



## AMAZYS HOLDING AG

### Public Tender Offer

by

**X-Rite, Incorporated, 3100 44<sup>th</sup> Street S.W., Grandville,  
Michigan 49418, USA**

for all publicly held

**Registered Shares of Amazys Holding AG, Althardstrasse 70,  
8105 Regensdorf, with a nominal value of CHF 2.40 each**

#### Overview

X-Rite, Incorporated, 3100 44<sup>th</sup> Street S.W., Grandville, Michigan 49418, USA, (**X-Rite**) and Amazys Holding AG, Althardstrasse 70, 8105 Regensdorf, (**Amazys**) have agreed upon a combination of their businesses by a public tender offer with a cash and a share component (**Offer**) by X-Rite to the shareholders of Amazys. Under the terms of the Offer, X-Rite offers the following consideration per each registered share of Amazys, with a nominal value of CHF 2.40 (**Offer Consideration**):

- CHF 77.00, in cash without interest; plus
- 2,11 fully paid X-Rite Shares, registered with the SEC and listed on NASDAQ and the SWX Swiss Exchange to be delivered at the Settlement Date free and clear from any encumbrance.

Based on the closing price of the X-Rite Shares on NASDAQ on 30 January 2006 (the day before the date of the pre-announcement of 31 January 2006), this Offer Consideration values each registered share of Amazys, with a nominal value of CHF 2.40 at CHF 108.80 and implies a premium of 41% to the average closing price over the last 30 trading days of the Amazys Shares (as defined below) on the SWX Swiss Exchange up to and including 30 January 2006 or 33% to the closing price as of 30 January 2006, respectively.

Based on the closing price of the X-Rite Shares on NASDAQ on 21 March 2006, this Offer Consideration values each registered share of Amazys, with a nominal value of CHF 2.40 at CHF 111.66.

The Offer is subject to the conditions as set forth in Section B.9., the restrictions set forth under "Offer Restrictions" and other terms and conditions of this offer prospectus.

The board of directors of Amazys recommends the shareholders of Amazys to tender their shares.

**Offer Period** 24 March 2006 to 24 April 2006, 4:00 p.m. CEST (subject to extension).

	<b>Security Number</b>	<b>ISIN</b>	<b>Ticker Symbol</b>
Amazys Holding AG			
Registered shares with a nominal value of CHF 2.40 each	1234182	CH0012341829	AMSN
Tendered registered shares with a nominal value of CHF 2.40 each (second trading line)	2437895	CH0024378959	AMSNE
X-Rite, Incorporated			
Ordinary shares with a nominal value of USD 0.10 each	987582	US9838571035	XRI

#### Financial Advisor:



HEADWATERS | MB

#### Tender Agent:



Lombard Odier Darier Hentsch

## General – Statements regarding the Offer

The Offer is being made by X-Rite for all of the outstanding Amazys Shares held by persons within and outside of the United States of America. The Offer is made in compliance with the applicable laws of Switzerland, including the Federal Act on Stock Exchanges and Securities Trading of Switzerland (**SESTA**), and the United States. This offer prospectus (**Offer Prospectus**) has been prepared exclusively under Swiss laws and is subject to review and supervision by Swiss authorities only.

The Offer Prospectus is subject to Swiss disclosure requirements, which are different from those of the United States. This Offer Prospectus does not comply with all the SEC requirements that would apply if it were a prospectus that formed part of a registration statement that was filed with the SEC. “Holders” are encouraged to consult with their own Swiss advisors in connection with the Offer.

In connection with the Offer, X-Rite has filed with the U.S. Securities and Exchange Commission (the **SEC**) pursuant to Section 5 of the U.S. Securities Act of 1933, as amended (the **Securities Act**), a Registration Statement on Form S-4 (as amended and/or supplemented, the **Registration Statement**) containing the prospectus which is attached to this Offer Prospectus as Exhibit A (**U.S. Prospectus**). Holders of Amazys Shares located outside of the United States must follow the procedures set forth in this Offer Prospectus, and holders of Amazys Shares located in the United States must follow the procedures set forth in the U.S. Prospectus, to tender Amazys Shares. You may read and copy the U.S. Prospectus at the U.S. SEC’s public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information regarding the public reference room. The U.S. Prospectus is also available to the public from commercial document retrieval services and at the Internet website maintained by the SEC at <http://www.sec.gov>. This Offer Prospectus and the U.S. Prospectus contain information regarding the Offer, X-Rite and Amazys, and holders of Amazys Shares should read these documents carefully.

X-Rite files annual, quarterly and current reports, proxy statements and other information with the SEC. X-Rite’s filings are available to the public from commercial document retrieval services and at the Internet website maintained by the SEC at <http://www.sec.gov>. This Offer Prospectus does not constitute a securities issuance prospectus as defined in article 652a or article 1156 of the Swiss Code of Obligations.

The Offer will not be made in any jurisdiction where it breaches applicable law or where the applicable law requires X-Rite in any way to change the Offer, to submit an additional application to any authorities or other institutions, or to take any additional actions in connection with this Offer. It is not intended to extend the Offer to any such jurisdictions. Documents related to the Offer may neither be distributed in such jurisdictions nor be sent into such jurisdictions. Such documents may not be used to solicit purchases of equity securities of Amazys in such jurisdictions.

## Offer Restrictions

### **U.K.**

*This communication is directed only at persons in the U.K. who (i) have professional experience in matters relating to investments, (ii) are persons falling within article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc”) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.*

## Purchase of Amazys Shares outside the Offer

In connection with the Offer (as defined below), X-Rite may seek from the SEC exemptive relief from the requirements of Rule 14e-5 under the Securities Exchange Act of 1934 that would permit X-Rite or its agents to make purchases of, or arrangements to purchase, Amazys Shares (as defined below) outside the U.S.A. other than pursuant to the Offer. X-Rite expressly draws attention to the fact that, if the SEC grants this exemptive relief and subject to applicable regulatory requirements, X-Rite or its affiliates or nominees or brokers (acting as agents) would have the ability to make certain purchases of, or arrangements to purchase,

Amazys Shares outside the U.S.A., other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases could occur either in the open market at prevailing prices or in private transactions at negotiated prices. In the event they were made, these purchases or arrangements to purchase would comply with applicable rules in Switzerland, including the best price rule and applicable U.S. securities laws (except to the extent of any exemptive relief granted by the SEC).

## Financial Advisors / Tender Agent

X-Rite has retained Headwaters MB as financial advisor (**Financial Advisor**) and Lombard Odier Darier Hentsch & Cie as tender agent (**Tender Agent**) for purposes of this Offer. Neither the Financial Advisor nor the Tender Agent has prepared this Offer Prospectus, and no representation or warranty, express or implied, is made by the Financial Advisor or the Tender Agent or any of their respective affiliates or any person acting on their behalf as to the accuracy or completeness of the information contained in this Offer Prospectus.

## Forward Looking Statements

This Prospectus contains forward-looking statements based on current expectations, estimates, forecasts and projections about our business and the industry in which X-Rite and Amazys operate and management's beliefs and assumptions. Forward-looking statements may be identified by the use of forward-looking terms such as "may," "will," "expects," "believes," "anticipates," "plans," "estimates," "projects," "targets," "forecasts," and "seeks" or the negative of such terms or other variations on such terms or comparable terminology. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially. These risks and uncertainties include, but are not limited to, the risk that X-Rite's and Amazys' businesses will not be integrated successfully; the challenges of integration and restructuring associated with the combined companies or other acquisitions, and the challenges of achieving anticipated synergies; costs related to the transaction; the failure of the X-Rite shareholders to approve the issuance of common stock in connection with the Offer; the possibility that the market for the sale of certain products and services may not develop as expected; X-Rite's ability to manage its international operations; the risk that the process of reconciling Amazys financial information to U.S. GAAP could result in changes to Amazys' financial statements that adversely impact the X-Rite's pro forma estimates regarding the transaction; the existence or enactment of adverse U.S. and foreign government regulation; the risk that the development of products and services may not proceed as planned; adverse general domestic and international economic conditions including interest rate and currency exchange rate fluctuations; the difficulty of efficiently managing the X-Rite's and Amazys' cost structure for capital expenditures, materials and overhead, as well as operating expenses such as wages and benefits due to the vertical integration of X-Rite's manufacturing processes; the possibility that the transaction or other contemplated acquisitions may not close; the impact of competitive products or technologies and competitive pricing pressures; potential business disruptions; the economic downturn in the U.S. economy; and other risks that are described from time to time in X-Rite's Securities and Exchange Commission reports. Readers of this Prospectus are cautioned not to place undue reliance on these forward-looking statements, since there can be no assurance that these forward-looking statements will prove to be accurate. This cautionary statement is applicable to all forward-looking statements contained in this Prospectus. X-Rite and Amazys undertake no obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

## Risks

**Accepting the Offer and receiving X-Rite Shares as one component of the Offer Consideration involves risks and the price and value of the shares may drop with the effect that investments in the shares of X-Rite may lose value. Please consult X-Rite's Registration Statement on Form S-4, which will be filed with the SEC and be available on <http://www.sec.gov> for more information on certain risks related to X-Rite and to Amazys and the combined entities.**

## A. The Combination of X-Rite and Amazys

### 1. Introduction

On 31 January 2006 X-Rite and Amazys announced that they had entered into an agreement to combine their businesses to create a globally leading color management provider. On the same date, X-Rite published the pre-announcement of the Offer in the electronic media and on 2 February 2006 in the “Neue Zürcher Zeitung” and in the “Le Temps”. After the pre-announcement has been published on January 31, 2006, X-Rite was obliged to publish the final Offer within 6 weeks, i.e. until 14 March 2006. This time limit could not be kept. Pursuant to a respective request, the Takeover Board has extended the time limit to publish the final Offer until 24 March 2006. X-Rite hereby submits the Offer in accordance with articles 22 et seq. SESTA for all publicly held shares of Amazys.

Upon settlement of the Offer, Amazys shareholders accepting the Offer will become X-Rite shareholders. Assuming that 100% of the issued shares of Amazys and all the shares of Amazys that could be issued under Amazys’ conditional share capital for outstanding options that have been exercised will be tendered and assuming that all outstanding options for shares of X-Rite are exercised, Amazys shareholders will hold approximately 24% of X-Rite’s outstanding shares. X-Rite will apply for an additional listing of the X-Rite shares issued and of those to be issued pursuant to the Offer on the SWX Swiss Exchange.

