

**NON-BINDING ENGLISH TRANSLATION. IN CASE OF ANY DISCREPANCY
BETWEEN THE ENGLISH TRANSLATION AND THE GERMAN VERSION
THE GERMAN VERSION PREVAILS.**

**Mandatory publication pursuant to sections 34, 14 paras. 2 and 3 of the German
Securities Acquisition and Takeover Act (*WpÜG*)**

Shareholders of KUKA Aktiengesellschaft, in particular those who have their place of residence, seat or place of habitual abode in the United States of America or otherwise outside the Federal Republic of Germany should pay particular attention to the information contained in Section 1 “General information on the implementation of the takeover offer” and Section 24 “Additional information for U.S. Shareholders” of the Offer Document.



Offer Document

**VOLUNTARY PUBLIC TAKEOVER OFFER
(CASH OFFER)**

by

MECCA INTERNATIONAL (BVI) LIMITED

c/o Tricor Services (BVI) Limited

P.O. Box 3340

Road Town, Tortola

British Virgin Islands

to the shareholders of

KUKA AKTIENGESELLSCHAFT

Zugspitzstraße 140

86165 Augsburg

Germany

for the acquisition of the no-par value bearer shares held by them in

KUKA AKTIENGESELLSCHAFT

at a price of

EUR 115.00 per share of KUKA Aktiengesellschaft

Acceptance Period:

June 16, 2016 to July 15, 2016, 24:00 hrs local time Frankfurt am Main, Germany

KUKA Shares: ISIN DE0006204407

KUKA Shares Tendered for Sale: ISIN DE000A2BPXK1

TABLE OF CONTENTS

	PAGE
1. GENERAL INFORMATION ON THE IMPLEMENTATION OF THE TAKEOVER OFFER	6
1.1 Legal basis	6
1.2 Particular information for KUKA Shareholders whose place of residence, seat or place of habitual abode is in the United States	6
1.3 Publication of the decision to launch the Offer	7
1.4 Review of the Offer Document by the Federal Financial Supervisory Authority	7
1.5 Publication and dissemination of the Offer Document	7
1.6 Acceptance of the Offer outside of Germany	8
2. INFORMATION REGARDING THE STATEMENTS CONTAINED IN THE OFFER DOCUMENT.....	8
2.1 General	8
2.2 Status and source of the particulars	8
2.3 Forward-looking statements	9
2.4 No updates	9
3. SUMMARY OF THE OFFER	9
4. OFFER.....	12
5. ACCEPTANCE PERIOD	12
5.1 Duration of the Acceptance Period.....	12
5.2 Extensions of the Acceptance Period	12
5.3 Additional Acceptance Period	13
6. DESCRIPTION OF THE BIDDER AND THE MIDEA GROUP	14
6.1 Description of the Bidder	14
6.2 Information about the Midea Group.....	14
6.3 Persons acting jointly with the Bidder.....	17
6.4 KUKA Shares currently held by the Bidder or by persons acting jointly with the Bidder and subsidiaries of such persons; attribution of voting rights, instruments relating to KUKA Shares.....	17
6.5 Particulars with regard to securities transactions	18
6.6 Possible parallel acquisitions.....	18
7. DESCRIPTION OF KUKA.....	18
7.1 Legal basis	18

7.2	Capital structure.....	19
7.3	Group structure and business activities	22
7.4	Boards.....	22
7.5	Persons acting jointly with KUKA.....	23
8.	BACKGROUND TO THE OFFER	23
8.1	Commercial and strategic reasons	23
8.2	Independence of KUKA and proposed commitments.....	24
9.	INTENTIONS OF THE BIDDER AND MIDEA	25
9.1	Future business activities, assets and future obligations of KUKA	25
9.2	Future business activities, seat, location of material parts of the business, use of assets and liabilities, employees and their representatives, members of corporate bodies and changes to the terms and conditions of employment of the Bidder and Midea	27
9.3	Management Board and Supervisory Board of KUKA.....	27
9.4	Employees, terms and conditions of employment and employee representation	27
9.5	Seat of KUKA; Location of significant parts of the business	28
9.6	Possible structural measures.....	28
10.	EXPLANATION OF PRICE DETERMINATION	29
10.1	Minimum offer price	29
10.2	Appropriateness of the Offer Price.....	29
10.3	Adequacy of Offer Price.....	31
10.4	No compensation for loss of certain rights.....	32
11.	ACCEPTANCE AND SETTLEMENT OF THE OFFER	32
11.1	Central Settlement Agent	32
11.2	Acceptance of the Offer within the Acceptance Period	32
11.3	Stock exchange trading with KUKA Shares Tendered for Sale.....	35
11.4	Costs of acceptance	35
11.5	Reversal of the transaction in case of non-fulfilment of Completion Conditions.....	35
11.6	Acceptance of the Offer during the Additional Acceptance Period	36
11.7	Settlement of the Offer and payment of the Offer Price	36
12.	OFFICIAL APPROVALS AND PROCEEDINGS	36
12.1	Merger control proceedings.....	36
12.2	Foreign investment control proceedings	40
12.3	Permission to publish the Offer Document	41

13.	CONDITIONS FOR COMPLETION	41
13.1	Completion Conditions.....	41
13.2	Waiver of Completion Conditions.....	45
13.3	Non-fulfillment of Completion Conditions	45
13.4	Publications with regard to Completion Conditions	46
14.	FINANCING	46
14.1	Measures to ensure complete performance of the Offer.....	46
14.2	Confirmation of financing	47
15.	EFFECTS OF COMPLETION OF THE OFFER ON THE NET WORTH, FINANCIAL POSITION AND RESULTS OF THE BIDDER AND THE MIDEA GROUP	47
15.1	Assumptions	47
15.2	Existing situation	48
15.3	Methodology and reservations	48
15.4	Expected effects on the individual financial statements of the Bidder	49
15.5	Expected effects on the consolidated financial statements of Midea	51
16.	RIGHT OF WITHDRAWAL	54
16.1	Conditions.....	54
16.2	Exercise of the right of withdrawal	54
17.	INFORMATION FOR KUKA SHAREHOLDERS WHO DO NOT WISH TO ACCEPT THE OFFER	55
18.	CASH PAYMENTS AND VALUABLE BENEFITS FOR MEMBERS OF THE MANAGEMENT BOARD OR THE SUPERVISORY BOARD OF KUKA	56
19.	NO MANDATORY OFFER	56
20.	FINANCIAL ADVISOR, FACILITATING BANK	56
21.	TAXES	56
22.	PUBLICATIONS AND NOTIFICATIONS	57
23.	GOVERNING LAW AND PLACE OF JURISDICTION	57
24.	ADDITIONAL INFORMATION FOR U.S. SHAREHOLDERS	57
25.	DECLARATION OF ASSUMPTION OF RESPONSIBILITY	59

APPENDICES:

APPENDIX 1: Entities controlling the Bidder

APPENDIX 2: Subsidiaries of entities controlling the Bidder

APPENDIX 3: Securities Transactions of the Bidder

APPENDIX 4: Subsidiaries of KUKA

APPENDIX 5: Financing Confirmation

1. GENERAL INFORMATION ON THE IMPLEMENTATION OF THE TAKEOVER OFFER

1.1 Legal basis

The purchase offer (the *Offer*) contained in this offer document (the *Offer Document*) by MECCA International (BVI) Limited, which is a company limited by shares established under the laws of the British Virgin Islands with its corporate seat in Road Town, Tortola, British Virgin Islands and registered in the British Virgin Islands under company registration number 1410799 (the *Bidder*), is a voluntary public takeover offer for the acquisition of all no-par value bearer shares (ISIN DE0006204407) each representing a notional amount of the registered share capital of EUR 2.60 in KUKA Aktiengesellschaft (each a *KUKA Share*, and together the *KUKA Shares*), which has its seat in Augsburg, Federal Republic of Germany (*Germany*), and is registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Augsburg under HRB 22709 (*KUKA* and together with its subsidiaries the *KUKA Group*), in accordance with the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*). The Offer relates to all KUKA Shares and will be implemented solely in accordance with German law and certain applicable securities law provisions of the United States of America (*United States* or *U.S.*).

1.2 Particular information for KUKA Shareholders whose place of residence, seat or place of habitual abode is in the United States

The Offer relates to shares in a German company and is subject to the legal provisions of Germany on the implementation of such an offer. These provisions differ considerably from the corresponding U.S. legal provisions. For example, certain financial information in the Offer Document has been determined in accordance with the International Financial Reporting Standards (*IFRS*) adopted by the European Union and the generally accepted accounting principles of the People's Republic of China (*PRC*) (*China GAAP*) and is therefore not comparable to financial information of U.S. companies and other companies whose financial information is determined in accordance with the generally accepted accounting principles in the United States.

The Offer will be implemented in the United States pursuant to Section 14(e) and Regulation 14E of the U.S. Securities Exchange Act of 1934, as amended (*Exchange Act*) and otherwise in accordance with the provisions of the WpÜG. Accordingly, the Offer is subject to publication and other procedural requirements, including with regard to withdrawal rights, offer period, settlement procedures and timing of payments, which may differ from those regarding the implementation of public offers in the United States.

Pursuant to *Rule 14e-5(b)(12)(i)* of the Exchange Act, the Bidder may acquire, or make arrangements to acquire, KUKA Shares other than under the Offer on or off the stock exchange outside the United States during the period in which the Offer remains open for acceptance, provided that such acquisitions or arrangements to acquire comply with applicable German law, in particular the WpÜG. To the extent required under German law, information about such acquisitions or arrangements to acquire will be published in Germany in accordance with section 23 para. 2 WpÜG. Such information will also be published by way of a non-binding English translation on the Bidder's website at <http://www.partnershipinrobotics.com>.

It may be difficult for shareholders of KUKA (the **KUKA Shareholders**, and individually, each a **KUKA Shareholder**) whose place of residence, seat or place of habitual abode is in the United States (the **U.S. Shareholders**) to enforce their rights and claims under U.S. securities laws, since both KUKA and the Bidder have their corporate seats outside the United States. U.S. Shareholders may not be able to sue a company which has its seat outside the United States, or its officers or directors who are resident outside the United States, before a court outside the United States for violations of U.S. securities laws. Furthermore, it may be difficult to enforce the decisions of a U.S. court outside the United States.

1.3 Publication of the decision to launch the Offer

On May 18, 2016, the Bidder published its decision to launch the Offer in accordance with section 10 para. 1 sentence 1 WpÜG. The publication is available on the internet at <http://www.partnershipinrobotics.com>.

1.4 Review of the Offer Document by the Federal Financial Supervisory Authority

The German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*; **BaFin**) has reviewed the Offer Document in accordance with German law and in the German language and, on June 15, 2016, has permitted its publication. Registrations, admissions or approvals of the Offer Document and/or of the Offer under any laws other than the laws of Germany have thus far not been made and are not intended.

1.5 Publication and dissemination of the Offer Document

On June 16, 2016, the Bidder will publish the Offer Document in accordance with section 14 para. 3 WpÜG (i) on the internet at <http://www.partnershipinrobotics.com> and (ii) by way of keeping available copies of the Offer Document free of charge through Morgan Stanley Bank AG, Junghofstraße 13-15, 60311 Frankfurt am Main, Germany (request per fax +49 (0) 69 21 66 70 06 or e-mail: ffniops@morganstanley.com). The announcement regarding (i) the publication of the web address under which the Offer Document will be published on the internet and (ii) the availability of copies of the Offer Document free of charge in the Germany through Morgan Stanley Bank AG will be published in the German Federal Gazette (*Bundesanzeiger*) on June 16, 2016. The above-mentioned publications serve for the purpose of complying with the mandatory provisions of the WpÜG.

In addition, a non-binding English translation of the Offer Document, which has not been reviewed by BaFin, will be published on the internet at <http://www.partnershipinrobotics.com> on June 16, 2016. Beyond the aforementioned publications, no further publications of the Offer Document are planned.

The publication, dispatch, distribution or dissemination of the Offer Document or other documents relating to the Offer outside the Federal Republic of Germany and the United States may be subject to legal restrictions. The Offer Document may be published and distributed within the European Union or the European Economic Area in accordance with the Offer Document and the applicable statutory provisions. The Offer Document and other documents relating to the Offer may not be dispatched to, or disseminated

nated, distributed or published by third parties in countries in which this would be illegal.

Apart from the above-mentioned publications, no other publications of the Offer Document are planned.

The Bidder will furnish the Offer Document to the respective custodian securities services companies for dispatch to KUKA Shareholders whose place of residence, seat or place of habitual abode is in the Federal Republic of Germany or the United States. Furthermore, the custodian securities services companies may not publish, dispatch, distribute or disseminate the Offer Document unless this occurs in compliance with all applicable domestic and foreign legal requirements.

1.6 Acceptance of the Offer outside of Germany

Acceptance of the Offer outside of Germany or the United States may be subject to certain legal restrictions as a result of local regulations. KUKA Shareholders who come into possession of the Offer Document outside of Germany or the United States, who wish to accept the Offer outside of Germany or the United States and/or who are subject to legal provisions other than those of Germany or the United States are advised to inform themselves of the relevant applicable legal provisions and to comply with them. The Bidder assumes no responsibility for acceptance of the Offer outside of Germany or the United States being permissible under the relevant applicable legal provisions.

2. INFORMATION REGARDING THE STATEMENTS CONTAINED IN THE OFFER DOCUMENT

2.1 General

Except as otherwise stated, references to time in the Offer Document are references to local time Frankfurt am Main, Germany. To the extent expressions such as “currently”, “at the present time”, “at the moment”, “now”, “at present” or “today” are used in the Offer Document they refer to the date of the publication of the Offer Document, i.e., June 16, 2016, except as otherwise expressly stated.

References in the Offer Document to a “banking day” relate to a day on which the banks in Frankfurt am Main, Germany, are open for general business. References to “EUR” relate to the legal currency of Germany, references to “USD” relate to the legal currency of the United States and references to “RMB” refer to the legal currency of the PRC.

The Bidder has not authorized third parties to make statements about the Offer or the Offer Document. If third parties nevertheless make such statements, these shall neither be attributable to the Bidder nor to persons acting jointly with the Bidder.

2.2 Status and source of the particulars

The information about KUKA Group contained in the Offer Document is based on certain publicly accessible sources of information (e.g., published annual financial statements, analyst presentations and press announcements). As far as the Offer Document contains financial information about KUKA Group, such information is based on the

data and information contained in KUKA's consolidated annual report for the financial year ending December 31, 2015. The information obtained from publicly accessible sources has not been verified by the Bidder.

2.3 Forward-looking statements

The Offer Document and documents referred to in it contain certain forward-looking statements. Such statements are, in particular, indicated by terms such as "expects", "believes", "is of the opinion", "attempts", "estimates", "intends", "assumes" and "endeavors". Such statements express current intentions, views, expectations, estimates and forecasts with regard to possible future events. They are, *inter alia*, based on certain assumptions, assessments and forecasts, subject to risks and uncertainties and therefore they may turn out to be incorrect. In particular, the Bidder emphasizes that the effects of the acquisition of the KUKA Shares on the future net worth, financial position and results of the Bidder and the Midea Group (as defined in Section 6.2 of this Offer Document) cannot be predicted. The information contained in Section 15 of this Offer Document is based on the Bidder's preliminary and untested assessments, which may differ from the actual financial results of the Bidder, the Midea Group or the KUKA Group.

It is possible that the Bidder will change its intentions and evaluations stated in the Offer Document, especially with regard to the KUKA Group, after the publication of the Offer Document.

2.4 No updates

The Bidder will update the Offer Document or adjust it to reflect future events and developments only to the extent that this is permitted pursuant to the WpÜG and legally required.

3. SUMMARY OF THE OFFER

Notice: The following summary contains an overview of certain particulars set out in the Offer Document. It is supplemented by, and should be read in conjunction with, the information and particulars set out elsewhere in the Offer Document. This summary does not, therefore, contain all information that may be relevant for KUKA Shareholders. For this reason, KUKA Shareholders should read the entire Offer Document carefully.

Bidder:	MECCA International (BVI) Limited, c/o Tricor Services (BVI) Limited, P.O. Box 3340, Road Town, Tortola, British Virgin Islands, a member of the Midea Group.
Target company:	KUKA Aktiengesellschaft, Zugspitzstraße 140, 86165 Augsburg, Germany.
Subject-matter:	Acquisition of all no-par value bearer shares in KUKA, which are not held directly by the Bidder, each representing a notional amount of the registered share capital of EUR 2.60 (including all ancillary rights (in particular dividend rights) which exist at the time of settlement of the Offer).

Offer Price:	EUR 115.00 per KUKA Share.
Acceptance Period:	June 16, 2016 until July 15, 2016, 24:00 hrs local time Frankfurt am Main, Germany.
Additional Acceptance Period:	The expected first day of the Additional Acceptance Period (as defined in Section 5.3 of this Offer Document) is July 21, 2016 and in this case the last day is August 3, 2016, 24:00 hrs local time Frankfurt am Main, Germany.
Acceptance:	<p>Acceptance must be declared in writing during the Acceptance Period or the Additional Acceptance Period to the relevant Custodian Bank (as defined in Section 11.2 of this Offer Document). Acceptance will take effect once the KUKA Shares are rebooked in due time to ISIN DE000A2BPXK1.</p> <p>Acceptance of the Offer through a Custodian Bank with corporate seat in Germany (including a German branch of a foreign Custodian Bank) is free of costs and expenses for the KUKA Shareholders, with the exception of the costs for transmitting the acceptance statement to the respective Custodian Bank. Fees, costs and expenses of foreign Custodian Banks as well as any foreign stock exchange, value added or stamp taxes resulting from the acceptance of the Offer are to be borne by the accepting KUKA Shareholder.</p>
Completion Conditions:	<p>Completion of the Offer and of the agreements which come into existence as a result of acceptance of the Offer is subject to the Completion Conditions set out in Section 13.1 of this Offer Document. These can be summarized as follows:</p> <ul style="list-style-type: none"> • achievement of a Minimum Acceptance Threshold (as defined in Section 13.1.1 of this Offer Document) of 30% of all KUKA Shares, • granting of certain merger clearances (see Section 13.1.2 of this Offer Document), • granting of certain foreign investment control clearances (see Section 13.1.3 of this Offer Document), • no capital measures or specified amendments of the articles of association of KUKA (see Section 13.1.4 of this Offer Document), • no loss of half of the share capital and no insolvency of KUKA (see Section 13.1.5 of this Offer Document). <p>If at the relevant time all Completion Conditions (as defined</p>

	<p>in Section 13.1 of the Offer Document) have neither been satisfied nor have become obsolete due to a valid waiver declared by the Bidder, or if any of the Completion Conditions becomes incapable of being satisfied at an earlier point in time – provided that a waiver is not possible anymore, the Offer will lapse and the agreements which come into existence as a result of accepting the Offer will not be completed and will terminate (conditions subsequent).</p>
Stock exchange trading:	<p>The KUKA Shares Tendered for Sale (as defined in Section 11.2.1(b) of this Offer Document) will be traded on the regulated market (<i>Regulierter Markt</i>) (Prime Standard) of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) under their new ISIN DE000A2BPXK1 after the start of the Acceptance Period until three trading days before the expected settlement of the Offer.</p>
ISIN:	<p><u>KUKA Shares:</u> ISIN DE0006204407</p> <p><u>KUKA Shares Tendered for Sale:</u> ISIN DE000A2BPXK1</p>
Publications:	<p>The Offer Document will be published on June 16, 2016 (i) on the internet together with a non-binding English translation at http://www.partnershipinrobotics.com as well as (ii) by making copies of the Offer Document and its non-binding English translation available free of charge through Morgan Stanley Bank AG, Junghofstraße 13-15, 60311 Frankfurt am Main, Germany (request per fax +49 (0) 69 21 66 70 06 or e-mail: ffniops@morganstanley.com). The announcement regarding (i) the publication of the web address under which the Offer Document will be published on the internet and (ii) the availability of copies of the Offer Document free of charge in the Federal Republic of Germany through Morgan Stanley Bank AG will be published in the German Federal Gazette (<i>Bundesanzeiger</i>) on June 16, 2016.</p> <p>All notifications and announcements in conjunction with this Offer which are required pursuant to the WpÜG will be published together with a non-binding English translation at http://www.partnershipinrobotics.com. Notifications and announcements pursuant to the WpÜG will also be published in the German Federal Gazette (<i>Bundesanzeiger</i>).</p>
Settlement:	<p>The settlement of the Offer for all KUKA Shares Tendered for Sale (regardless of whether the Offer has been accepted within the Acceptance Period or the Additional Acceptance Period) occurs as set forth in Section 11.7 of this Offer</p>

Document promptly after the end of the Additional Acceptance Period, but no earlier than four banking days and no later than eight banking days after expiry of the Additional Acceptance Period and fulfillment of the Completion Conditions (as defined in Section 13.1 of this Offer Document) which the Bidder has not validly waived in accordance with section 21 para. 1 no. 4 WpÜG.

