

Compulsory publication as per §§ 27, section 3, sentence 1, 14 section 3, sentence 1
of the German Security Acquisition and Assumption Law

ALNO AG

Joint Comments by the Management Board and Supervisory Board

at

ALNO Aktiengesellschaft

Heiligenberger Strasse 47,
D-88630 Pfullendorf

**as per § 27 of the German Security Acquisition and Assumption
Law on a Voluntary Public Takeover Bid (Cash Offer)**

by Küchen Holding GmbH

Maximilianstrasse 11,
D-80539 Munich

Offered to the Shareholders of ALNO Aktiengesellschaft

ALNO shares:

ISIN DE0007788408 (WKN 778 840)

ALNO shares submitted for sale:

ISIN DE000A0LD4H4 (WKN A0LD4H)

ALNO shares submitted for subsequent sale:

ISIN DE000A0LD4J0 (WKN A0LD4J)

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On 27th November 2006 and in accordance with § 14, sections 2 and 3 of the German Security Acquisition and Assumption Law (hereinafter "**WpÜG**"), Küchen Holding GmbH in Munich (hereinafter the "**bidder**" or "**Küchen Holding**") announced the tender documents as per § 11 of the WpÜG (hereinafter the "**tender documents**") for the voluntary public bid by the bidder to all shareholders in ALNO AG, Pfullendorf (hereinafter "**ALNO AG**", the "**target company**" or the "**company**" and together with its associated companies the "**ALNO Corporation**") for acquisition of bearer nonpar individual ordinary share certificates held by them in ALNO AG with a once-off prorated amount of the equity capital sum of EUR 2.60 (ISIN DE0007788408 / WKN 778 840) (hereinafter referred to individually as "**ALNO share**" and together "**ALNO shares**") for a bid price of EUR 7.20 per ALNO share (hereinafter the "**bid**"). The tender documents were submitted to the Board at ALNO AG (hereinafter the "**Board**") by the bidder on 27th November 2006; the Board passed the tender documents on to the ALNO AG Supervisory Board (hereinafter "**Supervisory Board**") on the same day.

The Board and Supervisory Board at ALNO AG issue the following joint statement (hereinafter "**statement**") on the bid in accordance with § 27 of the WpÜG:

1. **GENERAL INFORMATION**

1.1 Information on the bid

(a) Performance of the bid

According to the tender documents, the bid is performed by the bidder as a voluntary public bid for the acquisition of all shares in ALNO AG as per German law and the applicable provisions outlined in the WpÜG.

(b) Background to the bid

On the basis of the tender documents, the bidder concluded the acquisition contracts for the acquisition of ALNO shares outlined in the tender documents under 3.3.3. lit. (i) and (ii) on 13th October 2006 and agreed to grant an irrevocable voting proxy with IRE Beteiligungs GmbH as per the *Standstill and Shareholders' Agreement* outlined in 8.4. According to the bidder, enforcement of the acquisition contracts and the validity of the voting proxy are both conditional to legal merger control approval in accordance with the terms of the bid. Following enforcement of the acquisition contracts and validity of the voting proxy, the bidder claims that it will obtain control of ALNO AG in accordance with § 35, section 1 of the WpÜG.

On the basis of the tender documents, this bid shall replace a compulsory bid as per § 35, section 3 of the WpÜG which the bidder would otherwise be obliged to submit following real enforcement of the acquisition contracts referred to above and the validity of the voting proxy.

(c) Essential content of the bid

The bidder extends an offer to all shareholders in ALNO AG to acquire their bearer, nonpar individual ordinary shares in ALNO AG with a prorated amount of the equity capital sum of EUR 2.60 (ISIN DE0007788408 / WKN 778 840) in accordance with the provisions outlined in the tender documents for a bid price of EUR 7.20 per ALNO share. The bid is subject to the condition precedent referred to in 6.1 of the tender documents, i.e. subject to antitrust approval of the merger by the responsible agencies in Austria.

The deadline for acceptance of the bid shall expire subject to an extension in statutory cases on 3rd January 2007, 24:00 hours (CET); the additional acceptance deadline in accordance with § 16, section 2, sentence 1 of the WpÜG is likely to commence as per the tender documents on 10th January 2007 and expire at the

end of 23rd January 2007. More information on these deadlines is outlined in 4 in the tender documents.

