

BALDWIN TECHNOLOGY CO INC
Form DEF 14A
October 21, 2011

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

- Preliminary Proxy Statement Soliciting Material Under Rule 14a-12
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials

Baldwin Technology Company, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
 - 1) Title of each class of securities to which transaction applies:
 - 2) Aggregate number of securities to which transaction applies:
 - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - 4) Proposed maximum aggregate value of transaction:
 - 5) Total fee paid:

- Fee paid previously with preliminary materials:
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.
 - 1) Amount previously paid:
 - 2) Form, Schedule or Registration Statement No.:

- 3) Filing Party:
 - 4) Date Filed:
-

BALDWIN TECHNOLOGY COMPANY, INC.

2000 NW Corporate Boulevard,
Suite 101
Boca Raton, FL 33431 USA

Notice of Annual Meeting of Stockholders
To Be Held November 10, 2011

To the Stockholders:

The Annual Meeting of Stockholders of Baldwin Technology Company, Inc. (the "Company") will be held at the Hotel Sierra, 830 Bridgeport Avenue, Shelton, Connecticut, 06484, on Thursday, the 10th day of November, 2011 at 10:00 a.m., Eastern Standard Time, for the following purposes:

1. To elect two Class III Directors to serve for three-year terms or until their respective successors are duly elected and qualified;
2. To ratify the appointment of Grant Thornton LLC as the Company's independent registered public accountants for the fiscal year ending June 30, 2012;
3. To approve an amendment to the Company's 2005 Equity Compensation Plan, as amended, to increase the maximum aggregate number of shares of the Company's Class A Common Stock that may be issued to Participants or their Beneficiaries pursuant to all Awards granted under the Plan by 1,000,000 to 3,200,000; and
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only stockholders of record as of the close of business on September 30, 2011, are entitled to receive notice of and to vote at the meeting. A list of such stockholders shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of ten days prior to the meeting, at the offices of the Company.

By Order of the Board of Directors.

Helen P. Oster
Secretary

Boca Raton, Florida
October 21, 2011

PLEASE FILL IN, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED RETURN ENVELOPE. IF YOU ATTEND THE ANNUAL MEETING, YOU MAY VOTE YOUR SHARES OF STOCK PERSONALLY, WHETHER OR NOT YOU HAVE PREVIOUSLY SUBMITTED A PROXY. IF YOU HAVE ANY QUESTIONS OR NEED ASSISTANCE VOTING, PLEASE CONTACT EAGLE ROCK PROXY ADVISORS LLC., OUR PROXY SOLICITOR, BY CALLING TOLL-FREE 800-951-2406.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2011 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON NOVEMBER 10, 2011. The Proxy Statement, Proxy Cards, and the Fiscal 2011 Annual Report on Form 10-K for the fiscal year ended June 30, 2011 are available free of charge at <http://www.annualmeeting.baldwintech.com>.

BALDWIN TECHNOLOGY COMPANY, INC.

PROXY STATEMENT

Boca Raton, Florida
October 21, 2011

The accompanying Proxy is solicited by and on behalf of the Board of Directors of Baldwin Technology Company, Inc., a Delaware corporation (the "Company" or "Baldwin"), for use only at the Annual Meeting of Stockholders (the "Annual Meeting") to be held at Hotel Sierra, 830 Bridgeport Avenue, Shelton, Connecticut, 06484 on the 10th day of November, 2011 at 10:00 a.m., Eastern Standard Time, and at any adjournment thereof. The approximate date on which this Proxy Statement and accompanying Proxy will first be given or sent to stockholders is October 21, 2011.

Each Proxy executed and returned by a stockholder may be revoked at any time thereafter, by written notice to that effect to the Company, attention of the Secretary, prior to the Annual Meeting, or to the Chairman or the Inspectors of Election, at the Annual Meeting, or by execution and return of a later-dated Proxy, except as to any matter voted upon prior to such revocation.

Proxies in the accompanying form will be voted in accordance with the specifications made and, where no specifications are given, will be voted (1) FOR the election as Directors of the nominees named herein and if any one or more of such nominees should become unavailable for election for any reason then FOR the election of any substitute nominee that the Board of Directors of the Company may propose, and (2) FOR the approval of the amendment of the Company's 2005 Equity Compensation Plan. At the discretion of the proxy holders, the Proxies will also be voted FOR or AGAINST such other matters as may properly come before the meeting. The management of the Company is not aware of any other matter to be presented for action at the meeting.

With regard to Proposal 1, the election of Directors, votes may be cast in favor of or withheld from each nominee; votes that are withheld will be counted as present for purposes of determining the existence of a quorum and will not have any effect on the vote. Except for the election of Directors, abstentions may be specified on all proposals and will be counted as present for the purpose of determining the existence of a quorum regarding the item on which the abstention is specified. Broker non-votes will be counted for the purpose of determining the presence or absence of a quorum, but will not be counted for any purpose in determining whether a matter has been approved. A broker non-vote occurs when a record or nominee holder holding shares for a beneficial owner does not vote on a particular proposal because the record or nominee holder does not have discretionary voting instructions with respect to that proposal and has not received voting instructions on the proposal from the beneficial owner.

Important: A NYSE recent rule change prohibits brokers from voting in the election of Directors if the broker has not received instructions from its customer, the beneficial owner. Therefore, it is particularly important that beneficial owners instruct their brokers how they wish to vote their shares on the election of Directors and any other non-discretionary matters. Regardless of how you choose to vote, your interest in the affairs of the Company is important and we encourage you to vote promptly.

The required votes for the election of Directors is described below under the caption "Voting Securities."

With respect to Proposals 2 and 3, and any other matter requiring action at the meeting, the affirmative vote of a majority of the votes entitled to be cast by the holders of the outstanding shares of Class A Common Stock, par value \$0.01 per shares (the "Class A Common Stock"), and Class B Common Stock, par value \$0.01 per shares (the Class B Common Stock"), present, in person or by proxy, and entitled to vote at the meeting, voting as a single class, with each share of Class A Common Stock having one (1) vote per share and each share of Class B Common Stock having ten (10) votes per share, is required for the approval of any such matter.

Important Notice Regarding the Internet Availability of Proxy Materials for the 2011 Annual Meeting

The U.S. Securities and Exchange Commission, or SEC, adopted e-proxy rules that require companies to post their proxy materials on the internet and permit them to provide only a Notice of Internet Availability of Proxy Materials to stockholders. The Company has chosen to follow the SEC's "full set" delivery option, and therefore, although we are posting a full set of our proxy materials (this proxy statement, the proxy card and our Annual Report for the fiscal year ended June 30, 2011) online, we are also mailing a full set of our proxy materials to our stockholders by mail. Therefore, even if you previously consented to receiving your proxy materials electronically, you will receive a copy of these proxy materials by mail. We believe that mailing a full set of proxy materials will help ensure that a majority of our outstanding Class A Common Stock and Class B Common Stock is present in person or represented by proxy at our meeting. We also hope to help maximize stockholder participation. However, we will continue to evaluate the option of providing only a Notice of Internet Availability of Proxy Materials to some or all of our stockholders in the future.

The Company's Proxy Statement for the 2011 Annual Meeting of Stockholders and the Company's Annual Report to Stockholders for the fiscal year ended June 30, 2011 are available at <http://www.annualmeeting.baldwintech.com>.

We are mailing a full set of our printed proxy materials to stockholders of record on or about October 21, 2011. On this date, all stockholders of record and beneficial owners will have the ability to access all of the proxy materials on the web site referred to above. These proxy materials will be available free of charge.

VOTING SECURITIES

The Board of Directors has fixed the close of business on September 30, 2011 as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting. The issued and outstanding stock of the Company on September 30, 2011 consisted of 14,697,896 shares of Class A Common Stock and 1,092,555 shares of Class B Common Stock.

With respect to the election of Directors, the holders of Class A Common Stock, voting as a separate class, are entitled to elect 25% of the total number of Directors (or the nearest higher whole number) constituting the entire Board of Directors. Accordingly, the holders of Class A Common Stock are entitled to elect two of the seven Directors that will constitute the entire Board of Directors. Holders of Class B Common Stock, voting as a separate class, are entitled to elect the remaining Directors, so long as the number of outstanding shares of Class B Common Stock is equal to at least 12.5% of the number of outstanding shares of both classes of Common Stock as of the record date. If the number of outstanding shares of Class B Common Stock is less than 12.5% of the total number of outstanding shares of both classes of Common Stock as of the record date, the remaining directors are elected by the holders of both classes of Common Stock voting together as a single class, with the holders of Class A Common Stock having one vote per share and the holders of Class B Common Stock having ten votes per share. As of September 30, 2011, the number of outstanding shares of Class B Common Stock constituted approximately seven (7%) percent of the total number of outstanding shares of both classes of Common Stock. Accordingly, the holders of Class A Common Stock and Class B Common Stock, voting together as a single class, are entitled to elect five of the seven Directors that will constitute the entire Board of Directors.

Except with respect to the election or removal of Directors and certain other matters with respect to which Delaware law requires each class to vote as a separate class, the holders of Class A Common Stock and Class B Common Stock vote as a single class on all matters, with each share of Class A Common Stock having one (1) vote per share and each share of Class B Common Stock having ten (10) votes per share. A quorum of stockholders is constituted by the presence, in person or by proxy, of holders of a majority in number of the total outstanding shares of stock of the Company entitled to vote at such meeting.

With respect to the election or removal of Directors and certain other matters with respect to which Delaware law requires each class to vote as a separate class, a quorum of the stockholders of each such class is constituted by the presence, in person or by proxy, of holders of a majority in number of the total outstanding shares of such class. As stated above, proxies withheld and broker non-votes will be excluded entirely with respect to the election of Directors and have no effect on the votes thereon.

CORPORATE GOVERNANCE

Board Independence

The Board has determined that Mr. Rolf Bergstrom, Mr. Paul J. Griswold, Mr. Ronald B. Salvagio and Mr. Claes Warnander are independent directors ("Independent Directors") under the listing standards of the New York Stock Exchange Amex ("NYSE Amex") and the rules of the Securities and Exchange Commission ("SEC"). Mr. Gerald A. Nathe, who retired as an employee on June 30, 2010, Mr. Mark T. Becker, an employee of the Company, and Mr. Samuel B. Fortenbaugh III, counsel to the Company, are not considered independent directors.

The Independent Directors have elected Mr. Paul J. Griswold as the Lead Director. Prior to his becoming President and CEO of the Company on October 1, 2010, Mr. Becker served as interim Lead Director and chair of an Ad Hoc Special Committee.

Code of Conduct and Business Ethics

The Company adopted a revised Code of Conduct and Business Ethics (the "Code") in August 2011, replacing the previous Code of Business Ethics adopted in August 2010. The Code has been distributed to all directors and employees of the Company. Written acknowledgment of understanding and compliance is required of all directors and employees annually. The current version of the Code is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section.

Board Statement of Principles

The Board has adopted a Statement of Principles, which, as most recently updated in August 2010, is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section.

Committee Charters

The Board of Directors first adopted written charters for the Audit, Compensation and Executive Committees of the Board in 2001. In February 2009, the Board of Directors established a Nominating Committee and adopted a written charter for that committee. Each of these charters are reviewed annually, and amended if appropriate. The Executive Committee Charter was most recently updated in June 2010. The Audit Committee Charter was most recently updated in November 2010. The Compensation Committee Charter and the Nominating Committee Charter were most recently updated in June 2011. All the charters, as amended, are posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section.

