



KUKA Aktiengesellschaft

Augsburg

# **Articles of Incorporation**

as of June 13, 2012

## A. GENERAL PROVISIONS

### ARTICLE 1 - COMPANY NAME, REGISTERED OFFICE AND TERM OF INCORPORATION

(1) The stock corporation has the company name

**KUKA Aktiengesellschaft**

and its corporate seat is situated in Augsburg.

(2) The term of incorporation is not limited to a certain period of time.

### ARTICLE 2 - CORPORATE PURPOSE OF THE COMPANY

(1) The company manages a group of companies in Germany and abroad, which primarily conduct business as follows:

- Development, design, manufacture, sales and maintenance of industrial robots and robot-based products and applications, as well as other handling systems and trade in products in the aforementioned fields,
- Development, planning, design, manufacture, construction, sales, operation and maintenance of systems, including industrial systems, machinery and tools used in assembly and manufacturing, as well as trade in products in the aforementioned fields,
- Provision of all types of services, in particular in the field of property and building administration, data processing, human resources and leasing for commercial enterprises.

(2) The company itself may also become active in the business fields described in paragraph 1. It is entitled to participate in all businesses and take any steps necessary in connection with the purpose of the company or that it deems beneficial; in this respect it is also authorized to found, purchase or acquire an interest in additional companies. The purpose of the company is further to acquire the necessary fixed assets and equipment to manufacture and sell and trade in the items described in paragraph 1. The company can integrate companies in which it holds an interest under a common management or restrict itself to the administration of such companies.

### ARTICLE 3 - NOTIFICATIONS

All notifications of the company shall be published in the electronic Federal Gazette (elektronischer Bundesanzeiger).

## B. SUBSCRIBED CAPITAL AND SHARES

### ARTICLE 4 - SUBSCRIBED CAPITAL

The subscribed capital of the company amounts to € 88,180,120.60 and is divided into 33,915,431 non-par value shares (shares). Global share certificates are permissible. The shareholders do not have a claim to have their shares embodied in certificates.

(2) The shares are issued to the bearer.

- (3) In the case of the issuance of new shares, the commencement of the participation in profits may be determined in derogation of Section 60 para. 2 of the German Stock Corporation Act (Aktiengesetz - AktG).
- (4) The Executive Board, with the approval of the Supervisory Board, shall determine the form of the share certificates and of the dividend and renewal coupons.
- (5) Subject to approval by the Supervisory Board, the Executive Board is hereby authorized to increase the Company's share capital once or several times on or before 25 May 2016 by up to EUR 44,090,059.00 by issuing new shares (Authorized Capital 2011). In this respect, the shareholders shall be granted subscription rights. However, the Executive Board shall be authorized, subject to approval by the Supervisory Board, to exclude fractional amounts from shareholder subscription rights and to exclude shareholder subscription rights if a capital increase in exchange for contributions in kind takes place for the purpose of acquiring companies or parts of companies or interests in companies or other assets (including third-party claims against the Company). Subject to approval by the Supervisory Board, the Executive Board shall be further authorized to exclude shareholder subscription rights in the event of Authorized Capital 2011 being used once or several times in exchange for cash contributions in an amount not exceeding 10 per cent of the existing share capital at the time this authorization comes into effect and - if this value is lower - at the time this authorization is exercised, in order to issue the new shares at a price that is not significantly lower than the price of the Company's shares already quoted on the stock exchange at the time the new share issue price is finalized. Shares sold as a result of, and during the term of, the authorization granted at the Annual General Meeting of 29 April 2010 in accordance with section 71, paragraph 1, no. 8, sentence 5 AktG in conjunction with section 186, paragraph 3, sentence 4 AktG shall count towards the aforementioned 10% threshold. Furthermore, this 10% threshold shall also include shares issued for the purpose of servicing warrant or convertible bonds, participation rights or participating bonds or a combination of these instruments, provided that these instruments were issued as a result of, and during the term of, the authorization granted at the Annual General Meeting of 29 April 2010 in accordance with the appropriate application of section 186, paragraph 3, sentence 4 AktG.

