

- Non-binding English translation -
Mandatory Publication pursuant to
section 27 para. 3 in conjunction with section 14 para. 3 sent. 1 of the German Securities
Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz – WpÜG*)



VTG Aktiengesellschaft

**Supplementary Joint opinion
of the Executive Board and the Supervisory Board**

of

VTG Aktiengesellschaft
Nagelsweg 34, 20097 Hamburg

**pursuant to section 27 para. 1 of the German Securities Acquisition and Takeover Act
to the amendment of the voluntary public takeover offer published on 30 October 2018**

of

Warwick Holding GmbH

to

the shareholders of VTG Aktiengesellschaft

Shares of VTG Aktiengesellschaft: ISIN DE000VTG9999
Tendered shares of VTG Aktiengesellschaft: ISIN DE000VTG01V2

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I. INTRODUCTION

This introduction contains selected information from this opinion. It should therefore be read in conjunction with the more extensive information in the main body of this opinion. Reading the introduction cannot substitute reading the entire opinion.

The Offer of the Bidder, a wholly-owned indirect subsidiary of funds that are advised by Morgan Stanley Infrastructure Inc., was unsolicited.

In the joint reasoned opinion of 5 September 2018, the Executive Board and the Supervisory Board of VTG AG stated that they consider the consideration offered by the Bidder inadequate from a financial point of view and that they therefore recommend that the VTG shareholders do not accept the Offer.

The Executive Board and the Supervisory Board of VTG AG maintain their recommendation as stipulated in the joint reasoned opinion of 5 September 2018 to not accept the Offer. The amendment of the Offer published by the Bidder only relates to the waiver of a closing condition and, in the opinion of the Executive Board and the Supervisory Board of VTG AG, does not contain any content that would give cause to depart from the recommendation published in the joint reasoned opinion of 5 September 2018.

The recommendation is also not affected by the changed intentions of the Executive Board members Dr. Heiko Fischer and Dr. Kai Kleeberg to accept the Offer with all of the VTG shares held by them for personal reasons.

II. GENERAL INFORMATION ABOUT THIS SUPPLEMENTARY OPINION

On 24 August 2018, pursuant to section 34 and section 14 paras 2 and 3 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, "WpÜG"), Warwick Holding GmbH with registered office in Frankfurt am Main, Germany ("**Warwick** or "**Bidder**") published an offer document within the meaning of section 11 WpÜG ("**Offer Document**"). In the Offer Document, the Bidder makes a voluntary public takeover offer in the form of a cash offer (the "**Offer**") to all shareholders of VTG Aktiengesellschaft with its registered office in Hamburg, Germany ("**VTG**" or the "**Company**").

On 5 September 2018, the executive board of VTG ("**Executive Board**") and the supervisory board of VTG ("**Supervisory Board**") published a joint reasoned opinion pursuant to section 27 WpÜG ("**Opinion of 5 September 2018**") regarding the Offer of the Bidder in which they recommended that the VTG shareholders do not accept the Offer.

On 30 October 2018, the Bidder published an amendment of its Offer. The amendment of the Offer relates to the waiver of the closing condition as set forth in section 11.1.5 (2) of the Offer Document. This closing condition provided that the daily closing value of the SDAX, as determined by Deutsche Börse AG, Frankfurt am Main, Germany, or a successor thereof, and published on its internet website (<http://www.boerse-frankfurt.de>), two trading days prior to the expiration of the acceptance period is not 15% or more below the closing quotation of the SDAX of 12,214.89 points on the trading day immediately preceding the day of the publication of the decision to launch the Offer pursuant to section 10 para. 1 sent. 1 WpÜG.

1. Legal basis; particular interests of individual members of the Supervisory Board

Under section 27 para. 1 sent. 1 WpÜG, the executive board and the supervisory board of a target company are required to issue a reasoned opinion on a takeover offer and all amendments thereto. The opinion may be provided jointly by the target company's executive board and supervisory board. The Executive Board and the Supervisory Board have decided to issue a joint opinion.

Like with respect to the Opinion of 5 September 2018, Dr. Markus Hottenrott and Karl Gernandt did not participate in the discussion and in the resolution regarding this supplementary opinion in the Supervisory Board on 6 November 2018 because of their close professional relations with the Bidder and with Kühne Holding AG, respectively, as set out in the Opinion of 5 September 2018 (for more details, see section III.3 of the Opinion of 5 September 2018).

This opinion is being issued solely under German law.

2. Factual basis

The Opinion of 5 September 2018 is supplemented by this joint opinion of the Executive Board and the Supervisory Board ("**Supplementary Opinion**"). The Supplementary Opinion forms a uniform document with the Opinion of 5 September 2018 and is to be read in conjunction with the Opinion of 5 September 2018.

Unless otherwise stipulated in this Supplementary Opinion, the Opinion of 5 September 2018 remains in effect.