Board and Committee Attendance

During fiscal year 2011, each Director attended at least 75% of the aggregate number of meetings of the Board and Committees on which he or she served. All of the Directors except one who were serving as Directors at the time attended the Company's 2010 Annual Meeting of Stockholders held on November 16, 2010. Directors are expected, but not required, to attend the 2011 Annual Meeting of Stockholders. The Board of Directors and the Audit and Compensation and Nominating Committees each hold meetings on at least a quarterly basis, and the Independent Directors meet as often as necessary to fulfill their responsibilities, including meeting at least annually in executive session without the presence of non-independent Directors and management.

Executive Committee

The Executive Committee meets on call and has authority to act on most matters during the intervals between Board meetings. During the fiscal year ended June 30, 2011, the Executive Committee held two (2) meetings and acted by unanimous written consent twice. The Executive Committee presently consists of Gerald A. Nathe (Chairman), Mark T. Becker (President and CEO), Samuel B. Fortenbaugh III and Paul J. Griswold. The charter of the Executive Committee, as most recently amended in June 2010, is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section.

Audit Committee

The Audit Committee assists the Board in ensuring the quality and integrity of the Company's financial statements, and that a proper system of accounting, internal controls and reporting practices are maintained by the Company. During the fiscal year ended June 30, 2011, the Audit Committee held six (6) regular meetings and ten (10) special meetings. The Audit Committee presently consists of Ronald B. Salvagio (Chairman), Paul J. Griswold and Claes Warnander. Prior to October 1, 2010, Mark T. Becker was also a member of the Audit Committee. The charter of the Audit Committee, as most recently amended in November 2010, is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section. The Board of Directors has determined that all of the members of the Audit Committee are "independent," as defined by the rules of the SEC and the NYSE Amex and that both Mr. Salvagio and Mr. Griswold qualify as "Audit Committee Financial Experts".

Compensation Committee

The Compensation Committee has the responsibility for, among other things, reviewing and making recommendations to the full Board concerning compensation and benefit arrangements for the executive officers of the Company, other than the Chief Executive Officer. The Compensation Committee also administers the Company's 2005 Equity Compensation Plan ("2005 Plan"). During the fiscal year ended June 30, 2011, the Compensation Committee met four (4) times and acted by unanimous written consent three (3) times. The Compensation Committee presently consists of Claes Warnander (Chairman), Ronald B. Salvagio and Paul J. Griswold. Prior to October 1, 2010, Mark T. Becker was also a member of the Compensation Committee. The charter of the Compensation Committee, as most recently amended in August 2010, is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section. The Board of Directors has determined that all of the current members of the Committee are "independent" as defined by the rules of the NYSE Amex. See also "Role of Compensation Committee" in the Compensation Discussion and Analysis section below.

Nominating Committee

The Nominating Committee assists the Board in achieving the highest possible level of performance in fulfilling its oversight responsibilities. The Nominating Committee is responsible for implementing processes to assess the Board and its committees, and reviews the Board's required status, experience, mix of skills and other qualities to assure appropriate Board composition. During the fiscal year ended June 30, 2011, the Nominating Committee held four (4) regular meetings. The Nominating Committee presently consists of Paul J. Griswold (Chairman), Rolf Bergstrom, Ronald B. Salvagio and Claes Warnander. The charter of the Nominating Committee, as most recently amended in June 2011, is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section.

Ad Hoc Advisory Committee

The Board of Directors established an Ad Hoc Advisory Committee in May 2010 to study various strategic alternatives for the Company. The Committee was comprised of the non-employee Directors, including Rolf Bergstrom (who was initially named Chair of the Committee), Mark T. Becker (who was named Chair of the Committee in June and served until his election on October 1, 2010 as President and Chief Executive Officer of the Company), Samuel B. Fortenbaugh III, Ronald B. Salvagio and Claes Warnander. The Committee retained

OBX Partners LLC, a strategic and financial advisory firm, to act as financial advisor and strategic consultant on behalf of the Committee, advising the Committee with regard to any transactions being contemplated during the term of the engagement, advising the Committee with regard to the Company's budget and business plans, and with respect to financing needs and liquidity of the Company. The Ad Hoc Advisory Committee held seven (7) meetings during the fiscal year ended June 30, 2011 and concluded its work at the Board of Directors meeting held on November 16, 2010.

Independent Directors

The Independent Directors set compensation for the Chief Executive Officer. During the fiscal year ended June 30, 2011, the Independent Directors held four (4) regular meetings and acted by unanimous written consent once. The Independent Directors are Paul J. Griswold (who currently serves as Lead Director), Rolf Bergstrom, Ronald B. Salvagio and Claes Warnander. The Statement of Principles (Charter) of the Board of Directors, as most recently amended in August 2010 and which sets forth in more detail the duties and responsibilities of the Board and the Independent Directors, is posted on the Company's web site (www.baldwintech.com) under the Corporate Governance Section.

Board Leadership Structure and Role in Risk Oversight

The By-laws of the Company provide that the Board may elect from among its members a Chairman of the Board and, if the Board so determines, one or more Vice Chairmen to act in place of the Chairman. Pursuant to this authority, the Board has elected Mr. Gerald A. Nathe as the Chairman of the Board. Neither the By-laws nor the Company's Corporate Governance Guidelines specify that the position of Chairman may not be held by a corporate officer, such as the President and Chief Executive Officer of the Company, but the Company has had a non-management Chairman since 2007. The Board believes this leadership structure is appropriate for the Company at the present time. The Board further believes that separation of the roles of the Chairman of the Board and the Chief Executive Officer at this time serves to support the Board's leadership role in fulfilling its oversight responsibilities.

The Board has an active role as a whole, and also at the Committee level, in overseeing management of the Company's risks. The Board regularly receives reports from members of senior management on areas of material risk to the Company, including operational, financial, legal, regulatory, environmental, and strategic and reputational risks. The full Board or an appropriate Committee receives these reports from the appropriate executive so that it may understand and oversee the Company's strategies to identify, manage and mitigate risks. When it is a Committee that receives the report, the Chairman of that Committee makes a report on the discussion to the full Board of Directors at its next meeting. The Company's Compensation Committee is responsible for overseeing the management of risks relating to the Company's executive compensation plans and arrangements. The Audit Committee oversees management of financial, legal and regulatory risks. The Executive Committee oversees management of the risks associated with the independence of the Board of Directors and potential conflicts of interest, as well as risks associated with corporate and financial strategies and merger and acquisition transactions.

Stockholder Communications with Directors

Any stockholder wishing to communicate with the Board or a specified individual director may do so by contacting the Company's Corporate Secretary, in writing, at the corporate address listed on the notice to which this proxy statement is attached, or by telephone at (203) 402-1000. The Corporate Secretary will forward to the Board or the specified director a written, e-mail or phone communication. The Corporate Secretary has been authorized by the Board to screen frivolous or unlawful communications or commercial advertisements.

The Board Nomination Process

The Company established a Nominating Committee in February 2009 comprised of all the Independent Directors. The Lead Director serves as the Chairman of the Nominating Committee.

The Lead Director, together with the Chairman of the Board and the Chief Executive Officer, are responsible for reviewing on an annual basis, with the entire Board, the appropriate skills and characteristics required of Board members in the context of the then current make-up of the Board. This review includes an evaluation of judgment and integrity, skills, diversity of background and experience, technical knowledge, etc., all in the context of an assessment of the perceived needs of the Board at that point in time and with a view to realizing the Board's objectives.

The Lead Director, together with the Chairman of the Board and the Chief Executive Officer and any Independent Director available, will review the qualifications, and if appropriate, interview those individuals willing to serve, with the intent of agreeing upon one or more candidates whose qualifications include expertise needed to enhance the overall Board. Each candidate who is agreed upon will have his credentials forwarded to all Directors for review prior to being introduced to as many Board members as possible. The Independent Directors will then vote on whether to recommend the individual or individuals to the full Board for selection by the full Board. If selected, then depending upon the Class in which the candidate or candidates are placed, the candidate or candidates will be subject to eventual election by the Company's stockholders.

The Nominating Committee will consider director candidates recommended by stockholders as long as such recommendations are received at least 120 calendar days before the anniversary of the date that the Company mailed its proxy materials in connection with the previous year's Annual Meeting of Stockholders. Accordingly, stockholders who wish to recommend for consideration by the Nominating Committee a prospective candidate for election to the Board at the 2012 Annual Meeting of Stockholders may do so by notifying in the manner provided in Rule 14a-8 of Regulation 14A under the Securities Exchange Act of 1934, as amended, the Corporate Secretary of the Company at the corporate address listed on the notice to which this proxy statement is attached no later than June 24, 2012. The Corporate Secretary will pass all such stockholder recommendations on to Mr. Griswold, the Lead Director (and Chair of the Nominating Committee) for consideration by the Nominating Committee. Any such recommendation should provide whatever supporting material the stockholder considers appropriate, but should at a minimum include such background and biographical material as will enable the Nominating Committee to make an initial determination as to whether the candidate satisfies the Board membership criteria set out in the Board of Directors' Statement of Principles. All candidates submitted by a stockholder or stockholder group are reviewed and considered in the same manner as all other candidates.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding beneficial ownership of the Class A Common Stock and Class B Common Stock as of August 31, 2011 (except where otherwise noted) based on a review of information filed with the U.S. Securities and Exchange Commission (“SEC”) and the Company’s stock records with respect to (a) each person known to be the beneficial owner of more than 5% of the outstanding shares of Class A Common Stock or Class B Common Stock, (b) each Director or nominee for a directorship of the Company, (c) each executive officer of the Company or former executive officer named in the Summary Compensation Table, and (d) all executive officers and Directors of the Company as a group. Unless otherwise stated, each of such persons has sole voting and investment power with respect to such shares.

