



**GESCO AG**

**Wuppertal**

**- ISIN DE000A1K0201 -**

**- Securities Identification Number A1K020 -**

**Invitation  
to the Annual General Meeting**

Notice is hereby given that the **Annual General Meeting** will be held at the Stadthalle Wuppertal, Johannisberg 40, 42103 Wuppertal, Germany on **Thursday, 28 August 2014** at **10:00 am** (doors open 09:00 am).

**Agenda**

**POINT 1**

**Presentation of the adopted annual financial statements and approved consolidated financial statements for financial year 2013/2014 (1 April 2013 to 31 March 2014) as well as the management report of GESCO AG and the Group management report, the report from the Supervisory Board and the report of the Executive Board in accordance with Sections 289 para. 4 and 315 para. 4 of the German Commercial Code (HGB).**

At its meeting on 28 May 2014, the Supervisory Board of GESCO AG approved the annual financial statements presented by the Executive Board. The annual financial statements have therefore been approved pursuant to Section 172 of the German Stock Corporation Act (AktG), according to which a resolution of the Annual General Meeting regarding this matter is not required. The consolidated financial statements were also approved by the Supervisory Board at the same meeting. In accordance with Section 173 para. 1 sentence 2 AktG, the Annual General Meeting is not required to pass a resolution on this matter either.

However, the above-mentioned documents must be made accessible to the Annual General Meeting. Shareholders may inspect them at the company's premises at Johannisberg 7, 42103 Wuppertal, as from the date of the convocation of the Annual General Meeting and at the meeting room during the Annual General Meeting. Upon request, shareholders will be sent a free copy without delay. The documents are also available online at <http://www.gesco.de/en/annual-meeting>.

**POINT 2**

**Resolution on the appropriation of retained profit for financial year 2013/2014**

The Executive Board and Supervisory Board of GESCO AG propose the following appropriation of retained profit for financial year 2013/2014 in the amount of € 7,314,478.60:

Distribution of a dividend of €2.20 per share on the current share capital entitled to dividends (3,325,000 shares less 237 treasury shares)	€7,314,478.60
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### **POINT 3**

#### **Resolution on the approval of the actions of the Executive Board for financial year 2013/2014**

The Supervisory Board and Executive Board propose to approve the actions of Executive Board members in financial year 2013/2014.

### **POINT 4**

#### **Resolution on the approval of the actions of the Supervisory Board for financial year 2013/2014**

The Executive Board and Supervisory Board propose to approve the actions of Supervisory Board members in financial year 2013/2014.

### **POINT 5**

#### **Appointment of an auditor for the annual and consolidated financial statements 2014/2015**

The Supervisory Board proposes to appoint RSM Breidenbach und Partner PartG mbB, Wirtschaftsprüfungsgesellschaft - Steuerberatungsgesellschaft, Wuppertal, as auditors of the annual and consolidated financial statements 2014/2015. It also proposes to appoint the same company as auditors for any potential audit of the abbreviated financial statements and interim management report included in the half-year report 2014/2015.

### **POINT 6**

#### **Resolution on the approval of the amendment of the existing profit and loss transfer agreement with MAE Maschinen- und Apparatebau Götzen GmbH**

On 21 August 2008, a profit and loss transfer agreement was concluded between the controlling company GESCO AG and the dependent company MAE Maschinen- und Apparatebau Götzen GmbH, Erkrath. The Annual General Meeting of GESCO AG approved this agreement on the same day. In 2010, the agreement was amended with the approval of the Annual General Meeting to take into account changes in the legal framework. This version forms the current basis for the income tax consolidation between GESCO AG as the controlling company and MAE Maschinen- und Apparatebau Götzen GmbH as the dependent company.

