



**STATUTES**

**of**

**DEUTZ Aktiengesellschaft**

**Cologne**

## Contents

I	Miscellaneous provisions	3
II	Share capital, shares, bonds	4
III	Management Board	6
IV	Supervisory Board	7
V	Annual general meeting	11
VI	Financial year, net income, distributable profit	13

3

I

### **Miscellaneous provisions**

1

#### **Company name and registered office**

(1) The name of the public limited company is DEUTZ Aktiengesellschaft.

(2) Its registered office is in Cologne.

2

#### **Objects of the Company**

(1) The Company heads and manages a group of companies and investments in companies which operate in the area of development, manufacture and distribution of machinery, particularly diesel engines marketed under the DEUTZ brand, as well as in the retail and service sectors.

(2) The Company itself may also operate within the aforementioned business areas. It is entitled to engage in all transactions and take all measures which are directly or indirectly connected with the objects of the Company or would serve to further these objects. It may to this extent also establish, acquire or invest in other companies. It is authorised to bring companies in which it holds an interest under unified management or to restrict itself to the administration of these companies.

3

#### **Official announcements**

(1) The official announcements of the Company shall be made through publication in the electronic Federal Gazette, unless publication in the Federal Gazette is stipulated by law.

(2) Information to be provided to the shareholders of the Company may also be sent by electronic means.

**Share capital, shares, bonds****Share capital**

(1) The share capital of the Company amounts to €308.978.241,98 (in words: three hundred and eight million, nine hundred and seventy-eight thousand, two hundred and forty-one euros and ninety-eight cents). It is divided into 120.861.783 (in words: one hundred and twenty million, eight hundred and sixty-one thousand, seven hundred and eighty-three) registered no-par-value shares.

(2) The Management Board is authorised, with the consent of the Supervisory Board, to increase the issued capital until 21 June 2011 through the issue of new no-par-value shares against cash or non-cash contributions on one or more occasions up to a total amount of €120,000,000.00. Capital increases against non-cash contributions may not exceed a total of €80,000,000.00.

If the capital is increased against cash contributions, the shareholders must be granted pre-emptive rights. The new shares may be transferred to a bank specified by the Management Board subject to an undertaking by the bank to offer the shares to shareholders (indirect pre-emptive right). The Management Board is authorised, with the consent of the Supervisory Board, to exclude the pre-emptive rights of shareholders in the following cases:

- for fractional amounts;
- in so far as is necessary to grant holders of bonds with conversion rights, option rights or conversion obligations issued by DEUTZ AG subscription rights to new shares to the extent that would be required if they were to exercise their conversion or option rights or fulfil their conversion obligations;
- if the issue price of the new shares is not significantly below the

market price and the shares issued under the exclusion of pre-emptive rights pursuant to section 186 (3) sentence 4 German Joint Stock Corporation Act (AktG) in total do not exceed 10% of the issued capital either at the effective date or at the time this authorisation is exercised. The aforementioned 10% threshold includes shares that are acquired on the basis of an authorisation granted by the annual general meeting and sold during the period of this authorisation pursuant to section 71 (1) no. 8 sentence 5 AktG in conjunction with section 186 (3) sentence 4 AktG. This restriction also includes shares that have been or are to be issued in order to service bonds with conversion rights, option rights or conversion obligations in so far as the bonds were issued during the term of this authorisation under the exclusion of pre-emptive rights in accordance with section 186 (3) sentence 4 AktG.

The Management Board is also authorised, with the consent of the Supervisory Board, to exclude pre-emptive rights in so far as the capital increase is made against non-cash contributions in the context of the acquisition of an enterprise, parts of an enterprise or investments in an enterprise.

Furthermore the Management Board is authorised, with the consent of the Supervisory Board, to specify the content of the share rights and the terms of the share issue.

## 5

### **Bonds, profit-sharing rights**

(1) The Management Board may resolve to issue bonds which are registered and to order or, with official approval, bearer bonds which may or may not be secured by property.

(2) The Management Board shall decide the par value of the bonds, the interest rate and other details of the issue, termination and redemption.

(3) The resolutions pursuant to (1) and (2) require the consent of the Supervisory Board. The same applies to the termination of the bonds.

6

6

### **Form of the shares, bonds etc.**

(1) The Management Board shall decide on the wording and the form of the shares and the bonds, and of the interim or profit share certificates and interest and renewal coupons. The wording shall be subject to the consent of the Supervisory Board.

(2) Global certificates may be issued. The right of the shareholders to have their ownership of shares evidenced by certificates is excluded.

