

Computershare

**Just the tip of the iceberg!
One court decision changes everything**

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- › During the 2013 AGM season, issuers with registered shares faced an unwelcome surprise, with attendance quorums of major issuers dropping to between 20 to 30 percent of the issued share capital.
- › Non-domestic holders account for a drop of 13 to 20 percent, as most of them either only registered a small part of their holdings or did not vote at all.
- › Could we have predicted this?

Attendance quorums in Germany and the OLG Köln influence

DAX issuers with RS	Attendance Quorum 2013 in %	Differenz 2012 - 2013	Attendance Quorum 2012 in %	Differenz 2011 - 2012	Attendance Quorum 2011 in %
Adidas	40,86	-21,38	62,24	4,62	57,62
Allianz	27,20	-16,60	43,80	-1,31	45,14
BASF	33,24	-12,18	45,42	-0,04	45,46
Bayer	31,90	-23,80	55,70	6,50	49,20
Daimler	29,32	-14,08	43,40	0,14	43,26
Deutsche Bank	22,99	-11,95	34,94	0,94	34,00
Deutsche Börse	29,35	-30,09	59,44	16,52	42,92
Deutsche Lufthansa	41,90	-6,38	48,28	-5,15	53,43
Deutsche Post	45,9	-21,10	67,00	2,26	64,74
Deutsche Telekom	50,46	-10,94	61,40	-0,70	62,10
E.ON	26,00	-17,51	43,51	1,36	42,15
Infineon	42,58	-15,42	58,00	5,18	52,82
K+S	31,46	-13,05	44,51	-10,49	55,00
Münchener Rück	34,00	-13,13	47,13	1,73	45,40
Siemens	33,82	-4,58	38,40	-3,50	41,90

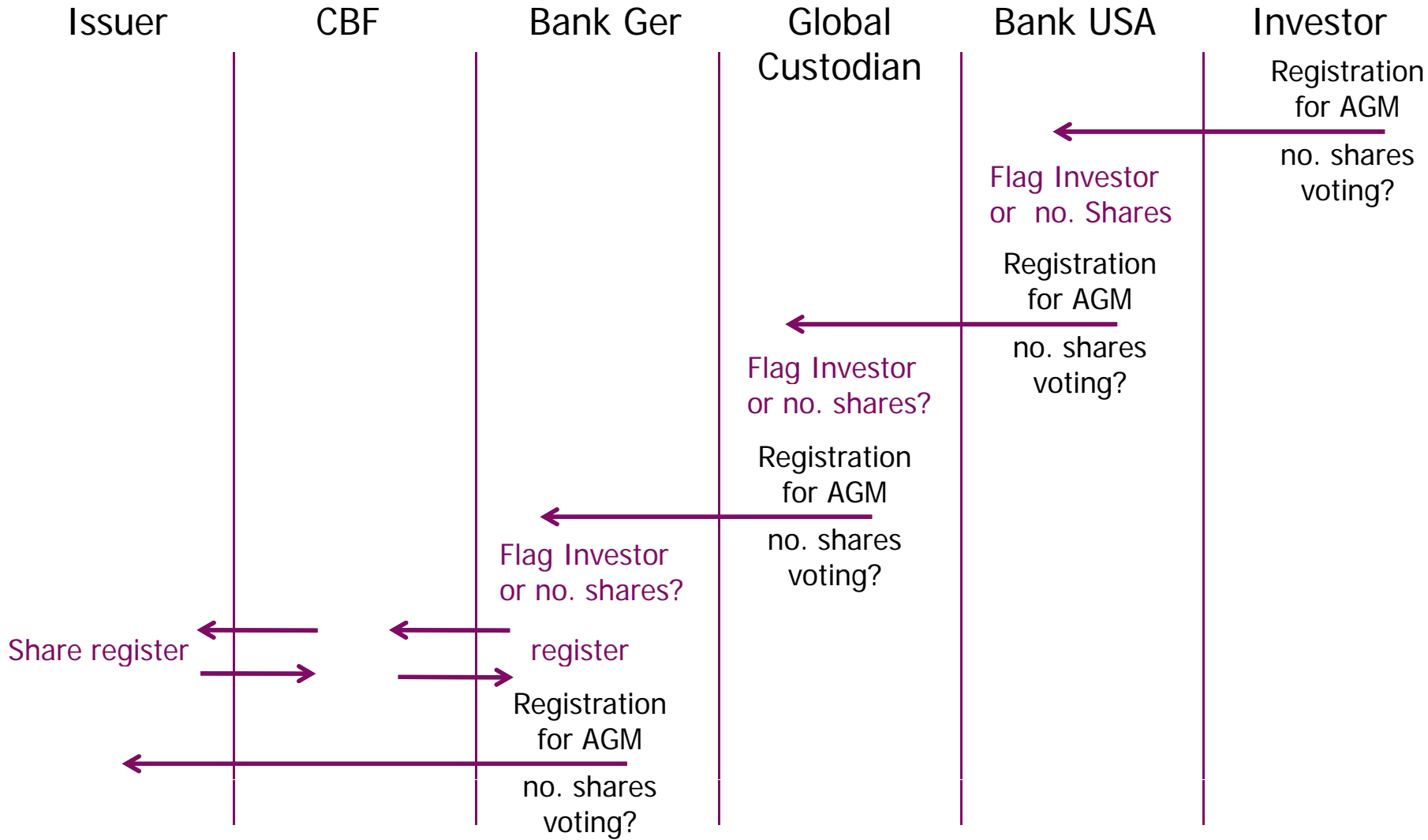
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- › What were the reasons behind this?
 - › The Cologne Higher Regional Court (OLG, Köln) decided on the 6th of July 2012, that for listed companies with registered shares, nominees need to publicly disclose their holdings if they pass any of the thresholds mentioned in the WPHG.
 - › As nominees are not beneficial owners of shares, they are unwilling to comply with this court ruling, as they see it as a conflict with their own rules.
 - › As a result, custody banks started to register each individual beneficial owner wanting to vote at an upcoming AGM, which led to a complex process and to soft-blocking in the banking systems.
 - › As a result of this, a large number of investors abstained from voting, as they were concerned that they would have trouble selling or transferring their shares.

