

The future minimum annual payments under tenancy agreements and leases are comprised as follows:

Obligations as of 30.11.2009	up to 1 year € '000	1 – 5 years € '000	after 5 years € '000	Total € '000
Rental obligations for laboratory and office premises	623	851	0	1,474
Obligations under operating leases (laboratory and other office equipment, vehicles)	51	45	0	96
	675	895	0	1,570

In addition, there are obligations from the acquisition of licences amounting to at least €2.5 million due upon the achievement of certain milestones. Below are previous year's figures:

Obligations as of 30.11.2008	up to 1 year € '000	1 – 5 years € '000	after 5 years € '000	Total € '000
Rental obligations for laboratory and office premises	560	1,474	0	2,034
Obligations under operating leases (laboratory and other office equipment, vehicles)	48	61	0	109
	608	1,535	0	2,143

29. Corporate bodies and compensation report

Executive Management Board

The current Executive Management Board members of WILEX AG are:

Professor Olaf G. Wilhelm, Chairman of the Executive Management Board

Dr Paul Bevan, Head of Research and Development

Peter Llewellyn-Davies, Chief Financial Officer

Dr Thomas Borcholte, Chief Business Officer

Compensation of the Executive Management Board

The Company's Compensation Committee was responsible for determining the compensation of the Executive Management Board until 31 August 2009; the full Supervisory Board has done so since 1 September 2009 in accordance with Section 107 Sub-section 3 German Stock Corporation Act (AktG). Compensation consists of a salary (fixed compensation), other benefits (non-cash compensation), a variable compensation component and a shareholder programme with a long-term incentive and a risk element.

In the event of the termination of an Executive Management Board member's service for WILEX, there is no contractual entitlement to a settlement.

Salary and benefits

The annual salary of members of the Executive Management Board is determined for the term of office and paid in equal amounts over twelve months. It depends on the financial position of WILEX and the level of compensation paid by competitors.

In addition to their salaries, members of the Executive Management Board receive the following benefits:

A company car is made available to Executive Management Board members Professor Olaf G. Wilhelm, Dr Paul Bevan and Peter Llewellyn-Davies. Executive Management Board member Dr Thomas Borcholte does not have a company car.

WILEX also pays the premiums for a personal pension plan up to the maximum amount permissible under Section 40b of the German Income Tax Act (EStG) and the premiums for an occupational disability insurance on behalf of Professor Olaf G. Wilhelm, Chairman of the Executive Management Board. A pension commitment as part of a deferred salary plan was also granted to Professor Wilhelm in 1999, and a provision has been recognised for this. The allocation to the pension provision corresponds to the increase in the entitlements under the associated reinsurance policy (see note 2.7) and totalled €844 (2008: €812) in the financial year just ended. The Company has no such obligations towards any other Executive Management Board members.

For the Executive Management Board member Dr Paul Bevan, the Company covers the costs of up to 24 economy class flights between Germany and the UK per calendar year (return flight).

Variable compensation

Variable compensation is contingent on the achievement of personal targets and the Company's performance targets. The performance-based compensation of the members of the Company's Executive Management Board is primarily tied to the performance targets of WILEX, i. e. the achievement of defined milestones in clinical development, the securing of the Company's further funding and the performance of its shares.

The variable compensation of Professor Olaf G. Wilhelm amounts to a maximum of 75% of his fixed compensation. For Dr Paul Bevan and Peter Llewellyn-Davies, it amounts to a maximum of 33% of their fixed compensation, and for Dr Thomas Borcholte, it amounts to a maximum of 31.13% of his fixed compensation. On account of the adjustment of the fixed salary of Dr Thomas Borcholte during the financial year, the maximum bonus in the 2009 financial year slightly exceeded the given value because the increased maximum bonus resulting from the higher fixed salary was granted for the full 2009 financial year even though the salary adjustment did not take effect until October.

Compensation component with incentive and risk features

The compensation component with incentive and risk features is based on the 2005 stock option plan adopted by the Annual General Meeting on 8 September 2005. A maximum of 900,000 stock options can be granted to the Executive Management Board members under the plan. No options were issued to members of the Executive Management Board in the 2008 and 2009 financial years. Including the options already issued to members of the Executive Management Board in financial years 2006 and 2007, the active members of the Executive Management Board held a total of 719,335 options at the reporting date 30 November 2009. At the reporting date 30 November 2009, a former member of the Executive Management Board held a total of 10,000 options.

