

Media release**March 29, 2017****REPORT FROM CAVOTEC SA ORDINARY GENERAL MEETING 2017.**

Cavotec SA (“the Company”) today held its Ordinary General Meeting (“OGM”) in Lugano, Switzerland, chaired by Stefan Widegren.

1. Annual report, financial statements and consolidated financial statements for the year 2016, report of the Statutory Auditors

The OGM adopted the Board of Directors’ proposal that the annual report, the financial statements and the consolidated financial statement for the year 2016 be approved.

2. Appropriation of available earnings

The OGM adopted the Board of Directors’ proposal for the following appropriation:

CHF

Carried forward from previous years	(18,713,070)
Net gain/loss for the financial year 2016	(899,293)
Total earnings available	(19,612,363)
Appropriation to general statutory reserves (retained earnings)	0
Appropriation to other reserves	0
Proposed balance to be carried forward	(19,612,363)

3. Grant of Discharge from Liability to the Board of Directors and Persons entrusted with the Management from Activities during Business Year 2016

The OGM granted discharge to all members of the Board of Directors as well as the other persons entrusted with the management.

4. Capital reduction through partial nominal value repayment

The OGM adopted the Board of Directors’ proposal:

a) to reduce the current share capital of CHF 106,023,600.00 by CHF 3,926,800.00 to CHF 102,096,800.00 by way of reducing the nominal value of the registered shares from CHF 1.35 by CHF 0.05 to CHF 1.30 and to use the nominal value reduction amount for repayment to the shareholders;

b) to confirm as a result of the report of the auditors, that the claims of the creditors are fully covered notwithstanding the capital reduction;



c) to amend article 4, article 4ter, article 4quater para. 1, article 4quinquies, article 4sexies, article 4septies and article 4octies of the Articles of Association according to the following wording as per the date of the entry of the capital reduction in the commercial register (the proposed amendments are in italics):

Article 4

“The share capital of the Company is CHF 102,096,800.00 and is divided into 78,536,000 fully paid registered shares. Each share has a par value of CHF 1.30.”

Article 4ter

“The share capital may be increased in an amount not to exceed CHF 928,163.60 through the issuance of up to 713,972 fully paid registered shares with a par value of CHF 1.30 per share by the issuance of new shares to employees of the Company and group companies. The pre-emptive rights and advance subscriptions rights of the shareholders of the Company shall thereby be excluded. The shares or rights to subscribe for shares shall be issued to employees pursuant to the Long Term Incentive Plan approved by the Board of Directors. Shares or subscription rights may be issued to employees at 10% discount compared with the market price quoted on the stock exchange of that time.”

Article 4quater para. 1

“The Board of Directors shall be authorised not to exceed CHF 20,419,360.00 through the issuance of up to 15,707,200 fully paid registered shares with a par value of CHF 1.30 per share by no later than April 22, 2018.”

Article 4quinquies

“The share capital may be increased in an amount not to exceed CHF 928,163.60 through the issuance of up to 713,972 fully paid registered shares with a par value of CHF 1.30 per share by the issuance of new shares to employees of the Company and group companies. The pre-emptive rights and advance subscriptions rights of the shareholders of the Company shall thereby be excluded. The shares or rights to subscribe for shares shall be issued to employees pursuant to the Long Term Incentive Plan 2013 approved by the Board of Directors. Shares or subscription rights may be issued to employees at 10% discount compared with the market price quoted on the stock exchange of that time.”



Article 4sexies

“The share capital may be increased in an amount not to exceed CHF 928,163.60 through the issuance of up to 713,972 fully paid registered shares with a par value of CHF 1.30 per share by the issuance of new shares to employees of the Company and group companies. The pre-emptive rights and advance subscriptions rights of the shareholders of the Company shall thereby be excluded. The shares or rights to subscribe for shares shall be issued to employees pursuant to the Long Term Incentive Plan 2014 approved by the Board of Directors. Shares or subscription rights may be issued to employees at 10% discount compared with the market price quoted on the stock exchange of that time.”