Since the number of New X-Rite Shares (as defined below, see Section B.3), which are offered for exchange, exceeds 20% of the currently outstanding share capital, the issuance of the shares must be approved by a special shareholders’ meeting. The New X-Rite Shares will be issued out of the authorized capital stock of X-Rite. The Offer states, inter alia, that the New X-Rite Shares will be listed on NASDAQ (see Section B.3). For this purpose, X-Rite must file with the SEC the above mentioned Registration Statement S-4. The Registration Statement S-4 contains the prospectus for holders of Amazys Shares located in the United States.

### 2. X-Rite

X-Rite is a color systems company that develops, manufactures, markets and supports a wide range of hardware, software and services that measure, communicate, and simulate color. X-Rite’s principal products are proprietary, end-to-end solutions that utilize advanced optical and electronic sensing instruments and complementary software. The principal markets served include Graphic Arts, Retail, Home Décor and Industrial. A more detailed discussion of X-Rite products and markets appears below.

X-Rite was organized in 1958 as a Michigan corporation and made its initial public offering of common stock in April of 1986. X-Rite has grown through internal expansion and acquisitions, investing heavily over the past two years in its core color businesses.

#### *Product Innovation*

In 2004 X-Rite introduced 7 new products and 10 major product upgrades. In 2005 X-Rite introduced 9 new products and 15 major product innovations. Over the past years X-Rite devoted substantial resources to research, development, and engineering. In 2004 and 2005, X-Rite spent over 12 percent of its revenues annually on engineering, research, and development. X-Rite’s focus continues to center on color management solutions that incorporate software, hardware, and services.

#### *International Operation*

With offices in ten countries, service centers across Europe, Asia, and the Americas, X-Rite continues to improve its ability to conduct business with customers around the world. In 2004, international sales represented 47 percent of total revenue. X-Rite began to accelerate its global presence in 1993 with the establishment of two foreign sales and service subsidiaries in Cologne, Germany and Hong Kong. In 1994, X-Rite established a U.K. subsidiary, which acquired the outstanding stock of an X-Rite dealer located near Manchester, England. In 1998, a French subsidiary was established by acquiring a branch of an X-Rite dealer located near Paris. 2002 marked the opening of a sales and service center incorporated in The Peoples Republic of China, which coordinates activity to serve China’s growing markets. In 2003, X-Rite affirmed its

commitment to Japan and the many multi-national headquartered companies that reside there by expanding its sales office in Japan.

#### *Recent Acquisitions*

X-Rite completed four acquisitions in 2003 and 2004 (there were no acquisitions in 2005):

- (a) Monaco Systems, Inc. – a company that develops and distributes color management software in the graphics arts and photo markets. Monaco's products provide X-Rite with color management software solutions, broadening its ability to serve new and existing customers.
- (b) ccDot meter product line of Centurfax Ltd. – expanding its computer-to-plate product lines for the pre-press and printing industries to include the printing of flexible plastics and corrugated products.
- (d) ColorRx® product line and related assets of Thermo Electron Corporation – a former supplier of color measurement equipment to a large paint manufacturer and distributor, enabling X-Rite to enter into a five-year agreement with Benjamin Moore & Co. to be the preferred provider of color management solutions to its authorized dealers.
- (e) Moniga Gremmo – an industrial and ink formulation software company, based in Milan, Italy. This product acquisition extends X-Rite's color quality control software capabilities with specific features commonly used in industrial markets such as inks, paints, plastics, textiles, cosmetics, and foods.

### **3. Reasons for the Combination**

X-Rite expects that the combination of Amazys and X-Rite will create a market leader in the color management industry, enhance shareholder value and set the foundation for long-term growth. In particular:

- X-Rite and Amazys believe that the combined company will have a strong technical portfolio to leverage into traditional and emerging markets;
- X-Rite and Amazys believe the combined company will have scale and resources to better engage with new competitors;
- The combined company is expected to realize cost synergies resulting from the combination. X-Rite and Amazys believe that the cost synergies together with enhanced market position will allow the combined company to become more competitive in the Asia and South American markets;
- The combination will create a strong talent pool of technical and product development personnel in the color management industry;
- The combined company will integrate and establish existing and new technologies.

## B. The Offer

### 1. Introduction

X-Rite has published the pre-announcement of this Offer on 31 January 2006 in the electronic media and on 2 February 2006 in “Neue Zürcher Zeitung” and “Le Temps”.

### 2. Scope of the Offer

Except as set forth under “Offer Restrictions”, the Offer is made for all publicly held registered shares of Amazys with a nominal value of CHF 2.40 each (**Amazys Shares**), including all Amazys Shares issued until the end of the Additional Acceptance Period based on options issued under Amazys’ employee stock option plans (**Amazys ESOP**). The Offer is not made for treasury shares held by Amazys or any of its subsidiaries at the last day of the additional acceptance period.

As of 13 March 2006 the issued Amazys Shares amount to 3,235,450, including 7,534 treasury shares. In addition, Amazys has a conditional capital which, upon exercise of the options issued under the Amazys ESOP, results as of 30 January 2006 in the issuance of a maximum of 205,150 additional Amazys Shares. Accordingly, the Offer is for a maximum of 3,433,066 Amazys Shares, as set out in the following overview:

Issued Amazys Shares	3,235,450
Less treasury shares	– 7,534
Maximum number of Amazys Shares that could be issued until the end of the Additional Acceptance Period upon exercise of the options under the Amazys ESOP	205,150
<hr/>	<hr/>
Maximum number of Amazys Shares to which the Offer pertains	<b>3,433,066</b>

### 3. Offer Consideration

X-Rite offers the following consideration (**Offer Consideration**) per Amazys Share:

- CHF 77 in cash, without interest; plus
- 2.11 fully paid shares of common stock, par value of USD 0.10 per share, registered with the Securities and Exchange Commission (**SEC**) and listed on NASDAQ and the SWX Swiss Exchange (the **New X-Rite Shares**), to be delivered at the settlement date (the **Settlement Date**) free and clear from any encumbrance.

Based on the closing price of the X-Rite Shares on NASDAQ on 30 January 2006 (the day before the date of the pre-announcement), this Offer Consideration values each Amazys Share at CHF 108.80 and implies a premium of 41% to the average closing price over the last 30 trading days of the Amazys Shares on the SWX Swiss Exchange up to and including 30 January 2006 or 33% to the closing price as of 30 January 2006, respectively.

For purposes of this calculation, the following USD/CHF exchange rate has been applied (Federal Reserve Bank of New York noon buying rate on 30 January 2006): USD 1 = CHF 1.2883.

Based on the closing price of the X-Rite Shares on NASDAQ on 21 March 2006, this Offer Consideration values each registered share of Amazys, with a nominal value of CHF 2.40 at CHF 111.66.

For purposes of this calculation, the following USD/CHF exchange rate has been applied (Federal Reserve Bank of New York noon buying rate on 21 March 2006): USD 1 = CHF 1.3038.

The Offer Consideration shall be fully adjusted for any dilutive effects in relation to the Amazys Shares or the X-Rite Shares, as the case may be, including any dividend payments, sale or issuance of shares or capital increases below the Offer Consideration (with regard to Amazys Shares) or below the market value (with

regard to X-Rite Shares), respectively, or any issuance of options, warrants, convertible securities or other rights of any kind to acquire shares, except that

- (i) the sale, transfer or issuance by Amazys or its subsidiaries of Amazys Shares under any stock options which are outstanding on January 30, 2006 pursuant to any Amazys employee share, option or similar scheme or arrangement in accordance with their terms shall not result in any adjustment,
- (ii) the sale, transfer or issuance by X-Rite or its subsidiaries of employee options or X-Rite Shares under any X-Rite employee share, option or similar scheme or arrangement in existence on January 30, 2006 in accordance with their terms and in the normal course consistent with past practice shall not result in any adjustment, and
- (iii) the ordinary quarterly dividend of X-Rite not exceeding USD 0.025 per share in the normal course consistent with past practice shall not result in any adjustment.

#### 4. Fractions

No fractional X-Rite Shares shall be issued. All fractional shares that a holder of any Amazys Shares who accepts the Offer would otherwise be entitled to receive as a result of the Offer shall be aggregated. If a fractional X-Rite Share results from the aggregation, the holder shall be entitled to receive, in lieu thereof, a cash amount, without interest, determined by (i) multiplying the closing price per X-Rite Share as reported on the NASDAQ on the second trading day preceding the Settlement Date by the fraction of a X-Rite Share to which the holder would otherwise have been entitled, and (ii) translating such US Dollar amount into Swiss Francs at the USD/CHF Federal Reserve Bank of New York noon buying rate on the second Trading Day preceding the Settlement Date. X-Rite shall make such payments to the holders of fractional share interests on the Settlement Date.

#### 5. Share Prices

**Amazys Shares:** The range of closing prices of the Amazys Shares on the SWX Swiss Exchange was as follows during the periods indicated (in **CHF**):

	2002	2003	2004	2005	2006*
High	19.00	39.95	62.00	85.00	106.60
Low	7.60	9.10	39.75	63.50	74.50

\*1 January 2006 until 21 March 2006.

The closing price of the Amazys Shares on SWX Swiss Exchange on 30 January 2006, i.e. on the day prior to the pre-announcement, was CHF 81.65.

**X-Rite Shares:** The range of closing prices of the issued X-Rite Shares on NASDAQ was as follows during the periods indicated (in **USD**):

	2002	2003	2004	2005	2006*
High	9.60	12.02	16.97	16.55	13.00
Low	6.50	7.12	11.50	9.99	10.00

\*1 January 2006 until 21 March 2006.

(Source: Bloomberg)

The closing price of the issued X-Rite Shares listed on the Nasdaq stock market on 30 January 2006, i.e. on the day prior to the pre-announcement, was USD 11.70.

#### 6. Offer Period

The offer period begins today with the publication of this Offer Prospectus and ends on 24 April 2006, 4:00 p.m. CEST (the **Offer Period**).