Shareholders are asked to refer to the tender documents for further details – particularly for details regarding the condition precedent, acceptance deadlines and modes of acceptance as well as financing of the bid. The explanations outlined above represent merely an excerpt of the tender documents and do not claim to be complete.

(d) Publication of the bid

The tender documents are published online at <http://www.kuechen-holding.de> within the framework of so-called counter publicity. The announcement as regards the availability of free copies from Commerzbank Aktiengesellschaft, ZCM-CMAD, Mainzer Landstrasse 153, D-60327 Frankfurt am Main, fax: +49 (0)69 136-44598 was published in the Frankfurter Allgemeine Zeitung newspaper on 27th November 2006.

1.2 Information on the statement

(a) Legal basis for the statement

In accordance with § 27, section 1, sentence 1 of the WpÜG, the Board and Supervisory Board of a target company are obliged to submit a justified statement on a bid as well as any modifications thereof. This statement is a joint statement made by the Board and Supervisory Board.

(b) Actual basis for the statement

All details, prognoses, assumptions or judgements contained in the statement and statements and intentions concerning the future are based on information available to the Board and Supervisory Board on the date of the statement being issued and/or reflect the estimates and intentions of both bodies as on this date. These can change after the date of the statement.

Neither the Board, the Supervisory Board nor ALNO AG shall be obliged to update this statement over and above any obligations stipulated by German law.

Comments made in this statement as regards the bidder, any companies associated with the bidder or persons acting jointly are based on information accessible to the public unless other information sources are expressly indicated. Information as regards intentions on the part of the bidder is exclusively based on information supplied by the bidder. The Board and Supervisory Board express that they are not in a position to verify any intentions expressed by the bidder or to guarantee implementation thereof.

(c) Publication of the statement and any statements on modifications of the bid

This statement as well as any statements concerning modifications of the bid as per §§ 27, section 3, 14 and section 3, sentence 1 of the WpÜG is published online at <http://www.alno.de> as well as being available in the form of a free copy (counter publicity) and can be obtained free of charge from ALNO AG (Investor Relations), Heiligenberger Strasse 47, D-88630 Pfullendorf, tel.: +49 (0)7552 – 21 3316; fax: +49 (0)7552 – 21 3400. A reference is made to such an announcement in the Frankfurter Allgemeine Zeitung newspaper.

The statement is published in German only.

(d) Independence of ALNO AG shareholders

The Board and Supervisory Board refer to the fact that presentation of the bid in the statement does not assert any claim as regards completeness and that the provisions outlined in the tender documents are solely applicable for the content and handling of the bid. ALNO AG shareholders are obliged to independently familiarise themselves with the tender documents and act accordingly.

The evaluations submitted in this statement by the Board and Supervisory Board are not binding in terms of ALNO AG shareholders. ALNO AG shareholders are rather obliged to decide on the basis of information sources available to them and taking consideration of their own individual concerns as to whether they wish to accept the bid or not.

2. BIDDER AND TARGET COMPANY

2.1 Bidder

The bidder is Küchen Holding GmbH, a company with limited liability based in Munich, Germany, listed in the Commercial Register at Munich Local First-Instance Court under the registry number HRB 163603. The sole shareholder is currently Milano Investments S.à.r.l. As regards further information on the bidder as well as information on persons acting with the bidder, reference is made to the details outlined in the tender documents (in particular under 8).

2.2 Target company

ALNO AG is a public limited company based in Pfullendorf, Germany, and listed in the Commercial Register at Sigmaringen Local First-Instance Court under the registry number HRB 693. ALNO AG administrative headquarters are at Heiligenberger Strasse 47, D-88630 Pfullendorf. According to the statutes, the object of the company is to develop, manufacture and distribute as well as trade in all types of interior design furnishings, and in particular furniture and furniture components, domestic and kitchen appliances including fitted devices for kitchens, and in particular using the registered ALNO brand.

