



Invitation
91st Annual General Meeting

Koenig & Bauer AG, Würzburg

91st Annual General Meeting

We cordially invite the shareholders to the 91st Annual General Meeting of our Company. The Annual General Meeting will take place on Thursday, May 19, 2016, at 11:00 a.m. at the Vogel Convention Center (VCC), Max-Planck-Straße 7/9 (entrance: Foyer Ost), 97082 Würzburg, Germany.

I. Agenda

1. Presentation of the adopted annual financial statements and of the management report (including the explanatory report regarding the information pursuant to s. 289 para. 4 of the German Commercial Code (HGB) and pursuant to s. 289 para. 5 of the German Commercial Code) for the Koenig & Bauer AG for the business year 2015, of the approved consolidated financial statements pursuant to IFRS and of the group management report (including the explanatory report regarding the information pursuant to s. 315 para. 4 of the German Commercial Code) of the Koenig & Bauer group of companies for the business year 2015 and the report of the Supervisory Board.
2. Resolution on the discharge of duties with regard to the members of the Koenig & Bauer AG Management Board for the business year 2015
3. Resolution on the discharge of duties with regard to the members of the Koenig & Bauer AG Supervisory Board for the business year 2015
4. Appointment of public auditors and group auditors for the business year 2016
5. Elections to the Supervisory Board
6. Resolution on the new version of paragraph V, No. 13 “Supervisory Board Compensation” of the Articles of Association of Koenig & Bauer AG
7. Resolution on the authorization for the purchase of own Company shares and for the sale of own Company shares with exclusion of subscription right
8. Resolution on the cancellation of the current authorized capital with simultaneous creation of new authorized capital and renewal of optional exclusion of subscription right
9. Resolution on the approval of two profit transfer agreements

II. Proposals regarding the resolutions

1. Presentation of the adopted annual financial statements and of the management report (including the explanatory report regarding the information pursuant to s. 289 para. 4 of the German Commercial Code and pursuant to s. 289 para. 5 of the German Commercial Code) for the Koenig & Bauer AG for the business year 2015, of the approved consolidated financial statements pursuant to IFRS and of the group management report (including the explanatory report regarding the information pursuant to s. 315 para. 4 of the German Commercial Code) of the Koenig & Bauer group of companies for the business year 2015 and the report of the Supervisory Board

These documents will be published on and can be retrieved from the website of the Company on <http://www.kba.com/en/investor-relations/annual-general-meeting/agm-2016/> as of the day of the calling of the Annual General Meeting. The documents will be sent to the shareholders by mail upon request. Furthermore, all stated documents will be made accessible during the Annual General Meeting. The Supervisory Board approved the annual financial statements prepared by the Management Board in the board meeting on March 22, 2016; thereby the annual financial statements are adopted. In addition, the Supervisory Board approved the consolidated financial statements at the same meeting. Pursuant to the legal regulations, there will therefore not be a shareholders' resolution on this item on the agenda.

2. Resolution on the discharge of duties with regard to the members of the Management Board of the Koenig & Bauer AG for the business year 2015

The Supervisory Board and the Management Board propose that discharge of duties with regard to the acting members of the Management Board in the year 2015 be granted for this period of time.

3. Resolution on the discharge of the members of the Supervisory Board of Koenig & Bauer AG for the business year 2015

The Supervisory Board and the Management Board propose that discharge of duties with regard to the acting members of the Supervisory Board in the year 2015 be granted for this period of time.

4. Appointment of the public auditors and of the group auditor for the business year 2016

The Supervisory Board proposes upon recommendation of the Audit Committee to appoint KPMG Bayerische Treuhandgesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft Steuerberatungs-

gesellschaft, Munich, branch office Nuremberg, as auditor and group auditor for the business year 2016.

5. Elections to the Supervisory Board

The Supervisory Board of Koenig & Bauer AG consists of a total of twelve members pursuant to para. V, No. 9.1 of the Articles of Association of Koenig & Bauer AG and is composed of six Supervisory Board members representing the shareholders and six Supervisory Board members representing the employees as well as 30 percent women and men each pursuant to ss. 96 para. 1, para. 2, sentence 1 and s. 101 of the German Stock Corporation Act (AktG) in connection with ss. 1 para. 1 and s. 7 para. 1 sentence 1 No. 1 of the German Codetermination Act (MitbestG).

The minimum quota is to be fulfilled for both sides in the Supervisory Board of Koenig & Bauer AG, the shareholder representatives and the employee representatives, each separately, since the employee representatives have objected to the overall compliance to the chairman of the Supervisory Board. On the shareholders' side, at least two seats each have therefore to be filled by women and men. The female shareholder representatives in the Supervisory Board of Koenig & Bauer AG are Ms. Dagmar Rehm und Prof. Dr.-Ing. Gisela Lanza. The statutory minimum quota is fulfilled on the shareholders' side in the Supervisory Board of Koenig & Bauer AG.

Since the terms of office of Prof. Dr.-Ing. Horst Peter Wölfel and Matthias Hatschek, Supervisory Board members on the shareholders' side, will expire upon the end of the Annual General Meeting on May 19, 2016, the election of two new Supervisory Board members on the shareholders' side is required.

It is intended to conduct the election of the Supervisory Board members by way of individual election pursuant to clause 5.4.3 sentence 1 of the German Corporate Governance Code (DCGK).

Considering the goals for the composition of the Supervisory Board decided by the Supervisory Board and based on the Nominating Committee's proposal as well as, regarding Dr. Pleßke, additionally based on a proposal by shareholders holding more than 25% of the voting rights of Koenig & Bauer AG, the Supervisory Board proposes to elect the following persons as shareholder representatives to the Supervisory Board of Koenig & Bauer AG with effect upon termination of the Annual General Meeting on May 19, 2016:

- a) Dipl.-Ing. Matthias Hatschek, St. Martin, Republic of Austria, entrepreneur
and

- b) Dr. Andreas Pleßke, Herrsching at Ammersee lake, Federal Republic of Germany, Rechtsanwalt (German attorney), member of the Management Board of Koenig & Bauer AG (until April 30, 2016)

each for the period of time until termination of the Annual General Meeting deciding on the respective discharge of duties for the business year 2020.