The law to amend and simplify the corporate tax system and the regulations governing how travel expenses are handled for tax purposes that came into effect on 20 February 2013 has led to various amendments to the German Corporation Tax Act (KStG). Since then, Section 17 sentence 2 no. 2 KStG stipulates that profit and loss transfer agreements with subsidiary companies with the legal form GmbH must in future include a reference to the arrangement to assume losses in accordance with Section 302 AktG in its respective valid version for the recognition of tax consolidation by the tax authorities. Given this fact, the existing profit and loss transfer agreement between GESCO AG and MAE Maschinen- und Apparatebau Götzen GmbH is to be adapted to the changed tax law framework. Accordingly, the GESCO AG reached an agreement with MAE Maschinen- und Apparatebau Götzen GmbH on 10 July 2014 to change the existing agreement in Section 2 para. 1 in accordance with Section 17 sentence 2 no. 2 KStG and that the current version shall include a provision for assumption of losses in reference to Section 302 AktG in its respective valid version. In light of the amendment to

the agreement, the preamble concerning the profit and loss transfer agreement was also amended for clarification to the effect that the business address of GESCO AG is now "Johannisberg 7" and no longer "Döppersberg 19". Moreover, the profit and loss transfer agreement remains unchanged. The amendment to the profit and loss transfer agreement described above is only effective by approval of the shareholders' meeting of MAE Maschinen- und Apparatebau Götzen GmbH and the Annual General Meeting of GESCO AG (Section 295 para. 1 sentences 1 and 2, Section 293 AktG).

The Executive Board and Supervisory Board propose to agree to the amendment to the existing profit and loss transfer agreement between GESCO AG as the controlling company and MAE Maschinen- und Apparatebau Götzen GmbH as the dependent company in accordance with the agreement on the amendment dated 10 July 2014.

Once the Annual General Meeting has convened, the following documents will be available for viewing by the shareholders at the company's business premises, Johannisberg 7, 42103 Wuppertal, as well as on the company's website at <http://www.gesco.de/en/annual-meeting>:

- Agreement on the amendment of the profit and loss transfer agreement dated 10 July 2014 between GESCO AG as the controlling company and MAE Maschinen- und Apparatebau Götzen GmbH as the dependent company as well as the amended version of the profit and loss transfer agreement (Section 295, para. 1 sentence 2, Section 293f para. 1 no.1 AktG)
- Annual financial statements and management reports of GESCO AG for the last three financial years (Section 295 para. 1 sentence 2, Section 293f para. 1 no. 2 AktG)
- Annual financial statements and management reports of MAE Maschinen- und Apparatebau Götzen GmbH for the last three financial years (Section 295 para. 1 sentence 2, Section 293f para. 1 no. 2 AktG)
- Joint report of the Executive Board of GESCO AG and the management of MAE Maschinen- und Apparatebau Götzen GmbH (Section 295 para. 1 sentence 2, Section 293a, Section 293f para. 1 no. 3 AktG)

Upon request, each shareholder will receive a copy without delay and free of charge. The documents will also be available at the Annual General Meeting. An examination of the agreement on the amendment or the amended agreement by an expert auditor (contract auditor) was not required because all the shares of the dependent company MAE Maschinen- und Apparatebau Götzen GmbH are directly held by the controlling company GESCO AG (Section 295 para. 1 sentence 2, Section 293b AktG). The text of the amended version of the profit and loss transfer agreement is also contained in the notes to this invitation.

### **Conditions for participating in the Annual General Meeting and other disclosures in accordance with Section 121 para. 3 sentence 3 AktG**

#### **Conditions for participation in the Annual General Meeting and exercising of voting rights**

In accordance with Section 14 para. 1 of the Articles of Association in conjunction with Section 123 para. 2 sentences 1 and 2 AktG, only shareholders who have registered on time and whose names are entered in the share register are entitled to participate in the Annual General Meeting and exercise their voting rights. The registration must reach the company by 24:00 CEST on 21 August 2014 at the following address:

GESCO AG  
Aktionärservice  
Postfach 14 60  
61365 Friedrichsdorf

Fax: +49 (0)69 2222 34291  
Email: [gesco.hv@rsgmbh.com](mailto:gesco.hv@rsgmbh.com)

or by registering through our secure online Annual General Meeting service (<https://netvote.gesco.de>) in accordance with procedure. The registration must be made in writing either in German or in English.

