

Invitation

to the 2009 Annual General Meeting of Grammer AG
(Translation of the binding German original)



GRAMMER Aktiengesellschaft Amberg
German Securities Identification Number (WKN): 589540
ISIN: DE0005895403

We hereby invite the shareholders of our Company
to the Annual General Meeting on

May 28, 2009, 9.30 a.m.

at the ACC – Amberger Congress-Center,
Schießstätteweg 8, 92224 Amberg.

Meeting Agenda

1 Presentation of the approved GRAMMER AG annual financial statements and approved consolidated annual financial statements, the management reports of GRAMMER AG and GRAMMER Group, the proposal by the Executive Board for appropriation of net profit and the report of the Supervisory Board for fiscal year 2008

The documentation is available online at www.grammer.com under "Investor Relations". It will also be sent to shareholders upon request.

2 Resolution on the appropriation of net retained profits as of December 31, 2008

The Executive Board and Supervisory Board propose transferring €7,000,000.00 from the net retained profits of Grammer AG as of December 31, 2008 in the amount of €10,333,993.74 to revenue reserves, and carrying forward the remaining €3,333,993.74 to the current fiscal year.

3 Resolution on the granting of discharge for the members of the Executive Board in fiscal year 2008

The Executive Board and Supervisory Board propose granting of discharge for the members of the Executive Board in fiscal year 2008.

4 Resolution on the granting of discharge for the members of the Supervisory Board in fiscal year 2008

The Executive Board and Supervisory Board propose granting of discharge for the members of the Supervisory Board in fiscal year 2008.

5 Appointment of the auditor and the group auditor for fiscal year 2009

The Supervisory Board proposes selection of

ERNST & YOUNG AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Nuremberg

as auditor and group auditor for fiscal year 2009.

6 Resolution on a change to the Articles of Association, excluding remuneration for activities within the Nominating Committee of the Supervisory Board

In accordance with the recommendation under item 5.3.3 of the German Corporate Governance Code (version dated June 6, 2008), the Supervisory Board of GRAMMER AG formed a Nominating Committee comprising three shareholder representatives, who propose suitable candidates to the Supervisory Board for its nominations submitted to the Annual General Meeting. The Articles of Association are to set forth that the members of the Nominating Committee shall not receive separate remuneration for their activities within the committee. Otherwise, remuneration for committee activities remains unchanged. The Executive Board and the Supervisory Board therefore propose to resolve the following:

Section 20 (3) of the Articles of Association is to amended to read as follows:

“The members of the Supervisory Board also receive a meeting fee of 1,000.00 euros per personally attended Board or committee meeting, plus reimbursed expenses. The Chairman of a committee receives a further 1,000 euros per committee meeting. The meeting fee shall not be paid for participation in meetings of the Nominating Committee. The fixed payment for reimbursement of expenses is payable in each case on the first business day following the Supervisory Board or committee meeting.”

7 Resolution on a change to the Articles of Association, adjusting calculation of notification periods in accordance with the draft law on the implementation of the Shareholders' Rights Directive (Gesetz zur Umsetzung der Aktionärsrechterichtlinie – ARUG) dated January 21, 2009, Bundestag Printed Paper 16/11642

The Executive Board and the Supervisory Board propose the following amendments to the Articles of Association:

- a) The last sentence of section 21 (4) shall be deleted from the Articles of Association.
- b) Sentence 2 of section 22 (3) shall be deleted from the Articles of Association.

The Executive Board will also be instructed that the resolution in accordance with agenda item 7 shall not be entered into the commercial register until the ARUG in its final version including the above provisions has entered into force.

8 Resolution on a change to the Articles of Association, regarding exercise of voting rights by proxy in accordance with the ARUG

The Executive Board and the Supervisory Board propose the following amendment to the Articles of Association:

Section 23 (2) shall be amended to read as follows:

"The voting may also be exercised by proxies. The proxy authorization, if not otherwise set forth by law, must be in text form. The proof of proxy may be transmitted to the Company via an electronic channel to be specifically defined by the Executive Board. The details shall be publicized together with the notice of the Annual General Meeting."

The Executive Board will also be instructed that the resolution in accordance with agenda item 8 shall not be entered into the commercial register until the ARUG in its final version including the above provisions has entered into force.

9 Resolution on a change to the Articles of Association, regarding a clause permitting written submission or electronic communication of votes in accordance with the ARUG

The Executive Board and the Supervisory Board propose the following amendment to the Articles of Association:

The following sub-section (4) shall be added to section 23 of the Articles of Association:

"The Executive Board is authorized to permit shareholders to submit their votes, without participation in the Annual General Meeting, in writing or via electronic communication (absentee voting), and is authorized to define rules for this procedure. The details shall be publicized together with the notice of the Annual General Meeting."

The Executive Board will also be instructed that the resolution in accordance with agenda item 9 shall not be entered into the commercial register until the ARUG in its final version including the above provisions has entered into force.

10 Resolution on a change to the Articles of Association, amending rules for video and audio transmission of the Annual General Meeting in accordance with the ARUG

The Executive Board and the Supervisory Board propose the following amendment to the Articles of Association:

Section 24 (4) of the Articles of Association shall be amended to read:

"The Executive Board may permit video and audio transmission of the Annual General Meeting. The media, the methods and the scope of the transmission are defined by the Executive Board in advance of the Annual General Meeting. The details shall be publicized together with the notice of the Annual General Meeting."