Dr. Pleßke will retire from the Management Board of Koenig & Bauer AG upon termination of April 30, 2016. Pursuant to s. 100 para. 2 sentence 1 No. 4 1st half-sentence of the German Stock Corporation Act, Dr. Pleßke may be elected to the Supervisory Board, if the election proposal is supported by shareholders of Koenig & Bauer AG holding more than 25% of the voting rights. This is the case at the time of publication of this calling. The proposing shareholders' statements will be available for inspection at the Annual General Meeting. Dr. Pleßke has been a member of the Management Board since May 1, 2014. He assumed the responsibilities of Chief Restructuring Officer and played a decisive role in the realization of the restructuring program "fit@all". The restructuring program is completed and was a significant step towards a successful future of the Koenig & Bauer group of companies. Dr. Pleßke's advice and assessments are highly appreciated in the Company.

The Nominating Committee discussed the shareholders' election proposal in its meeting on March 21, 2016 within the framework of the agenda and holds the view together with the complete Supervisory Board that a direct move of Dr. Pleßke to the Supervisory Board of Koenig & Bauer AG constitutes a considerable benefit for the Company and therefore seems advisable as an exception in this case. According to the Supervisory Board's assessment, it is ensured that Dr. Pleßke will perform his duties in the Supervisory Board efficiently and oriented towards our Company's interests independent and regardless of his activity as former member of the Management Board.

Information pursuant to clause 5.4.1 paragraphs 5 to 7 of the German Corporate Governance Code:

According to the Supervisory Board's assessment, there are no personal or business relations existent at the time of publication of this calling between the candidates proposed for election and Koenig & Bauer AG or its group companies, the bodies of Koenig & Bauer AG or a shareholder being substantially involved in the Company which are recommended to be disclosed pursuant to clause 5.4.1 paragraphs 5 to 7 of the German Corporate Governance Code apart from Dr. Pleßke's activities as member of the Management Board ending on April 30, 2016.

Information on the candidates for the Supervisory Board proposed in item 5 of the agenda pursuant to s. 125 para. 1 sentence 5 of the German Stock Corporation Act:

a) Dipl.-Ing. Matthias Hatschek

Mr. Hatschek has no further memberships in domestic statutory supervisory boards or in comparable domestic and foreign control committees of commercial enterprises

b) Dr. Andreas Pleßke

Membership in statutory domestic supervisory boards:

- Solarworld AG, Bonn (member of the supervisory board)
- m.a.x. Informationstechnologie AG, Munich (chairman of the supervisory board)
- smartOne Consulting AG, Berg (member of the supervisory board)

Membership in comparable domestic and foreign control committees of commercial enterprises (as stated in the annual financial statement (management report) of Koenig & Bauer AG):

- KBA Grafitec s.r.o., Dobruska, Czech Republic (member of the advisory board)
- Albert-Frankenthal GmbH, Frankenthal, Federal Republic of Germany (member of the advisory board)
- KBA-FT Engineering GmbH, Frankenthal, Federal Republic of Germany (member of the advisory board)
- KBA-Mödling GmbH, Mödling, Republic of Austria (member of the supervisory board)

In addition to the explanations in the management report it is hereby clarified that the initially stated three functions are not advisory roles in the traditional sense but that Dr. Pleßke rather exercises shareholder rights for Koenig & Bauer AG in his role as Manager of the Company. Consequently, Dr. Pleßke's performance of these three activities will end automatically upon retirement from the Management.

Regarding his last-mentioned activity with KBA-Mödling GmbH, this is a membership in a statutory foreign supervisory board. It is intended that Dr. Pleßke will retire from this position upon retirement from the Management Board of Koenig & Bauer AG.

Additional information on the candidates can be obtained on the Company's website on <http://www.kba.com/investor-relations/hauptversammlung/hv-2016>.

6. Resolution on the new version of paragraph V, No. 13 "Supervisory Board Compensation" of the Articles of Association of Koenig & Bauer AG

In the expired business year, the Supervisory Board discussed among other things the existing compensation regulation for the Supervisory Board within the framework of the required efficiency review. In the future, the compensation system is to be designed even more transparently and appropriately.

The Management Board and the Supervisory Board therefore propose to revise paragraph V, No. 13 "Supervisory Board Compensation" of the Articles of Association of Koenig & Bauer AG as follows:

"13.1. The members of the Supervisory Board are each entitled to a fixed annual compensation of € 28,000.

13.2. The chairman of the Supervisory Board shall respectively receive twice, and each deputy chairman shall receive one and a half times this amount.

13.3. For the membership in committees of the Supervisory Board

- the chairwoman/-man of the Examining Board shall receive € 9,000, and each other member shall receive € 6,000
- the chairwoman/-man of the Strategy Committee shall receive € 7,500, and each other member shall receive € 5,000
- the chairwoman/-man of the Personnel Committee shall receive € 4,500, and each other member shall receive € 3,000.

The members of the remaining committees shall not receive any separate compensation.

Any activities in committees are only considered once within the framework of compensation, whereas the compensation for the activity in more than one committee is measured by the one with the highest compensation.

13.4. The compensation for the Supervisory Board shall be payable following the completion of each business year. If a member of the Supervisory Board retires from his office during the course of a business year, he shall receive the compensation pro rata temporis and rounded up to full months. If a member of a committee retires from this position, he shall also receive the compensation provided for his function in the committee pro rata temporis and rounded up to full months. However, compensation based on the served time in a committee requires that the respective committee was in session to fulfil its task during the respective time.

13.5. The members of the Supervisory Board shall be reimbursed for their travel expenses as well as for other expenses reasonably incurred in the performance of their duties. In addition, every member in attendance at a meeting shall receive a daily allowance of € 250; no daily allowance is granted for meetings of the committees.

13.6 The Company shall reimburse each member of the Supervisory Board for any VAT payable on their compensation and reimbursed expenses incurred in connection with their activities as member of the Supervisory Board. The Company shall provide the members of the Supervisory Board in the Company's interest with appropriate insurance cover for the activities in the Supervisory Board.

13.7 The provisions of this clause 13 shall be applicable for the first time for the business year starting on January 1, 2016."