ALNO AG equity capital corresponds with EUR 27,234,051.00 and is broken down into 10,474,735 bearer nonpar individual ordinary share certificates with a prorated amount of the equity capital sum of EUR 2.60 per share.

According to the statutes of ALNO AG, the Board is authorised to raise the company's equity capital by 29th June 2010 with the approval of the Supervisory Board in the form of issuing new individual ordinary share certificates for cash or non-cash capital contributions, in full or in partial sums, once or several times by up to a total of EUR 11,661,000.00 (approved capital).

ALNO shares are approved for official trading on the Frankfurt Stock Exchange (General Standard) and the Stuttgart Stock Exchange. Furthermore, they are also traded on the Berlin-Bremen and Munich Exchanges in the form of off-board trading as well as in the XETRA electronic trading system.

The ALNO Corporation is one of Europe's largest manufacturers of kitchen furnishings. Apart from its locations at headquarters in Pfullendorf where ALNO brand fitted kitchens are manufactured, ALNO AG also avails of other producing subsidiaries in Germany which manufacture kitchens for special market segments. The ALNO Corporation in Europe includes eight active 100% marketing subsidiaries.

3. TYPE AND SUM OF THE COUNTER-PERFORMANCE OFFERED

3.1 Type of counter-performance

The bid exclusively entails payment as counter-performance. Counter-performance in the form of liquid shares is not planned.

3.2 Statutory reserve prices

In so far as the Board and Supervisory Board are capable of assessing the bid price on the basis of information available, the bid price for ALNO shares complies with the provisions of § 31 of the WpÜG in connection with §§ 3 ff. of the WpÜG Decree governing bids (hereinafter "**WpÜG-AngebVO**") as regards statutory minimum counter-performance. The bid price thereby satisfies the statutory requirements as regards assessment thereof. This is attributable to the following considerations:

(a) List price

In the case of public bids aligned towards the acquisition of control of a target company, a counter-performance as per § 5 of the WpÜG-AngebVO must correspond to at least the differential average list price of shares approved for a domestic stock exchange over the previous three months prior to a decision on submission of the bid as per § 10, section 1, sentence 1 of the WpÜG.

The differential three-month average price of ALNO shares prior to publication of the bidder's decision to submit a bid on 16th October 2006 corresponds to EUR 6.65 according to the Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Monitoring Agency for Financial Services). The differential three-month average price therefore falls short of the bid price offered by the bidder.

(b) Pre-acquisition

In accordance with § 4 of the WpÜG-AngebVO, a further lower limit for the counter-performance to be offered is formed by the maximum counter-performance granted or agreed by the bidder, a person acting in co-operation with the bidder or its subsidiaries for acquisition of the company's shares within the six months prior to publication of the tender documents (hereinafter "**pre-acquisition price**"). According to this specification, acquisition is to be equal to an agreement upon the basis of which the transfer of share ownership can be demanded.

The stock purchase contract dated 25th October 2006 between the bidder and Mr. Frank Rogge outlining a purchase price of EUR 7.20 per ALNO share represents relevant pre-acquisition in the sense of § 4 of the WpÜG-AngebVO. On the basis of the tender documents, the agreed purchase price was oriented towards the bid price of EUR 7.20 per ALNO share already published at this time. On the basis of the information provided by the bidder in the tender documents, this purchase price is the maximum counter-performance granted or agreed by the bidder, a person acting in co-operation with the bidder or its subsidiaries for acquisition of ALNO shares within the six months previous to publication of these tender documents on 27th November 2006. This purchase price is therefore of relevance for the six-month maximum price. The bid price for the ALNO shares therefore complies with the six-month maximum price.

Reference is made to the details in 3.3.3 of the tender documents in terms of any further relevant pre-acquisition in the sense of § 4 of the WpÜG-AngebVO. All of the pre-acquisition prices listed there fall short of the bid price offered by the bidder.

The Board and Supervisory Board are not aware of any other pre-acquisition by the bidder, persons acting in co-operation with the bidder or its subsidiaries other than those outlined in the tender documents and of relevance for assessing the counter-performance.

The Board and Supervisory Board expressly state that the information pertaining to the pre-acquisition price is exclusively based on the tender documents which they have been unable to examine independently considering that the corresponding contracts concerning the pre-acquisition of both bodies are not available.

