



**Ordinary General Meeting 2010
of AIXTRON Aktiengesellschaft, Herzogenrath**

Report of the Executive Board to the General Meeting on agenda item 8 pursuant to §§ 203 (2) sentence 2, 186 (4) sentence 2 AktG

The authorization granted to the Executive Board by resolution of the General Meeting on May 18, 2005 (agenda item 5c)), as amended by resolution of the General Meeting on May 14, 2008 (agenda item 6 d)), to increase the share capital, with the approval of the Supervisory Board, in accordance with Article 4 clause 2.1 of the Articles of Association on one or several occasions by up to a total of EUR 35,919,751.00 against cash and/or non-cash contributions by issuing new no-par value shares (Authorized Capital I) expires on May 17, 2010. Article 4 clause 2.1 of the Articles of Association regarding Authorized Capital I is therefore to be deleted and new Authorized Capital I is to be created in a higher amount.

On this basis, the Executive Board and the Supervisory Board propose under agenda item 8 of the ordinary General Meeting on May 18, 2010 to create new Authorized Capital I with the possibility to exclude the pre-emptive rights of shareholders. Pursuant to § 203 (2) sentence 2 in conjunction with § 186 (4) sentence 2 AktG the Executive Board must submit a written report outlining the reasons for excluding pre-emptive rights.

The proposed resolution contains an authorization for the Executive Board to increase, with the approval of the Supervisory Board, the share capital on one occasion or in partial amounts on several occasions in the period to May 17, 2015 by up to a total of EUR 40,266,870.00 against cash and/or non-cash contributions by issuing new registered no-par value shares (Authorized Capital I). Shareholders must be granted pre-emptive rights. The shares may also be underwritten by one or several credit institutions with the obligation to offer the shares to the shareholders of the Company for subscription (indirect subscription right).

The Executive Board shall, however, be authorized, with the approval of the Supervisory Board, to exclude the pre-emptive rights of shareholders in full or in part to eliminate fractions resulting from the subscription ratio and, in the case of capital increases against non-cash contributions, to grant shares to be used in the acquisition of companies, parts of companies, or equity interests in companies, or for the acquisition of other assets.

Excluding preemptive rights for fractions is generally accepted and necessary to ensure a practicable subscription ratio and to simplify the technical implementation by ensuring round figures and maintaining a subscription ratio based on whole numbers. This is in the Company's interests. Shares representing fractions for which preemptive rights are excluded will either be sold on the stock market or disposed of by other means at best for the Company. The potential dilutive effect and the encroachment on shareholders' rights are minimal due to the limitation to fractions. For these reasons, the Executive Board and the Supervisory Board believe that excluding pre-emptive rights is objectively justified and reasonable in relation to the shareholders.

The authorization to increase the share capital against non-cash contributions while excluding pre-emptive rights in order to acquire companies, parts of companies, equity interests in companies, or other assets, enables the Executive Board to acquire a company or a part of a company or an equity interest in a company or other assets in return for shares if a suitable opportunity arises. This form of acquisition financing is increasingly required in international competition. The proposed authorization is intended to enable the Company to react quickly and flexibly when advantageous acquisition opportunities or opportunities to acquire suitable assets arise on national and international markets and the acquisition in question appears suitable to strengthen the Company's competitiveness or is otherwise in the interest of the Company. Depending on the scale of such an acquisition and the expectations of the respective seller, it may be expedient or necessary to provide shares in the Company as consideration. If the Seller should, for tax or any other reasons, be interested in acquiring shares in the Company rather than receiving a cash consideration, the authorization to be granted will strengthen the negotiating position of the Company. It may also be appropriate, given specific interests of the Company, to offer the seller new shares as consideration which would strengthen the Company's equity base. In all of these cases the exclusion of the pre-emptive rights of shareholders would be necessary. If new shares are to be issued in order to finance a specific acquisition, such new shares must as a rule be issued quickly in light of the mostly complex transaction structures and the competitive situation with other potential purchasers. This would require the possibility to use authorized capital while excluding pre-emptive rights. The proposed authorization to exclude pre-emptive rights thus meets the requirement for the Executive Board to be able to act quickly and flexibly with the approval of the Supervisory Board if a suitable opportunity arises and to use as "acquisition currency" Company shares created through the full or partial use of Authorized Capital I. When determining the conversion ratio and/or the issue price for shares to be issued while excluding pre-emptive rights, the Executive Board and the Supervisory Board will ensure that the interests of the shareholders are appropriately safeguarded and that the new shares will not be issued at unreasonably low prices. Currently, there are no concrete acquisition projects.

In consideration of all of these circumstances, the authorization to exclude pre-emptive rights within the outlined limits is in the interest of the Company. Overall, the authorization to exclude pre-emptive rights does not unreasonably impair shareholders' interests. The Executive Board will carefully examine in each specific case whether it should make use of the authorization to implement a capital increase while excluding

pre-emptive rights. This authorization will only be exercised if it is in the interests of the Company and therefore of its shareholders, in the opinion of the Executive Board and the Supervisory Board, and if it is reasonable.

The Executive Board will report on the utilization of Authorized Capital I in the next General Meeting.

Herzogenrath, March 2010

AIXTRON Aktiengesellschaft

– The Executive Board –