7. Resolution on the authorization for the purchase of own Company shares and for the sale of own Company with exclusion of subscription right

In order to purchase and use their own shares, the Company requires a special authorization by the general meeting pursuant to s. 71 para. 1 No. 8 of the German Stock Corporation Act, unless not otherwise expressly permitted by law. Since the authorization resolved by the Annual General Meeting on June 16, 2011 may possibly already be expired and will in any way be expired at the time when the Annual General Meeting referred to in this calling is held, a new proposal for authorization is to be presented to the Annual General Meeting for resolution.

The Management Board and the Supervisory Board therefore propose to resolve the following:

a) "Pursuant to s. 71 para. 1 No. 8 of the German Stock Corporation Act, the Company shall be authorized to purchase Company shares up to a maximum total of 10% of the Company's share capital. The shares acquired through this authority, together with other own Company shares already purchased and still owned by or attributable to the Company pursuant to ss. 71d and 71e of the German Stock Corporation Law, may at no time exceed 10% of the share capital at the time the authorization is exercised.

b) The authorization may be exercised in full or with partial amounts, once or multiple times, directly by the Company. The purchase authorization shall be effective until May 18, 2021.

c) The purchase may be conducted via the stock exchange, by means of a public offer directed at all shareholders, by means of a public invitation to submit sale offers or by means of tender rights provided for the shareholders.

(i) If the purchase of shares occurs via the stock exchange or a public purchase offer, the equivalent value to be paid by the Company per share (without ancillary purchase costs) must not deviate by more than five percent from the arithmetic average of the daily volume weighted average closing prices of the Company's share in Xetra-trading (or a successor system replacing the Xetra-system) at the Frankfurt stock exchange on the respective ten previous trading days before the conclusion of the contractual transaction, if the purchase occurs via the stock exchange, or prior to the publication of the decision to issue the public purchase offer, if the purchase occurs by means of a public purchase offer.

If significant deviations of the offered price from the share price occur after publication of a public purchase offer, the offer may be adjusted. In this case, the relevant amount is determined based on the respective share price on the last trading day prior to the publication of the adjustment; the deviation limit of five percent is also applicable to this amount.

The volume of the public purchase offer may be limited. If the volume of the offered shares exceeds the existing return volume in case of a public purchase offer, the purchase may occur in this respect under partial exclusion of a potential

tender right in proportion to the shares tendered in response to the purchase offer (tender quota) instead of in proportion to the participation of the tendering shareholders of the Company (participation quota). Additionally, a preferential acceptance of smaller quantities up to 100 tendered shares per shareholder as well as rounding for the avoidance of mathematical fractions in accordance with commercial considerations may be provided with partial exclusion of a potential tender right in this respect. The Management Board of the Company decides on the detailed arrangement of the offer.

(ii) If the purchase occurs by means of a public invitation to submit sale offers directed at all shareholders, the Company will set a purchase price range per share, within which sale offers may be submitted. The purchase price range may be adjusted, if significant deviations from the share price at the time of publication of the invitation to submit sale offers occur. The purchase price to be paid by the Company per share (without ancillary purchase costs) determined by the Company based on the received sale offers must not deviate by more than five percent from the average of the daily volume weighted average closing prices of the Company's share in Xetra-trading (or a successor system replacing the Xetra-system) at the Frankfurt stock exchange on the respective ten previous trading days before the effective day defined below. The effective date is the day on which the Management Board of the Company ultimately formally decides on the publication of the invitation to submit sale offers or its adjustment.

The acceptance volume may be limited. If not all offers can be accepted due to the volume limitation in case of multiple similar sale offers, the purchase may occur in this respect under partial exclusion of a potential tender right in proportion to the tender quota instead of in proportion to the participation quota. Additionally, a preferential acceptance of smaller quantities up to 100 tendered shares per shareholder as well as rounding for the avoidance of mathematical fractions in accordance with commercial considerations may be provided with partial exclusion of a potential tender right in this respect. The Management Board of the Company decides on the detailed arrangement of the public invitation to submit sale offers directed at the shareholders.

(iii) If the purchase occurs by means of tender rights provided for the shareholders, they may be allotted per share of the

Company. In accordance with the ratio of the Company's share capital to the volume of the shares to be repurchased by the Company, a respectively determined number of tender rights entitles to sell a Company share to the Company. Tender rights may also be allotted in a manner that respectively one tender right per number of shares resulting from the ratio of the share capital to the return volume is allotted. Fractions of tender rights are not allotted; in this case, the respective partial tender rights are excluded. The price or the limit values of the offered purchase price range (each without ancillary purchase costs) for which a share may be sold to the Company, if the tender right is exercised, is determined according to lit. (c) (ii) stated above, whereby the relevant effective date is the date of publication of the repurchase offer with granting of tender rights or, if subsequent adjustment occurs, the date of publication of the adjustment. The Management Board of the Company decides on the detailed arrangement of the tender rights, particularly their content, their duration and, if applicable, their transferability.

d) Pending approval by the Supervisory Board, the Management Board is authorized to use own Company shares purchased based on this authorization or a previous one for all legally permitted purposes and particularly for the following purposes:

(i) For selling the purchased own Company shares via the stock exchange or by means of an offer to all shareholders.

(ii) For selling for compensation in kind, particularly also in connection with the acquisition of companies, parts of companies or participations in companies as well as company mergers. The subscription right of the shareholders is excluded in this respect.

(iii) Also for selling in a manner other than via the stock exchange or by means of an offer to the shareholders, if the shares are sold for payment in cash at a price not significantly lower than the stock exchange price of Company shares of the same category at the time of sale. The shareholders' subscription right is excluded in this respect. This authorization is, however, only effective provided that the shares sold under exclusion of the subscription right pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act must not exceed ten percent of the share capital in total, namely neither at the effective date nor – if this value is lower – at the time when this authorization

is exercised. The shares that are issued during the term of this authorization until it is exercised from potentially authorized capital under exclusion of the subscription right pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act are to be counted towards this limitation of ten percent of the share capital.