The processing of the Offer and the payment of the Offer Price to the accepting KUKA Shareholders can be delayed until after March 31, 2017 due to the required regulatory clearances (see Section 13.1.2 to 13.1.3 of this Offer Document), or will not take place at all in the event of lapse of the Offer.

4. OFFER

The Bidder hereby offers to purchase all KUKA Shares including all ancillary rights (in particular dividend rights) existing at the time of settlement of the Offer at a purchase price (*Offer Price*) of

EUR 115.00 per KUKA Share

subject to the terms and conditions set forth in the Offer Document.

The subject of the Offer are all KUKA Shares that are not held directly by the Bidder.

5. ACCEPTANCE PERIOD

5.1 Duration of the Acceptance Period

The acceptance period of the Offer begins upon publication of the Offer Document on

June 16, 2016

and will end on

July 15, 2016, 24:00 hrs local time Frankfurt am Main, Germany.

The settlement of the Offer after acceptance is described in Section 11.7 of this Offer Document.

5.2 Extensions of the Acceptance Period

Under the circumstances set out below, the acceptance period of the Offer will in each case automatically be extended as follows:

- (a) In the event of an amendment of the Offer pursuant to section 21 WpÜG within the last two weeks before expiry of the acceptance period of the Offer referred to in Section 5.1 of this Offer Document, the acceptance period of the Offer pursu-

ant to Section 5.1 of this Offer Document will be extended by two weeks (section 21 para. 5 WpÜG), i.e., in this case the acceptance period will end on July 29, 2016, 24:00 hrs local time Frankfurt am Main, Germany. This shall apply even if the amended Offer contravenes legal provisions.

- (b) If during the acceptance period of the Offer a competing offer is made by a third party (the **Competing Offer**) and if the acceptance period for the Offer expires prior to the expiry of the acceptance period for the Competing Offer, the expiry of the acceptance period for the Offer shall be determined by the expiry of the acceptance period of the Competing Offer (section 22 para. 2 WpÜG). This shall apply even if the Competing Offer is amended or enjoined or contravenes legal provisions.
- (c) If a general shareholders' meeting of KUKA is called in connection with the Offer after publication of the Offer Document, the acceptance period will be ten weeks from the publication of the Offer Document pursuant to section 16 para. 3 WpÜG. The acceptance period would then run until August 25, 2016, 24:00 hours hrs local time Frankfurt am Main.

The acceptance period of the Offer, including all extensions of such period in accordance with provisions of the WpÜG (but excluding the Additional Acceptance Period defined in Section 5.3 of this Offer Document), is hereinafter collectively referred to as the **Acceptance Period**. With regard to the right of withdrawal in the event of an amendment of the Offer or the launching of a Competing Offer, see the statements contained in Section 16 of this Offer Document.

5.3 Additional Acceptance Period

KUKA Shareholders who have not accepted the Offer within the Acceptance Period may still accept it in accordance with, and subject to the conditions of, section 16 para. 2 WpÜG within two weeks after publication of the results of the Offer by the Bidder pursuant to section 23 para. 1 sentence 1 no. 2 WpÜG (the **Additional Acceptance Period**), unless non-fulfillment of any of the Completion Conditions (as defined in Section 13.1 of this Offer Document) has manifested itself by the end of the Acceptance Period (provided that it is not required for the Additional Acceptance Period that the Completion Conditions in Sections 13.1.2 and 13.1.3 of this Offer Document have already been fulfilled by the end of the Acceptance Period as they may also be fulfilled at a later point in time, see Sections 13.1.2 and 13.1.3 of this Offer Document) to the extent that such Completion Condition has not been validly waived. The possibility of accepting the Offer during the Additional Acceptance Period only exists if the Completion Condition of obtaining the Minimum Acceptance Threshold (see Section 13.1.1 of this Offer Document) is fulfilled before the expiry of the Acceptance Period, unless this condition has validly been waived. The Minimum Acceptance Threshold may also be reduced. After the Additional Acceptance Period expires, the Offer can no longer be accepted (except in the case of a sell-out right pursuant to section 39c WpÜG, see Section 17(d) of this Offer Document).

The results of the Offer are expected to be published pursuant to section 23 para. 1 sentence 1 no. 2 WpÜG within three banking days after expiry of the Acceptance Period, i.e., on July 20, 2016. The Additional Acceptance Period is therefore expected to com-

mence on July 21, 2016 and to end on August 3, 2016, 24:00 hrs local time Frankfurt am Main, Germany.

The settlement of the Offer is described in Section 11.7.

6. DESCRIPTION OF THE BIDDER AND THE MIDEA GROUP

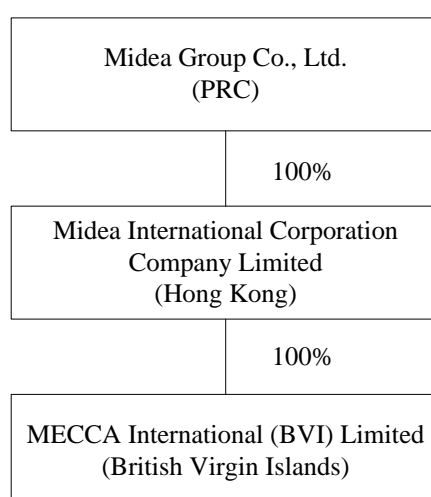
6.1 Description of the Bidder

The Bidder is a company limited by shares incorporated under the laws of the British Virgin Islands and registered in the British Virgin Islands under company registration number 1410799. The registered share capital of the Bidder amounts to USD 10,000. The financial year of the Bidder is the calendar year.

The Bidder was incorporated on June 12, 2007. The Bidder acts as an offshore investment and holding company for Midea (as defined in Section 6.2 of this Offer Document) and has made equity investments in a series of companies. One of these equity investments has been the previous acquisition of KUKA Shares (see Section 6.4 of this Offer Document). The Bidder does not have any employees and its sole director is Mr. Feide Li who has the power to solely represent the Bidder.

The sole shareholder of the Bidder is Midea International Corporation Company Limited, a company limited by shares established under the laws of Hong Kong and registered with the Companies Registry of Hong Kong under company number 913897 (*Midea International*).

The current shareholder structure of the Bidder may be illustrated by the following chart:



6.2 Information about the Midea Group

Midea Group Co., Ltd., a joint stock company established under the laws of the PRC (*Midea*, together with its subsidiaries the *Midea Group*), is a leading consumer appliances manufacturer in the PRC with global presence and principally engaged in the manufacturing and sale of household appliances, with core business segments spanning across air conditioners, refrigerators, washing machines, small household appliances,

motors and logistics. Midea is a publicly listed company traded on the Shenzhen Stock Exchange under stock code 000333.CN.

As a publicly listed company, Midea is subject to the provisions of the securities laws of the PRC, the administrative provisions issued by the China Securities Regulatory Commission (**CSRC**) and the rules of Shenzhen Stock Exchange. In accordance with these provisions, in particular the "Administrative Measures on the Material Asset Restructuring of Listed Companies" issued by the CSRC, a material asset restructuring (**MAR**) of a listed PRC company requires the approval of its general meeting. A MAR is triggered, *inter alia*, in case of a major acquisition or equity investment by a listed PRC company or one of its subsidiaries. As the Offer constitutes such a major acquisition and thereby a MAR, an extraordinary general meeting was held by Midea on June 6, 2016, and approved the Offer.

Midea has approx. 200 subsidiaries worldwide. As of December 31, 2015, Midea Group had approx. 93,200 employees (December 31, 2014: approx. 108,120 employees) worldwide. In its financial year ending on December 31, 2015 (**Financial Year 2015**), Midea generated consolidated operating revenues of approx. RMB 138.4 billion (financial year ending on December 31, 2014 (**Financial Year 2014**): approx. RMB 141.7 billion) and consolidated earnings of approx. RMB 12.7 billion (net income attributable to shareholders of Midea) (Financial Year 2014: approx. RMB 10.5 billion (net income attributable to shareholders of Midea)).

Applying an exchange rate of RMB 1 : EUR 0.14444 in its Financial Year 2015 (average exchange rate for the financial year from January 1 until December 31, 2015 taken from the website <http://www.oanda.com>) (**Exchange Rate 2015**)), Midea generated consolidated operating revenues of approx. EUR 20.0 billion (Financial Year 2014: approx. EUR 17.4 billion, applying an exchange rate of 1 RMB : 0.12257 EUR (average exchange rate for the financial year from January 1 until December 31, 2014 taken from the website <http://www.oanda.com>) (**Exchange Rate 2014**)) and consolidated earnings of approx. EUR 1.8 billion (net income attributable to shareholders of Midea) applying the Exchange Rate 2015 (Financial Year 2014: approx. EUR 1.3 billion (net income attributable to shareholders of Midea), applying the Exchange Rate 2014).

Midea's strategy is focused on developing a portfolio of successful products and solutions that improve the quality of people's lives and enhance its industrial customers' productivity and infrastructure. With the support of KUKA, Midea intends to advance a joint development of service robotics and to strengthen its manufacturing capabilities through automation and its position in logistics and warehouse services.

Midea currently operates in six business segments: (i) Air-Conditioners, (ii) Refrigerators, (iii) Washing Machines, (iv) Small Household Appliances, (v) Motors and (vi) Logistics.

(i) *Air-Conditioners*

The Air-Conditioners segment produces and sells a wide range of residential-use air conditioners, *inter alia*, split, window, portable, dehumidifiers and light commercial models. In addition, it also produces commercial-use air conditioners for customers all over the world. The air conditioners are sold under the Midea® brand.

Midea generated consolidated operating revenues of approx. RMB 71.1 billion in the Air Conditioners segment in the Financial Year 2015 (Financial Year 2014: approx. RMB 80.9 billion). Applying the Exchange Rate 2015, Midea generated consolidated operating revenues of approx. EUR 10.3 billion in the Air-Conditioners segment in the Financial Year 2015 (Financial Year 2014: approx. EUR 9.9 billion, applying the Exchange Rate 2014).

(ii) Refrigerators

The Refrigerators segment produces and sells high-end multi-door, side by side refrigerators as well as traditional single and double door refrigerators. In addition, the segment also produces smart refrigerators equipped with an intelligent refrigerator management system which can be linked and operated through a smartphone application. The refrigerators are sold under the Midea[®] brand.

Midea generated consolidated operating revenues of approx. RMB 12.3 billion in the Refrigerators segment in the Financial Year 2015 (Financial Year 2014: approx. RMB 9.9 billion). Applying the Exchange Rate 2015, Midea generated consolidated operating revenues of approx. EUR 1.8 billion in the Refrigerators segment in the Financial Year 2015 (Financial Year 2014: approx. EUR 1.2 billion, applying the Exchange Rate 2014).

(iii) Washing Machines

The Washing Machines segment produces and sells front and top loading washing machines for consumers and commercial customers. The washings machines are sold under the Midea[®] and LittleSwan[®] brands.

Midea generated consolidated operating revenues of approx. RMB 13.2 billion in the Washing Machines segment in the Financial Year 2015 (Financial Year 2014: approx. RMB 10.9 billion). Applying the Exchange Rate 2015, Midea generated consolidated operating revenues of approx. EUR 1.9 billion in the Washing Machines segment in the Financial Year 2015 (Financial Year 2014: approx. EUR 1.3 billion, applying the Exchange Rate 2014).

(iv) Small Household Appliances

The Small Household Appliances segment produces and sells kitchen appliances such as microwaves, rice cookers, induction cookers, dishwashers, water heaters and extractor hoods, and lifestyle appliances such as vacuum cleaners, electric fans, water purifiers and water fountains. The small household appliances are sold under the Midea[®] brand.

Midea generated consolidated operating revenues of approx. RMB 36.3 billion in the Small Household Appliances segment in the Financial Year 2015 (Financial Year 2014: approx. RMB 33.6 billion). Applying the Exchange Rate 2015, Midea generated consolidated operating revenues of approx. EUR 5.2 billion in the Small Household Appliances segment in the Financial Year 2015 (Financial Year 2014: approx. EUR 4.1 billion, applying the Exchange Rate 2014).

(v) Motors

The Motors segment produces and sells motors for home appliances, cleaning machines and pumps as well as industrial motors, direct current motors, servo motors and motor accessories. The motors are sold under the Welling® brand.

Midea generated consolidated operating revenues of approx. RMB 3.8 billion in the Motors segment in the Financial Year 2015 (Financial Year 2014: approx. RMB 4.5 billion). Applying the Exchange Rate 2015, Midea generated consolidated operating revenues of approx. EUR 0.6 billion in the Motors segment in the Financial Year 2015 (Financial Year 2014: approx. EUR 0.5 billion, applying the Exchange Rate 2014).

(vi) *Logistics*

The Logistics segment offers comprehensive logistics services such as storage services, express courier services, distribution services, cold chain logistics and e-commerce logistics. The Logistics segment is operated through Annto Logistics Co., Ltd. (*Annto Logistics*), which is a wholly-owned subsidiary of Midea.

Midea generated consolidated operating revenues of approx. RMB 1.7 billion in the Logistics segment in the Financial Year 2015 (Financial Year 2014: approx. RMB 2.0 billion). Applying the Exchange Rate 2015, Midea generated consolidated operating revenues of approx. EUR 0.2 billion in the Logistics segment in the Financial Year 2015 (Financial Year 2014: approx. EUR 0.2 billion, applying the Exchange Rate 2014).

6.3 Persons acting jointly with the Bidder

The companies listed in **Appendix 1** (the *Controlling Companies*) control the Bidder at the time of publication of the Offer Document. The companies listed in **Appendix 2** are subsidiaries of one or more of the companies listed in **Appendix 1** at the time of publication of the Offer Document. All companies listed in **Appendix 1** and **Appendix 2** are therefore deemed to be persons acting jointly with the Bidder and among each other pursuant to section 2 para. 5 sentence 3 WpÜG.

Except for Midea and Midea International Corporation Company Limited, who each coordinate their conduct with the Bidder with regard to the acquisition of KUKA Shares, none of the companies which, as a matter of German law, are deemed to constitute persons acting jointly with the Bidder and among each other pursuant to section 2 para. 5 sentence 3 WpÜG actually coordinate their conduct with the Bidder with regard to their acquisition of KUKA Shares or the exercise of voting rights attached to KUKA Shares on the basis of an agreement or otherwise within the meaning of section 2 para. 5 sentence 1 WpÜG.

There are no further persons acting jointly with the Bidder pursuant to section 2 para. 5 WpÜG.

6.4 KUKA Shares currently held by the Bidder or by persons acting jointly with the Bidder and subsidiaries of such persons; attribution of voting rights, instruments relating to KUKA Shares

On the date of publication of the Offer Document, the Bidder holds 5,372,196 KUKA Shares (the *Held KUKA Shares*), i.e., approx. 13.5% of the issued share capital and voting rights in KUKA.

On the date of publication of this Offer Document, neither the Bidder nor other persons acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG or any of their subsidiaries hold any further shares or voting rights in KUKA.

On the date of publication of this Offer Document, voting rights from the Held KUKA Shares shall be attributed to Midea and Midea International in accordance with section 30 para. 1 sentence 1 no. 1, sentence 3 WpÜG. Other than this, on the date of publication of this Offer Document, no other voting rights from KUKA Shares will be attributed to the Bidder or to persons acting jointly with it pursuant to section 30 para. 1 or para. 2 WpÜG.

Neither the Bidder nor any person acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG nor any of their subsidiaries hold, directly or indirectly, any instruments within the meaning of section 25 of the German Securities Trading Act (*Wertpapierhandelsgesetz*, **WpHG**) and, accordingly, no other percentage of voting rights with respect to KUKA to be notified pursuant to sections 25, 25a WpHG.

6.5 Particulars with regard to securities transactions

In the six-month period prior to the date of the announcement of the Bidder's decision to launch the Offer on May 18, 2016 until the date of the publication of the Offer Document, i.e., June 16, 2016, the Bidder has acquired 2,345,273 KUKA Shares, i.e., approx. 5.9% of the issued share capital and voting rights in KUKA. Further details are stated in **Appendix 3**.

Except for these transactions, neither the Bidder nor any persons acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG, nor any of their subsidiaries acquired or entered into agreements with respect to the acquisition of KUKA Shares in the period beginning six months prior to the announcement of the Bidder to launch the offer and ending June 16, 2016 (the date of the publication of the Offer Document).

6.6 Possible parallel acquisitions

To the extent permissible under applicable law, the Bidder reserves the right to directly or indirectly acquire additional KUKA Shares outside the Offer on or off the stock exchange. To the extent necessary under the laws of the Federal Republic of Germany, the United States or other relevant jurisdictions, information about these acquisitions or respective agreements will be published in accordance with applicable legal provisions in particular section 23 para. 2 WpÜG in conjunction with section 14 para. 3 sentence 1 WpÜG. The relevant information will also be published in a nonbinding English translation on the internet at <http://www.partnershipinrobotics.com>.

7. DESCRIPTION OF KUKA

7.1 Legal basis

KUKA is a stock corporation incorporated under German law with its corporate seat in Augsburg, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Augsburg under HRB 22709. The financial year of KUKA is the calendar year.

The corporate purpose of KUKA as stipulated in its articles of association is the management of a group of companies in Germany and abroad, which focus their business activities on the development, construction, production, distribution and service of industrial robots, robot-based products and applications as well as other handling systems and trading with products in the aforementioned areas; development, planning, construction, production, formation, distribution, operation and service of plants, including industrial plants, of automated assembly and production technology machines and tools as well as trading with products in the aforementioned areas; performance of services of all kind, in particular in real estate and property management, IT, human resources management and fleet management of commercial companies. KUKA may also carry out the aforementioned activities by its own and is entitled to enter into all transactions and take all measures in connection with its corporate purpose or that it deems beneficial; for this purpose KUKA may also establish, acquire or participate in other domestic or foreign enterprises. KUKA may also acquire the fixed assets and equipment required for the production, distribution or trade of the aforementioned products. KUKA may combine companies, in which KUKA holds a majority participation, under its management or restrict itself to their management.

According to section 22 para. 1 of the articles of association of KUKA, resolutions of the general meeting of KUKA are adopted with a simple majority of the votes cast and, if the law requires a majority of the capital in addition to the majority of the votes, with the simple majority of the share capital represented during the resolution, in either case unless mandatory legal provisions require otherwise.

The KUKA Shares are admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard) and of the Munich Stock Exchange. The KUKA Shares are included in the share index MDAX[®].

7.2 Capital structure

As of the date of the Offer Document, the registered share capital of KUKA amounts to EUR 103,416,222 and is divided into 39,775,470 no-par value bearer shares, each representing a notional amount of the registered share capital of EUR 2.60 per KUKA Share.

