

THIS DOCUMENT IS A NON-BINDING ENGLISH TRANSLATION OF THE COMPULSORY PUBLICATION PURSUANT TO §§ 39, 27 (3) SENTENCE 1, 14 (3) SENTENCE 1 GERMAN SECURITIES ACQUISITION AND TAKEOVER ACT (WPÜG). ALL POSSIBLE CARE HAS BEEN TAKEN TO ENSURE THAT THIS TRANSLATION IS AN ACCURATE PRESENTATION OF THE GERMAN PUBLICATION. HOWEVER, IN CASE OF ANY INCONSISTENCY BETWEEN THE GERMAN PUBLICATION AND THIS TRANSLATION THEREOF, THE GERMAN PUBLICATION SHALL TAKE PRECEDENCE AND IS SOLELY LEGALLY BINDING.

DERBY CYCLE

Joint Opinion of the Management Board and the Supervisory Board

by

Derby Cycle AG
Siemensstraße 1-3,
49661 Cloppenburg,
Federal Republic of Germany

**pursuant to § 27 German Securities Acquisition and Takeover Act
(Wertpapiererwerbs- und Übernahmegesetz, "WpÜG")**

**in respect of the
Voluntary Public Takeover Offer (cash offer)**

by

Pon Holding Germany GmbH,
Karl-Ferdinand-Braun-Straße 18, 50170 Kerpen,
Federal Republic of Germany

to the shareholders in

Derby Cycle AG
Siemensstraße 1-3, 49661 Cloppenburg,
Federal Republic of Germany

Shares in Derby Cycle AG: ISIN DE000A1H6HN1

Tendered Derby Cycle AG Shares: ISIN DE000A1MBH74

Subsequently Tendered Derby Cycle AG Shares: ISIN DE000A1MBH82

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On 21 October 2011 Pon Holding Germany GmbH ("**Bidder**") published an offer document as defined in § 11 WpÜG ("**Offer Document**") in respect of its voluntary public takeover offer (cash offer) ("**Takeover Offer**" or "**Offer**") for the benefit of the shareholders of Derby Cycle AG ("**Derby Cycle**" or "**Target Company**"; the shareholders of Derby Cycle AG being "**Derby Cycle Shareholders**") pursuant to § 14 (2) and (3) German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, "**WpÜG**") for the acquisition of all no-par value bearer shares not directly held by the Bidder, with a notional interest in the share capital of EUR 1.00 per no-par value share in the Target Company (ISIN DE000A1H6HN1) ("**Derby Cycle Shares**"), against payment of a cash sum as consideration within the meaning of § 11 (2) sentence 2 no. 4 WpÜG in the amount of EUR 28.00 ("**Offer Price**") per Derby Cycle Share. The Offer Document was submitted to the Management Board of Derby Cycle AG ("**Management Board**") by the Bidder on 21 October 2011 and thereafter to the Supervisory Board of Derby Cycle AG ("**Supervisory Board**"), the employees of Derby Cycle AG and the Works Council established at Derby Cycle Werke GmbH. According to the Bidder, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "**BaFin**") granted approval for publication of the Offer Document on 20 October 2011.

The Offer Document was published on 21 October 2011 in German (and in a non-binding English translation) online at

<http://www.pon.com>

and in hard copy form at the bank's counters (*Schalterpublizität*). It is available free-of-charge from BHF-BANK AG, Bockenheimer Landstraße 10, 60323 Frankfurt/Main, Germany, fax no. +49 69 718 4630 or e-mail: ts@bhf-bank.com. A notification of the publication of the Offer Document was published in the electronic Federal Gazette (*Bundesanzeiger*).

The Management Board and Supervisory Board of the Target Company have carefully reviewed the content of the Takeover Offer and discussed it in several separate meetings, some of which were held by telephone. They hereby issue the following opinion thereon in accordance with § 27 Abs. 1 WpÜG ("**Opinion**"):

I. Summary of this Opinion

The following section highlights certain parts of this Opinion by way of summary and serves solely to provide an initial overview of this Opinion. The summary should therefore be viewed in the context of the statements presented in the further course of this Opinion. Reading this summary is not a substitute for a full reading of the Opinion.

The Management Board and Supervisory Board are of the view that the Takeover Offer is closely aligned with the interests and objectives of Derby Cycle, the Derby Cycle Shareholders and the employees within the Derby Cycle Group (as defined under section IV.1 of this Opinion) and is to be welcomed without reservation. The Management Board and Supervisory Board therefore

support the Takeover Offer and recommend that the Derby Cycle Shareholders accept the Takeover Offer. The Management Board and Supervisory Board based their decision to support the Takeover Offer and to recommend that the Derby Cycle Shareholders accept the Takeover Offer on considerations including the following:

- The Management Board and Supervisory Board consider the price of EUR 28.00 per Derby Cycle Share offered by the Bidder to be adequate within the meaning of § 31 (1) WpÜG. The value of the Offer Price contains an attractive premium over the stock exchange price of the Derby Cycle Share directly before publication of the Bidder's intention to make a takeover offer and also in comparison to the historical stock exchange prices of the Derby Cycle Share, in particular as compared with the Derby Cycle Share's issue price of EUR 12.50 under the initial public offering at the beginning of February 2011, and, in the opinion of the Management Board and Supervisory Board, reflects both the current intrinsic value of the Derby Cycle Share and also the development potential of Derby Cycle. The adequacy of the Offer Price in financial terms is also confirmed by (i) a Fairness Opinion issued by Network Corporate Finance, Düsseldorf, (ii) the fact that Accell Group N.V. sold its (indirect) shareholding of around 22% in Derby Cycle to the Bidder at a price equivalent to the Offer Price, and (iii) the extraordinarily high extent of other prior acquisitions that the Bidder was able to effect at prices just under the Offer Price and at the Offer Price.
- The strategic partnership with the Bidder and its backer, the Pon Group, will, in the view of the Management Board and Supervisory Board, enable Derby Cycle to continue its dynamic growth in a competitive international environment. By doing so Derby Cycle will, in the view of the Management Board and Supervisory Board, benefit in particular from the Pon Group's decades of experience in the automotive/ mobility sector as well as its excellent refinancing capabilities and will gain access to new product and sales markets, in particular in the Netherlands.
- Derby Cycle and the Bidder have agreed certain principles for the future management of Derby Cycle and outlined potential terms of an on-going co-operation and integration with the Pon Group in a Business Combination Agreement (as defined at section A.VII.1) that take into account the material interests of Derby Cycle. In particular Derby Cycle shall retain its legal and economic independence and its market listing on a stand-alone basis for a period of at least 18 months. It has further been determined that no employee redundancies or site closures will be made within the Derby Cycle Group (as defined at section IV.1 of this Opinion) at the instigation of the Bidder for a period of at least five years following the expiry of the Acceptance Period for the Takeover Offer. Further, the current Management Board of Derby Cycle shall be retained and the Supervisory Board shall be expanded from the current three to six members in future at the next General Meeting. Since the Bidder has already acquired a majority of the voting rights in the Target Company prior to publication of the Offer Document, it intends to be represented through four of the six members on the expanded Supervisory Board by voting to this effect at the next General Meeting of the Target Company.

II. General information on this Opinion

1. Legal basis of the Opinion

Pursuant to § 27 (1) sentence 1 WpÜG the Management Board and the Supervisory Board are required to issue a reasoned opinion in respect of the Takeover Offer and any amendment to the Takeover Offer.

2. Factual bases of the Opinion

All information, expectations, evaluations and forward-looking statements and intentions contained in this Opinion are based on the information available to the Management Board and/ or Supervisory Board at the point of publication of this Opinion, or reflect the assessments or intentions held by the respective body at that point. These may change after the date of publication of the Opinion. The Management Board and Supervisory Board shall only amend this Opinion in the scope of the duties prescribed by German law.

Unless agreed in the Business Combination Agreement (as defined at section VII.1), the information relating to the Bidder's intentions is based on statements and disclosures by the Bidder that the Management Board and Supervisory Board of the Target Company cannot verify or guarantee the implementation of. Where this Opinion quotes or reproduces the Offer Document, this shall be considered to be a mere reference and shall not constitute any endorsement of the Bidder's Offer Document by the Management Board and Supervisory Board or any assumption of liability for the accuracy or completeness of the Offer Document on their part.

3. Publication of this Opinion and any additional opinions on potential amendments to the Takeover Offer

This Opinion will be published online at

<http://www.derby-cycle.com>

in the "Investor Relations" area in a binding German version and a non-binding English translation pursuant to §§ 27 (3), 14 (3) sentence 1 WpÜG, as will any opinion on potential amendments to the Takeover Offer. Further, the Opinion and any opinions on potential amendments to the Takeover Offer shall be available free-of-charge from the Target Company at Siemensstraße 1-3, 49661 Cloppenburg, Germany, or may be accessed online at <http://www.derby-cycle.com/de/ueberblick/investor-relations-home.html>. This will be indicated by the publication of a notice in the electronic Federal Gazette and in the *Frankfurter Allgemeine Zeitung* on 2 November 2011.

4. Free decision of the shareholders of the Target Company

The evaluations submitted in this Opinion by the Management Board and Supervisory Board are not binding on the shareholders of the Target Company. Derby Cycle Shareholders must each reach

their own assessment of whether and if applicable with respect to how many of their respective Derby Cycle Shares they wish to accept the Takeover Offer, taking into consideration the overall circumstances, their individual situation (including their personal tax situation) and their own personal evaluation of the future development of the value and stock exchange price of the Derby Cycle Shares.

When deciding whether or not to accept the Takeover Offer, the Derby Cycle Shareholders should use all available sources of information and take proper account of their personal interests. In particular the individual tax circumstances of each Derby Cycle Shareholder may in individual cases result in evaluations that deviate from those of the Management Board and Supervisory Board. The Management Board and Supervisory Board therefore recommend that the Derby Cycle Shareholders obtain individual tax and legal advice if required.

The Management Board and Supervisory Board hereby advise that they are not in a position to verify whether the Derby Cycle Shareholders are acting in accordance with all legal obligations applicable to their personal situation by accepting the Takeover Offer. The Management Board and Supervisory Board recommend in particular that all persons who receive the Offer Document outside the Federal Republic of Germany or who would like to accept the Takeover Offer but are subject to securities legislation of a jurisdiction other than that of the Federal Republic of Germany inform themselves of and comply with such laws.

III. Information about the Bidder

1. Bidder

According to the information contained in the Offer Document, the Bidder is a limited liability company (*Gesellschaft mit beschränkter Haftung* (GmbH)) organised under German law and registered in the commercial register of the local court (*Amtsgericht*) of Cologne, Germany, under HRB 62066, with its registered office at Karl-Ferdinand-Braun-Straße 18, 50170 Kerpen, Germany. According to the information in section 4.1 of the Offer Document the Bidder was established in 2007 under the company name Pon Equipment Rental & Lease. The Bidder's company name was then changed to Pon Holding Germany GmbH by a shareholders' resolution of 2 September 2009 and became effective upon registration with the commercial register of the local court of Cologne on 25 March 2010.