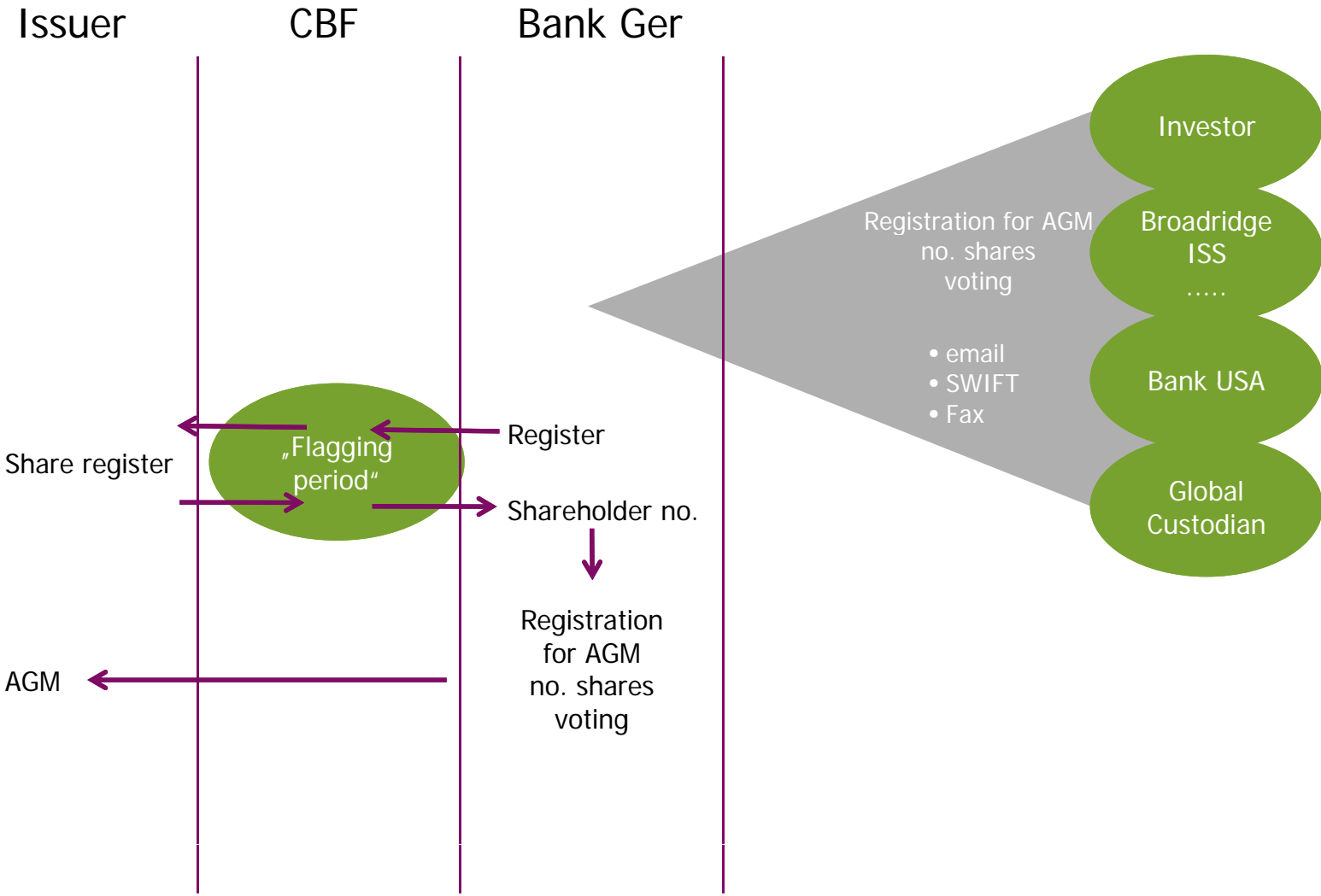
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- › We will show the different points of view of the various market players, what happened and what can we learn from the situation.
- › We will discuss this with Julia Wittenburg, from BlackRock, Jens-Jürgen Vogel from Munich RE and Cas Sydorowitz from Georgeson.