3. No statement of VTG's works council

A supplementary opinion of the works council of VTG to the amendment of the Offer is not available to the Executive Board.

4. Publication of this Supplementary Opinion

This Supplementary Opinion will be published pursuant to section 27 para. 3 and section 14 para. 3 sent. 1 WpÜG on the internet on the Company's website at <http://www.vtg.de> under the category *Investor Relations* in German and as a non-binding English translation (also under *Investor Relations*). Copies of the Supplementary Opinion may be obtained from VTG Aktiengesellschaft, *Investor Relations*, Nagelsweg 34, 20097 Hamburg, Germany, telephone: +49 (0)40-2354-0, fax: +49 (0)40-2354-1199 free of charge. Both the fact of publication and the availability of copies for distribution free of charge will be announced in the German Federal Gazette (*Bundesanzeiger*).

This Supplementary Opinion will be published in German and as a non-binding English translation. No liability is assumed for the correctness or completeness of the English translation. Only the German version is authoritative.

5. Independent review by VTG shareholders

The Executive Board and the Supervisory Board point out that the description of the Bidder's Offer contained in this Supplementary Opinion does not purport to be complete and that solely the terms of the Offer Document and of the amendment of the Offer apply to both the content and settlement of the Offer. The valuations by and recommendations of the Executive Board and the Supervisory Board contained in this Supplementary Opinion are by no means binding on the VTG shareholders. Any references to, or quotes, summaries or repetitions of the Offer, the Offer Document or the amendment of the Offer in this Supplementary Opinion serve only as reference points, and the Executive Board and the Supervisory Board do not adopt the Offer, the Offer Document or the amendment to the Offer, nor do they assume any liability for the accuracy or completeness of the Offer, the Offer Document or the amendment to the Offer. Each VTG shareholder is responsible for taking note of the Offer Document and the amendment of the Offer, forming its own opinion of the Offer and, if required, taking action as necessary in each case. Regardless of whether or not they accept the Offer, VTG shareholders are responsible themselves for complying with the requirements and conditions set forth in the Offer Document or the amendment of the Offer.

Executive Board and Supervisory Board advise all VTG shareholders to carefully read, in addition to this Supplementary Opinion, the Opinion of 5 September 2018, the Offer and the amendment of the Offer before they make their decision on the acceptance of the offer.

Every VTG shareholder is responsible for reaching his/her own decision on whether and, where applicable, to what extent he/she wishes to accept the Offer, taking into account his/her overall situation, individual situation (including his/her individual tax situation) and personal assessment of the future development of the value and share price of the VTG Shares. In reaching this decision, the VTG shareholders should take into account all sources of information available to them and

take sufficient account of their personal interests. The Executive Board and the Supervisory Board do not assume any responsibility for the VTG shareholders' decision.

III. AMENDMENT OF THE OFFER

The Bidder published an amendment of its Offer on 30 October 2018 pursuant to section 21 para. 2 in conjunction with section 14 para. 3 sent. 1 WpÜG.

1. Waiver of closing condition

The Offer and contractual agreements entered into by acceptance of the Offer are subject to various closing conditions as set forth in section 11.1 of the Offer Document.

The Bidder waived the closing condition set forth in section 11.1.5 (2) of the Offer Document as follows:

"The Bidder hereby waives the Closing Condition set forth in Section 11.1.5 (2) of the Offer Document (No Market Material Adverse Change Condition (Decline of SDAX)). The closing of the Amended Offer and the validity of the agreements entered into as a result of accepting the Amended Offer are therefore no longer subject to the Closing Condition set forth in Section 11.1.5(2) of the Offer Document."

The Offer and contractual agreements entered into by acceptance of the Offer are therefore no longer subject to the closing condition set forth in section 11.1.5 (2) of the Offer Document.

2. Extension of the acceptance period

The waiver of an offer condition constitutes an amendment of the offer. As the amendment of the offer was published within the last two weeks of the acceptance period, the acceptance period is extended by two weeks pursuant to section 21 para. 5 sent. 1 WpÜG and will now expire on 16 November 2018 at 24:00 hours (CET).

3. Postponement of the additional acceptance period

Due to the extension of the acceptance period, the additional acceptance period will be postponed. Assuming the publication of the results of the amended Offer takes place on 21 November 2018, the additional acceptance period would commence on 22 November 2018 and expire on 5 December 2018 at 24:00 hours (CET), pursuant to section 23 para. 1 sent. 1 no. 2 WpÜG.

4. Right of withdrawal

The Executive Board and the Supervisory Board note that VTG shareholders who have accepted the Offer prior to the publication of the amendment of the Offer may, pursuant to section 21 para. 4 WpÜG, rescind their acceptance of the Offer at any time until the expiration of the acceptance period.

