



INVITATION TO THE
ANNUAL GENERAL MEETING 2005



AGENDA AT A GLANCE

1. Submission of the established annual financial statements and the consolidated financial statements, the Management Board's report for ELMOS Semiconductor Aktiengesellschaft and the status report for the Group as well as the Supervisory Board's report for the fiscal year 2004
2. Resolution on the appropriation of retained earnings
3. Resolution on the discharge of the members of the Management Board for the fiscal year 2004
4. Resolution on the discharge of the members of the Supervisory Board for the fiscal year 2004
5. Election of the auditor for the fiscal year 2005
6. Resolution on the authorization to acquire company shares
7. Elections to the Supervisory Board

ELMOS Semiconductor Aktiengesellschaft
44227 Dortmund
ISIN DE0005677108
WKN 567 710

Dear shareholders,

our 6th Annual General Meeting will be held on Tuesday, April 26, 2005 at 10 a.m. in 44139 Dortmund, Germany, at Parkhotel Westfalenhallen, Goldsaal, Rheinlanddamm 200.

AGENDA

1. **Submission of the established annual financial statements and the consolidated financial statements, the Management Board's report for ELMOS Semiconductor Aktiengesellschaft and the status report for the Group as well as the Supervisory Board's report for the fiscal year 2004**

2. **Resolution on the appropriation of retained earnings**

The Management Board and the Supervisory Board propose that the retained earnings of 40,461,865.71 Euro shown by ELMOS Semiconductor AG for the fiscal year 2004 be appropriated as follows:

a) Payment of a dividend to the shareholders, 0.21 Euro per unit share for 19,300,000 shares	4,053,000.00 Euro
b) Carry forward to new accounts	36,408,865.71 Euro
	<hr/>
	40,461,865.71 Euro

3. **Resolution on the discharge of the members of the Management Board for the fiscal year 2004**

The Supervisory Board and the Management Board propose that discharge be granted to the members of the Management Board.

4. **Resolution on the discharge of the members of the Supervisory Board for the fiscal year 2004**

The Management Board and the Supervisory Board propose that discharge be granted to the members of the Supervisory Board.

5. **Election of the auditor for the fiscal year 2005**

The Supervisory Board proposes that Ernst & Young AG, Wirtschaftsprüfungsgesellschaft, Dortmund, be appointed as auditor for the fiscal year 2005.

6. Resolution on the authorization to acquire company shares

By shareholders' resolution of April 27, 2004, the Management Board was extensively authorized to acquire the company's own shares for different purposes. The authorization is valid until October 26, 2005. This proposal provides for the cancellation of aforementioned resolution and the authorization of the Management Board to acquire the company's own shares only to serve the share options issued to employees and members of the management. Thereupon a dilution of common shareholders by a capital increase is avoided in particular.

Management Board and Supervisory Board propose the following resolution to be passed:

- 6.1 In accordance with § 71 I No. 8 AktG (Corporations Act), the company is authorized to acquire its own shares until October 25, 2006.
- 6.2 The authorization is limited to the acquisition of shares with a proportionate amount of the share capital allotted to these shares of 1,930,000.00 Euro, i.e. ten percent of the share capital of 19,300,000.00 Euro. The authorization may be exercised all at once or in several installments compliant with the aforementioned limitation.
- 6.3 The acquisition is carried out on the stock exchange or by means of a public submission of a tender directed at all of the company's shareholders.
 - ▶ If the acquisition of the shares occurs on the stock exchange, the equivalent per share paid by the company (excluding additional purchase costs) may neither exceed nor undercut the business day's opening price on the Xetra trade (or a functionally comparable successor system) of the Frankfurt/Main Stock Exchange by more than five percent.
 - ▶ If the acquisition occurs by means of a public submission of a tender directed at all of the company's shareholders, the purchase price bid or the limits of the price margin per share offered (excluding additional purchase costs) may neither exceed nor undercut the average value of the closing prices on the Xetra trade (or a functionally comparable successor system) of the Frankfurt/Main Stock Exchange during the last three business days prior to the day of the offer's publication by more than ten percent. The

offer's volume may be limited. To the extent that the total subscription to the offer exceeds this limit, the acceptance must occur in proportion to each parcel of shares offered. A privileged acceptance of small numbers of up to 100 of the company's shares offered for sale per company shareholder may be provided for.

6.4 The Management Board is authorized to sign over company shares to executives and employees of ELMOS Semiconductor AG as well as to management members and employees of affiliated companies based on the share option plans 1999 and 2004 in fulfillment of pre-emptive rights. As far as company shares are to be transferred to members of the company's Management Board within this context, the company's Supervisory Board is hereto authorized. The regulations of the share option plans 1999 and 2004 are thereby applied in compliance with § 193 II No.4 AktG.