Name and Address of Beneficial Owner	Beneficial Ownership Amount and Nature of Ownership		Percent of	
	Class A(1)	Class B	Class A(1)	Class B
Gabelli Asset Management, Inc.(2) One Corporate Center Rye, New York 10580	1,751,997	0	11.1%	—
Dimensional Fund Advisors LP(3) Palisades West, Building One 6300 Bee Cave Road Austin, Texas 78746	857,997	0	5.43%	—
RBF Capital, LLC(4) 100 Drakes Landing Road, Suite 300 Greenbrae, CA 94904	792,764	0	3.67%	—
Gerald A. Nathe(5) Baldwin Technology Company, Inc. 2000 NW Corporate Blvd – Suite 101 Boca Raton, Florida 33431	569,662(6)(7)	198,338(8)	3.80%	18.15%
Mark T. Becker(5) Baldwin Technology Company, Inc. 2000 NW Corporate Blvd – Suite 101 Boca Raton, Florida 33431	534,299(6)	12,900	3.53%	1.18%
Akira Hara 2-43-15-401 Den-en-chofu Ohta-ku, Tokyo 145-0071 Japan	527,935(6)	463,136	3.48%	42.39%
Jane G. St. John(9) P.O. Box 3236 Blue Jay, California 92317	284,039	264,239	1.90%	24.19%
Ralph R. Whitney, Jr. Hammond Kennedy Whitney & Co., Inc. 420 Lexington Avenue—Suite 402 New York, New York 10170	127,799	100,000	*	9.15%

Edgar Filing: BALDWIN TECHNOLOGY CO INC - Form DEF 14A

Name and Address of Beneficial Owner	Beneficial Ownership Amount and Nature of Ownership		Percent of	
	Class A(1)	Class B	Class A(1)	Class B
Rolf Bergstrom(5) Sodra Villagatan 6 23735 Bjarred, Sweden	103,323(6)	900	*	*
Samuel B. Fortenbaugh III(5) 45 Rockefeller Plaza, Suite 2000 New York, New York 10111	64,216(6)	1,106	*	*
Karl S. Puehringer Schrannerstrasse 24a D-85551 Kirchheim b. Muenchen Germany	55,000(6)	0	*	—
Paul Griswald(5) 5 Fair Haven Road Rumson, New Jersey 07760	49,524	5,000	*	*
Peter Hultberg Baldwin Technology Company, Inc. 2000 NW Corporate Blvd – Suite 101 Boca Raton, Florida 33431	49,324(6)	0	*	—
Claes Warnander(5) 1310 N. Ritchie Court Unit 12B Chicago, Illinois 60610	44,789(10)	2,800	*	*
Birger Hansson Baldwin Technology Company, Inc. 2000 NW Corporate Blvd – Suite 101 Boca Raton, Florida 33431	39,010(6)	0	*	—
Ronald B. Salvagio(5) 7108 Lemuria Circle #202 Naples, Florida 34109	37,912	4,000	*	*
Ivan R. Habibe Baldwin Technology Company, Inc. 2000 NW Corporate Blvd – Suite 101 Boca Raton, Florida 33431	32,496(11)	0	*	*
Steffen Weisser Baldwin Technology Company, Inc. 2000 NW Corporate Blvd – Suite 101 Boca Raton, Florida 33431	27,039	0	*	—
John P. Jordan 51 Lake Wind Road New Canaan, CT 06840	0	0	—	—
All executive officers and directors of the Company as a group (including 11 individuals, named above)	1,463,060(6)(7)(11)	220,044(8)	9.43%	20.14%

-
- * = Less than 1%.
- (1) Each share of Class B Common Stock is convertible at any time, at the option of the holder thereof, into one share of Class A Common Stock. The amount of shares shown as Class A Common Stock held by a beneficial owner in the table above includes those shares of Class A Common Stock issuable upon conversion of the shares of Class B Common Stock held by the beneficial owner.
- (2) Amount and Nature of Ownership is based on a Form 13F filed on August 11, 2011 with the SEC reporting beneficial ownership of securities of the Company held by affiliates of the beneficial owner, an investment advisor, as of June 30, 2011; Percent of Class is calculated based on information set forth in such filing and the Class A Common Stock outstanding on the record date.
- (3) Amount and Nature of Ownership is based on a Form 13F amendment filed with the SEC reporting beneficial ownership of securities of the Company held by the beneficial owner, a registered investment advisor, on behalf of certain funds as of June 30, 2011; Percent of Class is calculated based on information set forth in such filing and the Class A Common Stock outstanding on the record date.
- (4) Amount and Nature of Ownership is based on a Schedule 13F amendment filed with the SEC reporting beneficial ownership of securities of the Company held by the beneficial owner, as the general partner and investment manager of Fullerton Capital, as of June 30, 2011; Percent of Class is calculated based on information set forth in such filing and the Class A Common Stock outstanding on the record date.
- (5) Member of the Board of Directors of the Company.
- (6) Includes shares of Class A Common Stock subject to options which are exercisable within 60 days as follows: Mr. Becker, 410,000 shares; Mr. Nathe, 100,000 shares; Mr. Fortenbaugh, 18,000 shares; Mr. Bergstrom, 10,000 shares; Mr. Hara, 5,000 shares; Mr. Hultberg, 5,000 shares; Mr. Hansson, 5,000 shares; Mr. Puehringer, 55,000 shares; and as to all executive officers and Directors of the Company as a group, 543,000 shares.
- (7) Includes 35,000 shares held in a trust for the benefit of Mr. Nathe's spouse.
- (8) Includes 100,000 shares held in a trust for the benefit of Mr. Nathe's spouse and 98,338 shares held in a trust for the benefit of Mr. Nathe.
- (9) Amount of Ownership shown in the table is as of September 30, 2011 and includes 19,800 shares of Class A Common Stock held by a trust for the benefit of the beneficial owner and her spouse; also includes 264,239 shares of Class B Common Stock held of record by a trust for the benefit of the beneficial owner and her spouse.
- (10) Amount of Ownership shown in table is as of September 8, 2011.
- (11) Amount of Ownership shown in table is as of September 6, 2011 and includes 1,496 shares held in Mr. Habibe's account in the Company's profit sharing and savings plan.

To the knowledge of the Company, no arrangement exists the operation of which might result in a change in control of the Company.

PROPOSAL ONE
ELECTION OF DIRECTORS

Under the Company's Certificate of Incorporation, the Board of Directors (the "Board") of the Company is divided into three classes. One class is elected each year. Directors in each class hold office for a term of three years and until their respective successors are elected and qualified. There are currently seven members of the Company's Board of Directors, the number having been set by the Board of Directors in accordance with the Company's By-laws.

Mark T. Becker and Ronald B. Salvagio, Class II Directors, were elected by a plurality vote of the outstanding shares of Class A Common Stock. Mr. Nathe, a Class II Director, Mr. Warnander, a Class III Director, and Messrs. Fortenbaugh and Bergstrom, Class I Directors, were elected by a plurality vote of the outstanding shares of Class A Common Stock and Class B Common Stock, voting together as a single class. Paul Griswold was elected as a Director on November 16, 2010.

At this year's Annual Meeting, two Directors will be elected to Class III. If elected, their terms will expire at the Annual Meeting to be held in 2014. Claes Warnander and Paul J. Griswold, who are currently Class III Directors, have been nominated to serve as Class III Directors. Messrs. Warnander and Griswold have consented to being named in this proxy statement and will each serve as a Director, if elected. Messrs. Warnander and Griswold may be elected by a plurality vote of the outstanding shares of Class A Common Stock and Class B Common Stock present, in person or by proxy, and entitled to vote at the meeting, voting together as a single class.

The Board of Directors knows of no reason why any nominee for Director would be unable to serve as a Director. If any nominee should for any reason be unable to serve, the shares represented by all valid proxies not containing contrary instructions may be voted for the election of such other person as the Board may recommend in place of the nominee who is unable to serve.

Set forth below are the names of all continuing Directors and nominees, certain biographical information with respect to each such continuing Director and nominee and a listing of the specific experience, qualifications, attributes or skills that each continuing Director or nominee possesses that led the Company's Board of Directors to conclude that the Director or nominee should serve as a director of the Company.

Nominees for election at the 2011 Annual Meeting:

CLASS III

Claes Warnander, age 68, has served as a Director of the Company since November 2007. He spent 20 years with the Swedish engineering group Alfa Laval in various positions including international controller (1969-1971); CFO and then President of Alfa Laval Denmark (1971-1977); President of Alfa Laval Brazil (1977-1982) and President and head of the global Separation Division (1982-1988). In 1988, Mr. Warnander became President and CEO of the Haldex Group, a public company, listed on the Swedish stock exchange, and a global supplier of proprietary systems for the vehicle industry which grew from \$100m to over \$1b through acquisitions, new product developments and geographical expansion in his 17 year tenure. During that time, Mr. Warnander also served on the boards of Atle Karolin, an industrial conglomerate (1996-1998); Zeteco, maker of truck tailgate lifts and harbor crane carriers (1996-2000); ABA, hose clamp products (1998-2006); Nolato, plastic components, a public company listed in Sweden (1999-2007); Emotron, electric motor controls (1998-2007); and Velux, roof windows

(2000-2009). From 2005 until his retirement in 2008, he was Chairman of Haldex China, where he supported the local management to implement a new, expansive China strategy. Since 2008, he has served as Chairman of two Canadian companies: Gienow in Calgary and Loewen in Winnipeg, both in the windows and doors business, as well as Chairman of Clean Oil Technology Inc., a start-up company in Chicago based on Swedish technology for the cleaning of engine oils.

Director Qualifications:

- Broad, international business experience
- Leadership of international organizations and strategic planning
- Knowledge of lean manufacturing and global sourcing
- Financial education and experience
- Extensive public company leadership and board experience

Paul J. Griswold, age 59, has served as a director of the Company since November 2010. He currently has a private equity and board advisory practice specializing in developing strategic growth, margin improvement, supply chain channels and international business opportunities for middle market companies. From 2007 to 2009, Mr. Griswold was Chief Executive Officer of Havells-Sylvania Group, a \$1.4 billion global electrical and lighting company. From 2004 to 2007, he served as CEO and a Director of SLI Holdings, a \$850 million manufacturer of lamps and lighting fixtures. Mr. Griswold was a Director at Paxar Corporation, a global provider of printed bar codes, tracking solutions and radio frequency identification technology to the retail and apparel manufacturing industries, where he was President and COO from 2000 to 2001, and CEO from 2001 to 2003. Currently, Mr. Griswold serves on the Boards and the Audit and/or Compensation Committees of several private companies, including The Wornick Company, a commercial food service distributor, Milacron Holdings, a manufacturer of plastic processing equipment, mold technologies and industrial lubricants, CML Technologies, a specialty lighting manufacturer, Weinstein Beverage Company, a Pepsi franchisee, and Bush Industries, a designer and manufacturer of ready to assemble office space.

Director Qualifications:

- Extensive financial knowledge and education
- Substantial international business experience in senior operational and management roles
- Background in developing strategic growth plans for middle market companies with global operations.

The Board unanimously recommends a vote "FOR" Item #1 – the election of two Class III Directors to serve for a three-year term or until their successors are elected and qualified.

CLASS I (Terms will expire at the 2012 Annual Meeting)

Samuel B. Fortenbaugh III, age 77, practices law, specializing in, among other areas, mergers and acquisitions, securities law and corporate governance. He is a former Chairman and CEO of Morgan Lewis & Bockius LLP, an international law firm with multiple offices in the United States, Europe and Asia. He was a senior partner from 1980 until 2001 and a senior counsel from 2001 until 2002. He has served as a Director of the Company since 1987. Mr. Fortenbaugh served as a director of Western Publishing Company, a publisher of children's books listed on NASDAQ, from 1989 to 1995 when that entity was acquired in a leveraged buyout. Mr. Fortenbaugh also served as a director and Chair of the Compensation Committee of Security Capital Corporation, an employer cost containment and health services and educational services company listed on the Amex, from 2001 until 2006 when that entity was acquired in a merger. Since 2006, Mr. Fortenbaugh has served as a member of the Board of Advisors of Capital Partners Private Equity Income Fund, a private buyout fund focused primarily on middle market companies. In addition, he has served as Chairman of the Board of two privately held companies engaged in manufacturing as well as several other privately held profit and not-for-profit companies.

