

Translation from German into English

Memorandum and Articles of Association

of

Heidelberger Druckmaschinen

Aktiengesellschaft,

Heidelberg

Per: 23 July 2009

I. General

§ 1

Company Name and Registered Office

The company is a stock corporation. It does business under the name:

Heidelberger Druckmaschinen Aktiengesellschaft

and has its registered office in Heidelberg.

§ 2

Company Object

- (1) The company object is the manufacture and distribution of printing presses and other products in the graphics industry and the metal industry, as well as trade in such machinery and products.
- (2) The Company may undertake any and all transactions and measures that appear necessary or expedient for achieving the company object. In particular, the Company may establish branch offices domestically and abroad, and may form, acquire or acquire interests in companies domestically and abroad.

§ 3

Registered Share Capital and Shares

- (1) The Company's registered share capital is EUR 199.791.191,04 and is divided into 78.043.434 no-par shares.
- (2) The shares are bearer shares.
- (3) The registered share capital is conditionally increased by up to EUR 10,996,288 by virtue of the issue of up to 4,295,425 no-par shares (Contingent Capital). The sole purpose of the capital increase is the grant of subscription rights to members of the Company's Management Board and members of the governing bodies (management) of subordinate affiliates and other executives of the Company and subordinate affiliates as provided for in the authorisation adopted by the General Shareholders' Meeting on 29 September 1999. The Contingent Capital increase shall be implemented only to the extent that such subscription rights are exercised. The new shares shall participate in any profits from commencement of the financial year in which they are issued.

- (4) The registered share capital is increased up to a further EUR 21,992,570.88 divided into up to 8,590,848 no-par bear shares (Contingent Capital II). The Contingent Capital increase shall be implemented only to the extent that the holders of options for conversion privileges or those parties obliged to exercise options or conversion privileges under warrant bonds or convertible bonds issued or underwritten by the Company or a subordinate affiliate of the Company pursuant to authorisation of the Management Board by virtue of a resolution of the General Shareholders' Meeting adopted on 21 July 2004 exercise their options or conversion privileges or, if they are obliged to exercise their options or conversion privileges, meet their obligation to exercise their options or conversion privileges. The new shares shall be issued at the option or conversion price to be determined in each case in accordance with the aforementioned authorisation. The new shares shall participate in any profits from commencement of the financial year in which they are created as a result of exercise of option or conversion privileges or fulfilment of the obligation to exercise options or conversion rights. The Management Board may, subject to the Supervisory Board's consent, stipulate further details for implementation of the Contingent Capital increase.
- (5) The registered share capital shall be increased by an additional maximum of EUR 21,260,979.20 apportioned in a maximum number of 8,305,070 bearer shares on a contingent basis (Contingent Capital 2006). The contingent capital shall only be increased to the extent that the bearers of option and / or conversion rights and / or those obligated to exercise a conversion and / or option in connection with bonds with warrants and / or convertible bonds that have been issued or guaranteed by the Company or by a subsidiary company due to the authorization of the Management Board arising from the decision of the Annual General Meeting from July 20, 2006 until July 19, 2011 make use of their option and / or conversion rights or, to the extent that they are obligated to exercise a conversion and / or option, fulfill their obligation to exercise a conversion and / or option. In line with the above-mentioned enabling resolution, the new shares shall be issued, respectively, at a particular option and / or conversion price. The new shares issued in connection with the exercise of the options and / or conversion right or the performance of the options and / or conversion obligation participate in earnings from the beginning of the financial year in which they are issued. The Management Board subject to the consent of the Supervisory Board shall be authorized to implement additional details relating to the execution of the increase in contingent capital.
- (6) The Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to a total of EUR 59,937,356.80 by issuing new shares on one or several occasions against cash or non-cash contributions by July 1, 2011 (Authorized Capital 2008). When issuing shares against non-cash contributions, the Management Board is authorized, with the approval of the Supervisory Board, to disapply the subscription right of shareholders. The shareholders are granted subscription rights if the capital is increased against cash contributions. However, the Management Board, with the approval of the Supervisory Board, is authorized to disapply the subscription rights of shareholders for fractional amounts. The Management Board is also authorized, with the approval of the Supervisory Board,

to disapply the subscription rights of shareholders for capital increases against cash contributions if the issue amount is not significantly less than the stock market price. However, this authorization only applies under the condition that the shares issued while disapplying subscription rights in accordance with section 186 (3) sentence 4 AktG do not exceed 10% of share capital, either at the time of validity or at the time this authorization is exercised. The disposal of treasury stock is to be added to this limit of 10% of the share capital if this occurs on the basis of an authorization in place at the time this authorization becomes effective or one replacing it in accordance with section 186 (3) sentence 4 AktG while disapplying subscription rights. In addition, the stock issued to serve bonds with conversion and/or option rights is to be added to this limit of 10% of the share capital if the bonds were issued on the basis of an authorization in place at the time this authorization becomes effective or one replacing it in accordance with section 186 (3) sentence 4 AktG mutatis mutandis while disapplying subscription rights.