7.2.1 Authorized Capital

Pursuant to section 4 para. 5 of the articles of association of KUKA, the management board of KUKA is authorized, with the consent of the supervisory board, to increase the registered share capital by up to EUR 46,420,808.20 in aggregate in the time period up to June 9, 2020 by the issue, once or several times, of new no-par value bearer shares in return for contributions in cash and/or in kind (*Authorized Capital 2015*). The shareholders shall be granted subscription rights. The new shares may be subscribed for by one or several banks or companies operating pursuant to section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the German Banking Act (*Gesetz über das Kreditwesen*) determined by the management board with the obligation to offer them to the shareholders (indirect subscription right).

However, the management board of KUKA is authorized, subject to approval by the supervisory board, to exclude fractional amounts from shareholder subscription rights

and to exclude shareholder subscription rights if a capital increase in exchange for contributions in kind takes place for the purpose of acquiring companies or parts of companies or interests in companies or other assets (including third-party claims against KUKA). Subject to approval by the supervisory board, the management board of KUKA is further authorized to exclude shareholder subscription rights in the event of Authorized Capital 2015 being used once or several times in exchange for cash contributions in an amount not exceeding 10% of the existing share capital at the time the Authorized Capital 2015 came into effect and – if this value is lower – at the time the Authorized Capital 2015 is exercised, in order to issue the new shares at a price that is not significantly lower than the price of KUKA's shares already quoted on the stock exchange at the time the new share issue price is finalized. Shares sold as a result of, and during the term of, the authorization granted at the annual general meeting of May 28, 2014 in accordance with section 71 para. 1 no. 8 sentence 5 of the German Stock Corporation Act (*Aktiengesetz*, **AktG**) in conjunction with section 186 para. 3 sentence 4 AktG count towards the aforementioned 10% threshold. Furthermore, the 10% threshold also includes shares issued for the purpose of servicing warrant or convertible bonds, participation rights or participating bonds or a combination of these instruments, provided that these instruments were issued as a result of, and during the term of, an authorization granted at the annual general meeting of May 28, 2014 in accordance with the analogous application of section 186 para. 3 sentence 4 AktG.

The management board of KUKA, subject to approval by the supervisory board, is only permitted to use the aforementioned authorization to exclude shareholder subscription rights to the extent that the pro rata amount of the total shares issued under exclusion of subscription rights does not exceed 20% of the share capital at the time the authorization becomes effective or of the existing share capital at the time this authorization is exercised, should this amount be less. In each case, the management board of KUKA is authorized, subject to approval by the supervisory board, to stipulate other details regarding the capital increase and its execution, in particular with regard to share rights and the terms and conditions relating to the issuance of shares.

7.2.2 Conditional Capital

KUKA's articles of association set forth the following three conditional capitals.

(a) Conditional Capital 2010

The share capital of KUKA is conditionally increased by up to EUR 2,958.80 through the issuance of up to 1,138 bearer shares (**Conditional Capital 2010**). The conditional capital increase shall only be carried out if and to the extent that the holders of the convertible bonds issued in return for cash contributions on February 12, 2013 exercise their conversion rights in accordance with the terms and conditions of such bonds. The new shares shall be issued at the relevant conversion price applicable in each case under the terms and conditions of such bonds. The new shares shall provide an entitlement to profit participation starting from the beginning of the financial year in which they come into existence; however, this shall not apply to past financial years, even if profits have not yet been distributed for any such years. The management board of KUKA is authorized, subject to the approval of the supervisory board, to determine the remaining details of the execution of the conditional capital increase.

The respective convertible bonds have, however, been canceled by KUKA as of March 24, 2016 and all obligations under such bonds have been fulfilled.

(b) Conditional Capital 2013

The share capital is conditionally increased by up to EUR 25,789.40 through the issuance of up to 9,919 no-par value bearer shares (*Conditional Capital 2013*). The conditional capital increase shall only be carried out if and to the extent that the holders of the convertible bond issued in return for cash contributions on July 26, 2013 exercise their conversion rights in accordance with the terms and conditions of such bonds. The new shares shall be issued at the relevant conversion price applicable in each case under the terms and conditions of such bonds. The new shares shall provide an entitlement to profit participation starting from the beginning of the financial year in which they come into existence; however, this shall not apply to past financial years, even if profits have not yet been distributed for any such years. The management board of KUKA shall be authorized, subject to the approval of the supervisory board, to determine the remaining details of the execution of the conditional capital increase.

The respective convertible bonds have, however, been canceled by KUKA as of March 24, 2016 and all obligations under such bonds have been fulfilled.

(c) Conditional Capital 2014

The share capital of KUKA is conditionally increased by up to EUR 33,486,707.80, divided into up to 12,879,503 no-par value bearer shares (*Conditional Capital 2014*). The conditional capital increase will only be carried out to the extent that holders or creditors of option or conversion rights or conversion or option obligations exercise their option or conversion rights in exchange for cash for options and/or convertible bonds, participation rights or participating bonds (or a combination of these instruments), issued or guaranteed by KUKA or a KUKA Group company until May 27, 2019 as a result of the authorization granted to the management board by shareholders at the annual general meeting of May 28, 2014, or, to the extent they were obliged to exercise their conversion or option rights, fulfill their conversion or option obligations, or to the extent that KUKA exercises its option to wholly or partially grant shares of KUKA instead of paying the monies due, provided no cash settlement or treasury shares or shares of another listed company are used to service the bonds. The new shares will be issued at the option or conversion price to be determined in accordance with the authorization resolution. The new shares will participate in the profits as of the beginning of the fiscal year in which they are created. The management board of KUKA is authorized, subject to approval of the supervisory board, to define the further details of the execution of the conditional capital increase.

So far, KUKA has not issued any conversion or option rights on the basis of the Conditional Capital 2014.

7.3 Group structure and business activities

KUKA is the parent company of the KUKA Group. Pursuant to the information available to the Bidder at the time of publication of the Offer Document, the companies listed in **Appendix 4** are subsidiaries of KUKA. The KUKA Group develops and manufactures industrial robots and robot-based automation solutions as well as other production machinery and equipment and offers production engineering services and logistics services. KUKA Group operates in a total of 30 countries on three continents.

In the financial year 2015, the KUKA Group, with 12,300 employees (year-end), generated consolidated revenues of approx. EUR 3 billion according to the most recent annual report.

The business activities of the KUKA Group are divided into the following three segments: (i) Robotics, (ii) Systems and (iii) Swisslog.

(i) *Robotics*

In the Robotics segment, KUKA develops and manufactures high-quality industrial robots for a wide range of industries, such as six-axis robots, palletizers, cleanroom robots, heat-resistant robots, welding robots, press-to-press robots, shelf-mounted robots and high-accuracy robots. The segment generated revenues of approx. EUR 910 million in the Financial Year 2015.

(ii) *Systems*

In the Systems segment, KUKA offers products and services in the field of joining and forming processes for a wide range of materials as well as automated production and assembly solutions for industrial manufacturing. This segment generated revenues of approx. EUR 1.47 billion in the Financial Year 2015.

(iii) *Swisslog*

In the Swisslog segment, KUKA's subsidiary Swisslog Holding AG (**Swisslog**) offers warehouse and distribution automation solutions as well as automation solutions for the healthcare industry. In the Financial Year 2015, the segment generated revenues of approx. EUR 620 million.

7.4 Boards

The management board of KUKA consists of Dr. Till Reuter (Chief Executive Officer) and Peter Georg Mohnen (Chief Financial Officer) (**Management Board**).

The supervisory board of KUKA consists of twelve members (**Supervisory Board**). Six of these members are appointed by the general meeting and six members are elected by the employees in accordance with the provisions of the German Co-Determination Act (*Mitbestimmungsgesetz*). The current members of the supervisory board are Bernd Minning, Michael Leppek*, Prof. Dr. Dirk Abel, Wilfried Eberhardt*, Siegfried Greulich*, Dr. Constanze Kurz*, Armin Kolb*, Carola Leitmeir*, Dr. Hubert Lienhard, Dr. Friedhelm Loh, Prof. Dr. Uwe Loos, and Hans Ziegler.

(*Employee representatives)

The current chairman of the supervisory board of KUKA is Bernd Minning; the current deputy chairman of the supervisory board is Michael Leppek.

7.5 Persons acting jointly with KUKA

According to the information available to the Bidder at the time of publication of the Offer Document, the companies listed in **Appendix 4** are subsidiaries of KUKA and are therefore as a matter of German law, deemed to constitute persons acting jointly with KUKA and among each other pursuant to section 2 para. 5 sentence 2 together with sentence 3 WpÜG. According to the information available to the Bidder at the time of publication of the Offer Document, there are no other persons which are deemed to act jointly with KUKA and among each other pursuant to section 2 para. 5 sentence 2 WpÜG.

8. BACKGROUND TO THE OFFER

8.1 Commercial and strategic reasons

On May 18, 2016 the Bidder has announced its intention to launch a voluntary public takeover offer for all shares of KUKA (the **Transaction**). The decision confirmed Midea's previously stated intention to increase its shareholding in KUKA.

While Midea is convinced of KUKA's prosperous future, Midea strongly believes that a closer cooperation with Midea, manifested, *inter alia*, by a larger shareholding of Midea, will accelerate KUKA's growth even further.

Midea has identified strategic initiatives that should allow KUKA to outperform its ambitious revenue target of EUR 4.0-4.5 billion by 2020 of which EUR 1.0 billion is expected to come from China. These relate to (i) broadening KUKA's product offering to address China's robotics market potential, (ii) Midea supporting KUKA on the supply chain and distribution for its manufacturing initiatives in China, (iii) fostering the collaboration between KUKA and Midea in logistics and (iv) leveraging Midea's understanding of customer needs to establish the service robotics business as a future pillar for KUKA.

(i) Broaden KUKA's product offering to address China's robotics market potential

Robot penetration in general industries in China is still extremely low – approx. 17 per 10,000 workers – which is particularly low compared to global leaders South Korea and Japan (approx. 365 and 211 per 10,000 workers, respectively). KUKA is seeking to develop a broader product offering across the value chain to address the Chinese market's needs for robotics products especially in general industries (including low and mid-priced robotics products). Midea will assist KUKA in leveraging its manufacturing experiences and capabilities to support the development of these products.

(ii) Midea to support KUKA on the supply chain and distribution for its manufacturing initiatives in China

Given Midea's vast manufacturing footprint in China, it is best positioned to support KUKA in expanding its footprint quickly. Midea will assist KUKA in seeking opportunities for a joint sourcing strategy so that KUKA will be able to benefit from improved terms making its product offering even more competitive.

On the distribution side, Midea offers to support KUKA in growing its customer base even faster by taking advantage of Midea's existing network. By leveraging Midea's experience in automating its own industrial base, KUKA will be in a position to spearhead the penetration of robotics amongst other prominent Chinese general industrial players. Midea has excellent relations with many of the large Chinese general industrial players and will support KUKA in building own relationships.

(iii) Foster the collaboration between KUKA and Midea in Logistics

By fostering the partnership between Swisslog and Annto Logistics, the entire value chain vis-à-vis customers regarding warehouse logistics solutions and operations can be covered to enable both companies to capture revenue synergies. Annto Logistics' vast logistics network consists of more than 260 logistics centers with 5 million sqm of warehouse space servicing customers in a wide range of industries such as white goods, food and beverage (cold-chain), automotive and oil & gas. By leveraging the existing infrastructure and core competencies, the growth of Swisslog in China can be accelerated further.

(iv) Leverage Midea's understanding of customer needs in service robotics

Midea sees substantial opportunities in the broader service robotics market which coincides with KUKA's strategy to grow in the service robotics segment. Midea's extensive experience with consumer products makes it an ideal partner for KUKA to speed up the development of its service robotics business and improve the position of KUKA in both industrial and service robotics.

8.2 Independence of KUKA and proposed commitments

Midea fully supports the operational independence of KUKA's business and regards the continued leadership of the current management team as critical to KUKA's continued success. It is fully supportive of KUKA's current strategy, employment base and brand development.

Midea is prepared to agree to specific commitments and has proposed to enter into an investment agreement (subject to any applicable legal and regulatory requirements). These commitments include the preservation of KUKA's sites, employment levels, brands and intellectual property. Moreover, Midea will look to support KUKA's additional investments in Research and Development (**R&D**) and software to underpin its competitive advantage.

Midea and KUKA are currently discussing the terms and conditions of such investment agreement.

9. INTENTIONS OF THE BIDDER AND MIDEA

Midea and the Bidder acknowledge that KUKA is pursuing a successful business strategy and intend to support KUKA in the implementation of such strategy going forward. The objective of the Transaction is to allow Midea and KUKA to enter into a strategic cooperation while preserving the independence of KUKA. The management board of KUKA shall continue to conduct independently the business operations of KUKA in accordance with applicable law and based on the business strategy currently implemented or developed in the future by the management board.

Accordingly, Midea and the Bidder do not intend to enter into any domination or other enterprise agreement pursuant to sections 291 et. seq. AktG with KUKA (see further below Section 9.6 of this Offer Document). Midea and the Bidder welcome a broadly diversified shareholder base including a substantial free float and the other key major shareholders and believe that the joint commitment of all shareholders would be beneficial for the KUKA Group as a whole.

9.1 Future business activities, assets and future obligations of KUKA

Business Strategy

Midea and the Bidder acknowledge that KUKA is pursuing a successful business strategy and will support KUKA in the implementation of such strategy. With Midea's market expertise as a leading supplier of household products, Midea and the Bidder intend to strengthen KUKA's market position in robotics, automation and logistics in China and to help KUKA in capitalizing on future market opportunities and in further penetrating the Chinese market.

Midea and the Bidder wish to collaborate with KUKA in developing new product lines such as home/service robotics products. Midea and the Bidder also intend to support KUKA's growth strategy along the value chain and to maximize efficiencies in sourcing and R&D, and in particular, to increase R&D personnel and expand R&D sites worldwide.

Midea and the Bidder intend to financially support KUKA's strategic growth projects, among others including (i) expansion into China, including sales/market access and administrative support; (ii) digitization of robot-based automation (industry 4.0); (iii) leverage Midea's understanding of customer needs to establish the service robotics business as a future pillar for KUKA; and (iv) further development of Swisslog as a global supplier of complex logistics solutions.

Shareholder structure, minority shareholders and listing

Midea and the Bidder intend to acquire a shareholding of above 30% in KUKA and welcome a broadly diversified shareholder base including a substantial free float and the other current major shareholders and believe that the joint commitment of all shareholders would be beneficial for the KUKA Group as a whole.

Midea and the Bidder acknowledge that KUKA will remain an independent company after the consummation of the Transaction. Midea and the Bidder do not intend to enter

into any domination or other enterprise agreement pursuant to sections 291 et. seq. AktG with KUKA.

Midea and the Bidder do not intend to initiate any squeeze-out procedure in relation to any remaining minority shareholders of KUKA following the consummation of the Transaction.

Midea and the Bidder do not intend to cause KUKA to delist from the regulated market of the Frankfurt Stock Exchange (Prime Standard) or of the Munich Stock Exchange.

Financing and public rating

Midea and the Bidder intend to provide funding support (however, without influence to the financing strategy) for KUKA's growth strategy. Also with the view to support KUKA's growth strategy, Midea and the Bidder are of the view that KUKA should maintain a sufficient level of authorized share capital (*genehmigtes Kapital*) and conditional capital (*bedingtes Kapital*) in line with prevailing practice for German listed companies.

The financing strategy of KUKA shall remain independent from Midea, and Midea and the Bidder do not intend to initiate a change of the current stand-alone financing strategy of KUKA.

Midea and the Bidder will support KUKA to also maintain a public rating by Standard & Poor's Financial Services and Moody's Investors Service.

KUKA Brand, IP and Customers

Midea and the Bidder believe in the value of the KUKA brand. Midea and the Bidder intend not to cause KUKA to change its company name after the consummation of the Transaction. Midea and the Bidder will maintain "KUKA" as an independent brand and will support KUKA in further enhancing its brand awareness.

Midea and the Bidder fully respect KUKA's intellectual property and R&D undertakings. Midea and the Bidder acknowledge that KUKA's intellectual property will remain with KUKA also after the consummation of the Transaction.

Midea and the Bidder intend to support KUKA to retain and further enhance intellectual leadership in the field of robotics, automation and logistics as well as to develop next generation technology in software, Internet of Things (*IoT*), co-bots and robotics for ever wider general applications.

Midea and the Bidder admire the excellent relationship and trustful cooperation of KUKA with its customer base. Midea and the Bidder will respect the intellectual property of KUKA's customers. Midea and the Bidder also have no intention of obtaining access to any customer data from KUKA. Given the sensitivity of data in the Industry 4.0 context, Midea and the Bidder would be willing to enter into a ring-fencing agreement whereby customer data would stay in European data warehouses prohibiting any potential shareholder access.

Otherwise, Midea and the Bidder do not have intentions with regard to the future business activities of KUKA, the utilization of its assets or the creation of future obligations.

9.2 Future business activities, seat, location of material parts of the business, use of assets and liabilities, employees and their representatives, members of corporate bodies and changes to the terms and conditions of employment of the Bidder and Midea

The Bidder currently does not carry out any business activity other than the holding of KUKA Shares (see Section 6.1 of this Offer Document) and certain other equity investments. Subject to the statements relating to KUKA in Sections 8 and 9.1 of this Offer Document, it is not intended to make any change to the business activities of Midea or the Bidder as a result of the Offer, in particular with regard to the seat and the location of material parts of the respective business, the use of their respective assets, the future liabilities, employees and their representatives, the members of the corporate bodies or changes to the terms and conditions of employment.

9.3 Management Board and Supervisory Board of KUKA

Midea and the Bidder have full trust and confidence in the current members of the Management Board and seek the continued leadership of the current Management Board and executive management team as they will be critical to the future success of KUKA. Midea and the Bidder therefore do not intend to effect or initiate any change in the composition of the Management Board.

The Management Board of KUKA shall continue to conduct independently the business operations of KUKA according to applicable law and based upon the business strategy currently implemented or developed in the future by the Management Board.

Midea and the Bidder acknowledge that neither Midea nor any of its affiliates are entitled to issue directions to the Management Board of KUKA or any of its members, and that there is no obligation on the part of the Management Board or any of its members to carry out or refrain from a legal transaction or act at the direction of Midea, whether in the form of a request, a demand or an instruction.

Midea and the Bidder do not intend to change the size of the Supervisory Board. Midea and the Bidder intend to be represented in the Supervisory Board in a manner which appropriately reflects their shareholding after the consummation of the Transaction. Midea believes that it is important that the Supervisory Board also has independent members.

9.4 Employees, terms and conditions of employment and employee representation

Midea and the Bidder acknowledge that the dedicated workforce of KUKA and its subsidiaries forms the basis of the current and future success of KUKA. Midea and the Bidder expressly view the Transaction as an opportunity for growth of KUKA's workforce and other stakeholders and not as an acquisition which is directed at cost reductions to the detriment of KUKA's workforce. Midea and the Bidder acknowledge that the success of the Transaction, and in particular the continued success of KUKA, depends on the performance of KUKA's workforce and their potential for innovation, both of which heavily rely on the competence and commitments of the employees of KUKA.

Midea and the Bidder intend to continue and further strengthen a constructive dialogue with all of KUKA's workforce constituencies and to support the Management Board in maintaining and developing an attractive and competitive framework to retain an excellent employee base.

Midea and the Bidder intend not to cause KUKA to take or initiate any action aimed at the amendment or termination of existing shop agreements (*Betriebsvereinbarungen*), collective bargaining agreements (*Tarifverträge*) or similar agreements of KUKA and/or any subsidiaries of KUKA.

Midea and the Bidder intend (i) to respect the rights of the employees, works councils (*Betriebsräte*) and unions (*Gewerkschaften*) existing within or with regards to KUKA and the subsidiaries of KUKA under applicable laws, regulations, arrangements and agreements; and (ii) not to cause KUKA to take actions that would lead to a change of the existing level of co-determination in the Supervisory Board.

Midea and the Bidder intend not to cause KUKA or its subsidiaries to reduce the current workforce of the KUKA Group as a result of the Transaction.