Director Qualifications:

- Extensive leadership and management experience
- Substantial international experience
- Knowledge of the manufacturing and publishing industries
- Focus on corporate governance

Rolf Bergstrom, age 69, has served as a Director of the Company since 2003. Mr. Bergstrom has owned and operated since 1998 a consulting firm, Bergstrom Tillvaxt AB, a company specializing in strategic planning, managed growth and restructuring companies. He has 35 years of combined experience in various positions in Swedish companies, including Perstorp AB, where he was the inventor of the concept of "Pergo" laminated flooring. He has served as Chairman of the Board of three private Swedish companies and has been a Board member of a number of public Swedish companies. He is currently Chairman of Roxtec China, makers of seals and pipes, Bergstrom Tillvaxt AB and Bergstrom Invest AB. He has served on the Chamber of Commerce in South Sweden, on the Boards at SE-Banken in Karlskrona and Ronneby, and has been a member of the Advisory Board at the University of South Florida.

Director Qualifications:

- Knowledge of international business
- Private and public company board experience
- Educational background in technology and economics
- Leadership in strategic planning and restructuring

CLASS II (Terms will expire at the 2013 Annual Meeting)

Mark T. Becker, age 52, has served as a Director of the Company since 2001. On October 1, 2010, Mr. Becker was named President and Chief Executive Officer of the Company. He served as interim Lead Director from May through September 2010. Mr. Becker served on the Audit Committee from 2001 through September 2010; on the Compensation Committee from 2008 through September 2010; on the Executive Committee from 2006 through 2008 and again since September 2010; and on the Nominating Committee, from its creation in February 2009 through September 2010. From 2008 to 2010, Mr. Becker was Vice President of Sun Capital Partners, Inc., a private investment firm. From 2007 through 2008, Mr. Becker was the Chief Operating Officer and Chief Financial Officer of Havells Sylvania, an international subsidiary of Havells India, Ltd., a Delhi based manufacturer of electronic switchgear and lighting products, listed on the India National and Mumbai stock exchanges. From 2004 through 2007 when the business was sold to Havells, Mr. Becker was the Chief Financial Officer of SLI Holdings International LLC, a manufacturer of Sylvania lighting systems.

Director Qualifications:

- Substantial international experience in senior operational and management roles
- Development of global organizations and strategic planning
- Extensive financial background, education and experience

Gerald A. Nathe, age 70, has been a Director of the Company since 1987 and has served as Chairman of the Board since February 1997. He was Chief Executive Officer from 1995 through 2001 and from 2002 through 2007. He was President of the Company from 1993 through 2001 and from 2002 through 2005. Mr. Nathe has developed a good understanding of the graphic arts business over his forty plus year career working in the industry. During this time, he has managed, led, and invested in companies that supplied equipment (pre-press and automation controls) and consumables to the global graphic arts market. Mr. Nathe has held a range of staff, operational, and managerial positions in the companies with which he has been associated, including Chief Executive Officer, President, Chairman, and member of the Boards of Directors. These company positions and responsibilities required him to interact extensively with customers such as press manufacturers, printers, and publishers around the world as well as with employees, vendors, and shareholders who are also spread around the world. Mr. Nathe has been an active participant and supporter of industry associations (and educational institutions) primarily in the Americas, but also in Asia and Europe. He has served as an officer in some of these associations and is a member of industry honor organizations such as the Ben Franklin Society, the Soderstrom Society, and the Web Offset Society. In addition, he has been the recipient of the industry's well-known Soderstrom Award and the Vanguard Leadership Award.

Director Qualifications:

- Knowledge and understanding of the global graphic arts industry
- Management and leadership of international companies
- Focus on employee, customer, and shareholder relationships
- Involvement with industry associations

Ronald B. Salvagio, age 68, has served as a Director of the Company since June 2006. Since 2001, Mr. Salvagio has been President of PRSM, Inc., a management consulting firm. He served as managing partner—corporate finance of Accenture, a global management consulting and technology services company from 1997 until 2001. From his 32-year tenure at Accenture and Arthur Andersen, Mr. Salvagio possesses significant leadership experience in financial, human resources and operational matters. In his Asia/Pacific and Global roles, he developed a substantial understanding of both U.S. and international operations. In particular, his extensive accounting background and previous audit committee chairman roles enable Mr. Salvagio to provide significant advice and input relating to financial management and reporting issues.

Director Qualifications:

- Leadership experience in financial, human resources and operational matters
- Substantial understanding of U.S. and international operations
- Extensive accounting background
- Designation as Audit Committee Financial Expert

MANAGEMENT

Directors and Executive Officers

The current Directors and executive officers of the Company are as follows:

Name	Position
Gerald A. Nathe	Chairman of the Board and Director(1)
Mark T. Becker	President, Chief Executive Officer and Director(1)
Ivan R. Habibe	Vice President, Chief Financial Officer and Treasurer
Birger Hansson	Vice President – R&D
Peter Hultberg	Vice President – Marketing, Sales and Service
Steffen Weisser	Vice President – Operations
Rolf Bergstrom	Director(4)
Samuel B. Fortenbaugh III	Director(1)
Paul R. Griswold	Director(1)(2)(3)(4)(5)
Ronald B. Salvagio	Director(2)(3)(4)
Claes Warnander	Director(2)(3)(4)

-
- (1) Member of the Executive Committee.
 - (2) Member of the Compensation Committee.
 - (3) Member of the Audit Committee.
 - (4) Member of the Nominating Committee and an Independent Director.
 - (5) Lead Director

Birger Hansson, age 58, has been Vice President – Product Management and R&D since November, 2010. He served as Global Director of Business Development from 2006 to 2010 and as Managing Director of Baldwin Oxy-Dry from 2006 to 2008. Mr. Hansson has been General Manager of the Company’s operations in China since 2009. He was Managing Director of Baldwin Jimek AB from 1995, when Baldwin acquired that Swedish subsidiary, through 2006.

Ivan R. Habibe, age 44, has been Vice President, Chief Financial Officer and Treasurer of the Company since April 4, 2011. Prior to joining Baldwin, Mr. Habibe served as Chief Financial Officer of Russell Hobbs, Inc., an \$800 million global consumer products company formed through the combination of Applica Incorporated and Salton, Inc. (OTC: SFPI) from December 2007. Prior thereto, Habibe was Chief Accounting Officer of Applica (NYSE: APN), a \$500 million consumer products company which was acquired by the private investment firm Harbinger Capital Partners in January 2007. Previously, Mr. Habibe, a CPA, had eight years’ experience with Deloitte & Touche, LLP in various roles including senior Manager of Audit and Assurance.

Peter Hultberg, age 43, has been Vice President – Marketing, Sales and Service of the Company since July 1, 2009. He has served since 2006 as Managing Director of the Company’s Swedish subsidiary, Baldwin Jimek AB, where he has been part of the management team since 1988.

Steffen Weisser, age 46, has been Vice President – Operations of the Company since July 1, 2009. Since September 2007, he has served as Managing Director of the Company’s German subsidiary, Baldwin Germany GmbH. Prior to joining Baldwin, Dr. Weisser was Managing Director of Georg Sahn GmbH, a machine manufacturer for the textiles and packaging industry in Eschwege, Germany, from 2003 to 2007.

All of the Company’s officers are elected annually by the Board of Directors and hold their offices at the pleasure of the Board of Directors. Mark T. Becker was elected, effective October 1, 2010, to serve as President and Chief Executive Officer of the Company.

See “Election of Directors” for biographies of the Directors.

BOARD OF DIRECTORS

The Board of Directors has responsibility for establishing broad corporate policies and for overseeing the management of the Company, but is not involved in day-to-day operations. Members of the Board are kept informed of the Company’s business by various reports and other documents sent to them as well as by operating and financial reports presented by management at Board and Committee meetings. During the fiscal year ended June 30, 2011, the Board held five (5) regularly scheduled meetings, three (3) special meetings, and acted by unanimous written consent six (6) times.

Director Compensation

The following table sets forth compensation paid to the Company's non-employee Directors during the fiscal year ended June 30, 2011:

Name	Fees		Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
	Earned or Paid in Cash (\$)	Stock Awards (\$)					
	(a)	(b)(c)	(c)	(d)	(e)	(f)	(g)
Mark T. Becker(d)	\$ 43,650	0	0	—	—	—	\$ 43,650
Rolf Bergstrom	\$ 49,325	\$ 12,000	\$ 5,707	—	—	—	\$ 67,032
Samuel B. Fortenbaugh III	\$ 50,700	\$ 12,000	\$ 5,707	—	—	—	\$ 68,407
Gerald A. Nathe(e)	\$ 78,000	\$ 12,000	\$ 5,707	—	—	\$ 160,000(f)	\$ 255,707
Ronald B. Salvagio	\$ 70,950	\$ 12,000	\$ 5,707	—	—	—	\$ 88,657
Claes Warnander	\$ 60,700	\$ 12,000	\$ 5,707	—	—	—	\$ 78,407
Paul J. Griswold(g)	\$ 43,250	\$ 12,000	\$ 5,707	—	—	—	\$ 60,957

- (a) During FY2011, other than the Chairman, Directors who were not employees of the Company received a \$24,000 annual retainer and a fee of \$1,250 for each meeting they attended of the Board of Directors or a Committee on which they served. The Chairman of the Board received a \$60,000 annual retainer for serving in that capacity. The Chair of the Audit Committee, the Chair of the Compensation Committee, the Chair of the Executive Committee and the Lead Director (Chair of the Nominating Committee) of the Independent Directors each receives an additional \$1,000 quarterly. All Directors are also reimbursed for ordinary, necessary and reasonable expenses incurred in attending Board and Committee meetings.
- (b) The 2005 Equity Compensation Plan (the "2005 Plan") was adopted at the 2005 Annual Meeting of Stockholders and amended at the 2008 Annual Meeting of Stockholders. Non-employee Directors received annual grants of stock options, Restricted Stock Awards ("RSAs") or, in the case of foreign directors, Restricted Stock Units ("RSUs") under the 2005 Plan. On November 18, 2010, six (6) of the current non-employee Directors of the Company received awards of RSAs or RSUs of 9,524 shares each and grants of stock options of 9,524 shares each at an exercise price of \$1.26 per share. Restrictions on the RSAs and RSUs fully lapse on the first anniversary date of the awards. Stock options vest one-third on each of the second, third and fourth anniversaries of the date of grant.
- (c) Represents the aggregate grant date fair value for RSAs and RSUs (Stock Awards) and Stock Options (Option Awards) granted during the fiscal year and computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (FASB ASC Topic 178).

- (d) Mr. Becker was named President and Chief Executive Officer of the Company effective October 1, 2010 and, therefore, subsequent to that date, no further compensation was paid to Mr. Becker for his service as a Director of the Company.
- (e) Mr. Nathe retired from full-time employment with the Company on June 30, 2010. He continues to serve as Chairman of the Board of Directors for which he is paid an annual fee of \$60,000.
- (f) Represents deferred compensation payments made to Mr. Nathe during FY2011.
- (g) Mr. Griswold was elected to the Company's Board of Directors on November 16, 2010.

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors of the Company assists the Board in its oversight of the quality and integrity of the accounting, auditing, and financial reporting practices of the Company. The Committee operates under a written charter adopted by the Board. A copy of the Audit Committee Charter, as amended in November 2010, is posted on the Company's web site under the Corporate Governance Section. Through the Company's fiscal year ended June 30, 2011 (Fiscal 2011), the committee was comprised of three non-employee Directors, each of whom was "independent" as defined by the rules of the SEC and the NYSE Amex. In addition, the Board determined that two members of the committee have accounting or related financial management expertise. The Chairman, Ronald B. Salvagio, and another member of the committee, Paul J. Griswold, were both designated as "Audit Committee Financial Experts." Effective October 1, 2010, Mark T. Becker was named President and Chief Executive Officer of the Company and since that time no longer serves on the Audit Committee. This report is prepared and presented for Fiscal 2011.