(iv) For issuing to employees of the Company and affiliated companies in the sense of ss. 15 et seqs. of the German Stock Corporation Act. They may also be used for issuing to selected employees in executive and key positions of the Company as well as to members of the management and selected employees in executive and key positions of affiliated companies pursuant to s. 15 et seqs. of the German Stock Corporation Act.

(v) For redeeming shares without this redemption and its execution requiring another resolution by the General Meeting. They may also be redeemed in a simplified procedure without capital reduction by adjustment of the proportional mathematical amount of the remaining no-par value shares to the share capital of the Company. Redemption may be limited to a part of the purchased shares. If redemption occurs in the simplified procedure, the Management Board is authorized to adjust the number of no-par value shares in the Articles of Association. Redemption may also be connected to a capital reduction; in this case, the Management Board is authorized to reduce the share capital by the proportional amount of the share capital allotted to the redeemed shares and to respectively adjust the information on the number of shares and the share capital in the Articles of Association.

e) The above authorizations in lit. (d) above may each be exercised in full or in several partial amounts.

f) In addition to the exclusions of subscription rights already separately provided for within the framework of the authorizations, the Management Board may exclude the shareholders' subscription rights for residual amounts with the Supervisory Board's approval in case of sale of the Company's own shares by offer to all shareholders.

g) The currently effective authorization for purchase of the Company's own shares shall be cancelled upon effectiveness of the new authorization."

8. Resolution on the cancellation of the current authorized capital with simultaneous creation of new authorized capital and renewal of optional exclusion of subscription right

The authorization resolved at the Annual General Meeting on June 16, 2011 to increase the share capital for cash contributions and/or contributions in-kind (authorized capital) totaling a maximum of € 15,600,000.-- by issuing a maximum of 6,000,000 no-par value shares with the option of excluding subscription rights expires on June 15, 2016.

To enable the Management Board to also utilize authorized capital in the future, particularly for the purpose of purchasing participations in companies as well as enhancing the Company's capital resources as well as to carry out cash and non-cash increases, particularly by issuing employee shares, a new authorized capital is to be created while cancelling the existing authorized capital.

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

“The current authority granted at the Annual General Meeting on June 16, 2011 shall be cancelled, and a new authorized capital shall be created.”

Paragraph II, No. 5.3 of the Articles of Association of Koenig & Bauer AG shall be revised as follows:

“5.3. With the consent of the Supervisory Board, the Management Board is authorized to increase the share capital by no more than € 13,000,000 in the period ending on May 18, 2021, through a single issue or multiple issues of new, no-par value shares in the name of the owner for cash contributions and/or contributions in-kind, up to a maximum total of 5,000,000 shares. The Management Board decides with the consent of the Supervisory Board on the issuing of new shares and the conditions of such issuing.

5.3.1 In general, the new shares shall be offered to shareholders on a pre-emptive basis.

5.3.2. However, with the consent of the Supervisory Board, the Management Board is authorized to exclude the shareholders' legal subscription rights in the instances specified below:

- for residual amounts;

- for capital increases in exchange for cash contributions, if the issue price for the new shares is not substantially lower than the stock market price for the Company shares and the shares issued with exclusion of subscription rights do not exceed a total of 10% of the share capital neither at the time when this authorization takes effect nor when it is exercised. The 10% threshold shall include shares issued or disposed of during the period of this authorization but under a different authority with exclusion of subscription rights in direct or indirect reliance on s. 186 para. 3 sentence 4 of the German Stock Corporation Act;
- for capital increases via cash contributions for a mathematical portion of the share capital not exceeding a total of € 1,300,000 through the issue of no more than 500,000 new no-par value shares, if the new shares are offered to Company employees on a pre-emptive basis and issued to them; as well as
- for capital increases via contributions in-kind for the granting of shares, if these shares are to be used for the acquisition of companies or participations in companies.”

The Supervisory Board shall be authorized to amend the version of the Articles of Association in accordance with the extent of the capital increase from the authorized capital following a complete or partial exercise of the increase of share capital from the authorized capital or after expiry of the authorization period.

9. Resolution on the approval of two profit transfer agreements

Koenig & Bauer AG concluded two identical profit transfer agreements on March 24, 2016 with KBA-MetalPrint GmbH (“**KBA-Metal Print**”) and KBA Deutschland GmbH (“**KBA Deutschland**”).

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

“The profit transfer agreements between Koenig & Bauer AG and KBA-MetalPrint GmbH dated March 24, 2016 as well as between Koenig & Bauer AG and KBA Deutschland GmbH dated March 24, 2016 are approved.”

The profit transfer agreements have the following content:

- KBA-Metal Print and KBA Deutschland (together “**Holding Companies**”) are obliged to transfer their complete transferable pro-

- fits arising during the term of the agreement to Koenig & Bauer AG. The transfer of profits must not exceed the amount stated in s. 301 of the German Stock Corporation Act (as amended) (respectively section 1 para. 1 of each profit transfer agreement).
- The Holding Companies may allocate amounts from the annual surplus to the revenue reserve – except for statutory reserves, as far as this is permitted under commercial law and economically justified with reasonable commercial assessment (respectively section 1 para. 2 of each profit transfer agreement).
- Koenig & Bauer AG is obliged vis-à-vis the Holding Companies to assume losses in accordance with all provisions of s. 302 of the German Stock Corporation Act (as amended) (respectively section 2 of each profit transfer agreement).
- The profit transfer agreement was concluded with the condition precedent that the Annual General Meeting of Koenig & Bauer AG and the respective meetings of shareholders of the Holding Companies as contracting parties approve the respective profit transfer agreement. Each profit transfer agreement only comes into effect upon registration of the existence of the profit transfer agreement in the Commercial Register of KBA-Metal Print and respectively KBA Deutschland. Obligations to transfer profits and assume losses are each applicable retroactively as of the commencement of the business year of KBA-Metal Print respectively KBA Deutschland (section 3 para. 1 of each profit transfer agreement).
- The profit transfer agreements with the Holding Companies were concluded for an indefinite period. The profit transfer agreements may be terminated with a notice period of six months but with effect upon expiry of a period of five years starting with the commencement of the business year of the Holding Companies, in which the profit transfer agreement came into effect (respectively section 3 para. 2 of each profit transfer agreement).
- Each contracting party of the respective profit transfer agreement is entitled to terminate the agreement for good cause at any time without compliance with a notice period. A good cause is particularly existent, (i) if the other contracting party will expectedly not be able to fulfil its obligations arising from the agreement (s. 297 para. 1 of the German Stock Corporation Act) or (ii) if a good cause in the sense of s. 14 para. 1 No. 3 sentence 2 of the Corporation Income

Tax Act (KStG) is existent (respectively section 3 para. 3 of each profit transfer agreement).

