

**Report of the Executive Board  
of Rosenbauer International AG  
Leonding, Reg.n° FN 78543 f,  
on authorizing the Executive Board to acquire the Company's own shares over-  
the-counter and to dispose of such own shares in a manner other than by way of  
the stockmarket or a public offering (Agenda Item 8)**

The members of the Executive Board of Rosenbauer International AG, Leonding, make the following report to the General Meeting of Rosenbauer International AG on May 23, 2014 pursuant to § 65 Sect. 1b AktG (Austrian Stock Corporation Act) in conjunction with § 170 Sect. 2 AktG and § 153 Sect. 4 Pt. 2 of AktG.

1. The Executive Board and the Supervisory Board of the Company intend to propose the following resolution on Agenda Item 8 to the General Meeting of Rosenbauer International AG on May 23, 2014:
  - a) Pursuant to § 65 Sect. 1 Clauses 4 and 8 and Sect. 1a and 1b of AktG (the Austrian Stock Corporation Act), the Executive Board is to be authorized to acquire – both on the stock exchange and over-the-counter – bearer non-par-value shares of the Company amounting to a maximum of 10 % of the Company's nominal share capital during a 30-month validity period from May 23, 2014. The lowest counter-value may not be more than 20 % below the average stockmarket closing price of the last 3 trading days preceding the acquisition of the shares, and the highest counter-value may not be more than 10 % above this average closing price. Trading in the Company's own shares is not admissible as a purpose of such acquisition. The authorization may be exercised in whole or in part, or in several partial amounts and in the pursuit of one or more objectives, by the Company, by a subsidiary (§ 228 Sect. 3 of UGB (Austrian Company Code) or by third parties for the Company's account.
  - b) The Executive Board of Rosenbauer International AG may decide to acquire the shares on the stock exchange, although the Supervisory Board must subsequently be advised of this decision. Over-the-counter acquisition is subject to the prior approval of the Supervisory Board.
  - c) For a five-year period from May 23, 2014, the Executive Board is authorized pursuant to § 65 Sect. 1b AktG to decide – with the approval of the Supervisory Board – another mode of disposal for selling or utilizing the Company's own shares, i.e. other than by way of the stockmarket or a public offering, while

applying – ‘mutatis mutandis’ – the rules on the exclusion of shareholders' subscription rights, and to lay down the conditions of sale. The authorization may be exercised in whole or in part, or in several partial amounts and in the pursuit of one or more objectives, by the Company, by a subsidiary (§ 228 Sect. 3 of UGB (Austrian Company Code) or by third parties for the Company's account, especially (i) for the purposes of implementing an employee share scheme, including for members of the Executive Board and for senior managers, or a stock-option plan for employees, including for members of the Executive Board and for senior managers of the Company or of its affiliates, or (ii) as valuable consideration in connection with the acquisition of enterprises, business operations, operating units or stakes in one or more companies either in or outside Austria.

- d) The Executive Board is further authorized to decrease the nominal share capital where necessary, by redeeming these own shares with no further resolution of the General Meeting but with the approval of the Supervisory Board, pursuant to § 65 Sect. 1 Clause 8 (last sentence) in conjunction with § 122 of AktG (Austrian Stock Corporation Act). The Supervisory Board is authorized to adopt amendments to the Articles of Association which may be necessitated by the redemption of shares.

All the above shall imply rescinding the authorization most recently granted to the Executive Board by resolution of the General Meeting on May 25, 2012 as per item 7 of the said Meeting's agenda.

2. With regard to the possibility of purchasing the Company's own shares over-the-counter pursuant to § 65 Sect. 1 Clause 8 of AktG, and of selling own shares that were acquired pursuant to § 65 Sect. 1 Clause 8 of AktG in a manner other than by way of the stockmarket or a public offering, as governed by § 65 Sect. 1b of AktG, the Executive Board shall – pursuant to § 65 Sect. 1b of AktG in conjunction with § 170 Sect. 2 AktG and § 153 Sect. 4 Pt 2 of AktG – submit a written resolution on the reason for the resultant exclusion of subscription rights and for the exclusion of the proportionate right of sale (reverse exclusion of subscription rights) attendant upon any over-the-counter acquisition.

The Executive Board of the Company may only acquire the Company's own shares over-the-counter with the prior approval of the Supervisory Board; the approval of the Supervisory Board is also required if it is intended that own shares acquired by the Company shall be sold in a manner other than by way of the stockmarket or a public offering. The Executive Board of Rosenbauer International AG may decide to acquire the shares on the stock exchange, although the Supervisory Board must subsequently be advised of this decision.

3. The own shares acquired pursuant to § 65 Sect. 1 Clause 8 and Sect. 1a and Sect. 1b of AktG may be disposed of in a manner other than by way of the

stockmarket or a public offering if such disposal of the shares constitutes the valuable consideration for the acquisition of enterprises, business operations, operating units or stakes in one or more companies, i.e. also through the contribution in kind of equity stakes, enterprises, business operations and operating units, in Austria and abroad.

Rosenbauer International AG intends to continue growing, both in Austria and abroad. This growth may also take place in the form of acquiring other enterprises or business operations. In legal terms, the acquisition of enterprises, business operations or operating units can be structured either as the purchase of certain of the assets (and liabilities) of an enterprise, business operation or operating unit (i.e. as an *asset deal*) or as the acquisition of equity interests in a company (i.e. as a *share deal*). Both types of acquisition of an enterprise, business operation or operating unit, i.e. the *asset deal* and the *share deal*, will be collectively referred to hereinafter as 'corporate acquisition'.

