



Tuesday, 8 April 2014  
4.00 p.m.  
Kongresshaus Biel

# Invitation to the Annual General Meeting

# Mikron

## A warm welcome

### Dear Shareholders,

In 2013, a year characterized by a volatile environment and very different developments in the individual sales markets, the Mikron Group succeeded in increasing both sales and order intake slightly. The order backlog rose considerably. However, the Group fell well short of its earnings target. Therefore, the Board of Directors will be proposing to the Annual General Meeting a lower distribution from capital surplus reserves than in the previous year.

In the first half of the year in particular, robust demand from the medical devices and pharmaceutical industries stood in stark contrast to a sharp decline in orders from the automotive industry. In the latter market segment, the Mikron Group reported positive stimuli only in the US in the second half of the year. Accordingly, the development of the two business segments was very different: Whereas the Machining segment, in which the automotive industry accounts for half of all business, was confronted with declining demand and falling order intake until the middle of the year, the Automation segment was able to increase order volumes significantly thanks to its strong position in the medical devices and pharmaceutical industries.

We are not satisfied with the profitability of the Mikron Group in 2013. At Mikron Automation, earnings were impacted by a non-recurring impairment on patents, the very narrow margins on a number of projects from 2012 that were coming to an end, and considerable extraordinary costs for an extensive project on behalf of a new customer from the automotive industry. At Mikron Machining, low third-quarter capacity utilization had a negative impact on earnings that were at least respectable in a peer comparison. In particular, the organizational measures and process adjustments at Mikron Automation, which have been initiated and in some cases fully implemented, the streamlining of technical platforms, and intensified training of our employees should enable the Mikron Group to establish a decent level of profitability in the future.

As a result of the healthy order backlog at the start of the year and the anticipated stable economic development when viewed in overall terms, we are expecting a further slight increase in sales in 2014 and a significant improvement in EBIT margin.

We would like to thank you, dear shareholders, for your loyalty and confidence in our company. We are looking forward to seeing you at our upcoming Annual General Meeting.



Heinrich Spoerry  
Chairman of the Board of Directors

### Program

Tuesday, 8 April 2014  
Kongresshaus Biel, Zentralstrasse 60

3.00 p.m. Doors open, registration and security clearance

4.00 p.m. Annual General Meeting commences

Welcome address

Heinrich Spoerry, Chairman of the Board of Directors

2013 financial year and outlook 2014

Heinrich Spoerry, Chairman of the Board of Directors

Bruno Cathomen, CEO Mikron Group

Martin Blom, CFO Mikron Group

Questions from shareholders

Regular agenda items

Heinrich Spoerry, Chairman of the Board of Directors

approx.

5.30 p.m. Annual General Meeting ends,  
followed by a reception in the foyer

# Agenda items and proposals of the Board of Directors

## 1. Annual Report, Financial Statements 2013 of Mikron Holding AG and Consolidated Financial Statements 2013 of the Mikron Group; reports of the statutory auditor

**The Board of Directors proposes** the approval of the Annual Report, the Financial Statements 2013 of Mikron Holding AG and the Consolidated Financial Statements 2013 of the Mikron Group.

## 2. Appropriation of retained earnings, reclassification and payback of capital surplus reserves

**in CHF 1,000**

Retained earnings carried forward	46,285
Change of reserve for treasury shares	18
Net earnings	2,768
<b>Retained earnings</b>	<b>49,071</b>

**The Board of Directors proposes** that

- 2.1 the retained earnings for the year ended 31 December 2013 be carried forward to new account and
- 2.2 capital surplus reserves in the amount of CHF 0.10 per share with a par value of CHF 0.10 be allocated to free reserves, and a withholding tax-free distribution for 2013 of CHF 0.10 per share be stipulated. Based on a maximum of 16,712,744 shares, the total amount is CHF 1,671,274. No dividends are distributed on shares owned by Mikron Holding AG.

If this proposal is approved, the payout from capital surplus reserves of CHF 0.10 per share will be distributed from 15 April 2014. The final trading day on which shares will still be entitled to a distribution is 9 April 2014. Shares will be traded ex distribution from 10 April 2014.

## 3. Discharge of members of the Board of Directors and the Group Management

**The Board of Directors proposes** to discharge the members of the Board of Directors and Group Management for the business year 2013.

## 4. General renewal of the Articles of Association, inclusive adaptation to the ordinance against excessive remuneration by listed companies (VegüV)

The Articles of Association are to be adapted in line with the ordinance against excessive remuneration by listed companies (VegüV), which came into effect on 1 January 2014. The Board of Directors is taking this opportunity to completely revise the Articles of Association. The wording of the new Articles of Association can be found in the enclosure and on the company website ([www.mikron.ch/aoa](http://www.mikron.ch/aoa)).