3.3 Sum of the counter-performance offered

In assessing the appropriateness of the bid price offered for ALNO shares, the Board and Supervisory Board are of the opinion that the following aspects in particular should be observed:

(a) List price

As outlined in section 3.2.a. of the statement, the differential average domestic list price for ALNO shares during the three months previous to publication of the decision as regards submission of a takeover bid on 16th October 2006, i.e. from 16th July 2006 to 15th October 2006, was EUR 6.65. In view of the current situation of the company as well as its short- and medium-term perspectives, the Board and Supervisory Board are convinced that this average list price complies with at least the fair value of the company and therefore represents an applicable benchmark for assessing the appropriateness of the bid price offered.

Furthermore, in assessing the appropriateness of the counter-performance, the Board and Supervisory Board took consideration of the fact that the bid price for ALNO shares exceeds the average list price of EUR 6.65 by EUR 0.55. This complies with a premium of 8.27% for this average list price.

(b) Statement by external expert

The Board has commissioned Cazenove AG (hereinafter "**Cazenove**") in its capacity as an independent financial consultant to support the ALNO AG Board and Supervisory Board in assessing the question as to whether the counter-performance offered to ALNO AG shareholders complies with the full value of ALNO shares. Cazenove has submitted a statement to the Board and Supervisory Board which is based on a range of generally acknowledged evaluation methods (hereinafter referred to as the "**Cazenove statement**"). The Board and Supervisory Board have had Cazenove explain the evaluation methods applied as well as the result of the Cazenove statement and thereby convinced themselves of its plausibility.

Cazenove comes to the conclusion in its statement that the counter-performance offered to ALNO AG shareholders within the framework of the takeover bid by Küchen Holding GmbH to the sum of EUR 7.20 per share is financially appropriate from the point of view of ALNO AG.

The Cazenove statement serves exclusively to inform and support the Board and Supervisory Board in relation to examination of the takeover bid. Cazenove does not accept any responsibility as regards its statement towards anyone else apart from the company and is not obliged to update its statement with regard to future events. The statement is not directed towards any third parties nor does it justify any rights by third parties. In particular, it is not directed towards ALNO AG shareholders and it does not represent any recommendation as to whether an ALNO shareholder should or should not sell these shares within the framework of the takeover bid.

3.4 Overall evaluation of counter-performance

The Board and Supervisory Board have concerned themselves comprehensively with the question of appropriateness of the counter-performance offered by the bidder for ALNO shares. Both bodies based their considerations on the Cazenove statement on the one hand and on their own estimates as regards the matter of appropriateness on the other. The following overall evaluation is therefore based on both the considerations gained by the Board and Supervisory Board as well as the assessment by external experts.

As outlined in 3.2, the bid price offered for ALNO shares complies with the provisions of § 31 of the WpÜG in connection with §§ 3 ff. of the WpÜG-AngebotsVO in terms of the statutory minimum counter-performance and is therefore appropriate in the sense of § 31, section 1 of the WpÜG.

Against the background of explanations detailed in section 3.3. of the statement as well as taking consideration of the overall situation, the Board and Supervisory Board are of the opinion that the counter-performance offered by the bidder to the sum of EUR 7.20 per ALNO share complies with the fair value of ALNO shares and is therefore appropriate from a financial perspective.

4. LIKELY CONSEQUENCES OF A SUCCESSFUL BID FOR ALNO AG AND ITS LOCATIONS; OBJECTIVES PURSUED BY THE BIDDER

The bidder has explained its intentions as regards the future business activity, assets and obligations of ALNO AG in 10.2.1. of the tender documents.

The Board and Supervisory Board welcome the fact that the bidder has declared its intention to continue the company's restructuring and growth strategy in co-operation with the current ALNO AG Board and thereby support the strategy communicated by the Board – in particular as regards the FUTURA III programme. The objectives of FUTURA III are in particular to optimise the structure of the ALNO Corporation as well as exploit the existing growth and efficiency potentials both in Germany and abroad.