According to the Bidder, its share capital is EUR 25,000. The Bidder's financial year is the calendar year. The Bidder's corporate objects as set down in its articles of association include the investment of capital and investing in real estate, shareholdings and bonds, the acquisition and divestment of real estate, securities and other assets, the holding of shareholdings and assets and the development of connected projects. The Bidder's corporate objects further include establishment, participation in, financing, direction and management as well as consulting and support of domestic and foreign companies and other entities as well as the financing or brokering of financing, including by granting security interests, of entities affiliated with the Bidder. Pursuant to § 2.1.4. of the Bidder's articles of association, the Bidder runs its activities exclusively with its parent company or its

subsidiaries and affiliate companies within the meaning of § 2 (1) no. 7 of the German Banking Act (*Kreditwesengesetz*, "**KWG**") and performs its services exclusively within its corporate group within the meaning of § 2 (6) no. 5 KWG. Further the Bidder does not provide financial services, nor does it operate a banking business as defined by KWG.

The sole managing director of the Bidder is, according to the Offer Document, Mr Bastiaan Sprong. According to its own information, the Bidder does not currently employ any other employees. The sole subsidiary of the Bidder at the point of publication of this Opinion is, according to section 4.1 of the Offer Document, Gazelle GmbH with its registered office in Nettetal, Germany, registered in the commercial register of the local court of Krefeld under HRB 8849.

2. Geveke N.V.

According to the Bidder, all shares in the Bidder are held by Geveke N.V. (*Naamloze Vennootschap, N.V.*), a company organised under Dutch law with its registered office at 1329 BN Almere, Rondebeltweg 31, the Netherlands, ("**Geveke**"). According to the Bidder, Geveke's share capital at the point of publication of the Offer Document is EUR 46,137,500 and is divided into 8,000,000 Common shares (*gewone aandelen*), 840,000 Cumulative financing preference B 1 shares (*Cumulatief financierings preferente aandelen B 1*) and 387,500 Cumulative financing preference B 4 shares (*Cumulatief financierings preferente aandelen B 4*), all being registered shares with a nominal value of EUR 5.00 each. According to the Bidder, Geveke acts mainly as a holding, investment and management company for investments in companies or real estate.

According to the Bidder, Geveke acquired all shares in Gazelle Holding B.V., with its registered office at Dieren, the Netherlands, ("**Gazelle**"), in 2011. Koninklijke Gazelle B.V. (*Besloten Vennootschap, B.V.*) with its registered office in Dieren, the Netherlands, one of the leading bicycle manufacturers in the Netherlands, is a subsidiary of Gazelle.

3. Pon Holdings B.V; Pon Group

According to the Bidder, all shares in Geveke are held by Pon Holdings B.V. (*Besloten Vennootschap, B.V.*), a company organised under Dutch law with its registered office at 1329 BN Almere, Rondebeltweg 31, the Netherlands ("**Pon Holdings**"). According to the Bidder, the share capital of Pon Holdings at the time of the publication of the Offer Document is EUR 61,714.08 and is divided into 180 Common B shares (*gewone aandelen B*), 48 Cumulative financing preference C shares (*Cumulatief financierings preferente aandelen C*), 20 Cumulative financing preference D shares (*Cumulatief financierings preferente aandelen D*) and 24 Cumulative financing preference E shares (*Cumulatief financierings preferente aandelen E*), all registered shares, each with a nominal value of EUR 226.89.

According to the Bidder, Pon Holdings is an internationally operating trading and service company founded in 1969 and has become one of the largest family-owned companies in the Netherlands. Pon Holdings is therefore mainly active as an investment, participation and managing company for corporate and real estate holdings and in the execution of pension and standing rights agreements.

It is the parent company of a group of companies, whose business activities include *inter alia* import, logistics, marketing, distribution and service and maintenance of high-quality products in the automotive field such as passenger cars, commercial vehicles, trucks, buses, tyres, earth-moving machines and other products for road construction and shipping (together the "**Pon Group**").

According to section 4.1 of the Offer Document, Pon Holdings employed around 9,000 employees worldwide as at 31 December 2010 in its wholly-owned subsidiaries. Further, the total consolidated revenue of Pon Holdings is stated as being approximately EUR 5.0 billion for the financial year 2010.

4. Houdstermaatsschappij Wilg B.V.

According to the Bidder, Pon Holdings is approximately a 66% subsidiary of Houdstermaatsschappij Wilg B.V. (*Besloten Vennotschap, B.V.*), a company organised under Dutch law with its registered office at 3833 BP Leusden, Zuiderinslag 2, the Netherlands ("**Wilg**"). According to the Bidder, Wilg's share capital at the point of the publication of the Offer Document was EUR 48,001 and is divided into 9,000 Common shares (*gewone aandelen*) and 39,001 Preference shares (*preferente aandelen*), all registered shares, each share with a nominal value of EUR 1.00. Wilg is accordingly predominantly active as a holding, investment and management company for securities and other assets.

5. Stichting Continuïteit Wilg

According to the Bidder, Wilg is a 50.001% subsidiary of Stichting Continuïteit Wilg, a company organised under Dutch law with its registered office at 3833 BP Leusden, Zuiderinslag 2, the Netherlands ("**Stichting**"). The essential purpose of Stichting is therefore the management of Wilg's direct and indirect assets and its shareholdings, in particular by exercising its voting rights in Wilg.

6. Mr Wijnand Nicolaas Pon

According to the Bidder, Stichting is controlled by Mr Wijnand Nicolaas Pon, whose business address is 3833 BP Leusden, Zuiderinslag 2, the Netherlands, and who is also the sole member of Stichting's management board. According to information provided, Mr Pon is authorised and obliged to nominate three further members of the management board in the event that his mandate as member of the management board for Stichting comes to an end. The authorisation to amend Stichting's articles of association thus lies with Stichting's management board and therefore within the authority and discretion of Mr Pon.

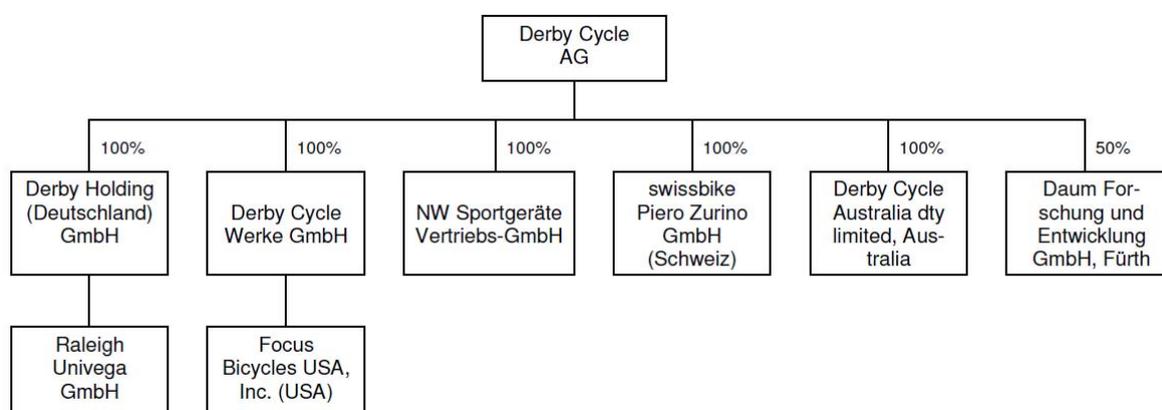
IV. Information about the Target Company

1. Ownership structure

Derby Cycle is a German stock corporation (*Aktiengesellschaft* (AG)) registered at the local court of Oldenburg under HRB 205285 with its registered office in Cloppenburg, Germany. Derby Cycle's headquarters are located at Siemensstraße 1-3, 49661 Cloppenburg, Germany. Derby Cycle was formed pursuant to the reorganisation of (the former) Derby Cycle Beteiligungs GmbH as a German stock corporation and recorded in the commercial register of the local court of Oldenburg on 17 January 2011. The financial year of Derby Cycle begins on 1 October and ends on 30 September.

Derby Cycle is a holding company that has (i) a direct 100% holding in Derby Holding GmbH with its registered office in Cloppenburg (Germany), Derby Cycle Werke GmbH with its registered office in Cloppenburg (Germany), NW Sportgeräte Vertriebs-GmbH with its registered office in Cloppenburg (Germany), swissbike Piero Zurino GmbH with its registered office in Dierikon (Switzerland) and Derby Cycle Australia Pty Limited with its registered office in Grange (Australia) and (ii) indirect 100% holdings in Raleigh Univega GmbH with its registered office in Cloppenburg (Germany) and Focus Bicycles Inc. with its registered office in Carlsbad, CA (USA) (together the "**Derby Cycle Group**"). Further Derby Cycle has a direct 50% holding in Daum Forschung und Entwicklung GmbH with its registered office in Fürth (Germany).

The following diagram illustrates the ownership structure:



The members of the Management Board of Derby Cycle are currently Mr Mathias Seidler (Chairman) and Mr Uwe Bögershausen. The Supervisory Board of Derby Cycle is made up of Mr Fritz-Wilhelm Krüger (Chairman), Mr Felix Sulzberger and Mr Gerold Heinen.

At the point of publication of this Opinion no employee representatives sit on the Supervisory Board of Derby Cycle, nor is there any works council or other employee representative at the level of Derby Cycle. However, a Works Council exists at Derby Cycle Werke GmbH. Pursuant to an

agreement between the management of Derby Cycle Werke GmbH, the management of NW Sportgeräte Vertriebs-GmbH and the Works Council of Derby Cycle Werke GmbH dated 4 April 2008, this Works Council also serves as the works council for NW Sportgeräte Vertriebs-GmbH. This Works Council currently has nine members.

The share capital of Derby Cycle is EUR 7,500,000 and is divided into 7,500,000 no-par value ordinary bearer shares representing a notional interest in the share capital of EUR 1.00 per share. The Derby Cycle Shares are admitted to trading on the Frankfurt Stock Exchange under ISIN DE000A1H6HN1 (WKN A1H6HN) on the regulated market (Prime Standard). Further, over-the-counter trade is conducted on the exchanges in Berlin, Düsseldorf, Hamburg, Hannover, Munich and Stuttgart. The Derby Cycle Shares were admitted to the S-DAX index of the Frankfurt Stock Exchange on 19 September 2011. At the point of the publication of this Opinion Derby Cycle holds a total of 22,300 treasury shares.

Pursuant to § 5.1 of the Target Company's articles of association dated 20 January 2011 the Management Board, with the approval of the Supervisory Board, is authorised to increase the share capital once or more than once until 15 January 2016 up to a total of EUR 3,000,000 by issuing up to 3,000,000 new, no-par value ordinary bearer shares against cash or non-cash contributions, whereby in certain cases pre-emptive subscription rights may be excluded. Derby Cycle's articles of association do not include an authorisation to increase capital from conditional capital.