9.5 Seat of KUKA; Location of significant parts of the business

Midea and the Bidder intend not to cause KUKA to relocate its corporate seat (*Satzungssitz*) and headquarters from Augsburg, Germany. Midea and the Bidder intend not to change the location of the German sites and other material parts of KUKA's business or the main activities at such significant sites.

9.6 Possible structural measures

Midea and the Bidder do not intend to implement any structural measures following the completion of the Offer. In particular, Midea and the Bidder do not intend (i) to enter into any domination or other enterprise agreement pursuant to sections 291 et. seq. AktG with KUKA or (ii) to conduct, or cause KUKA to conduct, a squeeze-out procedure in relation to any remaining minority shareholders of KUKA following the consummation of the Transaction.

Midea and the Bidder do not intend to cause KUKA to initiate any of the following measures after the consummation of the Transaction:

- i. any merger, spin-off, change of legal form or similar corporate reorganisation pursuant to the German Restructuring Act (*Umwandlungsgesetz*);
- ii. amendments to the statutory object (*satzungsgemäßer Unternehmensgegenstand*) of KUKA or any subsidiaries of KUKA; and
- iii. any sale or other disposal of all or substantially all of the business or branch of activity of KUKA, or any limitation, abandonment or disposal of the current business activities, fields of activity, company or business divisions of KUKA or subsidiaries of KUKA or of substantial parts thereof.

10. EXPLANATION OF PRICE DETERMINATION

10.1 Minimum offer price

The Offer Price in the amount of EUR 115.00 per KUKA Share exceeds the minimum offer price for the KUKA Shares according to section 31 paras. 1 and 7 WpÜG in conjunction with section 4 and section 5 of the German WpÜG Offer Ordinance (*WpÜG-Angebotsverordnung*, **WPÜG Offer Ordinance**) of EUR 90.00.

- (a) Pursuant to section 5 of the WpÜG Offer Ordinance, in case of a takeover offer the consideration must be at least equivalent to the weighted average domestic stock exchange price of shares in the target company during the last three months prior to the publication of the decision to launch an offer pursuant to section 10 WpÜG. The appropriate average price of the KUKA Share as of the relevant date of May 17, 2016 was notified by BaFin to be EUR 87.55. The Offer Price in the amount of EUR 115.00 per KUKA Share exceeds this amount by EUR 27.45, i.e., by approx. 31.4%.
- (b) Pursuant to section 4 of the WpÜG Offer Ordinance, in case of a takeover offer the consideration must be at least equal to the value of the highest consideration provided or agreed by the bidder, a person acting jointly with it, or subsidiaries of the latter, for the acquisition of shares in the target company within the last six months prior to the publication of the offer document pursuant to section 14 para. 2 sentence 1 WpÜG.

In the six-month period prior to June 16, 2016 the Bidder acquired in aggregate 2,211,528 KUKA Shares. The highest price paid for a KUKA Share amounted to EUR 90.00 (see Section 6.5 of this Offer Document). Except for the acquisitions set out in Section 6.5 of this Offer Document neither the Bidder nor any person acting jointly with it nor subsidiaries of the latter acquired KUKA Shares or concluded agreements on the acquisition of KUKA Shares in the six-month period prior June 16, 2016.

The minimum offer price for the KUKA Shares pursuant to section 4 WpÜG Offer Ordinance therefore amounts to EUR 90.00. The Offer Price in the amount of EUR 115.00 per KUKA Share exceeds this amount by EUR 25.00, i.e., by approx. 27.8%.

10.2 Appropriateness of the Offer Price

10.2.1 Determination of the Offer Price

The Bidder is convinced that the Offer Price of EUR 115.00 per KUKA Share is an appropriate consideration within the meaning of section 31 para. 1 WpÜG. In addition to the factors mentioned in Section 10.1 of this Offer Document, the Offer Price has also been determined taking into account historical stock exchange prices of the KUKA Share.

The Bidder believes that the stock exchange prices of the KUKA Shares are a suitable basis for the determination whether the Offer Price is appropriate. The KUKA Shares are admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt

Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard) and of the Munich Stock Exchange and are traded on the electronic trading platform XETRA[®]. The KUKA Shares show a functioning stock exchange trading with a high degree of free float and sufficient trading activity. As a result of professional stock analyst coverage the market is informed about KUKA and its current and expected business development.

10.2.2 Historical stock exchange prices and broker target prices

As shown in the following comparisons with historical stock exchange prices and broker target prices, the Offer Price includes an appropriate premium:

- (a) On February 3, 2016, the last undisturbed closing price of the KUKA Shares in the electronic trading system XETRA[®] was quoted at EUR 72.05. On February 4, 2016, KUKA published a voting rights notification of Midea that disclosed a direct shareholding of the Bidder of 10.22% of the outstanding KUKA Shares. As a result, various media outlets speculated about the intentions of Midea Group or other parties interested in KUKA, and the share price increased by 9.2% to EUR 78.66 (closing price in the electronic trading system XETRA[®] on February 4, 2016). The price of the KUKA Shares increased even further to EUR 84.41 (closing price in the electronic trading system XETRA[®] on May 17, 2016).
 - (i) On February 3, 2016, the last stock exchange trading day prior to the emergence of speculation about further steps that Midea may take, the last undisturbed closing price of the KUKA Shares in the electronic trading system XETRA[®] was quoted at EUR 72.05. The Offer Price thus includes a premium of EUR 42.95 or approx. 59.6% over the closing price on February 3, 2016.
 - (ii) The highest closing price of the KUKA Shares in the electronic trading system XETRA[®] for the twelve-month period prior to February 3, 2016 was EUR 85.59. The Offer Price thus includes a premium of EUR 29.41 or approx. 34.4% over such closing price.
- (b) Despite the fact that the price of KUKA Shares, as shown before, has already been affected by speculation about further steps that Midea may take, the offer price also represents a premium to the most recent stock price prior to the announcement of the Offer.
 - (i) On May 17, 2016, the last stock exchange trading day prior to the announcement of the Offer, the closing price of the KUKA Shares in the electronic trading system XETRA[®] was quoted at EUR 84.41. The Offer Price thus includes a premium of EUR 30.59 or approx. 36.2% over such closing price.
 - (ii) The highest closing price of the KUKA Shares in the electronic trading system XETRA[®] for the twelve-month period prior to May 17, 2016 was EUR 94.53. The Offer Price thus includes a premium of EUR 20.47 or approx. 21.7% over such closing price.
- (c) Additionally, the Bidder believes that the adequacy of the Offer Price can also be determined based on the following broker target prices that were published

prior to May 17, 2016, the last stock exchange trading day prior to the announcement of the Offer and post May 4, 2016, the day of the announcement of the interim financial statements published by KUKA for the three months ending on March 31, 2016.

Source	Target Price
AlphaValue	EUR 80.10
Baader-Helvea	EUR 81.00
Bankhaus Lampe	EUR 60.00
Barclays	EUR 80.00
Berenberg	EUR 90.00
BHF-Bank	EUR 73.00
Canaccord Genuity	EUR 85.00
Commerzbank	EUR 77.00
Equinet (ESN)	EUR 73.00
Hauck & Aufhaeuser	EUR 72.00
Independent Research GmbH	EUR 79.00
Jefferies	EUR 65.00
Kepler Cheuvreux	EUR 80.90
Landesbank Baden-Wuerttemberg	EUR 71.00
M.M. Warburg Investment Research	EUR 64.00
Macquarie	EUR 110.00
Morgan Stanley	EUR 73.50
Nord/LB	EUR 70.00
Oddo & Cie	EUR 90.00
Societe Generale	EUR 103.00

The broker target prices shown above imply an average target price of EUR 78.88. The Offer Price thus includes a premium of EUR 36.12 or approx. 45.8% over the average broker target price.

The stock exchange prices referred to in this Section 10.2.2 were determined by the data provider Bloomberg.

10.3 Adequacy of Offer Price

The Bidder has determined the adequacy of the Offer Price by reference to historical stock exchange prices for the KUKA Shares.

The comparisons of the Offer Price with historical stock exchange prices presented in Section 10.2.2 of the Offer Document demonstrate that the Offer Price significantly exceeds the valuation of the KUKA Shares by the capital market prior to the publication of the Bidder's decision to make the Offer and that the Offer Price includes a substantial premium to historical stock exchange prices.

Based on the foregoing and in view of the legal requirements set forth in section 31 paras. 1 and 7 WpÜG and section 4 and section 5 of the WpÜG Offer Ordinance which provide that the average stock exchange price and previous acquisitions, if any, shall be taken into account when determining the appropriate consideration, the Bidder consid-

ers that the Offer Price is appropriate and is of the opinion that the Offer Price is attractive to the KUKA Shareholders.

It follows from section 31 paras. 1 and 7 WpÜG in conjunction with section 4 and 5 para. 1 and 3 WpÜG Offer Ordinance that the German legislator approves these methods as appropriate to determine the adequacy of the Offer Price. Therefore the Bidder regards these methods of evaluating the adequacy of the Offer Price as appropriate for the Offer and the Offer Price. Beyond that, the Bidder has not applied any other valuation method to determine the Offer Price.

10.4 No compensation for loss of certain rights

The articles of association of KUKA do not provide for the application of section 33b para. 2 WpÜG. The Bidder therefore is not obliged to pay any compensation pursuant to section 33b para. 5 WpÜG.

11. ACCEPTANCE AND SETTLEMENT OF THE OFFER

11.1 Central Settlement Agent

The Bidder has appointed Morgan Stanley Bank AG, Junghofstraße 13-15, 60311 Frankfurt am Main, Germany, as settlement agent to perform the technical processing of this Offer (the *Central Settlement Agent*).

11.2 Acceptance of the Offer within the Acceptance Period

Those KUKA Shareholders who want to accept the Offer should contact their custodian credit institution or other securities services provider at which their KUKA Shares are kept (the *Custodian Bank*) with any questions they have about accepting the Offer and its technical handling. These have been separately informed about handling the acceptance and processing the Offer, and shall inform customers holding KUKA Shares in their securities account about the Offer and the steps required to accept it.

11.2.1 Declaration of acceptance and re-booking of the shares

KUKA Shareholders can only validly accept this Offer during the Acceptance Period by taking the following steps within the Acceptance Period (regarding acceptance of the Offer during the Additional Acceptance Period, refer to Section 11.6 of this Offer Document):

- (a) declaring in writing their acceptance of the Offer to their respective Custodian Bank (*Declaration of Acceptance*), and
- (b) instructing their Custodian Bank to undertake the re-booking of the KUKA Shares in their securities account for which they want to accept the Offer (together with the KUKA Shares tendered in the Additional Acceptance Period, the *KUKA Shares Tendered for Sale*) to ISIN DE000A2BPXK1 with Clearstream Banking AG. The Custodian Bank will cause the re-booking after receiving the Declaration of Acceptance.

The Declaration of Acceptance only becomes effective if the KUKA Shares Tendered for Sale during the Acceptance Period have been re-booked no later than 18:00 hrs on the second banking day after expiry of the Acceptance Period with Clearstream Banking AG to ISIN DE000A2BPXK1. The Custodian Banks are to have these re-bookings carried out after receiving the Declaration of Acceptance.

Declarations of Acceptance not received by the respective Custodian Bank within the Acceptance Period, or those incorrectly or incompletely filled out, do not count as acceptance of the Offer and do not entitle the respective KUKA Shareholder to receive the consideration. Neither the Bidder nor persons acting for it are obligated to notify the respective KUKA Shareholder of any shortcomings or mistakes in the Declaration of Acceptance, and bear no liability if such notification is not made.

11.2.2 Declarations and representations in connection with the acceptance of the Offer

By accepting the Offer in accordance with Section 11.2.1 of this Offer Document the accepting KUKA Shareholders make the following declarations and representations:

- (a) The accepting KUKA Shareholders instruct their respective Custodian Bank and any sub-custodians of the KUKA Shares Tendered for Sale, and authorize them to:
 - (i) First leave the KUKA Shares for which the Offer is to be accepted in the securities account of the accepting KUKA Shareholder, but cause the re-booking to ISIN DE000A2BPXK1 with Clearstream Banking AG;
 - (ii) instruct and authorize Clearstream Banking AG to make the KUKA Shares Tendered for Sale available after expiry of the Acceptance Period (but at the earliest after the fulfilment of the Completion Conditions as defined in Section 13.1 of this Offer Document unless the Bidder has validly waived these under section 21 para. 1 no. 4 WpÜG) to the Central Settlement Agent in its securities account with Clearstream Banking AG for transfer to the Bidder;
 - (iii) instruct and authorize Clearstream Banking AG to transfer the KUKA Shares Tendered for Sale, in each case including all rights associated with them at the time of the settlement, to the Bidder simultaneously (*Zug um Zug*) with the payment of the Offer Price for the respective KUKA Shares Tendered for Sale, to the account of the respective Custodian Bank with Clearstream Banking AG in compliance with the provisions of the Offer;
 - (iv) instruct and authorize any sub-custodians of the relevant KUKA Shares Tendered for Sale, as well as Clearstream Banking AG, to make available to the Bidder or the Central Settlement Agent for the Offer all information required for declarations and publications of the Bidder under the WpÜG, in particular to communicate the number of KUKA Shares re-booked into ISIN DE000A2BPXK1 on each trading day during the Acceptance Period; and

- (v) forward the declaration of acceptance, and in case of a withdrawal (see Section 16) the notice of rescission, to the Central Settlement Agent for the Offer upon request.
- (b) The accepting KUKA Shareholders instruct and authorize their respective Custodian Bank and the Central Settlement Agent, in each case with exemption from the prohibition on self-contracting pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*), to undertake all actions necessary or useful for processing the Offer in accordance with this Offer Document, and issue and accept declarations, and in particular to effect the transfer of the ownership of the KUKA Shares Tendered for Sale to the Bidder.
- (c) The accepting KUKA Shareholders declare that
 - (i) they accept the Offer for all KUKA Shares located in their securities account with the Custodian Bank at the time of declaration of acceptance of the Offer, unless expressly specified otherwise in writing in the Declaration;
 - (ii) they transfer their KUKA Shares Tendered for Sale to the Bidder under the conditions precedent of
 - (aa) the fulfilment of the Completion Conditions under Section 13.1, unless the Bidder has validly waived these in accordance with section 21 para. 1 no. 4 WpÜG; and
 - (bb) the expiry of the Acceptance Period
 simultaneously (*Zug um Zug*) with the payment of the Offer Price to the account of the respective Custodian Bank with Clearstream Banking AG; and
 - (iii) at the time of transfer of ownership to the Bidder, the KUKA Shares for which they accept the Offer are their exclusive property and are free of rights and claims of third parties.

The instructions, declarations, orders, powers of attorney and authorizations specified in Section 11.2.2 (a) to 11.2.2 (c) of this Offer Document are granted irrevocably by the accepting KUKA Shareholders in the interest of a smooth and rapid processing of the Offer. They do not lapse until effective withdrawal of the agreement entered into by acceptance of the Offer under Section 16 of this Offer Document, or with the lapse of the Offer.

11.2.3 Legal consequences of acceptance

By accepting this Offer, the accepting KUKA Shareholder enters into an agreement with the Bidder on the sale and transfer of the KUKA Shares Tendered for Sale in accordance with the provisions of this Offer Document. This agreement is subject to German law. With the transfer of ownership of the KUKA Shares Tendered for Sale, all rights attached to the shares (including rights to dividends) at the time of the settlement transfer to the Bidder. In addition, each KUKA Shareholder accepting the Offer irrevocably

cably makes the declarations and representations referred to in Section 11.2.2, and gives the instructions, orders, powers of attorney and authorizations referred to in Section 11.2.2.

11.3 Stock exchange trading with KUKA Shares Tendered for Sale

The Bidder will ensure that the Central Settlement Agent takes such steps as are required so that the KUKA Shares Tendered for Sale (ISIN DE000A2BPXK1) can be traded on the regulated market (*Regulierter Markt*) (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) after the start of the Acceptance Period. The expected period of time for this trading will end no later than three stock exchange trading days before the expected settlement of the Offer.

The Bidder notes that the trading volume of the KUKA Shares Tendered for Sale depends on the respective acceptance rate and therefore can be low or subject to sharp fluctuations. Consequently, it cannot be excluded that it will not be possible to sell the KUKA Shares Tendered for Sale on the stock exchange due to lack of demand. Persons acquiring the KUKA Shares Tendered for Sale assume all rights and obligations of the respective seller in terms of these shares arising from the agreement entered into by accepting this Offer. KUKA Shares not tendered for sale can continue to be traded under their original ISIN DE0006204407.

11.4 Costs of acceptance

The acceptance of the Offer through a Custodian Bank with corporate seat in Germany (including a German branch of a foreign Custodian Bank) is free of costs and fees for the KUKA Shareholders, with the exception of the costs for transmitting the acceptance statement to the respective Custodian Bank. Fees, costs and expenses of foreign Custodian Banks are to be borne by the KUKA Shareholder who accepts this Offer, as are any foreign stock exchange, value added or stamp taxes resulting from the acceptance of the Offer.

11.5 Reversal of the transaction in case of non-fulfilment of Completion Conditions

This Offer will lapse, and the Bidder is not obligated to acquire KUKA Shares Tendered for Sale and to pay the Offer Price for these, if not all the Completion Conditions mentioned in Section 13 of the Offer Document have been satisfied within the time periods specified therein, except (if permissible) the Bidder has validly waived the Completion Conditions. In this case, the agreements entered into by the acceptance of the Offer will not be completed and will cease to exist (conditions subsequent), in which case the Custodian Banks will promptly have the KUKA Shares Tendered for Sale re-booked to the original ISIN DE0006204407. The Central Settlement Agent will take precautions to ensure that the re-booking takes place within five banking days after the information that the Offer has lapsed has been published in accordance with Section 13.4 of this Offer Document. After the re-booking, the KUKA Shares can again be traded under their original ISIN DE0006204407. The reversal is free of charge for the KUKA Shareholders. However, the KUKA Shareholders concerned must themselves bear any foreign fees, costs and expenses of foreign Custodian Banks.

11.6 Acceptance of the Offer during the Additional Acceptance Period

The provisions of this Offer Document, in particular Sections 11.1 through 11.5, apply correspondingly to an acceptance within the Additional Acceptance Period. KUKA Shareholders wishing to accept the Offer within the Additional Acceptance Period should contact their Custodian Bank with any questions they may have. If the Declaration of Acceptance has been made to the Custodian Bank within the Additional Acceptance Period, the re-booking of the KUKA Shares to ISIN DE000A2BPXK1 is deemed to have occurred on time if this has been effected by no later than 18:00 hrs on the second banking day after the Additional Acceptance Period has expired.

11.7 Settlement of the Offer and payment of the Offer Price

The Bidder plans to settle the Offer for all KUKA Shares Tendered for Sale (regardless of whether the Offer has been accepted within the Acceptance Period or the Additional Acceptance Period) at the same time after the end of the Additional Acceptance Period. The Central Settlement Agent will transfer the KUKA Shares Tendered for Sale to the Bidder simultaneously (*Zug um Zug*) with the payment of the Offer Price to the account of the respective Custodian Bank with Clearstream Banking AG. This transfer will take place promptly after the KUKA Shares Tendered for Sale have been made available to the Central Settlement Agent for the Offer as specified by Sections 11.2.1, 11.2.2 and 11.6 of this Offer Document, but no earlier than four banking days and no later than eight banking days after expiry of the Additional Acceptance Period and fulfilment of the Completion Conditions as defined in Section 13.1 of this Offer Document which the Bidder has not validly waived in accordance with section 21 para. 1 no. 4 WpÜG.

With the credit entry of the relevant Offer Price owed to the account of the respective Custodian Bank with Clearstream Banking AG, the Bidder has fulfilled the obligation to pay the Offer Price to the respective KUKA Shareholder. It is the responsibility of the respective Custodian Bank to credit the relevant Offer Price owed to the account of the accepting KUKA Shareholder.

