

**Explanatory Report by the Board of Management
on Sections 289 (4) and 315 (4) of the German Commercial Code (HGB)
-Translation-**

The German Act implementing the Takeover Directive (*Übernahmerrichtlinie-Umsetzungsgesetz*) of July 14, 2006 introduced new requirements with regard to the reporting in the management report and the Group management report. Dürr Aktiengesellschaft complied with these new disclosure rules as formulated in Sections 289 (4) and 315 (4) of the German Commercial Code (HGB) in the financial reporting in connection with its annual financial statements for 2006. Pursuant to Section 171 (2) sentence 2 of the German Stock Corporation Act (AktG) the Supervisory Board is required to explain these disclosures in its report. This requirement was also complied with.

In connection with the Second Amendment to the Conversion Act (*Zweites Gesetz zur Änderung des Umwandlungsgesetzes*) the German legislature has now changed the aforesaid rules. The Supervisory Board's duty to explain no longer applies in future; the Board of Management is now required to make additional comments. This legislation and the related amendment of the German Stock Corporation Act (AktG) enter into force on April 25, 2007.

Against this background the Board of Management of Dürr Aktiengesellschaft adopts the following explanatory statements made in the Report of the Supervisory Board:

- The relevant provisions of the law are the only provisions governing the appointment and recall of members of the Board of Management and changes to the Articles of Incorporation. There are no additional, dispositive provisions, for example in the Articles of Incorporation. The authorizations given by the annual shareholders' meeting (on capital increases, convertible bonds, profit-sharing rights, participating bonds, or any combination of these instruments) are global authorizations that give Dürr greater flexibility in financing as needed.
- The rules regarding a possible change in control as set forth in the terms and conditions of the corporate bond we issued in July 2004 are customary and are included in comparable form in other issuers' bond terms and conditions. They safeguard the bondholders' interests.

By virtue of the annulment of the pool agreement between the shareholders Heinz Dürr GmbH, Heinz und Heide Dürr-Stiftung GmbH, Süd-Kapitalbeteiligungs-Gesellschaft mbH, and BWK GmbH Unternehmensbeteiligungsgesellschaft as of April 13, 2007 there are meanwhile no longer any restrictions affecting voting rights or the transfer of shares.

Stuttgart. April 25, 2007

The Board of Management

Ralf Dieter

Martin Hollenhorst