A portion of the compensation of the members of Derby Cycle's Management Board as well as certain senior executive employees consists of a so-called Restricted Share Programme, under which Derby Cycle Shares are granted after expiry of market standard vesting periods ("**Employee Share Participation Programme**"). In order to fulfil its obligations under the Employee Share Participation Programme the Target Company's General Meeting held on 20 January 2011 authorised the Management Board to buy back shares amounting to up to 10% of the share capital of Derby Cycle existing at that time. The Management Board was further authorised to effect the share buy-back either via the stock exchange or by way of a public tender offer directed to all shareholders of the Target Company. On 25 August 2011 the Management Board with the approval of the Supervisory Board passed a resolution to buy back up to 70,000 treasury shares on the basis of the authorisation by the General Meeting through the XETRA trading platform. The Management Board then bought back a total of 22,300 treasury shares by 29 September 2011 to use in the context of the Employee Share Participation Programme. These were primarily intended to be used for the remuneration of the Management Board. The Management Board and Supervisory Board (insofar as it affects the members of the Management Board) on 10 October 2011 resolved with immediate effect discontinuing the Employee Share Participation Programme in its current form, and replacing it with a corresponding cash compensation so that (physical) Derby Cycle Shares are no longer required to fulfil the obligations under the Employee Share Participation Programme.

2. Business

Derby Cycle has the highest turnover of any cycle manufacturer on the German market and is one of the leading manufacturers in Europe. Derby Cycle's range includes electric bikes, sport cycles for leisure cycling and competition and comfort cycles for every day and travel use. These are sold under the brands Kalkhoff, Focus, Raleigh, Univega and Rixe. All models are developed and assembled at the company's headquarters in Cloppenburg. Derby Cycle's products are sold through specialist retailers, who offer their customers professional advice and comprehensive service. In the financial year 2009/2010 the Derby Cycle Group employed a total of approximately 550 employees.

Derby Cycle sells models under each of its brands that are tailored to different target groups. All of the models are developed in Germany and are largely produced there as well. Derby Cycle attaches great value to the high quality of its bicycles and a differentiated market presence. This allows Derby Cycle to sell its products via specialist retailers, who offer their customers professional advice and extensive service. They are thus an important sales channel for normal bicycles and electric bikes.

Derby Cycle boasts the following competitive strengths:

- Strong selling power: focus on quality- and service-oriented specialist dealers.
- Internationalisation: over recent years Derby Cycle has consistently internationalised its activities, in particular via the Focus brand, and now operates in over 50 countries around the world.
- Leading position for electric bikes: good market leadership position in Germany in the technically sophisticated growth segment of electric bikes.

Derby Cycle's strategy aims to reinforce these competitive strengths further by way of acquisitions and to invest consistently in research and development and the further internationalisation of its sales activities.

3. Performance

In the financial year 2009/2010 the Derby Cycle Group generated revenues of around EUR 173 million, of which 72.6% in Germany and 27.4% overseas. Earnings before interest and tax (EBIT) were around EUR 12 million. Derby Cycle Group sold a total of approximately 430,000 bicycles, including approximately 44,000 electric bikes. Thus Derby Cycle's market share of over 20% in 2010 affirms its position as market leader on the German electric bike market. For the financial year 2010/2011 ended 30 September 2011 Derby Cycle anticipates revenue of EUR 220 million to 240 million and an EBIT margin of 8% to 9% (as opposed to 7.0% in the financial year 2009/2010).

The dynamic growth of the Derby Cycle Group is based in particular on the increasing global demand for high-quality electric bikes and sporting bikes and the continuing internationalisation of the company in all global volume markets.

V. Information about the Takeover Offer

1. Implementation of the Takeover Offer

The Takeover Offer will be implemented by the Bidder in the form of a voluntary public takeover offer (cash offer) to acquire the Derby Cycle Shares pursuant to § 29 WpÜG. According to the Offer Document the Takeover Offer is made exclusively in accordance with the laws of the Federal Republic of Germany, in particular in accordance with WpÜG and the Regulation pertaining to the contents of the offer document, the consideration in the event of takeover offers and mandatory offers and the release from the obligation to publish and to make an offer (*Verordnung über den Inhalt der Angebotsunterlage, die Gegenleistung bei Übernahmeangeboten und Pflichtangeboten und die Befreiung von der Verpflichtung zur Veröffentlichung und zur Abgabe eines Angebots, "WpÜG Offer Regulation"*).

2. Statements by the Bidder about the background to the Takeover Offer

According to the Bidder its Takeover Offer for Derby Cycle is part of its strategic objective to merge the bike segment of the Pon Group on the one hand and Derby Cycle Group on the other under a common holding company.

With respect to the details of the Takeover Offer the reader is referred to section 5 of the Offer Document and section VII of this Opinion.

3. Material terms of the Takeover Offer

3.1 Offer Price and acceptance periods

The Bidder tenders to all Derby Cycle Shareholders the offer to acquire their ordinary shares in Derby Cycle (ISIN DE000A1H6HN1 / WKN A1H6HN), including all membership rights vested therein, at an Offer Price of EUR 28.00 per share in accordance with the terms and conditions of the Offer Document. The purpose of the Offer is to acquire control of the Target Company and is thus a voluntary public takeover offer as defined in WpÜG.

Subject to any potential statutory extensions the period for acceptance of the Offer shall end on 18 November 2011, 24:00h (CET) ("**Acceptance Period**"). The additional acceptance period pursuant to § 16 (2) 2 WpÜG shall end two weeks after publication of the provisional result of the Takeover Offer by the Bidder pursuant to § 23 (1) sentence 1 no.2 WpÜG ("**Additional Acceptance Period**"). According to the Bidder it is anticipated that the Additional Acceptance Period will commence on 24 November 2011 and end on 7 December 2011, 24:00h (CET).

Derby Cycle Shares in respect of which the Offer was accepted within the Acceptance Period and which were timely re-booked to ISIN DE000A1MBH74 (WKN A1MBH7) shall be referred to as "**Tendered Derby Cycle AG Shares**" both in the Offer Document and below. Derby Cycle Shares in respect of which the Offer was accepted within the Acceptance Period and which were timely re-booked to ISIN DE000A1MBH82 (WKN A1MBH9) shall be referred to as "**Subsequently Tendered Derby Cycle AG Shares**" both in the Offer Document and below.

On expiry of the Additional Acceptance Period the Offer may no longer be accepted unless the Bidder holds at least 95% of the share capital in the Target Company after the Offer has been implemented. In this case Derby Cycle Shareholders who have not yet accepted the Offer may accept the Offer within three months of the expiry of the Acceptance Period on the basis of the disposition right pursuant to § 39c WpÜG.

According to the Bidder it is intended that the Tendered Derby Cycle Shares be admitted to trading from the second banking day after the beginning of the Acceptance Period on 21 October 2011 for the duration of the Acceptance Period. Trading with the Subsequently Tendered Derby Cycle Shares is not envisaged.

3.2 Offer conditions

According to section 3.5 of the Offer Document the Bidder's Takeover Offer and its completion are not subject to any conditions precedent.

4. Financing of the Takeover Offer

According to the Bidder in section 8 of the Offer Document the financing of the overall costs of the Takeover Offer of around EUR 103 million, consisting of the costs for covering the total sum of the Offer Price of EUR 92.5 million and anticipated ancillary transaction costs in the sum of around EUR 10.5 million, is assured by means of liquid funds of Pon Holdings and a committed credit facility for up to EUR 200 million granted to Pon Holdings on 7 October 2011 by Coöperatieve Centrale Raiffeissen-Boerenleenbank B.A. (trading as Rabobank International) with its registered office in Amsterdam, the Netherlands. According to the information provided, on the basis of an intra-group agreement with Pon Holdings dated 19 September 2011, the Bidder is entitled to draw on funds under this intra-group credit facility held by Pon Holdings in the context of the Takeover Offer. According to the Bidder amounts borrowed under the committed credit facility may only be used to satisfy claims arising from the acceptance of the Takeover Offer and claims arising from on- and off-market acquisitions of Derby Cycle Shares. Further the Bidder does not intend to draw down the committed credit facility from Rabobank International. Rabobank has also issued the Bidder a financing confirmation pursuant to §13 (1) sentence 2 WpÜG.

5. Definitive nature of the Offer Document

For further information and details (in particular in respect of the acceptance periods, the acceptance and implementation formalities and the rights of withdrawal in the context of the Takeover Offer) the shareholders in the Target Company are referred to the statements in sections

2-3 and 10-12 of the Offer Document. The above information merely summarises the information contained in the Offer Document. The Management Board and Supervisory Board refer to the fact that the description of the Offer in this Opinion makes no claim to completeness and that solely the provisions of the Offer Document are material for the terms and settlement of the Takeover Offer. It is incumbent on and the responsibility of each Derby Cycle Shareholder to heed the Offer Document and to implement the measures relevant to him or her.

VI. Type and amount of the offered consideration (§ 27 (1) no. 1 WpÜG)

The Bidder offers to pay the Offer Price of EUR 28.00 per Derby Cycle Share as consideration within the meaning of § 11 (2) sentence 2 no. 4 WpÜG.

1. Minimum Offer Price pursuant to WpÜG

To the extent that the Management Board and Supervisory Board are able to assess this on the basis of the information available to them, the Offer Price per Derby Cycle Share satisfies the provisions of § 31 (1) and (7) WpÜG in conjunction with §§ 3 *et seq.* WpÜG Offer Regulation on the statutory minimum price that is calculated as the higher of the two threshold values set out below:

1.1 Stock exchange price

Pursuant to § 5 WpÜG Offer Regulation the consideration must be at least equal to the weighted average domestic stock exchange price of the respective share during the three months prior to the publication of the decision to submit the Takeover Offer ("**Three Months Average Price**"), which occurred on 21 September 2011. The Three Months Average Price determined by BaFin and, according to information provided, notified to the Bidder in a letter dated 7 October 2011 in accordance with § 5 WpÜG Offer Regulation was EUR 19.26 as at the record date of 20 September 2011. The Offer Price thus contains a premium of EUR 8.74, that is, around 45% over the Three Months Average Price and therefore complies with this statutory requirement.

1.2 Prior acquisitions; Bidder's securities transactions

Pursuant to § 4 WpÜG Offer Regulation the consideration for a Takeover Offer pursuant to §§ 29 *et seq.* WpÜG must be equivalent to at least the highest consideration granted or agreed-upon by the Bidder, a person acting jointly with it as defined in § 2 (5) WpÜG or their subsidiaries within the six months prior to the publication of the Offer Document pursuant to § 14 (2) sentence 1 WpÜG.