III

### **Management Board**

7

### **Composition etc. of the Management Board**

(1) The Management Board comprises at least two members.

(2) The Supervisory Board shall determine the number of members of the Management Board and the allocation of responsibilities. It may draw up and issue rules of procedure.

(3) The resolutions of the Management Board shall be adopted by simple majority vote, unless a larger majority is stipulated by law or by the rules of procedure. If a Chairman of the Management Board is appointed, he shall have the casting vote in the event of a tie.

8

### **Representation of the Company**

The Company is legally represented either by two members of the Management Board acting jointly or by one member of the Management Board acting in conjunction with a holder of full commercial power of attorney (*Prokurist*).

**IV**  
**Supervisory Board**

**Composition, election etc. of the Supervisory Board**

- (1) The Supervisory Board comprises twelve members.
  
- (2) The term of office of a person elected to the Supervisory Board shall continue until the end of the Annual General Meeting which formally approves the actions of the management for the fourth financial year following the start of the term. The financial year in which the term of office begins shall not be included.
  
- (3) Members of the Supervisory Board may stand for re-election.
  
- (4) Every member may resign his office by giving two months' notice to the end of a month in writing to the Management Board.
  
- (5) Supplementary elections shall be conducted to cover the remaining term of the resigning member.
  
- (6) At the same time as the elections for the ordinary members of the Supervisory Board, the annual general meeting may also elect up to five substitute members who, in the order determined at the time of the election, will take the place of any shareholder representative member of the Supervisory Board who resigns his office prematurely. The term of office for a substitute member in the event of succession pursuant to sentence one shall be limited to the period ending at the end of the annual general meeting at which a supplementary election for the originally retiring member has taken place.

### **Chair of the Supervisory Board**

(1) At a meeting convened without special invitation immediately after the annual general meeting which marks the start of the new term of office, the Board shall elect from among its members a Chairman and one Deputy Chairman for its period of office. Until the elections have been completed, the meeting will be chaired by the oldest shareholder representative on the Supervisory Board.

(2) If the Chairman of the Supervisory Board or his deputy resign from office before the end of their term, the Supervisory Board shall immediately elect a replacement for the remainder of that term. If a new Chairman and Deputy Chairman are both elected for the Supervisory Board at the same meeting, paragraph (1) sentence 2 shall apply *mutatis mutandis*.

(3) When deputising for the Chairman, the Deputy Chairman shall have the same rights and obligations as the Chairman unless stipulated otherwise by law.. He is not required to present proof of his authority to represent the Chairman to authorities and other persons in order for his statements of intent to be valid.

### **Statements of intent by the Supervisory Board**

The Chairman of the Supervisory Board or, in his absence, his Deputy, may give statements of intent (*Willenserklärung*) on behalf of the Supervisory Board.

### **Internal procedure of the Supervisory Board**

(1) Unless otherwise stipulated by law, the Supervisory Board shall constitute a quorum if at least half of the number of members prescribed by law or by the Statutes take part in the vote. If, during a vote in a Supervisory

Board meeting, the number of members representing the shareholders is not equal to that of members representing the employees, or if the Chairman of the Supervisory Board does not vote, the vote must be postponed if at least two members of the Supervisory Board request such a postponement. At the next duly convened meeting, votes on agenda items which were postponed from the preceding meeting in accordance with sentence 2 may only be postponed by majority resolution.

(2) Resolutions concerning agenda items which have not been announced duly and properly in accordance with the applicable formalities may only be adopted provided that no Supervisory Board member objects to the resolution. If no Supervisory Board member present at the meeting objects, absent members are to be given the opportunity to object to the resolution retrospectively within a reasonable period to be specified by the Chairman; in this case the resolution shall only be valid if none of the absent Supervisory Board members has objected within the stipulated period.

(3) The resolutions of the Supervisory Board shall be adopted by simple majority of the votes cast, unless the law stipulates a different majority in individual cases. In the event of a tied vote, any Supervisory Board member may demand that a new vote be carried out immediately on the same matter. Should this second vote also result in a tie, the Chairman of the Supervisory Board shall have two votes. Section 108 (3) German Joint Stock Corporation Act (AktG) also applies to the casting of the second vote.

(4) The Supervisory Board shall draw up rules of procedure within the scope of the law and the Statutes.

## 13

### **Supervisory Board committees**

(1) The Supervisory Board may form committees from among its members and specify their duties and powers. It may also delegate essential powers reserved to the Supervisory Board to these committees, so far as this is

permitted by law. Section 27 (3) German Codetermination Act remains unaffected.