The processing of the Offer and the payment of the Offer Price to the accepting KUKA Shareholders may be delayed until after March 31, 2017 because of the required regulatory clearances (see Section 13.1.2 to 13.1.3 of this Offer Document), or may not take place at all in the event of the lapse of the Offer.

12. OFFICIAL APPROVALS AND PROCEEDINGS

12.1 Merger control proceedings

The Transaction is subject to merger control clearance by the European Commission (the **EU Commission**) and by other national antitrust authorities. The merger control proceedings are organized differently in each of the relevant jurisdictions in which the Transaction is subject to merger control clearance proceedings.

12.1.1 European Union

The Transaction is subject to the merger control of the EU Commission, pursuant to Council Regulation (EC) No. 139/2004 as of January 20, 2004 on the control of concentrations between undertakings, as amended (the **EUMR**). Under EUMR rules, the

Transaction may not be implemented before it has been cleared by the EU Commission. The EU Commission has 25 working days – beginning at the first working day following the date on which the complete notification is received by the EU Commission – to consider the notification and decide whether to clear the Transaction or to initiate an in-depth investigation. This period is extended to 35 working days where (x) the EU Commission receives a request from a member state to refer the investigation of the concentration or a part thereof to the competent authority of that member state or (y) the parties to the concentration submit commitments to remove any potential concerns about the compatibility of the concentration with the common market.

The EU Commission will initiate an in-depth investigation only if the Transaction gives rise to serious doubts as to its compatibility with the common market and that such doubts could not be removed by commitments potentially offered by the parties during the initial review period. Otherwise, it will clear the Transaction at the end of the initial review period, declaring it compatible with the common market.

During an in-depth investigation the Commission has 90 working days following the decision to open the in-depth investigation to consider whether the Transaction will significantly impede effective competition in the common market or a substantial part of it, in particular by creating or strengthening a market dominating position on any product market within the European Union. This period will be extended by 15 working days if the parties offer commitments to remove competitive concerns of the Commission. Under certain conditions, the period may, upon the request of the parties, be extended by another 20 working days to give the EU Commission more time to reach a final conclusion. At the end of the period, the EU Commission will issue a decision, either declaring the Transaction compatible with the common market or prohibiting its completion.

The Bidder expects to submit the notification to the EU Commission by end of July 2016.

In the unlikely event that the implementation of the Transaction would not result in an acquisition of control over KUKA within the meaning of the EUMR, the European Commission may no longer be competent and the Transaction may become subject to German merger control rules. In this case, the Bidder will seek clearance by the German Federal Cartel Office (*FCO*) under the German Act Against Restraints of Competition (*GWB*). The initial waiting period before the Transaction may be consummated pursuant to the *GWB* is one month (phase 1) following the acceptance of the filing as complete by the FCO. Within this period, the FCO will issue a written decision indicating that it has cleared the Transaction or that a further review (phase 2) will be initiated. If the FCO decides not to initiate the further review or does not issue such written notice within phase 1, the Transaction is deemed to have been cleared. If the parties receive a notice of further review, the review period may be extended for a period of up to three months. In certain circumstances, this phase 2 period may be extended.

12.1.2 United States

Under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the *HSR Act*) and the rules promulgated in relation thereto by the competition agencies of the United States, the U.S. Federal Trade Commission (the *FTC*) and the U.S. Department of Justice (the *DoJ*), certain transactions may not be consummated unless they have been no-

tified to those agencies and certain waiting periods have expired, lapsed or been terminated.

The DoJ or, as the case may be, the FTC are entitled to examine whether the proposed acquisition by the Bidder of KUKA would substantially lessen competition in the United States. The DoJ or, as the case may be, the FTC can, at any time prior to and following completion of the Transaction, apply to the competent Federal Court for particular measures if this appears necessary or desirable to them in the public interest. Such measures may, inter alia, include a prohibition of the acquisition of the KUKA Shares on the basis of the Offer or an order to divest KUKA Shares which have already been acquired or to divest substantial assets of affiliated enterprises of the Bidder or of KUKA. Actions based on U.S. antitrust law can also be brought by private parties (or by U.S. states). U.S. states may also bring suit under applicable state law.

The Bidder expects to submit the notification to the FTC and the DoJ by end of July 2016.

12.1.3 PRC

The Transaction will be subject to merger control clearance by the Chinese Ministry of Commerce (**MOFCOM**) pursuant to the Chinese Anti-Monopoly Law and its implementing regulations (**AML**).

The initial waiting period before the Transaction may be consummated pursuant to the AML is 30 days (phase 1) following the acceptance of the filing as complete by MOFCOM. Within this period, MOFCOM will issue a written decision indicating that it has cleared the Transaction or that a further review (phase 2) will be initiated. If MOFCOM decides not to initiate the further review or does not issue such written notice within phase 1, the Transaction is deemed to have been cleared. If the parties receive a notice of further review, the review period may be extended for a period of up to 90 days, commencing on the date of the decision for further review. In certain circumstances, this phase 2 period may be extended by a further 60 days.

The Transaction may not be implemented before it has been cleared by MOFCOM, unless (i) the clearance requirement has been waived by MOFCOM, (ii) jurisdiction has been declined by MOFCOM and/or (iii) in the unlikely event that the implementation of the Transaction does not result in a concentration within the meaning of the AML and therefore a clearance under the AML is not required.

The Bidder submitted the notification on 27 May 2016 to MOFCOM.

12.1.4 Russia

The Transaction is subject to merger control clearance by the Federal Antimonopoly Service (**FAS**) pursuant to the Russian Law on Protection of Competition (**LPC**).

In principle, the FAS is obliged to consider filings within 30 days of the submission of a merger notification it considers complete. However, if the FAS determines that further disclosure, documents or information are needed or that the Transaction may result in a limitation of competition, the FAS may extend the review period by up to a further two

months. Moreover, the FAS may return the filing as incomplete and in this case the review period will start anew as soon as the full set of documents is submitted.

The Transaction may not be implemented before it has been cleared by the FAS, unless (i) the clearance requirement has been waived by the FAS, (ii) jurisdiction has been declined by the FAS and/or (iii) in the unlikely event that the implementation of the Transaction does not result in a concentration within the meaning of the LPC and therefore a clearance under the LPC is not required.

The Bidder expects to submit the notification to the FAS by end of July 2016.

12.1.5 Brazil

The Transaction is subject to merger control review by the Brazilian antitrust commission Administrative Council of Economic Defence (**CADE**) pursuant to Brazilian merger control rules.

After the submission of a notification deemed to be complete by CADE, the authority has 240 days to issue a decision. This period can be extended once either by a maximum of 60 days upon request from the parties or by a maximum of 90 days by means of a reasoned decision from CADE.

The Transaction may not be implemented before it has been cleared by CADE, unless (i) the clearance requirement has been waived by CADE, (ii) jurisdiction has been declined by CADE and/or (iii) in the unlikely event that the implementation of the Transaction does not result in a concentration within the meaning of Brazilian merger control rules and therefore a clearance under the Brazilian merger control rules is not required.

The Bidder expects to submit the notification to CADE by end of July 2016.

12.1.6 Mexico

The Transaction is subject to merger control review by the Mexican Federal Commission on Economic Competition (**COFECE**) pursuant to the Federal Law on Economic Competition and its implementing regulations.

After the submission of a notification deemed to be complete, and after compliance with corresponding information requests, by COFECE, the authority has 60 business days to issue a decision. This period can be extended by up to 40 business days.

The Transaction may not be implemented before it has been cleared by COFECE, unless (i) the clearance requirement has been waived by COFECE, (ii) jurisdiction has been declined by COFECE and/or (iii) in the unlikely event that the implementation of the Transaction does not result in a concentration within the meaning of Mexican merger control rules and therefore a clearance under the Mexican merger control rules is not required.

The Bidder expects to submit the notification to COFECE by end of July 2016.

12.1.7 Other Jurisdictions

Other than the merger control proceedings as described above, the Bidder does not believe that any additional material pre-merger antitrust filings are required with respect to the Transaction. To the extent that any additional antitrust filings are required pursuant to other applicable foreign antitrust laws, the Bidder will make such filings to the extent possible.

12.2 Foreign investment control proceedings

The Transaction is subject to foreign investment control clearances or, as the case may be, expiry of certain waiting periods in accordance with the applicable foreign investment control laws of Germany and the United States.

12.2.1 Germany

The acquisition of a direct or indirect stake of at least 25% of the voting rights in KUKA may be subject to investigation by the Federal Ministry for Economic Affairs and Energy (**BMWi**) pursuant to section 55 of the Foreign Trade and Payments Ordinance (*Außenwirtschaftsverordnung*, **AWV**) for reasons of public order or security of the Federal Republic of Germany.

BMWi may *ex officio* conduct such review within three months as of the publication of the decision to submit the offer (section 55 para. 3 AWV), and may decide to open an in-depth review.

In the event that an in-depth review is opened, the acquirer is obliged to submit all relevant documents. Pursuant to section 59 AWV, the acquisition may be restricted or prohibited within two months after the full set of documents has been submitted in order to ensure the public order or security of the Federal Republic of Germany.

12.2.2 United States

The Offer is subject to review by the Committee on Foreign Investment in the United States (**CFIUS**), pursuant to Section 721 of the Defense Production Act of 1950, as amended (**Section 721**, codified at 50 U.S.C. § 4565), and the regulations at 31 C.F.R. Part 800. Under Section 721, the President of the United States of America is authorized to review and, if necessary, prohibit or suspend an acquisition of, or investment in, a U.S. company by a “foreign person” if the President, after investigation, determines that the foreign person’s control threatens to impair the national security of the United States and that other provisions of existing law do not provide adequate authority to protect national security. Pursuant to Section 721, CFIUS has been delegated the authority to receive notices of proposed transactions, determine when an investigation is warranted, conduct investigations, require mitigation measures and submit recommendations to the President to suspend or prohibit the completion of transactions or to require divestitures of completed transactions. A party or parties to a transaction may, but are not required to, submit to CFIUS a voluntary notice of the transaction, except in limited circumstances, which do not apply in this case. CFIUS also has the power to initiate reviews on its own in the absence of a voluntary notification.

The notice is intended to be filed with CFIUS at the beginning of the third quarter of 2016. If the Notice is filed with CFIUS in the third quarter, the Bidder assumes that the proceedings will be completed by the end of 2016.

Certain of KUKA's products and activities are regulated under the International Traffic in Arms Regulations (**ITAR**, 22 C.F.R. Parts 120-130) administered by the U.S. Department of State, Directorate of Defense Trade Controls (**DDTC**). As a result, KUKA will be required to notify the State Department of the Transaction and, to the extent necessary, obtain approval pursuant to the ITAR. The Bidder assumes that this process will be completed by the end of 2016.

12.3 Permission to publish the Offer Document

On June 15, 2016, the BaFin permitted the Bidder to publish the Offer Document.

13. CONDITIONS FOR COMPLETION

13.1 Completion Conditions

The Offer and the contracts which come into existence as a result of its acceptance will only be consummated if the following conditions (each a **Completion Condition**, and together the **Completion Conditions**) are fulfilled:

13.1.1 Minimum Acceptance Threshold

Upon expiry of the Acceptance Period, the aggregate number of all

- (i) KUKA Shares for which the Offer has been accepted,
- (ii) KUKA Shares which are directly held by the Bidder or any person acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG,
- (iii) KUKA Shares attributable to the Bidder or any person acting jointly with the Bidder within the meaning of section 30 WpÜG and which do not fall under Section 13.1.1(ii) of this Offer Document; and
- (iv) KUKA Shares with regard to which the Bidder or any person acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG has entered into a conditional or unconditional agreement which entitles the Bidder or any person acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG to demand the transfer of such KUKA Shares, unless the KUKA Shares for which such agreement was entered into fall under Section 13.1.1(iii) of this Offer Document.

is equivalent to at least 30% of the total number of KUKA Shares issued (*ausgegeben*) at the end of the Acceptance Period (**Minimum Acceptance Threshold**).

13.1.2 Merger Control Clearances

- (a) European Union

From the date of publication of this Offer Document up to March 31, 2017,

- (i) the European Commission has declined jurisdiction or has approved the Transaction in accordance with the EUMR, or the Transaction being deemed to have been approved in accordance with the EUMR; or
- (ii) the European Commission having issued a decision to refer the whole or part of the Transaction to the competent authorities of one or more European Union state or European Free Trade Association (*EFTA*) state under Art. 9(3) of the EUMR; and
 - (aa) each such authority taking a decision with equivalent effect to that referred to in Condition 13.1.2 (a) (i) with respect to those parts of the Transaction referred to it; and
 - (bb) the European Commission taking any of the decisions referred to in Completion Condition 13.1.2 (a) (i) with respect to any part of the Transaction retained by it; or
- (iii) the Transaction does not result in an acquisition of control over KUKA within the meaning of the EUMR and the European Commission will no longer be competent to review the Transaction.

(b) Germany

From the date of publication of the Offer Document up to March 31, 2017, (i) the Transaction has been cleared, or is deemed to have been cleared by the FCO, or (ii) the clearance requirement has been waived by the FCO.

This Completion Condition shall only apply if the Transaction becomes subject to a merger control clearance requirement in Germany.

(c) United States

From the date of publication of this Offer Document up to March 31, 2017, and unless the waiting period does not have to be observed pursuant to 15 U.S.C. section 18(a) of the HSR Act, the waiting period applicable to the consummation of the Transaction under the HSR Act shall have expired or been terminated and neither of the parties hereto shall be subject to any order or injunction of a court of competent jurisdiction in the United States that prohibits the consummation of the Transaction.

(d) PRC

From the date of publication of this Offer Document up to March 31, 2017, (i) the Transaction has been cleared, or is deemed to have been cleared, or (ii) the clearance requirement has been waived by MOFCOM or jurisdiction has been declined by MOFCOM.

The aforementioned Completion Condition does not apply, if (i) the Transaction does not lead to a shareholding that constitutes a concentration within the meaning of the AML and (ii) a clearance under the AML is not required.

(e) Russia

From the date of publication of this Offer Document up to March 31, 2017, (i) the Transaction has been cleared, or is deemed to have been cleared, or (ii) the clearance requirement has been waived by FAS or jurisdiction has been declined by FAS.

The aforementioned Completion Condition does not apply, if (i) the Transaction does not lead to a shareholding that constitutes a concentration within the meaning of the LPC and (ii) a clearance under the LPC is not required.

(f) Brazil

From the date of publication of this Offer Document up to March 31, 2017, (i) the Transaction has been cleared, or is deemed to have been cleared, or (ii) the clearance requirement has been waived by CADE or jurisdiction has been declined by CADE.

The aforementioned Completion Condition does not apply, if (i) the Transaction does not lead to a shareholding that constitutes a concentration within the meaning of the Brazilian merger control rules and (ii) a clearance under the Brazilian merger control rules is not required.

(g) Mexico

From the date of publication of this Offer Document up to March 31, 2017, (i) the Transaction has been cleared, or is deemed to have been cleared, or (ii) the clearance requirement has been waived by COFECE or jurisdiction has been declined by COFECE.

The aforementioned Completion Condition does not apply, if (i) the Transaction does not lead to a shareholding that constitutes a concentration within the meaning of the Mexican merger control rules and (ii) a clearance under the Mexican merger control rules is not required.

13.1.3 Foreign Investment Control Clearances

(a) German Foreign Investment Control

From the date of publication of this Offer Document up to March 31, 2017, BMWi has not prohibited the direct or indirect acquisition of voting rights in KUKA on the basis of the Offer pursuant to section 59 AWV (*AWV-Clearance*). This condition is deemed to be fulfilled if BMWi, on or prior to March 31, 2017,

- (i) has failed to initiate a formal investigation pursuant to section 55 para. 1 AWV within the three (3) months period specified in section 55 para. 3 AWV in relation to the acquisition of voting rights in KUKA on the basis of the Offer, and the three (3) months period specified in section 55 para. 3 AWV has expired; or

- (ii) has, in the event of a formal investigation pursuant to section 55 para. 1 AWV, not prohibited the acquisition of voting rights in KUKA on the basis of the Offer within the two (2) months period specified in section 59 para. 1 AWV, and the two (2) months period specified in section 59 para. 1 AWV has expired; or
 - (iii) has issued a certificate of non-objection (*Unbedenklichkeitsbescheinigung*) pursuant to section 58 para. 1 sentence 1 AWV in relation to the Transaction (***Clearance Certificate***); or
 - (iv) has within one (1) month after receipt of a due application for a Clearance Certificate not initiated a formal investigation pursuant to section 55 para. 1 AWV in relation to the acquisition of voting rights in KUKA on the basis of the Offer, and the one (1) month period specified in section 58 para. 2 AWV has expired.
- (b) Approval by CFIUS and DDTC
- (i) CFIUS
- From the date of publication of this Offer Document up to March 31, 2017,
- (aa) CFIUS shall have provided written notification to the Parties to the effect that the Transaction does not constitute a “covered transaction” pursuant to 31 C.F.R. § 800.207; or
 - (bb) CFIUS shall have provided written notification to the Parties that its review of the Transaction, including any subsequent investigation, under Section 721, and the regulations at 31 C.F.R. Part 800, has concluded and CFIUS has determined that there are no unresolved national security concerns with respect thereto; or
 - (cc) CFIUS has sent a report to the President of the United States requesting the President’s decision on the CFIUS notice submitted by the Parties pursuant to 31 C.F.R. § 800.401(a) and either (1) the period under Section 721 during which the President may announce his decision to take action to suspend, prohibit or place any limitations on the Transaction shall have expired without any such action being threatened, announced or taken or (2) the President shall have announced a decision not to take any action to suspend, prohibit or place any limitations on the Transaction contemplated hereby.
- (ii) DDTC
- From the date of publication of this Offer Document up to March 31, 2017, KUKA has provided the required filings and/or notifications to the DDTC, pursuant to the ITAR, with respect to the Transaction and DDTC has, to the extent necessary, approved the Transaction as it relates to the ITAR.

13.1.4 Capital Measures; Amendment of Articles of Association

- (a) During the Acceptance Period KUKA has not published an offer to the KUKA Shareholders for the subscription (*Bezugsangebot*) of new KUKA Shares.
- (b) Except for the issuance, or several issuances, of convertible bonds and/or warrant-linked bonds and/or other financial instruments with respect to which subscription rights are excluded in analogous application of section 186 para. 3 sentence 4 AktG, no convertible bonds and/or warrant-linked bonds and/or other financial instruments have been issued or guaranteed by KUKA during the Acceptance Period which convey, or are accompanied by, rights or obligations to subscribe for, or convert into, new KUKA Shares, and no offer to KUKA Shareholders has been published during the Acceptance Period for subscription (*Bezugsangebot*) of convertible bonds and/or warrant-linked bonds and/or other financial instruments which convey, or are accompanied, by, rights or obligations to subscribe for, or convert into, new KUKA Shares.
- (c) During the Acceptance Period the general shareholders' meeting of KUKA has not adopted a resolution to amend the articles of association, (i) by which a majority requirement is increased for some or all resolutions of the general shareholders' meeting or other corporate bodies of KUKA or (ii) which results in a share split, a consolidation of shares or a change of the rights attaching to the shares or nature of the shares.

13.1.5 No Loss in the Amount of Half of the Share Capital; No Insolvency

During the Acceptance Period, KUKA has not published a notification pursuant to section 15 WpHG, which states that

- (i) a loss in the amount of at least half of the share capital of KUKA has occurred within the meaning of section 92 para. 1 AktG; or
- (ii) insolvency proceedings over the assets of KUKA have been filed or initiated.

13.2 Waiver of Completion Conditions

The Completion Conditions set out in Sections 13.1.1 through 13.1.5 of this Offer Document (including any subsections thereof, in particular in Sections 13.1.2 through 13.1.5) shall each constitute independent and separable conditions. The Bidder reserves the right to waive Completion Conditions, to the extent legally permissible, individually or jointly. Completion Conditions which the Bidder has validly waived shall be deemed fulfilled for the purposes of the Offer and the Offer Document. If the Bidder validly waives Completion Conditions within the last two weeks of the Acceptance Period, the Acceptance Period will be extended by two weeks (section 21 para. 5 WpÜG), i.e., until July 29, 2016, 24:00 hrs local time Frankfurt am Main, Germany.