According to section 4.5 of the Offer Document the Bidder acquired Derby Cycle Shares on or off the stock exchange within six months prior to the publication of the Offer Document on 21 October 2011 as follows: (i) on 19 September 2011 30,681 Derby Cycle Shares were acquired on-market at prices between EUR 24.64 and EUR 25.00 per Derby Cycle Share, which, according to information provided the Bidder sold on the same day, (ii) on 21 September 2011 a further 126,923 Derby Cycle Shares were acquired on-market at prices between EUR 27.785 and EUR 28.00 per Derby

Cycle Share, (iii) on 22 September 2011 a further 845,273 Derby Cycle Shares were acquired on-market at prices between EUR 27.80 and EUR 28.00 per Derby Cycle Share and a further 114,660 Derby Cycle Shares off-market at a price of EUR 28.00 per Derby Cycle Share, (iv) on 23 September 2011 a further 38,144 Derby Cycle Shares were acquired on-market at a price of EUR 28.00, (v) on 7 October 2011 a further 288,916 Derby Cycle Shares were acquired on-market at prices between EUR 27.976 and EUR 28.00 per Derby Cycle Share, and on 10 October 2011 (vi) a further 102,093 Derby Cycle Shares were acquired on-market at a price of EUR 28.00 per Derby Cycle Share and (vii) a further 1,674,136 Derby Cycle Shares and (viii) a further 337,713 Derby Cycle Shares were acquired at a price of EUR 28.00 per Derby Cycle Share. According to information provided the latter two acquisitions were made off-market in two block transactions with In2Cycling B.V., a wholly-owned subsidiary of Accell Group N.V., on the one hand and various US financial investors (Arbitrage Fund, Delaware (USA); Arbitrage Event-Driven Fund, Delaware (USA); Transamerica Water Island Arbitrage Strategy, Florida (USA); Litman Gregory Masters Select Fund, Delaware (USA) and WIC Arbitrage Partners, Delaware (USA)) on the other. The blocks of shares were accordingly acquired on 12 October 2011 and 13/14 October 2011. According to the Bidder it was agreed in the scope acquiring the two blocks of shares that a corresponding adjustment of the purchase price would be made for In2Cycling B.V. or the US investors in the case of any subsequent increase in the Offer Price.

Further, in the period of six months prior to the publication of the Offer Document on 21 October 2011 the Bidder, according to its own information, acquired the following on the stock exchange: (ix) on 11 October 2011 a further 508,757 Derby Cycle Shares at a price of EUR 28.00 per Derby Cycle Share, (x) on 12 October 2011 a further 57,363 Derby Cycle Shares at a price of EUR 28.00 per Derby Cycle Share, (xi) on 13 October 2011 a further 14,345 Derby Cycle Shares at a price of EUR 28.00 per Derby Cycle Share, (xii) on 14 October 2011 a further 24,179 Derby Cycle Shares at a price of EUR 28.00 per Derby Cycle Share and (xiii) on 17 October 2011 a further 57,518 Derby Cycle Shares at prices between EUR 27.997 and EUR 28.00 per Derby Cycle Share.

Further, on 21 September 2011 the Bidder entered into agreements with A/M/S GmbH, a wholly-owned subsidiary of the chairman of the Target Company's Management Board, Mr Mathias Seidler, with its registered office in Cloppenburg and, according to the Bidder, a further shareholder pursuant to which A/M/S GmbH and the other shareholder undertake to tender to the Bidder 187,500 and 60,000 Derby Cycle Shares they respectively hold under the Takeover Offer within the first two weeks of the Acceptance Period at a purchase price of EUR 28.00. In accordance with this agreement A/MS GmbH on 26 October 2011 tendered 187,500 Derby Cycle Shares held by it to the Bidder.

The agreement between the Bidder and A/M/S GmbH also contains provisions relating to the acquisition of a further 412,500 Derby Cycle Shares held by A/M/S GmbH under put and call options. These provisions include *inter alia* the duty on the part of A/M/S GmbH to hold the remaining Derby Cycle Shares for a period of at least 18 months after announcement of the Bidder's intention to submit the Takeover Offer ("**Holding Period**") and the duty on the part of the Bidder to hold all further Derby Cycle Shares acquired during the Holding Period arising from or in connection with the Offer. Within the last three months of the Holding Period A/M/S GmbH is

entitled to sell some or all of the remaining Derby Cycle Shares to the Bidder ("**Put Option**"). Further, A/M/S GmbH is entitled to exercise the Put Option directly, that is, before expiry of the Holding Period, if (i) the Target Company and the Bidder enter into a domination agreement or another inter-company agreement, (ii) the composition of the Management Board changes substantially or (iii) a change of control at the shareholder level of the Bidder (or the shareholder levels above that) has taken place.

The consideration payable to A/M/S GmbH in the event of the exercise of the Put Option shall be the higher of (i) the Offer Price or (ii) the volume-weighted average domestic stock exchange price of the Derby Cycle Shares during the last three months on the XETRA trading platform (or comparable successor systems) on the Frankfurt Stock Exchange on the day of exercise of the Put Option.

On expiry of the Holding Period the Bidder is entitled to acquire the remaining Derby Cycle Shares from A/M/S GmbH in their entirety ("**Call Option**"). The consideration payable to A/M/S GmbH in the event that the Call Option is exercised would be the Offer Price.

On 20 September 2011 Mr Uwe Bögershausen, the CFO of Derby Cycle, undertook to accept the Takeover Offer for 11,000 Derby Cycle Shares held by him within the Acceptance Period. On 26 October 2011 he tendered all Derby Cycle Shares held by him to the Bidder.

Under these circumstances the consideration pursuant to § 4 WpÜG Offer Regulation for the shares in the Target Company shall be at least the purchase price of EUR 28.00 per Derby Cycle Share. The purchase price per Derby Cycle Share tendered by the Bidder thus complies with the statutory requirements of § 4 WpÜG Offer Regulation.

2. Valuation of the Offer Price by the Management Board and Supervisory Board

The Management Board and Supervisory Board have considered in detail the issue of the adequacy of the Bidder's Offer Price for the Derby Cycle Share.

2.1 Fairness Opinion

Derby Cycle instructed Network Corporate Finance GmbH & Co. KG ("**NCF**") to prepare an assessment of the adequacy of the Offer Price from a financial perspective (known as the "**Fairness Opinion**"). NCF submitted its analysis to the Management Board and the Supervisory Board on 17 October 2011 and presented and explained it at a meeting on 28 October 2011. In its analysis NCF arrives at the conclusion that at the point of submission of the Fairness Opinion the Bidder's Offer Price is adequate for the Derby Cycle Shareholders from a financial perspective, subject to the assumptions contained therein. NCF's Fairness Opinion is appended to this Opinion as Annex 1.

In the scope of the assessment of the Bidder's Offer Price NCF conducted a series of financial analyses as performed in comparable capital market transactions and which appeared adequate to provide the Management Board and Supervisory Board with a tenable basis for assessing the Offer Price from a financial perspective. In doing so it used a series of factors, assumptions, approaches,

restrictions and valuations that are described in the Fairness Opinion. NCF's analyses are based *inter alia* on Derby Cycle's 2010/2011 – 2012/2013 business plans that were supplied to NCF. Further, NCF compared the Offer Price with certain historical quoted stock exchange prices and Derby Cycle's general market performance and the market performance of other selected listed companies, examined and analysed recommendations and price targets from equity analysts, compared a wide range of financial indicators for Derby Cycle with those of other listed companies from the same sector and evaluated selected transactions from the sector. Finally a discounted cash flow analysis was performed.

The Management Board and Supervisory Board further point out that NCF's Fairness Opinion is subject to certain assumptions and reservations.

NCF acts as financial advisor to the Target Company in the context of the Bidder's Takeover Offer. For the services rendered by NCF in this context NCF receives from the Target Company a standard market fee. It is possible that NCF will provide such services also in the future for which NCF will be paid standard market fees. Currently NCF neither acts for the Bidder nor any company affiliated with the Bidder.

2.2 Comparison with historical stock exchange prices

The closing price of the Derby Cycle Share in XETRA trading on the Frankfurt Stock Exchange on 20 September 2011, the last trading day prior to the publication of the Bidder's decision to submit the Takeover Offer on 21 September 2011, was EUR 25.30 (source: *Deutsche Börse – German Stock Exchange*). Notwithstanding the fact that, in the view of the Management Board and Supervisory Board, the price on this day had been influenced by Derby Cycle's announcement on 16 September 2011 that it was in advanced negotiations with an (unnamed) potential strategic partner, the Offer Price thus contains a premium of EUR 2.70, that is, around 10%, over this price.

The Offer Price of EUR 28.00 contains a premium of EUR 8.74 or 45% over the Three Months Average Price of EUR 19.26 determined by BaFin before the publication of the Bidder's decision to submit the Takeover Offer.

In section 6.2 of the Offer Document the Bidder uses further historical stock exchange prices of the Derby Cycle Share. The Offer Price accordingly includes a premium of around 28% over the Derby Cycle Share's closing price of EUR 21.91 in XETRA trading on 16 September 2011, the trading day before the day on which Derby Cycle announced that at that point in time it was in advanced negotiations with an (unnamed) potential strategic partner.

Further, the Offer Price contains a premium of 52.7% over the average XETRA price of EUR 18.33 for the month preceding the aforementioned trading day on 16 September 2011. At the same time this corresponds to a premium of 51.2% over the average XETRA price of EUR 18.52 for the three months preceding this trading day.

Finally the Offer Price contains a premium of 124% over the Derby Cycle Share's issue price EUR 12.50 at the time of its initial public offering at the beginning of February 2011.

2.3 Adequacy of the Offer Price

On the basis of the above statements relating to NCF's Fairness Opinion, whose assumptions and analyses have been reviewed as far as possible by the Management Board and Supervisory Board and whose evaluations the Management Board and Supervisory Board endorse, the Management Board and Supervisory Board consider, after detailed internal review and comprehensive consultation and after consideration of all overall circumstances, the Offer Price to be adequate for the following further reasons:

- The Offer Price tendered by the Bidder satisfies the statutory requirements pursuant to § 31 (1) and (7) WpÜG in connection with §§ 3 *et seq.* WpÜG Offer Regulation.
- From the perspective of the Supervisory Board and Management Board the attractiveness of the tendered Offer Price is also apparent from a comparison with the price targets for the Derby Cycle Share issued by various analysts shortly before the emerging takeover speculation surrounding Derby Cycle. For example on 23 May 2011 the private bank MM Warburg & Co. KGaA defined a long-term price target of EUR 25.00 based on an analysis of Derby Cycle's continual growth. The investment bank equinet AG and the private bank Berenberg, on the other hand, issued short-term price targets of EUR 20.00 and EUR 22.00 on 16 and 30 August 2011, respectively, for the Derby Cycle Share on the basis of the third-quarter results of the financial year 2010/2011. The considerable premium that the Bidder's own Offer Price contains as compared with the very positive analysts' assessments by MM Warburg & Co. KGaA, illustrates in the view of the Management Board and Supervisory Board that the Offer Price already substantially reflects Derby Cycle Group's future growth prospects and synergy potential in the case of an integration into the Pon Group.
- In the agreements described at section A.VI.1.2 of this Opinion, Mr Mathias Seidler and Mr Uwe Bögershausen have undertaken to accept the Takeover Offer for 187,500 and 11,000 Derby Cycle Shares held (indirectly) by them respectively. These undertakings were fulfilled on 26 October 2011. The free decisions of these shareholders to tender the Derby Cycle Shares held (indirectly) by them to the Bidder at the Offer Price serves as a considerable indication of the adequacy of the Offer Price in the view of the Management Board and Supervisory Board.
- A further strong indication of the adequacy of the Offer Price in the view of the Management Board and Supervisory Board lies in the decision by Accell to sell to the Bidder its recently acquired (indirect) holding of around 22% of the issued Derby Cycle Share (see section A.VII.1) after the announcement of the Bidder's intention to submit the Takeover Offer and of the prospective Offer Price. According to media reports, the CEO of Accell, Mr René Takens, decided to sell the block of shares it had acquired to the Bidder at a substantial profit as a result of the high attractiveness of the Offer Price instead of pursuing its original intention to take over Derby Cycle itself and prepare a competing offer as necessary. In the view of the Management Board and Supervisory Board this would not have occurred if Accell had not regarded the Offer Price as extraordinarily attractive but had promised itself greater growth in value had it had the opportunity to run the Derby Cycle Group under its own control.