The Executive Board will also be instructed that the resolution in accordance with agenda item 10 shall not be entered into the commercial register until the ARUG in its final version including the above provisions has entered into force.

11 Resolution on the authorization to acquire and appropriate own shares and to exclude subscription rights and rights of tender in accordance with the ARUG

The purchase of own shares, if not expressly permitted by law, is subject to specific authorization by the Annual General Meeting.

The Executive Board and Supervisory Board therefore propose the following resolution, subject to the condition precedent that the ARUG enters into force within the planned five-year period:

a) The Company is authorized, until May 27, 2014, to acquire own shares in an amount up to 10% of the share capital of the Company on the resolution date. At no time may the proportion of share capital represented by the shares acquired under this authorization together with the other own shares held by the Company or attributable to it pursuant to sections 71a et seq. of the German Stock Corporation Act (Aktengesetz – AktG) exceed 10%. The authorization may not be used for the purpose of trading in own shares, but extends to all legally permissible uses.

The Executive Board may opt to purchase the shares (1) via the stock exchange or (2) on the basis of a public tender offer to all shareholders or a public invitation to tender shares. The authorization may be exercised in full or in part on either one or several occasions for a single or multiple purposes by the Company or its subsidiaries, as well as by third parties appointed to act for the account of Company, the subsidiaries or its own account.

- (1) In the case of acquisition via the stock exchange, the purchase price per share (excluding transaction costs) may not be more than 10% below or above the average closing price per share of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the purchase date.
 - (2) In the case of a public tender offer or public invitation to tender shares, the offer price per share (excluding transaction costs) may not be more than 10% below or above the average closing price per share in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to publication of the tender offer or the invitation to tender shares.
- b) The volume of a public tender offer may be restricted. To the extent that a public tender offer is oversubscribed, the acquisition must be based on proportions in relation to the relevant tendered shares, and thus subject to partial exclusion of any shareholder rights of tender. Rules may be established giving preference to acquisition of low numbers of up to 50 tendered shares per shareholder, as well as permitting rounding based on commercial principles, thus partially excluding any shareholder rights of tender.
- c) The Executive Board shall be authorized, with the consent of the Supervisory Board, to use shares acquired in the context of letter a) above for any lawful purposes, in particular to sell the shares to third parties – subject to an exclusion of subscription rights – in ways other than on a stock exchange or through an offer to the shareholders for contributions in kind, if this is (part of) a consideration in connection with merger activities or the acquisition of companies, company divisions or interests in companies. Furthermore, the shares acquired in the context of letter a) above may be sold, with the consent of the Supervisory Board, to third parties subject to exclusion of subscription rights provided the cash price payable for the sale is no more than 5% below the stock exchange price of substantially comparable shares of the Company already listed at the time of the sale. The relevant stock exchange price is the average closing price (excluding transaction costs) per share of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the sale date of the relevant shares.

The above authorization to exclude the subscription rights of shareholders if the sale price is no more than 5% below the stock exchange price on the date of sale is limited to a total of 10% of the share capital of the Company existing at the time of resolution or – if such amount is lower – the share capital existing at the time that this authorization is exercised. The maximum of 10% of share capital is reduced by the proportion of share capital attributable to the shares issued during the term of this authorization in the context of a capital increase subject to an exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG, as well as shares issued in relation to the exercise of option and/or conversion rights or to meet conversion obligations under warrant-linked and/or convertible bonds and/or convertible participation rights and/or options issued or required to be issued during the term of this authorization subject to an exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG.

- d) The Executive Board is authorized, with the consent of the Supervisory Board, in the event of the sale of own shares in the context of an offer to all shareholders of the Company, to exclude shareholder subscription rights for fractional amounts.
- e) The Executive Board is authorized to withdraw shares of the Company acquired under this authorization without a further resolution by the Annual General Meeting. They may also be withdrawn in a simplified procedure without a capital reduction, through adjustment of the proportion of the Company's share capital represented by the remaining no-par value shares. If the simplified procedure is used, the Executive Board is authorized to adjust the number of no-par value shares in the Articles of Association.
- f) All above-mentioned authorizations for the appropriation of the acquired Company shares may be exercised in full or in part on either one or several occasions, individually or jointly. Shareholders subscription rights are excluded in all cases.

The authorization granted under this resolution expires – without the need for an explicit rescission – with entry into force of a new authorization to acquire own shares in accordance with section 71 (1) no. 8 AktG. In any case, the present authorization expires at the latest on May 27, 2014.

12 Resolution on the authorization to acquire and appropriate own shares (section 71 (1) no. 8 AktG) and to exclude subscription rights and rights of tender in accordance with the legal situation prior to entry into force of the ARUG

The purchase of own shares, if not expressly permitted by law, is subject to specific authorization by the Annual General Meeting. Such an authorization resolution by the Annual General Meeting of the Company is to be granted under agenda item 11 above, when the ARUG enters into force as planned. In the event that the ARUG does not enter into force, or does not enter into force on time or enters into force with content that is not in line with agenda item 11 above, so that this resolution in accordance with agenda item 11 does not enter into effect or entry into effect is postponed, the Company should nonetheless be granted a corresponding authorization. In order to establish the ability of the Company to act in this context, a proposal should be made to the Annual General Meeting to authorize the Company to acquire and appropriate own shares. As soon as and to the extent that the ARUG enters into force within the planned five-year period, this resolution becomes void and is replaced by the resolution under agenda item 11.