Article 4septies

“The share capital may be increased in an amount not to exceed CHF 1,020,968.00 through the issuance of up to 785,360 fully paid registered shares with a par value of CHF 1.30 per share by the issuance of new shares to employees of the Company and group companies. The pre-emptive rights and advance subscriptions rights of the shareholders of the Company shall thereby be excluded. The shares or rights to subscribe for shares shall be issued to employees pursuant to the Long Term Incentive Plan 2015 approved by the Board of Directors. Shares or subscription rights may be issued to employees at 10% discount compared with the market price quoted on the stock exchange of that time.”

Article 4octies

“The share capital may be increased in an amount not to exceed CHF 1,020,968.00 through the issuance of up to 785,360 fully paid registered shares with a par value of CHF 1.30 per share by the issuance of new shares to employees of the Company and group companies. The pre-emptive rights and advance subscriptions rights of the shareholders of the Company shall thereby be excluded. The shares or rights to subscribe for shares shall be issued to employees pursuant to the Long Term Incentive Plan 2016 approved by the Board of Directors. Shares or subscription rights may be issued to employees at a 10% discount compared with the marked price quoted on the stock exchange at that time.”

Explanatory notes:

In the event of approval of the proposed capital reduction, the nominal value reduction amount shall be repaid to shareholders. The capital reduction will be implemented after publication of the general meeting resolution in the Swiss Official Gazette of Commerce in accordance with Art. 733 Swiss Code of Obligations and the expiration of the 2 months notice period provided therein. Subject to approval by the general shareholders' meeting and to entry of the reduction in the Commercial Register, CHF 0.05 per share will be repaid to the shareholders, holding shares on June 12 prospectively on June 19, 2017. The capital reduction amount is paid out without deduction of Swiss withholding tax.



5. Approval of Remuneration

The OGM approved the maximum aggregate amount (covering fixed and variable remuneration) each of:

- the remuneration for the Board of Directors for the next business year
- the remuneration for the CEO for the next business year.

5.1 Approval of Remuneration for the Board of Directors

The OGM approved the aggregate amount of CHF 1,000,000 for the remuneration for the Board of Directors for the business year 2018. Please note that this amount does not include the remuneration of the CEO (who is also member of the Board of Directors). The total aggregate amount of the CEO's remuneration is set forth in section 5.2.

5.2 Approval of Remuneration of the CEO

The OGM approved the aggregate amount of CHF 1,500,000.00 for the remuneration for the CEO for the business year 2018.

6. Re-election of seven directors, nomination of the Chairman of the Board of directors

In accordance with the Nomination Committee's proposal, Fabio Cannavale, Erik Lautmann, Ottonel Popesco, Patrik Tigerschiöld, Helena Thrap-Olsen, Heléne Mellquist and Stefan Widegren were re-elected as Directors for a further one-year term of office expiring at the OGM to be held in 2018. Stefan Widegren was re-elected as Chairman of the Board of Directors for a further one-year term of office at the OGM to be held in 2018.

7. Nominations for the Remuneration Committee

In accordance with the Nomination Committee's proposal Erik Lautmann, Helena Thrap-Olsen and Patrik Tigerschiöld were elected as members of the Remuneration Committee. With respect to the requirements in the Code that all members of the Remuneration Committee, apart from the chairman of the Remuneration Committee, are to be independent of the company and its executive management, the Nomination Committee has come to the conclusion that all candidates proposed by the Board of Directors are independent of the company and its executive management.

8. Re-election of Independent Auditor

In accordance with the Nomination Committee's proposal, PricewaterhouseCoopers SA, Lugano, Switzerland was re-elected as Cavotec's independent auditor for the business year 2017.

9. Election of an Independent Proxy

In accordance with the Board of Directors' proposal, Mr. Franco Brusa, Attorney-at-law, Via G.B. Pioda 5, Lugano, Switzerland was elected as Cavotec's independent proxy for the OGM 2018.





ENDS

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Cavotec is a global engineering group that manufactures power transmission, distribution and control technologies that form the link between fixed and mobile equipment in the Ports & Maritime and Airports & Industry sectors. To find out more about Cavotec, visit our website at cavotec.com.

The information was submitted for publication, through the agency of the contact person set out above, at 16:15 CEST on 29 March 2017.

