, also be used for the following purposes:

The proposed resolution contains the authorization to sell own shares off the exchanges and against cash contributions while excluding subscription rights if the price of the shares is not substantially lower than the stock-market price at the time of the sale. This authorization rests on the option afforded by section 71 para 1 no. 8 AktG with corresponding application of section 186 para 3 sentence 4 AktG to facilitate the exclusion of subscription rights. The idea here is to have the option in the Company's interest to offer institutional investors or new cooperation partners inside and outside Germany Company shares and in this way expand the circle of investors. The Company will also thus be able to adjust its equity capital flexibly to the respective business requirements and respond swiftly and flexibly to favourable conditions on the stock market. By setting

the price in line with the particular market conditions, the return on the sale will be maximized and the Company's own funds thus strengthened as far as possible. In the case of a sell offer made to all the shareholders, the subscription price can be published as per section 186 para 2 sentence 2 AktG at the latest three days prior to the deadline for the subscriptions, but even using this scope means there is the risk of a change in stock-market price over a period of days and this could lead to having to factor in a safety discount when setting the sale price. Given the length of the subscription period, the Company would also not be able to respond at short notice to favourable market conditions.

The proposal thus takes shareholders' asset and voting right interests into due account. The authorization to exclude subscription rights as per section 186 para 3 sentence 4 AktG for the sale of own shares is, moreover, limited to a maximum total of 10 % of the Company's capital stock. Shareholders' asset interests, in particular protection against any dilution of the value of their stake are upheld by the fact that the shares may only be sold at a price that is not substantially lower than the material stock-market price. A discount on the material stock-market price will presumably be less than 3 % and at any rate be a maximum of 5 %. The material stock-market price is the stock-market price quoted for Company shares of the same class at the point in time when the Management Board sets the selling price. Since, given market volatility, price fluctuations at short notice cannot be excluded, the idea is to avoid deciding per se whether the focus must be on a current average price covering a few days or the current share price at a specific point in time. The authorization enables this to be decided on a case-by-case basis. The Management Board will seek to realize as high a selling price as possible and to keep the discount on the price at which the existing shareholders purchased shares via an exchange as low as possible. Moreover, the authorization is limited to a maximum of 10 % of the Company's capital stock. This ensures that the total number of shares acquired that can then be sold in this way does not exceed a maximum of 10 % of the capital stock; this is in line with the requirements of section 71 para 1 no. 8 in connection with section 186 para 3 sentence 4 AktG. The Management Board will only make use of this authorization to the extent that the ceiling of 10 % of the capital stock set in section 186 para 3 sentence 4 AktG is not exceeded for the duration of the authorization and adding all measures to which section 186 para 3 sentence 4 (correspondingly) applies. On the basis of this limitation of the total volume and option of buying additional shares via the market at more or less the same terms, from the viewpoint of shareholders any relevant reduction in the proportion of their stake is avoided. Interested shareholders in principle have the opportunity to maintain the proportion of their stake by acquiring new shares through an exchange.

The sale of own shares can also be made against contributions in kind and excluding subscription rights. This enables the Company to offer own shares in PAUL HARTMANN Aktiengesellschaft as (part) remuneration to third parties as part of mergers or acquisitions of companies, parts of companies or stakes in companies. PAUL HARTMANN Aktiengesellschaft competes on national and global markets and must at all times be in a position to act swiftly and flexibly in these markets. This also means that to improve its competitive position it must be able to ally/merge with other companies or acquire companies, parts of companies or stakes in companies. The optimal realization of this option in the interests of the shareholders and the Company can in an individual case entail a merger or the acquisition of companies, parts of companies or stakes in companies with shares in the company making the acquisition being taken. Practice shows also that in both international and national markets, the provision of shares in the company making the acquisition is often expected as performance for attractive acquisition targets. The option of using own shares as a currency in acquisitions serves this purpose.

Shareholder interests are preserved first by the volume ceiling of 10 %, which excludes a further reduction in the proportion of stakes. Secondly, shareholders' asset interests are protected by the obligations of the Management Board when using the authorization that in line with section 255 para 2 AktG new shares be issued up to an amount that is in a due weighting to the value of the contribution in kind. When judging the value of the shares to be granted as counter-performance, the Management Board will take its cue from the stock-market price of the Company's shares. No systematic link to the stock-market price is envisaged, in particular in order not to expose achieved negotiation results to risk owing to fluctuations in the stock-market price.

The Management Board will judge on a case-by-case basis whether it wishes to make use of this authorization to use own shares while excluding subscription rights if firm opportunities arise for

mergers or to acquire companies, parts of companies or stakes in companies. It will only make use of the authorization subject to approval by the Supervisory Board if it is convinced that the acquisition in return for assignment of shares in PAUL HARTMANN Aktiengesellschaft is justified by the matter at hand.

Use can be made of the above possibilities not only as regards own shares acquired on the basis of this resolution granting authorization. The authorization also applies in this regard to those own shares that the Company holds at the point in time when the resolution is made. The fact that these own shares can be used in the same way as those own shares acquired on the basis of this resolution granting authorization is advantageous and creates additional flexibility.

Heidenheim an der Brenz, March 30, 2010

PAUL HARTMANN Aktiengesellschaft

The Management Board