- a) The Executive Board and Supervisory Board propose the following resolution, subject to the condition precedent that the ARUG enters into force within the planned five-year period: The Company is authorized, until November 11, 2010, to acquire own shares in an amount up to 10% of the share capital of the Company on the resolution date. At no time may the proportion of share capital represented by the shares acquired under this authorization together with the other own shares held by the Company or attributable to it pursuant to sections 71a et seq. of the German Stock Corporation Act (Aktiengesetz – AktG) exceed 10%. The authorization may not be used for the purpose of trading in own shares, but extends to all legally permissible uses.

The Executive Board may opt to purchase the shares (1) via the stock exchange or (2) on the basis of a public tender offer to all shareholders or a public invitation to tender shares. The authorization may be exercised in full or in part on either one or several occasions for a single or multiple purposes by the Company or its subsidiaries, as well as by third parties appointed to act for the account of Company, the subsidiaries or its own account.

- (1) In the case of acquisition via the stock exchange, the purchase price per share (excluding transaction costs) may not be more than 10% below or above the average closing price per share of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the purchase date.
 - (2) In the case of a public tender offer or public invitation to tender shares, the offer price per share (excluding transaction costs) may not be more than 10% below or above the average closing price per share in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to publication of the tender offer or the invitation to tender shares.
- b) The volume of a public tender offer may be restricted. To the extent that a public tender offer is oversubscribed, the acquisition must be based on proportions in relation to the relevant tendered shares, and thus subject to partial exclusion of any shareholder rights of tender. Rules may be established giving preference to acquisition of low numbers of up to 50 tendered shares per shareholder, as well as permitting rounding based on commercial principles, thus partially excluding any shareholder rights of tender.
- c) The Executive Board shall be authorized, with the consent of the Supervisory Board, to use shares acquired in the context of letter a) above for any lawful purposes, in particular to sell the shares to third parties – subject to an exclusion of subscription rights – in ways other than on a stock exchange or through an offer to the shareholders for contributions in kind, if this is (part of) a consideration in connection with merger activities or the acquisition of companies, company divisions or interests in companies. Furthermore, the shares acquired in the context of letter a) above may be sold, with the consent of the Supervisory Board, to third parties subject to exclusion of subscription rights provided the cash price payable for the sale is no more than 5% below the stock exchange price of substantially comparable shares of the Company already listed at the time of the sale. The relevant stock exchange price is the average closing price (excluding transaction costs) per share of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the sale date of the relevant shares.

The above authorization to exclude the subscription rights of shareholders if the sale price is no more than 5% below the stock exchange price on the date of sale is limited to a total of 10% of the share capital of the Company existing at the time of resolution or – if such amount is lower – the share capital existing at the time that this authorization is exercised. The maximum of 10% of share capital is reduced by the proportion of share capital attributable to the shares issued during the term of this authorization in the context of a capital increase subject to an exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG, as well as shares issued in relation to the exercise of option and/or conversion rights or to meet conversion obligations under warrant-linked and/or convertible bonds and/or convertible participation rights and/or options issued or required to be issued during the term of this authorization subject to an exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG.

- d) The Executive Board is authorized, with the consent of the Supervisory Board, in the event of the sale of own shares in the context of an offer to all shareholders of the Company, to exclude shareholder subscription rights for fractional amounts.
- e) The Executive Board is authorized to withdraw shares of the Company acquired under this authorization without a further resolution by the Annual General Meeting. They may also be withdrawn in a simplified procedure without a capital reduction, through adjustment of the proportion of the Company's share capital represented by the remaining no-par value shares. If the simplified procedure is used, the Executive Board is authorized to adjust the number of no-par value shares in the Articles of Association.
- f) All above-mentioned authorizations for the appropriation of the acquired Company shares may be exercised in full or in part on either one or several occasions, individually or jointly. Shareholders subscription rights are excluded in all cases.

The authorization granted under this resolution expires – without the need for an explicit rescission – with entry into force of a new authorization to acquire own shares in accordance with section 71 (1) no. 8 AktG. In any case, the present authorization expires at the latest on November 27, 2010.

13 Resolution on the authorization to issue participation rights with or without an option or conversion right/obligation and/or option and/or convertible bonds and to exclude subscription rights while simultaneously introducing conditional share capital and amending the Articles of Association

Given the current financing environment that cannot be reliably forecast, the Executive Board and Supervisory Board consider it appropriate to establish the possibility to issue participation rights with or without an option or conversion right/obligation and convertible and/or warrant-linked bonds on the basis of commensurate conditional capital.

The Executive Board and the Supervisory Board propose the following resolution:

- a) Authorization to issue participation rights with or without an option or conversion right/obligation and/or warrant-linked and/or convertible bonds and to exclude subscription rights

The Executive Board is authorized, with the consent of the Supervisory Board, until May 27, 2014 to undertake one or more issuances of participation rights with or without an option or conversion right/obligation ("participation rights") and/or warrant-linked and/or convertible bearer bonds ("bonds", together with the participation rights "proportional rights") with a total nominal value of up to EUR 100,000,000.00 and to grant option rights to holders of warrant-linked participation rights or warrant-linked bonds, or to grant conversion rights to holders of convertible participation rights or convertible bonds, for bearer shares of the Company proportionally representing share capital totaling up to EUR 13,433,803.52, the details of which are governed by the terms and conditions for participation rights or the terms and conditions for bonds. The proportional rights may be issued in euro or, subject to limitation to the corresponding value in euro, in another legal currency. The participation rights may also be issued in the form of bearer participation certificates. The proportional rights represented by the instruments issued may be admitted to or included in trading on one or more stock exchange(s), either on an organized market within the meaning of section 2 (5) of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) or in over the counter trading.