13.3 Non-fulfillment of Completion Conditions

If (i) one or several of the Completion Conditions set out in Section 13.1.1, 13.1.4 and 13.1.5 of this Offer Document have not been fulfilled by the end of the Acceptance Period, or (ii) one or several of the Completion Conditions set forth in Sections 13.1.2

through 13.1.3 of this Offer Document have not been fulfilled by March 31, 2017, and the Bidder has not validly waived the respective Completion Conditions no later than one working day prior to expiry of the Acceptance Period, the Offer shall lapse.

If the Offer lapses, the contracts which come into existence as a result of the acceptance of the Offer will not be consummated and shall lapse (condition subsequent). Accordingly, the Custodian Banks shall rebook the KUKA Shares Tendered for Sale into the ISIN DE0006204407 without undue delay and within four banking days after announcement of the lapse of the Offer at the latest. Such unwinding is intended to be free of costs and expenses charged of Custodian Banks. To this end, the Bidder will pay the Custodian Banks a custodian bank commission at a level customary in the market. However, any taxes, costs and fees charged by foreign Custodian Banks which have no securities account connection with Clearstream Banking AG, are to be borne by the respective KUKA Shareholders.

13.4 Publications with regard to Completion Conditions

If (i) a Completion Condition has been validly waived, (ii) all Completion Conditions still existing at that relevant time have been fulfilled or (iii) the Offer has lapsed, the Bidder will publish this fact without undue delay on the website <http://www.partnershipinrobotics.com> (in German and in a non-binding English translation) and in the German Federal Gazette (*Bundesanzeiger*).

14. FINANCING

14.1 Measures to ensure complete performance of the Offer

14.1.1 Maximum consideration

The Bidder currently holds 5,372,196 KUKA Shares (see Section 6.4 of this Offer Document). If the Offer were to be accepted in respect of all other currently issued KUKA Shares, i.e., a total of 34,403,274 KUKA Shares, the payment obligation of the Bidder to the accepting KUKA Shareholders would amount to EUR 3,956,376,510 in the aggregate (which is equivalent to the Offer Price of EUR 115.00 per KUKA Share multiplied by 34,403,274 issued KUKA Shares not yet held by the Bidder). In addition, the Bidder will incur costs in connection with the Offer and its completion which are expected not to exceed EUR 35 million (the **Transaction Costs**) in the aggregate. The total costs for the Bidder for the completion of the Offer are thus expected to amount to no more than EUR 3,991,376,510 (the **Maximum Transaction Amount**).

14.1.2 Financing of the Offer

Prior to publication of the Offer Document, the Bidder has taken the measures necessary to ensure that the financial resources necessary for it to fully perform the Offer will be available to it in due time.

On June 2, 2016, the Bidder, as borrower, has entered into a facility agreement with Industrial and Commercial Bank of China (Europe) S.A., Paris branch, and Industrial and Commercial Bank of China, Frankfurt branch, as lenders (the **Facility Agreement**). The Facility Agreement provides for term debt in an aggregate amount exceeding the Maximum Transaction Amount which can be used to, *inter alia*, finance the acquisition of

the KUKA Shares to be acquired under the Offer and the Transaction Costs (the *Facility*).

Funds may be drawn under the Facility until April 15, 2017. Funds under the Facility may be drawn if the conditions precedent and the documentation requirements are fulfilled (or waived), no Certain Funds Default (as defined in the Facility Agreement) has occurred or would occur, certain other conditions specified therein have been met and certain representations and warranties made (or repeated) thereunder (pursuant to the Facility Agreement) are true and accurate by reference to the facts subsisting at each drawdown. The Bidder has no reason to believe that the conditions for any such drawdown will not be fulfilled. In addition, the Facility has not been terminated, and, to the knowledge of the Bidder, there is no reason to expect that it can or will be terminated without appropriate replacement before the settlement date of the Offer.

The Bidder has thus taken the measures necessary to ensure that it will, on the relevant due date, have available funds in the amount of the Maximum Transaction Amount.

14.2 Confirmation of financing

Industrial and Commercial Bank of China (Europe) S.A., with its seat in Luxembourg, Grand Duchy of Luxembourg, an investment services enterprise independent of the Bidder as referred to in section 13 para. 1 sentence 2 WpÜG has, in the letter dated June 2, 2016, which is attached as **Appendix 5**, confirmed pursuant to section 13 para. 1 sentence 2 WpÜG, that the Bidder has taken the measures necessary to ensure that the funds necessary to fully perform the Offer will be available at the time at which the claim for the monetary consideration falls due.

15. EFFECTS OF COMPLETION OF THE OFFER ON THE NET WORTH, FINANCIAL POSITION AND RESULTS OF THE BIDDER AND THE MIDEA GROUP

This Section 15 contains information relating to the Bidder and Midea Group as a person acting jointly with the Bidder within the meaning of section 2 para. 5 sentence 1, 3 WpÜG and views and forward-looking statements, all of which are based on the assumption that the Bidder will acquire all currently issued KUKA Shares pursuant to the Offer except for the 5,372,196 KUKA Shares already owned by the Bidder.

15.1 Assumptions

The statements contained in this Section 15 are, in particular, based on the following assumptions:

- (a) With the exception of 5,372,196 KUKA Shares which at the time of publication of the Offer Document are already owned by the Bidder, the Bidder will acquire all other currently issued KUKA Shares, i.e., a total of 34,403,274 other KUKA Shares, at the Offer Price of EUR 115.00 per KUKA Share, i.e., in return for payment of EUR 3,956,376,510 in the aggregate.
- (b) After the date of publication of the Offer Document no new KUKA Shares will be issued.

- (c) The Transaction Costs will amount to EUR 35 million and will not be capitalized.
- (d) Any funds provided to the Bidder on the basis of the Facility for the purpose of financing the Offer (see Section 14.1.2 of this Offer Document) will bear interest of 0.65% p.a.
- (e) Earnings of the Bidder will in the future mainly consist of income from the shareholding in KUKA in the form of dividend payments. For purposes of the pro forma analysis set forth below, the amount of such dividends have been based on the dividend distributed in 2016 in the amount of EUR 0.50 per KUKA Share.

15.2 Existing situation

The Bidder has been a fully consolidated subsidiary of Midea since June 12, 2007.

15.3 Methodology and reservations

The assessment of the likely effects of the acquisition of all 34,403,274 currently issued KUKA Shares that are not yet owned by the Bidder on the net worth, financial position and results of the Bidder and the Midea Group is based on preliminary and unaudited estimates by the Bidder with respect to the balance sheet positions and the results of the Bidder and – at the group level – of the Midea Group if KUKA had been completely taken over as of December 31, 2015 on the basis of the financial figures published by KUKA.

Except for the intended acquisition of the KUKA Shares pursuant to the Offer and the expenses related thereto, no other effects on the net worth, financial position or results of the Bidder or the Midea Group which have occurred since December 31, 2015 or which might occur in the future have been taken into account in the following information. Furthermore, it must be pointed out that the effects of the completion of the Offer on the future net worth, financial position and results of the Bidder and the Midea Group cannot be accurately predicted today. The reasons are, in particular, as follows:

- (a) The exact amount of costs and expenses in connection with the Offer (including the Transaction Costs) for the Bidder can only be finally determined after the Offer has been completed.
- (b) Any potential synergies and business opportunities arising as a result of the takeover of KUKA can only be analyzed in detail following completion of the Offer and have therefore not been taken into account.
- (c) The KUKA Group draws up its financial statements in accordance with IFRS, whilst the financial statements of the Midea Group are prepared in accordance with China GAAP. Therefore, the financial statements are based on different accounting procedures, principles, methods and standards. The Bidder is not able to quantify the effects of such differences. Accordingly such effects have not been taken into account.

- (d) For purposes of simplification, tax impacts on the Bidder, the Midea Group and KUKA as a result of the acquisition have not been taken into account. In particular, no consequences of the acquisition on the deferred tax assets of KUKA have been taken into account.
- (e) In the course of the initial consolidation, the purchase price and relevant incidental acquisition costs must be allocated to the acquired assets and liabilities (purchase price allocation). As this can be done only after completion of the Offer, an allocation to individual balance sheet items was not yet possible. The total difference arising from the capital consolidation has instead been accounted for as an intangible asset in the form of goodwill. Hence, the assessment does not take into account the impact resulting from any increased depreciation in connection with the re-evaluation of the acquired assets.
- (f) Since the financial accounts of the Bidder and Midea are expressed in RMB, the relevant amounts had to be converted to EUR. As far as figures taken from the unconsolidated financial statements of the Bidder and the consolidated financial statements of Midea as of December 31, 2015 are contained in the following illustrations, an exchange rate of RMB 1 : EUR 0.14099 (exchange rate as of December 31, 2015 taken from the website <http://www.oanda.com>) was applied for the conversion of RMB to EUR. As far as the profit and loss statement of the Bidder and the consolidated profit and loss statement of Midea for its financial year from January 1 until December 31, 2015 are concerned, the Exchange Rate 2015 was applied.

15.4 Expected effects on the individual financial statements of the Bidder

The unconsolidated financial statements of the Bidder are prepared in accordance with China GAAP. The acquisition of KUKA Shares pursuant to this Offer will, according to the estimates of the Bidder, have the following effects on the net worth and financial position and results of the Bidder:

15.4.1 Expected effects on the unconsolidated balance sheet of the Bidder

As of December 31, 2015, the balance sheet total of the Bidder was EUR 609 million. Its assets consisted of financial investments in the amount of EUR 544 million (reflecting, among others, a certain number KUKA Shares already owned as of December 31, 2015 as well as other equity investments consummated by the Bidder) and other assets in the amount of EUR 64 million. The total equity and liabilities consisted mainly of shareholders' equity of EUR 23 million and liabilities of EUR 585 million.

Subject to the reservations, assumptions and explanations set forth in this Section 15 and based on its current assessments, the Bidder believes that the completion of the Offer will have the following effects on the balance sheet of the Bidder:

Effects on the balance sheet of the Bidder as of December 31, 2015 (simplified and unaudited)

In million EUR	The Bidder prior to the Offer	Acquisitions of KUKA Shares since January 1, 2016	Change through Facility	Change through KUKA acquisition	After completion of the Offer
ASSETS					
Financial investments	544	173	0	3,956	4,674
Other assets.	64	0	0	0	64
Cash and cash equivalents	0	54	3,956	(3,956)	54
Total assets	609	227	3,956	0	4,792
EQUITY AND LIABILITIES					
Equity	23	(0)	(35)	0	(12)
Liabilities (incl. shareholder loans)	585	228	3,991	0	4,804
Total equity and liabilities	609	227	3,956	0	4,792

Differences from arithmetic results (if any) are due to rounding

This means:

- (a) The financial investments will increase from EUR 544 million by EUR 4,129 million to EUR 4,674 million.
- (b) The balance sheet total will increase from EUR 609 million by EUR 4,184 million to EUR 4,792 million as a result of a loan provided to the Bidder and the afore-mentioned increase of financial investments.
- (c) The shareholders' equity will be reduced by EUR 35 million, which represent transaction costs that will be expensed by the Bidder.
- (d) The liabilities will increase from EUR 585 million by EUR 4,219 million to EUR 4,804 million due to loans provided to the Bidder and the Bidder's repayment obligations under the Facility Agreement (see Section 14.1.2 of this Offer Document).

15.4.2 Effects on the unconsolidated results of Bidder

Subject to the reservations, assumptions and explanations set forth in this Section 15 and based on its current assessments, the Bidder believes that the completion of the Offer will have the following effects on the results of the Bidder (for the following illustration it has been assumed that the Transaction was already completed at the beginning of the financial year of the Bidder):

Effects on the profit and loss statement of the Bidder from January 1 until December 31, 2015 (simplified and unaudited)

In million EUR	The Bidder prior to the Offer	Presumed change through completion of the Offer	After completion of the Offer
Revenue	0	0	0
Income / (Expenses)	17	(41)	(24)
Profit before taxes	17	(41)	(24)

Differences from arithmetic results (if any) are due to rounding

This means:

- (a) Earnings of the Bidder will in the future also consist of income from the shareholding in KUKA in the form of dividend payments. Dividend income will increase by approx. EUR 20 million, based on a total of 39,775,470 KUKA Shares and an expected dividend of EUR 0.50 per KUKA Share.
- (b) The costs of the Bidder will in the future essentially consist of interest payments on the Facility (see Section 14.1.2 of this Offer Document) which, on the basis of an interest rate of 0.65%, would result in costs of approx. EUR 26 million p.a. Moreover, in the year in which the Offer is made the Bidder will also incur Transaction Costs of EUR 35 million as a one-off cost.

15.5 Expected effects on the consolidated financial statements of Midea

The preparation of the following information is exclusively carried out in order to meet statutory requirements pursuant to WpÜG in the context of the Offer. Due to its nature, this information solely represents an exemplary situation and as a result does not reflect the actual situation with regard to the net worth, financial position and results of Midea. The exact effect of the acquisition of KUKA Shares on Midea's future consolidated financial statements cannot be predicted as of today. The reasons for this are, *inter alia*, the different accounting standards which are applied in preparing the financial statements of the relevant companies and significant uncertainty about the future development of the exchange rate between RMB and EUR.

With regard to Midea, the information is based on the consolidated financial statements as of December 31, 2015. With regard to KUKA, the information is based on the consolidated financial statements as of December 31, 2015.

15.5.1 Expected effects on the consolidated balance sheet of the Midea Group

Subject to the reservations, assumptions and explanations set forth in this Section 15 and based on its current assessments, the Bidder believes that the completion of the Offer will have the following effects on the consolidated balance sheet of the Midea Group:

Effects on the China-GAAP consolidated balance sheet of the Midea Group as of December 31, 2015 (simplified)

In million EUR	Audited	Unaudited	
	Group balance sheet as of December 31, 2015	Changes resulting from KUKA acquisition	Group balance sheet after completion of the Offer
ASSETS			
Non-current assets	5,002	4,220	9,222
Current assets.	13,164	1,385	14,549
Total assets	18,165	5,605	23,771
EQUITY AND LIABILITIES			
Equity	7,900	(35)	7,865
Liabilities	10,266	5,641	15,906
Total equity and liabilities	18,165	5,605	23,771

Differences from arithmetic results (if any) are due to rounding

This means:

- (a) As a consequence of the acquisition of an aggregate amount of 34,403,274 KUKA Shares by means of the Offer and 2,211,528 KUKA Shares purchased since January 1, 2016 but prior to the Offer, the non-current assets will increase from EUR 5,002 million, by EUR 4,220 million to EUR 9,222 million. This change results from (i) the goodwill arising from the acquisition of all KUKA Shares, such goodwill amounting to EUR 3,659 million, (ii) the de-recognition of the financial investment in KUKA Shares already owned as per December 31, 2015 of EUR 262 million and (iii) the consolidation of non-current assets of KUKA in the amount of EUR 823 million.
- (b) The current assets will increase from EUR 13,164 million by EUR 1,385 million to EUR 14,549 million. This change is due to (i) the Bidder paying out EUR 3,956 million as total purchase price for all KUKA Shares acquired by means of the Offer, EUR 173 million for the KUKA Shares acquired since January 1, 2016 but prior to the Offer and EUR 35 million for the Transaction Costs, while (ii) receiving EUR 3,991 million on the basis of the Facility (see Section 14.1.2 of this Offer Document) to fund the cash consideration for the Offer and consolidating current assets of the KUKA Group in the amount of EUR 1,558 million, respectively.
- (c) The balance sheet total will increase from EUR 18,165 million by approximately EUR 5,605 million to EUR 23,771 million.

- (d) The equity will be reduced by EUR 35 million, which represent transaction costs that will be expensed by the Bidder.
- (e) The liabilities of the Midea Group will increase from EUR 10,266 million by EUR 5,641 million to EUR 15,906 million in the aggregate, as a consequence of partial debt financing of the acquisition of KUKA Shares (see Section 14.1.2 of this Offer Document) and consolidating liabilities of the KUKA Group in the amount of EUR 1,649 million.

15.5.2 Expected effects on the income statement of the Midea Group

Subject to the reservations, assumptions and explanations set forth in this Section 15 and based on its current assessments, the Bidder believes that the completion of the Offer will have the following effects on the consolidated profit and loss statement of the Midea Group (for the following illustration it has been assumed that the transaction was already completed at the beginning of the financial year of Midea Group):

Effects on the China-GAAP profit and loss statement of the Midea Group from January 1 until December 31, 2015 (simplified)

	Audited		Unaudited
In million EUR	Midea Group for the period from January 1, 2015 until December 31, 2015	Changes through KUKA acquisition	Midea Group for the period from January 1, 2015 until December 31, 2015 after completion of the Offer
Net sales	19,997	2,966	22,963
Operating income (EBIT)	2,155	101	2,255
Income before taxes (EBT)	2,318	65	2,383
Profit after taxes	1,968	41	2,009

Differences from arithmetic results (if any) are due to rounding

This means:

- (a) The consolidated net sales and other operational results of the Midea Group will increase from EUR 19,997 million by EUR 2,966 million to EUR 22,963 million as a consequence of the consolidation of net sales of the KUKA Group.
- (b) The consolidated operating income result of the ordinary business activity (earnings before interest and taxes) of the Midea Group will change from EUR 2,155 million by EUR 101 million to EUR 2,255 million. This change results from the consolidation of operating income of the KUKA Group and the occurrence of Transaction Costs in the amount of EUR 35 million.
- (c) The consolidated income before taxes of the Midea Group will change from EUR 2,318 million by EUR 65 million to EUR 2,383 million as a result of the consolidation of income before taxes of the KUKA Group, the occurrence of Transaction Costs and interest payments on the Facility.
- (d) The consolidated profit after taxes will change from EUR 1,968 million by EUR 41 million to EUR 2,009 million following the occurrence of the consoli-

dation of profit after taxes of the KUKA Group in the amount of EUR 86 million, the Transaction Costs after taxes in the amount of approx. EUR 26 million and interest payments on the Facility after taxes in the amount of approx. EUR 19 million. A tax rate of 25% was assumed for the purposes of the after-tax assessment of the Transaction Costs and the interest payments on the Facility.

16. RIGHT OF WITHDRAWAL

16.1 Conditions

KUKA Shareholders who have accepted the Offer have the following rights of withdrawal:

- (a) If the Offer is amended pursuant to section 21 para. 1 WpÜG, KUKA Shareholders may, at any time until expiry of the Acceptance Period, withdraw from the contracts concluded as a result of the acceptance of the Offer pursuant to section 21 para. 4 WpÜG if and to the extent that they have accepted the Offer prior to publication of the amendment of the Offer.
- (b) If a Competing Offer as referred to in section 22 para. 1 WpÜG is launched, KUKA Shareholders may, at any time until expiry of the Acceptance Period, withdraw from the contracts concluded as a result of the acceptance of the Offer pursuant to section 22 para. 3 WpÜG if and to the extent that they have accepted the Offer prior to publication of the offer document relating to the Competing Offer.

16.2 Exercise of the right of withdrawal

KUKA Shareholders may exercise a right of withdrawal pursuant to Section 16.1 of this Offer Document only by doing the following prior to expiry of the Acceptance Period:

- (a) declaring their withdrawal to their Custodian Bank in writing for a specified number of KUKA Shares Tendered for Sale, whereas, if no number is specified, the withdrawal shall be deemed to be declared for all KUKA Shares Tendered for Sale by the respective KUKA Shareholder, and
- (b) instructing their Custodian Bank to cause such number of KUKA Shares Tendered for Sale held in their securities deposit account as is equivalent to the number of KUKA Shares Tendered for Sale in respect of which they have declared their withdrawal to be booked back under the ISIN DE0006204407 at Clearstream Banking AG.