Registration forms for shareholders will be sent to the shareholder postal addresses entered in the company's share register by 00:00 CEST on 14 August 2014 together with the agenda of the Annual General Meeting. Shareholders require authorisation to access the Annual General Meeting service prior to using it. Information required for access to our online Annual General Meeting service (shareholder number and personal access number) will be sent to our shareholders together with the invitation to the Annual General Meeting. The online Annual General Meeting service can only be used if the respective shareholder is registered in the share register by 00:00 CEST on 14 August 2014 at the latest. The aforementioned possibility of registration is also available in the case of subsequent entry in the share register; in this case, please indicate your name, address and date of birth when registering.

In accordance with Section 67 para. 2 sentence 1 AktG, only shareholders who are registered as such in the company's share register shall be considered as company shareholders. Therefore, only the valid entries in the share register on the day of the Annual General Meeting are applicable in terms of the right to participate in the Annual General Meeting and the number of votes a shareholder is entitled to. For technical reasons, no amendments shall be made to the share register from 22 August 2014 up to and including 28 August 2014. Therefore, the share register entries valid on the day of the Annual General Meeting correspond with the entries valid after the final amendment on 21 August 2014. Registering for the Annual General Meeting does not prohibit trade in company shares. Shareholders therefore have full rights of disposal over their shares, even after successful registration for the Annual General Meeting.

Banks, shareholder associations and any coordinate person or entity in accordance with Section 135 paras. 8 and 10 in conjunction with Section 125 para. 5 AktG may only exercise a right to vote for shares of which they are not the legal owner, but for which they are listed as the owner in the company's share register, on the basis of an authorisation from the legal owner.

### **Procedure for voting by postal vote**

This year, we are again offering shareholders who do not wish to participate in the Annual General Meeting the opportunity to vote by postal vote prior to the Annual General Meeting. Our shareholders will receive a corresponding form together with the invitation to the Annual General Meeting. The postal vote form can also be sent to shareholders at any time on request. It is also available online at <http://www.gesco.de/en/annual-meeting>. Registration for the Annual General Meeting within the given time frame (see "Conditions for participation in the Annual General Meeting and exercising of voting rights" above) also applies in the case of postal voting. Votes submitted by post must have been registered via our online Annual General Meeting Service (<https://netvote.gesco.de>) or have been received in writing at the following address by 24:00 CEST on 21 August 2014:

GESCO AG  
Aktionärservice  
Postfach 14 60  
61365 Friedrichsdorf

Fax: +49 (0)69 2222 34291  
Email: gesco.hv@rsgmbh.com

Shareholders may still make changes regarding the exercising of their right to vote by postal vote in accordance with the aforementioned procedures by 24:00 CEST on 26 August 2014. By participating in the Annual General Meeting either in person or by appointing a third party to participate on their behalf, shareholders automatically revoke any postal votes previously submitted. Should a separate vote be called on a point on the agenda, then the vote cast for this point on the agenda as a whole shall also apply for all points of the separate vote.

### **Procedure for voting by authorised representative or proxy**

Shareholders who do not wish to participate in the Annual General Meeting in person may choose an authorised representative, e.g. a bank, shareholders' association or representative named by the company, to exercise the voting right on their behalf. In such cases, the registration must likewise still reach the company within the specified period (see "Conditions for participating in the Annual General Meeting and exercising of voting rights" above). Our shareholders will receive a corresponding form together with the invitation to the Annual General Meeting. The authorisation form can also be sent to shareholders at any time on request. It is also available online at <http://www.gesco.de/en/annual-meeting>. Please note that in the case of several representatives being appointed, the company reserves the right to reject one or more of them.

If the representative is neither a bank nor shareholders' association nor coordinate person or entity in accordance with Sections 135 paras. 8 and 10 in conjunction with Section 125 para. 5 AktG, the authorisation must be issued or revoked in writing and written proof must be provided to the company. Both authorisation and revocation may be presented to the company at the following address:

GESCO AG  
Aktionärservice  
Postfach 14 60  
61365 Friedrichsdorf

Fax: +49 (0)69 2222 34291  
Email: gesco.hv@rsgmbh.com

Alternatively, they may be presented to the representative. If the representative is granted authorisation, proof of such must be sent to the company to the address above. Alternatively, it may also be presented upon arrival at the entrance on the day of the Annual General Meeting.