The authorization also includes the possibility to assume the guarantees required for proportional rights issued by subsidiaries of the Company and to provide shares of the Company to satisfy the conversion and option rights under these proportional rights.

The shareholders have a fundamental subscription right with respect to the proportional rights. The bonds and participation certificates may also be taken over by one or more banks for satisfaction of the subscription rights, subject to the obligation that they offer them to the shareholders.

However, the Executive Board is authorized, with the consent of the Supervisory Board, to exclude from the shareholder subscription rights any fractional amounts resulting from the subscription ratio.

The Executive Board is furthermore authorized, with the consent of the Supervisory Board, to exclude the subscription rights to the extent necessary to grant the holders of option or conversion rights for shares of the Company previously issued to compensate for dilution, a subscription right in a scope equivalent to that which they would be entitled as shareholders upon exercise of the option or conversion rights.

The Executive Board is also authorized, upon approval of the Supervisory Board, to completely exclude the shareholder subscription rights for proportional rights issued against cash payment, provided the Executive Board, having duly examined the matter, determines that the issue price of the proportional rights is not materially lower than their market value calculated by means of recognized calculation methods, particularly including methods of financial mathematics. This authorization, however, only applies for warrant-linked participation rights/warrant-linked bonds and/or convertible participation rights/convertible bonds with an option or conversion right or an option or conversion obligation for shares representing a total proportion of no more than 10% of share capital, either when the authorization comes into effect or – if such value is lower – at the time that the present authorization is exercised. The aforementioned 10% limit takes account of shares of the Company issued subject to exclusion of shareholder subscription rights pursuant to section 186 (3) sentence 4 AktG during the term of this authorization.

To the extent that participation rights are issued without an option or conversion right/obligation, the Executive Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of the shareholders as a whole, if such participation rights have bond-like features, i.e. if they have limited terms and convey no membership rights in the Company, and no share in the liquidation proceeds of the Company, and the interest payable is not calculated based on earnings. Furthermore, in such case, the interest and the total issue price of the participation rights must be in line with prevailing market financing conditions at the time of issue.

In the case of issue of warrant-linked bonds, one or more warrants shall be attached to each individual bond conferring on the holder the right to subscribe for no-par value bearer shares in accordance with the conditions to be determined by the Executive Board. The terms and conditions of the warrants may include a provision to the effect that payment of the option price may also be effected by transfer of bonds and, where applicable, payment of an additional amount in cash. The proportional amount of the share capital attributable to the shares underlying each bond must not exceed the nominal value of the bonds. If this results in fractional shares, it may be stipulated that, subject to the terms and conditions of the warrants or the bond, such fractions may be aggregated to full shares to be subscribed, against payment of additional amounts where applicable. The above provisions of this sub-section applies mutatis mutandis for warrant-linked participation rights.

In the case of issue of convertible participation rights/convertible bonds, the holders thereof shall be granted the irrevocable right to convert their proportional rights into no-par value bearer shares of the Company pursuant to the terms and conditions of the convertible participation rights/convertible bonds as determined by the Executive Board. The conversion ratio is determined by dividing the nominal value or, if lower, the issue price of a proportional right, by the fixed conversion price per share of the Company, and may be rounded up or down to the next full number; furthermore, an additional amount to be paid in cash and an aggregation or compensation for non-convertible fractions may be determined.

The relevant option or conversion price per share must be at least 85% of the non-weighted average closing price of the shares of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the date of the Executive Board resolution on the issue of proportional rights or – in the case subscription right trading – at least 85% of the non-weighted average market price of the shares of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during days on which the subscription rights relating to the proportional rights are traded on the Frankfurt Stock Exchange, except for the last two trading days of the trading in the subscription rights; the foregoing shall not apply where option or conversion obligations are stipulated. This is without prejudice to section 9 (1) AktG.

Without prejudice to section 9 (1) AktG, the option or conversion price may be reduced under an anti-dilution provision, in accordance with the detailed specification of the terms and conditions of the proportional rights if the Company increases the share capital during the option or conversion period granting subscription rights to its shareholders, or carries out a capital increase out of retained earnings, or issues additional proportional option or conver-

sion rights, or grants or guarantees further option or conversion rights or obligations not conferring on the holders of existing option and conversion rights or obligations any subscription rights equivalent to that which they would be entitled following exercise of the option or conversion rights, or performance of the option or conversion obligation. The reduction of the option or conversion price may also be effected through payment in cash upon exercise of the option or conversion right, or performance of the option or conversion obligation. The terms and conditions of the option rights or obligations or the proportional rights may also provide for an adjustment of the option and/or conversion rights or obligations in case of a capital reduction or other extraordinary measures or events (e.g. unusually large dividends, acquisition of control by third parties).

The terms and conditions of the proportional rights may stipulate a right of the Company, in the event of conversion or exercise of the option, to pay an amount in cash. in lieu of granting new shares, equivalent to the non-weighted average closing price for shares of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the twenty trading days prior to or following the notice of conversion or exercise of the option. The terms and conditions of the proportional rights may also provide that, at the Company's discretion, the proportional rights, in lieu of being converted into new shares of the company issued from the conditional capital, may be converted into existing shares of the Company or another listed company, or that the option right may be satisfied through delivery of such shares.