With respect to above mentioned authorization, the Executive Board, subject to the approval of the Supervisory Board, shall only be authorized to exclude shareholder subscription rights in an amount not exceeding 30 % of the existing share capital at the time this authorization comes into effect and – if this value is lower – at the time this authorization is exercised.

The Executive Board shall be authorized, subject to approval by the Supervisory Board, to stipulate other details regarding the capital increase and its execution, in particular with regard to share rights and the terms and conditions relating to the issuance of shares.

- (6) Share capital is conditionally increased by up to EUR 18,200,000.00, divided into up to 7,000,000 bearer shares (Conditional Capital). The conditional capital increase will only be carried out to the extent that holders or creditors of option or conversion rights or conversion or option obligations exercise their option or conversion rights in exchange for cash for options and or convertible bonds, participation rights or income bonds (or a combination of these instruments), issued or guaranteed by KUKA Aktiengesellschaft or a dependent Group company of KUKA Aktiengesellschaft as a result of the authorization granted to the Executive Board by shareholders at the Annual General Meeting of April 29, 2010 until April 28, 2015, or, to the extent they were obliged to exercise their conversion or option rights, fulfill their conversion or option obligations, or to the extent that KUKA Aktiengesellschaft exercises its option to wholly or partially grant shares of KUKA Aktiengesellschaft instead of paying the monies due, provided no cash settlement or treasury shares or shares of another listed company are used to service the bonds. Furthermore, new shares are issued according to the conditions of the afore-

mentioned authorization resolution at the option or conversion price to be determined respectively. The new shares participate in the profits as of the beginning of the financial year in which they are issued. The Executive Board is authorized, subject to approval by the Supervisory Board, to define the further details of execution of the conditional capital increase.

## C. CONSTITUTION AND MANAGEMENT OF THE COMPANY

### ARTICLE 5 - CORPORATE BODIES

The company's corporate bodies are:

1. The Executive Board
2. The Supervisory Board,
3. The Annual General Meeting of Shareholders

### I. EXECUTIVE BOARD

#### ARTICLE 6 - COMPOSITION OF THE EXECUTIVE BOARD

- (1) The Executive Board shall comprise at least two persons. It is permissible to appoint deputy members of the Executive Board who have the same rights as the regular members of the Executive Board with regard to the representation of the company vis-à-vis third parties.
- (2) The determination of the number of members and the appointment of the regular and deputy members of the Executive Board, the conclusion of the employment contracts and the revocation of the appointment are made by the Supervisory Board, as is the appointment of a member of the Executive Board as Chairman of the Executive Board and, as the case may be, of other members of the Executive Board as Deputy Chairmen of the Executive Board.

#### ARTICLE 7 - RULES OF PROCEDURE AND RESOLUTIONS OF THE EXECUTIVE BOARD

- (1) The Executive Board unanimously lays down rules of procedure for itself and provides for the allocation of responsibilities taking into account the employment contracts of the members of the Executive Board.
- (2) The resolutions of the Executive Board shall be adopted with majority of the votes cast. In the case of a parity of votes, the vote of the Chairman of the Executive Board, if he is unavailable the vote of the Deputy Chairman of the Executive Board, if applicable, shall be decisive. If several Deputy Chairmen of the Executive Board have been appointed, it shall first be the vote of the First Deputy Chairman and, if he is unavailable, the vote of the Second Deputy Chairman of the Executive Board which is decisive.

## ARTICLE 8 - LEGAL REPRESENTATION OF THE COMPANY

The company shall be legally represented by two Executive Board members or by one Executive Board member jointly with an authorized signatory (Prokurist).

## ARTICLE 9 - RESTRICTION OF THE MANAGEMENT AUTHORITY OF THE EXECUTIVE BOARD

The Executive Board is under an obligation toward the company to observe the restrictions which have been determined by the Articles of Incorporation or the Supervisory Board in respect of the scope of the authority for the management of the company or which result from a resolution of the Annual General Meeting of Shareholders pursuant to Section 119 AktG.