On the basis of the tender documents, the bidder does not currently intend to disengage itself from sub-activities pursued by the ALNO Corporation. Furthermore, upon publication of the tender documents, the bidder did not have any plans as regards the assets of ALNO AG. The bidder claims not to have any plans to implement measures which would lead to an increase in obligations on the part of ALNO AG outside its standard business activity.

According to the bidder upon publication of the tender documents, there are no plans to relocate or close ALNO AG headquarters or locations of parts of the business. The possibility of changes occurring in the future as regards individual locations of ALNO Corporation and within the framework of structuring measures can not however be excluded. On the basis of the tender documents, the bidder has not however made any decisions in this regard.

The Board and Supervisory Board welcome the bidder's general plans to continue to operate ALNO AG and its business units at their current locations following implementation of the takeover bid.

By enforcing the acquisition contracts outlined in 3.3.3 of the tender documents and the voting proxy granted to the bidder by IRE Beteiligungs GmbH, the bidder receives the majority of voting rights in ALNO AG. Depending on how the bid is accepted by the shareholders of ALNO AG, the bidder could also achieve a participation of 75% in the voting equity capital or 95% of the entire equity capital of ALNO AG. The bidder has outlined the most important structuring measures in the tender documents which it is specifically considering as possible measures following enforcement of the bid. These structure measures involve the following:

- *Control and profit and loss transfer agreement:*

In the event of the bidder achieving the requisite majority, the bidder could conclude a control and profit and loss transfer agreement with ALNO AG. Once a control and profit and loss transfer agreement between the bidder as the controlling company and ALNO AG as the controlled company becomes valid, the bidder would be entitled to issue binding instructions to the ALNO AG Board as regards management of ALNO AG. A control and profit and loss transfer agreement would oblige ALNO AG to pay over its entire profit to the bidder. A control and profit and loss transfer agreement must entail an appropriate settlement for minority shareholders in the form of recurrent payments.

- *De-listing:*

Following enforcement of the bid, the bidder will have the possibility to examine termination of ALNO shares listings on the German stock exchanges. If the bidder opts for de-listing, it would be obliged to file an application to revoke the ALNO shares listings on the German stock exchanges on which ALNO shares are traded. Such an application would require a majority approval by the general meeting of ALNO AG shareholders. If ALNO shares are to be de-listed on the German stock exchanges, all outside ALNO shareholders would have to be made an offer to have their ALNO shares acquired for an appropriate cash compensation within a certain period.

- *Squeeze-out:*

The bidder intends to perform a squeeze-out following enforcement of the bid as soon as it holds at least 95% of the equity capital in ALNO AG. The squeeze-out entails ALNO shares held by minority shareholders being transferred to the bidder in return for an appropriate cash compensation.

The Board and Supervisory Board agree with the bidder that the structuring measures outlined and any other structuring measures should only be implemented if they appear to be economically feasible at the time of a decision being made.

5. **LIKELY CONSEQUENCES OF A SUCCESSFUL BID FOR EMPLOYEES AND THEIR REPRESENTATIVES AS WELL AS THE CONDITIONS OF EMPLOYMENT**

On the basis of the tender documents, the bidder does not currently intend to reduce the number of employees in the ALNO Corporation or to alter the conditions of employment. Nevertheless, the bidder does refer in the tender documents to the fact that within the framework of future analyses of business opportunities and efficiency potentials, decisions may be made which could have an effect on the number of employees in the ALNO Corporation and/or their conditions of employment.

According to the tender documents, there will be no changes in terms of employee representation at the level of individual business and co-determination at plant level is to remain in place as before.

As for the rest, the Board and Supervisory Board draw attention to the fact that performance of the bid generally does not affect the employees' contracts of employment. Employer-employee relationships will continue with the same employer; no transfer will take place. The contents of employees' contracts of employment will remain unchanged. Employee representatives in the ALNO Corporation formed in accordance with the German Industrial Constitution Law will also remain unaffected by performance of the bid. Furthermore, plant agreements concluded with employee representatives will continue to be in force.

The Board passed the tender documents on to the responsible ALNO AG Works Council on 27th November 2006. The Board and Supervisory Board do not avail of an independent statement by the Works Council concerning the bid.

