

Invitation to the 2011 Annual General Meeting

English translation, the German version is the only legally binding version



Creating Growth

Internationalisation
Brand communication
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Aktiengesellschaft



Aktiengesellschaft
Stock corporation under German law
with headquarters in Nassau/Lahn, Germany

ISIN DE 000 646 4506

Dear Shareholders,

Our **Annual General Meeting** will take place on
Thursday, 26 May 2011 at 10:30 a.m.,
at Leifheit AG Customer and Administrative Centre,
Leifheitstrasse, 56377 Nassau/Lahn, Germany.

Agenda

- 1. Presentation of the following: 1) Leifheit AG's official annual financial statements and management report; 2) the approved consolidated financial statements and consolidated management report; 3) the Supervisory Board's report; 4) the Board of Management's explanatory report on the disclosures mandated by section 289 para. 4 and para. 5 and section 315 para. 4 of the German Commercial Code (HGB), each for financial year 2010.**

On 4 April 2011, the Supervisory Board approved the annual financial statements and consolidated financial statements prepared by the Board of Management and thus adopted the annual financial statements in line with sections 172 and 173 of the German Stock Corporation Act (AktG). Therefore there is no resolution by the Annual General Meeting on this issue in the agenda. The financial statements and management report, consolidated financial statements and consolidated management report, the Supervisory Board's report and the report of the Board of Management with the disclosures under takeover law can be viewed on the Internet at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2011>.

- 2. Allocation of balance sheet profit**

The dividend distribution by Leifheit AG (ISIN DE 0006464506) is based on the balance sheet profit stated in the Company's annual financial statements as prepared in compliance with commercial law. For the elapsed financial year 2010, Leifheit AG's balance sheet profit amounted to EUR 19,280,376.16.

Leifheit AG currently holds 257,600 of its own shares, which are not eligible to receive dividends. Until the date of the Annual General Meeting, it is possible that the number of shares entitled to receive dividends may increase or decrease. In this case, the total dividend payout (profit allocation) proposed to the Annual General Meeting will be

adjusted accordingly, while the dividend of EUR 1.00 plus the special dividend of EUR 2.00 per no-par-value bearer share eligible to receive dividends will remain unchanged.

The Board of Management and Supervisory Board propose the following resolution:

A dividend of EUR 1.00 plus a special dividend of EUR 2.00, totalling EUR 3.00 per no-par-value bearer share eligible to receive dividends, shall be paid out of the Company's balance sheet profit for financial year 2010 (EUR 19,280,376.16). Given a total of 4,742,400 no-par-value bearer shares outstanding, the total payout to investors shall amount to EUR 14,227,200.00. The balance of EUR 5,053,176.16 shall be carried forward to the following financial year.

The dividend will be paid out beginning on 27 May 2011.

3. Discharge granted to Board of Management members for financial year 2010

The Board of Management and Supervisory Board propose that the Board of Management members be discharged of liability for their official duties during financial year 2010.

4. Discharge granted to Supervisory Board members for financial year 2010

The Board of Management and Supervisory Board propose that the Supervisory Board members be discharged of liability for their official duties during financial year 2010.

5. Resolution in accordance with sections 286 para. 5, 314 para. 2 sentence 2, 315a para. 1 HGB on the exemption from the requirement to publish the individual remuneration of the Board of Management members

Listed German stock corporations are obligated to publish the individual remuneration of their Board of Management members unless the Annual General Meeting resolved not

to apply the provisions on the publication of the individual remuneration. Such a resolution, which requires a majority of at least three-quarters of the share capital represented at the time of resolution, can be adopted for a maximum of five years (sections 286 para. 5, 314 para. 2 sentence 2 HGB) at one time. The management is of the view that the requirement to publish the individual remuneration of the Board of Management members is a disproportionately large intrusion into the protected private lives of those affected. For this reason, a resolution is to be passed on the exemption from the requirement to publish the individual remuneration of the Board of Management members for the next five years as well.