X-Rite reserves the right to extend the Offer Period up to a total of 40 trading days. In case of an extension of the Offer Period, the start of the Additional Acceptance Period and the Settlement Date as defined below will be postponed accordingly. An extension of the Offer Period beyond 40 trading days may occur with the consent of the Swiss Takeover Board.

## 7. Additional Acceptance Period

If the Offer is successful, an additional acceptance period of 10 trading days (**Additional Acceptance Period**) for subsequent acceptance of the Offer will be available after the expiration of the (possibly extended) Offer Period. If the Offer Period is not extended, the Additional Acceptance Period is expected to run from 27 April 2006 to 11 May 2006, 4:00 p.m. CEST.

## 8. Completion

The exchange of the Amazys Shares tendered during the Offer Period and during the Additional Acceptance Period for New X-Rite Shares will be completed within 10 trading days after the end of the Additional Acceptance Period (the **Settlement Date**) and expected to be on 23 May 2006, subject to the Offer becoming or being declared unconditional and the completion not being delayed due to conditions subsequent.

The cash portion of the Offer Consideration and cash payments in respect of fractional entitlements to New X-Rite Shares related to Amazys Shares tendered during the Offer Period or the Additional Offer Period will be settled with value date on the Settlement Date.

## 9. Conditions

The Offer is subject to the fulfillment of the following conditions:

- (a) X-Rite shall have received, until the end of the Offer Period, valid acceptances for Amazys Shares representing, when combined with the Amazys Shares that X-Rite may hold at the end of the Offer Period, at least 70% of the total number of Amazys Shares issued at the end of the (possibly extended) Offer Period plus the maximum number of Amazys shares that could be issued until the end of the additional acceptance period upon exercise of the options under the Amazys' employee option plans.
- (b) Until the end of the Offer Period, no matters or events shall have occurred, and no matters or events shall have become known, which have a Material Adverse Effect on Amazys on a consolidated basis; whereby a "**Material Adverse Effect**" shall mean any matter(s) or event(s) which, individually or in the aggregate, cause, or are reasonably likely to cause, on an annual basis, a reduction (and not merely a delay in timing to the next succeeding fiscal quarter), as confirmed by a reputed, independent accounting firm or investment bank appointed by X-Rite, of:
  - (i) the consolidated operating income before interest, taxes, depreciation and amortization (EBITDA) of Amazys of 20% or more, compared to the EBITDA as reported for the four quarters ending September 30, 2005; or
  - (ii) the consolidated net sales of Amazys of 10% or more, compared to the net sales as reported for the four quarters ending September 30, 2005; or
  - (iii) the consolidated total shareholders' equity of Amazys of 20% or more, compared to the consolidated equity as reported on September 30, 2005.
- (c) The issuance of the New X-Rite Shares shall have been approved by X-Rite's shareholders' meeting.
- (d) No court or governmental body shall have issued a decision or an order preventing, prohibiting or declaring illegal the consummation of the Offer.

- (e) The board of directors of Amazys shall have resolved to register X-Rite as a shareholder with voting rights with respect to all Amazys Shares that X-Rite may acquire as a result of the Offer or otherwise, subject only to the Offer becoming unconditional.
- (f) The shareholders' meeting of Amazys shall not have approved a dividend, sale, purchase, merger or demerger in the amount of CHF 11,4 million or more, or an ordinary, authorized or conditional increase of the share capital of Amazys.
- (g)
  - (i) All members of Amazys' board of directors shall, subject to the Offer becoming unconditional, have resigned from office with effect from the Settlement Date and a shareholders' meeting of Amazys shall have been held for the election of the persons nominated by X-Rite to Amazys' board of directors with effect from the Settlement Date; or
  - (ii) subject to the condition that X-Rite holds more than 50% of the Amazys Shares, all Amazys directors shall, subject to the Offer becoming unconditional, either
    - (x) have resigned as of the Settlement Date (provided that at least one director shall not have resigned and shall have, subject to the Offer becoming unconditional, entered into a mandate agreement with X-Rite prior to the Settlement Date with effect from the Settlement Date) or
    - (y) entered into a mandate agreement with X-Rite for the period from the Settlement Date until the shareholders' meeting of Amazys at which the persons nominated by X-Rite shall have been elected as members of Amazys' board of directors.
- (h) The New X-Rite Shares to be issued at the Settlement Date shall have been approved for listing on NASDAQ and admitted for listing on SWX Swiss Exchange.
- (i) The registration statement on Form S-4 to be filed by X-Rite with the SEC in connection with the Offer (the **Registration Statement**) shall have become effective in accordance with the provisions of the U.S. Securities Act of 1933 as amended; no stop order suspending the effectiveness of the Registration Statement shall have been issued by the SEC and no proceedings for that purpose shall have been initiated by the SEC and not concluded or withdrawn.

These conditions shall be conditions precedent within the meaning of article 13 para. 1 of the Swiss Takeover Ordinance (the **TOO**). After the end of the (possibly extended) Offer Period, the conditions set out in c), d) e), f), g), h) and i) shall be conditions subsequent within the meaning of article 13 para. 4 TOO, provided that:

- the condition c) shall only constitute a condition subsequent until the end of the shareholders' meeting of X-Rite convened to satisfy condition c);
- the condition e) shall only constitute a condition subsequent until the board of directors of Amazys has taken the resolution to satisfy condition e).

X-Rite reserves the right to waive in whole or in part the conditions stated above. If the conditions are not fulfilled or waived by X-Rite on or by the end of the Offer Period, X-Rite has the right:

- (1) to declare the Offer as being successful; however, in such case, X-Rite shall be entitled to postpone the settlement of the Offer by no more than four months (or such longer period as may be approved by the Swiss takeover board) following the end of the additional acceptance period, whereby the Offer lapses without further effect if the conditions set forth in c), d), e), f), g), h) and i) are neither fulfilled, nor waived by X-Rite, during these additional four months (or such longer period as may be approved by the Swiss takeover board); or
- (2) to declare the Offer as having failed without further effect.

## C. Information about X-Rite

### 1. Name, Seat, Purpose

X-Rite is an American corporation which was organized in 1958 as a Michigan corporation and made its initial public offering of common stock in April of 1986, having its registered seat at 3100 44th Street S.W., Grandville, Michigan 49418. X-Rite is a color systems company that develops, manufactures, markets and supports a wide range of hardware, software and services that measure, communicate, and simulate color. X-Rite's principal products are proprietary, end-to-end solutions that utilize advanced optical and electronic sensing instruments and complementary software. The primary markets served include Graphic Arts, Retail, Home Décor and Industrial.

### 2. Share Capital

#### 2.1 Authorized Capital Stock

Under X-Rite's restated articles of incorporation, as amended, X-Rite is authorized to issue 50,000,000 shares of common stock, USD 0.10 par value per share, and 5,000,000 shares of preferred stock, USD 0.10 par value per share.

#### 2.2 Common Stock

As of 28 January 2006 there were 21,240,792 shares of common stock outstanding. The holders of X-Rite's common stock are entitled to one vote per share on all matters presented to the stockholders, including elections of directors. The restated articles of incorporation do not provide for cumulative voting in the election of directors. Subject to any preferential rights of any outstanding series of X-Rite's preferred stock created by X-Rite's board of directors from time to time, the holders of common stock will be entitled to receive ratably dividends as may be declared from time to time by X-Rite's board of directors from funds legally available therefor. If X-Rite liquidates its business, the holders of common stock are entitled to share ratably in all assets available for distribution to such holders after X-Rite pays its debts and liabilities and the liquidation preference of any outstanding preferred stock. The common stock has no preemptive or conversion rights or other subscription rights. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which X-Rite may designate and issue in the future. All outstanding shares of common stock are fully paid and non-assessable.

#### 2.3 Preferred Stock

Under X-Rite's restated articles of incorporation, X-Rite's board of directors is authorized to create, without stockholder approval, and issue up to 5,000,000 shares of preferred stock, none of which are currently outstanding, in one or more series and to determine the rights and preferences of each series, to the extent permitted by X-Rite's restated articles of incorporation. The ability of the board of directors to issue preferred stock provides flexibility in connection with possible acquisitions and other corporate purposes. However, the ability of the board of directors to issue preferred stock could adversely affect the voting power of holders of common stock by diluting the voting power of the common stock and place the common stock at a disadvantage by issuing preferred with special terms, dividends and other benefits that the common stock does not have.

#### 2.4 Junior Participating Preferred Stock

The Junior Participating Preferred Stock was issued in connection with the creation of the rights that were issued under a shareholder protection rights agreement between X-Rite and EquiServe Trust Company, N.A. (the **Rights Agreement**). This Rights Agreement is more commonly known in the United States as a "poison pill". Under the Rights Agreement, one right attaches to each share of X-Rite's outstanding common stock. The right will entitle its registered holder to purchase from X-Rite, one one-hundredth of a share of Junior Participating Preferred Stock for USD 40.00 (the **Exercise Price**), subject to adjustment, only after a third party or group takes actions that indicate that it intends to takeover the X-Rite without obtaining the approval of X-Rite's board of directors. These actions include acquiring 15% or more of the outstanding common stock of X-Rite or commencing a tender offer to purchase more than 15% of the shares of X-Rite's common

stock. The terms of the Junior Participating Preferred Stock are designed so that the value of one one-hundredth of a share of X-Rite's Junior Participating Preferred Stock will approximate the value of one share of X-Rite common stock. As long as the rights are attached to the common stock, X-Rite will issue one right with each new share of common stock so that all such shares will have rights attached. The rights separate from the common stock when a person or group acquires 15% or more of X-Rite common stock. These rights will be null and void for any a person or group that acquires 15% or more of X-Rite common stock. Consequently, the rights, if triggered, would cause substantial dilution to a person or group that acquires 15% or more of X-Rite common stock unless the rights are first redeemed by X-Rite's board of directors. In addition, X-Rite may, without the approval of any holders of rights, amend the Rights Agreement in any respect (other than to change the redemption price or the expiration time of the rights) prior to the date a person or group acquires 15% or more of X-Rite common stock, or redeem the rights.

### **3. Options**

X-Rite has two stock option plans covering 4,000,000 shares of common stock. These plans permit options to be granted to key employees and X-Rite's board of directors. Options are granted at market price on the date of grant and are exercisable based on vesting schedules of six months to two years, which is determined at the time of grant. No options are exercisable after ten years from the date of grant. At 31 December 2005, 2,096,461 shares of X-Rite's common stock were subject to outstanding options.