The terms and conditions of the proportional rights may also provide for a conversion obligation or an option obligation as of the maturity date (or another point in time), or for the right of the Company, upon maturity of convertible participation rights/convertible bonds (including maturity due to termination), to grant to the holders of the participation rights/bonds shares in the Company or in another listed company in lieu of payment of the monetary amount due or parts thereof. In this case, in accordance with the specific terms and conditions of the proportional rights, the option or conversion price may be equal to the average closing auction price of the shares of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the twenty trading days prior to or following the maturity date, even if such average price is lower than the above-mentioned minimum price (85%). The proportional amount of share capital represented by the shares underlying each proportional right must not exceed the nominal value per proportional right. Section 9 (1) AktG in conjunction with section 199 (2) AktG apply accordingly.

The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details regarding the issuance and the features of the proportional rights, in particular volume and issue date, participation and interest rates, issue price, term to maturity/ termination period and denomination, anti-dilution provisions, subordination, share in the liquidation proceeds, instrument type and stock exchange listing, option and conversion periods, and within the above-defined scope, the conversion or option price, as well as the particulars of trading in the subscription rights to the proportional rights.

b) Conditional capital

For the issue of shares to the holders of option and/or conversion rights or warrant-linked and/or convertible bonds as a result of the above authorization a), the share capital is conditionally increased by up to EUR 13,433,803.52 through issue of new no-par value bearer shares (Conditional Capital 2009). The conditional capital increase serves the purpose of granting shares to holders of convertible participation rights or holders of convertible bonds or of warrants from warrant-linked bonds or warrant-linked participation rights issued in accordance with the above authorization a). The new shares are issued at the option or conversion price in accordance with the above authorization.

The conditional capital increase shall only be implemented to the extent that option or conversion rights are exercised, or conversion or option obligations must be satisfied, and to the extent that alternative forms of performance are not utilized. The new shares issued upon exercise of the option or conversion rights, or upon compliance with the conversion or option obligations shall be entitled to dividends as of the beginning of the fiscal year in which they arise.

The Executive Board is entitled, with the consent of the Supervisory Board, to determine the further details of implementation of the conditional capital increase.

c) Amendment of the Article of Association

The following sub-section 4 shall be added to section 5 of the Articles of Association (Share Capital):

"The share capital is conditionally increased by up to EUR 13,433,803.52 through issue of new no-par value bearer shares; the conditional capital increase is only implemented to the extent that the holders of option or conversion rights and/or the holders subject to a conversion/option exercise obligation under warrant-linked bonds or convertible bonds, or warrant-linked or convertible participation rights issued or guaranteed during the period until May 27, 2014 by the Company on the basis of the authorization by the Annual General Meeting of May 28, 2009, exercise such option or conversion rights or, if they are subject to a conversion/option exercise obligation, comply with such obligations, and to the extent that no use is made by the Company of the option for alternative forms of performance (Conditional Capital 2009). The new shares are issued at the option or conversion price to be determined in each case in accordance with the above authorization. The new shares issued upon exercise of the option or conversion rights, or upon compliance with the conversion or option obligations shall be entitled to dividends as of the beginning of the fiscal year in which they arise. The Executive Board is entitled, with the consent of the Supervisory Board, to determine the further details of implementation of the conditional capital increase."

d) Authorization to amend the Articles of Association

The Supervisory Board is authorized to amend section 5 of the Articles of Association from time to time in accordance with the relevant amount of new shares issued, and to effect all other adjustments of the Articles of Association in connection therewith, provided these relate solely to the wording. The same applies in the event that the authorization to issue warrant-linked or convertible participation rights is not fully used before expiry of the authorization period, or in the event that the conditional capital is not fully used before expiry of the periods stipulated for the exercise of the option or conversion rights or for compliance with the conversion or option obligations.

Report to the Annual General Meeting

Ad item 11 of the agenda:

Executive Board report pursuant to section 71 (1) no. 8 in conjunction with section 186 (4) sentence 2 and sub-section (3) sentence 4 of the AktG

With respect to item 11 of the Annual General Meeting agenda, the Executive Board makes the following report in accordance with section 71 (1) no. 8 in conjunction with section 186 (4) sentence 2 and sub-section (3) sentence 4 AktG on the exclusion of subscription rights and explains the proposed authorization for the acquisition and subsequent resale of own shares as follows:

Section 71 (1) no. 8 AktG in the version of the ARUG permits the Executive Board of the Company, on the basis of an authorization by the Annual General Meeting valid for a maximum of five years, to acquire shares of the Company, representing a proportion of no more than 10% of share capital. The legally permissible maximum term of such an authorization is expected to be extended by the ARUG, from 18 months to five years. The present proposed resolution is meant to provide a corresponding authorization, subject to the condition precedent that the ARUG enters into force with this provision. Acquisition and sale of the shares are executed in accordance with the principles of equal treatment of shareholders, as a rule via the stock exchange. Where relevant, the purchase may be made directly, and not via the stock exchange or through a public tender offer or a public invitation to tender shares.

The resolution is designed to provide the Executive Board with the possibility to acquire and resell shares of the Company representing up to 10% of share capital until May 27, 2014. This also includes the proposed authorization of the Executive Board, with the consent of the Supervisory Board, to sell the acquired shares in ways other than on a stock exchange or through an offer to all of the shareholders, provided the acquired shares are sold for a price that is not substantially below the stock exchange price for Company shares (no more than 5%) at the time of the sale.

The relevant stock exchange price within the meaning of this provision is the average closing price for shares of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the sale of the relevant shares. The final determination of the sale price for own shares is thus made based on a market comparison immediately prior to the sale.