The Board of Management and Supervisory Board propose the following resolution:

- a) The disclosures required by sections 285 para. 9 letter a) sentences 5 to 8 HGB and section 314 para. 1 no. 6 letter a) sentences 5 to 8 HGB (in connection with section 315a para. 1 HGB if required) will not be made in the annual and consolidated financial statements.
- b) This requirement shall be applied for the first time to the Company's annual and consolidated financial statements for financial year 2011 and for the last time to the Company's annual and consolidated financial statements for the last financial year ending before 1 January 2015.

6. Resolution on the creation of authorised capital and a corresponding change in the Articles of Incorporation

In Article 4 para. 3, the Articles of Incorporation provide for authorised capital that will have expired at the time of the Annual General Meeting and therefore is to be renewed.

The Board of Management and Supervisory Board propose the following resolution:

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- a) The Board of Management is authorised, subject to the approval of the Supervisory Board, to increase share capital on one or more occasions by a total of up to EUR 7,500,000 until 25 May 2016 by issuing new no-par-value bearer shares in exchange for cash and/or non-cash contributions.

The existing shareholders will be granted subscription rights. However, with the approval of the Supervisory Board, the Board of Management is authorised to dis-apply shareholders' subscription rights in the following circumstances:

- to eliminate fractional amounts;
- if the capital increase is for the purpose of acquiring enterprises, parts of enterprises or interests in enterprises by means of non-cash contributions;
- if the shares are issued at a price which is not materially lower than the market price of the Company's listed shares at the time the Board of Management sets the issue price (sections 203 para. 1 and para. 2, 186 para. 3 sentence 4 AktG) and the disapplication of subscription rights applies only to new shares not exceeding 10% of the share capital at the date on which the authorisation is entered in the commercial register or, if lower, 10% of the share capital at the issue date of the new shares (10% limit). In the issue of the use of the 10% limit, disapplication of subscription rights on the basis of other authorisations in line with section 186 para. 3 sentence 4 AktG is to be taken into account. As such, the determining stock price is the average of the closing prices in the XETRA trading system (or a comparable successor system) in the last five trading days before the time that the Board of Management sets the issue price.

The Board of Management is authorised, subject to the approval of the Supervisory Board to determine the other details of implementing a capital increase from authorised capital.

- b) Article 4 para. 3 of the Articles of Incorporation shall be rewritten as follows:

“The Board of Management is authorised, subject to the approval of the Supervisory Board, to increase share capital on one or more occasions by a total of up to EUR 7,500,000 until 25 May 2016 by issuing new no-par-value bearer shares in exchange for cash and/or non-cash contributions.

The existing shareholders will be granted subscription rights. However, with the approval of the Supervisory Board, the Board of Management is authorised to dis-apply shareholders’ subscription rights in the following circumstances:

- to eliminate fractional amounts;
- if the capital increase is for the purpose of acquiring enterprises, parts of enterprises or interests in enterprises by means of non-cash contributions;
- if the shares are issued at a price which is not materially lower than the market price of the Company’s listed shares at the time the Board of Management sets the issue price (sections 203 para. 1 and para. 2, 186 para. 3 sentence 4 AktG) and the disapplication of subscription rights applies only to new shares not exceeding 10% of the share capital at the date on which the authorisation is entered in the commercial register or, if lower, 10% of the share capital at the issue date of the new shares (10% limit). In the issue of the use of the 10% limit, disapplication of subscription rights on the basis of other authorisations in line with section 186 para. 3 sentence 4 AktG is to be taken

into account. As such, the determining stock price is the average of the closing prices in the XETRA system (or a comparable successor system) in the last five trading days before the time that the Board of Management sets the issue price.

The Board of Management is authorised, subject to the approval of the Supervisory Board, to determine the other details of implementing a capital increase from authorised capital.”

- c) The Supervisory Board is authorised to change the wording of the Articles of Incorporation in line with the amount of the capital increases from authorised capital or after the expiration of the authorisation deadline.