X-Rite may sell up to 1,000,000 shares of common stock to its employees under an employee stock purchase plan during the term of the plan. Eligible employees who participate purchase shares quarterly at 85 percent of the market price on the date purchased. During 2005, 2004 and 2003 employees purchased 35,682, 13,006 and 26,690 shares, respectively. The weighted average fair value of shares purchased was USD 12.64, USD 14.65, and USD 9.47 in 2005, 2004 and 2003 respectively. At December 31 2005, 995,456 shares were available for future purchases. The Employee stock purchase plan will terminate on May 4, 2014.

### **4. Information on X-Rite Shares**

#### *Shareholders' meetings and voting rights*

Under the restated bylaws, X-Rite will hold an annual meeting on such date prior to 1 June of each year and at such time and place as may be fixed from year to year by its board of directors. According to the restated bylaws, written notice of the time, place and purpose of any meeting of shareholders shall be given to shareholders not less than 10 and not more than 60 days before the meeting. Such notice may be given either by delivery on person to such shareholder or by mailing such notice to shareholders at their address as the same appears on the stock books of X-Rite. The Michigan Business Corporation Act (**MBCA**) provides that meetings other than an annual meeting of shareholders may be called by the board, or by officers, directors or shareholders as provided in the corporation's bylaws. Pursuant to X-Rite's restated bylaws, special meetings may be called by its Chairman or Secretary, X-Rite's board of directors or by the written request of X-Rite shareholders owning a majority of its outstanding shares.

Each share of X-Rite common stock is entitled to one vote per share on all matters that the common stock holders vote upon. Matters that X-Rite shareholders are required to vote on include the election of directors, amendments to the articles of incorporation of X-Rite, most mergers involving X-Rite, a sale of X-Rite or substantially all of the assets of X-Rite and the liquidation of X-Rite. In addition, shareholders may vote to amend the bylaws of X-Rite. Under the MBCA, a corporation's articles of incorporation may provide for cumulative voting rights in respect of the election of directors. Because X-Rite's restated articles do not specifically provide for cumulative voting in elections of directors, shares of X-Rite common stock cannot be cumulatively voted.

Under the MBCA, each outstanding share is entitled to one vote on each matter submitted to a vote, unless otherwise provided in the articles of incorporation. X-Rite's restated articles do not alter the voting rights of X-Rite stockholders, and authorize the board of directors to cause the corporation's authorized preferred stock to be issued in one or more series, with such designations and such relative voting, dividend, liquidation and other rights, preferences and limitations as shall be expressed in the resolutions of the board of directors providing for the issuance of such preferred stock. Each share of X-Rite's Junior Participating Preferred Stock carries 100 votes with all shares of the Junior Participating Preferred Stock voting together as one class with the common stock and any other capital stock with general voting rights.

The presence, in person or by proxy, of shares representing a majority of all the voting shares of X-Rite's capital stock issued and outstanding constitutes a quorum at any X-Rite shareholders' meeting. Pursuant to X-Rite's restated bylaws, a shareholders' vote may be cast either orally or in writing as announced or directed by the person presiding at the meeting prior to the taking of the vote. Directors of X-Rite are elected by a plurality of the votes cast in an election. Actions other than the election of directors must be authorized by a majority of the votes cast by the holders of shares entitled to vote on the action, unless a greater vote is required by the MBCA. X-Rite's restated articles provide that the affirmative vote of the holders of the fraction of the outstanding shares of X-Rite's capital stock, but in no event less than two-thirds, determined by using as the numerator a number equal to the sum of (i) the outstanding shares of such stock beneficially owned by all interested parties, plus (ii) two-thirds of the remaining number of such outstanding shares, and using as the denominator a number equal to the total number of outstanding shares of X-Rite's capital stock is required for the adoption or authorization of a combination or reorganization with any interested party if the interested party is, or has been at any time within the preceding twelve months, the beneficial owner, directly or indirectly, of 5% or more of X-Rite's capital stock entitled to vote in the election of directors. This super-majority vote is subject to certain exceptions, including (i) any combination or reorganization as to which a memorandum of understanding with the interested party setting forth the principal terms of the transaction has been approved by two-thirds of the continuing directors and a majority of all directors of X-Rite or (ii) any combination or reorganization with an interested party where X-Rite holds more than 50% of the issued and outstanding shares of the capital stock in such interested party which are entitled to vote in the election of directors.

#### *Issuance of new shares*

X-Rite's issuance of the X-Rite Shares in connection with the Offer is subject to the approval of its shareholders. A special meeting of X-Rite's shareholders is scheduled to be held prior to the Settlement Date in the spring 2006 to vote on this matter. (The ordinary annual shareholders' meeting for the business year ending on December 31, 2005, is scheduled to be held in May 2006.)

#### *Reduction of share capital*

Under the MBCA, a corporation may reduce its authorized capital stock by amending its articles of incorporation. Any amendment to the articles of incorporation generally requires (i) the approval of the board of directors, (ii) the affirmative vote of a majority of the outstanding shares entitled to vote on the amendment and (iii) the affirmative vote of a majority of the outstanding shares of each class (i.e. currently only common stock) entitled to vote on the amendment as a class.

#### *Dividends*

Under the MBCA, the board of directors of a Michigan corporation may authorize and the corporation may make dividends or distributions to its shareholders, subject to restrictions set forth in the corporation's articles of incorporation unless, after giving effect to the distribution, the corporation would not be able to pay its debts as they become due in the usual course of business, or the corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the corporation were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the distribution. X-Rite's restated articles do not contain any provision restricting dividends beyond the statutory provisions.

### **5. Dividends paid during the last 5 years**

In the past five years, the X-Rite board of directors has paid, and it currently intends to continue to pay, dividends at the current quarterly rate of USD 0.025 per share. The X-Rite board of directors re-evaluates X-Rite's dividend policy periodically. Any determination relating to the X-Rite's dividend policy will be at the sole discretion of the X-Rite board of directors and will be dependent upon a number of factors including X-Rite's financial condition, results of operations, capital requirements, the terms of X-Rite's financing arrangements and such other factors as the X-Rite board of directors deems relevant.

## 6. Significant shareholders of X-Rite

The following table contains information regarding ownership of the X-Rite's common stock by persons or entities beneficially owning more than five percent (5%) of the X-Rite's voting rights. The content of this table is based upon information contained in Schedules 13G furnished to X-Rite and represents the understanding of X-Rite of circumstances in existence as of 1 March 2006.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of voting rihgts <sup>(1)</sup>
Downtown Associates 674 Unionville Road Kennett Square, PA 19348	1,099,725	5.2
Putnam Investments, Inc. One Post Office Square Boston, MA 02109	1,780,990	8.4
Lord, Abbett & Co. LLC 90 Hudson Street Jersey City, NJ 07302	1,634,452	7.7
Ted Thompson 1980 76th Street, SW Byron Center, MI 49315	1,435,800 <sup>(2)</sup>	6.8
Rufus S. Teesdale 3152 East Gatehouse, S.E. Grand Rapids, MI 49546	1,169,911 <sup>(3)</sup>	5.5

<sup>(1)</sup> The percentages are calculated on the basis of the number of outstanding shares of common stock plus common stock issuable upon conversion of options or other convertible securities within 60 days of March 1 2006.

<sup>(2)</sup> Mr. Thompson is one of the original founders of X-Rite. His holdings include 67,500 shares subject to options exercisable within 60 days of 1 March 2006. His holdings include 160,000 shares held by a trust established by Mr. Thompson's wife, as to which he disclaims beneficial ownership.

<sup>(3)</sup> Mr. Teesdale is one of the original founders of X-Rite. His holdings include 70,000 shares subject to options exercisable within 60 days of 1 March 2006.

## 7. Listing

The X-Rite Shares are listed on NASDAQ under the symbol "XRIT".

X-Rite will apply for the listing of New X-Rite Shares on NASDAQ and of all X-Rite Shares on SWX Swiss Exchange for a first trading date on or shortly after the Settlement Date.

A de-listing of the X-Rite Shares may only take place upon application of X-Rite to the U.S. Securities and Exchange Commission if the X-Rite Shares are neither listed on a national securities exchange nor held by 300 or more holders of record. Termination of registration under the Securities Exchange Act of 1934 promulgated by the U.S. Securities and Exchange Commission would substantially reduce the information required to be furnished by the X-Rite to its stockholders and to the U.S. Securities and Exchange Commission and would make certain provisions of the Securities Exchange Act of 1934 no longer applicable to the X-Rite.

## 8. Board of Directors of X-Rite

X-Rite's restated articles of incorporation provide that the business and affairs of X-Rite shall be managed by or under the direction of the board of directors. Additionally, X-Rite's board of directors is authorized to designate officers of the corporation to perform such duties as directed by the board of directors. In fulfilling its duties, the board of directors must serve the interests of the company and its shareholders. The X-Rite board of directors currently consists of:

John E. Utley (Chairman)	L. Peter Frieder
Peter M. Banks, Ph.D.	Paul R. Sylvester
Stanley W. Cheff	Ronald A. VandenBerg
Michael C. Ferrara	Mark D. Weishaar

X-Rite has agreed to cause its directors to take all actions necessary such that, effective immediately following the Settlement Date, each of Messrs. Mario Fontana, Massimo Sgarlata Lattmann and Gideon Argov shall become members of X-Rite's board of directors and will be nominated at X-Rite's next annual meeting of shareholders scheduled for May 2006 with terms of office of not less than one, two, and three years, respectively. Immediately following the Settlement Date, the board of directors of X-Rite will be comprised of nine members, three of which will be the nominees set forth above and one of which will be the Chief Executive Officer of X-Rite.