## II. SUPERVISORY BOARD

### ARTICLE 10 - COMPOSITION OF THE SUPERVISORY BOARD

- (1) The Supervisory Board shall comprise twelve members, namely six members who are appointed by the Annual General Meeting and six members who are appointed in accordance with the Co-Determination Act (Mitbestimmungsgesetz).
- (2) Provided the Annual General Meeting at the election does not stipulate a shorter term for individual members to be appointed by it or for the entire Supervisory Board, the members of the Supervisory Board are appointed for a term until the close of the General Meeting which resolves on the ratification of actions for the fourth financial year after the term of office commenced. The financial year in which the term of office commences is not included.
- (3) Substitute members may be appointed for the Supervisory Board members of the shareholders who replace Supervisory Board members of the shareholders retiring early from the Board in an order stipulated at the time of their appointment.
- (4) If a Supervisory Board member is appointed to replace a retiring member, then his term of office shall last for the remainder of the term of office of the retiring member. If a substitute member replaces the retiring member, then his term of office shall expire at the close of the Annual General Meeting in which a new election takes place, however, at the latest upon expiry of the term of office of the retiring Supervisory Board member. The appointment of substitute members of the employees' representatives on the Supervisory Board is governed by the Co-Determination Act.
- (5) Every member of the Supervisory Board shall be entitled to resign from office at any time without giving reasons therefor.

### ARTICLE 11 - RESPONSIBILITIES AND RIGHTS OF THE SUPERVISORY BOARD

- (1) The Supervisory Board shall have all responsibilities and rights which are assigned to it by statutory law, the Articles of Incorporation or in any other way.
- (2) The Supervisory Board is entitled to convene the Annual General Meeting.
- (3) The Supervisory Board is authorized to make amendments to the Articles of Incorporation which only concern their wording.

- (4) The Executive Board shall require the consent of the Supervisory Board for all kinds of transactions which are subject to the consent of the Supervisory Board according to statutory law or the Articles of Incorporation or pursuant to a resolution of the Supervisory Board.
- (5) The Executive Board shall report to the Supervisory Board continuously to the extent defined by statutory law. In addition, the Supervisory Board may at any time request a report about affairs of the company, about its legal and business relationships with affiliated companies and about business transactions at these companies which could have a significant impact on the situation of the company.
- (6) The Supervisory Board is entitled at any time to monitor the entire business administration by the Executive Board and, in this regard, to inspect all books and records of the company and examine its assets.

#### ARTICLE 12 - CHAIRMAN OF THE SUPERVISORY BOARD

- (1) The Supervisory Board elects a Chairman and at least one Deputy Chairman from among its members. The election is made, in each case, for the term of office of these appointed Supervisory Board members. If one of the latter ceases to be a member of the Supervisory Board during his term of office, a new election to replace such a member shall be held without undue delay.
- (2) If the Chairman and his Deputies are unavailable to fulfill their responsibilities, the oldest member of the Supervisory Board in terms of age shall assume these responsibilities for the time of unavailability.

#### ARTICLE 13 - DECLARATIONS OF INTENT OF THE SUPERVISORY BOARD

- (1) Declarations of intent of the Supervisory Board and its committees are made on behalf of the Supervisory Board by the Chairman or, if he is unavailable, by his Deputies.
- (2) The Chairman or, if he is unavailable, his Deputies are the permanent representative of the Supervisory Board vis-à-vis third parties, particularly vis-à-vis courts and public authorities as well as vis-à-vis the Executive Board.