(2) Resolutions of committees shall be adopted by simple majority of the votes cast. The provisions of clause 12 (3) sentences 2 to 4 shall apply in respect of voting, in the absence of any contrary provisions of law.

## 14

### **Amendments to the Statutes**

The Supervisory Board may change the wording but not the spirit of the Statutes.

## 15

### **Remuneration of the Supervisory Board**

(1) The members of the Supervisory Board receive a fixed annual remuneration of €12,500.00. They shall also be entitled to claim reimbursement of their expenses, plus an attendance fee of €1,000.00 for each Supervisory Board meeting they attend. The Company may also take out appropriate liability insurance in their favour.

(2) The members of the Supervisory Board shall also receive €2,000.00 each for each percentage point by which the dividend exceeds 4% of the paid-in share capital; this shall be payable proportionately in the case of fractions of percentage points.

(3) The Chairman of the Supervisory Board shall receive twice the remuneration referred to in paragraphs (1) and (2), his Deputy one and a half times as much.

(4) In addition each member of a Supervisory Board committee shall receive an attendance fee of €1,000 for each committee meeting attended. The chairman of a committee is entitled to twice this sum, his deputy to one and a half times.

(5) The members of the Supervisory Board shall also receive reimbursement of any value-added tax incurred by them in performance of their work for the Supervisory Board.

(6) The AGM shall decide whether, and to what extent, remuneration is to be paid to the Supervisory Board if the Company is wound up.

## **V**

### **Annual general meeting**

## **16**

### **Venue and calling of the AGM**

(1) The annual general meeting may take place at the registered office of the Company, in Berlin or in any other town or city in the Federal Republic of Germany.

(2) The meeting may also be called by the Supervisory Board or its Chairman.

## **17**

### **Attendance at annual general meetings and the exercising of voting rights**

(1) Shareholders who register for an annual general meeting and provide evidence of their shareholding shall be entitled to attend the annual general meeting and to exercise their voting rights.

(2) The evidence of shareholding is to be submitted in the form of evidence prepared by a depository institution in German or English in writing. The evidence of shareholding must refer to the start of the twenty-first day before the annual general meeting.

(3) The registration and the evidence of shareholding must be received by the Company at least six days prior to the meeting at the address specified

in the invitation. The day of receipt may not be counted.

**18**

**Chairman of the annual general meeting**

(1) The Chairman of the Supervisory Board shall chair the annual general meeting. If he is unable to do so, the shareholder representative members of the Supervisory Board present shall elect a person to chair the meeting from among their members.

(2) Should no shareholder representative member of the Supervisory Board be present, the participant with the greatest number of votes shall open the meeting and shall allow the meeting to elect a chair.

**19**

**Conduct of the annual general meeting**

(1) The chairman of the annual general meeting may conduct the discussions and votes in a different order to that published in the agenda.

(2) The chairman of the annual general meeting may reasonably restrict the amount of time available to shareholders to speak and put questions.

**20**

**Voting and elections**

(1) The annual general meeting shall always adopt resolutions in accordance with the majority of the yes or no votes cast and, so far as a majority of the share capital is required, by simple majority of the share capital, unless otherwise stipulated by law or the Statutes. The chairman of the meeting shall stipulate the voting procedure. The result of the voting may

also be calculated by deducting the yes or no votes plus abstentions from the total number of votes held by those eligible to vote.

(2) If no proposal secures a majority of the votes cast, the proposal which secures the most votes shall be accepted. In the event of a tied vote the chairman shall draw lots.

(3) In the case of elections to the Supervisory Board, the Chairman is entitled to present a list of proposed members drawn up by the management or the shareholders.

## **VI**

### **Financial year, net income, distributable profit**

#### **21**

#### **Financial year**

The financial year starts on 1 January and ends on 31 December.

#### **22**

#### **Appropriation of the net income and the distributable profit**

(1) The Supervisory Board and Management Board may, when adopting the annual financial statements, allocate more than half, but not more than two thirds of the net income to non-statutory reserves, so far as this is permitted by law.

(2) The annual general meeting may resolve any appropriation of the distributable profit which is permitted by law.

(3) The profit shares of the shareholders shall be determined as a proportion of the contributions paid on their share of the share capital and, in the case of contributions paid during the course of the financial year, pro rata temporis on the basis of the time elapsed since the contribution was made.

(4) In the event of a capital increase a different profit sharing entitlement may be agreed for the new shares.