## **9. Corporate Officers of X-Rite**

The corporate officers are responsible for the management of the company. The corporate officers currently are:

Michael C. Ferrara, President, Chief Executive Officer  
Bernard J. Berg, Senior Vice President, Chief Technology Officer  
Mary E. Chowning, Vice President, Chief Financial Officer, Corporate Secretary, Treasurer  
Jeffrey L. Smolinski, Vice President, Operations  
Joan Mariani Andrew, Vice President, Human Resources  
James M. Weaver, Vice President, Marketing & Product Development

## **10. Auditors**

Ernst & Young LLP

## **11. Annual Report and most recent Interim Report**

The annual report and consolidated financial statements of X-Rite for the business year 2005, the two previous business years as well as the interim report as per September 30, 2005 (Exhibit B) and further information on X-Rite are available on the website of X-Rite at <http://www.xrite.com>. They may also be obtained free of charge at Lombard Odier Darier Hentsch & Cie (order address please see Section L).

## **12. Significant Changes**

No material changes in X-Rite's assets and liabilities, financial position, earnings and prospects taken as a whole have taken place from 31 December 2005.

## **13. Persons Acting in Concert**

In respect to the acquisition of all Amazys Shares by X-Rite, the following persons are acting in concert with X-Rite:

- X-Rite and all companies directly or indirectly controlled by it;
- Amazys and all companies directly or indirectly controlled by it.

## **D. Financing of the Offer Consideration**

### **1. Cash component**

The funds necessary for the CHF 77 net cash for each tendered Amazys Share plus the fractions (see Section B.4.) offered pursuant to the Offer is secured through a debt financing provided by financial institutions. The amount of funds necessary for such cash payments is estimated to be approximately CHF 264.35 million.

### **2. New X-Rite Shares**

The New X-Rite Shares will be issued from a capital increase of X-Rite. X-Rite will have this issuance put to a vote of its stockholders at a special meeting of stockholders scheduled to take place prior to the Settlement Date, and to have the newly issued shares at disposition on the Settlement Date.

## **E. Information about Amazys**

### **1. General**

Amazys is a Swiss corporation pursuant to articles 620 et seq. of the Swiss Code of Obligations, having its registered seat in Regensdorf, Switzerland. The share capital of Amazys, as of 13 March 2006, amounts to CHF 7,765,080, divided into 3,235,450 registered shares (*Namenaktien*) with a nominal value of CHF 2.40 each. The share capital is fully paid-in. In addition, Amazys has a conditional capital which, upon exercise of the options issued as of 30 January 2006 under the Amazys ESOP, results in the issuance of a maximum of 205,150 additional registered shares (*Namenaktien*) with a nominal value of CHF 2.40 each. The Amazys Shares are listed on the SWX Swiss Exchange.

Amazys with its Gretag Macbeth subsidiaries, headquartered in Regensdorf, Switzerland, is a worldwide technology leader of color management solutions for graphic arts, photography, digital imaging, paints, plastics, apparel, textiles and automotive, among other industries. Amazys holds offices in the Americas, Europe and Asia.

### **2. Intentions of X-Rite regarding Amazys**

X-Rite intends to work with Amazys as a strategic partner and to include part of Amazys' current management team in the management team of the combined entities. In the immediate future, X-Rite and Amazys will continue to operate as separate companies. Throughout the integration process, brand strategy for both companies and their respective product lines will be reviewed in a thoughtful, deliberate manner to add the most value for stakeholders. Following the transaction's completion, global headquarters will be located in Grandville, Michigan with the European headquarters in Regensdorf, Switzerland.

On 30 January 2006, subject to the completion of the Offer, X-Rite appointed Thomas J. Vacchiano, the Chief Executive Officer of Amazys, as the President and Chief Operating Officer of X-Rite. Under the terms of the Employment Agreement, dated as of 30 January 2006, between X-Rite and Mr. Vacchiano, Mr. Vacchiano's employment by X-Rite will commence as of the completion of the Offer. In the Transaction Agreement (see Section E.4), X-Rite confirmed its intention to promote Mr. Vacchiano to the position of the Chief Executive Officer of X-Rite within a period of not more than 18 months from the Settlement Date, all subject to the final approval of X-Rite's board of directors and subject to the terms of the Employment Agreement that has been entered into by X-Rite and Mr. Vacchiano.

On 30 January 2006, X-Rite entered into an Employment Agreement with Francis Lamy, the current Chief Technology Officer of Amazys. Under the Employment Agreement, Mr. Lamy agreed to serve as Vice President and Chief Technology Officer of X-Rite and to perform such duties consistent with those positions as X-Rite's board of directors, Chief Executive Officer or Chief Operating Officer of X-Rite directs from time to time. Mr. Lamy's employment by X-Rite would commence as of the completion of the Offer.

On February 12, 2006, Dr. Iris Mangelschots entered into an employment agreement with X-Rite under which she agreed to serve as Vice President, Graphic Arts of X-Rite. Ms. Mangelschots' employment by X-Rite would commence as of the completion to the Offer. The employment agreement provides that X-Rite will pay

Ms. Mangelschots an annual base salary of CHF 275,000. Ms. Mangelschots will also be entitled to participate in X-Rite's Annual Management Incentive Plan that will enable Ms. Mangelschots to earn up to 35% of her annual base salary for target performance, subject to any change, modification or termination of the plan in X-Rite's absolute discretion. Ms. Mangelschots is further entitled, at the discretion of the Executive Leadership and the Board of Directors of X-Rite, to participate in X-Rite's Amended and Restated Employee Stock Option Plan, as well as to receive restricted stock grants. In addition to termination in the event of death or disability, Ms. Mangelschots' employment may be terminated by X-Rite "for cause", by Ms. Mangelschots "for good reason", or by either party without cause, by giving the other party at least three months' written notice. In the event of termination by X-Rite, or by Ms. Mangelschots "for good reason", Ms. Mangelschots is entitled to six months severance pay and certain other benefits (pro rata portion of the annual performance bonus to which Ms. Mangelschots is entitled for the year in which the employment period is terminated).

On February 12, 2006, Mr. Franck Poirier entered into an employment agreement with X-Rite under which he agreed to serve as Vice President, Global Sourcing of X-Rite. Mr. Poirier's employment by X-Rite would commence as of the completion to the Offer. The employment agreement provides that X-Rite will pay Mr. Poirier an annual base salary of CHF 240,000. Mr. Poirier will also be entitled to participate in X-Rite's Annual Management Incentive Plan that will enable Mr. Poirier to earn up to 35% of his annual base salary for target performance, subject to any change, modification or termination of the plan in X-Rite's absolute discretion. Mr. Poirier is further entitled, at the discretion of the Executive Leadership and the Board of Directors of X-Rite, to participate in X-Rite's Amended and Restated Employee Stock Option Plan, as well as to receive restricted stock grants. In addition to termination in the event of death or disability, Mr. Poirier's employment may be terminated by X-Rite "for cause", by Mr. Poirier "for good reason", or by either party without cause, by giving the other party at least three months' written notice. In the event of termination by X-Rite, or by Mr. Poirier "for good reason", Mr. Poirier is entitled to six months severance pay and certain other benefits (pro rata portion of the annual performance bonus to which Mr. Poirier is entitled for the year in which the employment period is terminated and six months health insurance allowance following the date of termination of employment).

X-Rite has agreed to cause its directors to take all actions necessary such that, effective immediately following the settlement date, each of Messrs. Mario Fontana, Massimo Sgarlata Lattmann and Gideon Argov shall become members of X-Rite's board of directors and will be nominated at X-Rite's next annual meeting of shareholders scheduled for May 2006 with terms of office of not less than one, two, and three years, respectively. Immediately following the Settlement Date, the board of directors of X-Rite will be comprised of nine members, three of which will be the nominees set forth above and one of which will be the Chief Executive Officer of X-Rite.

X-Rite intends to delist the Amazys Shares from the SWX Swiss Exchange following completion of the Offer. If X-Rite acquires 98% or more of the Amazys Shares, X-Rite intends to request the cancellation of the remaining Amazys Shares in accordance with article 33 SESTA. Should X-Rite acquire less than 98% but 90% or more of the voting rights of Amazys, X-Rite reserves the right to merge Amazys with a company controlled by X-Rite whereby the remaining Amazys minority shareholders would receive a compensation other than ownership interests in the surviving entity. Subject to applicable legal provisions, the value of such compensation in case of a merger may not necessarily be equal to the exchange ratio. Should X-Rite acquire less than 90% of the voting rights of Amazys, it reserves the right to acquire the remaining minority shares by other means, e.g. by way of a private or public offer.

### **3. Shareholdings in Amazys of X-Rite and those Acting in Concert with X-Rite**

As at the date hereof, X-Rite and those acting in concert do not own, directly or indirectly, any Amazys Shares or any right to acquire Amazys Shares (other than the undertakings set forth in Section E.4), and have not made, in the twelve months before the pre-announcement of this Offer, any transactions in Amazys Shares. As at the date hereof, Amazys and its subsidiaries hold 7,534 treasury shares.

### **4. Agreements between X-Rite and Amazys, its Shareholders, Officers and Directors**

On 9 September 2005, Amazys and X-Rite have executed a Confidentiality and Stand-still Agreement. Within the scope of this agreement, Amazys and X-Rite have conducted mutual due diligence reviews. The confidentiality obligations as well as the mutual non-solicitation covenants contained in the Confidentiality and Stand-still Agreement remain effective.

On 30 January 2006, Amazys and X-Rite have executed a **Transaction Agreement** with, *inter alia*, the following terms and conditions:

X-Rite has committed:

- to prepare and publish the prospectus and such other documents relating to the Offer as are required by law (the Offer Documents) within the requisite statutory period, and consult with Amazys and its advisors with respect to the Offer and provide them with reasonable opportunity to review and comment on the Offer Documents;
- to use reasonable best efforts to procure that the conditions of the Offer regarding, X-Rite shareholder approval and the issuance, registration and listing on the NASDAQ and the SWX Swiss Exchange (secondary listing) of the New X-Rite Shares are satisfied and that the New X-Rite Shares are freely tradable as of the Settlement Date; and
- to comply with all disclosure and reporting obligations under the SESTA and the related ordinances.