With the approval of the Supervisory Board, the Management Board is authorized to determine the further content of share rights and the conditions of share issuance.

- (7) The share capital is contingently increased by up to EUR 19,979,118.08 by issuing up to 7,804,343 new, no-par-value, ordinary bearer shares (shares) with a pro rata amount of share capital per individual share of EUR 2.56 (Contingent Capital 2008/I). The contingent capital increase serves to grant bearer shares to the bearers or creditors of convertible and/or option bonds, participation rights and/or adjustment bonds (or combinations of these instruments) that are issued on the basis of the authorization resolved by the Annual General Meeting of July 18, 2008 under item 9 a) of the Agenda by the Company or one of its direct or indirect Group companies against cash and that grant a conversion or option right to or stipulate a conversion duty for new bearer shares of the Company. The contingent capital increase is only to be implemented to the extent that option or conversion rights are utilized or that bearers or creditors under obligation to convert satisfy this duty and to the extent that treasury stock or new shares from the utilization of authorized capital are not used.

The new bearer shares participate in profits from the start of the fiscal year in which they are created by exercising option or conversion rights or satisfying conversion duties. The Management Board is authorized to stipulate the further details of the implementation of the contingent capital increase.

- (8) The share capital is contingently increased by up to EUR 19,979,118.08 by issuing up to 7,804,343 new, no-par-value, ordinary bearer shares (shares) with a pro rata amount of share capital per individual share of EUR 2.56 (Contingent Capital 2008/II). The contingent capital increase serves to grant bearer shares to the bearers or creditors of convertible and/or option bonds, participation rights and/or adjustment bonds (or combinations of these instruments) that are issued on the basis of the authorization resolved by the Annual General Meeting of July 18, 2008 under item 10 a) of the Agenda by the Company or one of its direct or indirect Group companies against cash and that grant a conversion or option right to or stipulate a conversion duty for new

bearer shares of the Company. The contingent capital increase is only to be implemented to the extent that option or conversion rights are utilized or that bearers or creditors under obligation to convert satisfy this duty and to the extent that treasury stock or new shares from the utilization of authorized capital are not used.

The new bearer shares participate in profits from the start of the fiscal year in which they are created by exercising option or conversion rights or satisfying conversion duties. The Management Board is authorized to stipulate the further details of the implementation of the contingent capital increase.

- (9) The Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to a total of EUR 39,958,236.16 by issuing new shares on one or several occasions against cash contributions by July 1, 2014 (Authorized Capital 2009). Shareholders must be granted subscription rights when exercising the authorization. However, the Management Board, with the approval of the Supervisory Board, is authorized to disapply the subscription rights of shareholders for fractional amounts.

The Management Board is also authorized, with the approval of the Supervisory Board, to disapply the subscription rights of shareholders if the issue amount of the new shares is not significantly less than the stock market price of the already listed shares.

However, this authorization only applies under the condition that the shares issued while disapplying subscription rights in accordance with section 186 (3) sentence 4 AktG do not exceed 10 % of share capital, either at the time of validity or at the time this authorization is exercised. The disposal of treasury stock is to be added to this limit of 10% of the share capital if this occurs on the basis of an authorization in place at the time this authorization becomes effective or one replacing it in accordance with section 186 (3) sentence 4 AktG while disapplying subscription rights. In addition, the stock issued to serve bonds with conversion and/or option rights is to be added to this limit of 10 % of the share capital if the bonds were issued on the basis of an authorization in place at the time this authorization becomes effective or one replacing it in accordance with section 186 (3) sentence 4 AktG mutatis mutandis while disapplying subscription rights.

With the approval of the Supervisory Board, the Management Board is authorized to determine the further content of share rights and the conditions of share issuance.