In performing its oversight responsibilities, the committee reviewed and discussed the audited consolidated financial statements of the Company for Fiscal 2011 with management and Grant Thornton LLP ("GT"), the Company's independent registered public accounting firm. Management has the primary responsibility for the financial statements and the reporting process. GT is responsible for expressing an opinion as to whether these financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States.

The committee has reviewed and discussed the consolidated financial statements of the Company and its subsidiaries, which are included as Item 8 in the Company's Annual Report on Form 10-K for Fiscal 2011, with management of the Company and GT.

The committee also discussed with GT GT's judgment as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with GT by the standards of Public Company Accounting Oversight Board (United States), including those described in Statement on Auditing Standards No. 61, "Communications with Audit Committees" and SEC Rule 2-07 of Regulation S-X.

The committee has received the written disclosures and the letter from GT required by applicable requirements of the Public Company Accounting Oversight Board and has discussed GT's independence from the Company with GT. There were no non-audit services provided by GT to the Company during Fiscal 2011.

Based on the review and discussions with management of the Company and GT referred to above, the Audit Committee recommended to the Board of Directors that the Company publish the consolidated financial statements of the Company and subsidiaries for Fiscal 2011 in the Company's Annual Report on Form 10-K for Fiscal 2011 and include such financial statements in its Annual Report to Stockholders.

The Audit Committee
Ronald B. Salvagio, Chairman
Paul J. Griswold
Claes Warnander

COMPENSATION DISCUSSION AND ANALYSIS

In this section, we provide an overview and analysis of our executive officer compensation program and policies. Later in this proxy statement, there is a series of tables containing specific information about the compensation earned or paid in the fiscal year ended June 30, 2011 to the following individuals who are referred to as our named executive officers (“NEOs”): Mark T. Becker, President and Chief Executive Officer, Ivan R. Habibe, Vice President, Chief Financial Officer and Treasurer, Peter Hultberg, Vice President – Global Sales and Marketing, Dr. Steffen Weisser, Vice President – Global Operations, Birger Hansson, Vice President – Global Product Management and R&D, and to former NEOs, Karl S. Puehringer, former President and Chief Executive Officer, and John P. Jordan, former Vice President, Chief Financial Officer and Treasurer.

Compensation Philosophy and Objectives

The Company recognizes that a critical balance must be maintained between compensation and the successful pursuit of the Company’s long-term performance and business strategies. The Company compensates its senior executives and certain other senior management employees, whose contributions are key to the Company’s success, in a manner that the Company believes will attract and retain high caliber leaders and motivate its executives and senior management to pursue the Company’s strategic objectives and maximize its long-term performance. To that end, the Company is committed to affording its NEOs and senior management employees with compensation that is competitive with regards to their knowledge, skill, experience, and responsibilities as well as competitive in the market(s) in which the Company is required to compete for executive and/or senior management talent.

The Company and the Compensation Committee of the Board of Directors (the “Committee”) has adopted a compensation philosophy that provides for a base compensation and broad-based benefit plans, which are available to all employees, annual incentive bonuses and long-term equity compensation in order to motivate executives and senior management to achieve the Company’s strategic objectives, to align the interests of executives and senior managers with the interests of the Company’s stockholders, to provide competitive total compensation, to attract, retain and motivate key management employees and to reward corporate consolidated performance.

Role of the Compensation Committee

From July 2010 to September 2010, the Committee was comprised of three non-employee Directors of the Company, two of whom were considered “independent” under the rules of the NYSE Amex, and one Director who was not independent but was appointed to the Committee under a special exception to the independence rules. From October 2010 to November 2010, the Committee was comprised of one non-employee Director who was independent and one Director who was not independent. Beginning in November 2010 and for the remainder of FY2011, the Committee was comprised of three non-employee Directors of the Company, all of whom were considered “independent” under the rules of the NYSE Amex. The Committee operates pursuant to a written charter adopted by the Board, as most recently amended in August 2010, a copy of which is posted on the Company’s web site under the Corporate Governance Section. The purpose of the Committee is to assist the Board of Directors of the Company in ensuring that proper systems of short-term and long-term compensation are in place to provide performance-oriented incentives and that compensation plans are appropriate and competitive and properly reflect the objectives and performance of management and the Company. The principal responsibilities of the Committee include: 1) reviewing and making recommendations to the Board at least annually as to the general compensation policies and practices of the Company for management employees of the Company, and making

recommendations to the Board as to the adoption or modification of compensation and benefit plans for executive officers; 2) reviewing at least annually the performance of the Chief Executive Officer; 3) reviewing and making recommendations to the Lead Director and other Independent Directors of the Board at least annually with respect to the total compensation of the Chief Executive Officer; 4) reviewing and making a recommendations to the entire Board at least annually with respect to the total compensation of each of the four most highly compensated executive officers of the Company (other than the Chief Executive Officer) and, in addition, such other employees of the Company and its subsidiaries as the Committee deems appropriate; 5) interpreting, administering and approving awards to management level employees (other than executive officers) under the Company's equity award plans and any other employee benefit plans and to perform the duties assigned to the Committee by such plans, and to review and approve managements recommendations as to equity awards and other compensation awards for non-management employees; 6) reviewing and making recommendations to the Board for awards under the Company's equity award plans to executive officers of the Company, and to review and to make recommendations to the Lead Director and to the other Independent Directors of the Board for awards under the Company's equity award plans to the Chief Executive Officer; 7) reviewing and making recommendations to the Board as to any contractual or other special employment arrangements for executive officers (and other management employees) of the Company or any of its subsidiaries; 8) reporting annually, and at such additional times as may be required, to the stockholders of the Company as to the Committee's compensation policies for the executive officers of the Company, and the basis, including the factors and criteria, for the compensation paid to the Chief Executive Officer of the Company and as to such other matters affecting the compensation payable to executive officers or other employees of the Company as may be necessary or appropriate; 9) reviewing and making recommendations to the Board with respect to the compensation and benefits for directors who are not employees of the Company; 10) reviewing and making recommendations to the Board with respect to management succession plans; and 11) performing such other duties as the Board may assign to the Committee from time to time.

Specific Elements of NEO Compensation

General

For each of the NEOs of the Company named in the Summary Compensation Table below, compensation consists of a base salary, a potential for an incentive cash bonus, equity compensation awards, and other perquisites. Mr. Puehringer and Mr. Jordan, former NEOs also had supplemental retirement benefits. The Committee annually reviews the total compensation package paid to each of the NEOs and certain other senior management employees. In fiscal 2011, the Committee and the Company's human resources group used the consulting firm, Executive Resource Group, to provide information from their database of surveys and comparable compensation packages paid to executives at a broad range of publicly and privately held manufacturing companies with market values, revenue sizes and global operating footprints similar to those of the Company. The Committee compares the compensation packages the Company provides to its NEOs with those benchmarks in determining the appropriateness of the compensation packages paid to the NEOs and considers adjustments where appropriate.

Base Salary

The base salary of each of the executives as well as non-executive employees is intended to attract and retain top level talent as well as to compensate the employees for their knowledge, skill, experience, and overall job responsibilities.

The base salary of Mark Becker was fixed by an employment agreement that was negotiated between Mr. Becker and the Committee and approved by the Independent Directors of the Board of Directors. Mr. Becker's base salary, currently \$300,000 per year, is subject to adjustment (upward but not downward unless expressly agreed to by Mr. Becker) based on performance and attainment of objectives mutually agreed-upon by Mr. Becker and the Board, which are reviewed annually by the Committee of the Board and communicated to the Board. Recommended annual increases to Mr. Becker's base salary are subject to approval by the Committee and the Independent Directors.

The base salaries of the other NEOs are also fixed by employment agreements entered into between each of the NEOs and the Company and approved by the Committee and the Board of Directors. Under the employment agreements in place, each NEO's base salary is subject to adjustment (upward but not downward unless expressly agreed to by the NEO) based on performance and attainment by the NEO of objectives mutually agreed-upon by the NEO and the Chief Executive Officer, which are reviewed annually by the Chief Executive Officer and communicated to the Committee of the Board and the Board of Directors. Recommended annual increases to the base salaries of the NEOs are also subject to the approval of the Committee and the Board of Directors.

See a more detailed description of the terms of each employment agreement between the Company and an NEO in the Employment Agreements Section below.

Bonus

Executive Officers and non-executive employees are eligible to receive cash bonuses provided through the Company's annual Management Incentive Compensation Plan (MICP). Each year, the MICP is designed to reward, recognize and motivate the NEOs and certain other key management employees for their contributions on a consolidated total company and/or location basis. Each NEO, key manager and key non-manager participant (other than Mr. Becker) could have earned cash incentive compensation based on a target bonus percentage of his/ her base salary upon the achievement of certain MICP performance targets whose purpose for Fiscal 2011 was to focus the participants' attention on earnings (through Profit Before Tax) and on cash (through Operating Cash Flow). For Fiscal 2011, the individual target award opportunities for MICP participants ranged from 7.5% to 50% of base salary with Mr. Habibe, Dr. Weisser, Mr. Hultberg and Mr. Hansson each participating at the 50% bonus level. Mr. Becker's bonus level for fiscal year 2011 was 100% of his base salary and his bonus was based on the completion of the objectives and the satisfaction of the criteria set forth in Mr. Becker's employment agreement, which were mutually agreed upon by Mr. Becker and the Committee and approved by the Independent Directors and by the Board. Approximately sixty (60) employees, or about eleven percent (11%) of the Company's worldwide employee base of 529 as of June 30, 2011, participated in the fiscal year 2011 MICP.

Equity Compensation Awards

The Company's NEOs as well as certain other management employees, who in the judgment of the Chief Executive Officer, are in a position to contribute significantly to the Company in order to create stockholder value, receive stock options, restricted stock grants, restricted stock units, and/or performance shares generally once each year. Recommendations for issuing options, restricted stock, restricted stock units and performance shares are reviewed and approved by the Committee and the Board of Directors, and, in the instance of the Chief Executive Officer, by the Independent Directors. Approximately thirty-two (32) officers, senior managers and other key employees or about six percent (6%) of the Company's worldwide employee base of 529 as of June 30, 2011 were identified as participants in the Company's equity compensation program.

Supplemental Retirement Benefits

Mr. Puehringer, former President and CEO, was entitled to deferred compensation, and Mr. Jordan, former Vice President, CFO and Treasurer, was entitled to a supplemental retirement benefit (SERP) in accordance with their respective employment agreements. The deferred compensation and SERP are non-qualified defined retirement plans that provide supplemental retirement income to the named NEO and provide retirement benefits in excess of the Company's 401(k) profit sharing and savings plan because of the limitations imposed by the IRS upon contributions made with respect to the Company's 401(k) plan. The IRS limit on earnings (\$245,000 for 2011) for purposes of computing the maximum contribution that can be made to the Company's 401(k) plan does not apply to payments under a SERP.