7. Election of the auditors for financial year 2011

At the recommendation of the Audit Committee, the Supervisory Board proposes that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, based in Eschborn/Frankfurt am Main, be elected as auditors of the financial statements of both the Company and the consolidated Group for financial year 2011.

Board of Management report on agenda item 6 in compliance with section 203 para. 2 sentence 2 AktG in connection with section 186 para. 3 and para. 4 sentence 2 AktG

In its Annual General Meeting of 24 May 2006, Leifheit AG adopted a resolution to create authorised capital, with effect until 1 May 2011. The Board of Management has not made use of this authorisation. In order to continue giving the Board of Management the response option offered by authorised capital and to ensure sufficient flexibility, a new authorised capital is to be created with a term until 25 May 2016.

Subject to the approval of the Supervisory Board, the Board of Management is therefore to be authorised to increase share capital by up to EUR 7,500,000 more than the current amount of EUR 15,000,000 by issuing new no-par-value bearer shares. This authorisation to issue new shares from authorised capital is also intended to continue to enable the Board of Management (subject to the approval of the Supervisory Board) to react to financing needs that arise with little notice and to opportunities arising from acquiring enterprises, parts of enterprises or interests in enterprises.

In terms of the authorised capital, the Board of Management is to be authorised, subject to the approval of the Supervisory Board, to eliminate fractional amounts from the subscription right of the shareholders. Excluding the subscription right for fractional amounts is necessary to be able to present a subscription ratio that is technically feasible. The shares excluded as fractional amounts from the shareholders' subscription rights will be valued for the Company as accurately as possible. The possible dilutive effect is low due to the limitation to fractional amounts.

The Board of Management is to also be authorised, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in the case of a capital increase for cash contributions if the total prorated amount of new shares for which the subscription right is excluded does not exceed 10% of the share capital at the date on which the authorisation is entered in the commercial register or, if lower, 10% of the share capital at the issue date of the new shares and if the new shares are issued at a price which is not materially lower than the market price of the Company's listed shares at the time the Board of Management sets the issue price. The legal basis for the exclusion of subscription rights is section 203 para. 1 and para. 2 in connection with section 186 para. 3 sentence 4 AktG. The 10% limit cannot be exceeded in the aggregate either, meaning when adding together any other authorisations leading to the direct or indirect application of section 186 para. 3 sentence 4 AktG. Any discount from the determining market price shall be a maximum

of 5% of the market price. This option to exclude shareholders' subscription rights is intended to enable the Company to sell its shares in a targeted manner to cooperation partners and in the process achieve the highest possible disposal amount due to market-oriented price setting and thus to strengthen its equity as much as possible.

Due to this faster option of taking action, the Company can generate higher economic benefits for itself than if it makes a sale offer to all shareholders while granting shareholders' subscription rights. In addition, the Company cannot react quickly to favourable market situations if it grants subscription rights due to the length of the subscription period. This proposed authorisation is in the interests of the Company and its shareholders for the reasons mentioned above. As the issue price for the own shares to be issued must be based on the market price and the authorisation has a limited scope only, the interests of the shareholders are adequately safeguarded. Shareholders may maintain their relative participation by purchasing additional shares on the stock market.

In terms of the authorised capital, the Board of Management is also to be authorised, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights for capital increases in exchange for non-cash contributions for the purpose of issuing shares for acquiring enterprises, parts of enterprises or interests in enterprises. In global competition, Leifheit must be able to act quickly and flexibly in the German and international markets in the interests of its shareholders, including the option of acquiring enterprises, parts of enterprises or interests in enterprises to improve its competitive position by issuing shares.

After considering all the circumstances mentioned above, the Board of Management and the Supervisory Board are of the view that excluding subscription rights in the cases mentioned above for the reasons stated above is objectively justified and reasonable vis-à-vis shareholders also when taking into consideration a possible dilutive effect.

The Board of Management shall report to the Annual General Meeting on any use of the authorised capital.