Each of these options entitles the holder to the acquisition of one new share in return for payment of the exercise price, which at the reporting date was €5.52 per option for all options issued in the 2006 financial year and €9.62 for all options issued in the 2007 financial year (tranche 7). The exercise price per stock option was reduced across the board to €4.10 (see note 22) in accordance with the option conditions of the Stock Option Plan 2005 for all beneficiaries alike – i. e. both staff and members of the Executive Management Board – and thus corresponds to the subscription price per share that was fixed in connection with the capital increase executed immediately following the reporting date (see note 33).

page 62

page 81

page 103

The stock options can be exercised after an initial waiting period of two years from the grant date (see note 22). The 579,335 options issued in the 2006 financial year could only be exercised until the reporting date if the average closing price of WILEX shares during the preceding ten trading days prior to the expiry of the waiting period or for ten consecutive trading days at any other point in time following this date exceeds by a minimum of 10% the purchase price achieved by WILEX shares at the time of the last capital increase prior to granting of the options of €6.90 per share. The 150,000 options issued to the Executive Management Board in the 2007 financial year could only be exercised until the reporting date if the average closing price of WILEX shares during the preceding ten trading days prior to the expiry of the waiting period or for ten consecutive trading days at any other point in time following this date exceeds by a minimum of 10% the exercise price of €9.62 per option. The performance target applicable to all stock options issued to staff and members of the Executive Management Board alike was reduced to the reference price of €4.51 analogous to the reduction in the exercise price upon execution of the capital increase immediately following the reporting date (see note 33). This means that the stock options may only be exercised if WILEX's share closes at €4.51 at a minimum – i. e. at least 10% higher than the exercise price of €4.10 – on ten consecutive trading days prior to exercise of the stock option. No stock options have been exercised to date.

 page 81

 page 103

Overall, the Executive Management Board members received the following fixed and variable compensation components and non-cash compensation in the 2009 financial year:

Executive Management Board member	Fixed compensation 2009 €	Variable compensation¹ 2009 €	Other compensation (non-cash compensation) 2009 €	Total compensation 2009 €
Professor Olaf G. Wilhelm	260,000	150,000	10,844	420,844
Dr Paul Bevan	230,000	60,000	13,122	303,122
Peter Llewellyn-Davies	220,000	50,000	12,555	282,555
Dr Thomas Borcholte ²	213,333	40,000	180	253,513

¹ Paid in 2009 for the 2008 financial year. The bonus for 2009 will be paid in the 2010 financial year.


² Dr Borcholte has waived his non-cash compensation in the form of a company car.

The following figures apply to the previous financial year:

Executive Management Board member	Fixed compensation 2008 €	Variable compensation¹ 2008 €	Other compensation (non-cash compensation) 2008 €	Total compensation 2008 €
Professor Olaf G. Wilhelm	260,000	135,000	10,904	405,904
Dr Paul Bevan	230,000	55,000	13,403	298,403
Peter Llewellyn-Davies	205,000	50,000	12,038	267,038
Dr Thomas Borcholte ²	212,000	50,000	240	262,240

¹ Paid in 2008 for the 2007 financial year. The bonus for 2008 was paid in the 2009 financial year.

² Dr Borcholte has waived his non-cash compensation in the form of a company car.

 pages 65 and 81

The following overview shows the stock options held by members of the Executive Management Board during the year under review and changes in these holdings as well as the portion of staff costs per beneficiary attributable to these stock options (see notes 2.17.1 and 22):

Executive Management Board member	01.12.2008 Number	Additions Number	Expiry Number	Sales Number	30.11.2009 Number
Professor Olaf G. Wilhelm	262,770	0	0	0	262,770
Dr Paul Bevan	175,180	0	0	0	175,180
Peter Llewellyn-Davies	131,385	0	0	0	131,385
Dr Thomas Borcholte	150,000	0	0	0	150,000

Executive Management Board member	Expense in the income statement €	Fair value of the options¹ €
Professor Olaf G. Wilhelm	0	631,599
Dr Paul Bevan	0	421,066
Peter Llewellyn-Davies	0	325,835
Dr Thomas Borcholte	101,777	423,469

¹ As of the respective issue date

The following figures apply to the previous financial year:

Executive Management Board member	01.12.2007 Number	Additions Number	Expiry Number	Sales Number	30.11.2008 Number
Professor Olaf G. Wilhelm	262,770	0	0	0	262,770
Dr Paul Bevan	175,180	0	0	0	175,180
Peter Llewellyn-Davies	131,385	0	0	0	131,385
Dr Thomas Borcholte	150,000	0	0	0	150,000

Executive Management Board member	Expense in the income statement €	Fair value of the options¹ €
Professor Olaf G. Wilhelm	2,862	631,599
Dr Paul Bevan	1,908	421,066
Peter Llewellyn-Davies	21,163	325,835
Dr Thomas Borcholte	208,114	423,469

¹ As of the respective issue date

Dr Thomas Borcholte is also the Chairman or a member of the following bodies:

Company	Position
DETEK AG, Hanover	Chairman of the Supervisory Board
NextGen Sciences Ltd., Alconbury (UK)	Non-executive member of the Board of Directors

Dr Paul Bevan is also a member of the following body:

Company	Position
Clinical Control Ltd., Burnham (UK)	Non-executive member of the Board of Directors

No other member of the Executive Management Board holds a position on a control body.