Mr. Puehringer's employment agreement provided for deferred compensation to be paid to him, his designated beneficiary or beneficiaries, or his estate for a period of fifteen (15) years upon termination of his employment, subject to a vesting schedule set forth in his employment agreement. Upon Mr. Puehringer's employment agreement being terminated on September 30, 2011, the amount of the annual deferred compensation benefit paid by the Company to Mr. Puehringer in connection with this benefit during fiscal year 2011 was \$94,500.

Mr. Jordan's employment agreement provided for a supplemental retirement benefit to be paid to him for ten (10) years upon termination of his employment, subject to a vesting schedule set forth in his employment agreement. The amount of the annual benefit to be paid to Mr. Jordan is based on a years of service and final average base salary. As a result of Mr. Jordan's employment agreement being terminated on February 16, 2011, the annual benefit payable to Mr. Jordan commencing on September 1, 2011 is \$30,600 payable for ten (10) years.

Mr. Hultberg's employment agreement provides for the Company to make a supplemental retirement contribution each year of 15% of his base salary to a private pension scheme of his choice. The amount contributed by the Company to this scheme for fiscal year 2011 was \$32,000 (converted from SEKs using the June 30, 2011 exchange rate).

Mr. Hansson's employment agreement provides for the Company to make a supplemental retirement contribution each year of 15% of his base salary to a private pension scheme of his choice. The amount contributed by the Company to this scheme for fiscal year 2011 was \$39,001 (converted from SEKs using the June 30, 2011 exchange rate).

Dr. Weisser's employment agreement provides for the Company to reimburse Dr. Weisser for the cost of private pension insurance that will provide Dr. Weisser with pension benefits in addition to pension benefits provided by the German social plan. The amount contributed by the Company during fiscal year 2011 was \$8,701 (converted from Euros using the June 30, 2011 exchange rate).

Perquisites

Generally, corporate officers are provided the same fringe benefits as all other Company employees in their respective locations, such as health, dental, vision and prescription drug insurance; group life insurance; and group short and long-term disability insurance. In addition, NEOs are also provided certain perquisites such as a monthly car allowance, supplemental life insurance and supplemental long-term disability insurance, club/ membership fees, legal fees, and accounting/financial advice fees. The compensation received by each NEO on account of these personal benefits is shown in the column captioned "All Other Compensation" of the Summary Compensation Table below.

Severance and Change-in-Control Agreements

Mr. Becker, Mr. Habibe, Dr. Weisser, Mr. Hansson and Mr. Hultberg are afforded certain severance and change-in control benefits as provided for in each of their respective employment agreements. The specific details of such severance and change-in-control benefits are discussed below under Potential Payments upon Termination or Change of Control. Mr. Puehringer and Mr. Jordan were afforded certain severance and change-in-control benefits as provided for in each of their respective employment agreements with the Company. Mr. Puehringer's and Mr. Jordan's employment agreements were terminated effective September 30, 2010 and February 16, 2011, respectively.

Process for Setting and Reviewing Compensation

The Committee reviews and determines the compensation for its executive officers and certain senior managers by identifying the market value of each position and determining the appropriate mix of compensation elements in order to maintain alignment with the Company's goals and objectives. The Committee considers and compiles compensation data from proprietary and public surveys that track companies in the manufacturing sector that are comparable in size and similar in annual revenues. Where and when appropriate, the Company and/or the Committee have the authority to retain the services of outside compensation consultants to better understand the competitive marketplace and to assess the appropriateness of the Company's compensation programs. In addition to the survey data used to identify specific market levels for direct compensation, in May 2008 the Company and the Committee also conducted a baseline study among peer companies concerning short and long-term compensation practices and trends. This effort informed the Company about practices of similarly-situated companies when the Company was reviewing and establishing compensation programs to meet its compensation and strategic objectives. For this purpose, the Company and Committee considered a broad range of publicly traded manufacturing companies with market values, revenue size and global operating footprints similar to those of the Company.

Resources for Advice on Executive and Director Compensation

The Company's management and human resources department supports the Committee in its work of reviewing and determining executive officer and Director compensation. In its support role, management and the human resources department recommend, but do not determine, the amount or form of executive and Director compensation. Where and when appropriate, the Company and/or the Committee retain the services of outside compensation consultants to better understand the competitive marketplace and to assess the appropriateness of the Company's compensation programs. During Fiscal 2011, the Company and the Committee used the services of Executive Resource Group, a human resource consulting firm, for the assessment of pay competitiveness as well as evaluation of normative market practices for delivering executive and senior management compensation, benefits and perquisites.

Accounting and Tax Considerations

Deductibility of Compensation under Federal Income Taxes

Based on currently prevailing authority, including Treasury Regulations issued in December 1995, and in consultation with outside tax and legal experts, the Committee has determined that it is unlikely that the Company paid any amounts with respect to Fiscal 2011 that would result in the loss of a federal income tax deduction under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and accordingly has not recommended that any special actions be taken, or plans or programs be revised at this time in light of such tax law provision (except that the Company intends that stock options granted under the 1996 Plan, and stock options or other awards made under the 2005 Plan, have an exercise price which is the fair market value of the stock on the date of grant and that such options qualify as "performance-based compensation" under Section 162(m) of the Code).

COMPENSATION COMMITTEE REPORT

The Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based on this review and discussion, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's proxy statement.

This report shall not be deemed to be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, and shall not otherwise be deemed filed under such statutes.

The Compensation Committee
Claes Warnander, Chairman
Paul J. Griswold
Ronald B. Salvagio

COMPENSATION COMMITTEE INTERLOCKS
AND INSIDER PARTICIPATION IN COMPENSATION DECISIONS

None.

SUMMARY COMPENSATION TABLE

The following table sets forth the aggregate amounts of compensation earned in the fiscal year ended June 30, 2011 for services rendered in all capacities by the Named Executive Officers for the periods during which they served as an NEO.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) (1)	Option Awards (\$) (1)	Non-Equity Incentive Plan Compensation (\$) (2)	Change in Pension and Nonqualified Deferred Compensation Earnings (\$) (3)	All Other Compensation (\$)	Total (\$)
Mark T. Becker(4) President & CEO	2011	\$ 220,385	\$ 260,000(5)	—	\$ 220,920	—	—	\$ 32,033(6)	\$ 733,338
Ivan R. Habibe(7) Vice President, CFO and Treasurer	2011	\$ 57,692	—	—	\$ 116,235	—	—	—	\$ 173,927
Karl S. Puehringer Former President & CEO	2011	\$ 101,769	—	—	—	—	—	\$ 549,417(8)	\$ 651,186
	2010	\$ 378,000	—	\$ 45,500	\$ 21,000	—	\$ 42,908	\$ 34,662	\$ 522,070
	2009	\$ 403,039	—	\$ 60,300	\$ 2,764	—	\$ 41,891	\$ 39,579	\$ 547,573
John P. Jordan Former Vice President, CFO and Treasurer	2011	\$ 158,002	—	—	—	—	—	\$ 12,775(9)	\$ 170,777
	2010	\$ 228,617	—	\$ 27,300	\$ 12,600	—	\$ 86,082	\$ 12,608	\$ 367,207
	2009	\$ 244,702	—	\$ 33,500	—	—	\$ 80,132	\$ 20,318	\$ 378,652
Steffen Weisser Vice President – Operations	2011	\$ 282,774	—	—	\$ 32,936	—	—	\$ 23,260(10)	\$ 338,970
	2010	\$ 214,619	—	\$ 59,050	\$ 12,600	—	—	\$ 18,267	\$ 304,536
Peter Hultberg Vice President – Marketing, Sales and Service	2011	\$ 231,112	—	—	\$ 32,936	—	—	\$ 51,943(11)	\$ 315,991
	2010	\$ 163,038	—	\$ 59,050	\$ 12,600	—	—	\$ 42,971	\$ 277,659
Birger Hansson(12) Vice President – Product Management and R & D	2011	\$ 231,422	—	—	\$ 32,936	—	—	\$ 54,233(13)	\$ 318,591

Notes:

(1) Represents the aggregate grant date fair value for RSAs and RSUs (Stock Awards), Performance Share Awards and Stock Options (Option Awards) granted during the fiscal year and prior fiscal years, and computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (FASB ASC Topic 178).

(2) Includes cash bonus earned, but not paid until the subsequent year, under the Company's MICP.

- (3) Represents total earnings of the accumulated benefits under the Company's SERP arrangements (see SERP table below) for the NEOs from July 1, 2010 (the beginning of Fiscal 2011) to June 30, 2011 (the end of Fiscal 2011).
- (4) Elected President and Chief Executive Officer effective October 1, 2010.
- (5) Represents cash bonus earned for Fiscal 2011, but not yet paid, in accordance with the employment terms between Mr. Becker and the Company.
- (6) For Fiscal 2011, the figure includes a \$3,661 life insurance premium, \$21,184 paid by the Company during Fiscal 2011 as reimbursement for interim housing expenses, and a \$7,188 gross-up payment to cover taxes associated with Mr. Becker's interim housing.
- (7) Elected Vice President, Chief Financial Officer and Treasurer effective April 4, 2011.
- (8) For Fiscal 2011, the figure includes a \$3,480 life insurance premium, a \$3,682 auto allowance, \$5,000 for legal advice, \$15,486 as reimbursement for COBRA expenses, a \$112,269 payment for accrued and unused vacation upon termination of Mr. Puehringer's employment with the Company, \$315,000 in severance payments and \$94,500 in deferred compensation payments.
- (9) For Fiscal 2011, the figure includes a \$1,117 long-term disability insurance premium, a \$2,831 auto allowance and a \$8,827 payment for accrued and unused vacation upon Mr. Jordan's termination of employment with the Company.
- (10) For Fiscal 2011, the figure includes a \$14,559 auto allowance and \$8,701 contribution to a personal pension insurance. Dr. Weisser's Fiscal 2011 salary and benefits amounts are translated from Euros using the exchange rate in effect on June 30, 2011.
- (11) For Fiscal 2011, the figure includes a \$16,813 auto allowance, \$32,000 contribution to a personal pension insurance \$1,985 for longer term disability insurance and \$1,145 for immediate medical care insurance. Mr. Hultberg's Fiscal 2011 salary and benefit amounts are translated from SEKs using the exchange rate in effect on June 30, 2011.
- (12) Elected Vice President effective November 16, 2010. Mr. Hansson's Fiscal 2011 salary and benefit amounts are translated from SEKs using the exchange rate in effect on June 30, 2011.
- (13) For Fiscal 2011, the figure includes a \$9,592 auto allowance, \$39,001 contribution to a personal pension insurance, \$3,933 for long-term disability insurance and \$1,707 for immediate medical care insurance. Mr. Hansson's Fiscal 2011 salary and benefit amounts are translated from SEKs using the exchange rate in effect on June 30, 2011.