The declaration of withdrawal in writing has to be made until the expiry of the Acceptance Period. The declaration of withdrawal will only become effective if the KUKA Shares Tendered for Sale in respect of which the withdrawal has been declared have been rebooked under the ISIN DE0006204407 at Clearstream Banking AG by no later than 18:00 hrs local time Frankfurt am Main, Germany, on the second banking day after expiry of the Acceptance Period. Such rebooking are to be arranged for by the Custodian Bank after receipt of the declaration of withdrawal without undue delay.

17. INFORMATION FOR KUKA SHAREHOLDERS WHO DO NOT WISH TO ACCEPT THE OFFER

KUKA Shareholders who do not intend to accept the Offer should take the following into account:

- (a) The present stock market price of the KUKA Shares potentially reflects the fact that on May 18, 2016, the Bidder published its decision to launch the Offer at EUR 115.00 per KUKA Share. It is uncertain whether, following implementation of the Offer, the stock market price of the KUKA Shares will remain at its present level or rise above it or fall below it.
- (b) A consummation of the Offer will result in a reduction of the free float of KUKA Shares. It is therefore to be expected that dealings in KUKA Shares following completion of the Offer will be lower than today and that therefore the liquidity of the KUKA Shares will be reduced. As a consequence, it is possible that purchase and sell orders relating to KUKA Shares cannot be executed at all or not in a timely manner. In addition, the possible reduction in liquidity of the KUKA Shares could lead to a significantly increased volatility of the KUKA Shares price in the future.
- (c) Following consummation of the Offer, the Bidder might hold the necessary voting majority to also secure the passing of resolutions in KUKA's general meeting which are of particular importance. Such resolutions include, for example, amendments of the articles of association and increases of the share capital, and, if the legal majority requirements are met, also the exclusion of shareholders pre-emption rights in case of capital measures, conversions, mergers and dissolution of KUKA. For certain such measures, under German law the Bidder would be obliged to make an offer to the minority shareholders on the basis of a valuation of KUKA to acquire their shares in return for reasonable consideration or to grant a compensation. As such valuation must be based on the situation at the time of passing of the relevant resolution in the general meeting of KUKA with respect to the relevant measure, the consideration to be offered may therefore be equal to the Offer Price but may also be higher or lower. The implementation of certain measures may also lead to a delisting of the KUKA Shares.
- (d) If the Bidder's shareholding in KUKA upon completion of the Offer were to reach or exceed 95% of the share capital entitled to vote, enabling the Bidder to file an application with the court for an order transferring the shares of the remaining minority shareholders to the Bidder pursuant to section 39a WpÜG (squeeze-out under takeover law), the Bidder will be required to publish this fact according to section 23 para. 1 sentence 1 no. 4 WpÜG in conjunction with section 14 para. 3 sentence 1 WpÜG, and submit notice to BaFin. In addition, a non-binding English translation will be published at <http://www.partnershipinrobotics.com>. In such case, KUKA Shareholders who have not accepted the Offer may declare their acceptance of the Offer within three months of the expiry of the Acceptance Period or, if the Bidder does not comply with its publication obligation, within three months after fulfilment of the publication requirement pursuant to section 39c WpÜG (**Sell-Out Right**).

The procedure described in Section 11 for acceptance and settlement of the Offer applies correspondingly to the exercise of the Sell-Out Right. KUKA Shareholders intending to avail themselves of the Sell-Out Right should contact their Custodian Bank for all questions regarding the technical execution.

- (e) The KUKA Shares are currently included in the MDAX[®], an index calculated by Deutsche Börse AG consisting of 50 companies traded on the Frankfurt Stock Exchange. The consummation of the Offer is expected to lead to a reduction of the free float of shares of KUKA. As a consequence, KUKA may no longer fulfill the criteria, applied by Deutsche Börse AG from time to time, for the KUKA Share to remain in the MDAX[®] Index. A removal from the MDAX[®] Index may cause, *inter alia*, institutional investors mirroring the MDAX[®] Index in their portfolio to divest KUKA Shares and to refrain from future acquisitions of KUKA Shares. An increased offering of KUKA Shares in combination with a reduced demand for KUKA Shares may adversely affect the stock exchange price of the KUKA Shares.

18. CASH PAYMENTS AND VALUABLE BENEFITS FOR MEMBERS OF THE MANAGEMENT BOARD OR THE SUPERVISORY BOARD OF KUKA

Neither members of the management board nor members of the supervisory board of KUKA were granted, or promised, cash payments or other monetary benefits in connection with the Offer by the Bidder of any persons acting jointly with the Bidder within the meaning of section 2 para. 5 WpÜG.

19. NO MANDATORY OFFER

If, as a result of the Offer, the Bidder acquires control of KUKA according to section 29 para. 2 WpÜG, neither the Bidder nor any of the Controlling Companies (as defined in Section 6.3 of this Offer Document) will, as a result of section 35 para. 3 WpÜG, be obliged to launch a mandatory offer for shares in KUKA.

20. FINANCIAL ADVISOR, FACILITATING BANK

Morgan Stanley Asia Limited, 46th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, has advised Midea and the Bidder with respect to the financial and strategic aspects of the intended takeover of KUKA and in the preparation and implementation of the Offer. Morgan Stanley Bank AG, Junghofstraße 13-15, 60311 Frankfurt am Main, Germany, is coordinating the technical implementation and settlement of the Offer.

21. TAXES

The Bidder recommends KUKA Shareholders to seek tax advice, taking into account their personal circumstances, with regard to the tax consequences of an acceptance of the Offer.

22. PUBLICATIONS AND NOTIFICATIONS

The Offer Document will be published (i) on the internet at <http://www.partnershipinrobotics.com> and (ii) by way of keeping available copies of the Offer Document free of charge through Morgan Stanley Bank AG, Junghofstraße 13-15, 60311 Frankfurt am Main, Germany (request per fax +49 (0) 69 21 66 70 06 or e-mail: ffniops@morganstanley.com). The announcement regarding (i) the publication of the web address under which the Offer Document will be published on the internet and (ii) the availability of copies of the Offer Document free of charge in the Federal Republic of Germany through Morgan Stanley Bank AG will be published in the German Federal Gazette (*Bundesanzeiger*) on June 16, 2016.

The Bidder will publish the notifications pursuant to section 23 para. 1 WpÜG as follows:

- (a) On a weekly basis after publication of the Offer Document and on a daily basis in the last week before expiry of the Acceptance Period;
- (b) without undue delay after expiry of the Acceptance Period;
- (c) without undue delay after expiry of the Additional Acceptance Period; and
- (d) without undue delay after having reached the shareholding required to exclude the other shareholders pursuant to section 39a para. 1 and 2 WpÜG.

In addition, the Bidder will publish all other publications and notices in connection with this Offer, as required by the WpÜG, by placing them in German on the internet at <http://www.partnershipinrobotics.com> and in the German Federal Gazette (*Bundesanzeiger*).

In addition, a non-binding English translation of the Offer Document, which has not been reviewed by BaFin, will be made available on the internet at <http://www.partnershipinrobotics.com> together with a non-binding English translation of the other aforementioned publications and notices.

23. GOVERNING LAW AND PLACE OF JURISDICTION

The Offer and the contracts concluded with the Bidder as a result of the acceptance of the Offer shall be governed by German law. The exclusive place of jurisdiction for all legal disputes arising out of, or in connection with, the Offer (and any contract which comes into existence as a result of acceptance of the Offer) shall, to the extent legally permissible, be Frankfurt am Main, Germany.

24. ADDITIONAL INFORMATION FOR U.S. SHAREHOLDERS

This Offer, which is governed by German law, is being made to U.S. Shareholders in compliance with applicable U.S. securities laws, including Regulation 14E, promulgated under the Exchange Act. The Offer is not subject to the requirements of Regulation 14D of the Exchange Act and accordingly, the Offer Document was neither submitted to, nor reviewed by, the U.S. Securities Exchange Commission (SEC). U.S. Shareholders should be aware that the Offer is being made in relation to securities of a Ger-

man company and is thus subject to the disclosure requirements of Germany, which are different from those of the United States.

Pursuant to Rule 14e-5(b)(12)(i) of the Exchange Act, the Bidder may acquire, or make arrangements to acquire, KUKA Shares on or off the stock exchange outside the United States other than pursuant to the Offer during the period in which the Offer remains open for acceptance, provided that this complies with the applicable German legal provisions, in particular the WpÜG. To the extent necessary under German law, information about such acquisitions or arrangements to acquire will be published in Germany. Respective information will also be published by way of a non-binding English translation on the Bidder's internet website at <http://www.partnershipinrobotics.com>.

25. DECLARATION OF ASSUMPTION OF RESPONSIBILITY

MECCA International (BVI) Limited, a company limited by shares established under the laws of the British Virgin Islands, with its corporate seat in Road Town, Tortola, British Virgin Islands, assumes responsibility for the contents of the Offer Document and declares that, to its knowledge, the information contained in the Offer Document is correct and no material facts have been omitted.

Road Town, June 15, 2016

MECCA International (BVI) Limited

(signed)

Feide Li
Director

APPENDIX 1

Entities controlling the Bidder

No.	Name of the company	Address/Seat	Country
1.	Midea Group Co., Ltd.	Foshan	PRC
2.	Midea International Corporation Company Limited	Hong Kong	PRC

APPENDIX 2

Subsidiaries of entities controlling the Bidder

No.	Name of Company	Address/Seat	Country
Subsidiaries of Midea Group Co., Ltd.			
1.	Wuhu Midea Household Appliance Consultancy Co., Ltd	Wuhu	PRC
2.	Shenzhen Midea Innovation Investment Limited Partnership	Shenzhen	PRC
3.	Midea Innovation Investment Co., Ltd	Shenzhen	PRC
4.	Guangdong Midea-Yaskawa Service Robotics Co., Ltd	Foshan Shunde	PRC
5.	Midea Robotics Industry Development Co., Ltd	Wuhu	PRC
6.	Foshan Midea Air-conditioning Industry Investment Co., Ltd	Foshan Shunde	PRC
7.	Foshan Shunde Putao Car Leasing Co., Ltd	Foshan Shunde	PRC
8.	Guangdong Midea Cuchen Company Ltd.	Foshan Shunde	PRC
9.	Ningbo Meimei Jiayuan Electric Service Co., Ltd.	Ningbo	PRC
10.	Shenzhen Midea Financial Leasing Co., Ltd	Shenzhen	PRC
11.	Shenzhen Qianhai Midea Asset Management Co., Ltd	Shenzhen	PRC
12.	Midea Financial Holding (Shenzhen) Co., Ltd	Shenzhen	PRC
13.	Shenzhen Qianhai Midea Leasing Services Co., Ltd	Shenzhen	PRC
14.	Shenzhen Qianhai Midea Fund Management Co., Ltd	Shenzhen	PRC
15.	Midea Commerical Factoring Co., Ltd	Shenzhen	PRC
16.	Midea Group Finance Co., Ltd	Foshan Shunde	PRC
17.	Foshan Shunde Midea Petty Loan Co., Ltd	Foshan Shunde	PRC
18.	Midea Petty Loan Co., Ltd.	Wuhu	PRC

19.	Foshan Shunde Midea Household Appliances Industry Co.,Ltd.	Foshan Shunde	PRC
20.	Midea Group Payment Technology Co., Ltd.	Shenzhen	PRC
21.	Ningbo Midea Petty Loan Co., Ltd.	Ningbo	PRC
22.	Shenzhen Shenzhen Tongfu Technology Co., Ltd	Shenzhen	PRC
23.	Midea Group E-Commerce Co., Ltd	Foshan Shunde	PRC
24.	Midea Smart Home Technology Co., Ltd	Shenzhen	PRC
25.	Guangdong Midea Household Appliances Import & Export Co., Ltd	Foshan Shunde	PRC
26.	Guangdong Midea Refrigeration Equipment Co., Ltd.	Foshan Shunde	PRC
27.	Foshan Shunde Bainian Tongchuang Plastics Industry Co., Ltd	Foshan Shunde	PRC
28.	Foshan Shunde Midea Electric Science and Technology Co., Ltd	Foshan Shunde	PRC
29.	GD Midea Group Wuhu Air-Conditioning Equipment Co.,Ltd.	Wuhu	PRC
30.	Wuhu Lok Cheung Electric Co., Ltd.	Wuhu	PRC
31.	Wuhu Little Swan Air-Conditioning Equipment Co.,Ltd.	Wuhu	PRC
32.	Wuhu Meizhi Air-Conditioning Equipment Co., Ltd	Wuhu	PRC
33.	Midea Group Wuhan Air-Conditioning Equipment Co., Ltd.	Wuhan	PRC
34.	Handan Midea Air-Conditioning Equipment Co.,Ltd.	Handan	PRC
35.	Guangzhou Hualing Air-Conditioning Equipment Co., Ltd.	Guangzhou	PRC
36.	Guangzhou Hualing Refrigeration Equipment Co., Ltd	Guangzhou	PRC
37.	Foshan Midea Carrier Air-Conditioning Equipment Co. Ltd.	Foshan Shunde	PRC

38.	Chongqing Midea Air-Conditioning Equipment Co., Ltd.	Chongqing	PRC
39.	Hefei M&B Air Conditioning Equipment Co., Ltd.	Hefei	PRC
40.	Guangdong Midea-SIIX Electronics Co., Ltd.	Foshan Shunde	PRC
41.	Guangdong Midea Commercial Air-Conditioning Equipment Co., Ltd.	Foshan Shunde	PRC
42.	Chongqing Midea General Refrigeration Equipment Co., Ltd.	Chongqing	PRC
43.	GD Midea Heating & Ventilating Equipment Co., Ltd.	Foshan Shunde	PRC
44.	Heifei Midea Heating & Ventilating Equipment Co., Ltd.	Hefei	PRC
45.	Jiangxi Midea Guiya Lighting Co., Ltd.	Guixi	PRC
46.	PT Midea Heating and Ventilating Air Conditioner Indonesia	Jakarta	Indonesia
47.	Japan Midea Corporation	Osaka	Japan
48.	Hefei Hualing Co., Ltd.	Hefei	PRC
49.	Hefei Midea Refrigerator Co., Ltd.	Hefei	PRC
50.	Hefei Royalstar Motor Co., Ltd.	Hefei	PRC
51.	PRC Refrigerator Industry Co., Ltd.	Guangzhou	PRC
52.	Hubei Midea Refrigerator Co., Ltd.	Jingzhou	PRC
53.	Guangzhou Midea Hualing Refrigerator Co.,LTD	Guangzhou	PRC
54.	Wuxi Little Swan Company Limited	Wuxi	PRC
55.	Wuxi Little Swan General Appliance Co., Ltd.	Wuxi	PRC
56.	Wuxi Feilin Electronics Co., Ltd.	Wuxi	PRC
57.	Hefei Midea Washing Machine Co., Ltd.	Hefei	PRC
58.	Hefei Royalstar Washing Machine Co., Ltd.	Hefei	PRC
59.	Little Swan (Jingzhou) Sanjin Electric Appliances Co., Ltd.	Jingzhou	PRC

60.	Little Swan International (Singapore) Co., Pte. LTD	Singapore	Singapore
61.	Guangzhou Antaida Logistics Co., Ltd.	Guangzhou	PRC
62.	Jiangsu Little Swan Trading Co., Ltd.	Wuxi	PRC
63.	Wuxi Little Swan Import & Export Co., Ltd.	Wuxi	PRC
64.	Guangdong Meizhi Compressor Limited	Foshan Shunde	PRC
65.	Guangdong Meizhi Precision Manufacturing Co., Ltd.	Foshan Shunde	PRC
66.	Anhui Meizhi Compressor Co., Ltd.	Hefei	PRC
67.	Anhui Meizhi Precision Manufacturing Co., Ltd.	Wuhu	PRC
68.	Anhui Meizhi Compressor Sales Co., Ltd.	Wuhu	PRC
69.	Zhejiang Meizhi Compressor Co., Ltd.	Ningbo	PRC
70.	Midea Home Appliances (India) Private Limited	Gurgaon	India
71.	Guangdong Welling Motor Manufacturing Co., Ltd.	Foshan Shunde	PRC
72.	Foshan Welling Washing Appliance Motor Manufacturing Co., Ltd.	Foshan Shunde	PRC
73.	Foshan Welling Electronics & Electric Appliances Co., Ltd.	Foshan Shunde	PRC
74.	Wuhu Welling Motor Sales Co., Ltd.	Wuhu	PRC
75.	Welling (Wuhu) Motor Manufacturing Co., Ltd.	Wuhu	PRC
76.	Changzhou Welling Motor Manufacturing Co., Ltd.	Changzhou	PRC
77.	Changzhou Honglu Huate Motor Co., Ltd.	Changzhou	PRC
78.	Midea Welling Motor Technology (Shanghai) Co., Ltd.	Shanghai	PRC
79.	Huai'an Welling Motor Manufacturing Co., Ltd.	Huai'an	PRC
80.	Heifei Welling Motor Manufacturing Co., Ltd.	Hefei	PRC
81.	Welling Holding Limited	Hong Kong	PRC
82.	Welling International Hong Kong Limited	Hong Kong	PRC

83.	Welling Holding (BVI) Limited	Tortola	British Virgin Islands
84.	Arco S.A.	San Luis	Argentina
85.	Carrier Fueguina S.A.	Tierra del Fuego	Argentina
86.	Carrier S.A.	Buenos Aires	Argentina
87.	Climazon Industrial Ltda.	Manaus	Brazil
88.	Springer Carrier Ltda.	Canoas	Brazil
89.	Midea Do Brasil - AR CONDICIONADO S.A	Sao Paulo	Brazil
90.	Carrier (Chile) S.A.	Macul	Chile
91.	Century Carrier Residential Air-conditioning Equipment CO., Limited	Hong Kong	PRC
92.	Carrier Midea India Private Limited	Gurgaon	India
93.	PT. Midea Planet indonesia	Jakarta	Indonesia
94.	Midea Scott & English Electronics SDN BHD	Kuala Lumpur	Malaysia
95.	Midea Electric Trading (Singapore) Co., Pte. Ltd.	Singapore	Singapore
96.	Midea Trading (Thailand) Co., Ltd	Bangkok	Thailand
97.	Midea Electric Trading (Thailand) Limited	Bangkok	Thailand
98.	Midea Consumer Electric (Vietnam) CO.,LTD.	Binh Duong	Asia-Vietnam
99.	Concepcion Midea Inc.	Muntinlupa City	Philippines
100.	Misr Refrigeration and air conditioning Manufacturing Co. (MIRACO)	Cairo	Egypt
101.	Midea Air Con Middle East FZE	Dubai	United Arab Emirates
102.	Midea Saudi Arabia Co	Riyadh	Saudi Arabia
103.	Midea Italia S.R.L.	Milano	Italy
104.	Midea France sarl.	Lyon	France
105.	Midea Europe GmbH	Rüsselsheim	Germany

106.	Midea Electric Spain S.R.L.	Madrid	Spain
107.	Midea Polska SP.Z.O.O	Warsaw	Poland
108.	Beutiland B.V	Amsterdam	Netherlands
109.	FRYLANDS B.V	Amsterdam	Netherlands
110.	South American Holdco III	Amsterdam	Netherlands
111.	South American HoldCo. II B.V.	Amsterdam	Netherlands
112.	Midea Electrics Netherlands B.V.	Amsterdam	Netherlands
113.	JV “Midea-Gorizont” Co., Ltd.	Minsk	Belarus
114.	Orient Household Appliances Ltd.	Moscow	Russia
115.	Midea Mexico, S. DE R.L. DE C.V.	San Pedro Garza Garcia	Mexico
116.	Midea Canada Inc.	Toronto	Canada
117.	Midea America (Canada) Corp.	Toronto	Canada
118.	Pelonis Appliances, Inc	New Jersey	USA
119.	Midea (U.S.A.), Inc	New Jersey	USA
120.	Midea America Corp.	Miami	USA
121.	Main Power Electrical Appliances (Guiyang) Limited	Guiyang	PRC
122.	Main Power Zhiye (Shenzhen) Electrical Appliances Industry Co., Ltd.	Shenzhen	PRC
123.	Guangdong Midea Consumer Electrics Manufacturing Co.,Ltd.	Foshan Shunde	PRC
124.	Foshan Shunde Midea Electric Heater Manufacturing Co., Ltd.	Foshan Shunde	PRC
125.	Wuhan Midea Materials Supply Co., Ltd.	Wuhan	PRC
126.	Wuhu Midea Consumer Electrics Manufacturing Co., Ltd.	Wuhu	PRC
127.	Guangdong Midea Boutique Electrical Appliances Manufacturing Co., Ltd.	Foshan Shunde	PRC