#### ARTICLE 14 - RULES OF PROCEDURE, COMMITTEES, ADVISORY COUNCILS

- (1) The Supervisory Board lays down rules of procedures for itself.
- (2) The Supervisory Board forms a committee according to Section 27 para. 3 Co-Determination Act. The Supervisory Board may form other committees from among its members and determine their responsibilities and rights. To the extent legally permissible, the authority to take decisions may also be transferred to the committees.
- (3) If the Chairman of the Supervisory Board is a member of a committee which is composed of the same number of Supervisory Board members of the shareholders and employees and if a voting in the committee results in a parity of votes, then at a new ballot concerning the same matter the Chairman shall have two votes if the new ballot also results in a parity of votes. Section 108 para. 3 AktG shall apply also to the casting of the second vote.
- (4) The Supervisory Board and the committees may use the assistance of experts for the fulfillment of their duties. They may invite experts and informants to their meetings.

- (5) To the extent legally permissible, the provision in Article 13 para. 2 of the Articles of Incorporation shall apply accordingly to committees.
- (6) For specific purposes, the Supervisory Board may establish advisory councils whose members do not have to belong to the Supervisory Board. It may lay down rules of procedures for such advisory councils and, if applicable, determine the remuneration of their members.

#### ARTICLE 15 - MEETINGS OF THE SUPERVISORY BOARD, RESOLUTIONS

- (1) Supervisory Board meetings shall be convened by the chairman or, in the event of his absence, his deputy. Such convening may be effected in writing, by telephone, by telefax or by use of any other customary forms of communication (e.g. email). The invitation shall be given in compliance with a notice period of two weeks and shall include all the individual items on the agenda. In urgent cases, this notice period for convening meetings may be shortened.
- (2) The Chairman of the Supervisory Board may postpone a convened meeting for important reasons.
- (3) The Chairman of the Supervisory Board or, if he is unavailable, his Deputies shall have the chair.
- (4) The Supervisory Board shall constitute a quorum if all members have been invited under their last known address and if at least half of the total number of members of which it comprises participate in the passing of a resolution. The passing of a resolution on an item on the agenda which was not included in the invitation is only permissible if no member of the Supervisory Board present objects to the passing of the resolution and at least two thirds of the members are present.
- (5) Resolutions of the Supervisory Board shall be adopted by simple majority of the votes cast unless required otherwise by statutory law. This also applies to elections. The form of voting is determined by the Chairman. If, however, a member of the Supervisory Board applies for a secret vote, then the voting shall be in secret.
- (6) If a vote results in a parity of votes, a new discussion shall only take place if the majority of the Supervisory Board so resolves. Otherwise, a new vote shall take place without undue delay. If this new vote on the same issue also results in a parity of votes, the Chairman of the Supervisory Board shall have two votes.
- (7) An absent Supervisory Board member may have his written vote delivered by another Supervisory Board member. This also applies to the submission of the second vote of the Chairman of the Supervisory Board.
- (8) If no equal numbers of shareholder representatives and of employee representatives on the Supervisory Board take part in the passing of a resolution, the voting about a subject of discussion is, upon motion of at least two Supervisory Board members, to be postponed for a maximum of four weeks. A renewed postponement of the same subject of discussion is not permissible.
- (9) In exceptional individual cases, resolutions may be passed in writing, by telephone, by telefax or by use of any other customary forms of communication (e.g. email), or individual members of the Supervisory Board may take part in meetings by using customary forms of communication.
- (10) The invalidity of a resolution of the Supervisory Board may only be asserted by means of a lawsuit lodged within one month after knowledge was obtained of the resolution.

## ARTICLE 16 - MINUTES

Minutes shall be made regarding all meetings of the Supervisory Board and all resolutions passed by the Supervisory Board and shall be signed by the chairman who presided over the respective meeting or over the respective resolution passed. This shall apply correspondingly to meetings of the respective committees of the Supervisory Board.