6.4.1 Pre-emptive rights are divided between the separate groups of beneficiaries as follows:

- ▶ To members of the Management Board of ELMOS Semiconductor AG altogether a maximum 20 percent of the total volume of share options;
- ▶ to members of the management of Group companies and to other executives and employees in key positions below board level of ELMOS Semiconductor AG and to employees in key positions below management level of Group companies altogether a maximum 20 percent of the total volume of share options;
- ▶ to all other employees of ELMOS Semiconductor AG and its Group companies not belonging to one of the aforementioned groups a maximum 60 percent of the total volume of share options.

6.4.2 The share options may be redeemed only if the closing price of the company's shares on the Xetra trade (or a comparable successor system) reaches or exceeds the redemption price on the last business day prior to the redemption day. The issue price of each individual tranche corresponds to a minimum 105 percent of the average closing price of ELMOS Semiconductor AG shares on the Xetra trade of the Frankfurt/Main Stock

Exchange or a comparable successor system on the ten business days prior to the Management Board's resolution or, as far as members of the Management Board are concerned, the Supervisory Board's resolution on the issue and the definition of the particulars of each tranche. A higher redemption price may be determined by the Management Board with the Supervisory Board's approval or, if the members of the Management Board are concerned, by the Supervisory Board. The minimum redemption price is each share's proportionate amount of the share capital.

- 6.4.3 The individual tranches shall be issued only once a year during a maximum period of three months. Beginning and end of each issue period are determined by the Management Board with the Supervisory Board's approval or, as far as the issue concerns members of the Management Board, by the Supervisory Board. With regard to the hiring of employees in key positions, the Management Board may acknowledge pre-emptive rights outside the issue period with the Supervisory Board's approval to the extent the previous tranches have not been fully redeemed.
- 6.4.4 Pre-emptive rights may in principle be redeemed only after the passing of a minimum waiting period of two years starting on the specific issue day. A longer qualifying period may be determined by the Management Board with the Supervisory Board's approval or, as far as members of the Management Board are concerned, by the Supervisory Board.
- 6.4.5 Beneficiaries who are not under notice of resignation may redeem their pre-emptive rights in each of the three years following the passing of the qualifying period during a period of three weeks following the publication of the quarterly results for the first, second and third quarter according to Prime Standard's compulsory disclosure and the holding of the company's Annual General Meeting. If required, these redemption periods may be extended or reduced adequately, and hardship clauses may be provided for, by the Management Board with the Supervisory Board's approval or, as far as members of the Management Board are concerned, by the Supervisory Board.

6.5 The shareholders' pre-emptive rights to the company's own shares are precluded insofar as these shares are used in accordance with the aforementioned authorization in 6.4.

6.6 The authorization to acquire the company's own shares based on the shareholders' resolution of April 27, 2004 and valid until October 26, 2005 is cancelled effective with the new authorization's coming into force.

7. Elections to the Supervisory Board

The present members of the Supervisory Board were elected by shareholders' resolution in the Annual General Meeting of ELMOS Semiconductor AG on May 25, 2000 or, as successors for retiring Supervisory Board members, in following General Meetings in compliance with § 6.3 of the Statutes of the corporation. According to § 6.2 of the Statutes of ELMOS Semiconductor AG, the period of office of the present members of the Supervisory Board therefore ends with the conclusion of this Annual General Meeting.

The Supervisory Board proposes that the following candidates be elected or re-elected members of the Supervisory Board.

- ▶ Dr. Burkhard Dreher, graduate economist, former member of the management board of VEW AG, residing in Dortmund
Member of the supervisory board of Deutsche Steinkohle AG (until May 24, 2004), member of the supervisory board of EKO Stahl GmbH (from June 22, 2004), member of the supervisory board of Harpen AG and member of the supervisory board of Siepe AG (until November 16, 2004)
- ▶ Jörns Haberstroh, graduate in business management, former chairman of the management board of Nokia GmbH Deutschland, residing in Kerken
Deputy chairman of the supervisory board of Ehlebracht AG, member of the supervisory board of 3M-Quante AG, member of the advisory councils of QSC AG and MECHALESS Systems GmbH
- ▶ Dr. Wolfgang Heinke, graduate physicist, residing in Reutlingen
(no memberships in other statutory supervisory boards or comparable domestic or international controlling committees of commercial enterprises)

- ▶ Herbert Sporea, businessman, residing in Altwittenbek
Member of the supervisory board of TOP Business AG (until July 31, 2004) and member of the advisory council of MECHALESS Systems GmbH
- ▶ Jutta Weber, graduate educationist, residing in Tarrytown, New York, U.S.A.
(no memberships in other statutory supervisory boards or comparable domestic or international controlling committees of commercial enterprises)
- ▶ Prof. Dr. Günter Zimmer, institute director, residing in Duisburg
Member of the supervisory board of Wacker Siltronic AG and member of the supervisory board of active photonics AG

The Supervisory Board also proposes that Dr. Peter Thoma, graduate physicist, residing in Unterschleißheim, member of the technical advisory council of Behr and member of the advisory council of Kromberg, member of the Management Board of ELMOS Semiconductor AG (until September 30, 2005), be elected substitute member of the Supervisory Board effective October 1, 2005 in compliance with § 101 III 2-4 AktG, § 6.4 of the Statutes of the corporation. The substitute member becomes member of the Supervisory Board if a member of the shareholders' Supervisory Board retires from the Supervisory Board before the passing of the office period. The office period of the substitute member succeeding to the Supervisory Board expires at that time at which the substituted Supervisory Board member's office period would have expired.