- Finally, in the view of the Management Board and Supervisory Board the extraordinary scope of prior acquisitions by means of which the Bidder was able to acquire a total of 2,515,884 additional Derby Cycle Shares or approximately 33% of the issued Derby Cycle Shares at prices just below or at the level of the Offer Price on or off the stock exchange underlines the adequacy of the Offer Price. Therewith, including the shares acquired from Accell, at the time of the publication of this Opinion the Bidder has already acquired 4,190,020 Derby Cycle Shares or 55.87% of the Target Company's Share Capital and voting rights in the Target Company at prices just below or at the level of the Offer Price. This demonstrates that a considerable proportion of the further Derby Cycle Shareholders also regard the Offer Price to be attractive and taking that into account do not anticipate any potentially better, competing takeover offer for Derby Cycle.

VII. Bidder's objectives with the Takeover Offer and foreseeable consequences of a successful Offer for the Target Company, the employees and their representatives, the employment conditions and the site locations of the Target Company (§ 27 (1) no. 2 and no. 3 WpÜG)

Under section 5 of the Offer Document, the Bidder described its intentions with regard to the Target Company and the main consequences of a successful Offer for the Target Company, the employees and their representatives, the employment conditions and the site locations of the Target Company following a business combination agreement concluded with the Target Company (see section VII.1 below).

1. Business Combination Agreement with the Target Company; background

On 21 September 2011, the Bidder concluded a business combination agreement with Derby Cycle ("**Business Combination Agreement**"). This stipulated that Derby Cycle will in any event be continued on the basis of the stand-alone concept for a certain period. Second, certain principles of the future management of Derby Cycle were agreed, including certain framework conditions for a potential combination of the bike segment of the Derby Cycle Group, on the one hand, and the Pon Group, on the other.

Previously, initial talks were commenced between the Management Board of Derby Cycle and the Bidder and representatives of the Pon Group at the beginning of September 2011. At this time, it was already known that the Dutch Accell Group N.V. ("**Accell**"), one of Derby Cycle's largest direct competitors, had increased its (indirect) holding in Derby Cycle at the end of August 2011 by way of a block acquisition without consultation with Derby Cycle from approximately 10% to approximately 22% of Derby Cycle's share capital and voting rights.

Contrary to initial announcements by Accell, the Management Board and Supervisory Board always assumed that this holding was not a financial investment, but rather that Accell intended to take over Derby Cycle in the short-term by way of a public takeover offer, which was undesirable in Derby Cycle's view because it was not in Derby Cycle's corporate interest. The Management

Board and the Supervisory Board considered Derby Cycle's long-term corporate strategy of continuing its constant growth course in an international environment to be jeopardised by this development. This is because, in the view of the Management Board and Supervisory Board, it could be expected that, in the event of a successful takeover by Accell, Derby Cycle would be integrated into the group structure of Accell directly and without any consideration for Derby Cycle, its employees, production sites and business relationships due to Accell's strategic alignment, serious merger control concerns and experiences with Accell from similar transactions in the past. The Management Board therefore took Accell's increase in its holding without consultation as a reason to seek other potential interested parties for a co-operation with the Derby Cycle Group in line with its company law obligations.

Given this background, the Management Board and the Supervisory Board are very pleased that a reliable and long-term partner for the Derby Cycle Group has ultimately been successfully acquired through conclusion of the Business Combination Agreement with the Bidder. The Pon Group, which is behind the Bidder, is distinguished as a conglomerate corporate group with decades of experience in various market segments in the automotive/mobility sector. In the view of the Management Board and the Supervisory Board, the strategic interest of the Pon Group in the bicycle segment becomes particularly clear due to the fact that it recently made a promising entry into the market with the acquisition of Gazelle, one of the leading Dutch bicycle manufacturers. The Management Board and Supervisory Board therefore believe that the product portfolios of both groups complement each other excellently to this extent and that significant synergy effects will be able to be leveraged for all parties in the medium term.

Ultimately the Management Board and Supervisory Board are convinced that a successful Offer by the Bidder for the Derby Cycle Group provides stability, firstly due to a new, long-term-oriented principal shareholder, and secondly through the potential development of additional local and international growth potential, particularly in the Netherlands. In addition, the co-operation with the Pon Group eliminates the risk of a takeover attempt that is not in Derby Cycle's interests, as most recently occurred with the increase in Accell's holding. The Management Board and Supervisory Board are certain that such a takeover attempt could have been accompanied by significant risks for the Derby Cycle Group companies.

2. Future business activity; assets and future obligations of Derby Cycle

In the Business Combination Agreement, it was stipulated that the legal and economic independence and market listing of the Target Company would be maintained for a minimum period of 18 months after publication of the Bidder's decision to submit the Takeover Offer on 21 September 2011.

Moreover, it was stipulated in the Business Combination Agreement that in the event of a successful Takeover Offer, the Bidder, together with Derby Cycle and Pon Holdings, would review various possibilities for combining the bicycle business of the Derby Cycle Group, on the one hand, and that of the Pon Group, particularly Gazelle's business, on the other, and will, where applicable, implement such a combination. These plans include, *inter alia*, the possibility of combining the segments under a new holding company for bicycle activities or a non-cash capital

increase of the Target Company in the form of a transfer of Gazelle. As long as the Target Company remains listed on the stock exchange and there has been no transfer of Gazelle to the Target Company, it is provided that the two segments should be separately managed through a new holding company under the joint management of the current CEO of Derby Cycle, Mr Mathias Seidler, and the current Managing Director of Gazelle, Mr Xenon Grimmelt. In the case of transfer of Gazelle to the Target Company, it is intended that the management of the entire business should be taken over by the Management Board of Derby Cycle. The administrative headquarters of the new holding company following combination of the segments would be Cloppenburg.

The Bidder wishes to co-operate with Derby Cycle on the basis of the Business Combination Agreement and co-operation agreements that, where applicable, will be concluded at standard market terms and at arm's length in order to optimise the value of Derby Cycle in the interests of its customers, shareholders and stakeholders. Pursuant to section 5.2 of the Offer Document, the Bidder does not intend to impose obligations on Derby Cycle in future, in particular, none in conjunction with the Takeover Offer.

On 21 September 2011, Derby Cycle concluded a subscription agreement with Pon Holdings ("**Subscription Agreement**") in addition to the Business Combination Agreement concluded with the Bidder. In the Subscription Agreement, Pon Holdings undertakes to Derby Cycle to subscribe up to 600,000 new shares to be issued in the event of a capital increase from Derby Cycle's authorised capital in order to further strengthen Derby Cycle's capital base in light of the desired growth course and impending acquisitions. As the issue price at which the new Derby Cycle Shares would be subscribed by Pon Holdings in the event of a capital increase, an amount was set that is equivalent to the respective maximum price either (i) of the closing stock exchange price on the day prior to the Management Board's resolution on the capital increase, (ii) of the closing stock exchange price on the first trading day following announcement of the Bidder's intention to submit the Takeover Offer for Derby Cycle, or that is equivalent to (iii) the maximum consideration that the Bidder will pay, where applicable, to a Derby Cycle Shareholder as part of the takeover procedure. However, under no circumstances is the Bidder obliged to subscribe the new Derby Cycle Shares at an issue price exceeding the Offer Price.

In summary, in the view of the Management Board and the Supervisory Board, the ongoing guarantee – which is secured at least for the medium term – of the continued independence of Derby Cycle under the provisions of the Business Combination Agreement must be emphasised in a particularly positive light. This is because Derby Cycle's corporate strategy of consolidating and continuing its growth course through steady organic growth and targeted acquisitions is secured in the long-term by such a co-operation. The Management Board and Supervisory Board are convinced that, on this basis, they have found in the Bidder and the Pon Group a partner that is ready and able to accompany and support Derby Cycle's strategic objectives. In this respect, in the view of the Management Board and the Supervisory Board, it is particularly pleasing that the Bidder and Pon Holdings have already stressed their willingness to provide financial support for planned corporate acquisitions by concluding the Subscription Agreement. This creates the possibility for Derby Cycle to optimally utilise the ongoing development potential of the Derby Cycle Group in coming years as well.

3. Supervisory Board and the Management Board of Derby Cycle

As already stated in the Business Combination Agreement, the Bidder indicated its intention in section 5.3 of the Offer Document that, in the event of a successful Takeover Offer, it would vote at the next General Meeting of the Target Company for an amendment of the articles of association such that the Target Company's Supervisory Board will be expanded from its current three members to six in future. Once the Bidder has already acquired a majority of the voting rights in the Target Company prior to publication of the Offer Document, it intends to be represented through four of the six members on the expanded Supervisory Board by voting to this effect at the next General Meeting of the Target Company.

In the view of the Management Board and Supervisory Board, it is in the legitimate interests of the Bidder to seek to be represented on Derby Cycle's future Supervisory Board after successful implementation of the Takeover Offer in a manner that is proportionate to the scope of its holding.

As already stated in the Business Combination Agreement, the Bidder indicated in section 5.3 of the Offer Document that it considered the work of the current Management Board members of the Target Company, Mr Mathias Seidler (CEO) and Mr Uwe Bögershausen, to be of great importance for the corporate success of the Target Company, and was greatly interested in their remaining with the Target Company. The Bidder intends – following completion of the Takeover Offer – to amend the service agreements of the Management Board members, where applicable, in order to adjust them in line with any changed corporate structure. The Management Board members have assured Derby Cycle that they will continue their work in the event of a successful Takeover Offer and, in particular, that they will not exercise any existing special rights of termination in this context.

The Management Board and Supervisory Board welcome the fact that the Bidder has emphatically documented its trust in the work and success of Derby Cycle's Management Board in this manner. They are certain that continuity in the Company's management provides a guarantee that the dynamic growth course of Derby Cycle may also be continued in the future and that integration of the Derby Cycle Group into the Pon Group can be achieved smoothly and successfully.