In the case of the authorised representative being a bank, shareholders' association or coordinate person or entity in accordance with Sections 135 paras. 8 and 10 in conjunction with Section 125 para. 5 AktG, we would kindly ask shareholders to enquire about the necessary type of authorisation from the person or entity in good time, as a special type of authorisation may be required. No separate proof of authorisation needs to be provided to the company in such case.

By participating in the Annual General Meeting in person, shareholders automatically revoke any authorisation previously issued to a third party.

We offer our shareholders the opportunity to appoint representatives named by the company, who are bound by instructions, prior to the Annual General Meeting. If shareholders appoint representatives named by the company, they must provide them with instructions on exercising their voting rights. Without such instructions, the authorisation is invalid. Representatives must vote according to those instructions. Representatives of voting rights will not accept any authorisations for exercising other administrative rights such as the right to speak, ask questions or raise objections. We ask that you use the authorisation form enclosed with the invitation to the Annual General Meeting to appoint representatives named by the company and to provide instructions.

Authorisations for representatives named by the company, including instructions, can be issued in writing until 24:00 CEST on 26 August 2014 to the following address:

GESCO AG  
Aktionärservice  
Postfach 14 60  
61365 Friedrichsdorf

Fax: +49 (0)69 2222 34291  
E-Mail: [gesco.hv@rsgmbh.com](mailto:gesco.hv@rsgmbh.com)

Alternatively, they can be issued through our electronic Annual General Meeting service (<https://netvote.gesco.de>) until 24:00 CEST on 26 August 2014; this also requires registration by 24:00 CEST on 21 August 2014.

Shareholders may still make changes regarding the appointment of representatives and voting instructions in accordance with the aforementioned procedures by 24:00 CEST on 26 August 2014. By participating in the Annual General Meeting either in person or by appointing a third party to participate on their behalf, shareholders automatically revoke any previously issued proxy authorisation. If both authorisation has been issued to a representative named by the company and a postal vote has been submitted (see "Procedure for voting by postal vote" above), the postal votes shall always override the proxy vote; in such cases, the representatives of the company are unable to exercise the authority granted to them and do not represent the shares in question.

Our shareholders shall receive more information concerning the granting of authorisations and voting instructions with their invitation to the Annual General Meeting. This information is also available online at <http://www.gesco.de/en/annual-meeting>.

### **Motion to add points to the agenda in accordance with Section 122 para. 2 AktG**

In accordance with Section 122 para. 2 AktG, shareholders whose combined investments account for at least one twentieth of share capital (equalling a pro-rata amount of € 432,250.00 or 166,250 company shares) may motion for points on the agenda to be added and announced. Each new motion has to include a reason or proposal.

Any such motion to add points to the agenda must be addressed to the Executive Board and reach the company in writing (Section 126 of the German Civil Code (BGB)), including all legally required statements and documentary evidence, no later than 30 days prior to the Annual General Meeting, in other words by 24:00 CEST on 28 July 2014 at the latest at the following address:

GESCO AG  
- Vorstand -  
Johannisberg 7  
42103 Wuppertal

## **Counter motions and proposals for election in accordance with Sections 126 para. 1 and 127 AktG**

In accordance with Sections 126 para. 1 and 127 AktG, counter motions and proposals for election by shareholders on a certain point or certain points on the agenda must be directed at the latest to the following address by 24:00 CEST on 13 August 2014:

GESCO AG  
Investor Relations  
Johannisberg 7  
42103 Wuppertal

Fax: +49 (0)202 2482049

Email: [info@gesco.de](mailto:info@gesco.de)

In accordance with Sections 126 and 127 AktG, any publishable counter motions, proposals for election and potential statements by management will be made available online to shareholders without delay at <http://www.gesco.de/en/annual-meeting>.

## **Shareholders' right to information in accordance with Section 131 para. 1 AktG**

In accordance with Section 131 para. 1 AktG, every shareholder is entitled to request information from the Executive Board on company issues, the company's legal and business relationships with affiliated companies as well as the Group's position and that of companies included in the consolidated financial statements at the Annual General Meeting, if such information is necessary to make an informed decision on one or several of the points on the agenda. We would like to point out that the Executive Board may refuse to provide such information under the conditions stated in Section 131 para. 3 AktG.