Koenig & Bauer AG holds a 100% interest in each of the Holding Companies. For this reason, the profit transfer agreement neither has to provide compensation payments nor settlement payments for external partners or respectively shareholders.

The meetings of shareholders of KBA-MetalPrint and respectively KBA Deutschland will also be provided with the respective profit transfer agreement for approval shortly before the Annual General Meeting. The Management Board of Koenig & Bauer AG and the managements of KBA-MetalPrint and KBA Deutschland have each prepared a collective report in accordance with s. 293a of the German Stock Corporation Act.

The collective reports in accordance with s. 293a of the German Stock Corporation Act, the profit transfer agreements as well as the annual financial statements (along with potential management reports) of Koenig & Bauer AG and of the Holding Companies for the past three years may be obtained on the Internet on <http://www.kba.com/investor-relations/hauptversammlung/hv-2016> as of the day of calling. The documents will also be sent to the shareholders by mail upon request. Furthermore, they will be provided at the Annual General Meeting.

Statements by the Management Board to the Annual General Meeting

Regarding items 7 and 8 on the agenda, the Management Board provides the Annual General Meeting with the following reports:

Report on item 7 (purchase of own Company shares) pursuant to s. 71 para. 1 No. 8, s. 186 para. 4 sentence 2 of the German Stock Corporation Act

The currently existing authority to purchase own Company shares expires soon and is therefore to be renewed by resolution of the Annual General Meeting in order to enable the Company to continue to purchase its own shares. The currently existing authorization was not utilized.

In addition to purchase via the stock exchange, the Company is to be given the option to purchase its own shares by means of a public purchase offer and respectively a public invitation to submit sale offers. Within the framework of the respective offer, any shareholder of the Company who is willing to sell may freely decide, how many shares and, in case a price range is set, at which price he would like

to offer his shares. If the amount offered at the set price exceeds the amount of shares requested by the Company, an allotment of acceptance of the sale offers is to occur. In this context, the Company is to be enabled to provide preferential acceptance of small offers or smaller parts of offers of up to a maximum of 100 shares. This option serves the purpose of avoiding fractioned amounts in context with the determination of the quota to be purchased and small remainders and thereby facilitating the technical transaction. In addition, a factual disadvantage of small shareholders can be prevented in this manner. Furthermore, the purchase can occur in proportion to the tender quota instead of the participation quota, since the purchase process can thereby be carried out in an economically reasonable manner. Finally, rounding in accordance with commercial principles is to be provided in order to avoid mathematical fractions of shares. In this respect, the purchase quota and the number of shares to be purchased from individual shareholders may be rounded in order to transact the purchase of whole shares in a technically possible manner. The Management Board deems the accompanying exclusion of the shareholders' tender right factually justified as well as appropriate.

In addition to the three previously stated purchase options, the authorization also provides for purchase by means of tender rights provided for the shareholders. These tender rights are to be designed in a manner that the Company is only obliged to purchase whole shares. As far as tender rights cannot be exercised in this context, they expire. This procedure is to occur in consideration of the principle of equal treatment of the shareholders and simplifies the technical process of the purchase of own Company shares.

Item 7 on the agenda also inversely provides for the sale and transfer of own Company shares, whereby trading in Company shares is respectively excluded. The Company's own shares may in this context be used for all legally permitted purposes.

The non-comprehensive catalogue of item 7 lit. (d) on the agenda firstly expressly provides for the Company being able to utilize its own shares also for procurement of capital resources within the framework of a resale. The resale can either occur via the stock exchange or by means of an offer to all shareholders. In case of sale of the Company's own shares within the framework of an offer directed at the shareholders, the Management Board is to be authorized to exclude the subscription right for shareholders for residual amounts. This requirement results from the fact that otherwise the technical realization of the offer is not possible. The Company's own shares

excluded from the shareholders' subscription right as fractions of shares are either utilized by sale at the stock exchange or in a different way in the best possible manner for the Company.

The Company's own shares are additionally available for the Company to sell them for payments in kind. This option is particularly to be used for being able to offer the Company's own shares as consideration for the purpose of company mergers or acquisition of companies, participations in companies or company parts as well as other assets under exclusion of the shareholders' subscription right. In this way, the Company is to be put in a position where it can quickly react to advantageous offers or use other opportunities for company mergers, acquisition of companies, participations in companies and company parts or other assets while conserving liquid funds for the purpose of strengthening the Company. As far as the need to provide shares and not cash as consideration arises within the framework of negotiations regarding the use of potential opportunities, the Management Board will naturally consider the current stock market price for the assessment, even though a schematic connection is not always appropriate. In the Management Board's view, the Company's interests must not be affected by stock market price fluctuations.

The proposed resolution furthermore includes the authorization to sell the purchased shares outside of the stock market for cash payment under exclusion of subscription right. In this context, it is required that the shares be sold at a price that does not significantly fall short of the stock market price of the Company's shares of the same category at the time of selling. With this authorization, the option of simplified exclusion of the subscription right pursuant to s. 71 para. 1 No. 8 of the German Stock Corporation Act with respective application of s. 186 para. 3 sentence 4 of the German Stock Corporation Act is used. The fact that the shares must only be sold at a price that does not significantly fall short of the relevant stock market price particularly takes the concept of protecting shareholders against dilution into account. The final determination of the sale price for the Company's own shares will occur promptly before the sale. The Management Board will measure a potential discount to the stock market price as low as possible in accordance with the market conditions existing at the time of placement. The discount to the stock market price at the time of utilizing the authorization will under no circumstances amount to more than five percent of the current stock market price. The authorization is effective provided that the shares sold under exclusion of the subscription right pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act must not exceed

a total of ten percent of the share capital, neither at the effective date nor at the time this authority is exercised. Shares that are issued during the term of this authorization from authorized capital under exclusion of the subscription right pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act are to be counted towards the limitation of ten percent of the share capital. The same applies to shares that are to be issued for the fulfillment of potential option or conversion rights, as far as this is connected to an exclusion of subscription right in application of s. 186 para. 3 sentence 4 of the German Stock Corporation Act.