4. Domicile of Derby Cycle, location of essential parts of the enterprise

Together with the Bidder, it was stipulated in the Business Combination Agreement that the legal and economic independence of the Target Company will be maintained until further notice. In compliance therewith, the Bidder stated in section 5.4 of the Offer Document that the domicile and location of the Target Company will be kept in Cloppenburg for a minimum period of five years from expiry of the Acceptance Period for the Takeover Offer.

In the opinion of the Management Board and Supervisory Board, deciding in favour of the administrative and production location of Cloppenburg for the long term provides a further important guarantee for the future development of the Derby Cycle Group and any development of additional business activities. This is because the history and success story of the Derby Cycle Group and various bicycle brands distributed by it are closely linked with the location of Cloppenburg. Already in 1919, Heinrich Kalkhoff created the long-established brand of "Kalkhoff"

in Cloppenburg. Derby Cycle thus considers its entrepreneurial roots to be in the city of Cloppenburg. The Management Board and Supervisory Board therefore welcome the continuation of this tradition and are convinced that such continuity in corporate management will make a major contribution to the ongoing success and growth course of the Derby Cycle Group.

5. Employees of Derby Cycle and its subsidiaries, employee representatives and employment conditions of Derby Cycle's employees

As already stated in the Business Combination Agreement, the Bidder has already made it clear in section 5.5 of the Offer Document that it attributes great importance to the high qualifications and value of the employees of the Derby Cycle Group for the Company's success. In the Business Combination Agreement, it was therefore agreed that the Bidder will not work towards retrenchments or closures of production sites of the Target Company following completion of the Takeover Offer. According to its own statements, the Bidder is also not planning any changes with regard to the Works Council in place at Derby Cycle Werke GmbH.

The Management Board and Supervisory Board fully share the Bidder's appreciation of the employees of the Derby Cycle Group. The Management Board and the Supervisory Board also believe that a high level of qualifications and motivation as well as the performance of the employees in the Derby Cycle Group form the central basis for its continual corporate success and growth. Under the Business Combination Agreement, the Management Board and Supervisory Board have placed particular value on precluding any possibility of site location closures or staff cutbacks in conjunction with the Takeover Offer or its completion. The Management Board and Supervisory Board therefore greatly welcome any assurances to this effect by the Bidder. At the same time, by way of precaution, they point out that the Takeover Offer and its implementation by the Bidder will not have any direct impact on the existing employment agreements of the employees of the Derby Cycle Group. Rather, the individual employment relationships will remain in place with the relevant employer without any transfer of undertakings being triggered by the Takeover Offer.

6. Possible later structural measures

As stipulated in the Business Combination Agreement, the Bidder has reserved the right in section 5.6 of the Offer Document to implement at its discretion possible structural measures with regard to the Target Company after the expiry of 18 months from publication of its decision to submit the Takeover Offer. In this respect, according to the Bidder's statements, under certain circumstances this could involve (i) conclusion of a domination and/or profit and loss transfer agreement pursuant to §§ 291 *et seq.* of the German Stock Corporation Act (*Aktiengesetz*, "AktG") with the Target Company as the controlled enterprise and/or implementation of a (ii) so-called stock corporation law squeeze-out pursuant to §§ 327a *et seq.* AktG in the case of a minimum holding of 95% of the share capital of the Target Company or (iii) a so-called merger law squeeze-out pursuant to § 62 (5) of the German Reorganisation Act (*Umwandlungsgesetz*, "UmwG") in conjunction with §§ 327a *et seq.* AktG in the case of a minimum holding of 90% of the share capital of the Target Company (and following prior reorganisation of the Bidder as a stock

corporation) or (iv) other similar measures (e.g. a merger, reorganisation or delisting of the shares on the stock exchange ("**Delisting**")).

The Management Board and the Supervisory Board believe that it is in the legitimate interest of the Bidder and the Pon Group to reserve possible options for subsequent full economic and/or legal integration of the Derby Cycle Group into the Pon Group. Nevertheless, the Management Board and Supervisory Board assume that there is a shared understanding between all parties involved that they wish to continue the independent growth course of the Derby Cycle Group at least for the foreseeable future. This is shown, *inter alia*, by the willingness indicated by the Bidder to support Derby Cycle financially in any acquisitions planned in the foreseeable future.

VIII. Impact of the Takeover Offer on the Derby Cycle Shareholders

The following statements are intended to provide the Derby Cycle Shareholders with information for evaluating the impact of acceptance or rejection of the Takeover Offer.

The aspects described below do not claim to be complete. Each Derby Cycle Shareholder is individually responsible for assessing the impact of acceptance or rejection of the Takeover Offer. The Management Board and Supervisory Board recommend that the Target Company's shareholders, where applicable, seek expert advice in this context.

The Management Board and Supervisory Board advise that they will not and cannot provide any assessment as to whether the Target Company's shareholders might suffer adverse tax consequences (in particular, possible tax liability on any capital gains) or lose tax benefits as a result of acceptance or rejection of the Offer. The Management Board and Supervisory Board recommend to the Target Company's shareholders that, prior to any decision on acceptance or rejection of the Offer, they obtain tax advice in which the personal situation of the respective shareholder may be considered.

1. Potential detriment in case of acceptance of the Takeover Offer

Derby Cycle Shareholders that accept the Takeover Offer will lose their membership rights and property rights in the Target Company upon completion of the Takeover Offer with transfer of these Derby Cycle Shares to the Bidder. They should take the following into account:

- Derby Cycle Shareholders will no longer profit from any favourable business development of the Target Company and/or any favourable development of the Derby Cycle Share price with regard to the Derby Cycle Shares with respect to which the Takeover Offer is accepted and completed.
- Generally speaking, Derby Cycle Shareholders will not share in statutorily prescribed consideration and settlement payments that would be payable for any structural measures performed after completion of the Offer with regard to the Derby Cycle Shares with respect to which the Takeover Offer is accepted and completed.

- For one year after publication pursuant to § 23 (1) sentence 2 WpÜG after expiry of the Acceptance Period, further acquisitions of Derby Cycle Shares by the Bidder or persons acting jointly with it off market may trigger an obligation to increase the Offer Price (§ 31 (1) WpÜG). However, during this one-year period, the Bidder could also purchase Derby Cycle Shares at higher prices on the stock exchange, without having to increase the Offer Price for those Derby Cycle Shareholders that accepted the Takeover Offer.
- Revocation of acceptance of the Takeover Offer is only possible subject to the strict criteria specified in the Offer Document and, even then, only until expiry of the Acceptance Period. Otherwise, Derby Cycle Shareholders are limited in terms of their rights to dispose over the Derby Cycle Shares with respect to which they accepted the Takeover Offer. According to the Offer Document, the Tendered Derby Cycle AG Shares tendered during the takeover period are expected to be traded on the regulated market of the Frankfurt Stock Exchange from the second banking day after commencement of the Acceptance Period until conclusion of the Acceptance Period. There is no provision thereafter for trading in Subsequently Tendered Derby Cycle AG Shares. The Management Board and Supervisory Board advise that trading volume of the Tendered Derby Cycle AG Shares could in any event be low at times. This could result in orders for the purchase or sale of Derby Cycle Shares not being able to be executed at all or not being able to be executed in good time and could lead to increased volatility or adversely affect the share price. In addition, any purchasers of the Tendered Derby Cycle AG Shares assume all rights and duties under acceptance of the Takeover Offer. This could have an adverse effect on the demand for and price of these shares, particularly if the stock exchange price of a Tendered Derby Cycle AG Share is higher than the Offer Price.

2. Possible detriment in the event of rejection of the Takeover Offer

Derby Cycle Shareholders that do not accept the Takeover Offer remain Derby Cycle Shareholders unless they sell their Derby Cycle Shares in another manner. They might lose their shareholder status if a squeeze-out (see section VII.6 of this Opinion) were implemented at a later time. However, this requires either a holding of 95% by the Bidder (or another principal shareholder) in Derby Cycle or a holding of 90% by the Bidder or another Principal shareholder (in the legal form of a stock corporation, a partnership limited by shares or a European company (*Societas Europaea*, SE)) in Derby Cycle combined with a merger with the Bidder or such principal shareholder.

It is also possible that in future the criteria for other restructuring measures – for example, conclusion of a domination and/or profit and loss transfer agreement, a Delisting or a reorganisation – will be met and such measures implemented (see section VII.6 of this Opinion).

The Derby Cycle Shareholders bear the opportunities and risks of the future performance of the Derby Cycle Share for Derby Cycle Shares that they retain. The Management Board and Supervisory Board have already issued an opinion on the intentions of the Bidder with regard to Derby Cycle's future business (see section VII of this Opinion). Derby Cycle Shareholders that do not accept the Takeover Offer should consider the following:

- Derby Cycle Shares with respect to which the Offer has not been accepted may initially be traded unchanged on the relevant stock exchanges. It is theoretically possible that the offer of and demand for Derby Cycle Shares will be so low after conclusion of the Takeover Offer (and that the Derby Cycle Shares' liquidity will drop so greatly as a result) that orders for the purchase or sale of Derby Cycle Shares will not be able to be executed at all or will not be able to be executed in good time. Moreover, the possible limitation of the liquidity of the Derby Cycle Shares could result in there being considerably greater price fluctuations than in the past. Should proper trading no longer be guaranteed due to the reduced liquidity of the Derby Cycle Shares, a Delisting is possible even without any instigation of the part of the Bidder. In the case of such a Delisting, there would no longer be any organised public market for trading in the Derby Cycle Shares. Should the Derby Cycle Shares no longer be listed on the stock exchange, this could significantly limit the opportunities to sell the Derby Cycle Shares.
- The current stock exchange price of the Derby Cycle Share could be affected by the Bidder having announced and published the Takeover Offer with an Offer Price of EUR 28.00 per Derby Cycle Share. It is uncertain whether the stock exchange price of the Derby Cycle Share will remain on the current level following expiry of the Acceptance Period and how it will develop.
- In general, the development of the stock exchange price of the Derby Cycle Share cannot be foreseen. It is subject, *inter alia*, to influences from the overall economic situation and also depends on the future business development of the Derby Cycle Group.
- The Derby Cycle Shares are included in the S-DAX Index. Therefore, *inter alia*, investment funds and other institutional investors that invest in shares included in an index hold Derby Cycle Shares to replicate this index. Following implementation of the Takeover Offer, the Derby Cycle Shares might no longer be included in the S-DAX due to the free float, which is expected to be reduced. Index funds and other institutional investors that still hold Derby Cycle Shares after completion of the Takeover Offer might therefore sell them on the stock exchange. This could result in an oversupply of Derby Cycle Shares that, together with reduced liquidity of the Derby Cycle Shares, could result in a reduction of their stock exchange price.
- If the Bidder takes one of the measures described in section VII.6 of this Opinion, which could result in a cash compensation provided by law and/or exchange offer based on a business valuation, the following must be considered: for the relevant business valuation of Derby Cycle, in this case the basis that would have to be used would be the financial condition and results of operations of Derby Cycle at the future time of the structural measure (to be determined by law according to the type of measure) or the stock exchange price at the time of the relevant resolution and announcement thereof. In the case of a squeeze-out, Derby Cycle Shareholders would be obliged to accept the cash compensation granted in the specific case, which could be equal to, higher or lower than the Offer Price. They could accept such cash compensation in other cases (e.g. in the event of a merger or conclusion of a domination agreement). This would be subject to judicial review in an

expedited shareholder action (*Spruchverfahren*). Alternatively to acceptance of such an Offer, the remaining Derby Cycle Shareholders (except in the event of a squeeze-out) could retain their Derby Cycle Shares. However, it could not be ruled out that the structure of their holding could change in this case. In the event of a change in legal form or a merger of the Target Company with a company that is not listed, the stock exchange listing of the Derby Cycle Shares would end. In the event of conclusion of a domination and/or profit and loss transfer agreement by the Target Company as controlled company, the remaining Derby Cycle Shareholders might be entitled to a guaranteed dividend.

