



Invitation
92nd Annual General Meeting

Koenig & Bauer AG, Würzburg

92nd Annual General Meeting

We cordially invite the shareholders to the 92nd Annual General Meeting of our Company.

The Annual General Meeting will take place on Tuesday, May 23, 2017, at 11:00 at the Vogel Convention Center (VCC), Max-Planck-Straße 7/9 (Foyer Ost), 97082 Würzburg, Germany.

I. Agenda

1. Presentation of the adopted annual financial statements and of the approved consolidated financial statements as well as of the summarized management report of the Koenig & Bauer group of companies as of December 31, 2016, and of the Supervisory Board's report and the Corporate-Governance report for the business year 2016
2. Resolution on the use of the profits of the Koenig & Bauer AG for the business year 2016
3. Resolution on the discharge of duties with regard to the members of the Koenig & Bauer AG Management Board for the business year 2016
4. Resolution on the discharge of duties with regard to the members of the Koenig & Bauer AG Supervisory Board for the business year 2016
5. Appointment of public auditors and group auditors for the business year 2017
6. Elections to the Supervisory Board
7. Resolution on the creation of new authorized capital with optional exclusion of subscription right and on the respective amendment of the Articles of Association

II. Proposals regarding the resolutions

1. Presentation of the adopted annual financial statements and of the approved consolidated financial statements as well as of the summarized management report of the Koenig & Bauer group of companies as of December 31, 2016, and of the Supervisory Board's report and the Corporate-Governance report for the business year of 2016

The stated documents also include the compensation report and the explanatory report regarding the information pursuant to s. 289 para. 4 as well as pursuant to s. 315 para. 4 of the German Commercial Code (*Handelsgesetzbuch*). These documents will be published on and can be retrieved from the Company's website under <https://www.kba.com/en/investor-relations/annual-general-meeting/> as of the day of the calling of the Annual General Meeting; all documents will also be sent to the shareholders by mail upon request. Furthermore, all stated documents will be made accessible during the Annual General Meeting and explicated therein. The Supervisory Board approved the annual financial statements prepared by the Management Board in the board meeting on March 21, 2017; 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, a shareholders' resolution on this item of the agenda is therefore not provided for.

2. Resolution on the use of the profits of Koenig & Bauer AG for the business year 2016

The Supervisory Board and the Management Board propose to use the profits of € 8,262,391.50 as follows:
Distribution of a dividend of € 0.50 per ordinary share for 16,524,783 no-par value shares: € 8,262,391.50

3. Resolution on the discharge of duties with regard to the members of the Management Board of the Koenig & Bauer AG for the business year 2016

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 2016 be granted for this period of time.

4. Resolution on the discharge of the members of the Supervisory Board of Koenig & Bauer AG for the business year 2016

The Supervisory Board and the Management Board propose that discharge of duties with regard to the acting members of the Supervisory Board of the Koenig & Bauer AG in the year 2016 be granted for this period of time.

5. Appointment of the public auditors and of the group auditor for the business year 2017

The Supervisory Board proposes upon recommendation of the Audit Committee to appoint KPMG Bayerische Treuhandgesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Munich, branch office Nuremberg, as auditor and group auditor for the business year 2017.

6. Elections to the Supervisory Board

The Supervisory Board of the Koenig & Bauer AG consists of a total of twelve members pursuant to para. V, No. 9.1 of the Articles of Association of the 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 a minimum of 30 percent women and men pursuant to ss. 96 para. 1, para. 2, sentence 1 and s. 101 of the German Stock Corporation Act (*Aktiengesetz*) in connection with ss. 1 para. 1 and s. 7 para. 1 sentence 1 No. 1 of the German Codetermination Act (*Mitbestimmungsgesetz*).

The minimum quota is to be fulfilled for both sides in the Supervisory Board of the Koenig & Bauer AG, the shareholders' representatives side and the employees' representatives side, each separately, since the employee representatives have objected to the overall compliance towards the chairman of the Supervisory Board. On the shareholders' side and on the employee representatives' side, at least two seats have therefore to be filled by women and at least two seats have to be filled by men.

The female shareholder representatives in the Supervisory Board of the Koenig & Bauer AG are Ms. Dagmar Rehm und Prof. Dr. Gisela Lanza; the female employee representatives are Ms. Julia Cuntz and Ms. Simone Walter. The remaining four shareholder representatives and the remaining four employee representatives are men. The statutory minimum quota is thereby fulfilled on both the shareholders' side and the employee representatives' side in the Supervisory Board of the Koenig & Bauer AG.

Since Mr. Carl Ferdinand Oetker, Supervisory Board member on the shareholders' side, retired from the Supervisory Board at his own request as of December 31, 2016, Mr. Carsten Dentler was appointed on March 13, 2017 by the Local Court (*Amtsgericht*) of Würzburg upon the Management Board's motion as member of the Supervisory Board of the Koenig & Bauer AG according to the Nominating Committee's proposal as well as the Supervisory Board's decision. The abovementioned person is now to be duly elected as representative for the shareholders by the Annual General Meeting of the

Koenig & Bauer AG. Pursuant to s. 104 para. 5 of the German Stock Corporation Act, the term of a judicially appointed Supervisory Board member ends automatically as of the appointment of a Supervisory Board member duly elected by the Annual General Meeting.