By means of this crediting, it is ensured that the purchased own Company shares are not sold under exclusion of the subscription right pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act, if this would cause that the shareholders' subscription right is excluded in direct or indirect application of s. 186 para. 3 sentence 4 of the German Stock Corporation Act for a total of more than ten percent of the share capital. By means of this limitation taking into account the fact that the issuing price is to be oriented towards the stock market price, the shareholders' interests in assets and voting rights are appropriately protected. The shareholders generally have the option to maintain their participation quota by purchasing shares via the stock exchange. The authorization is in the interest of the Company, since it provides greater flexibility. It particularly enables the Company to also issue shares selectively to cooperation partners. In addition, the Company is to be enabled to quickly and flexibly react to advantageous situations at the stock exchange in this manner.

Furthermore, the Management Board is to be authorized to offer own Company shares to persons who are employed by the Company or an affiliated company (so-called employee shares). The use of own Company shares for issuing employee shares is already admissible without separate authorization by the Annual General Meeting (cf. s. 71 para. 1 No. 2 of the Stock Corporation Act) pursuant to the provisions of the Stock Corporation Act but only during the annual period of s. 71 para. 3 sentence 2 of the Stock Corporation Act after purchase. This time limit is, however, not applicable within the framework of the proposed authorization. The Management Board decides on the issuing conditions within the boundaries of s. 71 para. 1 No. 2 of the German Stock Corporation Act, whereby it is entitled to offer employee shares below the stock exchange value as purchase incentive within reasonable limits. A mandatory requirement for the use of existing shares as employee shares is in this context an exclusion of the shareholders' subscription right already correspondingly included

in the authorization. The goal of this authorization is to increase flexibility within the framework of offering employee shares by being able to offer own Company shares and not having to take the path via a potential capital increase.

Finally, the authorization provides that purchased own Company shares may also be redeemed. In this respect, redemption is to be possible in a manner that the share capital of the Company is reduced upon redemption. Additionally, redemption is also allowed without such capital reduction by mere redemption of the shares with simultaneous increase of the proportional amount of the share capital falling to the remaining shares. The shareholders' rights are not affected in any of those two cases stated above. In consideration of technical aspects, the Management Board is to be authorized in the context with a potential redemption to amend the Articles of Association regarding the changed number of no-par value shares and the reduced capital.

There are currently no concrete plans for utilizing the authorization for the purchase of own shares. The Management Board will inform the shareholders on a potential utilization at the General Meeting following the partial or complete utilization of the authorization for the purchase of own Company shares.

Report on item 8 on the agenda (authorized capital) pursuant to s. 203 para. 2 in connection with s. 186 para. 4 sentence 2 of the German Stock Corporation Act

The creation of a new authorized capital of a total of up to € 13,000,000 by issuing up to 5,000,000 no-par value shares is proposed to the Annual General Meeting. The new authorized capital is in this context to be available for both cash and non-cash capital increases and may also be utilized in part or as a whole.

In this respect, the total amount stated above must not be exceeded. The new authorized capital is to replace the authorized capital expiring on June 16, 2016; the Company utilized it until November 15, 2013 (registration of last capital increase in the commercial register) in the amount of € 156,234.00 for issuing 60,090 employee shares. The new authorized capital is to enable the Company to act quickly and flexibly without having to wait for the Annual General Meeting or an extraordinary general meeting. The proposed amount of the new authorized capital of up to a total of 5,000,000 new shares would correspond to an increase of 30.3 % of the current share capital when used completely.

If the authorized capital is used, the shareholders are generally

entitled to a subscription right. This right may only be excluded by the Management Board in the following cases pending the Supervisory Board's approval:

For residual amounts which cannot be equally distributed among

- all shareholders. Such exclusion of the subscription right regarding these potential residual amounts serves the purpose of enabling utilization of the authorization by means of round amounts and thereby ensuring a simplified process.

For capital increases against cash contributions for a nominal

- amount of up to a maximum of 10% of the share capital pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act. This authorization enables the Management Board to issue shares for this amount for the purpose of placement in close proximity to the market price. This authorization covers an amount of up to ten percent of the share capital of the Company in accordance with the statutory requirements of an exclusion of the subscription right pursuant to s. 186 para. 3 sentence 4 of the German Stock Corporation Act in consideration of the authorization to utilize the own shares purchased by the Company; furthermore, it is specified that the issuing of the shares is to occur in close proximity to the stock market price and must not fall significantly short of it in order to protect the shareholders' interests. Upon determination of the issuing price, the administration will – in consideration of the current market situation – strive to keep a potential discount in the stock market price as low as possible. This authorization enables the Company to utilize market opportunities quickly and flexibly and to cover any capital requirements also in the short term. New shares are for example to be issued to one or several institutional investors or for the purpose of accessing new investor circles.

By excluding the subscription right, placement close to the stock market price is enabled so that the common discount for rights issue is omitted. The mathematical portion of the share capital falling to the shares issued under such simplified exclusion of subscription right must in total not exceed ten percent of the share capital at the effective date of the authorization or – if this value is lower – at the time when the authorization is utilized.

This takes account of the shareholders' need for protection against dilution for their share ownership. Furthermore, any shareholder may generally purchase shares at the market under comparable conditions in order to maintain his participation quota. Shares which are issued or sold during the term of this authorization until the time it is used in direct or respective application of s. 186 para. 3

sentence 4 of the German Stock Corporation Act are to be counted towards the limitation of ten percent.

- For capital increases for cash contributions for a mathematical interest in the share capital of a total of up to € 1,300,000 or respectively up to a maximum of 500,000 new shares. This exclusion is to enable the Management Board to have own Company shares at their disposal without going through the stock exchange in order to be able to offer them to Company employees in the form of employee shares. The issuing of employee shares for itself already justifies an exclusion of the subscription right, since preferential conditions which would not withstand conditions at arm's length may only be granted in this manner. The employees are not supposed to just be told that they should purchase the shares under market conditions as any third party willing to subscribe but may be granted an employee discount.