6. EFFECTS ON SHAREHOLDERS

The following information serves towards providing ALNO AG shareholders with details for evaluating the effects of acceptance or rejection of the bid. The following aspects do not assert any claim to completeness. Each ALNO AG shareholder is obliged to independently evaluate the effects of acceptance or rejection of the bid. The Board and Supervisory Board advise ALNO AG shareholders to obtain objective advice where necessary.

The Board and Supervisory Board further emphasise that they will not and can not submit any estimate as to whether ALNO AG shareholders may incur tax disadvantages by accepting or rejecting the bid (especially in terms of any tax obligation for capital gains) or lose out on any tax benefits as a result. The Board and Supervisory Board recommend that ALNO AG shareholders obtain tax advice prior to making a decision on whether to accept or reject the bid in order to take consideration of the personal tax situations of individual shareholders.

6.1 Possible disadvantages upon acceptance of the bid

Upon enforcement of the bid following transfer of these shares to the bidder, ALNO AG shareholders who accept the bid will lose their rights of membership and proprietary rights in ALNO AG for shares for which the bid is accepted. This means in particular the following:

- ALNO AG shareholders will no longer benefit from any possible favourable business development by ALNO AG and/or any possible favourable price performance of ALNO shares as regards shares for which the bid is accepted.
- Upon transfer of ALNO shares following enforcement of the takeover bid, the right to any profits will also be transferred to the bidder as of 1st January 2006.

6.2 Possible disadvantages upon rejection of the bid

ALNO AG shareholders who reject the bid will remain ALNO AG shareholders. They should however take the following aspects into consideration:

- ALNO shares for which the bid is rejected will continue to be traded on the stock exchange until any possible de-listing process. The current ALNO share price however reflects the fact that the bidder published its decision to submit a bid on 16th October 2006 and also possibly that there were speculations as regards financial investor interest in ALNO AG prior to this date. It is not clear whether ALNO shares will be subject to further short- or medium-term price advances or whether the price will fall.
- Successful performance of the bid will probably lead to a reduced portfolio investment at ALNO AG. The number of shares in the portfolio investment could be reduced to such an extent that proper stock exchange dealings in ALNO shares can no longer be guaranteed or even that no stock exchange dealings are performed at all. This could lead to an inability to perform orders to sell on time or at all. Furthermore, low ALNO share liquidity could lead to more extensive price fluctuations as regards ALNO shares than in the past.
- If lower ALNO share liquidity means that proper trading is longer guaranteed, de-listing would also be conceivable without any corresponding action on the part of the bidder. In the event of such a de-listing process, there would no longer be any organised public market for trading ALNO shares. If ALNO shares were to be de-listed, this could considerably restrict the possibilities associated with selling ALNO shares.

- Investors still holding ALNO shares after conclusion of the bid could sell them on the market owing to the low market range of ALNO shares. This could lead to a surplus of ALNO shares on a comparably non-liquid market causing the ALNO share price to fall.
- Following enforcement of this bid or at a later point in time, the bidder may possibly avail of the requisite qualified majority in order to assert – with certain restrictions – all key structuring measures within the framework of an ALNO AG general meeting of shareholders such as capital increases, exclusion of stock rights to capital measures, conversion, merger and dissolution (including transfer dissolution), for example. In accordance with German law, some of these measures would include an obligation on the part of the bidder to make the minority shareholders an offer on the basis of a corporate evaluation of ALNO AG to purchase their shares for an appropriate sum or to grant compensation. As such a corporate evaluation would have to rectify any relations extending beyond the respective measure at the time of a decision made by the ALNO AG general meeting of shareholders, a settlement and/or compensation offer could correspond with the value of the price offered in this bid but it could also be higher or lower.
- In connection with any possible structuring measures following successful performance of the bid, the bidder refers to the possibility in the tender documents of agreement to concluding a control and/or profit and loss transfer agreement with ALNO AG as a dependent company. On the basis of a control agreement, the controlling company could issue binding instructions to the Board as regards management of the company. On the basis of a profit and loss transfer agreement, the controlling company could demand that the entire annual profits from ALNO AG are paid over. ALNO shareholders would be referred to a once-off payment or appropriate recurrent compensation (guaranteed dividend). On the basis of the tender documents, the bidder has not currently reached any decision as regards such measures.
- On the basis of the tender documents, the bidder strives towards take-out capital profits in its capacity as financial investor. For this reason, continuity of dividends is not a priority. In this context, the dividend can also remain at today's level over the long term.
- If the bidder achieves a minimum participation of 95% in ALNO AG equity capital within the framework of this bid or at a later stage, it intends to demand that upon granting an appropriate counter-performance, the ALNO AG general meeting of shareholders votes to transfer the minority shareholders' shares to the bidder in its capacity as primary shareholder in accordance with §§ 327a ff. of the German Stock Corporation Law or that the minority shareholders' shares are transferred to the bidder by court order in accordance with § 39a of the WpÜG and upon granting an appropriate counter-performance (squeeze-out). This would entail remaining ALNO shareholders losing their shareholder status.