Considering the goals for the composition of the Supervisory Board resolved upon by the Supervisory Board and based on the Nominating Committee's proposal, the Supervisory Board therefore proposes to elect as of the end of the Annual General Meeting on May 23, 2017

- Mr. Carsten Dentler, Bad Homburg v. d. Höhe
management consultant

as shareholders' representative of the Supervisory Board of the Koenig & Bauer AG. Mr. Dentler's term of appointment shall be until the end of the Annual General Meeting deciding on his respective discharge of duties for the business year 2021.

Information pursuant to clause 5.4.1 paragraphs 5 to 7 of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*):

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 candidate proposed for election and the Koenig & Bauer AG or its group companies, the bodies of the 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. The proposed candidate has many years of experience in the areas of accounting and auditing in the sense of s. 100 para. 5 of the German Stock Corporation Act. The Supervisory Board is convinced that the candidate proposed for election is able to dedicate the time required to fulfill the position.

Information pursuant to s. 125 para. 1 sentence 5 of the German Stock Corporation Act:

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

Additional information on the candidate can be obtained on the Company's website under
<https://www.kba.com/en/investor-relations/annual-general-meeting/>

7. Resolution on the creation of new authorized capital with optional exclusion of subscription right and on the respective amendment of the Articles of Association

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

In order to enable the Company to also use authorized capital in the future particularly for the purchase of participations in business enterprises and for strengthening the Company's own funds, a new authorized capital is to be created:

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

A. The Management Board shall be authorized to increase the share capital with the Supervisory Board's consent by no more than € 8,580,000, 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, as a whole or in partial amounts, up to a maximum total of 3,300,000 shares (authorized capital 2017) in the period ending on May 22, 2022. The Management Board decides with the consent of the Supervisory Board on the issuing of new shares and the conditions of such issuing.

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

B. Section II, No. 5.3 of the Articles of Association of the Koenig & Bauer AG is cancelled and rephrased as follows:

The Management Board is authorized to increase the share capital with the Supervisory Board’s consent by no more than € 8,580,000, 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, as a whole or in partial amounts, up to a maximum total of 3,300,000 shares (authorized capital 2017) in the period ending on May 22, 2022. The Management Board decides with the consent of the Supervisory Board on the issuing of new shares and the conditions of such issuing.

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

C. 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.

Report on item 7 on the agenda (authorized capital 2017) 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 € 8,580,000 by issuing up to 3,300,000 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.

The shares may be taken over by one or more credit institutions along with the obligation to offer the subscription rights to the shareholders (indirect subscription right). Companies being active pursuant to s. 53 para. 1 sentence 1 or s. 53b para. 1 sentence 1 or para. 7 of the German Banking Act (*Gesetz über das Kreditwesen*) are on par with credit institutions.

There are currently no other authorities by the Annual General Meeting existent that would allow for the issuing of shares or subscription rights regarding shares with the exclusion of the shareholders' subscription rights.

In this respect, the total amount stated above must not be exceeded.

The new authorized capital is to replace the authorized capital expired on June 16, 2016. 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 3,300,000 new shares would correspond to an increase of 19.97 % 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 10 % of the share capital of the Company in accordance with the statutory requirements for 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 resolved in the Annual General Meeting on May 19, 2016 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 10 % 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 10 %.

- 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 of 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 quick decisions. 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 Annual General Meeting following the partial or complete utilization of the authorized capital.

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 its 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 Tuesday, May 16, 2017 (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 Tuesday, May 2, 2017, 0:00 (called “cut-off date”), under the following address:

Koenig & Bauer AG
c/o Computershare Operations Center
80249 Munich
Fax: +49 (0) 89 30903-74675
Email: anmeldestelle@computershare.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 16, 2017 (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 abovementioned registration office of the Koenig & Bauer AG, 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 their custodian institute as early as possible. The required registration and the submission of the proof for the decisive share ownership are in this case carried out by the custodian institute.

The cut-off date is the decisive date for the extent and the exercise of the participation right 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. The cut-off date does not affect the ability to sell the shares.

b) Procedure for voting by proxy holders

The shareholders may also have their voting rights in the Annual General Meeting exercised 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 those 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. The respective form may also be accessed on the

Company's website under

<https://www.kba.com/en/investor-relations/annual-general-meeting/>

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 the voting representative proxy, the revocation of such proxy and evidence for the grant of proxy require text form. Shareholders who wish to grant proxy to the Company voting representative may use the form they receive along with the entry ticket for this purpose. Shareholders who wish to use this option must send their entry ticket along with the proxy and the instructions for exercising the voting right until Monday, May 22, 2017 (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 under

<https://www.kba.com/en/investor-relations/annual-general-meeting/>.

In addition, shareholders who registered in due time and form and attend the Annual General Meeting as well as their 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 share reaches 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 (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 the 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 Saturday, April 22, 2017 (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.

b) Countermotions 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 appointment of Company's 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 Company address:

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

Koenig & Bauer AG shall make any countermotions and voting proposals by shareholders available that have been received until Monday, May 8, 2017 (24:00) at the latest and are to be published on its website under <https://www.kba.com/en/investor-relations/annual-general-meeting/> without undue delay after receipt.

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 such 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 under <https://www.kba.com/en/investor-relations/annual-general-meeting/>

IV. 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 under <https://www.kba.com/en/investor-relations/annual-general-meeting/>. 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 <https://www.kba.com/en/investor-relations/annual-general-meeting/>.

Würzburg, April 2017
Koenig & Bauer AG
The Management Board