

Press Release

Strong shareholder approval of company strategy

93rd Koenig & Bauer AG AGM

Würzburg, 9 May 2018

In addition to a presentation by president and CEO Claus Bolza-Schünemann outlining the company's performance in 2017 and the first quarter of 2018, details of the growth strategy being pursued and medium-term earnings targets of printing press manufacturer Koenig & Bauer AG played a key role at the company's 93rd annual general meeting, which was presided over by supervisory board chairman Dr Martin Hoyos. In the absence of any material deterioration in global economic and political conditions for the international business, the management board expects to achieve organic growth of around 4% in group revenue and an EBIT margin of around 7% in 2018. With its targets for the current financial year Koenig & Bauer is on track to achieving its EBIT margin target of 9% and an organic revenue growth rate of around 4% p.a. by 2021.

Growth in service and packaging markets as well as good progress with product innovations

Alongside the gains achieved in service and packaging markets, at the annual general meeting held at the Vogel Convention Center (VCC) in Würzburg Claus Bolza-Schünemann highlighted the company's good progress with product innovations as additional profitable growth beyond its medium-term goals. Focus is on the large and significantly growing market for direct printing on corrugated board and two-piece can decorating: "With new and further developments, we focus on products and services for the growth markets of packaging, digital and industrial printing, allowing our customers to unlock added value via a sustainable business model. We are increasingly placing store by the "Internet of Things" and proactive service offerings based on an analysis of customers' specific press and production data. We are committed to achieving the utmost customer satisfaction and long-term customer loyalty through higher customer benefits of our innovative and tailor-made high-tech products and services."

Shareholders approve dividend proposal of €0.90

In addition to share price gains, shareholders were pleased with the dividend proposal of €0.90 per share, which reflected the group's strong earnings performance, approving it almost unanimously. The dividend is based on Koenig & Bauer AG's retained profit of €14.9m. CEO Claus Bolza-Schünemann: "With a distribution rate of 18.4% of the group's net profit we want our shareholders to participate appropriately in our success and we continue our dividend policy with a rate of between 15% and 35% of group net income."

Large majority approve further agenda items

Alongside the discharge of duties with regard to the members of the management and supervisory board, shareholders elected KPMG Bayerische Treuhandgesellschaft in Nuremberg as public auditors and group auditors in 2018. Furthermore, the AGM approved the current remuneration system for the management board. Shareholders agreed to the profit transfer contracts between Koenig & Bauer AG and KBA-Kammann GmbH as well as Koenig & Bauer AG and KBA-Metronic GmbH. In addition, the

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management board was authorised to conclude a profit transfer agreement between KBA-Industrial Solutions AG & Co. KG and KBA-Gießerei GmbH.

The results of votes on individual items of the agenda are available in German at www.koenig-bauer.com/investor-relations/hauptversammlung/

Photo 1:

The 93rd Koenig & Bauer AG annual general meeting was held at the Vogel Convention Center (VCC) in Würzburg once again

Photo 2:

Innovative products and services delivering higher customer benefits for the growth markets of packaging, digital and industrial printing were highlighted in the speech held by president and CEO Claus Bolza-Schünemann

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About Koenig & Bauer

The Koenig & Bauer Group is a customer-centric partner to the international printing industry with annual revenue of €1.2bn and 5,600 employees. We are the global market and technology leader in security printing and in important packaging printing markets. Throughout its 200-year history, it has been driven by innovation and technological progress. Systematically oriented to meeting customer requirements, our high-tech printing presses and systems permit highly efficient printing, refining and processing. Our services cover a wide range of customer-oriented offerings including networked printing under the “Koenig & Bauer 4.0” label. With its solid balance sheet and high financial strength together with its focus on packaging, digital and industrial printing, Koenig & Bauer is on a profitable growth trajectory.

For more information, visit www.koenig-bauer.com

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The projections contained in this press release were founded on data available at the time of issue. While management believes them to be accurate, the impact of external factors beyond its control, such as changes in the economy, exchange rates and in our industry, may give rise to a different outcome from that projected. The outlook contains no meaningful portfolio effects and influences relating to legal and official matters. It also depends on ongoing earnings growth and the absence of disruptive temporary market changes. Koenig & Bauer therefore accepts no liability for transactions based upon these projections.