Employment Agreements

Mark T. Becker

On January 5, 2011, the Company entered into an employment agreement with Mark T. Becker, its President and Chief Executive Officer, effective October 1, 2010. The agreement provides for the Company to (a) pay to Mr. Becker (i) an annual base salary of \$300,000, subject to adjustment (upward but not downward by the Board, in its sole discretion) based on Mr. Becker's performance and the attainment by Mr. Becker of objectives mutually

agreed-upon by Mr. Becker and the Board, which are reviewed annually by the Compensation Committee of the Board who communicates its findings to the Board, (ii) a cash bonus of up to \$300,000 based on completion of certain stated objectives, and (iii) certain amounts upon termination of his employment, such amounts to depend upon whether the termination was initiated by the Company or by Mr. Becker, whether the termination was with or without cause or with or without Company consent, and whether the termination was due to his death or disability or a change of control; (b) grant to Mr. Becker as an inducement to enter into the employment agreement, options to purchase (i) 200,000 shares of Class A Common Stock of the Company at an exercise price of \$1.20 per share under the Company's 2005 Equity Compensation Plan, which options immediately vested on October 1, 2010, and (ii) 200,000 shares of Class A Common Stock of the Company at an exercise price of \$1.20 per share, which options vested on October 1, 2011. Mr. Becker's employment agreement could terminate on or after March 31, 2012 upon three (3) months' notice given by either Mr. Becker or the Company to the other (or earlier upon death or disability). Mr. Becker has agreed that, for a period of two (2) years after the termination of his employment under the employment agreement, he will not compete, directly or indirectly, with the Company.

Ivan R. Habibe

Effective April 4, 2011, the Company entered into an employment agreement with Ivan R. Habibe, its Chief Financial Officer, Treasurer and Vice President of Global Administrative Services. The agreement provides for the Company to (a) pay to Mr. Habibe (i) an annual base salary of \$250,000 subject to adjustment (upward but not downward by the Board, in its sole discretion) based on Mr. Habibe's performance and the attainment by Mr. Habibe of objectives mutually agreed-upon by Mr. Habibe and the CEO, which are reviewed annually by the CEO who communicates his findings to the Compensation Committee of the Board and the Board of Directors, (ii) incentive compensation under the Company's MICP, and (iii) certain amounts upon termination of his employment, such amounts to depend upon whether the termination was before or after July 4, 2011, initiated by the Company or by Mr. Habibe, or was with or without cause or due to his death or disability or a change of control; and (b) grant to Mr. Habibe as an inducement to enter into the employment agreement, options to purchase 150,000 shares of Class A Common Stock of the Company at an exercise price of \$1.61 per share within thirty (30) days of the effective date of Mr. Habibe's employment agreement which options will vest in three equal annual installments commencing on the first anniversary of the date of grant. Mr. Habibe's employment agreement could terminate with thirty (30) days prior notice given by either Mr. Habibe or the Company to the other (or earlier upon death or disability). Mr. Habibe has agreed that, for a period of one (1) year after the termination of his employment under the employment agreement, he will not compete, directly or indirectly, with the Company.

Birger Hansson

In January 2006, the Company's Swedish subsidiary, Baldwin Jimek AB, entered into a new employment agreement with Birger Hansson, the Company's Director of Global Product & Business Development, effective July 1, 2005, replacing an earlier agreement dated February 10, 1995 with a predecessor company. The new agreement was amended on January 3, 2011 to clarify Mr. Hansson's duties and change his title to Vice President – Product Management and R&D. The new agreement, as amended, provides for the Company to pay to Mr. Hansson (a) a base monthly salary of 112,227 SEK, which was increased to 119,062 SEK per month effective July 1, 2008, (this was amended by Letter Agreement dated January 29, 2009, wherein Mr. Hansson agreed to a ten (10%) percent reduction in his base salary, effective February 1, 2009, which reduction was lifted on October 1, 2010), and increased to 130,968 SEK per month (approximately \$19,431) effective January 1, 2011, (b) incentive compensation under the Company's MICP, and (c) a supplemental retirement contribution of 15%

annually to a pension scheme of his choice. Mr. Hansson has an early retirement option at age sixty (60) which, if exercised, calls for the Company to make payments equal to 50% of his then current monthly base salary for twenty-four (24) months following retirement. The employment agreement is valid until terminated by either Mr. Hansson or the Company with six (6) months written notice given to the other. Mr. Hansson has agreed that, during any notice period, and if terminated by the Company, during an additional twenty-four month severance period, he will not compete, directly or indirectly, with the Company.

Peter Hultberg

In September 2009, the Company's Swedish subsidiary, Baldwin Jimek AB, entered into a new employment agreement with Peter Hultberg, the Company's Vice President – Marketing, Sales and Service, effective July 1, 2009, replacing an earlier agreement dated March 3, 2006. The new agreement was amended on January 3, 2011 to clarify Mr. Hultberg's duties and change his title to Managing Director/Vice President – Global Sales and Marketing. The new agreement, as amended, provides for the Company to pay to Mr. Hultberg (a) a base monthly salary of SEK 110,508, which was increased to SEK 125,000 per month (approximately \$17,565) effective January 1, 2010 (this was amended by Letter Agreement dated January 29, 2009, wherein Mr. Hultberg agreed to a ten (10%) percent reduction in his base salary, effective February 1, 2009, which reduction was lifted on October 1, 2010), (b) incentive compensation under the Company's MICP, (c) equity compensation under the Company's 2005 Equity Compensation Plan, and (d) a supplemental retirement contribution of 15% annually to a pension scheme of his choice. The agreement is valid until terminated by either Mr. Hultberg or the Company with six months written notice given to the other. If terminated by the Company, Mr. Hultberg shall be entitled to receive a severance payment equal to six months salary following expiration of the notice period. Mr. Hultberg has agreed that, during any notice period, and if terminated by the Company, during an additional six month severance period, he will not compete, directly or indirectly, with the Company.

Steffen Weisser

In September 2009, the Company's German subsidiary, Baldwin Germany GmbH, entered into a new employment agreement with Dr. Steffen Weisser, the Company's Vice President – Operations, effective July 1, 2009, replacing an earlier agreement dated June 28, 2007. The new agreement was amended on January 3, 2011 to clarify Dr. Weisser's duties and change his title to Managing Director of Baldwin Germany GmbH and Vice President – Global Operations of the Company. The new agreement, as amended, provides for the Company to pay to Dr. Weisser (a) an annual base salary of EU 190,000 which was increased to EU 200,000 (approximately \$244,580) effective January 1, 2010 (this was amended by Letter Agreement dated January 29, 2009, wherein Dr. Weisser agreed to a ten (10%) percent reduction in his base salary, effective February 1, 2009, which reduction was lifted on October 1, 2010), (b) incentive compensation under the Company's MICP, (c) equity compensation under the Company's 2005 Equity Compensation Plan, and (d) a private pension insurance scheme contribution of up to EU 500 per month. The agreement is valid until terminated by either Dr. Weisser or the Company with six months written notice given to the other, but if not previously terminated, it shall expire when Dr. Weisser reaches the age of 65. If terminated by the Company without cause, Dr. Weisser shall be entitled to receive a severance payment equal to six months salary following expiration of the notice period. Dr. Weisser has agreed that, during any notice period, and if terminated by the Company, during an additional six month severance period, he will not compete, directly or indirectly, with the Company, in exchange for fifty (50%) percent of his average total monthly salary for six months, less any severance paid.

GRANTS OF PLAN-BASED AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The following table sets forth information regarding grants made during the fiscal year ended June 30, 2011 to the NEOs pursuant to the Company's 2005 Equity Compensation Plan and the 2011 MICP.

Name	Grant Date	Estimated Future Payouts Under			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$)	Grant Date Fair Value of Stock and Option Awards (\$)(10)
		Threshold	Target	Maximum				
Mark T. Becker	10/01/2010(1)	\$ 0	\$ 300,000	\$ 300,000	—	—	—	—
	10/1/2010(4)	—	—	—	—	200,000	\$ 1.20	\$ 110,465
	10/1/2010(5)	—	—	—	—	200,000	\$ 1.20	\$ 110,465
Ivan R. Habibe	04/04/2011(2)	\$ 0	\$ 31,250	\$ 46,875	—	—	—	—
	04/04/2011(6)	—	—	—	—	150,000	\$ 1.61	\$ 116,235
Birger Hansson	09/28/2010(3)	\$ 0	\$ 124,178	\$ 186,267	—	—	—	—
	02/17/2011(7)	—	—	—	—	45,000	\$ 1.52	\$ 32,936
Karl S. Puehringer(8)	09/28/2010(3)	\$ 0	\$ 52,500	\$ 78,750	—	—	—	—
John P. Jordan(9)	09/28/2010(3)	\$ 0	\$ 80,325	\$ 120,488	—	—	—	—
Steffen Weisser	09/28/2010(3)	\$ 0	\$ 145,012	\$ 217,518	—	—	—	—
	02/17/2011(7)	—	—	—	—	45,000	\$ 1.52	\$ 32,936
Peter Hultberg	09/28/2010(3)	\$ 0	\$ 118,519	\$ 177,778	—	—	—	—
	02/17/2011(7)	—	—	—	—	45,000	\$ 1.52	\$ 32,936

(1) Amounts shown in the table above as "Target" and "Maximum" are the bonus amounts as stipulated in Mr. Becker's employment agreement. An estimated payment of \$260,000 was earned by Mr. Becker during the Company's fiscal year ended June 30, 2011.

(2) Amounts shown in the table above as "Target" and "Maximum" are the bonus amounts as stipulated in Mr. Habibe's employment agreement and are pro-rated based on Mr. Habibe's date of employment with the Company of April 4, 2011; no bonus payments were earned by or made to Mr. Habibe during the Company's fiscal year ended June 30, 2011.

(3) Award letters were distributed on this date under the Company's Fiscal 2011 MICP. No payments were earned by or made to the NEOs or former NEOs under the Fiscal 2011 MICP for the Company's fiscal year ended June 30, 2011.

(4) Stock Options granted at an exercise price of \$1.20 per share; options vested immediately on the Grant Date.

(5) Stock Options granted at an exercise price of \$1.20 per share; options vested one year from the Grant Date.

(6) Stock Options granted at an exercise price of \$1.61 per share, which represents the closing price of the Company's Class A Common Stock on the Grant Date; options vest one third on each of the first, second and third anniversaries of the Grant Date and expire on the tenth anniversary of the Grant Date.

- (7) Stock Options granted at an exercise price of \$1.52 per share, which represents the closing price of the Company's Class A Common Stock on the Grant Date; options vest one third on each of the second, third and fourth anniversaries of the Grant Date and expire on the tenth anniversary of the Grant Date.
- (8) Target and maximum bonus amounts are pro-rated to reflect the termination of Mr. Puehringer's employment on September 30, 2010.
- (9) Target and maximum bonus amounts are pro-rated to reflect the termination of Mr. Jordan's employment on February 16, 2011.
- (10) Represents the aggregate Grant Date fair value of the awards computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (FASB ASC Topic 178).

Edgar Filing: BALDWIN TECHNOLOGY CO INC - Form DEF 14A

OUTSTANDING EQUITY AWARDS AT JUNE 30, 2011

The following table lists the outstanding stock options, and the unvested restricted stock awards, restricted stock unit awards and performance share awards held at June 30, 2011 by each of the NEOs and former NEOs.