- For capital increases for contributions in kind, particularly for the acquisition of companies or participations in companies. In case on non-cash capital increases, the full subscription right is to be excludable pending the Supervisory Board's approval in order to enable the Management Board to have own Company shares at their disposal without having to go through the stock exchange for the purpose of acquiring companies or participations in companies in exchange for transfer of no-par value shares of the Company in appropriate individual cases.

Company expansions occurring through acquisition of a company or a participation in a company usually require a quick decision. By means of the proposed authorization, the Management Board will be able to quickly and flexibly react to advantageous offers or otherwise arising opportunities and to utilize options of expanding the Company in the Company's and the shareholders' interest. Transferring shares may be practical or even required as compensation in order to conserve liquid assets or to fulfil the seller's expectations. The proposed exclusion of the shareholders' subscription right for contributions in kind takes account of this circumstance.

There are currently no concrete plans for utilizing authorized capital. The Management Board will inform the shareholders on a potential utilization at the General Meeting following the partial or complete utilization of the authorized capital.

The Management Board's reports regarding items 7 and 8 on the agen-

da may be obtained on the Internet on <http://www.kba.com/investor-relations/hauptversammlung/hv-2016> from the day of the calling. They will additionally be available at the Annual General Meeting.

III. Notice and information for the shareholders

1. Number of shares and voting rights

The share capital of the Company at the time of calling of the Annual General Meeting amounts to € 42,964,435.80 and is divided up into 16.524.783 no-par value shares in the name of the owner. Every no-par value share is entitled to vote and grants one vote. The total amount of no-par value shares and voting rights at the time of the calling of the Annual General Meeting therefore amounts to 16.524.783. At the time of the calling of the Annual General Meeting, the Company does not hold their own shares.

2. Participation in the Annual General Meeting and exercise of voting right

a) Requirements for the participation in the Annual General Meeting and exercise of the voting right

Every shareholder who has registered with the Company until six days prior to the Annual General Meeting at the latest, consequently on Thursday, May 12, 2016 (24:00), and has provided proof for the share ownership to the Company by the custodian institute that they were shareholders of the Company at the beginning of the 21st day prior to the Annual General Meeting, namely on Thursday, April 28, 2016, 0:00 (called "cut-off date"), under the following address:

Koenig & Bauer AG
c/o Unicredit Bank AG
CBS51GM
80311 Munich
Germany
Fax: + 49 (0) 89 5400-2518
Email: hauptversammlungen@unicredit.de

is entitled to participate in the Annual General Meeting and to exercise his voting right. Equal to the registration, the evidence of share ownership must also have been received at the address of the

Company until May 12, 2016 (24:00) at the latest. Any registration and proof must be written in German or English. Text form is sufficient for the proof.

After due receipt of registration and proof of share ownership by the registration office of the Koenig & Bauer AG stated above, entry tickets for the participation in the Annual General Meeting will be sent by the registration office to the shareholders. In order to ensure timely receipt of the entry tickets, we kindly ask the shareholders to request an entry ticket with the custodian institute as early as possible. The required registration and the submission of the proof for the decisive share ownership are in these cases carried out by the custodian institute. Please note that a maximum of four entry tickets is generally handed out per shareholder. The entry tickets are mere means of organization and do not constitute an additional participation requirement.

The cut-off date is the decisive date for the extent and the exercise of the participation in and voting right at the Annual General Meeting. For the participation in the Annual General Meeting or the exercise of the voting right only those persons are considered to be shareholders towards the Company who have provided proof for share ownership on the cut-off date. Any changes of the share portfolio after the cut-off date are irrelevant for this. Shareholders who have only acquired their shares after the cut-off date can therefore not participate in the Annual General Meeting, unless they are empowered or authorized to exercise rights in this respect. Shareholders who have duly registered and provided proof are also entitled to participate in the Annual General Meeting and exercise their voting rights, if they dispose of the shares after the cut-off date. The cut-off date does not affect the ability to sell the shares.

b) Procedure for voting by proxy holders

The shareholders may also exercise their voting rights in the Annual General Meeting by proxy holders, e.g. by a credit institute, a shareholders' association or a different person of their choice. The following is to be noted in this context:

In case of an authorization, timely registration and proof of the share ownership pursuant to the above provisions are also required. If a shareholder authorizes more than one person, the Company may reject one or more of these persons.

The grant of proxy, its revocation and proof of the proxy towards the Company require text form.

The grant of proxy and its revocation may either be declared towards the authorized person or towards the Company at the following address:

Koenig & Bauer AG
Investor Relations
Friedrich-Koenig-Straße 4
97080 Würzburg
Germany
Fax: + 49 (0) 931 909-4880
Email: corinna.mueller@kba.com

Proof of proxy may also be submitted to the address stated above. Proof of proxy may also be provided on the day of the Annual General Meeting in written form at the entrance and exit control.

In case of proxy of credit institutes, shareholders' associations or any institutes, companies and persons equal to these pursuant to s. 135 para. 8 or 10 of the German Stock Corporation Act, particularities are usually to be respected which can be requested with the person or entity to be respectively authorized. We therefore kindly ask the shareholders intending to authorize a credit institute, a shareholders' association or a different company or person equal to these pursuant to s. 135 para. 8 or 10 of the German Stock Corporation Act to exercise their voting rights to confer with the person or entity to be authorized on the form of proxy.

You will receive a form that may be used for granting proxy along with the entry ticket sent to the shareholders after due and timely registration for the Annual General Meeting. The respective form may also be accessed on the website of the Company on <http://www.kba.com/en/investor-relations/annual-general-meeting/agm-2016/>.