Given that the authorization may not exceed 10% of share capital and the issue price may not be substantially below the stock exchange price (no more than 5%), an exclusion of subscription rights in accordance with section 71 (1) no. 8 AktG in conjunction with section 186 (3) sentence 4 AktG is permissible and included in the authorization. In this way, in the interest of the Company, the possibility is to be furnished to offer shares of the Company to institutional investors in Germany and abroad.

The interests of the shareholders are adequately safeguarded in this context: This authorization is limited to a total of 10% of the share capital of the Company and, based on the limit on subscription right exclusions under section 186 (3) sentence 4 AktG, includes other shares of the Company issued or sold during the term of this authorization. Moreover, own shares may be only be sold in ways other than on a stock exchange or through an offer to all of the shareholders at a price that is not substantially below the stock exchange price of the shares (no more than 5%) of the Company at the time of the sale. The shareholders also have the possibility to maintain their relative participation in the Company by way of additional share purchases via the stock exchange.

The authorization resolution is also meant to give the management the ability to act rapidly, flexibly and at a low cost in the event of mergers, acquisitions of companies or equity stakes as well as other assets. In cases where shares of the Company may be provided in lieu of a cash consideration, this authorization permits rapid and flexible action, without the need to carry out a capital increase from authorized capital. This can also represent more favorable financing conditions than cash. International competition and economic globalization increasingly require this form of consideration. The management, however, will diligently assess specific cases of planned corporate acquisitions and only enter into transactions if a sale of own shares is in the interest of the Company and thus its shareholders.

The Company should also have the ability to withdraw own shares, even without a renewed resolution by the Annual General Meeting, but with approval by the Supervisory Board.

Ad item 12 of the agenda:

Executive Board report pursuant to section 71 (1) no. 8 in conjunction with section 186 (3) sentence 4 and sub-section (4) sentence 2 of the AktG

With respect to item 12 of the Annual General Meeting agenda, the Executive Board makes the following report in accordance with section 71 (1) no. 8 in conjunction with section 186 (4) sentence 2 and sub-section (3) sentence 4 of the AktG on the exclusion of subscription rights and explains the proposed authorization for the acquisition and subsequent resale of own shares as follows:

Section 71 (1) no. 8 of the AktG permits the Executive Board of the company, on the basis of an authorization by the Annual General Meeting valid for a maximum of 18 months, to acquire shares of the Company, representing a proportion of no more than 10% of share capital. Acquisition and sale of the shares are executed in accordance with the principles of equal treatment of shareholders, as a rule via the stock exchange. Where relevant, the purchase may be made directly, and not via the stock exchange or through a public tender offer or a public invitation to tender shares.

The resolution is designed to provide the Executive Board with the possibility to acquire and resell shares of the Company representing up to 10% of share capital until November 27, 2010. This also includes the proposed authorization of the Executive Board, with the consent of the Supervisory Board, to sell the acquired shares in ways other than on a stock exchange or through an offer to all of the shareholders, provided the acquired shares are sold for a price that is not substantially below the stock exchange price for Company shares (no more than 5%) at the time of the sale.

The relevant stock exchange price within the meaning of this provision is the average closing price for shares of the Company in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over the ten trading days prior to the sale of the relevant shares. The final determination of the sale price for own shares is thus made based on a market comparison immediately prior to the sale.

Given that the authorization may not exceed 10% of share capital and the issue price may not be substantially below the stock exchange price (no more than 5%), an exclusion of subscription rights in accordance with section 71 (1) no. 8 AktG in conjunction with section 186 (3) sentence 4 AktG is permissible and included in the authorization. In this way, in the interest of the Company, the possibility is to be furnished to offer shares of the Company to institutional investors in Germany and abroad.

The interests of the shareholders are adequately safeguarded in this context: This authorization is limited to a total of 10% of the share capital of the Company and, based on the limit on subscription right exclusions under section 186 (3) sentence 4 AktG, includes other shares of the Company issued or sold during the term of this authorization. Moreover, own shares may be only be sold in ways other than on a stock exchange or through an offer to all of the shareholders at a price that is not substantially below the stock exchange price of the shares (no more than 5%) of the Company at the time of the sale. The shareholders also have the possibility to maintain their relative participation in the Company by way of additional share purchases via the stock exchange.

The authorization resolution is also meant to give the management the ability to act rapidly, flexibly and at a low cost in the event of mergers, acquisitions of companies or equity stakes as well as other assets. In cases where shares of the Company may be provided in lieu of a cash consideration, this authorization permits rapid and flexible action, without the need to carry out a capital increase from authorized capital. This can also represent more favorable financing conditions than cash. International competition and economic globalization increasingly require this form of consideration. The management, however, will diligently assess specific cases of planned corporate acquisitions and only enter into transactions if a sale of own shares is in the interest of the Company and thus its shareholders.

The Company should also have the ability to withdraw own shares, even without a renewed resolution by the Annual General Meeting, but with approval by the Supervisory Board.