Name	Option Awards					Stock Awards			Equity
	Grant Date	Number of Shares of Common Stock Underlying Unexercised Options (#) Exercisable	Number of Shares of Common Stock Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)(a)	Market Value of Shares or Units of Stock that have not Vested (\$)(1)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights that have not Vested (#)(b)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that have not Vested (\$)(1)
Karl S. Puehringer(2)	11/13/2001	25,000	—	\$ 1.15	09/30/2012	—	—	—	—
	8/13/2002	30,000	—	\$ 0.82	09/30/2012	—	—	—	—
Steffen Weisser	11/11/2008	—	—	—	—	—	—	4,000	\$ 4,760
	11/11/2008	—	—	—	—	2,667	\$ 3,174	—	—
	08/17/2009	—	—	—	—	16,667	\$ 19,834	—	—
	11/10/2009	—	15,000	\$ 1.82	11/10/2019	—	—	—	—
	11/10/2009	—	—	—	—	10,000	\$ 11,900	—	\$ 17,850
	11/10/2009	—	—	—	—	—	—	15,000	—
	02/17/2011	—	45,000	\$ 1.52	02/17/2021	—	—	—	—
Peter Hultberg	08/17/2004	5,000	—	\$ 3.41	08/17/2014	—	—	—	—
	11/11/2008	—	—	—	—	—	—	4,000	\$ 4,760
	11/11/2008	—	—	—	—	2,667	\$ 3,174	—	—
	08/17/2009	—	—	—	—	16,667	\$ 19,834	—	—
	11/10/2009	—	15,000	\$ 1.82	11/10/2019	—	—	—	—
	11/10/2009	—	—	—	—	10,000	\$ 11,900	—	—
	11/10/2009	—	—	—	—	—	—	15,000	\$ 17,850
02/17/2011	—	45,000	\$ 1.52	02/17/2021	—	—	—	—	
Mark T. Becker	11/12/2003	5,000	—	\$ 1.90	11/12/2013	—	—	—	—
	11/10/2004	5,000	—	\$ 3.25	11/10/2014	—	—	—	—
	11/10/2009	—	3,000	\$ 1.82	11/10/2019	—	—	—	—
	10/1/2010	200,000	—	\$ 1.20	10/1/2020	—	—	—	—
	10/1/2010	—	200,000	\$ 1.20	10/1/2020	—	—	—	—
Ivan R. Habibe	04/04/2011	—	150,000	\$ 1.61	04/04/2021	—	—	—	—
Birger Hansson	08/17/2004	5,000	—	\$ 3.41	08/17/2014	—	—	—	—
	11/11/2008	—	—	—	—	2,667	\$ 3,174	—	—
	11/11/2008	—	—	—	—	—	—	4,000	\$ 4,760
	11/10/2009	—	8,000	\$ 1.82	11/10/2019	—	—	—	—
	11/10/2009	—	—	—	—	5,333	\$ 6,346	—	—
	11/10/2009	—	—	—	—	—	—	8,000	\$ 9,520
	02/17/2011	—	45,000	\$ 1.52	02/17/2021	—	—	—	—

-
- (1) Represents the number of shares of unvested RSAs, RSUs or PSAs which remain under restriction multiplied by \$1.19, the fair market value (closing price) of the Company's Class A Common Stock on June 30, 2011, the last trading day of Fiscal 2011.
- (2) Pursuant to the Termination Agreement between Karl S. Puehringer and the Company, effective September 30, 2010, stock options which were granted to Mr. Puehringer and which have vested but would otherwise have expired prior to September 30, 2012 may be exercised by Mr. Puehringer and shall not expire until September 30, 2012.

VESTING SCHEDULE FOR UNVESTED RSAS AND PSAS

The amounts shown in columns (a) and (b) of the Outstanding Equity Awards at June 30, 2011 Table above are RSAs or RSUs and PSAs that have not yet vested. The table below shows the vesting schedules for these outstanding awards. All awards below vest on the anniversary of the date of grant in the calendar year indicated except PSAs which vest upon achieving certain targets by the fiscal year end (June 30) in the calendar year indicated.

Name	Grant Date	CY2011	CY2012	CY2013
Birger Hansson	11/11/2008	2,667	—	—
	11/11/2008(1)	4,000	—	—
	11/10/2009	2,666	2,667	—
	11/10/2009(1)	—	8,000	—
Peter Hultberg	11/11/2008	2,667	—	—
	11/11/2008(1)	4,000	—	—
	08/17/2009	8,333	8,333	—
	11/10/2009	5,000	5,000	—
	11/10/2009(1)	—	15,000	—
Steffen Weisser	11/11/2008	2,667	—	—
	11/11/2008(1)	4,000	—	—
	08/17/2009	8,333	8,333	—
	11/10/2009	5,000	5,000	—
	11/10/2009(1)	—	15,000	—

-
- (1) PSAs

OPTION EXERCISES AND STOCK VESTED FOR THE FISCAL
YEAR ENDED JUNE 30, 2011

The following table lists the exercise of stock options and the lapse of restrictions with respect to restricted stock awards (RSAs) or restricted stock units (RSUs) for each NEO during the fiscal year ended June 30, 2011.

Name	Option Awards		Stock Awards	
	Number of Shares of Common Stock Acquired on Exercise (#)	Value Realized on Exercise (\$) (1)	Number of Shares of Common Stock Acquired on Vesting (#)	Value Realized on Vesting (\$) (2)
Karl S. Puehringer	—	—	16,667	\$ 25,000
Mark T. Becker	3,000	\$ 1,080	3,000	\$ 3,600
	5,000	\$ 4,550	756	\$ 877
John P. Jordan	—	—	5,000	\$ 6,000
	—	—	5,556	\$ 6,556
	—	—	6,667	\$ 7,734
Ivan R. Habibe	—	—	—	—
Peter Hultberg	—	—	2,666	\$ 3,146
	—	—	2,500	\$ 2,900
	—	—	5,000	\$ 6,000
Steffen Weisser	—	—	2,666	\$ 3,146
	—	—	5,000	\$ 6,000
	—	—	3,333	\$ 3,866
Birger Hansson	—	—	2,667	\$ 3,200
	—	—	2,666	\$ 3,146
	—	—	2,500	\$ 2,900

- (1) Value Realized on Exercise represents the difference between the exercise price and the fair market value (closing price) of the Company's Class A Common Stock on the date the options were exercised.
- (2) Value Realized on Vesting represents the fair market value (closing price) of the Company's Class A Common Stock on the date the restrictions on the RSAs or RSUs lapsed.

PENSION BENEFITS (SUPPLEMENTAL RETIREMENT BENEFITS — SERPs)

The table below shows the present value of accumulated benefits as of the last day of the fiscal year ended June 30, 2011 payable to each of the former NEOs who have SERP arrangements with the Company and the number of years of service credited to each of those former NEOs under the SERP agreements. The calculation and valuation of the accumulated benefits for the fiscal year ended June 30, 2011 were made by Watson Wyatt Worldwide, the Company's actuarial consultants, in accordance with requirements of applicable generally accepted accounting standards and in conformance with generally accepted actuarial principles and practices.

The material assumptions used in those calculations are set forth in Note 12 – Supplemental Compensation -- to the consolidated financial statements of the Company contained in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2011, and are incorporated by reference herein.

Name	Plan Name	Number of Years Credited Service (#)	Present	Payments During Last Fiscal Year (\$)
			Value of Accumulated Benefit (\$)	
Karl S. Puehringer	SERP	9	\$ 1,295,871(1)	\$94,500
John P. Jordan	SERP	3	\$ 246,550(2)	—

- (1) The amount shown in the table represent the present value of the accumulated benefit; however, pursuant to the Termination Agreement between Karl S. Puehringer and the Company, effective September 30, 2010, Mr. Puehringer or his Beneficiary will be paid an actual amount equal to one million eight hundred ninety thousand (\$1,890,000) dollars commencing in April 2011 and ending in September 2025, payable \$31,500 during April, May and June 2011 and thereafter a monthly payment of \$10,500 for a period of one hundred seventy-one (171) months.
- (2) The amount shown in the table represents the present value of the accumulated benefit; however, pursuant to the Termination Agreement between John P. Jordan and the Company, effective February 16, 2011, Mr. Jordan or his Beneficiary will be paid an actual amount equal to three hundred six thousand (\$306,000) dollars commencing in September 2011 and ending in March 2021, payable \$17,850 during September 2011 and thereafter a monthly payment of \$2,550 for a period of one hundred thirteen (113) months.

Other than the benefits described above, the Company does not provide either its former NEOs or current NEOs with any nonqualified deferred compensation benefits.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The employment agreements that the Company has entered into with each of the current NEOs require the Company to provide for certain payments to those NEOs in the event of termination of their employment or a change in control of the Company. The following table shows estimated payments to each of the Company's current NEOs under their existing contracts under various scenarios involving a termination of employment or a change in control of the Company, assuming that such individual's employment was terminated or a change in control of the Company had occurred on June 30, 2011.

Payment	Mark T. Becker	Ivan R. Habibe	Steffen Weisser	Peter Hultberg	Birger Hansson
Upon termination by the Company without Cause					
Cash Severance	\$ 300,000	\$ 125,000	\$ 145,012	\$ 118,519	\$ 496,712
Accrued but unpaid MICP(1)	\$ 300,000	\$ 125,000	\$ 145,012	\$ 118,519	\$ 124,178
Insurance reimbursement	\$ 14,445	\$ 9,984	—	\$ 6,301	—
Accrued vacation	\$ 18,462	\$ 5,769	\$ 22,310	\$ 68,486	\$ 69,606

Edgar Filing: BALDWIN TECHNOLOGY CO INC - Form DEF 14A

Payment	Mark T. Becker	Ivan R. Habibe	Steffen Weisser	Peter Hultberg	Birger Hansson
Upon termination by Mutual Consent					
Accrued but unpaid MICP	\$ 300,000	\$ 125,000	\$ 145,012	\$ 118,519	\$ 124,712
Insurance reimbursement	\$ 14,445	\$ 9,984	—	\$ 6,301	—
Accrued vacation	\$ 18,462	\$ 5,769	\$ 22,310	\$ 68,486	\$ 69,606
Upon termination by the Company for Cause					
Accrued vacation	\$ 18,462	\$ 5,769	\$ 22,310	\$ 68,486	\$ 69,606
Upon termination by the Executive upon a change in control(2)					
Cash Severance	\$ 300,000	\$ 125,000	—	—	—
Accrued but unpaid MICP	\$ 300,000	\$ 125,000	—	—	—
Insurance reimbursement	\$ 14,445	\$ 9,984	—	—	—
Accrued vacation	\$ 18,462	\$ 5,769	\$ 22,310	\$ 68,486	\$ 69,606
Upon termination by the Company upon a change in control(2)					
Cash Severance	\$ 300,000	\$ 250,000	\$ 145,012	\$ 118,519	\$ 496,712
Accrued but unpaid MICP	\$ 300,000	\$ 125,500	\$ 145,012	\$ 118,519	\$ 124,178
Insurance reimbursement	\$ 14,445	\$ 9,984	—	\$ 6,301	—
Accrued vacation	\$ 18,462	\$ 5,769	\$ 22,310	\$ 68,486	\$ 69,606
Upon termination as a result of Disability					
Severance Payment	\$ 300,000	\$ 125,000	—	—	—
Accrued but unpaid MICP	\$ 300,000	\$ 125,000	\$ 145,012	\$ 118,519	\$ 124,178
Insurance reimbursement	\$ 14,445	\$ 9,984	—	—	—
Accrued vacation	\$ 18,462	\$ 5,769	\$ 22,310	\$ 68,486	\$ 69,606
Upon termination as a result of					