5. Assessment of the amendment of the Offer

Due to the amendment of the Offer, the closing condition set forth in section 11.1.5 (2) of the Offer Document ceased to exist. Potential uncertainties as to whether the closing condition set forth in section 11.1.5 (2) of the Offer Document will be met are eliminated.

IV. INTENTIONS OF THE MEMBERS OF THE EXECUTIVE BOARD TO ACCEPT THE OFFER (AMENDMENTS)

Section X of the Opinion of 5 September 2018 reads:

"Of the members of the Executive Board, only Dr. Heiko Fischer, Dr. Kai Kleeberg and Günter-Friedrich Maas hold VTG Shares. They currently intend not to accept the Bidder's Offer with all of the VTG Shares held by each of them."

The intentions of the Executive Board members Dr. Heiko Fischer and Herr Dr. Kai Kleeberg to accept the Offer have changed. Therefore, the paragraph above is updated as follows:

"At the time of this Supplementary Opinion, the members of the Executive Board of the Company hold 149,974 VTG shares in total. Of these, Dr. Heiko Fischer holds 89,341 VTG shares, Dr. Kai Kleeberg holds 60,333 VTG shares and Günter-Friedrich Maas holds 300 VTG shares. Dr. Heiko Fischer and Dr. Kai Kleeberg currently intend to accept the Bidder's Offer with all of the VTG Shares held by each of them. On the contrary, Günter-Friedrich Maas currently intends not to accept the Bidder's Offer with all of the VTG Shares held by him."

Dr. Heiko Fischer and Dr. Kai Kleeberg have, after careful consideration of different courses of action, now for personal reasons decided to accept the Offer of the Bidder with all of the VTG shares held by them. For the reasons stated in the Opinion of 5 September 2018 in detail, both Executive Board members are still of the opinion that the consideration offered in the amount of EUR 53.00 is inadequate and not indicative of the Company's potential. For different reasons, however, both Executive Board members have decided to tender the VTG shares held by them into the Offer despite those considerations:

- Dr. Kai Kleeberg will leave the Executive Board of the Company by the end of the year 2018, as planned. Tendering all VTG shares held by him will allow him to realize, at the end of his term of office, the increase in value of the VTG shares to which he contributed significantly during his 15 years of service as an active member of the Executive Board of the Company and to use the proceeds in accordance with his new stage of life.
- Dr. Heiko Fischer has decided to tender the VTG shares held by him because he is subject to strict legal and factual limitations in regard to the time and manner of the sale of his VTG shares due to his position as a member of the Executive Board and the extent of his shareholding. As it can be assumed by now that the Offer by Warwick will be consummated, it can also be foreseen that the liquidity of the VTG share will decline which will impede the sale of bigger share packages. The already very limited scope of action of Dr. Heiko Fischer in regard to his share package by legal requirements such as the prohibition of insider trading and closed periods will prospectively be restricted even further in the future. Therefore, Dr. Heiko Fischer wants to make use of the Offer of the Bidder to sell his share package in a clear legal framework.

Both Executive Board members are aware of, and accept, the disadvantages resulting from the fact that, in their opinion, the price offered does not reflect the fundamental value of the VTG shares.

Günter-Friedrich Maas still intends to retain the VTG shares held by him.

V. RECOMMENDATION

In the Opinion of 5 September 2018, the Executive Board and the Supervisory Board held the view that the consideration offered by the Bidder of EUR 53.00 per VTG share is not adequate within the meaning of section 31 para. 1 WpÜG and that the transaction is not in the interests of VTG and its shareholders. Therefore, the Executive Board and the Supervisory Board recommended in the Opinion of 5 September 2018 that the VTG shareholders do not accept the Offer.

According to the assessment of the Executive Board and the Supervisory Board, neither the amendment of the Offer nor the changed intentions of the Executive Board members Dr. Kai Kleeberg and Dr. Heiko Fischer to accept the Offer give cause to depart from the view taken in the Opinion of 5 September 2018. In the course of preparing this Supplementary Opinion, the Executive Board and the Supervisory Board thoroughly reconsidered the reasons given in the Opinion of 5 September 2018 as well as the interim market development. In light of their further review, the Executive Board and the Supervisory Board reiterate their assessment that the consideration offered is inadequate and that the transaction is not in the interests of VTG and its

shareholders and therefore continue to recommend that the VTG shareholders do not accept the Offer.

Each VTG shareholder should reach his/her own decision on whether or not to accept the Offer by considering the overall circumstances, his/her individual financial, tax and other circumstances, and his/her personal assessment of the future development of the value and price of the VTG Shares. Subject to mandatory applicable law, the Executive Board and the Supervisory Board assume no responsibility in the event that the acceptance or non-acceptance of the Offer subsequently has any adverse financial consequences for any VTG shareholder.

Hamburg, 7 November 2018

VTG Aktiengesellschaft

Executive Board and Supervisory Board