## ARTICLE 17 - REMUNERATION OF THE SUPERVISORY BOARD

- (1) Each Supervisory Board member shall receive a fixed remuneration in addition to the reimbursement of his expenses. This fixed remuneration amounts to EUR 30,000.00. It is payable after the conclusion of the financial year.
- (2) The Chairman of the Supervisory board shall receive four times the remuneration; Deputies of the Chairman shall receive twice the amount. For the chairmanship of the Annual General Meeting in the case of Article 21 para. 1 sentence 2 and para. 2 of the Articles of Incorporation and also for the membership in one or several committees which are established not only on a temporary basis, the Supervisory Board members shall receive an additional remuneration in the amount of the annual remuneration pursuant to para. 1; the Chairman of a committee shall receive a maximum of one and a half times of the annual remuneration even if he is the Chairman of more than one committee or a member in a committee. Sentence 2 shall not apply with regard to the committee pursuant to Section 27 para. 3 Co-Determination Act.
- (3) The members of the Supervisory Board shall be reimbursed for all their reasonable costs and expenses in connection with taking part in meetings of the Supervisory Board and/or its committees or shall be granted a flat-rate expenses allowance amounting to EUR 450.00.
- (4) Additionally, the Company shall reimburse the Supervisory Board members for any value-added tax applied to their remuneration and to the reimbursement of their costs and expenses.

## III. ANNUAL GENERAL MEETING OF SHAREHOLDERS

### ARTICLE 18 - CONVENING THE ANNUAL GENERAL MEETING

- (1) The Annual General Meeting shall be held at the registered office of the company, at the registered office of a branch or subsidiary of the company or at the place of a German stock exchange in the Federal Republic of Germany. In case that difficulties are encountered with regard to the holding of the Annual General Meeting at these venues, the Executive Board or the Supervisory Board may convene the General Meeting at a different venue. The venue of the Annual General Meeting is to be stated in the invitation.
- (2) The Annual General Meeting is to be convened by the Executive Board or the Supervisory Board.
- (3) The Ordinary Annual General Meeting of Shareholders shall be held within the first eight months of every financial year. Extraordinary General Meetings may be convened as often as it is deemed necessary in the interest of the company.



- (4) The Annual General Meeting shall be called in accordance with the legally required deadline.

#### ARTICLE 19 - ANNUAL GENERAL MEETING REGISTRATION, PROOF OF ELIGIBILITY

- (1) Only shareholders who register in advance are entitled to participate in the Annual General Meeting and exercise their voting rights. The registration must be received by the company in text form at the address provided in the notice of meeting at least six days prior to the day of the meeting. In the event the Executive Board calls the meeting, it is authorized to stipulate a shorter deadline measured in days. In the event the Supervisory Board calls the meeting, it is also authorized to stipulate a shorter deadline measured in days. The day of the meeting and the day of receipt of the registration shall not be included when calculating the number of days to the deadline.
- (2) Furthermore, in order to be eligible to participate in the Annual General Meeting and exercise their voting rights, the respective shareholders of the company must provide proof of their shareholdings by way of a special confirmation in text form in English or German provided by the financial institution holding the shareholders' certificates. Such proof of eligibility shall refer to the twenty-first day before the meeting. The proof of eligibility must be received by the company at the address provided in the notice of meeting at least six days prior to the meeting. In the event the Executive Board calls the meeting, it is authorized to stipulate a shorter deadline measured in days. In the event the Supervisory Board calls the meeting, it is also authorized to stipulate a shorter deadline measured in days. The day of the meeting and the day of receipt of the proof of eligibility shall not be included when calculating the number of days to the deadline. For the purpose of attendance at the Annual General Meeting and the exercise of voting rights, only those who have provided such proof shall be deemed shareholders of the Company.

#### ARTICLE 20 - VOTING RIGHTS

- (1) Each share grants one vote.
- (2) The voting right may be exercised through proxies. The power of attorney, its cancellation and proof of the authorization vis-à-vis the company must be in text form.
- (3) As long as share certificates have not been issued, the requirements for exercising the voting rights by the shareholders at the Annual General Meeting shall be defined in the invitation to the Annual General Meeting.

