

PETRUSADVISERS

Wacker Neuson SE („Wacker Neuson“)
Hans Neunteufel (Chairman of the Supervisory Board)
Professor Dr. Matthias Schüppen (Vice-Chairman of the Supervisory Board)
Preussenstrasse 41
80809 München

London, 2 May 2017

Dear Mr. Neunteufel, dear Professor Schüppen,

Thank you very much for your reply to our letter of 10 February 2017, which we received on 5 April 2017. We appreciate your consideration of the points we made and the fact that these have seemingly given rise to internal discussion.

Contrary to your view, we do not believe that these points should fall under the sole decision making responsibility of the Executive Board. This is why we had turned to you as Chairpersons of the Supervisory Board. In our opinion, it is of utmost importance that points of such crucial significance for the company and consequently its value (i) be approved by the Supervisory Board and (ii) the implementation thereof be continuously monitored by the Supervisory Board. This is especially of essence if there are issues and question marks around those value drivers.

We note that your current 2017 revenue guidance of €1.4-1.45 billion¹ is identical to the 2015 guidance per 16 March 2015² and the 2016 guidance of 15 March 2016³. At the same time, the EBIT margin guidance has been reduced by 200 basis points from 9.5-10.5% per March 2015 to 7.5-8.5% per March 2017, with three profit warnings during the same period⁴.

We currently do not expect that the improvement potential we have pointed out will be systematically addressed by management. This might change only if you manage to find a suitable CEO to succeed Mr Peksaglam whose contract runs out in August of this year. We have therefore decided to sell our stake in Wacker Neuson, since we do not want to solely bet on the recovery of your end markets.

Yours sincerely,

Klaus Umek

Managing Partner
Petrus Advisers

Till Hufnagel

Partner
Petrus Advisers

¹ FY 2016 results presentation per 16 March 2017.

² FY 2014 results presentation.

³ FY 2015 results presentation.

⁴ 14 October 2015 (ad hoc press release), 4 August 2016 (Q2 2016 results presentation), 10 November 2016 (Q3 results presentation).

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