In accordance with § 96 I AktG, the Supervisory Board is composed only of the shareholders' Supervisory Board members. The Supervisory Board consists of six members. The General Meeting is not bound by election proposals. The office period of the Supervisory Board members newly to be elected ends with the conclusion of the Annual General Meeting 2010.

Report of the Management Board to the General Meeting on item 6 of the agenda according to § 71 I No. 8 in connection with § 186 III 4 and § 186 IV 2 AktG

The Management Board has given the following report on item 6 of the agenda according to § 71 I No. 8 in connection with § 186 III 4 and § 186 IV 2 AktG on the reasons for the Management Board's authorization to reacquire the company's own shares:

The ELMOS share option plans 1999 and 2004 for Management Board members, other executives, and employees of ELMOS Semiconductor AG as well as for management members and employees of affiliated companies are each underwritten by conditional capital. The resolution as proposed under item 6 of the agenda is meant to give the company the opportunity to serve the share option plans 1999 and 2004 even without the prior acquisition of the company's own shares. Thereupon a dilution of common shareholders by an otherwise necessary capital increase is avoided in particular.

The decision on how the options are exercised in the individual case will be made by the authorized company boards. They will let themselves be governed only by the interest of shareholders and company, and they will report their decision in each following General Meeting.

Apart from the acquisition on the stock market, the company is intended to be given the opportunity to acquire own shares by means of the public submission of a tender (tender procedure). Following this procedure, any company shareholder willing to sell may decide how many shares and, observing a defined price margin, at what price he or she wants to offer. If the volume offered at the fixed price exceeds the number of shares demanded by the company, an allocation in proportion to the offered shares must ensue. It is intended to allow the provision of a privileged acceptance of smaller tenders or small parts of tenders up to a maximum 100 shares. This possibility is meant to avoid fractional amounts in the determination of proportions to be acquired as well as small remaining stock and therefore to make the technical proceedings easier.

ENTITLEMENT TO PARTICIPATION IN GENERAL MEETING AND DEPOSIT

Entitled to participate in the General Meeting and to exercise voting rights are those shareholders who deposit their shares at the company's premises, with a German notary, at a central depository for securities, or at one of the depositories listed below, during business hours at the latest by the seventh day prior to the General Meeting and who leave them deposited until its conclusion. If the shares are not deposited at the company's premises, the deposit certificate is to be submitted to the company at the latest on the first weekday following the expiration of the term of deposit. Saturday does not count as a weekday. The depository's fax message received by the company within the stipulated period is a sufficient certificate.

Depositories are:

- ▶ Deutsche Bank AG, Frankfurt
- ▶ WestLB AG, Düsseldorf/Münster

PROXY

The Management Board indicates that voting rights may be exercised by a proxy authorized in writing or by a shareholders' association. The company nominates Mr. Klaus-Christian Penner, attorney, as independent proxy for the exercise of the shareholders' voting rights according to their instructions. Mr. Penner may be entrusted with the exercise of voting rights by any shareholder.

Shareholders willing to make use of this possibility require a ticket of admission to the General Meeting. The original form for proxy and instructions printed on the ticket of admission is to be sent, filled out and signed, to the following address only:

Hauptversammlungsstelle
ELMOS Semiconductor AG
Heinrich-Hertz-Straße 1
44227 Dortmund
Germany

or to be sent by fax only to +49 (0)231/7549-548.

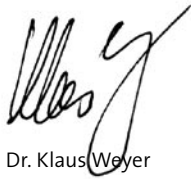
GENERAL MEETING BROADCAST

In compliance with § 12.3 of the corporate Statutes, the Management Board indicates that the General Meeting will be broadcast in video and audio, as a whole or in part, via electronic media.

MOTIONS FOR GENERAL MEETING

Statements and motions submitted to the General Meeting will be published in the internet, at www.elmos.de, under "Investor Relations". The publication requires statements and motions to be received at above-mentioned address before midnight on April 11, 2005, containing proof of shareholder capacity. Motions are to be submitted in German. If they are meant to be published in English as well, a translation is to be enclosed.

Dortmund, March 2005



Dr. Klaus Weyer



Dr. Peter Thoma



Reinhard Senf

The Management Board



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