Amazys has agreed to support the Offer and, in particular:

- to recommend acceptance of the Offer in accordance with article 29(1) of SESTA in a timely manner so that the report of Amazys' board of directors can be included in this prospectus;
- not to solicit or, subject to any statutory obligation of the board of directors, support any competing offer;
- not to acquire or sell any Amazys Shares or rights to acquire Amazys Shares or to tender any treasury shares under the Offer;
- not to issue any new shares or equity related financial instrument other than under any stock option which are outstanding on January 30, 2006 pursuant to any Amazys employee stock option plan, or similar scheme or arrangement in existence as of 30 January 2006;
- to inform X-Rite in the event it becomes aware that a third party has the intention to pursue actions which could compete with or adversely affect X-Rite's Offer;
- to procure that Amazys continues its business as a going concern and in the ordinary course and does not engage in any extraordinary actions or transactions, unless X-Rite has given its prior consent;
- to publish its financial statements as of 31 December 2005 prior to the expiration of the Offer Period.

Subject to the completion of the Offer, X-Rite entered into Employment Agreements with Thomas J. Vacchiano, Francis Lamy, Dr. Iris Mangelschots and Frank Poirier (see above, Section E.2).

In accordance with the terms of the Transaction Agreement and condition (g)(i) of the Offer (see section A.9), all current members of the board of directors of Amazys intend to resign from office subject to the Offer becoming unconditional with effect of the Settlement Date. Subject to the Offer becoming unconditional, the board of directors of Amazys also intends to call an extraordinary shareholders' meeting of Amazys prior to the Settlement Date to elect the persons nominated by X-Rite to replace the current members of the board of directors of Amazys with effect of the Settlement Date. X-Rite has not made such nominations yet. Alternatively, certain members of the board of directors of Amazys intend to enter into mandate agreement as set forth in condition (g)(ii) of the Offer (see section A.9).

X-Rite has agreed to cause its directors to take all actions necessary such that, effective immediately following the settlement date, each of Messrs. Mario Fontana, Massimo Sgarlata Lattmann and Gideon Argov shall become members of X-Rite's board of directors and will be nominated at X-Rite's next annual meeting of shareholders scheduled for May 2006 with terms of office of not less than one, two, and three years, respectively. Immediately following the Settlement Date, the board of directors of X-Rite will be comprised of nine members, three of which will be the nominees set forth above and one of which will be the Chief Executive Officer of X-Rite.

The Transaction Agreement provides for various termination events, *inter alia* in case of a superior competing offer or a Material Adverse Event relating to any of the parties. Amazys has agreed to pay X-Rite an amount of CHF 1.9 million as a liquidated compensation of the costs incurred to X-Rite if the Offer does not

become unconditional because a competing offer is successful. If the Transaction Agreement is terminated as a result of a breach of the agreement by any of the parties, such party shall be fully liable for any damages suffered by the other party and for the costs incurred that become futile as a result of such breach.

The Transaction Agreement is governed by Swiss law.

Save as disclosed in section E.2 and E.4, there are currently no other agreements in place between X-Rite and the persons acting in concert and Amazys, its governing bodies and shareholders.

## **5. Confidential Information**

X-Rite confirms that it has not directly or indirectly received any confidential information about the Amazys Group from Amazys or through companies controlled by it, which could have a material effect on the decision of the shareholders of Amazys whether to accept this Offer.

## **F. Publication**

The Offer Prospectus and other publications in connection with the Offer will be published in the “Neue Zürcher Zeitung” in German and in “Le Temps” in French. The Offer Prospectus will also be delivered for publication to at least two of the major electronic media publishing financial market information.

## **G. Report of the Review Body Regarding the Offer Prospectus pursuant to article 25 SESTA**

As auditors recognized under the Federal Act on Stock Exchanges and Securities Trading (“SESTA”) to review public takeover offers, we have reviewed the offer prospectus and its summary (the “Offer Documents”).

The preparation of the Offer Documents is the responsibility of the offeror, whereas our responsibility is to report on these documents based on our review.

Our review was conducted in accordance with Swiss Standards on Auditing, which require that a review of the Offer Documents be planned and performed to obtain reasonable assurance as to whether this document is free from material misstatement. We have examined, partially on a test basis, evidence supporting the information in the Offer Documents. Furthermore, we have examined compliance with SESTA and its implementing ordinances. We considered the recommendation for the extension of the offer period made by the Commission for Public Takeover Offers. We believe that the procedures performed provide a reasonable basis for our report.

Based on our review:

- the Offer Documents comply with SESTA and its implementing ordinances;
- the offer prospectus, is complete and accurate with respect to the disclosure requirements of the SESTA and its implementing ordinances;
- the recipients of the offer are treated equally;
- the financing of the offer is assured and the necessary funds are available; and
- the regulations governing the effects of the pre-announcement of the public takeover offer are complied with.

DELOITTE AG

Howard da Silva            Urs Breitenstein

Zurich, 22 March 2006

## H. Report of the Board of Directors of Amazys pursuant to article 29 SESTA

Report of the board of directors of Amazys Holding AG (“**Amazys**”) pursuant to article 29 par. 1 of the Federal Act on Stock Exchanges and Securities Trading (“**SESTA**”) and articles 29-32 of the Takeover Ordinance relating to the public tender offer by X-Rite, Incorporated (“**X-Rite**”) for all publicly held shares of Amazys (the “**Report**”).

### 1. Recommendation

The Board of Directors of Amazys (the “**Board of Directors**”) has examined the public tender offer of X-Rite for all publicly held shares of Amazys (the “**Offer**”) pursuant to the offer prospectus dated March 24, 2006 (the “**Offer Prospectus**”). Based upon its examination, the Board of Directors resolved unanimously to recommend to the shareholders of Amazys to accept the Offer. This recommendation is subject to potential competing offers which may be submitted until the third trading day prior to the expiration of this Offer.

### 2. Rationale

In its negotiations with X-Rite and in arriving at its recommendation, the Board of Directors has thoroughly examined, together with the management and outside advisers, the short and long-term prospects of Amazys as a stand-alone entity and the advantages of a combination with X-Rite by way of the Offer. Based on this analysis, the Board of Directors believes that a combination with X-Rite may offer considerable strategic, operational and financial benefits.

As a part of Amazys’ strategic planning process, the Board of Directors analysed key trends in technology, markets and competition, and came to the conclusion that Amazys may not have the critical size to successfully meet the future challenges on a stand-alone basis. The Board of Directors also reviewed the possibilities of growth through acquisitions, and had to take note that these possibilities are limited due to several factors. The combination with X-Rite as it is now being proposed will create a global market leader and build a strong talent pool of technical and product development personnel in the color management industry. With the strong technical portfolio, the combined entity will be able to leverage into traditional and emerging markets. The Board of Directors believes that due to the scale and resources the combined group will be in a better position to engage with new competitors. The combined company is also expected to realize cost synergies resulting from the combination. The Board of Directors believes that the cost synergies together with enhanced market position will allow the combined company to become more competitive in the Western and in emerging markets.

The consideration offered by X-Rite under the Offer (the “**Offer Consideration**”) implies a premium of 41% to the average closing price of CHF 76.95 of the Amazys shares in the 30 trading days prior to January 31, 2006, the date of the publication of the pre-announcement. The Board of Directors appointed Bank Sarasin & Cie. Ltd. (“**Bank Sarasin**”) to provide a fairness opinion from a financial perspective with regard to the fairness of the Offer. Bank Sarasin is independent both from Amazys and X-Rite. Bank Sarasin concluded that the Offer is fair from the viewpoint of the Board of Directors and the shareholders of Amazys (see chapter I, *Fairness Opinion*, in the Offer Prospectus). Amazys also performed a limited financial, tax and legal due diligence on X-Rite by outside advisers.

Based upon these valuations and assessments performed by the Board of Directors with the assistance of Amazys’ management and advisors, the Board of Directors has come to the conclusion that the Offer will allow Amazys’ shareholders to sell or tender their Amazys shares at attractive conditions. The Board of Directors believes that the Offer is in the best interest of Amazys and its shareholders as well as its employees, customers and partners.

Due to the practice of the Swiss tax authorities, in particular the Federal Tax Administration, there is the possibility that proceeds achieved under the Offer by shareholders who are subject to taxation in Switzerland and hold their shares as part of their private assets (*Privatvermögen*) will be re-qualified as taxable income. Shareholders, in particular individual shareholders subject to taxation in Switzerland, are advised to carefully review their individual tax consequences before making any decision in connection with the Offer.

Shortly prior to this Report, the Board of Directors has received from Eichhof Holding AG (“**Eichhof**”) an unsolicited letter of intent for a competing public tender offer. In its letter of intent, Eichhof declares its intention, subject to negative due diligence findings, to make a public tender offer for all publicly held shares of Amazys for a price yet to be determined which would be higher than the Offer Consideration, but at least CHF 108.80. The Board of Directors, together with Amazys’ advisors, has reviewed this letter of intent, including the ability of Eichhof to obtain financing of a potential offer. On the basis of this review and its statutory duties, and as permitted by the terms of the Transaction Agreement with X-Rite, the Board of Directors concluded to allow Eichhof access to a due diligence after execution of a customary confidentiality and stand-still agreement.

### 3. Potential Conflicts of Interests

#### a) Board of Directors

The Board of Directors currently consists of Mario Fontana, Chairman, Dr. Christoph Reinhardt, Vice Chairman, Gideon Argov, Massimo Sgarlata Lattmann, Thomas Joseph Vacchiano, Peter Pfluger and George William Bickerstaff. Mr. Vacchiano is at the same time the Chief Executive Officer of Amazys.

On January 30, 2006, Amazys and X-Rite entered into a Transaction Agreement (the “**Transaction Agreement**”) by which X-Rite undertook to make the Offer and Amazys undertook to recommend the Offer for acceptance. For a more detailed description of the Transaction Agreement as well as the Confidentiality and Stand-Still Agreement dated September 9, 2005 please refer to chapter E.4, *Agreements between X-Rite and Amazys, its Shareholders, Officers and Directors*, of the Offer Prospectus.