**The Board of Directors proposes** that

- 4.1 the new article of purpose (Art. 2),
- 4.2 the provision relating to the restriction on transfers of shares to nominees and fiduciaries (Art. 6),
- 4.3 the provisions relating to remuneration for members of the Board of Directors and Executive Management, specifically Art. 13 (Votes on Compensation), Art. 20 (Remuneration Committee), Art. 24 (Permitted additional activities), Art. 25 (Agreements related to Compensation for Members of the Board of Directors and the Executive Management), Art. 26 (Principles of Compensation relating to the Members of the Board of Directors), Art. 27 (Principles of Compensation relating to the Members of the Executive Management), Art. 28 (Expenses), Art. 29 (Loans, Credits, Pension Benefits other than from Occupational Pension Funds, Securities), Art. 30 (Social Insurance and Pension Funds), Art. 31 (Additional Amount of Compensation for New Members of the Executive Management) and
- 4.4 all other provisions of the Articles of Association be approved in the wording set out in the enclosure.

The Annual General Meeting will vote on the remuneration of the Board of Directors and Group Management for the first time at the 2015 Annual General Meeting.

## Agenda items and proposals of the Board of Directors, Organizational information

### 5. Elections relating to the Board of Directors

#### 5.1. Members of the Board of Directors

Dr. Andreas Steiner is stepping down from the Board of Directors for personal reasons. There are currently no plans to elect a replacement. The remaining members will be standing for re-election for a further term of office.

**The Board of Directors proposes** the re-election of the following members for a term of one year until the conclusion of the Annual General Meeting 2015:

- 5.1.1 Heinrich Spoerry, Swiss (born in 1951)
- 5.1.2 Eduard Rikli, Swiss (born in 1951)
- 5.1.3 Patrick Kilchmann, Swiss (born in 1958)
- 5.1.4 Andreas Casutt, Swiss (born in 1963)

#### 5.2 Chairman of the Board of Directors

**The Board of Directors proposes** the election of Heinrich Spoerry as Chairman of the Board of Directors for a term of one year until the conclusion of the Annual General Meeting 2015.

#### 5.3 Remuneration Committee

**The Board of Directors proposes** the election of the following members as Members of the Remuneration Committee for a term of one year until the conclusion of the Annual General Meeting 2015:

- 5.3.1 Eduard Rikli, Swiss (born in 1951)
- 5.3.2 Patrick Kilchmann, Swiss (born in 1958)

### 6. Election of the independent proxy

**The Board of Directors proposes** the election of Urs Lanz, notary and advocate from Nidau, as the independent proxy until the conclusion of the Annual General Meeting 2015.

### 7. Election of the statutory auditor

**The Board of Directors proposes** the re-election of PricewaterhouseCoopers AG, Berne as statutory auditor for the 2014 financial year.

## Organizational information

### Annual Report

The Annual Report (Review of Operations, Financial Report of Mikron Holding AG and of the Mikron Group) as well as the auditor's reports for 2013 will be available for inspection at the company's administrative offices at Güterstrasse 20, 4900 Langenthal, Switzerland.

The Annual Report can be ordered using the registration form and is available on the Internet at [www.mikron.com](http://www.mikron.com) as a PDF file. Copies will also be on display at the Annual General Meeting. The invitation to the 2014 Annual General Meeting can also be viewed on the Internet.

### Right to vote

Those shareholders of Mikron Holding AG entered in the share register as "with voting rights" up to and including 2 April 2014 are entitled to vote. No entries will be made in the share register from 3 to 8 April 2014.

### Admission cards and appointment of proxy

With the enclosed document "Registration/appointment of proxy", shareholders can order admission cards, or may opt to be represented. Admission cards will be sent out from 24 March 2014 onwards. Shareholders are asked to send this document, together with the instruction form if required, as quickly as possible to ShareCommServices AG, Europastrasse 29, CH-8152 Glattbrugg. Shareholders now also have the option of registering or appointing the independent proxy online until 4 p.m. on 6 April 2014. Information regarding the online platform and your personal access data can be found in the "Registration/appointment of proxy" document. In accordance with the law and the Articles of Association, shareholders who do not wish to attend the Annual General Meeting in person may opt to be represented as follows:

- by the independent proxy, Mr. Urs Lanz, notary and advocate, Hauptstrasse 54, 2560 Nidau, Switzerland, or
- by a person appointed by the shareholder.

### Other information

The Annual General Meeting will be held in German. Shareholders attending the Annual General Meeting are also invited to a reception immediately after the meeting.

Biel, March 2014

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