

**90th Koenig & Bauer Aktiengesellschaft Annual General Meeting
at 11am on Thursday, 21 May 2015 at the
Vogel Convention Center, Würzburg**

**Explanatory notes
pursuant to section 121 para. 3 No. 3 of the German Stock Corporation Act (AktG)
on the Shareholders' rights
pursuant to sections 122 para. 2, 126 para. 1, 127, 131 para. 1 of the German Stock
Corporation Act as well as sections 123 para. 3 No. 1, 125, 64 para. 2 of the German
Transformation Act (UmwG)**

In the following document the Shareholders' rights pursuant to sections 122 para. 2, 126 para. 1, 127, 131 para. 1 of the German Stock Corporation Act (AktG) as well as sections 123 para. 3 No 1, 125, 64 para. 2 of the German Transformation Act (UmwG) are explained in accordance with section 121 para. 3 No. 3 of the German Stock Corporation Act.

1. Requests for additions to the agenda pursuant to section 122 para. 2 of the Stock Corporation Act

Shareholders of Koenig & Bauer Aktiengesellschaft whose shares together total the twentieth part of the share capital (this amounts to € 2,148,221.79 or rounded up to the next higher number of shares 826,240 no-par value shares) or the proportional amount of € 500,000 (this corresponds to the next higher number of shares 192,308 no-par value shares rounded up) may demand that items be added to the agenda and be published pursuant to section 122 para. 2 of the Stock Corporation Act .

Any new agenda item must be accompanied by grounds or a draft resolution. The request is to be sent in written form to the Management Board of Koenig & Bauer Aktiengesellschaft and must be received by the Company at least 30 days prior to the Annual General Meeting. The day of receipt and the day of the Annual General Meeting are not included in the calculation. Therefore, the last possible date for receipt is Monday, 20 April 2015 (24:00 hrs). Any supplementary requests received after this date shall not be considered.

Please send respective requests to the following address:

Management Board
Koenig & Bauer Aktiengesellschaft
Friedrich-Koenig-Straße 4
97080 Würzburg
Germany

Pursuant to section 122 para. 2 sentence 1 of the Stock Corporation Act, the provisions of section 122 para. 1 sentence 3 in connection with section 142 para. 2 sentence 2 of the Stock Corporation Act are applicable to supplementary requests. The latter provision regulates that the applicants are to prove that they have owned the shares for at least three months prior to the day of the Annual General Meeting and that they will continue to hold the

shares until the resolution on the petition. Section 70 of the Stock Corporation Act is to be adhered to when calculating this period.

Any additions to the agenda to be published shall be published in the German federal gazette (Bundesanzeiger) immediately after receipt of the request by the Company and shall be forwarded to such media for publication for which it can be assumed that the information will be distributed throughout the whole European Union as well as communicated pursuant to the relevant provisions and published at <http://www.kba.com/investor-relations/hauptversammlung/hv-2015/>.

The provisions of the German Stock Corporation Act that these shareholders' rights are based on are the following:

*Section 122 of the German Stock Corporation Act
Calling of a Meeting at the Request of a Minority (excerpt)*

(1) An annual general meeting is to be called if shareholders whose holding in aggregate equals or exceeds one-twentieth of the share capital demand such meeting in writing stating the purpose and the reasons of such meeting; such demand is to be addressed to the management board. The articles of association may provide that the right to demand a general meeting shall require another form or the holding of a lower proportion of the share capital. Section 142 para. 2 sentence 2 shall apply accordingly.

(2) In the same manner, shareholders whose shares amount in aggregate to not less than one-twentieth of the share capital or represent an amount of the share capital corresponding to €500,000 may demand that items be put on the agenda and published. Each new item is to be accompanied by reasons or a draft resolution. The demand in the sense of sentence 1 shall be provided to the company at least 24 days, in case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be included in this calculation.

[...]

*Section 142 of the German Stock Corporation Act
Appointment of Special Auditors (excerpt)*

[...]

(2) [...] [Sentence 2:] The petitioners must provide evidence that they have been the holders of the shares for at least three months prior to the date of the general meeting and will continue to hold the shares until a decision on the petition is made. [...]

2. Counter-applications and voting proposals pursuant to sections 126 para. 1, 127 of the German Stock Corporation Act

Shareholders of the Company may file counter-applications as to the proposals of the Management Board and/or the Supervisory Board regarding certain items of the agenda pursuant to section 126 para. 1 of the Stock Corporation Act as well as voting proposals as to the elections of annual auditors or members of the Supervisory Board pursuant to section 127 of the Stock Corporation Act.