Ad item 13 of the agenda:

Executive Board report pursuant to section 221 (4) sentence 2, section 186 (4) sentence 2 of the AktG

With respect to item 13 of the Annual General Meeting agenda, the Executive Board makes the following report on the exclusion of subscription rights in connection with the issue of participation rights with or without an option or conversion right/obligation and/or warrant-linked and/or convertible bonds and the proposed issue price, and explains the proposed authorization to issue participation rights with or without an option or conversion right/obligation and/or warrant-linked and/or convertible bonds as follows:

The proposed authorization to issue participation rights with or without an option or conversion right/obligation and/or warrant-linked and/or convertible bonds and the proposed issue price in the total nominal amount of up to EUR 100.000.000,00 ("proportional rights"), and to create

the corresponding conditional capital of up to EUR 13,433,803.52 is intended to enhance the options of the Company for financing its activities, as described in greater detail below, and to enable the Executive Board, with the consent of the Supervisory Board, to take advantage of flexible and immediate financing opportunities in the interest of the Company, particularly in the event of favorable capital market conditions.

The shareholders are fundamentally entitled to the statutory subscription rights to the proportional rights (section 221 (4) in conjunction with section 186 (1) AktG). To facilitate processing, use may be made of the option to issue the bonds or participation certificates to a bank or a syndicate of banks, with the obligation to offer the bonds or participation certificates to the shareholders according to their subscriptions rights (indirect subscription right within the meaning of section 186 (5) AktG). The exclusion of subscription rights for fractional amounts permits utilization of the proposed authorization through rounded amounts. This facilitates processing of the shareholder subscription rights. The exclusion of subscription rights benefiting holders of existing conversion rights and option rights bears the advantage that the conversion or option price for the existing conversion or option rights does not need to be reduced, so that more funds can be raised. Both cases of subscription right exclusion facilitate placement of the issues and are thus in the interest of the Company and its shareholders.

The option/conversion price ("issue price") for the new shares must equate to at least 85% of the stock exchange price determined immediately prior to issue of the proportional rights. The minimum issue price of 85% allows the Executive Board to produce an attractive offer of the proportional rights, even in times of negative price expectations. Given that this is only a minimum value, the Executive Board consequently also has the ability to flexibly set a higher issue price in the event of positive price expectations. In any case, the Executive Board will factor in the interest of the shareholders for minimum dilution of their interests in the Company when determining the issue price. Taking into account the draft law on the implementation of the Shareholders' Rights Directive (Gesetz zur Umsetzung der Aktionärsrechterichtlinie – ARUG) dated January 21, 2009, Bundestag Printed Paper 16/11642, with which the legislature decided in favor of the possibility to determine a minimum issue price, there is no longer any negative consensus with respect to determination of such a minimum issue price in the authorization resolution.

The Executive Board is also authorized, with the consent of the Supervisory Board, to completely exclude the shareholder subscription rights if the issue of the proportional rights is effected against payment in cash at a price not materially lower than the market value of such rights. This enables the Company to very quickly take advantage of favorable market opportunities and to achieve better conditions in relation to participation and interest rates, option or conversion prices and the issue price of the proportional rights through market-oriented determination of such conditions.

For this case of full exclusion of subscription rights, the provisions of section 186 (3) sentence 4 AktG apply mutatis mutandis in accordance with section 221 (4) sentence 2 AktG. The limit on subscription right exclusions to 10% of share capital defined therein is to be complied with in accordance with the content of the resolution. In this context, shares resold pursuant to the authorization of the Annual General Meeting on May 28, 2009 to acquire own shares in accordance with section 71 (1) no. 8 sentence 5 AktG in conjunction with section 186 (3) sentence 4 AktG apply toward the above 10% limit, and reduce it accordingly. Section 186 (3) sentence 4 AktG further provides that the issue price must not be significantly lower than the stock exchange price. This provision is intended to prevent a significant economic dilution of the value of the shares. Whether or not such a dilutive effect will occur in the issue of proportional rights subject to the exclusion of subscription rights can be determined by calculating the theoretical market price in accordance with recognized calculation methods, particularly including methods of financial mathematics, and comparing this with the issue price. If, following an obligatory assessment, it is determined that the issue price differs only insignificantly from the theoretical market price at the time of issue of the proportional rights, the exclusion of subscription rights is deemed permissible in accordance with the purpose of section 186 (3) sentence 4 AktG owing to the only minor discount. The resolution thus provides that the Executive Board, having duly considered the matter, must determine that the intended issue price will not result in any significant dilution of the value of the shares. This means that the market value of each subscription right would tend to almost zero, so that the shareholders cannot suffer any significant economic disadvantages through the exclusion of the subscription rights. To the extent that it is deemed appropriate by the Executive Board to seek professional advice on a given set of circumstances, the Executive Board may make use of professional assistance by experts. For example, the syndicate banks participating in the issue may assure the Executive Board in a way deemed appropriate that no significant dilution of the value of the shares is to be expected. This may also be confirmed by an independent bank or expert. Irrespective of such review by the Executive Board, market-oriented setting of conditions is guaranteed in the case of a book building process, thus preventing any significant dilution. In this process, the bonds or participation certificates are offered at a fixed issue price, however, individual terms and conditions of the bonds or participation certificates (e.g. interest rate and/or participation and conversion or option price) are determined on the basis of the purchase requests submitted by investors; consequently the aggregate value of the bonds or participation certificates are determined on a market-oriented basis. All of this ensures that the exclusion of the subscription rights will not cause any significant dilution of the value of the shares.

Furthermore, the shareholders may maintain their proportional participation in the share capital of the Company even after exercise of conversion or option rights at any time through additional purchases of shares via the stock exchange.