- The remaining Derby Cycle Shareholders do not necessarily have to be offered any kind of compensation in the case of a number of measures that the Bidder could implement by virtue of a majority of the voting rights at the General Meeting of Derby Cycle or could enforce due to its controlling position as majority shareholder. Nevertheless, it cannot be ruled out that such measures could have an adverse effect on the share price or the notional value of the Derby Cycle Shares derived from the enterprise value.
- Should the Bidder hold the requisite majority of Derby Cycle Shares following completion of the Takeover Offer, it may decide alone at the General Meeting about the appropriation of the net retained profits. Therefore no statement may be made at the current time about the future distribution policy of Derby Cycle.

IX. Intentions of the members of the Management Board and Supervisory Board to accept the Takeover Offer to the extent they hold Derby Cycle Shares

As at the date of publication of this Opinion, members of the governing bodies of the Company hold the following Derby Cycle Shares or pre-emptive subscription rights for Derby Cycle Shares:

It is contractually agreed that both Management Board members receive a portion of their remuneration in Derby Cycle Shares (see section IV.1 of this Opinion). In addition, the CEO, Mr Matthias Seidler, after having tendered 187,500 Derby Cycle Shares on 26. October 2011 (see section VI.1.2 of this Opinion), indirectly still holds 412,500 Derby Cycle Shares via A/M/S GmbH with its registered office in Cloppenburg. These Derby Cycle Shares are subject of the Put- and Call-Options as agreed between A/M/S GmbH and the Bidder (see section VI.1.2 of this Opinion).

After having tendered the 11,000 Derby Cycle Shares held by him so far to the Bidder on 26 October 2011 (see section VI.1.2 of this Opinion), Mr Uwe Bögershausen at the date of the publication of this Opinion does not hold any Derby Cycle Share.

Of the Supervisory Board members, Mr Fritz-Wilhelm Krüger holds 12,000 Derby Cycle Shares and Mr Felix Sulzberger holds 20,000 Derby Cycle Shares. Both Supervisory Board members have decided to accept the Bidder's Takeover Offer for all of the 12,000 and 20,000 Derby Cycle Shares respectively held by them.

X. Interests of the members of the Management Board and the Supervisory Board

1. Interests of the members of the Management Board

Neither of the two members of the Management Board was granted or promised cash payments or other non-cash benefits by the Bidder or persons acting jointly with it in conjunction with the Takeover Offer. Irrespective thereof, the Bidder and Pon Holdings have stated in sections 5.2 and 5.3 of the Offer Document their intention that they wish to maintain the appointment of the members of the Management Board in the event of a change of control over the Target Company and to offer them management positions on the level of any new holding company in the event of a combination of the Derby Cycle Group with the bicycle business of the Pon Group.

The partial remuneration in Derby Cycle Shares under the Restricted Stock Programme does not constitute a non-cash benefit for the Management Board in conjunction with the Takeover Offer.

Nor is there any non-cash benefit for Mr Mathias Seidler as (sole shareholder in A/M/S GmbH and) Management Board member of Derby Cycle in conjunction with the Takeover Offer under the agreement concluded between A/M/S GmbH and the Bidder on 21 September 2011, pursuant to which the remaining 412,500 Derby Cycle Shares of A/M/S GmbH not to be tendered under the Takeover Offer are subject to certain put and call options of the parties. While A/M/S GmbH is entitled to exercise the put option granted to it therein with regard to such 412,500 Derby Cycle Shares upon expiry of an 18 month period or even earlier in very specific exceptional situations – irrespective of the respective stock exchange price of the Derby Cycle Shares – at least at the Offer Price of the Bidder (or at the volume-weighted average domestic stock exchange price of the Derby Cycle Share over the three preceding months), regarded as a whole, this provision does not constitute a non-cash benefit for Management Board member. This is because, first, the Agreement dated 21 September 2011 concerns Mr Seidler only indirectly and only in his capacity as Derby Cycle Shareholder. Second, it constitutes only a degree of compensation for the generally disadvantageous tender and lock-up obligation of Mr Seidler. In particular, this compensates for the fact that Mr Seidler accepts that a significant portion of his assets will remain tied up for a longer period in the interest of a lengthier and more permanent absolute commitment to Derby Cycle and the Derby Cycle Group.

2. Interests of the members of the Supervisory Board

None of the two members of the Supervisory Board was granted or promised cash payments or other non-cash benefits by the Bidder or persons acting jointly with it in conjunction with the Takeover Offer.

The members of the Supervisory Board, Mr Fritz-Wilhelm Krüger, Mr Felix Sulzberger and Mr Gerold Heinen, have declared their willingness to the Bidder to leave the Supervisory Board with effect at the end of the next General Meeting of the Target Company in the event of a change of control of the Bidder.

XI. Acceptance of the Offer outside the Federal Republic of Germany

According to representations by the Bidder in section 1.3, the Takeover Offer may be accepted by all domestic and foreign Derby Cycle Shareholders in accordance with the Offer Document and the respective applicable legal provisions. However, the Bidder advises that acceptance of the Takeover Offer outside the Federal Republic of Germany may be subject to legal restrictions. It is recommended that Derby Cycle Shareholders that obtain the Offer Document outside the Federal Republic of Germany and wish to accept the Takeover Offer outside the Federal Republic of Germany and/or are subject to legal provisions other than those of the Federal Republic of Germany inform themselves about the respective applicable provisions and comply with them. Neither the Bidder nor the Management Board and Supervisory Board of the Target Company warrant for the fact that acceptance of the Takeover Offer outside the Federal Republic of Germany is permissible according to the respective applicable legal provisions.

XII. Recommendation

In light of the statements made in this Opinion and taking all overall circumstances of the Takeover Offer into account, the Management Board and Supervisory Board deem the consideration offered by the Bidder to be adequate within the meaning of § 31 (1) WpÜG. The Management Board and Supervisory Board are of the view that the Takeover Offer is closely aligned with the strategic objectives and the best interests of Derby Cycle and the Derby Cycle Group for the reasons described (see section VII of this Opinion) and is to be welcomed without reservation. The Management Board and Supervisory Board therefore support the Takeover Offer and recommend that the Target Company's shareholders accept the Takeover Offer.

The foregoing recommendation was unanimously approved by the Management Board and Supervisory Board respectively.

Shareholders in the Target Company must each make an individual decision to accept or reject the Takeover Offer based on an appraisal of the overall circumstances and taking into account their individual situation and personal assessment of the potential for future development of the value and the stock exchange price of the Derby Cycle Share. The Management Board and Supervisory Board assume no liability should the acceptance or rejection of the Takeover Offer subsequently prove to be economically detrimental.

Cloppenburg, dated 1 November 2011

The Management Board

The Supervisory Board

Annex 1

Fairness Opinion of Network Corporate Finance GmbH & Co. KG

Network Corporate Finance · Goethestraße 83 · 40237 Düsseldorf

Persönlich / Vertraulich

An den Vorstand und Aufsichtsrat der
Derby Cycle AG
Siemensstraße 1-3

D-49661 Cloppenburg

26. Oktober 2011

Stellungnahme zum freiwilligen öffentlichen Übernahmeangebot der Pon Holding Germany GmbH vom 21. Oktober 2011 („Fairness Opinion“)

Sehr geehrte Herren,

am 21. September 2011 hat die Pon Holding Germany GmbH („Pon“ oder „Bieterin“) ihre Entscheidung veröffentlicht, allen Aktionären der Derby Cycle AG („Derby Cycle“ oder die „Gesellschaft“) ein freiwilliges öffentliches Übernahmeangebot („Angebot“) gemäß Wertpapierübernahmegesetz („WpÜG“) zum Erwerb ihrer Aktien zu unterbreiten.

Am 21. Oktober 2011 hat die Bieterin die Angebotsunterlage („Angebotsunterlage“) für ihr Angebot an alle Aktionäre der Derby Cycle AG zum Erwerb aller auf den Inhaber lautenden Stückaktien der Derby Cycle AG mit einem anteiligen Betrag am Grundkapital von EUR 1,00 je Derby Cycle AG Aktie zu einem Kaufpreis von EUR 28,00 je Derby Cycle AG Aktie („Angebotspreis“) veröffentlicht.

Sie haben uns gebeten, eine Stellungnahme zu der Frage abzugeben, ob der von Pon angebotene Kaufpreis in Höhe von EUR 28,00 je Derby Cycle AG Aktie aus rein finanzwirtschaftlicher Sicht angemessen ist („Stellungnahme“).

Gemäß der uns von Ihnen gemachten Vorgaben bezieht sich diese Stellungnahme nicht auf z.B. mögliche Synergieeffekte aus einem Zusammenschluss, sondern ausschließlich auf das Angebot, wie es sich für die Inhaber der Derby Cycle AG Aktien mit Ausnahme der Pon Holding Germany GmbH, die zum Zeitpunkt der Unterzeichnung der Angebotsunterlage nach ihren Angaben 4.190.020 Derby Cycle AG Aktien und somit ca. 55,87% des Grundkapitals und der Stimmrechte hielt, darstellt.

Network Corporate Finance GmbH & Co. KG („Network“) ist im Zusammenhang mit der Transaktion als Finanzberater der Gesellschaft tätig. Für unsere insoweit erbrachten Dienstleistungen werden wir von der Gesellschaft ein marktübliches Honorar erhalten. Wir erbringen möglicherweise auch zukünftig solche Dienstleistungen, für die wir eine Vergütung

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Geschäftsführer: Joachim Dübner, Christian Niederle, Frank Schönert, Dietmar Thiele

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erwarten. Gegenwärtig sind wir weder für die Pon Holding Germany GmbH noch für ein mit Pon verbundenes Unternehmen tätig. Die Gesellschaft hat sich einverstanden erklärt, uns von aus dieser Tätigkeit möglicherweise resultierenden Haftungen und Verbindlichkeiten freizustellen.