Supervisory Board

The current Supervisory Board members of WILEX AG are:

Dr David Ebsworth, Chief Executive Officer, Vifor Pharma AG (Chairman of the Supervisory Board)

Dr Georg F. Baur, Entrepreneur (Deputy Chairman of the Supervisory Board)

Dr Alexandra Goll, General Partner, TVM Capital GmbH

Dr Friedrich von Bohlen und Halbach, Managing Director, dievini Hopp BioTech holding GmbH & Co. KG

Dr Rüdiger Hauffe, Consultant

Professor Iris Löw-Friedrich, Executive Vice-President Global Projects and Development and Chief Medical Officer, UCB S.A.

Supervisory Board Committees

For reasons of efficiency, a joint Compensation and Nomination Committee was established, which covers both areas in its meetings. The Compensation Committee deals with matters of staff and with the compensation of the members of the Executive Management Board. The tasks of the Nomination Committee include proposing suitable candidates for the Supervisory Board to the Annual General Meeting and the appointment of new members of the Executive Management Board. This committee is chaired by Dr David Ebsworth; Dr Alexandra Goll and Dr Rüdiger Hauffe are members of this committee.

The Company also established an Audit Committee, whose tasks include the discussion and preparatory examination of annual financial statements and quarterly reports as well as the pre-selection of the auditor of the financial statements. The Audit Committee is chaired by Dr Georg F. Baur; Dr Friedrich von Bohlen und Halbach is also a member.

Compensation of the Supervisory Board

In accordance with the Company's Articles of Association, the members of the Supervisory Board receive a fixed compensation of € 15,000 for each full financial year of service on the Supervisory Board. The Chairman of the Supervisory Board receives a fixed compensation of €35,000 and the Deputy Chairman €25,000. The Supervisory Board compensation is paid in four equal instalments on the last day of February and on 31 May, 31 August and 30 November of each financial year.

Members of a Supervisory Board committee are paid a flat fee of €3,000, while chairpersons of such committees are paid €7,000 per financial year and committee. In each case, compensation is limited to activities in a maximum of two committees. Over and above this individual limit, the Company does not pay more than €39,000 per financial year for committee activities. If this cap is not sufficient to cover all memberships and chairmanships of Supervisory Board committees, it is distributed proportionally among all committee members and chairpersons in line with the above provisions, unless the Supervisory Board unanimously resolves a different regulation.

An additional allowance is paid for attendance at a maximum of six Supervisory Board meetings in each financial year. Meeting chairpersons are paid a flat fee of €3,000 and all other members €1,500 each per meeting. Supervisory Board members who attend meetings by telephone receive only half of the allowance. This fee must be paid with the Supervisory Board member's fixed compensation. Members of Supervisory Board committees do not receive an attendance allowance for committee meetings.

The compensation paid to Supervisory Board members who were not in office for a full financial year is pro rated in accordance with the duration of their membership on the Supervisory Board.

The Supervisory Board members do not receive variable compensation, nor are they granted options or similar rights. Supervisory Board members are not entitled to a settlement if their membership ends.

The total compensation paid by WILEX to the Supervisory Board for the 2009 financial year amounted to €201,500 plus expenses (previous year: €201,500). The table below shows the individual compensation.

Supervisory Board member	Fixed compensation¹ €	Attendance allowance €	Committee fee €
Dr David Ebsworth, Chairman	35,000	16,500	7,000
Dr Georg F. Baur, Deputy Chairman	25,000	8,250	7,000
Dr Alexandra Goll	15,000	9,000	3,000
Dr Friedrich von Bohlen und Halbach	15,000	7,500	3,000
Dr Rüdiger Hauffe	15,000	8,250	3,000
Professor Iris Löw-Friedrich	15,000	9,000	0

¹ The fourth instalment for the 2009 financial year was paid after the end of the 2009 financial year.