## **Total number of shares and voting rights**

At the time the invitation to the Annual General Meeting was issued, the company's share capital amounted to € 8,645,000 and was divided into 3,325,000 no-par value shares. Each share carries one voting right. At the time the invitation to the Annual General Meeting was issued, voting rights therefore amounted to 3,325,000. At the time the invitation to the Annual General Meeting was issued, the company held 237 treasury shares. In accordance with Section 71b AktG, treasury shares do not carry any rights.

## **Documents and information in accordance with Section 124a AktG**

This invitation as well as all other documents and information on the Annual General Meeting, including more detailed explanations on the aforementioned shareholder rights in accordance with Sections 122 para. 2, 126 para. 1, 127 and 131 para. AktG and the information to be made available in accordance with Section 124a AktG, are available online at <http://www.gesco.de/en/annual-meeting>.

Wuppertal, July 2014

**GESCO AG**  
**The Executive Board**

## **Notes to POINT 6:**

The profit and loss transfer agreement dated 21 August 2008 between GESCO AG as the controlling company and MAE Maschinen- und Apparatebau Götzen GmbH as the dependent company in the amended version pursuant to the agreement on the amendment dated 10 July 2014 reads as follows:

### **PROFIT AND LOSS TRANSFER AGREEMENT**

between

1. GESCO Aktiengesellschaft, headquartered in Wuppertal, Johannisberg 7, 42103 Wuppertal and listed in the commercial register at Wuppertal District Court under no. HRB 7847

and

2. MAE Maschinen- und Apparatebau Götzen GmbH (hereinafter MAE GmbH), headquartered in Erkrath, Steinhof 65, 40699 Erkrath and listed in the commercial register at Wuppertal District Court under no. HRB 21240.

#### **§ 1 Transfer of profits**

1. MAE GmbH undertakes to transfer its entire profit as determined in accordance with the relevant provisions of German commercial law to GESCO AG. With the exception of forming or dissolving reserves in accordance with paragraph 2 below, as well as in accordance with Sections 30 et seq. of the German Limited Liability Company Act (GmbHG), the annual net income less any losses carried forward from the previous year and any amounts to be excluded from distribution pursuant to Section 268 para. 8 HGB is to be transferred to GESCO AG.
2. MAE GmbH is only entitled to allocate parts of the annual net income to other revenue reserves with the consent of GESCO AG, insofar as this is permissible under German commercial law and justified in economic terms on the basis of reasonable commercial judgment. Other revenue reserves accumulated during the term of this agreement must be dissolved and used to offset losses or transferred as profit if GESCO AG requests such.
3. The obligation to transfer profits shall apply for the first time for the entire profit of the financial year in which the profit and loss transfer agreement becomes effective.

#### **§ 2 Assumption of losses**

1. The provisions of Section 302 AktG, as amended, shall apply.
2. Section 1 para. 3 shall apply accordingly.

#### **§ 3 Effectiveness and duration**

1. This agreement is subject to approval by the shareholders' meeting of MAE GmbH and by the Annual General Meeting of GESCO AG.
2. This agreement shall become effective upon entry in the respective commercial register of the registered offices of MAE GmbH.



3. This agreement, which has been concluded for an indefinite period, cannot be terminated before the end of the financial year of MAE GmbH that ends at least six years after the beginning of the financial year in which the agreement on the amendment to this agreement as concluded in 2010 becomes effective. Thereafter, the agreement may be terminated with a period of six months' notice to the end of a financial year of MAE GmbH. Notice must be given in writing. Compliance with the notice period shall be determined on the basis of the date of receipt of the written notice of termination by the other party.
4. The right to terminate the agreement at any time for good cause without notice shall remain unaffected. In particular, GESCO AG reserves the right to terminate the agreement if it no longer holds a majority stake in MAE GmbH or if another shareholder acquires a stake in MAE GmbH.

#### **§ 4 Final provisions**

If one or more of the provisions of this agreement is or becomes invalid or unenforceable, the validity of the remaining provisions shall not be affected.