§ 4

Form of the Share Certificates

The form of the share certificates and the dividend and renewal coupons shall be determined by the Management Board. The Company may issue several shares in one certificate (Global Certificates). To this extent, any right to individually certificate shares is excluded.

§ 5
Notices / Forum

- (1) Company notices shall be published in the electronic Federal Gazette (*Bundesanzeiger*), unless mandatory statutory provisions require otherwise.
- (2) The forum for any and all disputes between the Company and shareholders shall be the Company's registered office. Foreign courts shall have no jurisdiction for any such disputes.

II. Company's Constitution

§ 6

The Company's governing bodies are:

- A. the Management Board;
- B. the Supervisory Board;
- C. the General Shareholders' Meeting.

§ 7

A. The Management Board

- (1) The Management Board shall have at least two members. The Supervisory Board shall appoint and dismiss Management Board members and shall determine the number of members. Proxy Management Board members may be appointed.
- (2) Votes by the Management Board shall be decided by a majority of votes cast by its members. Should a chairman be present, he shall have a casting vote in the event of a tie.

§ 8

Company Representation

The Company shall be represented by two Management Board members or by one Management Board member acting jointly with a commercial attorney in fact (*Prokurist*). Otherwise, the Company will be represented by commercial attorneys in fact or other authorized signatories according to more specific instructions from the Management Board.

§ 9

B. The Supervisory Board

Number and Election

- (1) The Supervisory Board shall sixteen members, namely, eight shareholder representatives, who shall be elected in accordance with the provisions of the German Stock Corporation Act (*Aktiengesetz* or "AktG"), and eight employee representatives, who shall be elected in accordance with the provisions of the German Co-determination Act (*Mitbestimmungsgesetz*).
- (2) Supervisory Board members shall be elected for the period until conclusion of the General Shareholders' Meeting that resolves to formally approve the actions of the Supervisory Board for the fourth financial year following commencement of the term of office. The financial year in which the term of office begins shall not be included in calculating such period. Re-election shall be permitted. The election of the Supervisory Board members who represent the shareholders will be made by electing the individual candidates. If a Supervisory Board member who represents the shareholders is appointed by a court, then the term of office held by the court-appointed member will end at the conclusion of the next General Shareholders' Meeting. If the court appointment is made only after the Company has already published notice of the General Shareholders' Meeting, then such term of office will end at the conclusion of the General Shareholders' Meeting thereafter.
- (3) At the same time at which the Supervisory Board members are elected, the shareholders may elect up to eight substitute members. In the event of the premature departure of one of the Supervisory Board members elected by the Shareholders, the substitute member contemplated for the departed member shall replace him for the period until the conclusion of the next General Shareholders' Meeting. The term of office of the Supervisory Board member elected by such Shareholders' Meeting shall end at the same time as the conclusion of the term of office of the remaining Supervisory Board members. The election of substitute members for the Supervisory Board members to be elected by the employees shall be based on the provisions of the German Co-determination Act.

§ 10

Chairman of the Supervisory Board

- (1) Directly following the General Shareholders' Meeting upon the conclusion of which the new term of office commences, the Supervisory Board shall elect from its midst in accordance with the provisions of the German Stock Corporation Act and the German Co-determination Act a chairman and a deputy for the respective term of office. Such election shall take place at a meeting to be held without any special notice.

- (2) Should the chairman or his deputy leave the Supervisory Board prior to expiry of their term of office, the Supervisory Board shall hold a new election for the remaining term of office of the departed member without undue delay.