Counter-applications must be substantiated (section 126 para. 1 sentence 1 of the Stock Corporation Act); this is not applicable to voting proposals (section 127 sentence 2 of the Stock Corporation Act).

Proposals as to the election of members of the Supervisory Board or annual auditors are to include the name, current occupation and place of residence of the proposed person (in case of legal entities the name of the Company and seat) pursuant to section 124 para. 3 sentence 4 of the Stock Corporation Act. Pursuant to section 125 para. 1 sentence 5, proposals as to members of the Supervisory Board are furthermore to include information on their memberships in other statutory supervisory boards in the sense of section 125 para. 1 sentence 5 of the Stock Corporation Act; Information on their memberships in comparable domestic and foreign control commissions of commercial enterprises should be added.

Counter-applications and voting proposals by Shareholders regarding the general meeting are to be sent exclusively to the following address of the Company:

Management Board
Koenig & Bauer Aktiengesellschaft
Friedrich-Koenig-Straße 4
97080 Würzburg
Germany
Telefax: +49 (0) 931 909-4880
Email: corinna.mueller@kba.com

The Koenig & Bauer Aktiengesellschaft shall make any counter-applications and voting proposals by Shareholders that have been received **by Wednesday, 6 May 2015 (24:00 hrs) at the latest** and are to publish these on its website at <http://www.kba.com/investor-relations/hauptversammlung/hv-2015> immediately after receipt. Potential statements by the administration shall also be made available on the website stated.

The Company may decide not to publish a counter-application and its grounds if one of the reasons for exclusion pursuant to section 126 para. 2 of the Stock Corporation Act is applicable. In accordance with section 126 para. 2 of the Stock Corporation Act, a counter-application and its grounds do not need to be made accessible,

- if the Management Board would become criminally liable by such communication;
- if the counter-motion would result in a resolution of the Annual General Meeting which would be illegal or would violate the Articles of Association;
- if the grounds contain statements which are obviously false or misleading in material respects or which are offensive;
- if a counter-motion of such Shareholder based on the same facts has already been communicated to the Annual General Meeting of the Company pursuant to section 125 of the Stock Corporation Act;
- if the same counter-motion of such Shareholder on essentially identical grounds has already been communicated pursuant to section 125 of the Stock Corporation Act to at least two Annual General Meetings of the Company within the past five years, and at such general meetings less than one-twentieth of the share capital represented has voted in favor of such counter-motion;
- if the Shareholder indicates that he will neither attend nor be represented at the general meeting; or
- if within the past two years at two general meetings the Shareholder has failed to file or cause to be filed on his behalf a counter-application communicated by him.

The grounds of a counter-application do not have to be made accessible if they exceed 5,000 characters in total (section 126 para. 2 sentence 2 of the Stock Corporation Act).

The grounds for exclusion pursuant to section 127 sentence 1 of the Stock Corporation Act stated above are respectively applicable to voting proposals except for those grounds for exclusion referring to reasons (voting proposals do not need to be substantiated as explained). A voting proposal does also not need to be made available if the proposal does not include the name, the current occupation and place of residence (in case of legal entities the name of the Company and seat) of the proposed person. Voting proposals regarding the election of members of the Supervisory Board do in addition not need to be made available if they do not include information on the proposed candidate's memberships in other statutory supervisory boards in the sense of section 125 para. 1 sentence 5 of the Stock Corporation Act (section 127 sentence 3 of the Stock Corporation Act).

Shareholders are kindly asked to already provide proof of their share ownership at the time of submitting the counter-application and the voting proposal respectively. Please note that counter-applications and voting proposals being submitted to the Company in advance will only be considered in the Annual General Meeting if they are proposed during the meeting.

The right of every Shareholder to file counter-applications during the general meeting regarding the various items of the agenda or to make voting proposals regarding the election of the annual auditor (agenda item 4) or the election of members of the Supervisory Board (agenda item 5) also without prior and timely submission to the Company remains unaffected.

The provisions of the German Stock Corporation Act that these Shareholders' rights are based on are the following:

*Section 124 of the German Stock Corporation Act
Publication of Requests for Supplements; Proposals for Resolutions (excerpt)*

[...]

(3) [...] [Sentence 4:] The proposal for the election of members of the supervisory board or auditors shall state their name, current occupation and place of residence. [...]