After grant of proxy registered shareholders may still attend the Annual General Meeting in person.

c) Procedure for voting by proxies of the Company

The Company additionally offers the shareholders once again the option of having their voting rights exercised through a Company voting representative bound to comply with specific voting

instructions. The company has appointed Dr. Torsten Bolz – corporate legal adviser of Koenig & Bauer AG – with power to grant substitute proxies as Company voting representative. A proxy for the benefit of the Company voting representative requires that he be given express instructions regarding the subject matter of the resolution. The company voting representative is obliged to vote according to the instructions given to him; he must not exercise the voting rights in his discretion. The company voting representative does not accept any instructions to request to speak, to file objections against resolutions of the Annual General Meeting or to ask questions or file applications.

Granting a Company voting representative proxy, the revocation of such proxy and evidence for the grant of proxy with regard to the Company require text form. Shareholders who wish to grant proxy to the Company voting representative may use the form to be received along with the entry tickets for this purpose as well as for giving instructions. Shareholders who wish to use this option must send their entry tickets along with the proxy bound by instruction to the Company until Wednesday, May 18, 2016, (24:00) in text form to the following address:

Koenig & Bauer AG
Rechtsabteilung
Friedrich-Koenig-Straße 4
97080 Würzburg
Germany
Fax: + 49 (0) 931 909-6172
Email: stimmrechtsvertreter@kba.com

The form for granting proxy and giving instructions as well as further information on granting proxy may also be accessed on the Company's website on <http://www.kba.com/en/investor-relations/annual-general-meeting/agm-2016/>.

In addition, shareholders who registered in due time and form and attend the Annual General Meeting as well as his proxies may also grant proxy to the Company voting representative to exercise their voting right and give him instructions during the Annual General Meeting until the end of the general debate.

After granting the Company voting representative proxy to exercise their voting rights, registered shareholders may still attend the Annual General Meeting in person.

3. Shareholders' rights

a) Supplementary requests pursuant to s. 122 para. 2 of the German Stock Corporation Act

Shareholders whose shares reach together 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 € 500,000.00 (this corresponds rounded up to the next higher number of shares 192.308 no-par value shares) may demand that items be added to the agenda and be published. The request is to be sent in written form to the Management Board of Koenig & Bauer AG and must have been 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 to be included in the calculation. Therefore, the last possible date for receipt is Monday, April 18, 2016 (24:00). Any supplementary requests received after this date shall not be considered. Please send respective requests to the following address:

To the Management Board
Koenig & Bauer AG
Friedrich-Koenig-Straße 4
97080 Würzburg
Germany

Any new agenda item must be accompanied by grounds or a draft resolution.

Pursuant to s. 122 para.2 sentence 1 of the German Stock Corporation Act, the provisions of s. 122 par. 1 sentence 3 in connection with s. 142 para. 2 sentence 2 of the German 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 application. S. 70 of the German Stock Corporation Act is to be adhered to for the calculation of this period.

Any additions to the agenda to be published shall – as far as these have not already been published upon the calling – be published in the Bundesanzeiger (federal gazette) 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 they spread the

information in the whole European Union as well as publish it on <http://www.kba.com/en/investor-relations/annual-general-meeting/agm-2016/>.

b) Counter-applications and voting proposals pursuant to ss. 126 para. 1 and 127 of the German Stock Corporation Act

Shareholders of the Company may file countermotions as to the proposals of the Management Board and/or the Supervisory Board regarding certain items of the agenda pursuant to s. 126 para. 1 of the German Stock Corporation Act as well as voting proposals as to the voting of annual auditors or members of the Supervisory Board pursuant to s. 127 of the German Stock Corporation Act. Such applications (along with grounds) and voting proposals are to be sent exclusively to the following address of the Company:

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

Counter-applications must be substantiated; this is not applicable to voting proposals.

Koenig & Bauer AG shall make any counter-applications and voting proposals by shareholders available that have been received until Wednesday, May 4, 2016 (24:00) at the latest and are to be published on its website on <http://www.kba.com/investor-relations/hauptversammlung/hv-2016> immediately after receipt. Potential statements by the administration shall also be made available on the stated website.

The Company may refrain from publication of a counter-application and its grounds or respectively a voting proposal, if one of the grounds for exclusion pursuant to s. 126 para. 2 of the German Stock Corporation Act is existent, for example because the voting proposal or counter-application would lead to an unlawful resolution by the Annual General Meeting or a resolution that violates the Articles of Association. A voting proposal does also not have to be made accessible, if the proposal does not contain the name, the current occupation and the place of residence of the proposed person. The grounds for a counter-application do not have to be made accessible, if they amount

in total to more than 5,000 characters. Proposals for the voting of the Supervisory Board do additionally not have to be made accessible, if no information on memberships of the suggested candidate in other statutory supervisory boards in the sense of s. 125 para. 1 sentence 5 of the German Stock Corporation Act is attached.

Shareholders are kindly asked to already provide proof of their share ownership at the time of sending the counter-application or respectively the voting proposal. It is pointed out that counter-applications and voting proposals sent to the Company in advance shall only be considered in the Annual General Meeting, if they are filed during the meeting. The right of every shareholder to file counter-applications during the Annual General Meeting regarding the various items of the agenda or voting proposals also without prior submission to the Company remains unaffected.

c) Information right pursuant to s. 131 para. 1 of the German Stock Corporation Act

Pursuant to s. 131 para. 1 of the German Stock Corporation Act, every shareholder is upon request 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 the agenda item. The Management Board may refuse to provide information for the reasons stated in s. 131 para. 3 of the German Stock Corporation Act.

4. Additional explanations

Additional explanations of the shareholders' rights pursuant to ss. 122 para. 2, 126 para. 1, 127 and 131 para. 1 of the German Stock Corporation Act are available on the Company's website on:
<http://www.kba.com/en/investor-relations/annual-general-meeting/agm-2016/>

V. Additional information and documents regarding the Annual General Meeting

Reference to the website

This invitation to the Annual General Meeting, any other documents to be made accessible for the Annual General Meeting and additional information in connection with the Annual General Meeting are available on the Company's website on <http://www.kba.com/investor-relations/hauptversammlung/hv-2016>. All information to be made accessible for the Annual General Meeting is additionally available for review during the Annual General Meeting.

Voting results

The voting results determined by the chairman of the Annual General Meeting will be published on the Company's website on <http://www.kba.com/investor-relations/hauptversammlung/hv-2016>.

Würzburg, April 2016

Koenig & Bauer AG
The Management Board