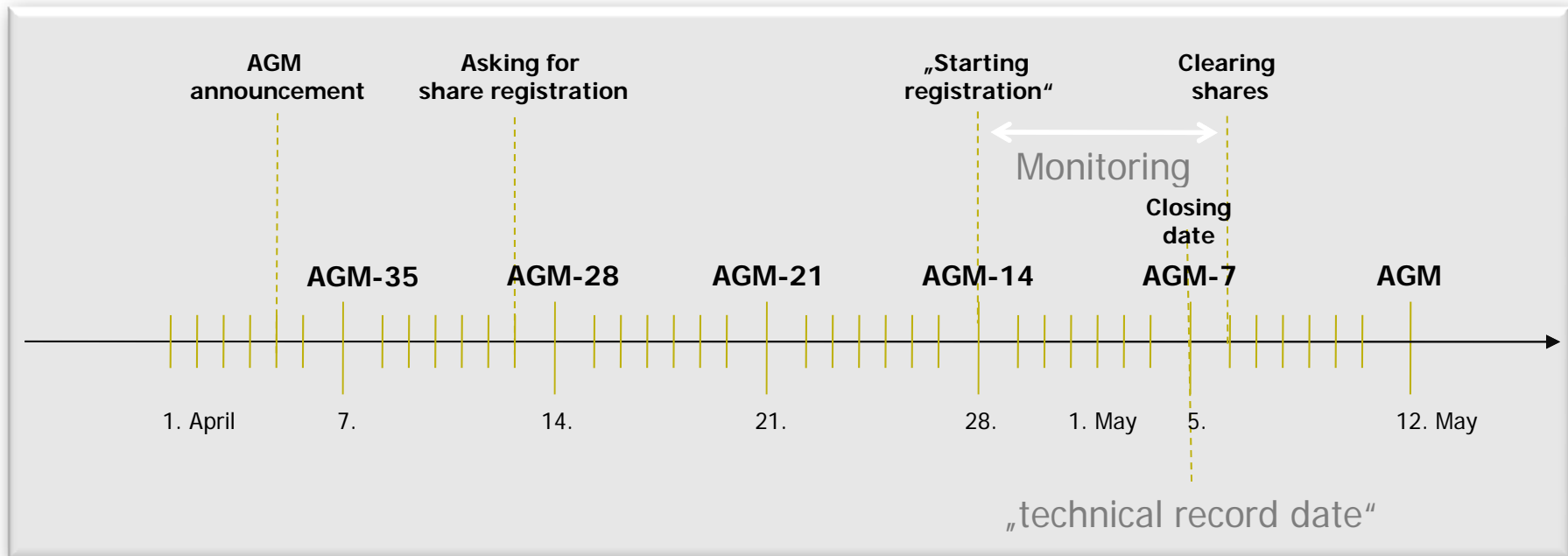
Data transfer – AGM process



Data transfer – AGM process



Timeline AGM registration



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