*Section 126 of the German Stock Corporation Act
Applications by Shareholders*

(1) Motions by shareholders along with the shareholder's name, the grounds and any potential statement by the management shall be made available to the persons entitled pursuant to section 125 paras 1 to 3 of the Stock Corporation Act under the conditions stated therein if the Shareholder sends a counter-motion to a proposal of the management board and supervisory board regarding an item on the agenda to the address mentioned at least 14 days prior to the meeting. The date of receipt shall not be taken into account. Access shall be provided via the company's internet page in the case of listed companies. Section 125 para. 3 shall apply analogously;

*(2) A counter-motion and its grounds do not need to be made available,
1. if the management board would become criminally liable by such communication;
2. if the counter-motion would result in a resolution of the general meeting which would be illegal or would violate the articles of association;*

3. if the grounds contain statements which are obviously false or misleading in material respects or which are offensive;
4. if a counter-motion of such shareholder based on the same facts has already been communicated with respect to a general meeting of the company pursuant to section 125 of the Stock Corporation Act;
5. if the same counter-motion of such shareholder on essentially identical grounds has already been communicated pursuant to section 125 of the Stock Corporation Act to at least two general meetings of the company within the past five years, and at such general meetings less than one-twentieth of the share capital represented has voted in favor of such counter-application;
6. if the shareholder indicates that he will neither attend nor be represented at the general meeting; or
7. if the shareholder has failed to make or cause to be made on his behalf a counter-application communicated by him within the past two years at two general meetings.

The statement of the grounds does not need to be communicated if it exceeds 5,000 characters in total.

(3) If several shareholders file counter-applications for a resolution regarding the same subject matter, the management board may combine such counter-applications and the respective statements of the grounds.

Section 127 of German Stock Corporation Act Nominations by Shareholders

Section 126 shall apply analogously to a nomination by a shareholder for the election of a member of the supervisory board or annual auditors. Such nomination does not need to be supported by a statement of the grounds for this. The management board also does not need to communicate such a nomination if it fails to contain the particulars required by section 124 para. 3 sentence 3 and section 125 para. 1 sentence 5.

3. Information right pursuant to sections 131 para. 1 of the German Stock Corporation Act, 123 para. 3 No. 1, 125, 64 para. 2 of the German Transformation Act

Pursuant to section 131 para. 1 of the Stock Corporation Act, upon request every Shareholder is to be granted information by the Management Board on the business of the Company including the legal and commercial relations to affiliated companies as well as the situation of the Group and the companies included in the collective accounts during the Annual General Meeting, as far as this is required for the appropriate assessment of an agenda item.

In addition, every Shareholder is to be granted information on agenda item 6 upon request during the Annual General Meeting pursuant to sections 123 para. 3 No. 1, 125, 64 para. 2 of the Transformation Act, also with regard to all matters concerning KBA-Sheetfed Solutions AG & Co. KG, KBA-Digital & Web Solutions AG & Co. KG, KBA-Industrial Solutions AG & Co. KG and KBA-NotaSys AG & Co. KG as essential for the spin-offs.

However, the Management Board may refuse to provide information pursuant to section 131 para. 3 of the Stock Corporation Act in all cases stated above,

- to the extent that providing such information is, according to sound business judgment, likely to cause material damage to the Company or an affiliated enterprise;

- to the extent that such information relates to tax valuations or the amount of certain taxes;
- with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the general meeting is to approve the annual financial statements;
- with regard to the methods of classification and valuation, if disclosure of such methods in the annex suffices to provide a clear view of the actual condition of the Company's assets, financial position and profitability within the meaning of section 264 para. 2 of the German Commercial Code (HGB); the foregoing shall not apply if the general meeting is to approve the annual financial statements;
- if provision thereof would render the Management Board criminally liable;
- if the information is continuously available on the Company's website for seven or more days prior to the general meeting as well as during the meeting.

If a Shareholder has been given information outside of the Annual General Meeting due to his status as Shareholder, this information is to be given to every other Shareholder upon request during the Annual General Meeting, even if this information is not required for the appropriate assessment of the item of the agenda. In this case, the Management Board must not refuse to provide this information pursuant to section 131 para. 3 No. 1 to 4 of the Stock Corporation Act. The sentences stated above are not applicable, if a subsidiary (section 290 para. 1, 2 of the Commercial Code), a community undertaking (section 310 para. 1 of the Commercial Code) or an affiliated company (section 311 para. 1 of the Commercial Code) gives this information to a parent enterprise (section 290 para. 1, 2 of the Commercial Code) for the purpose of inclusion of the Company in the Group accounts of the parent enterprise and this information is required for this purpose.

A Shareholder who has been denied information may demand that his request and the grounds for the refusal be included in the minutes of the Annual General Meeting.

In addition, the chairperson of the Annual General Meeting is entitled to take various leading and disciplinary measures in the general meeting. In this context, the chairperson of the general meeting is among other things entitled to limit the Shareholders' rights to speak and ask questions during the Annual General Meeting if required.