§ 11

Supervisory Board Meetings, Adoption of Resolutions

- (1) Supervisory Board Meetings shall be called by the chairman, and in the event of his incapacity, by a deputy or by the Management Board on behalf of the chairman or his deputy. Meetings may be called in writing, by telephone, by telex or by telegraph.
- (2) Supervisory Board resolutions shall be adopted at meetings. A resolution transmitted by writing, telephone or another standard means of communication shall be permitted, provided no member of the Supervisory Board objects to such a procedure without undue delay; the same shall apply *mutatis mutandis* to resolutions adopted in Supervisory Board committees.
- (3) The Supervisory Board shall have quorum if no less than half of the members of which it must be constituted participate in adoption of the relevant resolution. Any absent Supervisory Board members may participate in adoption of the relevant resolution by submitting written votes. A written vote shall also be deemed to have been submitted if submitted by fax or another standard means of communication. Written votes may be submitted only by other Supervisory Board members. Should an unequal number of shareholder representatives on the Supervisory Board and employee representatives on the Supervisory Board participate in the relevant resolution, or should the Supervisory Board chairman not participate therein, two Supervisory Board members may jointly demand that the adoption of resolutions concerning individual or all items on the agenda be postponed; however, a repeated postponement of adoption of the resolutions concerning such agenda items may be effected only by virtue of a majority vote.
- (4) Unless § 29 of the German Co-determination Act provides otherwise, Supervisory Board resolutions shall be adopted by a majority of votes cast. The chairman of the relevant meeting shall determine the form of the vote. Abstentions shall not be deemed votes cast. In the event of a tie, each Supervisory Board member may demand a new vote on the same item. Should there be another tie following such vote, the chairman shall have a casting vote, even if these are cast by another member of the Supervisory Board in accordance with § 108 paragraph 3 sentences 1 and 2 of the German Stock Corporation Act. Section 31 of the German Co-determination Act shall govern the appointment and dismissal of Management Board members.
- (5) Minutes shall be prepared of Supervisory Board meetings, which shall be signed by the chairman of the relevant meeting and incorporated into the Company's files. The minutes shall record the location and date of the meeting, those attending, the agenda items, the material contents of the discussions and the resolutions of the Supervisory

Board. The same shall apply *mutatis mutandis* to any resolutions adopted without a meeting.

§ 12

Declarations of Intent by the Supervisory Board, Supervisory Board Committees, Rules of Procedure of the Supervisory Board

- (1) Declarations of intent by the Supervisory Board shall be made on behalf of the Supervisory Board by the Chairman or, in the event of his incapacity, by his deputy.
- (2) The Supervisory Board may and, to the extent prescribed by law, shall be obliged to form committees. To the extent permitted by law, decision-making authority may be delegated to such committees.
- (3) The Supervisory Board should issue rules of procedure for governing its own working procedures and internal organization.

§ 13

Resignation from Office

Each Supervisory Board member may resign from his office without good cause by way of a written declaration to be sent to the Management Board. The relevant Supervisory Board member shall leave the Supervisory Board no sooner than the end of the following calendar month.

§ 14

Transactions Requiring Consent

- (1) The Management Board shall require the Supervisory Board's consent:
 - a) to acquire, sell, and encumber real property and hereditary building rights, to acquire and sell existing shares in companies and to assume any guarantees or similar liabilities, if such transactions exceed 10 % of the registered share capital in any given case, to assume guarantees and similar liabilities if this occurs outside the ordinary course of business; and
 - b) to take out loans.
- (2) Consent pursuant to paragraph 1 a) shall not be required for transactions with affiliated companies.

§ 15

Amendments to the Memorandum and Articles of Association

The Supervisory Board may amend the Memorandum and Articles of Association (hereinafter "Articles") if the relevant amendment affects the wording only.

§ 16

Supervisory Board Remuneration

- (1) Each Supervisory Board member shall received fixed remuneration of EUR 18,000 and variable remuneration of EUR 750 per 0.05 EUR dividend paid in excess of a dividend of EUR 0.45 per no-par share.
- (2) The Supervisory Board chairman shall receive twice the remuneration specified in paragraph 1, while the deputy shall receive 1.5 times the amount. Provided a given committee does business no less than once per financial year, the chairman of a committee shall receive 1.5 times the remuneration specified in paragraph 1, while committee members shall each receive 1.25 times such amount.
- (3) Each Supervisory Board member shall receive a lump sum reimbursement of EUR 500 per meeting day for expenses incurred by him in performing his office. Higher expenses shall be reimbursed against proof thereof.
- (4) Should a Supervisory Board member hold more than one office simultaneously, he shall receive remuneration only for that office that attracts the greatest remuneration. Supervisory Board members who have belonged to the Supervisory Board or a committee for part of a given financial year shall receive less compensation *pro rated* according to the time for which they have sat on the relevant body. The fixed remuneration shall be payable following expiry of a given financial year, while the variable remuneration shall be payable following conclusion of the General Shareholders' Meeting that resolves to formally approve the actions of the Supervisory Board for the relevant financial year. The Company shall reimburse the Supervisory Board members any value added tax incurred upon their remuneration.