Total number of shares and voting rights at the date the Annual General Meeting is convened

As of the date of convocation of this Annual General Meeting, 4,742,400 shares of the Company's total 5,000,000 no-par-value bearer shares outstanding include the right to participate and vote at the Annual General Meeting. Each of these no-par-value bearer shares give the holder one (1) vote at the Annual General Meeting. Thus, there are 4,742,400 voting rights outstanding as of the convocation of this Annual General Meeting. The 257,600 own shares held by the Company at the time of convocation of this Annual General Meeting do not confer any right to participate or vote.

Participation in the Annual General Meeting

Only those shareholders who register for the Annual General Meeting ("registration") and provide the Company with documentation of their right to participate at the Annual General Meeting and exercise their voting right ("proof") are eligible to participate at the Annual General Meeting and exercise their voting rights. The registration must be in writing and in German or English. To prove the right to participate at the Annual General Meeting and to exercise voting rights, special proof in writing and in German or English issued by the custodian bank regarding share ownership ("proof") is required and sufficient.

The proof must refer to the beginning of the 21st day before the Annual General Meeting, which is 4 May 2011, at 12:00 midnight ("proof deadline"). The entitlement in the aforementioned sense measures the shareholders' share ownership at the proof deadline only, and does not prevent selling one's

holdings after that point. Even in the case of complete or partial disposal of the shareholding after the proof deadline, only the shareholders' share ownership at the proof deadline is of material significance, thus disposing of or acquiring shares after the proof deadline has no effect on the right to participate in the Annual General Meeting and to exercise voting rights.

The Company must receive the registration and the proof by **Thursday, 19 May 2011**, at 12:00 midnight at the latest at the address below:

Leifheit AG
c/o Deutsche Bank AG
Securities Production
General Meetings
Postfach 20 01 07
60605 Frankfurt am Main, GERMANY

or via fax: +49 69 12012-86045
or via E-mail: WP.HV@Xchanging.com

Once the Company has received the registration and proof, it will send out admission tickets for the Annual General Meeting to the shareholders.

In order to ensure timely receipt of these tickets, which also includes the relevant power of attorney form, we urge all shareholders to provide the Company with their registration and proof well in advance of the Annual General Meeting. This request does not limit shareholders' rights to participate or exercise their voting rights.

Exercising voting rights via proxy

Shareholders who cannot or do not wish to be present at the Annual General Meeting in person may exercise their voting rights and other shareholder rights via a proxy granted the appropriate power of attorney. The power of attorney must

be issued, revoked and proven to the Company in writing. A form that can be used to grant a power of attorney will be sent to the shareholders on their admission tickets.

The form can also be accessed on the Internet at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2011> or requested free of charge from:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, GERMANY

or via fax: +49 2604 977-340
or via E-mail: HV2011@leifheit.com

The power of attorney can be proven to the Company by sending an E-mail to the address: HV2011@leifheit.com. No further proof for the power of attorney is required if the proof for the power of attorney is submitted electronically as described above.

As an exception to the aforementioned policy, no written form is required either by law or according to the Company's Articles of Incorporation if a bank, a shareholders' association or other equivalent legal entity under section 135 AktG is to be granted this proxy authorisation. However, we would like to point out that in these cases the banks, shareholders' associations or other equivalent legal entities that are to be authorised may request a special form of power of attorney since they must have verifiable proof of the power of attorney in accordance with section 135 AktG. Shareholders wishing to authorise a bank, a shareholders' association or other equivalent legal entity under section 135 AktG, should therefore coordinate with this party regarding a possible formal requirement for the power of attorney.

The Company offers its shareholders a service allowing a proxy named by the Company and bound by instructions to be authorised before the Annual General Meeting. The proxy appointed by the Company shall exercise the voting right solely on the basis of the instructions provided by the shareholder. Granting and revoking the power of attorney to the proxy named by the Company and issuing the instructions for the power of attorney must be in writing. The admission ticket to the Annual General Meeting contains a form that can be used to grant the power of attorney and issue instructions as well as other information. The form can also be accessed on the Internet at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2011> or requested free of charge from the Company. Please send your request to:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, GERMANY

or via fax: +49 2604 977-340
or via E-mail: HV2011@leifheit.com

Please also submit the filled-in form for the proxy appointed by us to the above address to be received by 25 May 2011, at 12:00 midnight.