128.	Guangdong Midea Environmental Appliances Manufacturing Co., Ltd.	Zhongshan	PRC
129.	Guangdong Midea Microwave Oven Manufacturing Co., Ltd.	Foshan Shunde	PRC
130.	Guangdong Midea Kitchen Appliances Manufacturing Co., Ltd.	Foshan Shunde	PRC
131.	Guangdong Witt Vacuum Electronics Manufacturing Co., Ltd.	Foshan Shunde	PRC
132.	Wuhu Midea Kitchen Appliances Manufacturing Co., Ltd.	Wuhu	PRC
133.	Jiangsu Midea Cleaning Appliance Company Limited	Suzhou	PRC
134.	Midea Deutschland GmbH	Rüsselsheim	Germany
135.	Midea Middle East	Dubai	United Arab Emirates
136.	Foshan Shunde Midea Washing Appliances Manufacturing Co., Ltd.	Foshan Shunde	PRC
137.	Wuhu Midea Washing Appliances Manufacturing Co., Ltd.	Wuhu	PRC
138.	Wuhu Midea Washing Appliances Trading Co., Ltd.	Wuhu	PRC
139.	Foshan Shunde Midea Water Dispenser Manufacturing Co., Ltd.	Foshan Shunde	PRC
140.	Foshan Midea Qinghu Water Purification Equipment Co., Ltd.	Foshan Shunde	PRC
141.	Foshan Micro Midea Filter Manufacturing Co., Ltd.	Foshan Shunde	PRC
142.	Shunde Midea Kitchen & Bath Appliances Manufacturing Co., Ltd.	Foshan Shunde	PRC
143.	Wuhu Midea Kitchen & Bath Appliances Manufacturing Co., Ltd.	Wuhu	PRC
144.	Shenzhen Meian Internet Technology Co., Ltd	Shenzhen	PRC
145.	Annto Logistics Company Limited	Wuhu	PRC

146.	Wuhu Annto Logistics Park Management Co., Ltd.	Wuhu	PRC
147.	Wuhu Midea Annto Logistics Co., Ltd.	Wuhu	PRC
148.	Wuhu Annto Investment Co., Ltd.	Wuhu	PRC
149.	Foshan Annto Logistics Co., Ltd.	Foshan Shunde	PRC
150.	Hefei Annto Logistics Co., Ltd.	Hefei	PRC
151.	Wuhan Annto Logistics Co., Ltd.	Wuhan	PRC
152.	Chongqing Annto Logistics Co., Ltd.	Chongqing	PRC
153.	Xuzhou Midea Annto Logistics Co., Ltd.	Xuzhou	PRC
154.	Shenyang Midea Annto Logistics Co., Ltd.	Shenyang	PRC
155.	Tianjin Midea Annto Logistics Co., Ltd.	Tianjin	PRC
156.	Ningbo Annto Logistics Co., Ltd.	Ningbo	PRC
157.	Ningbo Midea Annto Logistics Co., Ltd.	Ningbo	PRC
158.	Guiyang Midea Annto Logistics Co., Ltd.	Guiyang	PRC
159.	Nanjing Midea Annto Logistics Co., Ltd.	Nanjing	PRC
160.	Qihe Midea Annto Warehousing and Transportation Co., Ltd.	Qihe	PRC
161.	Jingzhou Midea Annto Warehousing and Transportation Co., Ltd.	Jingzhou	PRC
162.	Zhengzhou Annto Logistics Co., Ltd.	Zhengzhou	PRC
163.	Weifang Midea Annto Logistics Co., Ltd.	Weifang	PRC
164.	Shanghai Midea Annto Logistics Co., Ltd.	Shanghai	PRC
165.	Wuxi Midea Annto Logistics Co., Ltd.	Wuxi	PRC
166.	Haerbin Annto Logistics Co., Ltd.	Haerbin	PRC
167.	Wuxi Hongming Materials Technology Co., Ltd.	Wuxi	PRC
168.	Taiyuan Annto Shuihua Logistics Co., Ltd.	Taiyuan	PRC
169.	Foshan Midea Customs Clearance Co., Ltd.	Foshan Shunde	PRC
170.	Foshan Midea Materials Supply Co., Ltd.	Foshan Shunde	PRC

171.	Wuhu Midea Materials Supply Co., Ltd.	Wuhu	PRC
172.	Foshan Welling Materials Supply Co., Ltd.	Foshan Shunde	PRC
173.	Hefei Midea Materials Supply Co., Ltd.	Hefei	PRC
174.	Ningbo Midea United Materials Supply Co. Ltd.	Ningbo	PRC
175.	Guangzhou Kaizhao Trading Co., Ltd.	Guangzhou	PRC
176.	Midea International Corporation Company Limited	Hong Kong	PRC
177.	Calpore Macao Commercial Offshore Ltd	Macau	PRC
178.	Midea Investment Holding (BVI) Limited	Tortola	British Virgin Islands
179.	Midea Holding (Cayman Islands) Limited	George Town	Cayman Islands
180.	Midea Electric Investment (BVI) Limited	Tortola	British Virgin Islands
181.	Midea Refrigeration (Hong Kong) Limited	Hong Kong	PRC
182.	Titoni Investments Development Limited	Tortola	British Virgin Islands
Subsidiaries of Midea International Corporation Company Limited			
183.	Foshan Shunde Bainian Science and Technology Co., Ltd	Foshan Shunde	PRC
184.	Wuhu Bainian Technology Development Co., Ltd.	Wuhu	PRC
185.	Midea Singapore Trading Co. Pte. Ltd.	Singapore	Singapore
186.	Changzhou Annto Logistics Co., Ltd.	Changzhou	PRC
187.	Main Power Electrical Factory Limited	Hong Kong	PRC
188.	Midea International Trading Company Limited	Hong Kong	PRC
189.	Midea Home Appliances Investments (Hong Kong) Co., Limited	Hong Kong	PRC
190.	Chairing Holding Limited	Hong Kong	PRC
191.	Mecca International (BVI) Ltd	Tortola	British Virgin Islands

192.	Gold Emperor Enterprises Limited	Hong Kong	PRC
193.	Midea Investment Development Co., Ltd.	Hong Kong	PRC

APPENDIX 3

Securities Transactions of the Bidder

<u>Purchase date</u>	<u>Volume (number of shares)</u>	<u>Average purchase price (EUR)</u>	<u>Total amount purchased (EUR)</u>	<u>Highest price paid (EUR)</u>	<u>Acquisition method</u>
18/11/2015	92,202	77.9642	7,188,455.17	78.00	on-market
19/11/2015	4,177	77.9532	325,610.52	78.00	on-market
20/11/2015	10,808	77.9293	842,259.87	78.00	on-market
23/11/2015	146	78.0000	11,388.00	78.00	on-market
24/11/2015	24,836	77.5341	1,925,636.91	78.00	on-market
25/11/2015	1,576	77.9801	122,896.64	78.00	on-market
05/01/2016	2,041	77.9321	159,059.42	78.00	on-market
06/01/2016	85,019	77.5034	6,589,261.56	78.00	on-market
07/01/2016	96,560	76.9992	7,435,042.75	78.00	on-market
08/01/2016	18,332	77.8357	1,426,884.05	78.00	on-market
11/01/2016	58,165	77.7611	4,522,974.38	78.00	on-market
12/01/2016	21,939	77.9940	1,711,110.37	78.00	on-market
13/01/2016	27,313	77.7071	2,122,414.02	78.00	on-market
14/01/2016	96,920	75.6434	7,331,358.33	76.98	on-market
15/01/2016	110,472	74.4431	8,223,878.14	75.64	on-market
18/01/2016	81,428	73.5270	5,987,156.56	75.71	on-market
19/01/2016	63,139	74.9510	4,732,331.19	76.50	on-market
20/01/2016	27,961	74.2684	2,076,618.73	74.92	on-market
01/02/2016	85,596	72.1360	6,174,553.06	72.80	on-market
02/02/2016	97,903	72.1318	7,061,919.62	72.52	on-market
03/02/2016	200,045	71.6856	14,340,345.85	72.69	on-market

<u>Purchase date</u>	<u>Volume (number of shares)</u>	<u>Average purchase price (EUR)</u>	<u>Total amount purchased (EUR)</u>	<u>Highest price paid (EUR)</u>	<u>Acquisition method</u>
04/02/2016	30,805	75.0774	2,312,759.31	78.00	on-market
05/02/2016	9,478	77.8603	737,959.92	78.00	on-market
08/02/2016	287,953	75.4225	21,718,135.14	77.86	on-market
09/02/2016	107,013	74.3964	7,961,381.95	76.50	on-market
10/02/2016	7,007	77.0938	540,196.26	77.27	on-market
11/02/2016	42,098	75.8390	3,192,670.22	76.99	on-market
12/02/2016	71,001	75.4165	5,354,646.92	77.00	on-market
15/03/2016	117,088	88.4074	10,351,445.65	88.97	on-market
16/03/2016	11,250	89.0649	1,001,980.13	89.96	on-market
17/03/2016	26,050	89.0715	2,320,312.58	90.00	on-market
18/03/2016	72,702	88.3262	6,421,491.39	89.69	on-market
21/03/2016	90,108	87.5375	7,887,829.05	88.38	on-market
22/03/2016	73,866	85.5729	6,320,927.83	88.89	on-market
23/03/2016	65,750	87.7985	5,772,751.38	89.80	on-market
24/03/2016	83,142	89.1203	7,409,639.98	89.80	on-market
29/03/2016	15,278	89.6550	1,369,749.09	89.95	on-market
05/04/2016	24,858	89.6956	2,229,653.22	90.00	on-market
06/04/2016	3,248	89.6378	291,143.57	90.00	on-market
Total	2,345,273	78.2450	183,505,828.72	90.00	
Shares outstanding	39,775,470				
Total Acquired	5.90%				

Differences from arithmetic results (if any) are due to rounding

APPENDIX 4

Subsidiaries of KUKA

No.	Name of the company	Address/Seat	Country
1.	KUKA U.S. Holdings Company LLC	Shelby Township, Michigan	United States
2.	Bopp & Reuther Anlagen- Verwaltungsgesellschaft mbH	Augsburg	Germany
3.	KUKA Roboter GmbH	Augsburg	Germany
4.	KUKA Roboter CEE GmbH	Linz	Austria
5.	KUKA Roboter Schweiz AG	Dietikon	Switzerland
6.	KUKA Robots IBÉRICA S.A.	Vilanova i la Geltrú	Spain
7.	KUKA Automatisme + Robotique S.A.S.	Villebon-sur-Yvette	France
8.	KUKA Robotics Hungária Ipari Kft.	Taksony	Hungary
9.	KUKA Roboter Italia S.p.A.	Rivoli	Italy
10.	KUKA Robotics OOO	Moskau	Russia
11.	KUKA Nordic AB	Västra Frölunda	Sweden
12.	KUKA Robotics UK LTD	Wednesbury	Great Britain
13.	KUKA Robotics Corp.	Sterling Heights, Michigan	United States
14.	KUKA Robotics Canada Ltd.	Saint John NB	Canada
15.	KUKA Roboter do Brasil Ltda.	Sao Paulo	Brazil
16.	KUKA de Mexico S. de R.L. de C.V.	Mexico City	Mexico
17.	KUKA Robotics (China) Co. Ltd.	Shanghai	PRC
18.	KUKA Robotics Manufacturing China Co. Ltd.	Shanghai City	PRC
19.	KUKA Robotics (India) Pvt. Ltd.	Haryana	India
20.	KUKA Robotics Japan K.K.	Tokyo	Japan

21.	KUKA Robotics Korea Co. Ltd.	Kyunggi-Do	South Korea
22.	KUKA Robot Automation Malaysia Sdn Bhd	Kuala Lumpur	Malaysia
23.	KUKA Robotics Thailand Ltd.	Bangkok	Thailand
24.	KUKA Robot Automation Taiwan Co. Ltd.	Chung-Li City	Taiwan
25.	KUKA Robotics Australia Pty. Ltd.	Victoria	Australia
26.	KUKA Systems GmbH	Augsburg	Germany
27.	Faude Automatisierungstechnik GmbH	G ä r t r i n g e n	Germany
28.	KUKA Automotive N.V.	Houthalen	Belgium
29.	KUKA S-BASE s.r.o. (in Liquidation)	Roznov p.R.	Czech Republic
30.	KUKA Systems Aerospace SAS	Bordeaux-Merignac	France
31.	KUKA Systems France S.A.	Montigny	France
32.	KUKA Systems SRL	Sibiu	Romania
33.	KUKA Sistemy OOO	Togliatti	Russia
34.	KUKA Enco Werkzeugbau spol. s.r.o.	Dubnica nad V á h o m	Slovakia
35.	KUKA Assembly and Test Corp.	Saginaw, Michigan	United States
36.	KUKA Systems North America LLC	Sterling Heights, Michigan	United States
37.	KUKA Toledo Production Operations LLC	Toledo, Ohio	United States
38.	KUKA Systems do Brasil Ltda.	Sao Bernardo do Campo SP	Brazil
39.	KUKA Systems de Mexico S. de R.L. de C.V.	Mexico City	Mexico
40.	KUKA Recursos S. de R.L. de C.V.	Mexico City	Mexico
41.	KUKA Automation Equipment (Shanghai) Co., Ltd.	Shanghai	PRC
42.	KUKA Systems (China) Co. Ltd.	Shanghai	PRC
43.	KUKA Systems (India) Pvt. Ltd.	Pune	India
44.	KUKA Industries GmbH	Augsburg	Germany
45.	KUKA Automatisering + Robots N.V.	Houthalen	Belgium

46.	KUKA Systems UK Ltd.	Halesowen	Great Britain
47.	Reis Holding GmbH	Obernburg	Germany
48.	Reis Group Holding GmbH & Co. KG	Obernburg	Germany
49.	Reis GmbH	Obernburg	Germany
50.	KUKA Industries GmbH & Co. KG	Obernburg	Germany
51.	Verwaltungsgesellschaft Walter Reis GmbH	Obernburg	Germany
52.	Walter Reis GmbH & Co. KG	Obernburg	Germany
53.	WR Vermögensverwaltungs GmbH	Obernburg	Germany
54.	Reis Asia Pacific GmbH	Obernburg	Germany
55.	IRT S.A.	Neuchatel	Switzerland
56.	Reis Robotics CR. – strojirenstvi spol. s.r.o.	Chomutov	Czech Republic
57.	Reis Espana S.L.	Esplugues de Llobregat	Spain
58.	Reis France SCI	Pontault-Combeau	France
59.	Reis Robotics Italia srl	Bellusco	Italy
60.	Reis Robotics USA Inc.	Elgin/Illinois	United States
61.	Reis Robotics do Brasil Ltda.	Sao Paulo	Brazil
62.	KUKA Industries Brasil Sistemas de Automocão Ltda.	Sao Paulo	Brazil
63.	Reis Robotics China Co. Ltd. (Shanghai)	Shanghai	PRC
64.	Reis Robotics China Co. Ltd. (Kunshan)	Kunshan	PRC
65.	Reis Robotics Singapore PTE Ltd.	Singapur	Singapore
66.	Swisslog Holding AG	Buchs	Switzerland
67.	Swisslog AG	Buchs	Switzerland
68.	Swisslog IP AG	Buchs	Switzerland
69.	Swisslog Automation GmbH	Ettlingen	Germany
70.	Swisslog (Deutschland) GmbH	Puchheim	Germany

71.	Swisslog Healthcare GmbH	Westerstede	Germany
72.	Swisslog GmbH	Dortmund	Germany
73.	Swisslog Augsburg GmbH	Augsburg	Germany
74.	Swisslog Evomatic GmbH	Sipbachzell	Austria
75.	Swisslog N.V.	Wilrijk	Belgium
76.	Swisslog France SAS	Saint-Denis	France
77.	Swisslog Italia SpA	Mailand	Italy
78.	Swisslog Luxembourg S.A.	Ell	Luxembourg
79.	Swisslog B.V.	Culemborg	Netherlands
80.	Swisslog Ergotrans B.V.	Apeldoorn	Netherlands
81.	Swisslog AS	Oslo	Norway
82.	Swisslog Accalon AB	Boxholm	Sweden
83.	Swisslog AB	Partille	Sweden
84.	Swisslog (UK) Ltd.	Redditch	Great Britain
85.	Forte Industrial Equipment Systems Inc.	Mason	United States
86.	Swisslog USA Inc.	City of Dover	United States
87.	Swisslog Logistics Inc.	Newport News	United States
88.	Translogic Corp.	Denver	United States
89.	Translogic Ltd. (Canada)	Mississauga	Canada
90.	Swisslog (Kunshan) Co. Ltd.	Kunshan	PRC
91.	Swisslog Asia Ltd.	Hongkong	PRC
92.	Swisslog Shanghai Co. Ltd.	Shanghai	PRC
93.	Swisslog Malaysia Sdn Bhd	Selangor Darul Ehsan	Malaysia
94.	Swisslog Singapore Pte Ltd.	Singapur	Singapore
95.	Swisslog Pte Ltd. Singapur	Singapur	Singapore
96.	Swisslog Australia Pty Ltd.	Sydney	Australia

97.	Swisslog Middle East LLC	Dubai	UAE
98.	Freadix FryTec GmbH	Augsburg	Germany
99.	IWK Unterstützungseinrichtung GmbH	Karlsruhe	Germany
100.	KUKA Unterstützungskasse GmbH	Augsburg	Germany
101.	Metaalwarenfabriek 's-Hertogenbosch B.V.	's-Hertogenbosch	Netherlands
102.	Schmidt Maschinentechnik GmbH i.L.	Niederstotzingen	Germany
103.	connyun GmbH	Augsburg	Germany

APPENDIX 5

Financing Confirmation

NON-BINDING ENGLISH TRANSLATION

[ICBC Letter Head]

MECCA International (BVI) Limited
c/o Tricor Services (BVI) Limited
P.O. Box 3340
Road Town, Tortola
British Virgin Islands

2 June 2016

Confirmation pursuant to section 13 para. 1 sentence 2 of the German Securities Acquisition and Takeover Act (WpÜG) regarding the takeover offer of MECCA International (BVI) Limited to the shareholders of KUKA Aktiengesellschaft for the acquisition of all shares in KUKA Aktiengesellschaft against payment of a cash consideration in the amount of EUR 115.00 per share

Ladies and Gentlemen:

We, Industrial and Commercial Bank of China (Europe) S.A., with our registered office in Luxembourg, acting through Industrial and Commercial Bank of China Paris Branch, are an investment services enterprise independent of MECCA International (BVI) Limited and Midea Group Co. Ltd. within the meaning of section 13 para. 1 sentence 2 WpÜG.

We hereby confirm that MECCA International (BVI) Limited has taken the necessary measures to ensure that it has at its disposal, at the time the cash consideration will be due, the necessary means to fully perform the above-mentioned takeover offer to the shareholders of KUKA Aktiengesellschaft for the acquisition of the shares outstanding as of the date of this takeover offer.

We consent to the publication of this letter in the offer document regarding the above takeover offer pursuant to section 11 para. 2 sentence 3, no. 4 WpÜG.

Yours sincerely,

Industrial and Commercial Bank of China (Europe) S.A.

(signed)

Yu Qide