The table below shows the individual compensation for the 2008 financial year:

Supervisory Board member	Fixed compensation €	Attendance allowance €	Committee fee €
Dr David Ebsworth, Chairman	35,000	18,000	7,000
Dr Georg F. Baur, Deputy Chairman	25,000	9,000	7,000
Dr Alexandra Goll	15,000	9,000	3,000
Dr Friedrich von Bohlen und Halbach	15,000	9,000	3,000
Dr Rüdiger Hauffe	15,000	9,000	3,000
Professor Iris Löw-Friedrich	15,000	8,250	0

Dr Ebsworth is also the Chairman or a member of the following bodies:

Company	Position
Intercell AG, Vienna (Austria)	Member of the Supervisory Board
Renovo Group PLC, Manchester (UK)	Non-executive member of the Board of Directors
Xention Ltd., Pampisford (UK)	Non-executive Chairman of the Board of Directors

Dr Baur is also the Chairman or a member of the following bodies:

Company	Position
Franz Haniel & Cie. GmbH, Duisburg	Member of the Supervisory Board
J.F. Müller & Sohn AG, Hamburg	Deputy Chairman of the Supervisory Board
KBH GmbH, Hanover	Member of the Advisory Board
LR HEALTH & BEAUTY SYSTEMS HOLDING GmbH, Ahlen	Chairman of the Advisory Board
Versatel AG, Berlin	Member of the Supervisory Board

Dr Goll is also a member of the following bodies:

Company	Position
Albireo Pharma Ltd., Gothenburg (Sweden)	Member of the Supervisory Board
Biovertis AG, Vienna (Austria)	Member of the Supervisory Board
Cerenis Therapeutics SA, Labege (France)	Non-executive member of the Board of Directors

Dr von Bohlen und Halbach is also the Chairman or a member of the following bodies:

Company	Position
Apogenix GmbH, Heidelberg	Chairman of the Advisory Board
Cosmo S.p.A., Milan (Italy)	Non-executive member of the Board of Directors
Curacyte AG, Munich	Member of the Supervisory Board
CureVac GmbH, Tübingen	Chairman of the Advisory Board
Cytonet GmbH & Co. KG, Weinheim	Member of the Advisory Board
Febit Holding GmbH, Heidelberg	Member of the Advisory Board
Febit Inc., Lexington, MA (USA)	Non-executive member of the Board of Directors
Heidelberg Pharma AG, Ladenburg	Chairman of the Supervisory Board
Immatic GmbH, Tübingen	Member of the Advisory Board
Integrated Diagnostics Inc., Seattle (USA)	Non-executive member of the Board of Directors
Life Biosystems AG, Basel (Switzerland)	Chairman of the Board of Directors
SYGNIS Pharma AG, Heidelberg	Chairman of the Supervisory Board

Dr Hauffe is also a member of the following bodies:

Company	Position
Accovion GmbH, Eschborn	Member of the Advisory Board
Haupt Pharma AG, Berlin	Member of the Supervisory Board

Professor Löw-Friedrich is neither the Chairwoman nor a member of other control bodies as defined by Section 125 Sub-section 1 Clause 5 German Stock Corporation Act.

Apart from the activities described above, the members of the Company's Supervisory Board were not members of any other control bodies at the reporting date.

30. Related-party transactions

Shares held by the Executive Management Board and the Supervisory Board

As of 30 November 2009, the Executive Management Board held 120,331 shares (representing 0.87% of the Company's share capital of 13,780,935 shares). The Supervisory Board for its part held 145,147 shares directly and 819,708 shares indirectly as of 30 November 2009, corresponding to 7.00% of the Company's share capital.

Members of the Supervisory Board exercised their subscription rights under the capital increase resolved on 11 November 2009. The shares were not created until the capital increase was recorded in the appropriate Commercial Register on 4 December 2009 and were not furnished to the members of the Supervisory Board until after this date.

In his capacity as the Managing Director of the general partner of dievini Biotech holding GmbH und Co. KG (dievini Verwaltungs GmbH), Dr Friedrich von Bohlen und Halbach, member of the Company's Supervisory Board, directly holds at least 5% of the share capital of WILEX AG. None of the other (active or former) members of the Company's Executive Management Board or Supervisory Board had substantial equity interests in the Company that exceed 5% of its share capital (directly and indirectly) as of 30 November 2009.

The Executive Management Board held 120,331 shares (corresponding to 0.75% of the Company's share capital) following the capital increase dated 4 December 2009 (share capital divided into 15,957,965 shares) and hence after the close of the reporting year. The Supervisory Board for its part held 181,433 shares directly and 4,627,810 shares indirectly (corresponding overall to 30.14% of the Company's share capital).

Name	Function	Number
Dr David Ebsworth	Chairman of the Supervisory Board	50,000
Dr Georg F. Baur	Deputy Chairman of the Supervisory Board	125,433
Dr Rüdiger Hauffe	Member of the Supervisory Board	6,000
Dr Friedrich von Bohlen und Halbach ¹	Member of the Supervisory Board	4,627,810
Professor Olaf G. Wilhelm ²	Chairman of the Executive Management Board	120,331

¹ indirect, in his capacity as Managing Director of dievini Verwaltungs GmbH, which is the general partner of dievini BioTech holding GmbH und Co. KG

² The wife of Professor Olaf G. Wilhelm, Dr Sabine Wilhelm, holds a further 120,331 shares. As of 8 December 2009