When a corporate acquisition is made, the valuable consideration tendered may not only be in cash but also in shares of the acquiring company. This may be in the interests of both Rosenbauer International AG as the purchaser, and of the seller. When the purchase price the Company pays for an enterprise is in cash, this may result in a substantial outflow of liquidity from the Company. By contrast, when the corporate acquisition is paid for by contributions in kind, there is no outflow of liquidity from the acquiring entity (Rosenbauer International AG), but an increase in equity. There may also be cases in which strategic reasons make it necessary and expedient that the seller of the enterprise should have a small stake in Rosenbauer International AG, or where the seller demands a stake in the Company in return.

Owing to the limitations on share buy-backs – namely (for almost all cases as required by § 65 AktG) to 10 % of the nominal share capital of the Company – it is not possible for a seller to acquire any significant stake in Rosenbauer International AG. In cases where the Company acquired the own shares at an earlier date and they have since risen in price, the Company reaps savings when using its own shares as the valuable consideration for a corporate acquisition; the reason is that when the valuable consideration to be given for the corporate acquisition is being determined, the Company-owned shares to be furnished as (part of the) valuable consideration are generally valued at the current (average) quoted price or higher intrinsic value, not at the lower historic acquisition costs.

A corporate acquisition transacted in such a way that the enterprise, or equity interests in the enterprise, are contributed to the Company in return for contributions in kind, to the express exclusion of the remaining shareholders' subscription rights, is generally accepted as a material justification for the exclusion of subscription rights. In view of Rosenbauer International AG's planned growth, Rosenbauer International AG has an interest in making it possible to undertake corporate

acquisitions by way of contributions in kind, to the express exclusion of subscription rights and while conserving the Company's liquidity. Furnishing the valuable consideration in the Company's own shares allows the Company to act with the requisite speed and flexibility when conducting transactions of this type.

When making a corporate acquisition, the ability to dispose of the Company's own shares in a manner other than by way of the stockmarket or a public offering is necessary because, firstly, making a corporate acquisition in return for contributions in kind is the only way in which the Company can acquire another enterprise without suffering an outflow of liquidity, and, secondly, because the seller is often only willing to transfer the enterprise, or the equity interests in it, if the seller is given a stake of equivalent value in the Company. In the view of Rosenbauer International AG, it may be necessary, for strategic or organizational reasons, to integrate the seller into the Group as a shareholder. When the Company makes a corporate acquisition by way of contributions in kind, the seller (being an in-kind contributor) can only obtain the desired level of shareholding if it is the only party receiving the new shares; the reason is that any seller will wish to obtain a (percentage) shareholding in Rosenbauer International AG which is commensurate with the ratio between the value of the seller's enterprise and that of Rosenbauer International AG, and which gives it commensurate voting (and thus co-determination) rights in the Company.

In the last analysis, the exclusion of subscription rights, i.e. the disposal of the Company's own shares in a manner other than by way of the stockmarket or a public offering, is proportionate because Rosenbauer International AG regularly has a special interest in acquiring a relevant enterprise, or equity interests in the relevant enterprise. The interests of existing shareholders are safeguarded in that the shares granted in the course of a corporate acquisition are done so on a proportionate basis – generally after a business valuation has been performed. The value of the enterprise to be contributed, or of the equity interests in this enterprise, is set against the value of Rosenbauer International AG; the resulting ratio is that in which the in-kind contributor receives shares in the Company which the Company has itself acquired. The existing shareholders also participate in the future profits of the acquired enterprise, which will generally be higher thanks to the resultant synergies with Rosenbauer International AG.

In order to dispose of own shares which the Company has acquired pursuant to § 65 Sect. 1 Clause 8 and Sect. 1a and Sect. 1b of AktG in a manner other than by way of the stockmarket or a public offering, the Executive Board must publish a report by no later than two weeks before the resolution of the Supervisory Board (whose approval is needed for the disposal of such shares in a manner other than by way of the stockmarket or a public offering). This report must also, inter alia, substantiate the selling price of the shares (§ 65 Sect. 1b in conjunction with § 171 Sect. 1 AktG).

4. The aim is to give the Executive Board a high degree of flexibility for future corporate acquisitions, and to enable it to act swiftly. To this end, it may be necessary to quickly obtain the needed amounts of the required acquisition currency, and thus to acquire the Company's own shares in an over-the-counter package. Rapid availability of the acquisition currency, in the form of the Company's own shares for the purposes set out in this report, constitutes the material justification for the reverse exclusion of subscription rights, meaning the exclusion of the shareholders' proportionate right of sale.
5. Finally, it should be mentioned that authorizing the Executive Board to acquire the Company's own shares over-the-counter, and where necessary to dispose of such own shares in a manner other than by way of the stockmarket or a public offering, in each case for the purpose of issuing shares as the valuable consideration in a corporate acquisition, is a common and universally accepted procedure at many exchange-listed Austrian (and German) companies. This is also expressly referred to in § 5 Sect. 2 Clause 7 Publication V, which states that the publication to be effected at the given time must include details of the nature and the purpose of the buy-back and/or the sale of the Company's own shares, especially whether the buy-back and/or the sale is to be effected via the stock exchange and/or off the stock exchange.

As explained above, it should once again be emphasized in this connection that any over-the-counter acquisition of the Company's own shares, and any disposal of such shares in a manner other than by way of the stockmarket or a public offering, is only possible with the approval of the Supervisory Board. The Executive Board of Rosenbauer International AG cannot decide alone in these cases.

6. To sum up, the Executive Board of Rosenbauer International AG concludes that the granting of an authorization to the Company's Executive Board to acquire the Company's own shares over-the-counter, or, where necessary and with the approval of the Supervisory Board, to dispose of own shares that have been acquired pursuant to § 65 Sect. 1 Clause 8 and Sect. 1a and Sect. 1b AktG in a manner other than by way of the stockmarket or a public offering, is in full conformity with the statutory provisions.

Leonding, April 2014

The Executive Board