In accordance with the terms of the Transaction Agreement and condition (g)(i) of the Offer (chapter A.9, *Conditions*, of the Offer Prospectus), all current members of the Board of Directors intend to resign from office subject to the Offer becoming unconditional with effect of the settlement date of the Offer (the “**Settlement Date**”). The resigning members of the Board of Directors will not receive any severance or similar compensation payment in connection with their resignation. Likewise, Dr. Eduard Brunner, who resigned from the Board of Directors for personal reasons with effect of February 10, 2006, has not received any severance or similar compensation payment in connection with his resignation. Subject to the Offer becoming unconditional, the Board of Directors also intends to call an extraordinary shareholders’ meeting of Amazys prior to the Settlement Date to elect the persons nominated by X-Rite to replace the current members of the Board of Directors with effect of the Settlement Date. The new board members to be nominated by X-Rite are not yet known. Alternatively, certain members of the Board of Directors intend to enter into mandate agreement as set forth in condition (g)(ii) of the Offer (chapter A.9, *Conditions*, of the Offer Prospectus), by which they would undertake, subject to their statutory duties and against full indemnification for any claims, to exercise their office in accordance with the instructions of X-Rite until the date on which the persons nominated by X-Rite have been elected to the Board of Directors.

In the Transaction Agreement X-Rite has agreed to cause its directors to take all actions necessary such that, effective immediately following the Settlement Date, Mario Fontana, Massimo S. Lattmann and Gideon Argov shall become members of X-Rite’s board of directors and will be nominated at X-Rite’s next annual meeting of shareholders scheduled for May 2006 with terms of office of not less than one, two, and three years, respectively. Immediately following the Settlement Date, the board of directors of X-Rite will be comprised of nine members, three of which will be the nominees named above and one of which will be the Chief Executive Officer of X-Rite. According to X-Rite’s current compensation policy for outside board members, each of Messrs. Fontana, Lattmann and Argov will receive an annual retainer of USD 20,000 plus a meeting fee of USD 1,000 for each meeting of the board or a committee attended with the exception of the audit committee where a meeting fee of USD 1,500 is paid. In addition, each outside director immediately following each annual meeting of shareholders of X-Rite is entitled to receive an option to purchase 8,000 shares of X-Rite’s common stock at a price per share equal to the closing price on NASDAQ on the day prior to the annual meeting of shareholders. Each option has a term of ten years and becomes exercisable six months following the date of issue.

Thomas J. Vacchiano, member of the Board of Directors and Chief Executive Officer of Amazys, entered into an employment agreement with X-Rite as further specified in section 3b) of this Report. Besides, the Board of Directors has no knowledge of any agreements between any of its members and X-Rite.

As of March 16, 2006, the members of the Board of Directors (excluding Mr. Vacchiano, please refer to section 3b) of this Report) held in the aggregate 16,200 Amazys shares. The Board members do not hold any employee share options, except for Mr. Vacchiano in his capacity as a member of the Group Management as specified in section 3b) of this Report.

Based upon the interest situation described above, Thomas J. Vacchiano has abstained from voting in the resolution in respect of this Report, and the Board of Directors has appointed Bank Sarasin to render a fairness opinion. Bank Sarasin concluded that the Offer is fair from the viewpoint of the Board of Directors and the shareholders of Amazys (see chapter I, *Fairness Opinion*, of the Offer Prospectus).

## **b) Group Management**

The Group Management of Amazys (the “**Group Management**”) consists of Thomas J. Vacchiano, President and Chief Executive Officer, Rolf F. Jeger, Chief Financial Officer and Secretary of the Board of Directors, Dr. Francis Lamy, Chief Technology Officer, Franck Poirier, Executive Vice President Operations, Thomas Senn, Chief Information Officer, Kenneth M. Boyle, Executive Vice President Worldwide Sales, Dr. Iris Mangelschots, Head Business Unit Digital Imaging, and Jan-Paul Van Maaren, Head Business Unit Colour and Appearance.

The employment agreement of Mr. Jeger, CFO, contains a change of control clause which provides that Mr. Jeger will receive 12 month salary (CHF 458,000) if the employment agreement is terminated by the employer and such termination is caused by a change of company (ownership) control. Besides, the Board of Directors has no knowledge of any change of control provisions in the employment agreements of the members of the Group Management of Amazys.

In the past, the members of the Group Management and other executives of Amazys received stock options and restricted shares of Amazys containing accelerated vesting clauses for change of control events. As of March 16, 2006, the members of the Group Management held the following number of Amazys shares and share options: Thomas J. Vacchiano: 11,365 shares (of which 650 are blocked) and 39,500 employee options (of which 27,625 are blocked); Rolf F. Jeger: 685 shares (of which 350 are blocked) and 13,850 employee options (of which 12,400 are blocked); Dr. Francis Lamy: 935 shares (of which 450 are blocked) and 24,000 employee options (of which 19,250 are blocked); Thomas Senn: 630 shares (of which 325 are blocked) and 11,100 employee options (of which 10,225 are blocked); Kenneth M. Boyle: 1,050 shares (of which 350 are blocked) and 28,000 employee options (of which 11,250 are blocked); Dr. Iris Mangelschots: 632 shares (of which 350 are blocked) and 16,750 employee options (of which 13,750 are blocked); Franck Poirier: 450 shares (of which 450 are blocked) and 7,000 employee options (of which 7,000 are blocked); Jan-Paul Van Maaren: 500 shares (of which 500 are blocked) and 7,500 employee options (of which 7,500 are blocked). On the basis of an average exercise price of CHF 44.86 per option and an implied value of the Offer of CHF 108.80 per Amazys share (c.f. chapter B.3, Offer Consideration, of the Offer Prospectus), the aggregate value of all outstanding employee options amounts to CHF 9,443,429. In accordance with the terms of the share and option plans and agreements and the Transaction Agreement, Amazys will take the necessary actions to lift the transfer restrictions in respect of the restricted shares. As regards the employee options, Amazys may take such measures as are required to allow the holders of employee options to exercise such options and tender the shares acquired by such exercise under the Offer. Further X-Rite undertook in the Transaction Agreement to make an offer to the option holders to acquire the options or the Amazys shares acquired by the option holders that have vested and were exercised on terms that are in accordance with the principle of equal treatment.

Subject to completion of the Offer, X-Rite and Mr. Vacchiano, Mr. Lamy, Ms. Mangelschots and Mr. Poirier entered into new employment agreements which will commence as of completion of the Offer and replace the current employment agreements with Amazys (or Amazys’ subsidiaries, respectively). The basic terms and conditions of the new employment agreements with said members of the Group Management are summarised below:

- On January 30, 2006, Mr. Vacchiano entered into an employment agreement with X-Rite under which he has agreed to serve as President and Chief Operating Officer of X-Rite. Mr. Vacchiano’s employment by X-Rite will commence as of the completion of the Offer and will continue for a period of three years unless earlier terminated in accordance with its terms. Under the employment agreement, Mr. Vacchiano will receive an annual base salary of USD 310,000, subject to increase in the discretion of the compensation committee of X-Rite’s board of directors. Mr. Vacchiano will also be entitled to participate in any bonus plan or other incentive compensation program applicable to X-Rite’s executives. Mr. Vacchiano is further

entitled to participate in any long-term incentive compensation program applicable to X-Rite's executives, with 60% to consist of restricted stock awards and 40% to consist of stock option awards. Under the employment agreement, X-Rite's board of directors will determine, within eighteen months following the commencement date, whether to promote Mr. Vacchiano to the position of Chief Executive Officer of X-Rite. If the board of directors determines to promote Mr. Vacchiano, X-Rite and Mr. Vacchiano will negotiate a new employment agreement for Mr. Vacchiano. In addition, it is expected that if the board of directors determines to promote Mr. Vacchiano, upon such promotion, Mr. Vacchiano will become a member of X-Rite's board of directors. If the board of directors determines not to promote Mr. Vacchiano, Mr. Vacchiano will be entitled to terminate the employment agreement by providing written notice to X-Rite. In such event, as well as in the event that the employment agreement is terminated by X-Rite without "cause" or by Mr. Vacchiano "for good reason", Mr. Vacchiano will be entitled to a severance pay of up to 24 months salary and certain other benefits (pro rata portion of the annual performance bonus to which Mr. Vacchiano is entitled for the year in which the employment period is terminated, payment of continuation coverage premiums under the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended, for eighteen months following the date of termination, and immediate vesting of all stock options and restricted stock).

- On January 30, 2006, Dr. Francis Lamy entered into an employment agreement with X-Rite under which he agreed to serve as Vice President and Chief Technology Officer of X-Rite. Mr. Lamy's employment by X-Rite would commence as of the completion to the Offer. The employment agreement provides that X-Rite will pay Mr. Lamy an annual base salary of CHF 325,000, subject to increase in the discretion of the compensation committee of X-Rite's board of directors. Mr. Lamy will also be entitled to participate in any bonus plan or other incentive compensation program applicable to X-Rite's executives. Mr. Lamy is further entitled to participate in any long-term incentive compensation program applicable to X-Rite's executives, with 60% to consist of restricted stock awards and 40% to consist of stock option awards. Under the employment agreement, Mr. Lamy is further entitled to CHF 57,500 allowances for personal health insurance, certain expenses and tax consulting advice. In addition to termination in the event of death or disability, Mr. Lamy's employment may be terminated by X-Rite "for cause", by Mr. Lamy for "good reason" or by either party without cause, by giving the other party at least three months' written notice. In the event of termination by X-Rite without "cause" or by Mr. Lamy "for good reason", Mr. Lamy is entitled to 12 months severance pay and certain other benefits (pro rata portion of the annual performance bonus to which Mr. Lamy is entitled for the year in which the employment period is terminated, health insurance allowance described above, payable over the twelve months following the date of termination, and immediate vesting of all stock options and restricted stock).
- On February 12, 2006, Dr. Iris Mangelschots entered into an employment agreement with X-Rite under which she agreed to serve as Vice President, Graphic Arts of X-Rite. Ms. Mangelschots' employment by X-Rite would commence as of the completion to the Offer. The employment agreement provides that X-Rite will pay Ms. Mangelschots an annual base salary of CHF 275,000. Ms. Mangelschots will also be entitled to participate in X-Rite's Annual Management Incentive Plan that will enable Ms. Mangelschots to earn up to 35% of her annual base salary for target performance, subject to any change, modification or termination of the plan in X-Rite's absolute discretion. Ms. Mangelschots is further entitled, at the discretion of the Executive Leadership and the Board of Directors of X-Rite, to participate in X-Rite's Amended and Restated Employee Stock Option Plan, as well as to receive restricted stock grants. In addition to termination in the event of death or disability, Ms. Mangelschots' employment may be terminated by X-Rite "for cause", by Ms. Mangelschots "for good reason", or by either party without cause, by giving the other party at least three months' written notice. In the event of termination by X-Rite, or by Ms. Mangelschots "for good reason", Ms. Mangelschots is entitled to six months severance pay and certain other benefits (pro rata portion of the annual performance bonus to which Ms. Mangelschots is entitled for the year in which the employment period is terminated).
- On February 12, 2006, Mr. Franck Poirier entered into an employment agreement with X-Rite under which he agreed to serve as Vice President, Global Sourcing of X-Rite. Mr. Poirier's employment by X-Rite would commence as of the completion to the Offer. The employment agreement provides that X-Rite will pay Mr. Poirier an annual base salary of CHF 240,000. Mr. Poirier will also be entitled to participate in X-Rite's Annual Management Incentive Plan that will enable Mr. Poirier to earn up to 35% of his annual base salary for target performance, subject to any change, modification or termination of the plan in X-Rite's absolute discretion. Mr. Poirier is further entitled, at the discretion of the Executive Leadership and the Board of Directors of X-Rite, to participate in X-Rite's Amended and Restated Employee Stock Option Plan, as well as to receive restricted stock grants. In addition to termination in the event of death or disability, Mr. Poirier's employment may be terminated by X-Rite "for cause", by Mr. Poirier "for good reason", or by