7. **INTERESTS OF MEMBERS OF THE BOARD AND SUPERVISORY BOARD**

7.1 Board

On the basis of the tender documents, the bidder is interested in co-operation with the current ALNO Board in future, too. The bidder is however considering supplementing the Board in order to expand its competence base.

The bidder claims to have plans to offer individual Board members management participation in order to achieve long-term ties to the Board in the interests of the company and to create performance-related incentives for the ALNO AG Board. The management participation programme could entail direct or indirect participation in the

bidder's capital to a sum of 10% of its share capital, dependent on the achievement of certain milestones. The possible general framework conditions for such a management participation programme have been discussed with ALNO AG Board President, Dr. Frank Gebert, although no agreements have yet been reached in this regard. Reference is made to the details concerning the management participation programme outlined in 15 of the tender documents.

Furthermore, the Board members confirm that they have neither been granted nor promised any cash payments or monetary benefits associated with this bid in connection with the takeover bid submitted by the bidder or any persons acting in co-operation with the bidder.

7.2 Supervisory Board

On the basis of the tender documents, the ALNO AG takeover will not have any direct effect on the size and make-up of the company's Supervisory Board. Nevertheless, the bidder claims to have plans to adjust the shareholder seats on the Supervisory Board to comply with the company's altered capital situation. On the basis of the tender documents, the Supervisory Board is to be or remain manned by selected persons whose experience promises valuable advice and support for the Board in the interest of the company. Reference is made to 10.2.4 in the tender documents as regards the planned distribution of shareholder seats on the Supervisory Board.

The bidder has concluded an agreement related to contribution of capital with Mr. Gerold Hellwig, a member of the ALNO AG Supervisory Board, and the other members of the Hellwig family. This also concerns 734,334 ALNO shares originally held by Mr. Hellwig. Further details on the agreement related to contribution of capital can be found under 3.3.3 of the tender documents.

Furthermore, the Supervisory Board members confirm that they have neither been granted nor promised any cash payments or monetary benefits associated with this bid in connection with the takeover bid submitted by the bidder or any persons acting in co-operation with the bidder.

8. **INTENTION OF MEMBERS OF THE BOARD AND SUPERVISORY BOARD TO ACCEPT THE BID**

Those members of the Board and Supervisory Board who hold shares in ALNO AG are currently intending to accept the bid for all ALNO shares held by them.

9. **RECOMMENDATION**

In view of the details outlined in this statement as well as consideration of the overall circumstances governing the bid, the Board and Supervisory Board regard the counter-performance offered by the bidder as appropriate in the sense of § 31, section 1 of the WpÜG. The Board and Supervisory Board are of the opinion that the bid complies with the interests of the company, shareholders and employees. The Board and Supervisory Board therefore support the bid and recommend it is accepted by the ALNO AG shareholders.

Each ALNO AG shareholder must decide as to whether to accept or reject the bid while taking into consideration the overall circumstances as well as his/her own individual circumstances and personal estimates as regards the possibilities of future development of the value and price of ALNO shares. The Board and Supervisory Board do not accept any liability if acceptance or rejection of the bid subsequently proves to be economically disadvantageous.

Pfullendorf, 7th December 2006

ALNO AG

Board

Supervisory Board