To the extent that participation rights are issued without an option or conversion right/obligation, the Executive Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of the shareholders as a whole, if such participation rights have bond-like features, i.e. if they have limited terms and convey no membership rights in the Company, and no share in the liquidation proceeds of the Company, and the interest payable is not calculated based on earnings (i.e. the amount payable is not based on net annual profit, net retained earnings, dividends or any other earnings-related figure). Furthermore, in such case, the interest and the total issue price of the participation rights must be in line with prevailing market financing conditions at the time of issue. If the above preconditions are satisfied, the shareholders are not disadvantaged or diluted with respect to their membership rights, in particular their voting rights, share in liquidation proceeds and dividend rights. Given that the issue conditions must be in line with current market conditions, there are also no factors that would give rise to a significant intrinsic value for subscription rights.

The above-described authorization to exclude subscription rights enables the Company to determine the conditions on a market-oriented basis, and to assure with greater certainty that the rights can be placed with third parties, and that the Company is in a position to flexibly and immediately take advantage of favorable capital market conditions. For instance, the Company can rapidly seize opportunities presented by a low interest level and/or a favorable demand situation. Such market-oriented and rapid condition setting and uncomplicated placement would not be possible to the same extent without exclusion of subscription rights. Although section 186 (2) AktG permits disclosure of the subscription price up to the third day prior to the last day of the subscription period, a market risk still exists for a number of days, which results in deductions for safety margins in the determination of the terms and conditions of the proportional rights, and thus in conditions which are not market-oriented, considering the frequently observed volatility on the stock markets. Also, the existence of subscription rights could jeopardize any successful placement with third parties, or give rise to additional costs, due to uncertainty with respect to the exercise thereof. Finally, the Company cannot immediately react to favorable or unfavorable market conditions if subscription rights are valid, because of the length of the subscription period, and is exposed to declining share prices, which makes it more expensive or difficult to raise funds through the equity market. The exclusion of subscription rights can therefore aid in and lower the price of financing by the Company and is thus in the interest of the Company and its shareholders. In order to safeguard the interests the shareholders, the Executive Board will assess in individual cases, whether and to what extent an exclusion of subscription rights lies within the manifest interests of the Company and its shareholders, and is necessary in light of these.

Authorization to participate and notification in accordance with section 30b (1) sentence 1 of the WpHG

The share capital of the Company is divided into 10,495,159 no-par value shares and an equivalent number of voting rights. At the time of notification, the Company holds 330,050 own shares. These confer no voting rights to the Company.

Those shareholders are authorized to participate in the Annual General Meeting and exercise their voting rights, who announce their participation to the Company in text form by the end of the seventh day prior to the Annual General Meeting at the following address:

GRAMMER AG
c/o Deutsche Bank AG
General Meetings
P.O. Box 20 01 07
60605 Frankfurt/Main

providing proof of share ownership.

The proof of share ownership must reflect the situation on May 7, 2009 and is to take in form of a confirmation by the custodian bank in text form (section 126b German Civil Code (BGB)). The confirmation must be in German or English.

After timely receipt of the announcement and proof of share ownership, the shareholders will be sent entrance tickets to the Annual General Meeting. In order to ensure timely receipt of the entrance tickets, we would ask shareholders to see to the sending of their announcement and proof of share ownership to the above address at an early date.

Shareholders who request an entrance ticket for participation in the Annual General Meeting via their custodian bank must take no further steps. In this case, the announcement and proof of share ownership are sent by the custodian bank.

Those shareholders who do not participate personally in the Annual General Meeting may exercise their voting rights by proxy, e.g. through a bank or a shareholder association. If the proxy authorization is not granted to a bank, a shareholder association or other person or institution legally equated with these pursuant to the German Stock Corporation Act, the authorization has to be granted in writing.

Upon request, each person with voting rights entitlements shall be sent a form for granting of a proxy authorization for the Annual General Meeting in text form (section 30b (1) sentence 1 WpHG).

To facilitate the exercise of their voting rights, we offer shareholders the option of representation at the Annual General Meeting by proxies appointed by the Company but subject to the instructions of the shareholders.

Shareholders wishing to utilize this option require an entrance ticket to the Annual General Meeting. In order to ensure timely receipt of the entrance ticket, these should be requested as soon as possible. The original of the form to grant a proxy authorization and provide instructions printed on the entrance ticket must be sent exclusively to the postal address provided below and received by the Company by May 26, 2009.

Motions and proposals relating to a given agenda item must be delivered exclusively to the following address:

GRAMMER AG
- Annual General Meeting 2009 -
P.O. Box 1454
92204 Amberg
Fax: + 49 96 21/663-2000
E-mail: hv@grammer.com

providing proof of share ownership. Applications addressed otherwise will not be processed. The motions and proposals received at the address by 24:00 hrs on May 13, 2009 will be immediately made available to all shareholders online at www.grammer.com under "Investor Relations". Any related commentary by the management will also be available at the above Internet address.

Amberg, April 2009

GRAMMER AG
The Executive Board

Organizational remarks

Opening of the Annual General Meeting venue

May 28, 2009, 8:30 a.m.

Order service

We will gladly send you the current Grammer AG Annual Report, additional copies of this invitation and documents regarding Agenda Item 1 free of charge. Orders can be addressed to us either in writing or by means of telephone or e-mail via the contact address cited overleaf.

Further information is available at our Internet website under the heading "Investor Relations", including annual reports and interim reports for download. There is also the opportunity of receiving corporate news regularly by e-mail. In order to make use of this information service free of charge, simply register on our website.

Free parking

Free car parking is available for visitors to the Annual General Meeting in the "Kurfürstenbad" garage at the Amberger Congress-Centrum.

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