§ 17

C. The General Shareholders' Meeting

Location, convening and structure of the General Shareholders' Meeting

- (1) The Company's General Shareholders' Meeting shall be held at the Company's registered office, at the site of a domestic branch or business establishment of the Company or at the site of an enterprise affiliated with the Company or at another location within the Federal Republic of Germany having no less than 100,000 inhabitants. Notice of the meetings

shall be provided by the Management Board and, where required by law, by the Supervisory Board, and shall include the meeting agenda.

- (2) The ordinary General Shareholders' Meeting shall be held within the first eight months of a given financial year. In the event a public takeover offer has been made, the Company shall call an extraordinary General Shareholders' Meeting in order to discuss the takeover offer, unless both the Management Board and the Supervisory Board decide not to call such meeting. Otherwise, extraordinary General Shareholders' Meetings shall be called as required.
- (3) Unless a shorter period of time is prescribed by law, notice of the General Shareholders' Meeting must be made at least 30 days prior to the last day, on which the shareholders can still register to attend the General Shareholders' Meeting pursuant to subsection (4) below.
- (4) The only shareholders authorized to participate in the Annual General Meeting and to exercise voting rights are those who register themselves with the company before the Annual General Meeting and present the custodian bank with proof - written certification in German or English - of their shareholdings. The certificate must refer to the start of the 21st day before the meeting. Registration and certification must be received by the company at the address specified for this purpose in the notice of convening no later than six days before the meeting. The date of receipt is not counted.
- (5) In the event of any uncertainty concerning the authenticity or the accuracy of the certification concerning share ownership status, the Company may demand that the shareholders provide additional suitable evidence.
- (6) Every shareholder can be represented by proxy at the Annual General Meeting. Granting power of attorney, retracting it and proving authorization to the company must be carried out in writing.
- (7) The Management Board may allow shareholders to cast their votes in writing or by way of electronic communication even if they do not attend the Annual General Meeting.

§ 18

Chairman of the General Shareholders' Meeting

- (1) The General Shareholders' Meeting shall be chaired by the chairman of the Supervisory Board or, in the event of his incapacity, by another Supervisory Board member to be appointed by the shareholder representatives on the Supervisory Board present at the meeting. He may permit recording and transmission of the General Shareholders' meeting via electronic media, to the extent permitted by law.

- (2) The chairman shall head the meeting and shall determine the sequence of the items for discussion as well as the type and form of any votes. He may reasonably restrict the time in which the shareholder may ask questions and give speeches. Above all, he may at the commencement or during the course of the General Shareholders' Meeting set reasonable time limits for the entire General Shareholders' Meeting, for the period of discussion on any individual agenda items, and for presenting any individual questions and speeches.

§ 19
Voting Rights / Proxy

- (1) Each no-par share shall be entitled to one vote at the General Shareholders' Meeting.
- (2) Unless mandatory statutory provisions require otherwise, resolutions shall be adopted by a simple majority of votes cast. Where law requires a majority of the represented share capital in addition to a majority of votes cast, resolutions shall be adopted by a simple majority of the registered share capital represented upon adoption of the relevant resolution.

III. Annual Financial Statements and Allocation of Profits

§ 20
Financial Year and Accounts

- (1) The financial year shall run from 1 April until 31 March.
- (2) In the first three months of the fiscal year, the Management Board must prepare the annual financial statements and the management report and the consolidated financial statements and the Group management report for the last fiscal year and submit these to the Supervisory Board immediately upon their completion. At the same time, the Management Board must submit to the Supervisory Board the proposal it intends to make to the Annual General Meeting for the appropriation of net profits.
- (3) The ordinary General Shareholders' Meeting shall adopt resolutions, in particular, concerning the allocation of any net income as shown on the balance sheet, formal approval of the actions of the Management Board and the Supervisory Board, and election of the auditor, and, in those cases stipulated by law, concerning adoption of the annual financial statements.

§ 21
Reserves

The Management Board and Supervisory Board may, in adopting the annual financial statement, allot to other revenue reserves, in whole or in part, any net income for the year remaining following deduction of the amount to be allotted to statutory reserves and any loss carry forward. Amounts in excess of fifty percent of the net income for the year may not be allotted to reserves, provided the other revenue reserves would exceed more than fifty percent of the registered share capital following such allotment.

§ 22
Type and Calculation of Allocation of Profits

The shareholders' profit shares shall always be allocated in proportion to the contributions paid in by them in relation to their share in the registered share capital and in proportion to the time that has elapsed since such payment. In the event of an increase in the registered share capital, a resolution may be adopted for a different manner of allocating profits for the new shares.