The provisions of the German Stock Corporation Act and the German Transformation Act state that these Shareholders' rights are based on are the following:

*Section 131 of the German Stock Corporation Act
Right of Shareholders to Information*

(1) Upon request each shareholder shall be provided with information at the general meeting by the management board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. The duty to provide information shall also extend to the company's legal and business relations with any affiliated enterprise. If a company makes use of the simplified procedure pursuant to section 266 para. 1 sentence 3, section 276 or section 288 of the Commercial Code, each Shareholder may request that the annual financial statements be presented to him at the general meeting on such annual financial statements in the form which would have been used, if such provisions on simplified procedure were not applied. A parent enterprise's (section 290 para.s 1 and 2 of the Commercial Code) management board's duty to inform in

the annual general meeting on the consolidated financial statement and consolidated management report shall extend to the outlook of the group and the enterprises included in the consolidated financial statement.

(2) The information provided shall comply with the principles of conscientious and accurate accounting. The Articles of Association or the rules of procedure pursuant to section 129 may authorize the chairperson of the meeting to limit the number of questions and speaking time of shareholders as appropriate and to lay down general rules thereon.

(3) The management board may refuse to provide information:

1. to the extent that providing such information is, according to sound business judgment, likely to cause material damage to the company or an affiliated enterprise;

2. to the extent that such information relates to tax valuations or the amount of certain taxes;

3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the general meeting is to approve the annual financial statements;

4. with regard to the methods of classification and valuation, if disclosure of such methods in the notes suffices to provide a clear view of the actual condition of the company's assets, financial position and profitability within the meaning of section 264 para. 2 of the Commercial Code; the foregoing shall not apply, if the general meeting is to approve the annual financial statements;

5. if provision thereof would render the management board criminally liable;

6. if in the case of a credit institution or financial services institution information about the applied balance sheet and valuation methods or calculations made in the annual financial statements, the management report, the consolidated annual financial statement or the group's management report do not need to be provided;

7. if the information is continuously available on the company's internet page for seven or more days prior to the general meeting as well as during the meeting.

The provision of information may not be denied for other reasons.

(4) If information has been provided outside a general meeting to a Shareholder due to his status as a Shareholder, such information shall be provided upon request to any other Shareholder at the general meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The Management Board may not refuse to provide such information on the grounds of para. 3 sentence 1 Nos. 1 to 4. Sentences 1 and 2 shall not apply, if a subsidiary (section 290 para.s 1 and 2 of the Commercial Code), a cooperative enterprise (section 310 para. 1 of the Commercial Code) or an affiliate (section 311 para. 1 of the Commercial Code) provides the information to a parent company (section 290 para.s 1 and 2 of the Commercial Code) for the purpose of inclusion in the consolidated annual financial statement of the parent company and the information is required for this purpose.

(5) A Shareholder who has been denied information may request that his question and the reason for which the information was denied be recorded in the minutes of the meeting.

*Section 123 of the German Transformation Act
Types of divisions into several enterprises (excerpt)*

[...]

(3) A legal entity (legal entity transferring assets) may spin off a part, or several parts, of its assets

1. For purposes of absorption, by transferring this part or these parts, in each case as a whole, to one or several legal entities already in existence (acquiring legal entities)

[...]

in return for shares in this legal entity or these legal entities being allotted, or memberships in same being granted, to the legal entity transferring assets (spin-off).

[...]

*Section 125 of the German Transformation Act
Applicable Regulations*

Unless otherwise provided for in this Book, the regulations of Part 1 and of Chapters 1 through 9 of Part 2 of Book 2, to the exception of section 9 para. 2 and of section 62 para. 5, shall apply to the division into several enterprises; in the case of hive-downs and spin-offs, said regulations shall apply mutatis mutandis to the exception of section 18; in the case of hive-downs, said regulations shall apply mutatis mutandis to the exception of section 14 para. 2 and of section 15, sections 29 through 34, sections 54, 68, and 71. In the case of spin-offs, no audit in the sense of sections 9 through 12 shall be performed. The legal entity transferring assets shall take the stead of the legal entities transferring assets, while the acquiring or newly formed legal entities shall, if appropriate, take the stead of the acquiring or newly formed legal entity.

*Section 64 of the German Transformation Act
Conduct of the General Meeting (excerpt)*

[...]

(2) Should any shareholder so demand at the general meeting, he is also to be provided with information on any and all matters of the other involved legal entities that are relevant to the merger.

Würzburg, March 2015

Koenig & Bauer Aktiengesellschaft

The Management Board