Im Zusammenhang mit dieser Stellungnahme haben wir folgende Unterlagen eingesehen:

- die von der Pon Holding Germany GmbH gemäß § 14 Abs. 2 und 3 des Wertpapiererwerbs- und Übernahmegesetzes (WPÜG) am 21. Oktober 2011 veröffentlichte Angebotsunterlage,
- verschiedene öffentlich zugängliche Geschäfts- und Finanzinformationen über die Gesellschaft,
- den Wertpapierprospekt für die Zulassung zum regulierten Markt an der Frankfurter Wertpapierbörse von bis zu 7,5 Mio. auf den Inhaber lautenden Stammaktien ohne Nennbetrag (Stückaktien) der Derby Cycle AG vom 21. Januar 2011 inkl. des darin enthaltenen Konzernabschlusses der Derby Cycle Beteiligungs GmbH zum 30. September 2010,
- die veröffentlichten vierteljährlichen Konzern-Zwischenberichte der Gesellschaft für die Zeiträume vom 01. Oktober bis 31. Dezember 2010, 01. Januar bis 31. März 2011 sowie vom 01. April 2011 bis 30. Juni 2011,
- Pressemitteilungen und Ad-hoc-Mitteilungen der Gesellschaft bis zum Datum der veröffentlichten Angebotsunterlage am 21. Oktober 2011,
- Übersicht wesentlicher Derby Cycle bekannter Aktionäre vor dem Übernahmeangebot,
- die Planung (Planbilanzen und Plan-Gewinn-und-Verlustrechnung) 2011 – 2013 der Derby Cycle AG,
- verschiedene öffentlich zugängliche Informationen über den Markt, in dem die Gesellschaft tätig ist und
- diverse von Aktienanalysten publizierte Berichte, Finanzprognosen und sonstige Analysen, die sich mit der Gesellschaft befassen.

Darüber hinaus haben wir:

- die gegenwärtige und historische Kursentwicklung der Derby Cycle AG-Aktie sowie die Handelsaktivitäten in Derby Cycle AG-Aktien vor der Bekanntgabe der Entscheidung der Bieterin zur Abgabe des Angebots sowie die Marktreaktionen auf die Ankündigung des Angebotes untersucht,
- wirtschaftliche und finanzielle Kennzahlen der Gesellschaft mit öffentlich zugänglichen Informationen über andere börsennotierte Unternehmen, die wir für maßgeblich erachtet

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haben, verglichen und die gegenwärtige und historische Kursentwicklung der Aktien dieser anderen Unternehmen analysiert,

- die finanziellen Konditionen des Angebots mit den öffentlich bekannten Konditionen bestimmter anderer Unternehmenszusammenschlüsse und Transaktionen, die in der jüngeren Vergangenheit durchgeführt wurden und die wir für maßgeblich erachtet haben, verglichen,
- eine Bewertung der Gesellschaft nach dem sogenannten Discounted Cash Flow (DCF)-Verfahren, basierend auf den Finanzprognosen („Planung 2011 – 2013 Derby Cycle AG“) sowie von uns als sachgerecht angesehenen Szenarioanalysen, durchgeführt sowie
- weitere Untersuchungen und Analysen durchgeführt, die wir in diesem Zusammenhang als sachgerecht angesehen haben.

Ferner haben wir Gespräche über die Einschätzung des Vorstandes und leitender Mitarbeiter der Gesellschaft hinsichtlich des bisherigen und gegenwärtigen Geschäftsverlaufs, der Finanz- und Ertragslage und der Geschäftsaussichten der Gesellschaft sowie bestimmter anderer Sachverhalte, die von uns im Zusammenhang mit der Erarbeitung der Stellungnahme als relevant erachtet wurden, geführt.

Wir nehmen weder zu der Wahrscheinlichkeit des Abschlusses der Transaktion Stellung, noch beurteilen wir die Angebotsunterlage, mit Ausnahme des angebotenen Kaufpreises. Wir geben keine Aussage dazu ab, ob die Bedingungen des Angebots den Vorgaben des WpÜG entsprechen. Wir weisen darauf hin, dass wir weder von der Gesellschaft noch von dritter Seite gebeten wurden, eine Empfehlung hinsichtlich der Transaktionsstruktur, der Höhe des Angebotspreises oder anderer Bedingungen oder Aspekte des Angebots abzugeben.

Durch diese Stellungnahme geben wir keine Einschätzung ab, ob die Bieterin oder eine andere dritte Partei zu einem späteren Zeitpunkt einen höheren Kaufpreis als den Angebotspreis gemäß der von Pon am 21. Oktober 2011 veröffentlichten Angebotsunterlage bieten könnte.

Schließlich weisen wir darauf hin, dass diese Stellungnahme keine Unternehmensbewertung, wie sie typischerweise von Wirtschaftsprüfern aufgrund der Erfordernisse des deutschen Gesellschaftsrechts erbracht wird, darstellt. Sie basiert vielmehr auf einer Bewertung der Gesellschaft, wie sie auch bei ähnlichen Kapitalmarkttransaktionen durch Investmentbanken durchgeführt wird. Solche Bewertungen erfolgen unter Anwendung international gebräuchlicher Bewertungsmethoden, die sich in wesentlichen Punkten von der Bewertung eines Unternehmens durch einen Wirtschaftsprüfer und von bilanziellen Bewertungen unterscheiden.

Insbesondere haben wir keine Unternehmensbewertung auf Grundlage des vom Institut der Wirtschaftsprüfer e.V. (IdW) veröffentlichten Standards zu Unternehmensbewertung (IDW S 1 n.F.) durchgeführt. Die vorliegende Stellungnahme stellt daher keinen Ersatz für eine solche

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Bewertung dar. Wir machen keine Aussage dazu, ob in Anbetracht der Art und Umstände des Angebots die Einholung einer Unternehmensbewertung gemäß dem Standard des Instituts der deutschen Wirtschaftsprüfer (IDW S 1) durch den Vorstand der Gesellschaft erforderlich oder sachgerecht wäre. Der IDW Standard Grundsätze für die Erstellung von Fairness Opinions (IDW S 8) hat bei der Anfertigung der Fairness Opinion keine Anwendung gefunden. Ebenso stellt unserer Beratung keine Dienstleistung i. S. d. Wertpapierhandelsgesetzes (WpHG) oder des Kreditwesengesetzes (KWG) dar.

Bei der Erarbeitung dieser Stellungnahme wie auch bei der sonstigen Beratung der Gesellschaft im Zusammenhang mit dem Angebot sind wir davon ausgegangen, dass alle von uns berücksichtigten oder verwerteten Finanz-, Buchführungs-, Steuer- und sonstigen Informationen und Unterlagen vollständig und korrekt waren. Dies gilt unabhängig davon, ob diese aus öffentlichen Quellen stammen oder uns von der Gesellschaft oder anderweitig zur Verfügung gestellt wurden. Entsprechend haben wir die uns vorliegenden Unterlagen und Informationen nicht eigenständig auf Richtigkeit und Vollständigkeit überprüft. Ebenso wenig haben wir eine Bewertung oder Prüfung der Aktiva oder Passiva der Gesellschaft oder ihrer Tochtergesellschaften (einschließlich außerbilanzieller Verbindlichkeiten) vorgenommen. Entsprechende Bewertungen oder Überprüfungen wurden uns auch nicht zur Verfügung gestellt. Schließlich haben wir darauf vertraut, dass die uns von der Gesellschaft zur Verfügung gestellten Unterlagen, zukunftsgerichteten Aussagen und Informationen nach bestem kaufmännischen Wissen von der Gesellschaft erstellt wurden und auf den besten derzeit verfügbaren Schätzungen und Beurteilungen des Vorstands der Gesellschaft beruhen.

Diese Stellungnahme und sämtliche hierin enthaltenen Angaben und Ansichten beruhen auf den gegenwärtig herrschenden Markt- und sonstigen Bedingungen und den uns zum gegenwärtigen Zeitpunkt zur Verfügung stehenden Informationen und Planungen der Gesellschaft. Wir weisen ausdrücklich darauf hin, dass sich diese wie auch bestimmte von uns bei Abgabe dieser Stellungnahme zugrunde gelegte Annahmen in Zukunft ändern können. Obschon solche Veränderungen Auswirkungen auf den Inhalt und das Ergebnis dieser Stellungnahme haben können, werden wir die vorliegende Stellungnahme weder aktualisieren noch von uns aus auf den Eintritt von Änderungen, die sich auf den Inhalt dieser Stellungnahme auswirken können, hinweisen.

Unsere Beratungsleistungen wie auch diese Stellungnahme dienen ausschließlich zur Information und zur Unterstützung des Vorstands und des Aufsichtsrates der Gesellschaft im Zusammenhang mit der Prüfung des Angebots. Sie ist nicht an Dritte gerichtet und begründet auch keine Rechte Dritter. Insbesondere ist diese Stellungnahme nicht an Derby Cycle AG Aktionäre gerichtet und stellt deshalb auch keine Handlungsempfehlung an die Inhaber von Derby Cycle AG Aktien für eine Annahme oder Nichtannahme des von der Bieterin unterbreiteten Angebots dar.

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Schließlich weisen wir ausdrücklich darauf hin, dass wir mit Ihrer Zustimmung keine Stellungnahme dazu abgeben, ob das Angebot im Einklang mit den Vorschriften des Wertpapiererwerbs- und Übernahmegesetzes einschließlich der diesbezüglichen Rechtsverordnungen steht.

Wir sind damit einverstanden, dass der Vorstand und Aufsichtsrat der Gesellschaft in ihrer Stellungnahme zum Angebot gemäß § 27 WpÜG angeben, dass Network diese Stellungnahme abgegeben hat, sich auf dieses Schreiben beziehen und dieses zusammenfassend oder auszugsweise wiedergeben bzw. eine vollständige Kopie dieses Schreibens der Stellungnahme des Vorstands und des Aufsichtsrats der Gesellschaft beigefügt wird, wenn gleichzeitig darauf hingewiesen wird, dass unsere Stellungnahme unter bestimmten Annahmen und Vorbehalten steht und dass zu ihrem Verständnis deren vollständige Lektüre erforderlich ist.

Mit Ausnahme der vorgenannten gestatteten Offenlegung darf dieses Schreiben ohne unsere vorherige schriftliche Zustimmung weiteren Personen weder offen gelegt werden, noch darf es – ganz oder teilweise – zitiert oder darauf Bezug genommen werden und es darf für keinen anderen als den bestimmten Zweck verwandt werden.

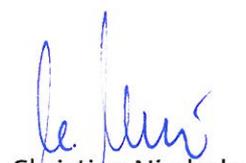
Dies vorausgeschickt und vorbehaltlich der obigen Ausführungen sind wir zum Zeitpunkt der Unterzeichnung dieses Schreibens der Auffassung, dass der von der Pon Holding Germany GmbH im Rahmen des Angebots angebotene Kaufpreis in Höhe von EUR 28,00 je Derby Cycle AG Aktie in bar aus finanzieller Sicht einen fairen und angemessenen Gegenwert für die Aktie der Derby Cycle AG darstellt.

Mit freundlichen Grüßen

Network Corporate Finance GmbH & Co. KG



Joachim Dübner
Managing Partner



Christian Niederle
Managing Partner