#### ARTICLE 21 - CHAIRMANSHIP AT THE ANNUAL GENERAL MEETING

- (1) The Chairman of the Supervisory Board shall chair the Annual General Meeting. In case he is unavailable, he shall determine another Supervisory Board member who assumes this task.
- (2) If the Chairman is unavailable and has not appointed another person as his Deputy, the Annual General Meeting shall be chaired by a Supervisory Board member elected by the shareholder representatives on the Supervisory Board.
- (3) The Chairman shall chair the discussions and determine the order of the items to be discussed as well as the manner of voting. The result of the voting can be established in accordance with the subtraction method by way of subtracting the yes or no votes and abstentions from the total number of votes to which the eligible shareholders are entitled.

#### ARTICLE 22 - RESOLUTIONS OF THE ANNUAL GENERAL MEETING

- (1) The resolutions of the Annual General Meeting shall require the simple majority of the votes cast unless required otherwise by mandatory statutory law. Where statutory law requires a majority of the subscribed capital represented at the passing of the resolution, the simple majority of the subscribed capital represented shall be sufficient, unless a larger majority is stipulated by mandatory statutory law.
- (2) If the voting results in a parity of votes, with the exception of elections, a motion shall be deemed rejected.
- (3) In the event that in an election the simple majority of votes cast is not achieved in the first ballot, a second ballot shall take place between the two persons who have received the highest number of votes. In the case of an equal number of votes in the second ballot, the decision shall be made by drawing lots.

#### ARTICLE 23 - MINUTES OF THE ANNUAL GENERAL MEETING

- (1) With regard to the discussions at the Annual General Meeting, minutes shall be recorded by a notary public which shall be signed by the notary and the Chairman.
- (2) The minutes, to which the evidentiary documents relating to the convening of the Annual General Meeting shall be enclosed as attachment if they are not recorded with their content in the minutes, shall have full evidentiary force both among the shareholders and in relation to their proxies.
- (3) The powers of attorney do not have to be attached to the minutes.

#### D. ANNUAL FINANCIAL STATEMENTS AND APPROPRIATION OF BALANCE SHEET PROFITS

#### ARTICLE 24 - FINANCIAL YEAR, ANNUAL FINANCIAL STATEMENTS, MANAGEMENT REPORT AND ANNUAL REPORT RATIFICATION OF THE ACTIONS OF EXECUTIVE BOARD AND SUPERVISORY BOARD

- (1) The financial year shall be the calendar year.
- (2) The Executive Board shall prepare the annual financial statements, the management report, the annual report as well as the consolidated financial statements and the Group management report for the concluded financial year and submit them to the auditors within the first three months of each financial year. The annual financial statements, the management report, the annual report as well as the consolidated financial statements and the Group management report together with the proposal for the resolution of the Annual General Meeting on the appropriation of the balance sheet profits shall be submitted to the Supervisory Board without undue delay after their preparation.
- (3) From the time of the convening of the Annual General Meeting, the annual financial statements, the management report, the annual report, the consolidated financial statements, the Group management report, the report of the Supervisory Board and the proposal of the Executive Board for the appropriation of the balance sheet profits shall be made available in the offices of the company for inspection by the shareholders.

- (4) Every year, within the first eight months of the financial year, after acceptance of the report to be given by the Supervisory Board pursuant to Section 171 para. 2 AktG, the Annual General Meeting resolves upon the ratification of the actions of the Executive Board and the Supervisory Board, the appropriation of the balance sheet profits, the appointment of the auditors and, where required by statutory law, upon the approval of the annual financial statements.
- (5) If the Executive Board and the Supervisory Board approve the annual financial statements they may allocate a partial amount from the annual profits left after subtracting amounts to be allocated to the legal reserve and, if applicable, any loss carried forward, to other retained earnings according to the law.

#### ARTICLE 25 - APPROPRIATION OF BALANCE SHEET PROFITS

- (1) The balance sheet profits, which result from the annual financial statements after deduction of depreciations, value adjustments, provisions and the reserves created by the Executive Board and Supervisory Board, shall be used for the distribution of a dividend to the shareholders unless the Annual General Meeting completely or partially excludes them from the distribution.
- (2) After the close of the financial year, the Executive Board, with the approval of the Supervisory Board, may pay to the shareholders an advance on the anticipated balance sheet profits.