Exercising voting rights via absentee vote

Shareholders who cannot or do not wish to be present at the Annual General Meeting themselves may also submit their votes in writing or electronically ("absentee vote"). The form for this is also provided on the admission ticket. Votes submitted by absentee vote must be received by the Company no later than Wednesday, 25 May 2011, at 12:00 midnight (inclusive) at the address below:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, GERMANY

or via fax: +49 2604 977-340
or via E-mail: HV2011@leifheit.com

Shareholders' rights in accordance with sections 122 para. 2, 126 para. 1, 127, and 131 para. 1 AktG

Under section 122 para. 2 AktG, shareholders whose shares together comprise one-twentieth of the share capital or the prorated amount of EUR 500,000 may request that items be added to the agenda and announced. The request must be received by the Company at the address below by Monday, 25 April 2011, at 12:00 midnight at the latest:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, GERMANY

Under section 126 para. 1 AktG, each shareholder of the Company may send a countermotion to the proposal of the Board of Management and/or Supervisory Board on a specific issue on the agenda. Under section 126 para. 1 and para. 2 AktG, a counterproposal shall be published on the Company's website if the Company receives it at the address below by Wednesday, 11 May 2011, at 12:00 midnight at the latest.

Under section 127 AktG, each shareholder is also entitled to communicate a nomination proposal in the elections of Supervisory Board members and in the election of the auditor. Under sections 127, 126 para. 1 and para. 2 AktG, a nomination proposal shall be published on the Company's website if the Company receives it at the address below by Wednesday, 11 May 2011, at 12:00 midnight at the latest.

Countermotions and nomination proposals received in a timely manner shall be published on the Internet at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2011> if they fulfil the legal requirements. Any statements of position by the management will also be published online at the above Internet address. We will publish amendments received in a timely manner if they fulfil the legal requirements.

Shareholders must submit all countermotions and nominations to:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, GERMANY

or via fax: +49 2604 977-340
or via E-mail: HV2011@leifheit.com

Any incorrectly addressed countermotions and nominations shall not be considered.

In accordance with section 121 para. 3 number 3 AktG, we wish to point out that any shareholder at the Annual General Meeting may request information regarding the Company from the Board of Management if this is required for suitably assessing an item on the agenda (section 131 para. 1 AktG). This right to information may be exercised at the Annual General Meeting without prior notice or other notification.

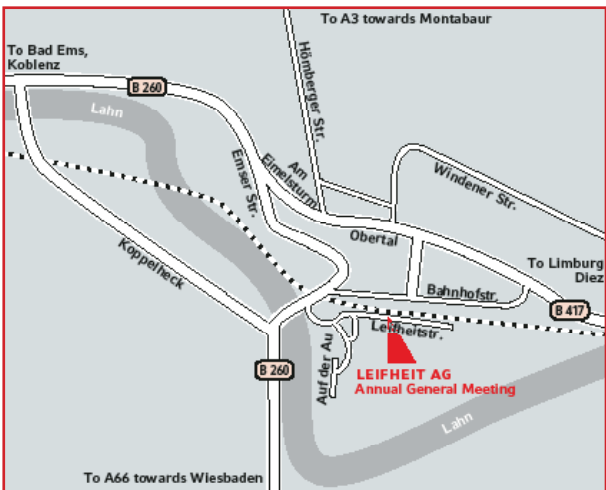
Details and information on shareholders' rights in accordance with sections 122 para. 2, 126 para. 1, 127, and 131 para. 1 AktG are available to shareholders on the Company's website at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2011>.

Notes to the Company's website and the information provided there in accordance with section 124a AktG

The information in accordance with section 124a AktG on the Annual General Meeting is available on the Company's website at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2011>.

Nassau/Lahn, Germany, April 2011
Leifheit Aktiengesellschaft
The Board of Management

Map





Aktiengesellschaft

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