either party without cause, by giving the other party at least three months' written notice. In the event of termination by X-Rite, or by Mr. Poirier "for good reason", Mr. Poirier is entitled to six months severance pay and certain other benefits (pro rata portion of the annual performance bonus to which Mr. Poirier is entitled for the year in which the employment period is terminated and six months health insurance allowance following the date of termination of employment).

The employment agreements of the other members of the Group Management have not been amended or modified.

#### **c) Further Agreements with X-Rite**

With the exception of the agreements set forth in this section 3 of this Report, the Board of Directors has no knowledge of any agreements or arrangements between any of its members or any member of the Group Management on the one part and X-Rite or any persons acting in concert with X-Rite on the other part.

#### **4. Intentions of Shareholders holding more than 5% of the Voting Rights**

Based upon disclosure notifications pursuant to article 20 SESTA and notifications of Amazys' share register, the following shareholders held, as of March 16, 2006, between 5% and 10% of the voting rights of Amazys:

- Threadneedle Asset Management Ltd., London, United Kingdom;
- Adelphi European Small Cap Fund, Grand Cayman, Cayman Islands;
- Chase Nominees Limited, London, United Kingdom; and
- Dr. Eduard Brunner, Zumikon, Switzerland.

Without having made specific inquiries, the Board of Directors has no knowledge of the intentions of said shareholders with respect to the Offer.

#### **5. Financial Statements**

The audited consolidated financial statements of Amazys for the business year ending December 31, 2005 are available under [www.amazys.com](http://www.amazys.com) and can be ordered free of charge from Rolf Jeger, Chief Financial Officer, Amazys Holding AG, Althardstrasse 70, 8105 Regensburg (E-mail: [jeger@gretagmacbeth.com](mailto:jeger@gretagmacbeth.com); Tel: +41 44 842 24 00). The Board of Directors is not aware of any material change to the financial position, results of operations or, apart from the Offer, the prospects, of Amazys since December 31, 2005.

Regensburg, March 17, 2006

On behalf of the Board of Directors:

Mario Fontana  
Chairman

Dr. Christoph Reinhardt  
Vice-Chairman

## **I. Fairness Opinion**

The board of directors of Amazys instructed Bank Sarasin & Cie AG, Zurich (**Sarasin**), to deliver an opinion as to the fairness of the Offer Consideration (Exhibit C). The fairness opinion concludes that the Offer is fair from the viewpoint of the board of directors and the shareholders of Amazys. Sarasin is not a party related to X-Rite or any person acting in concert with X-Rite in a manner that would cause a conflict of interest or the appearance of such conflict. The complete fairness opinion can be obtained free of charge from Lombard Odier Darier Hentsch & Cie, Corporate Finance, Sihlstrasse 20, P.O. Box, CH-8021 Zurich, Switzerland (telephone: +41 (0)44 214 16 84, fax: +41 (0)44 214 13 39, e-mail: [cofi.zh.prospectus@lodh.com](mailto:cofi.zh.prospectus@lodh.com)) or is available on <http://www.amazys.com>.

## **J. Recommendation of the Swiss Takeover Board**

The Offer was submitted to the Swiss Takeover Board. In its recommendation dated 23 March 2006, the Swiss Takeover Board determined that the Offer complies with Swiss takeover laws.

The Swiss Takeover Board granted the following exception from the TOO (article 4): Waiver of the cooling-off period (article 14 para. 2).

## **K. Consummation of the Offer**

### **1. Information / Registration**

Amazys Shareholders holding their Amazys Shares in a deposit account with a bank in Switzerland will be informed about the Offer by their deposit bank, and are asked to proceed in accordance with the instructions of their deposit bank.

### **2. Tender Agent**

Lombard Odier Darier Hentsch & Cie has been appointed by X-Rite as acceptance, paying and exchange agent for this Offer.

### **3. Tendered Amazys Shares**

Amazys Shares which have been tendered may be traded on a second trading line. If shares are tendered, the depositary banks will assign them a new security number (2437895). These securities only exist in book-entry form; a physical delivery is not possible.

When trading tendered Amazys Shares on the second line, the usual exchange fees and commissions become due, which are to be borne by the selling, respectively, buying shareholders of Amazys.

The trading on the second trading line will probably be discontinued after the expiration of the Additional Acceptance Period.

### **4. Exchange and Settlement**

Assuming that no extension of the Offer Period and no postponement of the Settlement Date occur as set out in Section B.6 above, the payment of the cash portion of the Offer Consideration and the exchange of Amazys Shares tendered during the Offer Period and during the Additional Acceptance Period for New X-Rite Shares and the settlement of the cash amounts to be paid for fractional entitlements will, if the Offer becomes or is declared unconditional (see Section B.9), take place on 23 May 2006.

## 5. Costs and Taxes

The exchange of Amazys Shares deposited with banks in Switzerland and tendered during the Offer Period or the Additional Acceptance Period is settled free of fees and charges to the shareholder. X-Rite will bear the Swiss stamp duty and the stock exchange fees imposed on the sale if applicable.

In general, the tax consequences resulting for shareholders who are exclusively subject to taxation in Switzerland are anticipated as follows: Pursuant to the general principles of Swiss income taxes, shareholders who hold their shares as part of their private assets (Privatvermögen) and tender these shares pursuant to the terms of the Offer realize a non-taxable, private capital gain, or if applicable, a non-deductible capital loss. It should be noted, however, that the tax free capital gain could, in application of recent precedents and the practice in respect of the indirect partial liquidation, be re-qualified as taxable income. Pursuant to the general principles of Swiss corporate taxes, shareholders who hold their shares as part of the business assets (Geschäftsvermögen) and tender these shares pursuant to the terms of the Offer realize a taxable capital gain or a tax-deductible capital loss, respectively. All shareholders and beneficial owners are expressly advised to consult an own tax adviser about Swiss tax consequences (in particular in respect of the practice regarding indirect partial liquidation) and, if applicable, the non-Swiss tax consequences of this Offer.

## 6. Dividend Rights

The right to dividends of the New X-Rite Shares resulting from the Offer will arise as from the date of their issuance on the Settlement Date.

## 7. Squeeze-out and Delisting

As set out in Section E.2 of this prospectus, X-Rite intends to delist the Amazys Shares from the SWX Swiss Exchange and to squeeze-out or compensate, respectively, any remaining shareholders, to the extent provided by law. As set out in Section C.7, X-Rite intends to list the X-Rite Shares also on the SWX Swiss Exchange.

## 8. Applicable Law and Place of Jurisdiction

This Offer, and all rights and obligations arising under or in connection with this Offer, shall be governed by Swiss law. **Exclusive place of jurisdiction for all disputes arising out of or in connection with this Offer is Zurich 1.**

## L. Indicative Timetable

Start of the Offer Period:	24 March 2006
End of the Offer Period:	24 April 2006, 4:00 p.m. CEST
Publication of the preliminary interim result*:	25 April 2006
Publication of the definitive interim result*:	27 April 2006
Start of the Additional Acceptance Period*:	27 April 2006
End of the Additional Acceptance Period*:	11 May 2006, 4:00 p.m. CEST
Publication of preliminary end result*:	12 May 2006
Publication of definitive end result*:	17 May 2006
Settlement Date of the share exchange and payment of cash portion including cash payments for any fractional entitlements*:	23 May 2006

\* X-Rite reserves the right to extend the Offer Period once or several times in accordance with Section B.6 in which case the subsequent dates will be postponed.

---

This offer prospectus in German, French or English and its exhibits (Annual report 2005 and interim financial statement Q3/2005 of X-Rite, the U.S. Prospectus as filed by X-Rite with the SEC and the Fairness Opinion of Bank Sarasin & Cie AG, Zurich) may be obtained free of charge from Lombard Odier Darier Hentsch & Cie, Corporate Finance, Sihlstrasse 20, P.O. Box, CH-8021 Zurich, Switzerland (telephone: +41 (0)44 214 16 84, fax: +41 (0)44 214 13 39, e-mail: [cofi.zh.prospectus@lodh.com](mailto:cofi.zh.prospectus@lodh.com)) or is available on <http://www.amazys.com>

## Exhibits

### A. U.S. Prospectus

The U.S. Prospectus as filed by X-Rite with the SEC may be obtained free of charge from Lombard Odier Darier Hentsch & Cie, Corporate Finance, Sihlstrasse 20, P.O. Box, CH-8021 Zurich, Switzerland (telephone: +41 (0)44 214 16 84, fax: +41 (0)44 214 13 39, e-mail: [cofi.zh.prospectus@lodh.com](mailto:cofi.zh.prospectus@lodh.com)) or is available on <http://www.xrite.com>.

### B. Financial Statements X-Rite

- 2005 Audited Consolidated Financial Statements of X-Rite Group
- Q3/2005 Consolidated Interim Financial Statements of X-Rite Group

X-Rite's financial statements are also available on <http://www.xrite.com>

### C. Fairness Opinion of Bank Sarasin & Cie. AG

The Fairness Opinion is also available on <http://www.amazys.com>.



**AMAZYS HOLDING AG**